



Elementary Teachers' Federation of Ontario (ETFO)

Fédération des enseignantes et des enseignants
de l'élémentaire de l'Ontario (FEEO)

136 Isabella Street, Toronto, ON M4Y 0B5

Tel: 416-962-3836 Toll Free: 1-888-838-3836 etfo.ca

MEMORANDUM

TO: Local Presidents
Executive Members (For Information)

FROM: Sharon O'Halloran, General Secretary
Lorna Larmour, Deputy General Secretary
Federico Carvajal, Executive Assistant, Communications and Political
Action Services
Allison Ryan, Executive Assistant, Collective Bargaining Services

DATE: May 26, 2025

RE: **Core Education 2025 - 2026 Analysis**

On May 23, 2025, the government released education funding details for 2025-26.

The details provided by the Ministry of Education regarding this funding are contained in Memorandum 2025: B02 *2025-26 Education Funding*. This memorandum (Appendix A) provides information about key investments in three funding programs:

1. Core Education Funding (Core Ed)
2. Responsive Education Programs (REP)
3. Building, Expanding and Renewing Schools ("BERS" or "Capital Funding")

In addition, the Ministry also released the [2025-26 Core Education Funding: Technical Guide for School Boards](#). This guide contains an overview and details of the grant formulas and other criteria used for the allocation of education funding. The information provided in this memorandum is based on the information released on May 23, 2025. The information released by the Ministry includes revised estimates for the 2024-25 school year and funding projections for 2025-26.

Core Education Funding

Total Core Education Funding is projected to be \$30.3 billion in 2025-26, compared to \$29.3 billion in 2024-25. These amounts include 'planning provision' amounts of \$62 million for 2025-26 and \$43 million for 2024-25, which are not allocated to school boards at this time but could be later in the year. On average, per-student Core Education Funding for 2025-26 is projected to be \$14,560 compared to \$14,186 in 2024-25. With an average inflation in Ontario of 2.3 per

cent between March 2024 and March 2025, and a projected increase in enrolment of 0.6 per cent, this represents a minor increase of funding of approximately 0.3 per cent in per-student funding. While this is an improvement over previous years, it still remains below the per-student funding levels that were in place when the Ford government first came to power.

The Canadian Centre for Policy Alternatives (CCPA) released an analysis of the funding data showing a funding gap of \$260 per student for 2025-26 when compared to 2018-19. The CCPA also estimated that the cumulative school funding gap under the PC government since the 2018-19 school year is \$6.35 billion.

The Core Education Funding grants continue to be comprised of six funding pillars and 28 allocations.

Classroom Staffing Fund (CSF)

The Classroom Staffing Fund (CSF) will fund the majority of staff that work in classrooms, including teachers, early childhood educators (ECEs) in kindergarten classrooms and some educational assistants (EAs). The primary source of funding for EAs is the Special Education Fund.

The CSF is projected to be \$16,521.2 million for 2025-26 compared to \$16,014.3 million in 2024-25. A difference of \$506.9 million. After adjusting for inflation and enrolment growth, this amount would only be enough to fund approximately 427 teacher positions across the province, about one additional teacher for every 11 schools, or one additional teacher per 4,866 students.

Learning Resources Fund (LRF)

The Learning Resources Fund (LRF) provides school boards with funding to support the costs of staffing typically required outside of the classroom to support student needs, such as mental health workers, as well as non-staffing classroom costs, such as learning materials and classroom equipment.

The LRF is projected to be \$4,665.5 million for 2025-26 compared to \$4,545.4 million in 2024-2025. A difference of \$120.2 million. However, after accounting for inflation and enrolment growth this represents an actual reduction in funding of \$11.4 million.

Special Education Fund (SEF)

The Special Education Fund (SEF) will support positive outcomes for students with special education needs. This funding is for the additional costs of the programs, services and/or equipment these students may require.

