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An Investigation of Privatization: A Local Government Service – The Waterloo County Board of Education School Bus Fleet

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PA 931 – MPA RESEARCH REPORT

AN INVESTIGATION OF PRIVATIZATION
A LOCAL GOVERNMENT SERVICE –
THE WATERLOO COUNTY BOARD OF EDUCATION SCHOOL BUS FLEET

August 1992

Prof. A. Sancton, Advisor

Chris Smith
5352620
Research Topic

The topic I choose to investigate is the privatization of an existing local government service. In this situation, the local 'government' is The Waterloo County Board of Education, a special purpose body, and the specific service is the Board's school bus operation.

The purpose in choosing this topic was twofold:

- Increased privatization of some, or all, local government services has been put forward as a way to make service delivery at the municipal level more efficient and economical by relying on private sector operational management and capital investment.

- The Board has requested its Business Division and specifically Planning and Transportation staff to investigate and report on maintaining the Board's school bus fleet. Hopefully that discussion can be more complete as a result of this investigation.

The research paper on this topic is appropriate because it allows for the application of the subject areas covered in the Public Administration Program - Human Relations and Financial Management, Program Evaluation, Economic and Statistical Analysis, Strategic Planning, Municipal Law, Policy Development and (Public) Organizational Behaviour.

Especially in the current economic climate, any initiative which suggests cost savings and/or service improvements is one with which public sector managers must be familiar. At some point the recommendation(s) of administration will be subject to political considerations and debate - inside and outside the particular organization. It is important that the public administrator have both the factual (hard) information as well as an understanding of the range and kind of community issues which are less quantifiable but which will surely come into the discussion and ultimately the decision making by the elected body.
<table>
<thead>
<tr>
<th>Contents</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>Background</td>
<td>4</td>
</tr>
<tr>
<td>Privatization Issues</td>
<td>9</td>
</tr>
<tr>
<td>1. Verification of Costs</td>
<td>13</td>
</tr>
<tr>
<td>2. Ability to Control Charter Costs</td>
<td>17</td>
</tr>
<tr>
<td>3. Impact on Board Staff</td>
<td>19</td>
</tr>
<tr>
<td>4. Setting and Implementing Service Standards and Policy</td>
<td>24</td>
</tr>
<tr>
<td>5. Emergency Response</td>
<td>28</td>
</tr>
<tr>
<td>Conclusion</td>
<td>32</td>
</tr>
<tr>
<td>Footnotes</td>
<td>34</td>
</tr>
<tr>
<td>Bibliography</td>
<td>37</td>
</tr>
</tbody>
</table>
Introduction

The concept of privatization is not particularly new, but has received considerable attention after the 1980-82 economic recession and the subsequent rise in popularity of conservative political and economic theories.1 Often derisively referred to as "Thatcherism" after former Conservative British Prime Minister Thatcher, or "Reaganomics" after former U.S. President Reagan, these are theories which suggested smaller and less interventionist national governments could assist in economic recovery by harnessing the private sector entrepreneurial spirit to public business. Governments at all levels were seen as having become too large and unresponsive, and economically inefficient.

In addition, government generally was seen as too intrusive. By delivering a wider and wider range of universal public services, government had become too expensive and was limiting public choice.2 The public sector - national, provincial or state and local - had become overextended into areas that were essentially commercial - often duplicating what was available privately.3 The most sweeping privatization initiatives to date at the national level have been those of the British Government in the past decade. The sale of large public entities - eg. British Rail, British Petroleum, British Telecom - was followed by the "privatization" of public agencies of more interest to local government - e.g. Regional Water Authorities, public "council housing", public transport.4 In Britain, the privatization movement by the Conservative Governments, first of Thatcher and now Major, was consistent with both its ideology and its practical budgetary deficit situation.

In local government, and by association, local special purpose bodies and agencies, the privatization issue seems to be primarily one of costs. Residents feel either that they are getting less service, or quality of service for their property tax expenditure, or they want to maintain/increase their local service levels without incurring extra expense. Because local services are so visible, especially when they are deliberately undertaken less frequently - e.g. turf maintenance, refuse collection, street sweeping - and because local government is the least intimidating to approach, resident input on costs and
service can be quite forceful and effective. In the last municipal elections in the Waterloo Region, a group called Tax Watch Waterloo as well as a business oriented Tax Coalition of Kitchener-Waterloo received considerable attention from elected councillors and trustees for their message of a zero local (municipal/regional/school board) tax increase. While Tax Watch Waterloo is a dedicated group of only ten people, its extensive media coverage during a time of general discontent with all government and numerous appearances at various budget deliberations gave it the status on occasion of speaking for all disgruntled regional ratepayers. At the same time other groups were requesting greater local expenditures:

Environmental

- Eliminate herbicide use on public lands and go to costlier manual maintenance.

Safety

- Increase lighting on park trails, more adult crossing guards, increased student transportation, residential sidewalk snow ploughing.

Individualized Programs

- Home school model for developmentally challenged students, junior kindergarten, french immersion, the arts.

Caught between these demands for service and calls for fiscal restraint while in a period of declining local revenues from both the property tax base and the Provincial Government, local government is looking at any method that will reduce the cost of its service delivery. Proponents of privatization have pointed out the fact that private contractors save money without sacrificing quality.

Privatization in its broadest sense refers to any proposal which decreases government involvement and at the local level consists of three components:

- Private financing of infrastructure, usually in combination with user fees.
- Divestiture, or the sale of public assets to the private sector.
Contracting out, that is the provision of specific tasks or services by private or private non-profit contractors either in-lieu-of or in combination with public employees.\(^6\)

The latter two components relate to this specific investigation - The Waterloo County Board of Education can elect to dispose of its school bus fleet and contract from one or more private school bus operators for those services previously delivered by a direct Board operation.

A fourth component which could be considered is "load shedding"\(^7\), which suggests government simply stops providing a given service and lets private industry respond to any citizen demand for that service on a cost recovery basis. Since the scope of this investigation is to look at privatization as a means of delivering existing service more efficiently and effectively, as opposed to dropping that service altogether, load shedding will not be pursued further.

