

**Ministry of Education**

**Office of the ADM**  
Capital and Business Support  
Division  
20th Floor, Mowat Block  
900 Bay Street  
Toronto ON M7A 1L2

**Ministère de l'Éducation**

**Bureau du sous-ministre adjoint**  
Division du soutien aux immobilisations et  
aux affaires  
20<sup>e</sup> étage, Édifice Mowat  
900, rue Bay  
Toronto ON M7A 1L2



**2018: B04**

**MEMORANDUM TO:** Directors of Education  
Secretary/Treasurers of School Authorities

**FROM:** Joshua Paul  
Assistant Deputy Minister  
Capital and Business Support Division

**DATE:** **March 2, 2018**

**SUBJECT:** **Update on the School Bus Driver Retention Bonus Program**

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As a follow-up to *Memorandum 2017:B16*, dated December 15, 2017, I am writing to provide an update on the school bus driver retention bonus program.

The Ministry of Education recognizes that the ongoing school bus driver shortage has contributed to service disruptions that have impacted students and families. We also recognize that the school bus driver shortage is impacted by many factors. One of the factors that impacts school bus driver shortages is low retention rates. The school bus driver retention bonus program, announced in December 2017, is intended to reward school bus drivers who stay on the job throughout the school year, reduce driver turnover, and make student transportation services more reliable for students and families.

Over the 2017-18 and 2018-19 school years, Ontario is investing \$60 million to help school bus operators recruit and retain drivers. This initiative will allow eligible school bus drivers to receive up to three separate retention bonuses of up to \$1,000 each based on continuous employment for the following three periods:

- January 2018 to June 2018
- September 2018 to December 2018
- January 2019 to June 2019

Standard criteria, including the definition of continuous employment, will be developed to determine eligibility of all school bus drivers across the province.

An important element of the school bus driver retention bonus program is for this financial assistance to go directly to school bus drivers. As such, the Province has entered into a transfer payment agreement with the Ontario School Bus Association (OSBA) to administer this program. Funding will be provided to OSBA to support the retention bonus payments, which will be provided to eligible drivers.

It is important to note that the retention bonus provided is not intended to replace or substitute existing employee compensation currently provided by school bus operators to their school bus drivers, including their legislated obligations to meet the new minimum wage rate in Ontario. Rather, this initiative is intended to respond to driver retention and shortage issues in the school bus sector by providing an additional incentive to attract new drivers and to retain existing drivers.

It is expected that OSBA and the Independent School Bus Operators Association (ISBOA) will work closely and collaboratively over the course of this initiative. OSBA will be hiring a project coordinator to support the implementation of this initiative and will be establishing a working committee. The working committee will include representation from OSBA and ISBOA, and will support OSBA in the design, development and administration of the school bus driver retention bonus program. By early spring 2018, it is expected that additional information, such as eligibility, process and timing, will be finalized and released.

As part of this initiative, the project will include two research and analysis projects. One project will focus on evaluating the effectiveness of the school bus driver retention bonus program and the other will focus on the development of a school bus driver workforce development strategy. The ministry is hopeful that the results of this research will inform the student transportation sector of opportunities to improve school bus driver recruitment and retention in the long-term.

We are committed to rewarding school bus drivers who stay on the job throughout the school year. Furthermore, we are committed to developing a new vision to find out how student transportation services can be improved to better serve students, families and communities for student transportation in Ontario. The school bus driver retention bonus program is an interim step to alleviate the issue of driver shortage as the ministry is undertaking a broad engagement over the next year on this new vision. The focus of this new vision engagement is on safety, responsiveness, equitability and accountability in the student transportation system moving forward.

If you have any questions or comments, please contact Cheri Hayward, Director, School Business Support Branch, at 416-327-7503 or [cheri.hayward@ontario.ca](mailto:cheri.hayward@ontario.ca).

*Original signed by*

Joshua Paul  
Assistant Deputy Minister  
Capital and Business Support Division

c: Senior Business Officials  
Transportation Consortia Managers  
Ontario School Bus Association  
Independent School Bus Operators Association