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A new vision for student transportation

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OSBA Response to a New Vision for Student Transportation in Ontario

As the industry association representing nearly all school buses in Ontario, the Ontario School Bus Association (OSBA) is pleased to offer industry insight and ideas in response to the Ministry of Education's request for feedback on "strategies, partnerships, best practices and innovations to create a sustainable student transportation system" in Ontario.

Fundamentally, OSBA and its members share a common goal with the government of Ontario. We make certain every student arrives safely to school, on time, and in an environment promoting student success.

OSBA and its members are proud that Ontario's school bus industry maintains the highest commercial vehicle safety record on the road according to Transport Canada. However, to support sustainable and safe student transportation systems across the province, all stakeholders - including industry, government, school boards and transportation consortia - must work together to address long-term funding issues, fair and viable procurement practices, and driver recruitment and retention challenges.

Maintaining strong student transportation systems in Ontario requires a highly-trained, stable, professional driver roster who manage multiple priorities - including road safety, responsible vehicle operation and student behaviour. Given the government of Ontario is the sole home-to-school student transportation funder in the province, it is vital that adequate funding is in place to ensure the system achieves standardized service delivery. Student transportation must be flexible in responding to changing needs and challenges, while maintaining high standards for school bus safety, reliability and on-time performance.

OSBA welcomes the opportunity to collaborate with the Ministry of Education and the province to build innovative programs and initiatives. These will improve the student transportation system for all students, parents, teachers, bus operators, drivers and administrators.

About the OSBA

OSBA is a not-for-profit association providing advocacy, education and legislative consultation services to school bus fleet owners, school boards/transportation consortia and supplier/manufacture members across Ontario. For over 60 years, OSBA has fostered unique partnerships with provincial and federal governments, school boards and transportation consortia, manufacturers, distributors and other transportation sectors, resolving issues important to members and ensuring students are transported to school safely, securely, on-time and ready to learn.

OSBA has consistently worked with the Ministry of Transportation of Ontario (MTO), Transport Canada and the Canadian Standards Association to develop and ensure the safest school bus design, construction and operational standards ensuring school bus passenger and road user safety for all.

Student Transportation Challenges and Opportunities

Responsiveness

In order to provide a sustainable student transportation system in Ontario, it is critical that government revise the funding formula to meet the level of student transportation services desired by the government and particularly, the needs of student, parents and educators.

In 2014, Premier Kathleen Wynne committed to OSBA (in writing) the government would review the funding formula for the Ontario student transportation sector: “...as part of our consultations for next year’s school board funding, we will review transportation benchmarks to ensure we have an appropriate understanding about how to deliver safe, high quality transportation services across the province.” OSBA is disappointed this promise remains unfulfilled and the review has not yet occurred.

OSBA anticipates by 2020 the sector will be short \$141 million in annual funding for student transportation operations. This gap is unsustainable and will have a negative impact on families and student learning outcomes if they cannot arrive to school safely and on time. As wage costs increase through minimum wage legislation, it is important to recognize all cost factors related to delivering a safe, high-quality student transportation system, responsive to diverse needs across the province’s education systems.

OSBA recommends the province undertake a full student transportation funding model review to ensure sustainability, improve student safety, increase driver retention and address the Ontario education system’s changing needs and demographics.

Driver Recruitment and Retention

One of the greatest challenges continuing to face the student transportation industry is driver recruitment and retention. Without enough professional drivers supporting the system, Ontario’s education sector faces a challenging future.

While Ontario’s Bill 148 was intended to improve wages and conditions for workers, it resulted in unintended negative consequences for the student transportation industry. With Personal Emergency Leave provisions in Bill 148, OSBA’s members are experiencing high absenteeism, impacting student transportation operations across the province. These issues are compounded by the challenges in recruiting and retaining drivers due to school bus driver wage compression, an inadvertent impact of the new minimum wage.

Ensuring adequate funding and smart procurement requirements can help alleviate the driver shortage issue over time.