As a final note on privatization, it is worth remembering that privatization is a phenomenon known to local government for some time even though it has only become prominent recently because of the national and international debates. Rehfuss suggests that contracting out by local government was probably the most widespread at this level because of the numbers of services that local government provides which are well suited to provision by private operators.\(^8\) Nevertheless, local government privatization increased substantially from 1972 to 1982 in the U.S.\(^9\), and was well in place in Canada at the same time.\(^10\)
Background

The Waterloo County Board of Education is a consolidated public board of education formed in 1969 when the Province amalgamated the various public elementary and secondary school boards in the former County of Waterloo, now Waterloo Region. The county board and the co-terminus separate board, pre-dated regional government in Waterloo by four years. The Region of Waterloo now consists of the urban municipalities of Cambridge, Kitchener and Waterloo, and the four rural townships of North Dumfries, Wellesley, Wilmot and Woolwich, and has a 1991 Regional population of 357,000. The Board is responsible for providing the education for public school supporters as set out in the Education Act and various Regulations and Memoranda from the Ministry of Education.

The Board itself is a body of eighteen elected trustees, with the Chair and Vice-Chair elected annually by the trustees themselves. The Board has the ability to raise local educational revenues from property taxes, as well as debenture capital projects, own property, buildings and equipment, and has the power of expropriation. In 1991 the Board’s budget was about $323,000,000.00, of which 40.5% was provided through conditional and legislative grants from the Province of Ontario.

The Board as an organization is the largest employer in Waterloo Region with approximately 9500 teaching, administrative and support staff. It is a large property owner with just under 120 school or alternative educational facilities, a central office and warehouse, a maintenance facility and several vacant properties. In the 1991-92 school year, there were just over 53,000 students in regular or Open Door day school. Of these students about 12,000 are transported daily for one or more of the following reasons:

- Distance from school;
- Rural location;
- Special Needs or disability, long term;
- Medical, short term;
- Safety.
To carry out this transportation, the Board utilizes taxi cabs, public transit (available only in Kitchener-Waterloo and Cambridge), para-transit, specialized vans and conventional school buses. Most of these services are contracted through private operators, public agencies such as Kitchener Transit or private non-profit agencies such as Project Lift in Kitchener-Waterloo.

The rates for school buses are established through a negotiated annual contract between the Board and The Waterloo County School Bus Operator’s Association. Taxi fares are regulated by the Region of Waterloo, but the Board gets a uniform discount for standing time from all the cab companies. Similarly, transit fares are set by the respective municipal councils and have traditionally included a student fare, which is available to the Board for students up to the O.A.C. level.

Eligibility for student transportation is determined by the local school board. The Education Act, 1983, simply excuses students from attendance at school if, at specified ages, they live beyond a minimum distance from the nearest educational facility and transportation is not provided by the respective educational authority. While boards’ therefore have some flexibility in this regard, it is generally conceded that all students will be provided with the opportunity to attend nearby public school facilities by constructing schools in each community. Where that is impractical, boards transport students to school. Therefore, the Ministry of Education provides per pupil transportation grants to offset expenditures, as well as providing capital grants to boards of education to buy their own school buses.

The Waterloo County Board of Education has established a Transportation Policy which sets out the eligibility for student transportation. In general, students are expected to walk minimum distances where this is practical, by grade level:

<table>
<thead>
<tr>
<th>Grade Level</th>
<th>Walking Distance</th>
</tr>
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<tr>
<td>Kindergarten to Grade 3</td>
<td>1.6 km</td>
</tr>
<tr>
<td>Grades 4 to 6</td>
<td>2.0 km</td>
</tr>
<tr>
<td>Grades 7 and 8</td>
<td>3.5 km</td>
</tr>
<tr>
<td>Secondary (9 to O.A.C.)</td>
<td>5.0 km</td>
</tr>
</tbody>
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12
13
Rural areas which lack pedestrian facilities are obviously excluded from the distance criteria. Urban transportation occurs where the Board has assumed a boundary for accommodation purposes or during major school or road construction or where student safety may be compromised - e.g. students trying to cross the Conestoga Expressway - in addition to those students eligible because of distance. The distance criteria does not apply to special needs students whether in their home school or not.

The Board’s Transportation Policy was reviewed by a Transportation Subcommittee during the 1991 school year and was revised and adopted by the Board in its current form in June 1991. By far, the largest number of students being transported ride regular school buses. In the 1991-92 school year there were 125 regular school bus routes, of which the Board operated 31, or 25%, directly with its own equipment and employees. The balance of the routes are contracted from six private operators, one of which is a provincial wide operation. (Interestingly, during the past year two of the small operations were bought out by larger firms reducing the number of contractors in Waterloo-Region from 8 to the present 6).

The total transportation budget in 1991 was 8.75 million dollars, with offsetting revenues (Provincial Grants, charges to other Boards, charter revenues) of just over 4 million dollars. This represents just under 3% of the Board’s total budget. When the single biggest expenditure, institutional wages, is removed transportation represents 10.8% of the remaining expenditures.14

The Board operates a school bus fleet of 34 vehicles - 33 conventional buses and one ten chair lift bus. These vehicles are parked and dispatched from the Education Centre in Kitchener, with a secondary base at Elmira District Secondary School. Vehicles are replaced on a seven year cycle and in that time will accumulate between 180,000 to 230,000 kilometres. All buses purchased since 1987 have been gasoline powered which permits conversion to an alternate fuel such as propane. Currently there are 12 dual fuel (gasoline/propane) or straight propane conversions. In the summer of 1991, the Board proceeded with a pilot project to convert one new bus to natural gas operation in co-operation with Union Gas Limited. The balance of the fleet is diesel powered. All vehicles are equipped with two-way radios in addition to the equipment specifications of the Ontario Ministry of Transportation (MTO). Replacement value of these vehicles in 1992 dollars is about $2.3 million.
To operate these school buses, the Board employs 31 permanent, part time bus drivers and a Dispatcher/Vehicle Co-ordinator. (In addition, a Special Education Technician is an MTO approved signing authority who is qualified to review in-house driver certification and the safe driving program). A list of spare drivers who are available on short notice is maintained. However, these people are paid on an hourly basis and not considered permanent employees.

The Board’s bus drivers belong to an in-house employee association and are covered by a negotiated contract. This provides them with an hourly wage, a minimum daily route rate and most of the medical and similar benefits enjoyed by other Board employees - on a pro-rated basis. The minimum daily route rate includes a calculation for the daily circle check, fuelling and cleaning time. Drivers are responsible for reporting mechanical or other concerns and are expected to keep their vehicle clean and operable at all times. They are also responsible for any traffic or parking violations they incur while driving. Drivers are required to take their vacations during school breaks or over the summer months when they are on temporary lay-off.

School bus driving is not for everyone - it can be an ideal part time job for someone with children in school or someone who has taken early retirement but interested in part time work, particularly with children. The Board’s drivers are predominately women. One will retire this year and five will be looking at retirement by 1993.

