



# British Columbia Teachers' Federation

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A Union of Professionals

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## EDUCATION FUNDING

*A Brief to the*

### Select Standing Committee on Finance and Government Services

*from the*

### British Columbia Teachers' Federation

October 2014

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President

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Executive Director



# Education Funding Brief 2014

## BC Teachers' Federation

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### Funding that covers the real cost of education

We begin by commending the Select Standing Committee on Finance and Government Services for recommendations on education that were made in its *Report on the Budget 2014 Consultations*.

The BC Teachers' Federation and a number of its locals annually present to the Select Standing Committee. We do so because we think it is important to tell you and the public about the difference between the education funding decisions made by government and the reality of the needs in our schools.

In reading through the report of the committee after the consultations last year, we feel that there had been some understanding of the situation in our public schools. Again, we commend you for that, but feel that, unfortunately, the committee recommendations did not get the necessary response from government. The conflict over our schools during the last months has been one of the symptoms of this gap between needs and the resources provided to meet the needs.

Specifically, we commend two of your recommendations and urge that you repeat them in your report this year.

24. Provide sufficient funding for the K–12 system to enable BC students to become top performers nationally; and address cost increases for school districts (e.g., rising BC Hydro rates).

27. Review the increasing demands on school district budgets and ensure that funding is appropriately directed to meet the growing support required for students with special needs. (pp. 27–28)

We focus in this brief on these recommendations and provide some details on what we think they should mean.

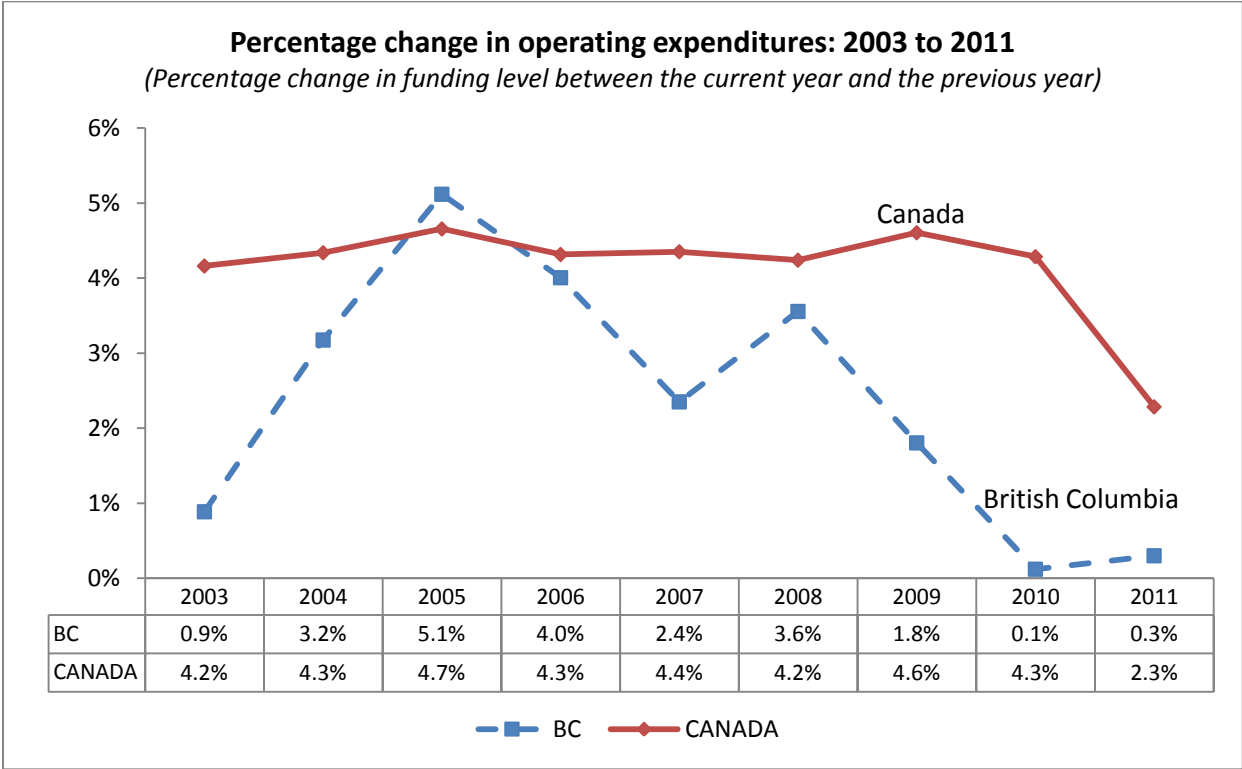
# Recommendation 1: Increase funding for the K–12 public education system to at least the Canadian average

Our students in BC should be valued as much as any other students in our country. One measure of that value is how much our society is prepared to spend to ensure that our students have their needs met.

