

# **EDUCATION FUNDING**

*A Brief to the*

**Select Standing Committee on  
Finance and Government Services**  
*from the*  
**British Columbia Teachers' Federation**

September 2008

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President

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Executive Director

# **Education Funding Brief 2008**

## **BC Teachers' Federation**

<http://www.bctf.ca/BriefsAndPositionPapers.aspx>

### **Improve the lives and education of our children**

“What choices would you make?” the Standing Committee on Finance and Government Services asks in its consultation paper. Our choice is clear: improve the lives and education of children.

The focus of the provincial budget for 2009 should be on children—a “Children’s Budget.” Rather than concentrating on cutting taxes, the resources of government should be used to invest in the future through providing more of our assets to supporting children, including:

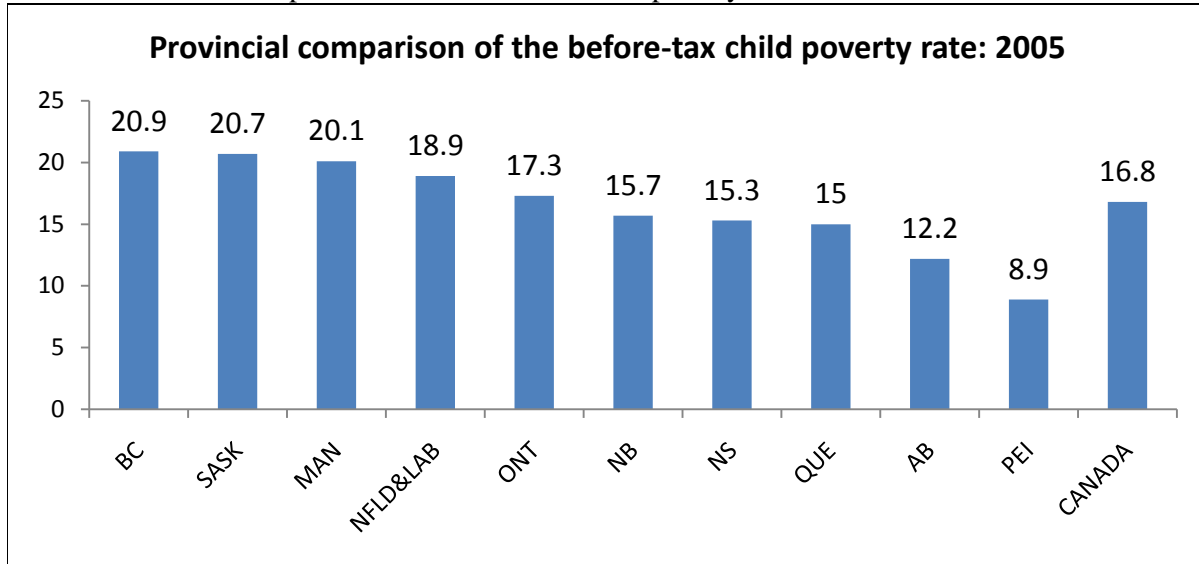
1. Eliminate child poverty: set a target, create a plan, and take action.
2. Provide a universal childcare program and fully fund the early literacy programs initiated by government.
3. Restore the level of service to students with special needs.
4. Reduce class sizes so that all children get adequate attention to their learning.
5. Fully fund costs for services that the province has downloaded onto boards of education.

We will provide background details on each of these areas, explaining the current problems and how new expenditures will contribute to our province’s well-being. While further tax cuts may be popular on the surface, the quality of life in our province depends on reducing social inequality, particularly as it relates to children. Spending on children and their education will produce real social as well as economic returns.

# 1. Eliminate child poverty: set a target, create a plan, and take action.

British Columbia, one of Canada's richest provinces, has the highest level of child poverty in the country. One out of every five students lives in poverty. This is not only a shameful situation, but also one that does harm to the future of BC's society and economy.

Table 1: Provincial comparison of the before-tax child poverty rate: 2005.



Source: First Call. *BC Campaign 2000, 2007 Child Poverty Report Card, Fact Sheet #2.*

Poverty affects the education of children all over the province and funding is needed to address their educational needs.