When a driver fails to show up for work, other drivers must double- or triple-up on routes at the last minute, creating issues with the education and transportation systems. Students and parents must scramble to respond to last-minute schedule changes and students arrive to school late, negatively impacting their learning. Bus operators are also financially penalized when routes are not covered, or the buses run late, further eroding the system’s viability and reliability.

Recruiting and retaining qualified professional school bus drivers capable of safe vehicle operation and managing large, diverse student groups is an ongoing challenge for bus operators. The job's part-time employment nature combined with the increased living costs in Ontario, results in high turnover rates. Professional school bus drivers leave for other jobs with fewer demands and responsibilities. Funding increases have not kept pace with rising wages, capital overheads and other cost imperatives, resulting in low annual earnings for drivers.

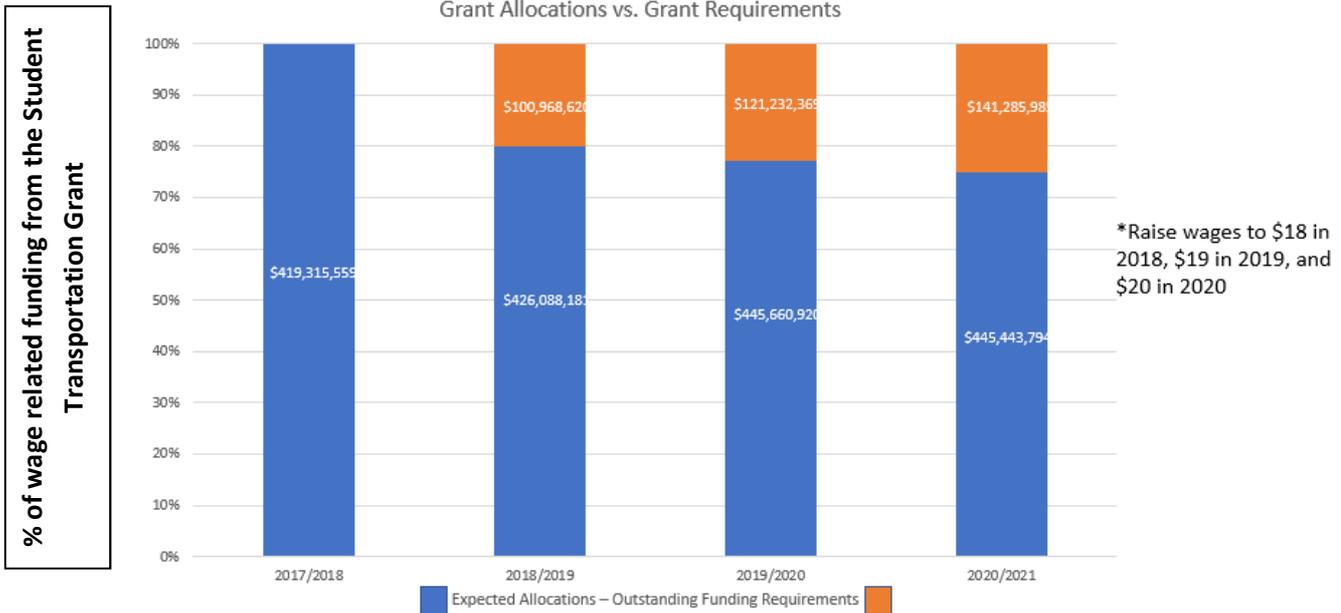
The Ontario Association of School Business Officials (OASBO) has written to the Minister of Education to reinforce its concerns regarding the impact of driver shortages. In a letter from its President, Mark Connors, he noted: *"The school bus driver shortage has also compromised School Bus Operator staff availability. While anecdotal, we have seen response time to accidents, incidents, vehicle breakdowns, and numerous other issues, being negatively impacted. Many of the staff responsible for these jobs are driving routes to try to meet expected service levels."*

The government's recent announcement - a \$60 million Driver Retention Bonus Program over the next 3 school terms - supporting professional school bus drivers does not adequately address rising wage costs and student transportation operational expenses. OSBA supports the \$60M in funding as a short-term investment to manage the driver shortage challenges. However, a long-term solution requires base funding that considers the increased wage expectations of school bus drivers in an economy that is thriving.

