

May 1, 2025

Honourable Doug Ford Premier of Ontario

Honourable Paul Calandra Minister of Education

Re: <u>Tariff Impacts on Publicly Funded Education</u>

As you are aware, the Government of the United States of America recently imposed a 25% tariff on goods from Canada. As a result of these tariffs, economists predict significant job losses culminating in harsh economic realities for many Canadian families.

On March 4th, an article in The Globe and Mail reported that, "a recession appears imminent. Economic modelling by the Bank of Canada shows Canadian exports falling 8.5% in the first year after tariffs are imposed, business investment declining almost 12% and consumer spending contracting by more than 2% by 2027."

It is critically important that the Government of Ontario is aware of the impact of tariffs to publicly funded education (both directly and indirectly), as well as the local implications of these tariffs.

These tariffs have caused publicly funded school boards across Ontario to look worriedly at our budgets, and at our projected provincial funding for 2025-2026. During the last six years the Halton District School Board (HDSB) has tightened its budget, rather uncomfortably, as it sought ways to ensure students continue to receive the best education it can provide. While the HDSB has recently seen increased funding, the funding has not kept pace with the rate of inflation and does not fund the increased costs of CPP and EI, nor is it sufficient to cover the cost of staff coverage.

The current funding model, coupled with the reality of tariffs, prompted the HDSB Financial Advocacy Standing Committee to bring forward the following motion at our Board meeting on April 1, 2025:

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"Be it resolved that the Chair of the Board of Trustees write a letter to the Government of Ontario drawing attention to the funding school boards will need to ensure the American tariffs do not negatively impact student achievement and well-being, and that this letter be circulated to all MPPs, all school boards in Ontario, and all school board associations in Ontario; and

That the Fair Funding for HDSB webpage be updated to inform the public of the challenges and impacts to supports for student learning, including the impact to the Board's budget, as a result of the tariffs; and

That all policies and procedures related to procurement of goods and services be reviewed to ensure an emphasis has been placed on prioritizing the use of Canadian vendors; and

That the HDSB give preference to Canadian vendors listed on the vendors of record lists provided by the Government of Ontario (e.g. Supply Ontario\*) or other Ontario collaborative procurement agencies used in the education sector."

While the HDSB has always sought local, Ontario and Canadian vendors, some resources and services needed by Ontario school boards are reliant upon American providers, and this is an interconnection that is not easily changed without a significant investment in the creation of comparable Canadian products.

In recognition of the potential financial impact tariffs will have on families, and as the largest employer in Halton, there is a moral imperative for the HDSB to safeguard those who may be at risk of economic hardship.

In the absence of additional funding for education, these tariffs will impact the cost of procuring goods and services, forcing school boards to restructure operational budgets, directly impacting the HDSB's ability to support students in the classroom. Tariffs will significantly increase the cost of procuring learning resources, technology, licensing, materials used in construction and renewal of schools, school buses procured by bus operators contracted to the school board, to name a few. This impact could be significant - requiring the school board to decide whether certain resources will be available to students and staff, whether technology and licensing can be renewed, whether some services can continue to be provided, and whether to reduce student supports to reallocate resources to cover the increased costs.

These tariffs may also impact new school construction as the cost of some building materials will increase. New school funding announcements that were made a year ago may not be sufficient to cover the actual cost of these needed schools.

It is recognized that there will likely be a financial impact due to the tariffs themselves. One of the motions that was passed on April 1st is to request additional funding from the Government of Ontario to offset any unforeseen costs (due to the tariffs, and due to favouring Canadian products) are covered.

A significant increase in costs without offsetting funding will negatively impact the ability to support every one of the HDSB's <u>Multi-Year Strategic Plan</u> commitments, which we are bound by the Education Act to support.

We appreciate the Government of Ontario's proactive approach in responding to the tariffs. We thank you for all your efforts in this regard, and know that you are just as concerned as we are about the impact on student learning and mental health. We look forward to working with the Ontario Government to overcome these financial challenges.

Sincerely,

Amy Collard Halton District School Board Trustee, Burlington Ward 5 Chair of the Board

CC: All Members of Provincial Parliament

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