## BC compared to the rest of Canada

British Columbia is falling behind other provinces in its funding commitment to public education. Statistics Canada data shows that BC has done considerably less than the rest of Canada to improve operating-grant funding to school districts. Chart 1 shows that for most years, BC is below the national average in terms of improvements to operating-grant funding for public schools. Since 2008, the percentage increase in operating-grant funding for BC fell steadily, with 2010 marking the start of a long-term freeze on operating-grant funding.

Chart 1



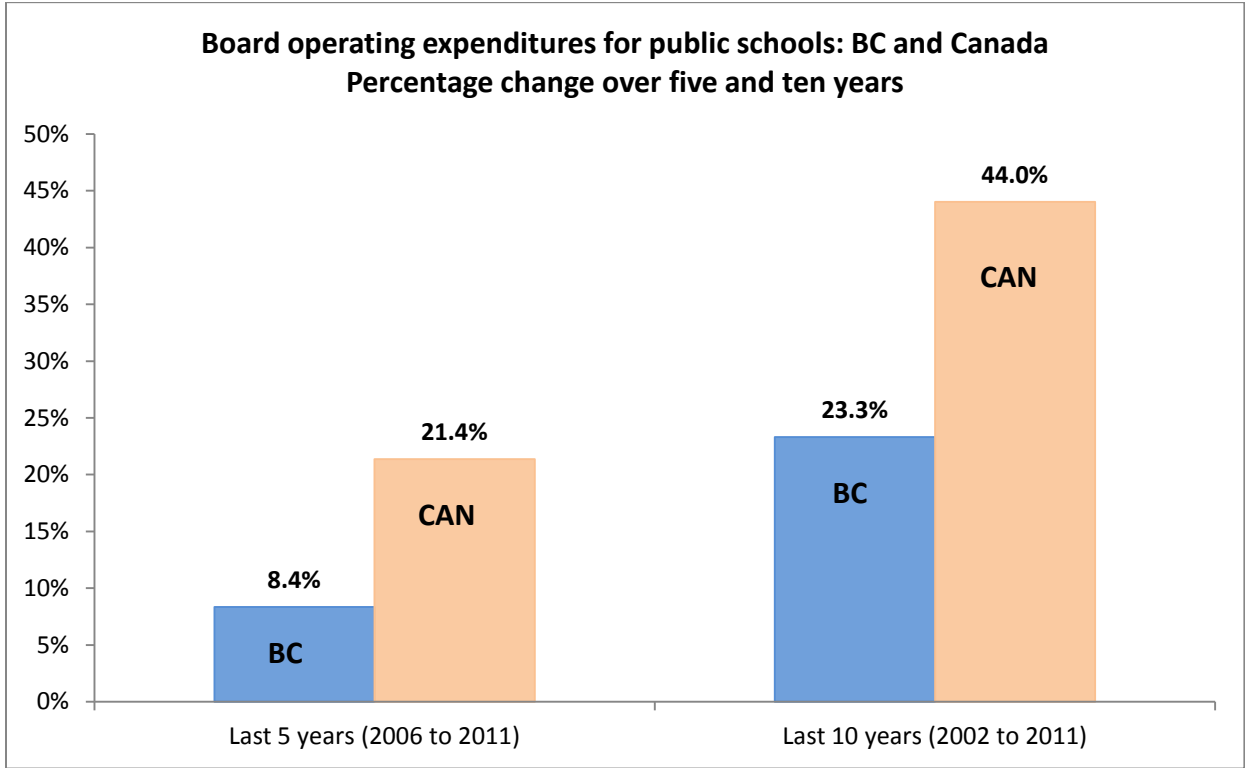
Source: BCTF chart and calculations with data from: Statistics Canada. *Table 478-0012 – School board expenditures, annual (dollars)*, CANSIM (database). (accessed: April 7, 2014).

Note: Statistics Canada Footnote 2 states “Data are or have been converted to a calendar basis, January 1 to December 31.” and Footnote 3 states “School boards represent schools which are a part of the elementary and secondary public school system.”