Based on the industry's recent financial report, OSBA anticipates an \$141 million annual funding gap arising from the minimum wage increase and changing market conditions. If this funding gap is not addressed, there will be further negative impacts on driver retention and operational effectiveness.

OSBA's estimated minimum wage impact on funding:

- Total grant paid to school bus operators in 2017: **\$919M**
 - \$419M (45%) supports driver wages
- Based on historical school transportation funding increases, the current projected driver wage-related funding in 2020 is \$447M
 - This funding amount will result in driver shortages
- To maintain a strong school bus driver contingent, the School Transportation Grant's driver funding component must increase to \$528M
- This is a **\$141M funding gap by 2020**



Looking beyond immediate minimum wage impacts on the student transportation sector, the government of Ontario must assess whether utilizing minimum wage levels as a benchmark for school bus driver wage comparison will achieve the goals of having an effective student transportation system which supports students, parents and the education system.

A stakeholder paradigm shift must happen to ensure the school bus driving profession is viewed and funded in a manner that allows for wages to become commensurate with the significant responsibilities and demands placed on professional school bus drivers. By prioritizing the sector, in a similar fashion to how funding for public transit systems in Ontario has come to the forefront, this can be achieved. School bus drivers should be compensated at similar levels to transit system drivers who, in many cases, receive nearly double a school bus driver’s hourly wage.

Equity

To create a more equitable student transportation system providing a consistent service level to students, parents and educators across the province, the government of Ontario must effectively fund the student transportation system to ensure a pre-determined service standard is established for the students and parents it serves.

Currently there is no minimum set of government specifications or norms prescribing a service standard for student transportation across the province. As a result, there is a significant variance in service standards between school boards and transportation consortia. Since the provincial government is purchasing and funding an essential public service - student transportation - OSBA recommends the province mandate an expected service standard from school boards and consortia, and then allocate funding accordingly. This will improve equity across Ontario. Students, parents and educators will receive standardized student transportation service levels, no matter which school board or transportation consortia is overseeing service delivery.

OSBA also recommends the government consider a long-term strategy providing bus operators with flexibility to respond to the rising service delivery costs for modern and safe transportation across the province. The current Grants for Students Needs Formula only accounts for fluctuations in fuel prices. It is inadequate to address the real costs of delivering reliable and equitable student transportation services.

When examining student transportation funding at a local level, OSBA understands some school boards have a student transportation budget surplus, which is diverted to fund other in-school priorities. Other boards have deficits and need to use in-school funding to supplement the cost of student transportation. These inconsistencies in funding administration can be addressed through an appropriate funding review to ensure long-term accountability.

The majority of school bus operating costs are driver wages, fuel and capital costs including repairs and maintenance. Funding envelopes could offer greater flexibility for price fluctuations to ensure system sustainability.

If the current funding formula is not modernized and restructured, it will come at the expense of service levels, potentially resulting in negative overall impacts on student learning. A more realistic formula will create more equity across the system, between school boards, and will result in a better overall system for students, parents and educators.

OSBA recommends school bus operators, the province, school boards and transportation consortia collaborate to update the student transportation funding model to better reflect modern needs of the system.

Student Safety and Well-Being

Ensuring student safety starts with paying fair and competitive wages for well-trained, professional bus drivers and associated employees, followed closely by purchasing and maintaining modern school bus fleets. It is a very simple formula – competent drivers and well-maintained buses are necessary for a viable student transportation system.