The turnover rate among younger drivers and/or those with fewer years of experience is quite high; on the other hand, those who have stuck with the profession have considerable experience - one of our drivers has been with the Board 26 years and 23 of those years have been accident free!

In their 1990 contract the Board’s drivers received a substantial (in percentage terms) hourly rate adjustment based on employment compensation equity review. This adjustment brought drivers to $12.59 per hour in 1992 - about 20 % higher than unionized Charterways drivers in Kitchener. In addition to their regular route rate, drivers can work up to 40 hours per week doing school charters, and the senior drivers often do.

School bus operations in Ontario are highly regulated. Vehicles must pass mechanical safety checks - "B" inspections - twice annually. A daily driver log is maintained. Every day that the vehicle is used, the operator must carry out a comprehensive circle check and report any problems. In order to operate a school bus fleet, the Board must have a commercial operators
license (C.V.O.R.). Failure to carry out the "B" inspections, maintain vehicle logs showing circle checks, or receiving infractions noted by MTO inspectors in the yard or on the road and operator traffic violations are all charged to the Board's C.V.O.R. rating and can result in its suspension.

Drivers must be over 21 years of age, have a "B" endorsed drivers license - which requires a separate written and practical test - provide a satisfactory physical annually and take a defensive driving course at least once every three years. In addition, drivers are expected to be capable of handling a fire extinguisher and know basic first aid.

Currently, the Board's fleet is maintained at four private truck/repair facilities - the Board not having its own bus garage. In this it is not similar to a private operator. Previously, the Charterways Kitchener branch maintained all the vehicles. The present set up has been pursued to rate the capabilities and costs of those firms which responded to a Proposal Call for repairs. Maintenance, in light of the high standards and the need for daily reliability in all weather, is a costly budget item. For 1992, bus repairs were projected to be $278,000.00. The lack of a central garage/yard has also resulted in a higher than average vandalism and theft from the Board's vehicles. Fortunately, the rigorous standards of driver training and vehicle maintenance result in few serious accidents.

The writer has been able to ascertain that The Waterloo County Board of Education got involved in operating its own school bus fleet when it inherited the rural bus operations of the Elmira District Secondary School with the 1969 County Board amalgamation. The Elmira District Secondary Board had built a district high school and had contracted with townships and villages in the areas north and west of Kitchener-Waterloo for their secondary schooling. A relatively large transportation system was developed in order to service these small and rural communities which were some distance from Elmira. In the mid 70's, school boards were encouraged by the Ministry of Education to acquire school buses through generous grants toward capital expenditure of 71 %. This funding occurred after the period of county school board amalgamation and was a response by the Ministry to address the transportation needs incurred by these new, larger boards which were actively encouraged to close smaller rural facilities and open larger consolidated schools at central locations.

During the mid 80's The Waterloo County Board of Education elected to take advantage of these grants and increased its fleet from 20 to the current 34.
Privatization Issues

The privatization of existing public services, or perhaps more correctly stated in the selected context, the further privatization of local government services, continues to be a controversial issue. Initially, the parties with a vested interest in the particular service(s) raise concerns about the potential for the quality of the service to decline. Senior bureaucrats may view the process as threatening to the traditional municipal line department organization which relates number of tasks and employees as important to status and remuneration. Employees, particularly those involved in public sector unions, see privatization as a threat to the gains made in their salaries and benefits - even their employment itself. Politicians may consider the local civic services as a means to a power base - either by patronage appointments or by the direction of service application. (The former reason is, I think, more typically a big city American point of view).

At the same time fiscal pressure, in the form of budget deficits and/or the pressure of local tax revolts, has attracted proponents urging privatization as a means of making public dollars go farther. Both proponents and those opposed to privatization can be approaching the issue from an ideological perspective.

Discussion of this topic, especially when it relates to a decision around a particular service - e.g. contracting out refuse collection or fire protection - gets emotional and heated. The issue may challenge an individual's beliefs or threaten their employment, and as a corollary their way of life. Stakeholders from union representatives to supervisors, to private contractors and the citizen service consumers themselves want to be involved. The organizational change is never easy and traditional practices of local governments - "the way we do things around here" - have a significant momentum which is not lightly deflected. Finley suggests that the issue will be even more difficult the more thoroughly service activity/activities have become institutionalized in the public sector. While the potential for strongly held positions is great, the issue of privatization may be somewhat less divisive and difficult at the local government level because:

- Local government has already used private contractors for one or more of the myriad of services it provides and likely is looking at only a few more (although some of those services might be on a significant scale - e.g. transit or fire protection);
The general trend in the growth of urban places, their civic government and their attendant local bureaucracy often means potentially displaced workers can be absorbed by the organization;

The employee group at least in the smaller organizations is less likely to be in a provincial or national union (with the exception of CUPE) and traditionally municipal workers live in their communities and are less militant;

The particular task or service under discussion may have a low public profile as a consumed "service" - e.g. refuse collection or street light maintenance is often carried out without contact with the area residents.

The service under consideration is routine and easily substituted with local private firms.

Moreover, municipal politicians tend to be less ideological in their individual approach toward council decisions.

It would appear then, that privatization at the local government level usually has more to do with costs and annual budget preparation as opposed to being viewed as a major policy decision. Both Canadian and U.S. municipal examples are cited in the literature which suggest that privatization saves money without sacrificing service quality. Given the reluctance to raise property taxes in the current poor economy and the concern of residents that their local services are not withdrawn, the lure of privatization as a way to eliminate the revenue/expenditure gap has to be appealing.

In this light, it is unfortunate that the public policy discussion with respect to contracting out isn't given more attention. First of all, in Canada at least, research on privatization costs/savings at the local government level seems to be concentrated primarily on solid waste collection. The extrapolation from this limited experience is that savings should be available on similar local government services - those that are easy to quantify and where quality is measured by whether the service was actually done. Frequently, the implication is made that municipal managers are working on their instincts when
looking at contracting out to cut costs. Donahue suggests that privatization may also be a way to deliberately disguise lower service levels without acknowledging the intent. The other disadvantage in pursuing this topic is that much of the recent contracting activity in local government has not had enough time to establish a track record which would enable one to develop the answers to some of the initial concerns - e.g.:

- will costs rise in subsequent contracts?
- is there a competitive local market?
- what happened to wage levels and benefits?
- was service quality maintained? improved?
- what happened to displaced municipal employees?

Nor have proper program evaluations been conducted in this regard, with the exception of the Stevens Analysis in the U.S., some results of which Donahue challenges.