**BC public schools are underfunded compared to the rest of Canada**

The cumulative impact of BC’s operating funding to school districts not keeping pace with Canada is significant, even over a five-year period. Chart 2 shows how the percentage increase in Board Operating Expenditures for BC public schools compares to the national average (Canada). Over the ten-year period of 2002 to 2011, Operating Expenditures grew almost twice the rate in Canada (+44%) as in British Columbia (+23.3%). The situation worsened considerably for BC in the last five years (2006 to 2011), when Operating Expenditures in Canada (+21.4%) increased at almost three times the rate compared to British Columbia (+8.4%).

**Chart 2**

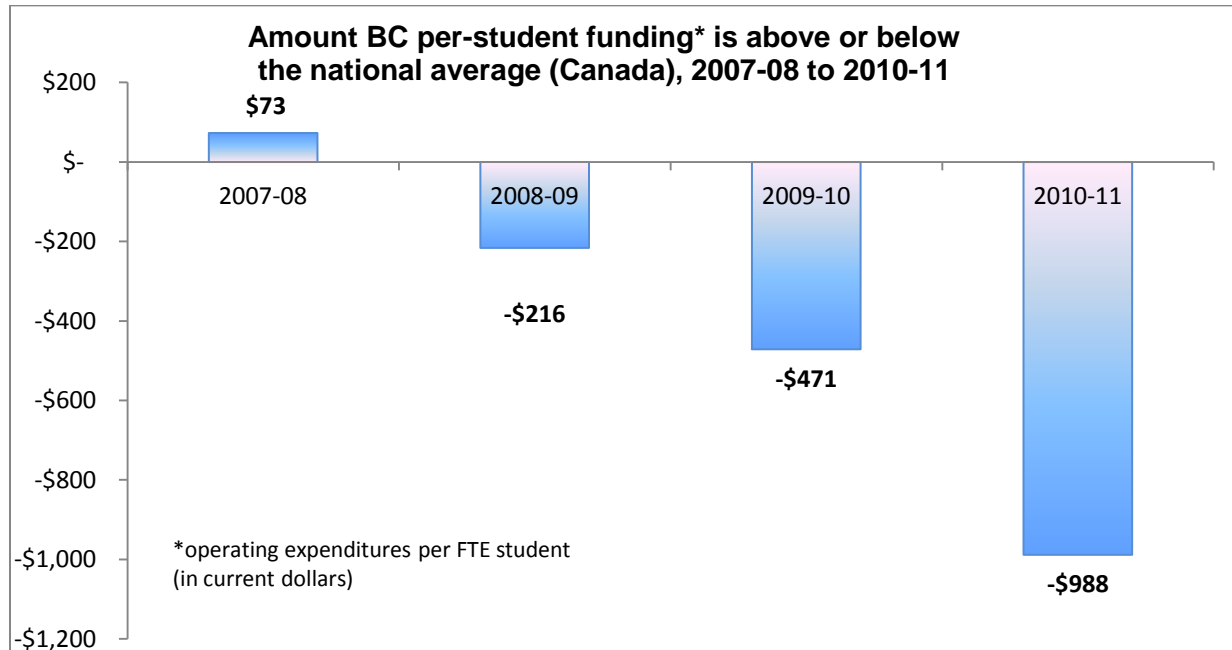


Source: BCTF chart, with data from: Statistics Canada. *Table 478-0012 - School board expenditures, annual (dollars)*, CANSIM (database). (accessed: April 7, 2014)

## How much additional operating funding would be available for BC public schools if operating expenditures increased in BC by the same percentage as Canada?

Operating expenditures for BC public schools increased by \$375 million (+8.4%) between 2006 and 2011. If operating expenditures for BC public schools had increased at the same rate as the national average (21.4%), there would have been an additional \$583.5 million available to support students in BC public schools in 2011.

Chart 3



Source: BCTF calculations with data from Statistics Canada (2013), *Summary Elementary and Secondary School Indicators for Canada, the Provinces and Territories, 2006/2007 to 2010/2011*, Table 21, p. 25.

The BCTF has called for the BC government to at least meet the Canadian average and this would require approximately \$1,000 more per student.

Adding \$1,000 more per student would allow us to meet many of the needs of our students that are currently unmet. Many of the issues in the recent teacher strike are really a cry from your teachers to give them a helping hand.