Professional school bus drivers are the primary adult responsible for school children between parent and teacher responsibilities. They play an essential role in the education system by helping to identify potential issues such as bullying. These issues can be shared with school administration and acted upon accordingly. Therefore, school bus drivers must be adequately trained to respond to the diverse needs of each student and manage behavioural issues and other conflicts. OSBA recommends drivers receive standardized anti-bullying training, made available through government funding to perform their jobs in an enhanced manner and ensure students arrive to school safely, healthy and ready to learn.

School Bus Safety

Every school day in Ontario, over 830,000 children are safely and reliably transported to and from school in approximately 20,000 school buses and school purpose vehicles. Collectively, this means more than two million kilometres driven every school day and 300 million safe rides each school year. Ontario's student transportation industry safely transports more than 42.5% of the two million elementary and secondary school students enrolled in Ontario's schools.

Ontario school buses demonstrate one of the lowest, if not the lowest, out-of-service rates among all commercial vehicles in Ontario and have the most stringent government oversight and legislated maintenance standards of all commercial vehicles. School buses are the only vehicles that must be maintained to their regulated manufacturing standard – CSA D250.

Ontario school buses are subject to extensive construction and equipment standards on a larger scale than any other road vehicle. School buses must meet structural standards for crash protection, fire retardancy, and emergency evacuation. School buses and school purpose vehicles must undergo a daily inspection completed by the driver before being operated. School buses and school purpose vehicles must also undergo comprehensive annual and semi-annual inspections conducted by a licenced mechanic at a garage licenced by the Ministry of Transportation. The inspection frequency is twice that of trucks and trailers, which are inspected only once a year.

Finally, school bus and school purpose vehicle fleets are subjected to regular vehicle inspections conducted by MTO Enforcement Officers as part of the MTO's Bus Information Tracking System (BITS) Program. These inspections take place at the school bus operator's premises at least once a year. School buses and school purpose vehicles are also subject to random MTO roadside inspections.

Adequate funding for school vehicle repair and maintenance, and driver training, is essential to ensure bus operators maintain their excellent safety record, and ensure every student arrives to school safely, on-time and ready to learn.

Opportunities for Innovation

OSBA believes there are several innovative ways the industry, government, school boards and transportation consortia can work together to improve the student transportation system and the experience for students, parents and educators.

OSBA recommends the Ministry of Education consider allowing school boards to implement pay-per-use bussing for students who live outside of the established (distance based) transportation eligibility boundaries. This would help alleviate growing concerns over traffic congestion at school pick-up and drop-off locations, promote student safety and reduce personal vehicle use. There would be a reduction in overall greenhouse gas emissions to help achieve the goals set out in Ontario's Climate Change Action Plan.

OSBA also recommends the government consider other innovations to Ontario's education system that could help make the student transportation system more efficient and cost-effective. Staggering bell times could help improve bus scheduling and routing and the consideration of year-round schooling would have a positive impact on fleet utilization efficiency, driver retention and student achievement.

“School bus travel continues to be the safest means for transporting children to and from school.” – Transport Canada

OSBA also welcomes the opportunity to partner with the government to explore and adopt innovative technologies like enabling school buses with Wi-Fi, GPS tracking and cameras supporting student safety, learning and on-time performance measures. For example, equipping school buses with Wi-Fi or other e-learning tools could improve learning by allowing school buses to become classroom extensions, providing students with access to complete homework, self-directed learning or participate in video chat tutoring during their time in transit. In some jurisdictions, GPS tracking technologies are being utilized on school buses to provide parents and educators with real-time data to improve student safety and reduce parental anxieties. Through increased access to information and administrative obligations, route efficiency, and monitoring of driver behaviour and road safety practices can improve safety metrics.

For example, Avon Community Schools in Indianapolis, IN have implemented a student tracking app called “Here Comes the Bus”, developed by Synovia Solutions. To improve efficiency, Avon changed their student transportation routing from individual student stops to larger group stops. This technology allows parents and students to precisely track the arrival and departure times of the bus, thereby improving on-time performance, efficiency, fuel costs and increasing student safety.

