



In the Province: the Big Issues

The total amount of money spent on public education in BC has been increasing every year; however, **the increases have not kept up with the costs of providing the same level of service.** In its report entitled “When more is less”, the Centre for Civic Governance estimates the shortfall at \$132 million for the 2008/2009 school year. As a result most school districts are experiencing financial difficulties. Many factors contribute to this crunch:

- *Declining enrolment and current Per-Student Funding Formula:* Student enrolment in the province has declined by 8.5% since 2000-2001. With the per-student funding formula implemented in 2002, the operating grant for each school district is determined primarily by the number of students enrolled. **For 2009-2010, the estimated per-student amount is \$8,323** (half for kindergarten kids). In other words, for every student that a school district loses, it receives \$8,323 less in funding. However, many costs remain the same. Whether 25 or 20 students are in a class, the teacher still needs to be paid, the school needs to be heated and lit and cleaned, and the support staff,

administrators, librarians are still required. **Our school district estimates that for each student that leaves the system, only \$2,828 can be saved.**

- *Labour settlements:* In 2006 the BC Teachers Federation negotiated and signed a labour agreement with the province of British Columbia. This settlement was negotiated fairly, agreed upon by both sides and has prevented labour unrest since then. All BC public school districts are bound by this agreement. It would therefore be reasonable to expect that the province, having granted the increases in salaries and benefits, would fully finance the resulting increase in labour costs for the districts. For the 2009-2010 year, the labour cost settlements are estimated to add an additional \$100 million to the labour cost, but the total provincial grant was only increased by \$84.4 million. **Therefore, once the labour settlement is accounted for, almost all public school districts actually receive less discretionary money each year.** This is expected to continue next year.

- *Increasing mandates:* In 2007 School Boards were given **additional responsibilities for early learning and community literacy.** There were no new funds allocated specifically for these purposes so the increased mandates have to be funded out of the regular operating budget.

- *Other cost pressures:* Inflation, increased cost of energy for heating and transportation, the carbon tax and the implementation of various new programs and requirements (distributed learning, GAAP, targeted literacy, arts and special needs, summer school and course challenge).

- *Cancellation of the Annual Facilities Grant:* In Sep 2009 the government announced the cancellation of the funding to repair and maintain school facilities. Many schools had done work during the previous summer months in order to avoid disruptions and noise during the school year. These works were paid with money taken from the general operating budgets, putting many districts in a deficit position, and many essential repairs were not done. (Note: At the March 2nd budget presentation, the government promised to restore the Annual Facilities Grant.)