The particular focus of this paper is not to attempt to prove or disprove that privatization does in fact result in economies to local government organizations, but rather at issues relevant to this specific context to ensure that any consideration of privatizing the Board’s school bus fleet would be an informed discussion. To do this, five issues have been identified which might provide a reasonable framework for the subsequent discussion:

1. Verification of costs - permits the Board to negotiate contracted routes from a position of strength.

2. Ability to control charter costs - as a major charter operator, the Board has the ability to set the going rate to schools.

3. Impact on Board staff - how will redundant drivers be accommodated?
4. Setting and implementing standards, training, equipment, procedures - does the Board take an active and participatory role as an operator or does it become a regulator and consumer.

5. Emergency response - is this important?
1. Verification of Costs:

The Waterloo County Board of Education negotiates its contract for school buses annually with private operators in the area. A formula has been developed which tries to account for:

- capital costs and depreciation of the vehicles required by size and type;
- maintenance and overhead including back-up capability and radio dispatch;
- labour costs including training, certification and ongoing professional development, including an actual labour rate;
- fuel and licensing costs;
- profit.

Traditionally, these types of service contracts have a base cost which is revised in annual negotiations using projections for fuel, labour settlements, licensing/fees and capital expenditures. Knowing the rate of return, or profit, to the operators would assist the Board in these negotiations. With the exception of the very large publicly traded companies such as Laidlaw Transportation Limited, most school bus firms are private and their financial statements not available. Where annual reports are available, revenues and expenditures are aggregated for the Province such that the local operations are impossible to discern. Empirical evidence available to the author suggests that smaller firms are not achieving a rate of return on investment in the current economic climate that would be available for their capital at current rates - and indeed this past school year saw two of our local operators bought out by the Board's two largest contractors. If this trend continues it seems to favour domination of the school bus field by the large companies - e.g. Charterways Transportation, Laidlaw Transportation - or the larger independents - e.g. Shantz Coach Lines, Murphy Bus Lines - who enjoy economies of scale in equipment acquisition, fleet maintenance and flexibility, and employee recruitment.

School busing in Ontario as a whole is a relatively large industry - the Ministry of Education reports that for the last school year 1991-92, approximately 20,160 bus routes of all kinds (includes handi-cap vans, etc.) were operated in Ontario. Of these, 19,601 or 97.2%, were privately contracted and the balance provided directly by boards such as The Waterloo County Board of
Education. Yet the Ministry has not to date taken a comprehensive review of contract rates in Ontario which could assist individual boards when establishing their negotiating positions or reviewing tenders.21

Therefore, the direct operation of its own school bus fleet permits the Board to actually carry out its own full cost analysis. The Board acquires and depreciates rolling stock, buys fuel, trains and employs staff, carries out the required maintenance, provides daily radio coverage, purchases insurance, and holds Provincial operating (C.V.O.R.) and radio licenses. In addition to the 'hard' costs set out above, as an operator the Board is involved in "soft" costs of student bus patrol training, public safety campaigns and public relations which are a necessary part of daily school busing. The Board is a member of the Ontario School Bus Operators Association.

By properly accounting for these related costs, the Board has the ability to negotiate from a position of strength that this detailed knowledge gives it. For instance, when the 1991-92 contract was under discussion, an escalating cost for fuel was pursued vigorously by the operators. They pointed out that the NDP Provincial Government had already announced increases to the existing ad valorem taxes for January 1 and June 1, 1992. And of course the Persian Gulf war was just beginning and dire predictions were being made about world oil supplies and prices. In spite of the operators' position, Board staff were also aware through the co-operative municipal tendering process whereby we acquire fuel for Board bus and maintenance vehicles, that attractive bulk rates were available to the end of June 1992 on both diesel and gasoline fuels and that all but one of the operators in fact maintained central fuel tanks and purchased in bulk. This knowledge enabled Board staff to prove the fuel rates were in line and move the operators substantially from their original position. Having the detailed knowledge of the prevailing bulk fuel rates, which are not generally available publicly, and knowing the average fuel consumption of a conventional school bus, only came about because Board staff was as technically informed as the operators, because we were in fact an operator ourselves.

From practical experience, this issue struck the author as having some significance. Unfortunately, there seems to be little support in the literature for this particular position. McDavid, suggests that little comparative cost data exists because of
difficulty in translating municipal budgeting procedures into full cost accounting. He goes on to suggest the inverse: the setting up of competitive situations between private and public service delivery within the municipal area as a means to control public costs.22

The most informative study found by the author was a study of school bus transportation in the State of Indiana, by Dr. R. Ross.23 Since this analysis used U.S. dollar amounts in a State environment and was based on the 1983-84 school year, the actual figures are not comparable. But the background suggests that the provision of student transportation in Indiana is quite similar to that of Ontario with comparable funding mechanisms. Surprisingly enough, Indiana has a substantial number of local school corporations (equal in stature to Ontario school boards) which provides some or all of their student transportation by corporation operated school bus fleets. Private school busing is provided by a range of contractors from the very small owner/operator to the national firm such as Laidlaw.

Dr. Ross’s methodology was to analyze the number of school bus transportation variables for which the Indiana Department of Education compiled data, distinguishing between the public (school corporation) and privately provided operators. He wanted to assess the relationship between school corporations’ transportation costs and the proportion of the transportation provided by the school corporation, expressed as economic efficiency.24

Ross’s conclusions briefly stated are:

- The most efficient arrangement for providing school transportation services is private-only or a balanced mixture of public and private production.
- Public-only arrangements are about 5% to 6% more costly than either of these arrangements.
- Joint arrangements that are predominately public or predominately private, are worse than a public-only arrangement.25
These findings parallel the position of McDavid cited above and which is effectively the practice of The Waterloo County Board of Education - the mixture of public and private provision of school bus transportation is a reasonable, cost effective means of delivering a pupil transportation service. Interestingly, Ross suggests that the ratio of public provision range from a low of 40% to a high of 60% to the privately contracted expenditures. As noted previously, the Board to operator ratio in yellow school buses in Waterloo County is currently 25%.
2. Ability to Control Charter Costs

This second issue flows logically from the previous discussion. If the Board knows its operating costs accurately, it can set rates for off-campus bus charters that reflect full recovery of the actual costs without profit. For this discussion an off-campus charter is a trip paid for by a school, school organization, team or club etc., for a specific time, to a specific location, for a specific function as opposed to the home-to-school transportation which is provided by the Board within Policy guidelines to get students to and from school on a daily basis. Off-campus charters can be something as small as an elementary class visit to a local museum or heritage homestead, to daylong excursions to places like the Royal Ontario Museum in Toronto or Storybook Gardens in London, and may even involve multi-day trips for senior grades to other cities or provinces.