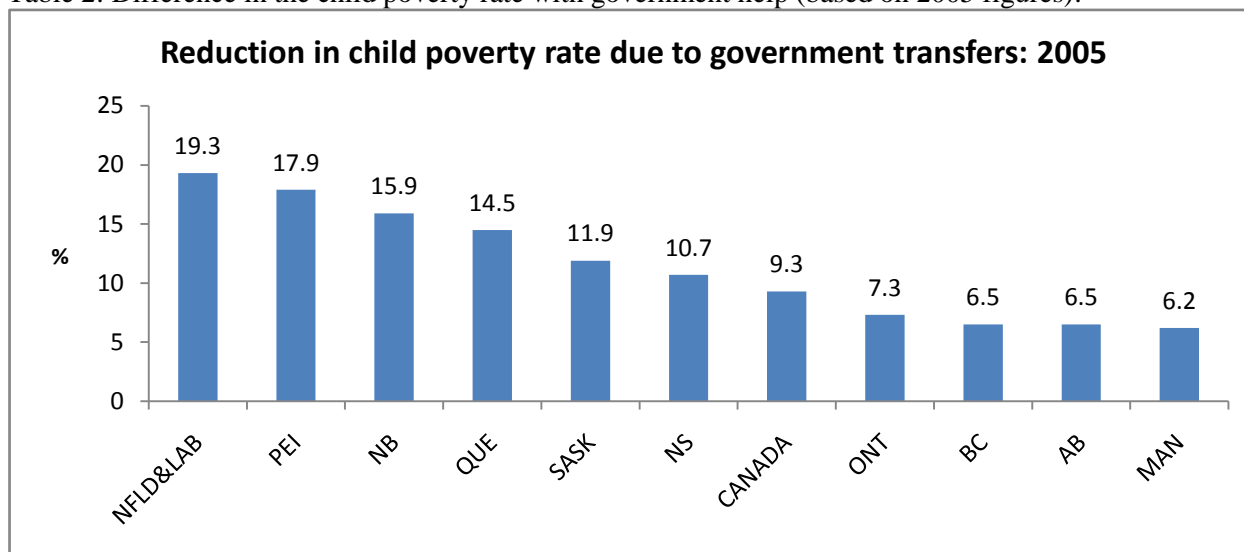
One of the most dramatic changes in the last 15 years has been the widening gap between rich and poor families in BC. The average income for the richest 10% of families with children increased by \$78,173 between 1993 and 2005 (up 53%), to \$224,665. The poorest 10% of families saw a net increase of \$1,370 (9%), with a family income of \$16,520 in 2005.

Even employment is not a protection against family poverty in BC. The 2007 Child Poverty Report Card, by First Call, BC Child and Youth Advocacy Coalition, also states that the poverty rate among children in families with full-time, full-year employment was almost *twice* as high in BC (14.5%) as in Canada as a whole (8.7%).

Perhaps most disturbing is how poorly BC fares in its efforts to reduce child poverty, compared to other provinces. Government transfers in BC reduce the child poverty rate only by -6.5%, considerably less than the Canadian average reduction of -9.3% (see Table 2). Several provinces have made remarkable progress in reducing child poverty rates, including Saskatchewan (-11.9%), Newfoundland and Labrador (-19.3), New Brunswick (-15.9), Quebec (-14.5%), and Prince Edward Island (-17.9%).<sup>1</sup>

<sup>1</sup> First Call. *BC Campaign 2000, 2007 Child Poverty Report Card, Fact Sheet #9.*

Table 2: Difference in the child poverty rate with government help (based on 2005 figures).



Source: First Call. *BC Campaign 2000, 2007 Child Poverty Report Card*, Fact Sheet #9.

The depth of the problem can be seen from the most recent count of the homeless in Metro Vancouver alone, done in March 2008, by the Social Planning and Research Council of BC.<sup>2</sup> They found an increase in the number of homeless to 2,660; among them were 94 children with a parent and 59 unaccompanied children under the age of 19, and 270 youth (under 25) without a parent (of whom 39% were aboriginal).

### **Child poverty can be eradicated—government should act**

The first thing to recognize is that child poverty is a result of family poverty. Child poverty can only be eliminated if there are government policies to increase the income of low-income families.

One action that could be taken immediately is to increase the minimum wage. BC's minimum wage is among the lowest in the country and has not been adjusted for six years.

Another action would be to place a priority on finding homes for the children who are homeless and their families. No child should face the physical and emotional impact of being without a home. We cannot say that we are serious about providing an education to a child when he or she does not have a stable, warm, and welcoming place to live.

Support for children in need through the Ministry of Children and Families has clearly been inadequate, and the ministry has frequently been in crisis itself. More social workers and more support for children and youth with special needs would also help to overcome the effects of poverty.