We are not asking for the best funding in Canada—only to rise to the average. We have demonstrated that we have created and maintained one of the best education systems in the world, as identified by the PISA reports from the Organization for Cooperation and Development (OECD). We do not think these tests are the only, or even the best, way of measuring the value

of our system; however, they are one very positive indicator from an international look at education.

The fact that we have done well with the resources available is not proof that more resources are not needed. We have been able to maintain high performance in our education system because teachers have given tirelessly of their time and energy to make sure that our children are doing well, even when conditions have been inadequate.

High scores on international assessments should not be used to be complacent about the students who experience significant educational barriers to successful learning and do not graduate from secondary school. Compared to the provincial rate of 83.8%,<sup>1</sup> completion rates are much lower for students with special needs (58.7%) and Aboriginal students (60%). Four in every ten Aboriginal youth in BC do not complete secondary school. Children in care often face multiple barriers and have even lower graduation rates.<sup>2</sup> Much work remains to be done in supporting vulnerable students in our public schools.

We need the additional resources so teachers can support all our students, but still have enough time and energy to support their own families and participate actively in their communities.

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<sup>1</sup> BC Ministry of Education (October 2013), *Six-year completion and Grade 12 graduation rates—2012/13, Province—Public and Independent schools combined*. <http://www.bced.gov.bc.ca/reports/pdfs/graduation/prov.pdf>

<sup>2</sup> A 2011 report, *Growing up in BC*, published by the Representative for Children and Youth and the Office of the Provincial Health Officer states, “The percentage of young people who complete high school within six years of enrolling in Grade 8 is extremely low for children with a continuing custody order – 20.4 per cent for boys and 36.1 per cent for girls, compared to 76.1 per cent for boys and 82.1 per cent for girls for children who have not been in care.” See p. 28 of the report, available at: [https://www.rcybc.ca/sites/default/files/documents/pdf/reports\\_publications/growing\\_up\\_in\\_bc.pdf](https://www.rcybc.ca/sites/default/files/documents/pdf/reports_publications/growing_up_in_bc.pdf)

## **Recommendation 2: Increase funding to meet the needs of students with special needs**

Again, the Select Standing Committee report last year spoke to the growing support required for students with special needs:

27. Review the increasing demands on school district budgets and ensure that funding is appropriately directed to meet the growing support required for students with special needs. (p. 28)

It is not a situation where there is enough money but it isn't being properly allocated. It is a case, simply, of too little funding. We urge an increase to support students with special needs without taking away from programs and learning conditions for other students.

As Mary Ellen Turpell-Lafond and Faith Bodnar wrote in a recent oped in the *Vancouver Sun*,<sup>3</sup>

Inclusion doesn't mean parking children in a class without needed supports and expecting the teacher to meet their needs. It means providing nurturing classrooms that support every learner and offering specialist behavioural supports to assist teachers in making this work.

The demand for services for special needs has been growing, not declining, over the last decade as shown in Table 1. The number of students with specific identified needs has increased, while enrolment in the system as a whole has declined over the period. A more-detailed table is included in Appendix 1.

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<sup>3</sup> *All children deserve quality education. Opinion: Special needs kids in B.C. aren't always getting the chances to succeed.* October 1, 2014, accessed online on October 3, 2014, at <http://www.vancouversun.com/opinion/oped/children+deserve+quality+education/10253439/story.html> .



**Table 1: Number of students and students with special needs (without Gifted), public only**

	2001–02	2005–06	2011–12	2012–13	2013–14	# change, 2001–02 to 2013–14	% change, 2001–02 to 2013–14
Headcount, all students	629,616	599,505	569,740	564,532	558,985	-70,631	-11.2%
Special Needs (without Gifted)	48,937	49,695	50,497	50,816	51,194	+2,257	+4.6%

BCTF Research table created with data from BC Ministry of Education: for 2001–02 and 2005–06, *Student Statistics 2001/02 – 2005/06, Full-year summary report* (December 2005), pp. 1, 5; for 2011–12, 2012–13, and 2013–14, *Student Statistics – 2013/14*, pp.1–2, <http://www.bced.gov.bc.ca/reporting/province.php>.

\* Note: This table shows the change in the composition of students with special needs in all categories except Gifted. It is important to note that although there are 10,941 fewer students in the Gifted program in 2013–14 than in 2001–02, this decrease likely reflects a loss of services to support students in the Gifted program, not necessarily fewer students in need of services. Most of the decreases in other categories also probably reflect lack of formal identification, not a decline in student needs.