The private operator on the other hand sees charter work as an opportunity to increase profit margins on its overall operation because those rates are set in the "market place" and are not controlled by the Board/Operator school bus contract. This is a key point because both the operator and the Board are on relatively equal footing - the contract has already allowed for capital cost depreciation. Therefore both parties are looking at recovering only operating costs and out-of-pocket expenses on these charters.

School charter work is a substantial expenditure for Waterloo County schools (and often for students' parents!) During the 1992 fiscal year, the Board fleet will bill nearly $350,000 to schools for this activity which probably represents 40% of the total for the Region's public schools.26

Conversations with schools and area operators confirms that the Board's charter rates are the most attractive and thus are setting the base for the private carriers to match. Board staff routinely decline charter work during May and June of the school year due to 100% fleet utilization. Complaints were also received from schools located in areas the Board cannot reach feasibly from our Kitchener base which were forced to seek quotations from the local private carriers.
The establishment of an "unofficial" base charter rate by the Board, can result in substantial savings to the individual school or school based group involved. Schools have limited funds within their Board allocated budget for such activities. These budgets are almost always supplemented by students/school community fund raising. Further, these discretionary funds are obviously targets of cost cutting at budget time, as they rank below classroom instruction at the Board table. Therefore, the ability to hold charter costs down to the schools enables them to get more activities in with their given budget - one of the cited advantages of privatization.

To test this assumption, the writer contacted the Transportation Departments of two area boards, which do not operate school buses, to determine how they establish charter rates. The Waterloo Region Separate School Board leaves its negotiation to the individual school and bus operator, which staff acknowledged random checks suggested that some of their schools pay rates well in excess of neighbouring Waterloo County Public schools using the same school bus operators. This was a source of some frustration which the Waterloo Region Separate School Board staff hope to address in their 1992-93 contract negotiations with the School Bus Operators. The Transportation Department of the Perth Board of Education books charters centrally for the individual school thus ensuring relative equity from its knowledge of prevailing operator rates. When questioned, Perth staff acknowledged that the basic rates were provided to them by their local operators and that the Board relied on their ongoing relationship with these companies to act as a damper on inflated charter pricing.

To be fair, some boards without school bus fleets negotiate charter rates in their annual operator contracts. Operators approach such contracts warily, and attempt to maintain their profit margin in the regular home-to-school rates. This can reflect negatively on the Transportation Department budget. Also, Provincial conditional grants for pupil transportation will not rise in proportion to the higher home-to-school rates since they are calculated on fixed per pupil basis. Such an approach also disguises the true costs of off-campus (discretionary, non-grantable) transportation costs in the home-to-school (mandatory, grantable) costs, as set out in the Board’s Financial Statements.
3. Impact on Board Staff

Clearly, a decision to privatize the Board’s bus fleet will impact directly on a number of employees - the Bus Drivers and the Dispatcher/Vehicle Co-ordinator. Also affected would be the regular spare drivers, although they are not Board employees. Indirectly, both the Manager and the Technician deal with drivers, often on a daily basis. However, since both these employees have a number of other duties which would ensure their continued employment, the discussion on the impact of privatization on Board staff will focus on those employees directly affected - 32 in total.

Given that the Board would have to abide by the terms of its employee association Agreement, there appears to be four alternatives available to these employees:

a) obtain other jobs within the Board organization;

b) obtain other jobs within the Board organization after re-training;

c) failure to obtain another position within the Board through options A or B above resulting in potential permanent layoff; and

d) Board secured employment with a successful purchaser/contractor.

The Agreement between the Board and the employee association would enable the Board to privatize the bus fleet as a management practice. However, both the seniority clauses and past Human Resources practice of the Board would require the employer to find other employment within the organization.27 This would be the first option set out above. The second option is quite similar. The employee(s) would be placed temporarily in a position and supported with internal and/or external re-training to assist with the transition.

While both these alternatives seem straightforward, the ability of The Waterloo County Board of Education to absorb 32 employees in support positions at one time is questionable. Although highly trained and holding a number of MTO qualifications for their bus driver role, the drivers’ capabilities in this regard are not generally needed in other operating departments. Where their
qualifications do meet position requirements - such as for an audio-visual equipment courier - the number of positions available are fewer and they are currently occupied. A bus driver might be able to "bump" into one of those positions based on employment seniority with the Board, but such an action would not change the overall impact at 32 employees. Even the ability to claim the position of a full time employee with less seniority is questionable. Bus drivers were only recently included in the employee association as permanent part-time. While some have considerable seniority recognized by the Board, the Superintendent of Employee Relations has not had a situation whereby someone with this particular employment status attempted such a move, and in discussion with the writer, was unsure of the response he would make.  

In other positions where the driving qualifications of the bus drivers are sufficient, additional skills or requirements for the particular task might be lacking or be unattractive for these individuals. For instance, grounds maintenance or equipment moving might not appeal to an employee group which, as pointed out earlier, is both mature and predominately female. Nor is the Board likely to increase the employee complement in such support jobs in the near future. Recognizing the current economic situation, the Board has imposed a freeze on the creation of any additional support positions. 

Assuming that the majority of the bus driving staff is not placed somewhere else in the organization through the first two options, the privatization of the bus fleet will likely result in the eventual layoff of these employees. The Board's solicitor's informal opinion to the writer was that the issue of successor rights would not apply. That is, the requirement by law of the party, or parties, acquiring the fleet to also provide employment to the previous employees who were employed in the operation of that fleet. (This might be an opinion which could be dramatically altered by regulatory initiative of the current NDP Provincial Government, given its apparent agenda for labour legislation). 

Recent experience with the layoff of relatively low paid municipal support workers in this area, suggests that the Board would receive considerable media and public criticism for such a move.

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In an attempt to trim its projected 1992 operating budget, the City of Kitchener initially approved a proposal to contract its full-time security staff of 6 people. This group patrolled the City's two parking garages, City Hall, and the Memorial Auditorium complex in the evenings and acted as security at Council and Committee meetings. The staff had received a 1991 pay equity adjustment which raised the salary level of a Security Officer but the position was still among the lower ranks in Kitchener. Annual savings of the contracted service were projected to be $100,000.00 per year in the first year rising to $200,000.00 by the third and final year of the contract. The resulting public outcry forced Council to reconsider, and the security employees were retained. The layoff of fivefold that number of similarly placed employees in the Board organization would no doubt be just as contentious.