<sup>2</sup> *Still on our streets...Results of the 2008 Metro Vancouver Homeless Count*. Prepared by the Social Planning and Research Council of BC (SPARC BC) for the Greater Vancouver Regional Steering Committee on Homelessness, September, 2008. Accessed on the worldwide web on September 24, 2008, at [http://www.metrovancouver.org/planning/homelessness/Homlessness%20Docs/WEB\\_2008\\_Count\\_Report\\_FINAL\\_Sept\\_15.pdf](http://www.metrovancouver.org/planning/homelessness/Homlessness%20Docs/WEB_2008_Count_Report_FINAL_Sept_15.pdf).

Beyond that, the BC government should adopt a plan to eliminate child poverty. It should join with Quebec and Newfoundland and Labrador and create a comprehensive plan. Quebec has adopted a “Strategy to combat poverty and social exclusion.” Newfoundland and Labrador has legislated a “Poverty reduction strategy.” These plans address the range of supports that are necessary to overcome poverty, including employment-related programs, income assistance, and affordable housing.

One small action in BC has addressed the school experience of children living in poverty—the courts have ruled that schools cannot charge fees for programs leading to graduation.

Unfortunately, fees have not disappeared. Loopholes were adopted by government in regulations. Some schools have found other guises for attempting to collect money from families. This is unacceptable, but understandable, because the province did not increase education funding to cover the resources that had been, incorrectly, paid for by fees in the past.

A provincial plan to eliminate poverty should incorporate all of these elements—income for families, housing for the homeless, meals provided for hungry students, and a fee-free public education. We urge the province to set a target, create a plan, and take action to eliminate child poverty.

## **2. Provide a universal childcare program and fully fund the early literacy programs initiated by government.**

Childcare is a serious problem for parents. This is true for parents of both preschool children and children in elementary grades.

Most families in today’s economy require two income-earners. Single-parent families are especially caught in a dilemma of needing to work, but having difficulty finding adequate childcare or after-school care. Many parents are forced to find unlicensed childcare, with no guarantee of the quality of care or the richness of early learning activities.

The initiation by the province of early literacy programs like StrongStartBC has been a positive development. But these are not childcare programs and are only available to those who have a family situation that allows for an adult to accompany the child.

The province has an opportunity to use school facilities for childcare and other valuable uses for child development. The recent policy changes which end the encouragement of districts to close schools and sell property are positive. However, possible child-related uses of the schools require more than space. They must also have funding to support expanded programs, including universal childcare, that use that space.

### 3. Restore the level of service to students with special needs.

Even as the number of students with significant special needs has increased, services for these students have declined. This will have a long-term negative effect through the social costs of marginalization, the economic costs of providing more expensive services later, and a personal cost to students who are not able to achieve what they could if they had more assistance. The lack of adequate conditions for students with special needs affects not only those students, but also the other students with whom they share their classrooms.

#### Loss of specialist teachers

Specialist programs experienced a significant loss of FTE (full-time equivalent) teaching positions between 2001–02 and 2007–08. In the last school year, compared to the beginning of the decade, there were 604.97 fewer Special Education FTE teachers, 224.43 fewer English-as-a-Second-Language FTE teachers, 75.12 fewer Counsellors and 191.83 fewer FTE Teacher-Librarians than in 2001–02 (see Table 3). The missing specialists mean that not as much service can be provided to the students who need it most.

Table 3: Specialist teacher FTE positions: 2001–02 to 2007–08

Program	FTE Specialist Teachers			
	2001-02	2007-08	Change	% Change
Library services	921.79	729.96	-191.83	-20.8%
Counselling	990.92	915.80	-75.12	-7.6%
Special education	4,051.47	3,446.50	-604.97	-14.9%
English as a Second Language	1,015.60	791.17	-224.43	-22.1%
Aboriginal education	205.89	190.88	-15.01	-7.3%

Source: Ministry of Education. Form 1530 data, 2008.

## Enrolment decline cannot explain the overall loss of specialist teachers

The decline in specialist teaching positions cannot be explained by reduction in student enrolment. Table 4 shows that even though total enrolment has declined, the number in some key categories has increased.

Table 4: Special education categories that have increased enrolment since 2003–04.

Category	2003–04	2007–08	Change
Intensive behaviour intervention/ Serious mental illness	6,975	7,095	+120
Learning disability	15,667	17,136	+1,469
Physical disability/Chronic health impairment	5,046	5,632	+586
Autism spectrum disorder	2,007	4,178	+2,171

Source: Ministry of Education. *Student Statistics—Full-year Summary: 2003–04 to 2007–08*, p.5.