In addition to those students who have been assessed and have an Individual Education Plan (IEP), there are many students waiting for assessments. These students, who clearly should be getting additional support, cannot get it because they haven't yet been assessed and assigned additional resources.<sup>4</sup>

Unfortunately, the increase in the numbers of students with special needs has been accompanied by a decline in the specialist support for those students.

The desire to meet the needs of all children was a central factor in the recent strike and lockout we have gone through in this province. Although some gains were made related to class composition, we fully recognize these are not sufficient. Already the two largest school districts, Surrey and Vancouver, have said the teachers hired from the new Education Fund will mostly replace teaching positions that districts eliminated to offset budget shortfalls in the 2014–15 district budget. A new BCTF Research Report<sup>5</sup> shows districts cut expenditures on teacher salaries by \$28.3 million in aggregate in the 2014–15 annual budgets.

We urge you to recommend increases in funding aimed at fully meeting the needs of all our students, especially students with special needs.

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<sup>4</sup> In a 2012 provincial survey of BC teachers on poverty and education issues, most teachers indicated having at least some students they would consider to be “grey area” students who are in need of extra learning support and have not been assessed. Of the 727 teachers who responded, almost one-half (47.7%) indicated “Less than one-quarter” and 35.1% indicated “Between one-quarter and one-half” of the students they currently teach are “grey area” students. Available at: [http://bctf.ca/uploadedFiles/Public/SocialJustice/Issues/Poverty/Research/Key\\_findings.pdf](http://bctf.ca/uploadedFiles/Public/SocialJustice/Issues/Poverty/Research/Key_findings.pdf)

<sup>5</sup> [http://bctf.ca/uploadedFiles/Publications/Research\\_reports/RR2014-06.pdf](http://bctf.ca/uploadedFiles/Publications/Research_reports/RR2014-06.pdf)

### **Recommendation 3: Fully fund all aspects of the collective agreement, as well as inflation and downloaded costs**

Education Minister Fassbender made a public commitment when the collective agreement was reached on September 16, 2014, that the provincial government would provide funding necessary to cover the costs to school districts to implement the contract. He told a press conference that, “Clearly, we made the commitment at the beginning of this that the increases are within our budget parameters, so it is the provincial government that is funding this particular settlement.”<sup>6</sup>

We have had mixed experiences in recent years in regard to provincial funding.

After the collective agreement was achieved in 2006, the ministry identified a separate labour fund in addition to the regular operating-grant funding. This covered the costs of the provisions agreed to, including covering the existing costs and the incremental increases required in each year of the collective agreement. This was done through a Labour Settlement Fund.

On the other hand, in recent years we have seen many examples of downloading additional costs to school districts without providing increases in either the operating grants or special targeted funds. This happened, for example, with a CUPE agreement where districts were told they had to find the funds within their existing budgets.

We obviously believe that the only fair and just way to cover the school district costs of the collective agreement is to provide an additional Labour Settlement Fund or equivalent grant to cover those costs on an ongoing basis through the end of the collective agreement.

Specific issues need to be addressed so that costs are not just downloaded to school districts, and boards are not forced to cut educational programs as a result.

The Ministry of Education has acted to make changes in the Learning Improvement Fund (LIF) to cover the commitment of an Education Fund that is to be used exclusively to hire teachers to address some class size and class composition issues. It has also included a specific section in the LIF for the current school year of \$18.8 million for special education assistants.

These amounts are a welcome addition to the funding outside of the regular operating grants.

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<sup>6</sup> Cheryl Rossi, “Premier Christy Clark calls tentative six-year teachers’ deal ‘historic’ ” *Vancouver Courier*, September 16, 2014. Accessed online at <http://www.vancourier.com/news/premier-christy-clark-calls-tentative-six-year-teachers-deal-historic-1.1376366>

There are a number of other costs of the settlement that will require additional operating-grant funding if the terms of the collective agreement are not just to be downloaded to school districts. The operating grants for the current year do not include funding for these, nor do the three-year budgets that are frozen according to the intentions expressed in the most-recent provincial budget.

In fact, the \$28.3 million reduction on teacher salaries expenditures in the 2014–15 budgets adopted by school districts in June 2014 will mean an estimated reduction of 397 FTE<sup>7</sup> teaching positions in the province for this school year. This includes a loss of 81 FTE special education teachers.