Faced with the dramatic impact of privatization on this number of employees, it is most likely the Board would endeavour to have the bus drivers placed through its fleet disposal sale agreement and/or the subsequent service contract. Indeed this appears to be what happened to many of the municipal sanitation workers and the examples of privatization of refuse collection in Canada cited by Walker.30 Finley, a proponent of privatization, suggests private entrepreneurs consider hiring displaced municipal employees as a means of easing the transition, maintaining good rapport with the municipal organization and addressing inevitable political concerns.31

Initially, any initiative by the Board to assist the bus drivers to maintain employment would appear worthwhile, even altruistic, it nonetheless bears some detailed consideration. In discussing the sources of contractors' cost advantages in local government services privatization, Donahue uses the data from the Stevens Study of contracting out in the Los Angeles Metropolitan area32 and argues that much of the cost advantage comes at the expense of the previously employed municipal employees.33 He points out that higher wages and benefits account for between 20 to 75% of the extra costs estimated for municipal agencies.
Donahue also notes that there are significant difficulties in managing these employees since they are often older, with longer average tenure, greater vacation time, etc. On the one hand he acknowledges that local government critics would argue that local governments' role is to deliver services efficiently, but also reminds these critics the municipalities still employ disproportionate numbers of women and minorities, often at higher than private sector wages, thus playing a socially important role.34

This contrast in positions typifies the often emotional debate on privatization. It is particularly ironic that recent Provincial legislative initiatives that have enabled public sector school bus drivers to achieve some measure of recognition and renumeration for the job they do has resulted in their being paid at rates well in excess of the wages set by the "market place", as pointed out earlier. Even if the drivers were guaranteed that they could move to the contractor(s) with the divested buses, there is no assurance that they would stay long or be as satisfied, motivated or dedicated at their new place of employment. A private operator also usually enjoys greater freedom of employee management and might find ways to circumvent this particular obligation. If the Board - one of the Region's largest employers and charged with the responsibility through those employees of developing responsible social behaviour and attitudes of the next generation - attempted to protect the wages and benefits of the displaced bus drivers, there is a good possibility that the largest part of the contractors' cost advantage would be eliminated, thus nullifying the entire exercise.

Finally, a concluding note on bus driver wage rates. It is not at all certain that the "market wage" offered by the private sector, even where unionized, is providing the necessary incentive to attract qualified employees for the long term. On March 5th, 1992, Maciek Jaltoszuk, a grade one student in the Ottawa area, was struck and run over by the school bus from which he had just disembarked. The subsequent coroner's jury heard that the bus driver, while holding the minimum qualifications, had not been on the job long enough to participate in the operator's safety program nor been properly instructed in the use of bus patrols to safely cross young students. This was apparently cited as
an ongoing problem generally in Ontario due to the high level of school bus driver turnover. This turnover had a number of identifying causes, one of which was the poor remuneration for the levels of stress and responsibility imposed on them. The Coroner’s Jury recommended that:

**Ministry of Labour**

1. The Ontario Minister of Labour consider a study of the reported high level of school bus driver turnover with respect to identifying causes and make recommendations to improve the long term attachment of individuals to this occupation.  

Given the absolute importance of maintaining a spotless safety record in the school bus service, a decision by the Board to privatize the existing bus fleet presumably to decrease transportation costs, which Donahue persuasively argues will be predominately at the bus drivers’ expense, needs to take into consideration the implications of the Jaltoszuk investigation.
4. Setting and Implementing Service Standards and Policy

A key question raised in the discussion of privatization of local government services is whether satisfactory arrangements can be made to provide the public agency with control over the performance and levels of service where publicly provided services are contracted to the private sector. With respect to school busing, can the setting of standards for the hiring, training and on-going professional development of bus drivers, the specification of equipment and insurance and the development of standards and procedures for routine and emergency services be safely left to the competing private sector? In short, does being a provider give the Board more insight and authority in these areas?

Several of the references (Finley, Donahue, Rehfuss) suggest that managerial control over quality standards, performance/non-performance, policy implementation and unforeseen changes in the operating environment - e.g. recycling as part of refuse collection - can be maintained by careful attention to:

- preparing comprehensive service contract specifications;
- retraining of public administrative staff from producer to regulator;
- establishing an ongoing program for monitoring and/or evaluation of the service.

Two immediate problems with this approach are evident. First, if the contract specifications, particularly in the "soft" non-revenue areas such as bus driver upgrading, bus patrol training and safety campaigns, are too onerous and/or too openended for additional demands from local government awarding the contract, contractors will either decline to bid or seek compensation with a resulting increase in costs. Secondly, can reasonable performance standards and periodic updates be provided by local government administrators who do not have a firsthand knowledge of the service being provided? And would public management not be better overall by participating in the provision of services?
The Waterloo County Board of Education has adopted a policy of environment first for as many of its business operations as is practical. This requires that every purchase and operating practice be scrutinized for its potential to minimize the impact on our environment. Obvious approaches such as using the Board's volume of copier paper consumption provides a market for such products and ensures continued fine paper recycling. Other endeavours are intended to be a model for both students and the community. As pointed out earlier, the Transportation Department has acquired and converted school buses to alternative fuels since 1987. While local bus operators are returning to all diesel powered vehicles for conventional school buses, the Board has proceeded with a NGV pilot project on one 1991 school bus. This is the only full size school bus in this region to operate on natural gas. On an operating basis, the per kilometre cost of diesel fuel is lower than natural gas, propane or gasoline, in ascending order, and the range of diesel powered buses is outstanding. However, of the four fuels, diesel contributes more and more harmful pollutants. By providing the local school bus test bed for Union Gas Limited, the Board is demonstrating its concern for the environment in practice, and is now considering California specifications (NGV) for its 1993 school bus tender. While it is certainly possible for the Board to require such an approach by private providers via contract/tender requirements, the Board would likely receive requests from contractors for supplementary costs or premiums in anticipation of operating difficulties, capital outlay and staff training.

By becoming operationally familiar with an actual NGV vehicle, Board staff are now in a position to not only refute such claims but also to assist operators who wish to convert. Additionally, the Board has received positive response from schools and the general community for commitment in this regard.