While GPS technologies are deployed in school bus fleets to some extent in Ontario, the technology can be expanded to track and document routing. Currently, there is little competition among GPS suppliers resulting in low value for money for bus operators and transportation consortia, and insufficient transparency with data sharing. OSBA recommends technology providers adhere to the same public sector procurement requirements as other student transportation service providers to strengthen accountability and value.

To modernize the student transportation sector and optimize new technological advantages, OSBA recommends the government increase baseline funding in support of both current and future technological advancements. OSBA recognizes new technologies will help improve the experience for drivers, bus operators, students, parents and educators. Unfortunately, bus operators cannot adopt new technologies and innovations due to school board/consortia funding constraints. Any new programs or initiatives mandated by the government must include dedicated funding for new training, implementation and operating costs. OSBA would be pleased to work with the government on a pilot project assessing the viability and effectiveness of innovative technologies.

Accountability

Over the years, there were several changes to the governance of the student transportation procurement system intended to improve transparency and accountability. Newly-formed transportation consortia who report and answer to school boards and could implement a viable procurement process for bus operator selection, was well intentioned. However, the extent of these changes has created many different challenges within the student transportation sector.

While OSBA recommends the government move forward with the Campbell Report’s implementation, we believe there are core principles which need to be implemented to provide guidance and framework surrounding school board and transportation consortia governance and procurement activities.

OSBA recommends the Ministry of Education’s student transportation oversight be strengthened to ensure the system is more fair and equitable. OSBA also recommends the Ministry exercise its role as sole funder to mandate provincial standards for governance of local student transportation services to ensure effective delivery and future innovation. Currently, transportation consortia are solely responsible for local management decisions providing little flexibility for bus operators to provide immediate solutions when issues arise. Balancing risk and accountability between consortia and bus operators will result in more effective service delivery.

Student transportation funding is allocated by the province to individual school boards. As such, final decisions relating to student transportation funding are ultimately made by the school board(s) following input from transportation consortia, a process which excludes bus operator input. OSBA recommends this model be reassessed to allow bus operators to work directly with school boards to implement operational efficiencies and manage route changes and scheduling more effectively.

Furthermore, OSBA recommends there be public reporting of various transportation consortia metrics to strengthen local and provincial accountability.

Conclusion

The student transportation sector has undergone significant reform in 10 years. This reform has strained bus operators delivering frontline services. Now is the time to evaluate those reforms and make adjustments to ensure the student transportation system is appropriately funded and governed, is flexible enough to accommodate changes in capital and wage costs, adapts to new and emerging technologies, and is fundamentally focussed on students.

School buses and drivers are necessary to get students to school safely, sustainably and equitably. OSBA encourages the Co-chairs to provide recommendations to the government to modernize the student transportation funding formula and governance structure to ensure the sector is stable and capable of supporting Ontario’s education system and students for years to come.

There is significant government support and funding for changes to Ontario’s public transit network, not the least of which is Metrolinx/GO Transit expansion. Public transit is viewed as an essential service investment by government and receives ever-increasing funding and growth. Given student transportation is also a form of public transit (for students), it also deserves the government’s support of appropriate funding and a perspective that student transportation is an investment in today’s youth, not an expense.

Campbell Report

Recommendation: To maintain local operational flexibility in the delivery of student transportation services to recognize the need to respond to changing student demographics

In summary, OSBA's recommendations are:

Responsiveness: The provincial government should partner with the student transportation sector to restructure the funding formula beyond CPI contract increases and close the funding gap to improve performance and encourage driver retention.

Equity: Ensure student transportation is funded fairly and equitably to achieve the government's desired standard of service across the province.

Safety: To maintain the sector's exemplary safety record, bus operators require adequate funding for capital and maintenance expenses.

Accountability: Implement the Campbell Report recommendations. Strengthen governance, accountability and performance measurement and allow bus operators to have a voice in improving system efficiencies.