These reductions are a reflection of a combination of freezing the provincial operating grants while downloading additional costs such as increases in MSP premiums and BC Hydro rates.

### **Supplemental operating-grant funding is needed to fund the new provisions as negotiated in the six-year collective agreement**

The costs of salaries, allowances, benefits, and elementary preparation time must be funded with additional money to the most recently projected operating grants. These are summarized in Table 2. The estimated costs of each, and the methodology for calculating them, are described in Appendix 2.

In addition, funds are required for improvements in TTOC pay and for each increase in the Economic Stability Dividend (ESD), if applicable, along with inflation and downloaded costs.

**Table 2: Estimated cost of improvements in salary allowances, benefits, and preparation time**

Year	Additional operating-grant funding required (Estimates exclude potential salary increases for the ESD)	
	Per year (new cost)	Cumulative increase
Year 2 (2014–15)	\$ 90,843,201	\$ 90,843,201
Year 3 (2015–16)	\$ 1,900,000	\$ 92,743,201
Year 4 (2016–17)	\$ 31,193,969	\$ 123,937,169
Year 5 (2017–18)	\$ 22,090,423	\$ 146,027,592
Year 6 (2018–19)	\$ 23,785,813	\$ 169,813,405
<b>Total over 5 years (2014–15+)</b>	<b>\$ 169,813,405</b>	

Source: See Appendix 2. Note: These figures are estimates, and should be considered a minimum, as costing is not yet available for improvements in TTOC pay or salary increases from the ESD, if applicable.

<sup>7</sup> White, M., & Kuehn, L. (2014). *Loss of teacher and EA positions funded by operating grants offsets gains in teachers funded by the \$15-million increase in the LIF for 2014–15*, p.3. Accessed online at [http://bctf.ca/uploadedFiles/Publications/Research\\_reports/RR2014-06.pdf](http://bctf.ca/uploadedFiles/Publications/Research_reports/RR2014-06.pdf).

These labour settlement costs must be covered with additional funding beyond the frozen allocations indicated in the provincial budget for the next three years. If they are not fully funded, still more costs will be downloaded to school districts. That can only lead to still further reductions in service to our students.

## **Recommendation 4: Provide adequate funding to support ministry-directed program and curriculum changes**

The Ministry of Education has announced that a wide range of changes are to take place in curriculum, assessment, technology, graduation requirements, and expanding trades and opportunities for apprenticeships.

Each of these will require resources for program development, learning resources, technology, and in-service activities. Teachers already pressed to maintain existing programs and services will not be able to make all these changes “off the side of their desk” as another add-on to their work. The ministry should be working with the BCTF to develop a realistic plan for development based on the level of additional resources provided.

The government has indicated that it places a priority on encouraging students to choose trades programs, getting them started on apprenticeships while still completing their academic programs.

The education system does not have the capacity to do this without new resources. The equipment in schools is not up to the standards required. Few teachers in the existing teaching force have the training and certification for trades programs and the rate of pay for teachers is too low to attract sufficient new teachers from industry. In many secondary schools in districts across BC, trades and technology courses simply are not offered because of underfunded staffing levels.

## **Recommendation 5: Provide capital funding to school districts for additional schools in rapidly growing communities and to complete seismic upgrades**

While some areas of the province continue to have declining enrolment, other communities are growing rapidly. Whole areas of new homes in Metro Vancouver are filling with families where there is no community school for their children.

This is not a short-term problem. Even when schools are approved, it takes some years to do the planning, designing, and construction, and many new schools are opening with portables already on site, because the schools are too small.

The Select Standing Committee should recommend that the government make a commitment—with a timetable—for meeting the need for new schools to serve a growing population.

## **Summary of recommendations**

### **Recommendation 1**

Increase funding for the K–12 public education system to at least the Canadian average.

### **Recommendation 2**

Increase funding to meet the needs of students with special needs.

### **Recommendation 3**

Fully fund all aspects of the collective agreement, as well as inflation and downloaded costs.

### **Recommendation 4**

Provide adequate funding to support ministry-directed program and curriculum changes.

### **Recommendation 5**

Provide capital funding to school districts for additional schools in rapidly growing communities and to complete seismic upgrades.