As with the implementation of double and even triple school runs - the scheduling of one school bus to do more than one task each morning and evening - the fact that the Board has the capability to actively implement such policies makes it easier to convince operators to also do so. This is similar to the earlier discussion of the verifications of costs whereby the involvement of the Board in service provision gives its staff knowledge of practical difficulties and operating costs.
The entire subject of bus driver training - for initial qualification and ongoing professional safety - in school bus safety is also relevant here. The Ontario School Bus Operators Association has worked diligently since the mid 1980's to improve the safety record of the industry in general and promote the professionalism of school bus drivers. Some school bus operators, particularly the large independents and nationals, have driver training and safety staff and have developed excellent in-house manuals, procedures and practices. Many of the smaller firms have not done so. Recently, three of the independent operators in the Waterloo Region approached the Board requesting joint training and revised safety procedures coordinated by the Board. Potential for negligent risk to the school bus operator is high, particularly so in the current environment of public expectations.

The Jaltoszuk Coroner's Jury recommendations discussed previously contained ten recommendations directed toward safety procedures and uniform driver training. The jury was particularly critical of the five Ottawa area school boards with respect to that Region's school bus safety procedures, school bus patrols' training and route management.

The Province of Quebec has also felt the need to review school bus safety this summer. There, 22 children from five to eight years old have died and 2,000 more have been injured in school bus related incidents since 1986. Again the issues of bus driver training, upgrading and turnover, as well as poor student crossing procedures and revised bus design and equipment have been identified.

The Waterloo County Board of Education has, in co-operation with the co-terminus Separate Board, set up a joint school bus operator and school board working group to deal with most of the issues highlighted by the coroner's jury. The Board could simply not pass on this responsibility through contracting out. In the event of an incident, it is the Board - the public body responsible for the students - that will ultimately be targeted for the greatest criticism and blame.
Certainly maintaining a school bus fleet is not necessary for this kind of management control to take place. But in the highly regulated, specialized niche of school busing, it is difficult to see a non-operator having the perspective or experience to direct and monitor the safety and training procedures of the practitioners effectively. The alternative is to hire that expertise via staff complement or outside consultant which represents a cost of privatization that needs to be included up front.

With the public school bus fleet, the Board can implement the minimum standards for safety on a daily basis.
Emergency Response

Emergency response in the context of this discussion is not the maintenance of emergency personnel by the Board parrellel to a municipal firefighter or police officer. Rather it is the capability of the Board to respond to in-house situations in co-operation with the established emergency services. Two recent incidents during the spring of 1992 illustrate this issue.

In March, Waterloo-Oxford Secondary School was the target of a bomb threat. This is a secondary facility of about 1,250 students and over 100 teachers and support staff located in a rural setting west of Kitchener-Waterloo. Unlike schools in an urban area, Waterloo Oxford does not have an alternative emergency location nearby to which students can walk. Normally all the students at this school are transported and some come from the adjoining Perth and Oxford Counties' rural areas. All these bus routes are privately operated.

Because of double bus runs to the nearly Towns of Baden, New Hamburg and New Dundee, there are less buses than are able to handle the school's enrolment in an emergency dismissal. On the day of the bomb threat, the weather was cool and it was raining. The police officers responding to the bomb threat determined it to be authentic and directed school staff to call an ordinary "fire drill" evacuation of the students to their school buses, which had been hastily summoned. However, the police wanted to do a locker-to-locker search for the suspected bomb and requested that the school not dismiss the students but keep them on-site on their school buses. Students returned to the school for this locker check, bus by bus, until police were satisfied no bomb existed and the student population was dismissed.

A post-incident review with respect to the transportation response indicated that while the operators and their drivers made exceptional efforts to arrive at the school, difficulties arose:

- In rural areas, most bus drivers are parttime often going to other places of employment and are difficult to reach in mid-day;
- Rural drivers generally take their bus home with them and the contractor does not have back-up equipment in quantity even if spare drivers are available;
- Insufficient bus capacity was dispatched even though more buses then routes eventually arrived at the school; and,
The out of county operators took a long time to respond due to the distances involved resulting in substantial overcrowding on the existing buses.

It was agreed that in a similar situation at either of the Board's rural high schools - Waterloo Oxford or Elmira District - the Board fleet would be called out to back-up and supplement the operators.

The second incident took place at Laurentian Senior Public School in late April. This is a grade 7 and 8 facility of just over 500 students, the majority of whom make their own way to school. A relatively minor fire was set just after lunch which created so much smoke that the school was evacuated. The school principal felt the disruption would be relatively short term and that given the age group of the students involved they should be retained at school. At her request, the Board Transportation Department was able to immediately dispatch enough buses to accommodate the school's student population. Some of those buses arrived just behind the Kitchener Fire Department. The school day did eventually resume and end normally.

As noted earlier, the Board's fleet is the primary school bus charter operator with the bulk of those charters in the last twelve weeks of school. On the day of the Laurentian fire, enough buses and drivers were on the road in the Kitchener area that they were available for diversion to the school. Obviously the recent Waterloo-Oxford incident had had some impact on how Board staff elected to respond. The question outstanding is whether a fully contracted out transportation system could have provided a similar response.

Before the Waterloo Oxford and Laurentian occurrences, the Board's Director of Education had established a task force to review the potential for emergency situations in a large school organization and to make procedural recommendations to the Board. Those incidents highlighted both good and poor emergency procedures in place at the time and a new Emergency Preparedness Plan was put in place in June 1992.

That plan calls for a dual role for the Board's school bus operation. The most obvious is as a primary response to schools such as Laurentian to either provide short term student accommodation and/or transportation to the designated emergency shelter established by the school. The other task is more interesting. The school buses are dispatched via a two-way communications system with a free-standing frequency. The Board has a second, separate frequency used by the Ground and
Maintenance tradespersons and Security personnel with their own dispatch. After hours, both systems allow inter-vehicle communication. The school buses are equipped with both frequency channels so that, for instance, a bus driver could call on the night security staff for assistance when returning a late charter.

In the event of an incident, one or more buses could be dispatched to one or a multiple number of sites and provide for an in-house communication link with Board Security staff - who are the first line contact with the Regional Police Department. This is an important feature of the Board’s Emergency Plan, since the normal telephone links often become overloaded or disrupted in severe weather conditions or emergency situations. Both the bus and security dispatchers are adjacent to the area in the Education Centre designated as the Board’s Emergency Operations Centre, and either can provide the communications link for the designated authorities.\(^{40}\)

In reviewing the privatization of a traditional public emergency service - fire fighting - in the U.S., Finley argues that the experience of the Rural-Metro corporation proves that a private-for-profit company can provide as good as or better fire protection service efficiently.\(^ {41}\) But this is an example of a straight substitution; in the case of the busing response to both Waterloo-Oxford and Laurentian schools the situation is that of the complementary role provided.