The SEF is projected to be \$3,849.6 million for 2025-26 compared to \$3,727.9 million in 2024-25. A difference of \$121.8 million. After adjusting for inflation and enrolment growth, this amount would only be enough to fund approximately 160 professional support positions (e.g., psychologist, social worker, child and youth worker) across the province, about one additional staff for every 30 schools, or one additional staff per 12,981 students. This will do little to support the growing needs of students in Ontario's schools.

For 2025-26, the government will once again fund the Special Incidence Portion component of special education funding based on amounts allocated in previous years plus a per-pupil amount, rather than allocating funding based on the previous claim process that relied on assessing student needs.

School Facilities Fund (SFF)

The School Facilities Fund (SFF) addresses the costs of operating school facilities (heating, lighting, maintaining, and cleaning) as well as the costs of repairing and renovating schools. It also provides additional support for students in rural and northern communities.

The SFF is projected to be \$2,982.1 million for 2025-26 compared to \$2,907.6 million for 2024-25. An increase of \$74.5 million. However, after accounting for inflation and enrolment growth this represents an actual reduction in funding of \$9.7 million.

Student Transportation Fund (STF)

The Student Transportation Fund (STF) provides school boards with funding to transport students to and from home and school.

The STF is projected to be \$1,377.9 million for 2025-26 compared to \$1,296.4 million in 2024-25. An increase of \$81.4 million. However, after adjusting for inflation and enrolment growth this is a negligible amount when applied across Ontario.

School Board Administration Fund (SBAF)

The School Board Administration Fund (SBAF) provides school boards with funding to support the operations of the school board, including staffing and non-staffing administration expenses, trustees, parent engagement, central bargaining agency fees, data management, and an adjustment for declining enrolment.

School boards spending shall not exceed the envelope of funding provided under the SBAF.

The SBAF is projected to be \$763.0 million for 2025-26 compared to \$738.3 million for 2024-2025. An increase of \$24 million.

Responsive Education Programs (REP)

Additional details on this funding can be found in Memorandum 2025: B02 *2025-26 Education Funding*. (Appendix A).

In 2025-26, the REP and Funding for External Partners (FEP) will provide \$420.4 million in funding to school boards and other education partners. REP will provide \$302.4 million in supplemental and time-limited funding to school boards. REP investments focus on learning and well-being to support students.

The REP priority themes have remained relatively unchanged from the 2024-25 priorities. Literacy continues to be a key priority with \$99.5 million in funding to support reading intervention, reading programs, and the continuation of the Early Reading Screener Specialist Teachers.

Building, Expanding and Renewing Schools (“BERS” or “Capital Funding”)

The government is investing over \$30 billion, including approximately \$23 billion in capital grants over 10 years, to build, expand, and renew schools and childcare spaces across Ontario. School renewal funding for 2025-26 will be increased to \$2 billion. This includes \$575 million in new funding to support accessibility improvements and replacement of Reinforced Autoclaved Aerated Concrete (RAAC).

Conclusion

For 2025-26 Core Education Funding will remain relatively flat, with a marginal increase in per-student funding of 0.3 per cent, after accounting for inflation. While the government refers to this year’s funding allocations as ‘historic’, the province is still investing less in public education, on a per-student basis, than at the beginning of the PC government’s time in office.

The cumulative funding gap in public education over the past seven years is approximately \$6.35 billion, and unless the government allocates additional funding to public schools, the fiscal challenges affecting more than half of school boards in Ontario will only increase.

For 2025-26, most of the increase in funding is needed to comply with the terms of existing collective agreements, with very little new funding announced. While the government announced an increase to student transportation funding it remains unclear if this would be sufficient to cover the increased pressures faced by many boards on this front.

When it comes to special education funding, the government continues to maintain the current funding model which is not based on the actual needs of students. Without additional funding, students will continue to wait for assessments for unreasonable lengths of time, and schools will continue to struggle to provide the supports students need.

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Attachment