# Appendix 1

## Enrolment changes, students with special needs (without Gifted), 2001–02 to 2013–14

Type of special need, by designation	2001–02	2005–06	2011–12	2012–13	2013–14	# change since 2001–02	% change since 2001–02
<b>Increase</b> in students with special needs since 2001–02							
Autism Spectrum Disorder (G)	1,523	2,593	5,916	6,301	6,750	+5,227	+343.2%
Learning disabilities (Q)	14,804	16,703	18,174	18,392	18,412	+3,608	+24.4%
Physical disability/ Chronic health impairment (D)	4,517	5,827	7,035	7,241	7,434	+2,917	+64.6%
Deafblind (B)	46	48	62	67	72	+26	+56.5%
<b>Decrease</b> in students with special needs since 2001–02							
Behaviour disabilities (H, R*)	19,002	16,833	13,065	12,739	12,639	-6,363	-33.5%
Mild intellectual disability (K)	3,862	2,751	2,217	2,138	2,115	-1,747	-45.2%
Moderate to profound intellectual disability (C)	2,455	2,457	1,978	1,886	1,818	-637	-26.0%
Sensory disabilities (E, F)	1,955	1,797	1,483	1,482	1,415	-540	-27.6%
Physically dependent (A)	773	686	567	570	539	-234	-30.3%
<b>Totals</b>	<b>48,937</b>	<b>49,695</b>	<b>50,497</b>	<b>50,816</b>	<b>51,194</b>	<b>+2,257</b>	<b>+4.6%</b>

BCTF Research table created with data from BC Ministry of Education: 2001–02 and 2005–06: *Student Statistics 2001–02 to 2005–06 Full-Year Summary Report*, December 2005, p. 5; 2011–12 to 2013–14: *Student Statistics—2013/14* January 2014, p. 2.

\* Much of the decrease in Behaviour disabilities was in R, Moderate Behaviour Support/Mental Illness (a high-incidence category that receives no additional funding).

\* Note: This table shows the change in the composition of students with special needs in all categories except Gifted. It is important to note that although there are 10,941 fewer students in the Gifted program in 2013–14 than in 2001–02, this decrease likely reflects a loss of services to support students in the Gifted program, not necessarily fewer students in need of services. Most of the decreases in other categories also probably reflect lack of formal identification, not a decline in student needs.



## Appendix 2

### Notes on cost estimates for improvements in salary, allowances, benefits, and preparation time in the six-year agreement

#### Articles representing provisions funded by the district Operating Grants

The Memorandum of Agreement<sup>8</sup> between the British Columbia Public School Employers' Association (BCPSEA) and the British Columbia Teachers' Federation (BCTF) for the six-year collective agreement (July 1, 2013–June 30, 2019) includes the following articles that contain improvements in provisions that are normally funded by district-operating-grant funding, summarized in Table 1, below.

The table also indicates in which years of the agreement the new provisions come into effect.

**Table 1: Articles representing provisions funded by the district Operating Grants**

	Year 2	Year 3	Year 4	Year 5	Year 6
	2014–15	2015–16	2016–17	2017–18	2018–19
Article B.1.1 Salary	Y	ESD*	Y+ESD*	Y+ESD*	Y+ESD*
Article B.1.2 Allowances	Y	ESD*	Y+ESD*	Y+ESD*	Y+ESD*
Article D.4 Preparation time	Y	—	—	—	June 30, 2019
D. Benefits	Y	Y	Y	Y	Y
Article B.2.6 TTOC pay & benefits	Y	—	Y	—	—
Article C.4.1 Experience credit	Y	—	—	—	—

\* An additional salary increase effective May 1 of the school-year based on the Economic Stability Dividend (ESD), if applicable.

#### Notes re. cost estimates in Table 2 of the brief (p. 9)

- The cost estimates are prepared by BCTF Research.
- Estimates for salary and allowances are based on 2013–14 data on teacher salaries and wage-impacted benefits (allowances) in the Public Sector Mandate database, K–12 sector<sup>9</sup>.
- Estimates for benefit improvements such as EHB and Dental Plan (non-wage-impacted benefits) use \$ amounts specified in the Memorandum of Agreement (see footnote 8).
- These cost estimates should be considered a minimum, as costing is not yet available for improvements in TTOC pay or salary and allowance increases from the ESD in Years 3, 4, 5, and 6, if applicable.
- Data is not available to make cost estimates for Article B.2.6 TTOC pay and Article C.4 Experience credit.

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<sup>8</sup> <http://www.bctf.ca/uploadedFiles/Public/BargainingContracts/MOA2014-09-17.pdf>

<sup>9</sup> This data was extracted from the Public Sector Compensation Database – 2014, BC Ministry of Finance.