Certainly the author’s experience with all the local school bus operators suggests that any of them would willingly assist in such an incident and worry about compensation later. In light of the practical problems experienced at Waterloo-Oxford, it is also clear that no one operator could have responded to Laurentian as quickly and in the numbers the Board did. Thus the need for more communication would have been required resulting in a greater response time and the need for co-ordination among companies. Additionally, since each company operates on different radio frequencies that on-site co-ordination would have been more complicated. On the other hand, prior privatization of the Board fleet, probably would have meant that more contractor buses were on the road doing charters at the time of the Laurentian incident.

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The post Laurentian wrap up indicated that the both the school and the parents were impressed by the Board response to a non-bused school, and the Board Dispatcher and drivers were proud of their accomplishment.

These kinds of incidents would certainly become an integral part of the emotional background during a debate on privatization of the Board school bus fleet at the Board table.
Conclusion

It was not the intent of this paper to reach a conclusion which might suggest a recommendation to either privatize or maintain the Board’s school bus fleet. Rather, the purpose was to become familiar with the issues and parameters involved - both philosophical and practical - in this current approach and apply those to a very specific area of operations. Obviously, the application to a publicly operated school bus service results from the author’s area of employment and expertise; however, as becomes evident reading many of the sources cited in this paper which deal with similar but different local government endeavours, a number of considerations which should be made when considering the step towards privatization keep recurring:

- Is the service/function one that can be competitively substituted by the (local) private sector?
- What management control, regulation and evaluation needs to be put in place to determine adequate levels of service and monitor costs?
- What are the legislative, contractual and moral obligations to the existing employees?
- Is the right service being considered for privatization?
- What are the prevailing attitudes of the organization, community and political leadership towards privatization?
- Would a balance of private and public service provision ensure competition, minimize reaction and maintain public capital and expertise in the event of a change of heart, Board or policy?
- Can important local or senior government policy initiatives be maintained or complied with?
- While the anticipated economies be realized?
- Is the timing right?
It is important that the public sector manager/administrator be knowledgeable of these points when the issue of privatization is being put forward. For such individuals this is a tall order. The efforts of the Federal and Provincial Governments to limit transfer payments to local government, coupled with the resistance of local ratepayers to continuous property tax increases, have left many of these administrators overwhelmed and lacking in the staff or the resources to carry out research, hire consultants or undergo re-training.

At the same time these individuals are being pressed to trim their budgets and get more out of their public employees. In this environment the suggestion that privatization of public service delivery can save substantial dollars - whether true or not - will certainly get it on someone's agenda: the elected representatives, the CAO, the public, special interest group, media or even the administrators themselves. Support services in a body which is primarily focused on another task, may be even more vulnerable as a target for privatization as they represent a small part of the overall expenditures and include staff, equipment and operations which are outside of the everyday experiences of the majority of the organization's personnel. This is certainly the case for the school bus drivers and fleet in The Waterloo County Board of Education.

Interestingly, the Provincial Auditor-General's office has been critical of boards in its last three Annual Reports for not letting more school bus contracts via tender, as opposed to negotiations with private operators. However, those reports have not been particularly tough on boards which operate their own school buses, provided they operate on routes similar to the private carrier. The Auditor-General sees the greatest potential for transportation grant reductions by staggering school bell times and doubling up the bus runs. This is certainly a correct assumption, but the savings in the number of routes/buses would be consistent whether they were operated by the private or public sector.43

For The Waterloo County Board of Education the circumstance of already having a balance of 75:25 private to public provision of school bus service may just be the "best fit" compromise. Not entirely dependent on the private sector, or even one private operator, the Board at the same time has not overextended itself as a school bus operator. Whether the existence of both private and public fleets and personnel maintains a healthy dynamic tension or not, the Waterloo Region has certainly enjoyed
excellent school busing service and an outstanding safety record. At the same time, the presence of the Board provides an opportunity for effective co-operative ventures, such as the school bus safety patrol training. The participation of the Board also ensures a credibility to these efforts with other public agencies, the media and the public itself. Using the Ross analysis of the school busing situation in Indiana, there would be little to gain for the Board in terms of efficiency moving from the existing balanced mixture of private production to private only.44

Nor is the Board currently under pressure to reduce the costs of its transportation. The Board has been more generally attacked for the mil rate increases resulting from an annual budget of nearly $335 Million for 1992 - of which over 71% is in teachers' salaries.

While the official position of the School Bus Operators' Association of Ontario is that school boards in Ontario should get out of the school bus business, the local chapter has never even made an approach in this regard to the Board.45 Their concerns to date have been with the efforts of both local boards to offload students onto municipal transit systems and, more particularly with the Public Board, that the allocation of routes not favour the Board as an operator.

There is no question that the Board's fleet operating costs are higher than that of a local operator. The Board's bus driver salaries are substantially higher, the Board does not have its own repair facility and it cannot enter into volume discounts with school bus manufacturers, like the national companies do. The bulk of that cost disadvantage is currently offset by the Ministry of Education's Capital Grant Plan for Board-owned school buses. Changes in this funding formula might be a more critical factor triggering the privatization debate.

Donahue sums up the privatization decision dilemma succinctly by suggesting that some services may just be important enough to be done publicly - and he suggests - awkwardly, rather than seek privatization of local government services as a sweeping remedy.46 School busing in Waterloo County may just be one of those important services he had in mind.

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FOOTNOTES


8. Ibid, pg 10.

9. Ibid, pg 27.

10. Op Cit, pgs 102, 103.


12. The Education Act, Chapter 129, R.S.O., 1980, s. 20, s.s. 2 (c) i), ii), iii).


15. Op Cit, pg 75.


17. Ibid, pg 118.

18. Ibid, pgs 114, 249.


24. Ibid, pgs 53 - 62, see also in same text Appendix A, "Analysis Variables and Results", pgs 93 - 104.


26. 1992 Operating Budget of The Waterloo County Board of Education, Department of Planning and Transportation, Business Division.

27. Agreement between the Educational Support Staff Association and The Waterloo County Board of Education, January 1, 1992 to December 31, 1992, Articles 4.02, 16.06.


30. Op Cit.


32. Op Cit.

33. Op Cit, pgs 143 - 146.

34. Ibid, pg 145.


36. Op Cit, pg 117.

37. Op Cit, pgs 216, 217.


39. Op Cit'.


42. Op Cit, pgs 84-92.

43. The 1991 Auditor General's Report, The Queen's Printer, Toronto, Section 2.10, "Comments on Cross-Ministry and Special Audits".

44. Op Cit.

45. The School Bus Operators Association of Ontario - Goals and Objectives.

46. Op Cit, pgs 222, 223.