## The problem of loss of specialist teachers goes beyond the numbers

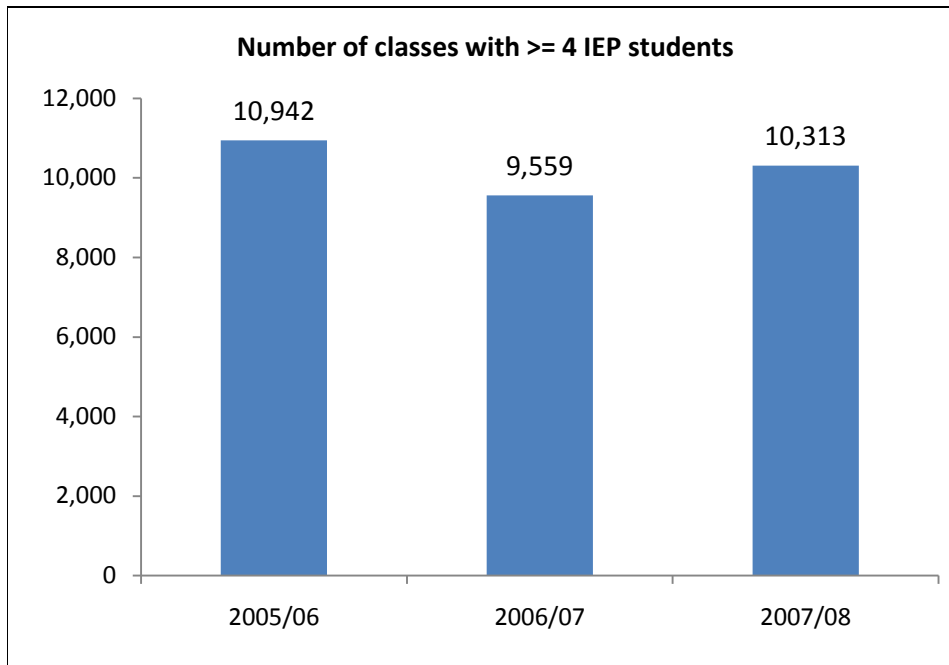
Not only has there been a loss in numbers of specialists: the nature of the work has also changed because of the reduction in numbers. Instead of providing expertise in one area—such as learning assistance, special education, and English as a Second Language—these areas are being combined into a single position because of the staffing reductions.

Blending these roles does not recognize the very different skill sets in each specialist area. Teaching ESL, for example, has different demands from supporting students with high- or low-incidence special needs. Higher caseloads resulting from decreased specialist staffing just adds to the impact of these blended roles. The effect has been that experienced specialists are deciding to leave their positions and they are being replaced frequently by teachers at the beginning of their careers without specialized training and experience.

At the same time that the number of experienced specialist teachers has dropped dramatically, many education assistants have been hired to provide classroom support. While they play an important role, it is not adequate to have the least-trained staff working in the classroom take the primary responsibility for students with significant needs. However, that is often what happens when the numbers of students with special needs in a particular classroom is high and the specialist support is not available.

The extent of the problems with support for students with special needs can be seen in the Ministry of Education report on class size and class composition. While the number of classes with more than 30 students declined slightly between 2006–07 and 2007–08, the number of classes with 4 or more students with Individual Education Plans (IEP) increased (see Table 5).

Table 5: Number of classes with 4 or more students with IEPs, 2005–06 to 2007–08.



Source: Ministry of Education. *Overview of class size and composition in British Columbia public schools: 2005-06, 2006-07, and 2007-08 reports.*

These figures actually understate the problem. Many students in the high-incidence special education categories are not identified and provided with an IEP. In some cases, this is a result of not having enough qualified professionals to carry out the diagnostic tests that are required for a student to be identified as eligible for an IEP. In other cases, it is simply a matter of the district not wanting to get a formal designation for students with special needs, because identifying a need and producing an IEP creates an obligation to provide a special program—but it does not, however, bring any extra funding to provide that special program.

One action that should be undertaken by the province to improve this situation is to reinstate specified funding for high-incidence students. This currently exists for low-incidence categories (the most serious special needs). This, however, would only have a positive impact if overall funding of the schools was increased to reflect the real needs of students with special needs.

It is essential that the levels of specialist service be restored at least to the levels of the beginning of this decade. A calculation of the costs of returning specialist service to the 2001–02 level is \$63 million,<sup>3</sup> about 1.5% of the current level of the provincial expenditures on public schools.

<sup>3</sup> *Estimated funding required to restore the loss of specialist teachers since 2001–02, and to meet Bill 33 provisions for class size and composition*, BCTF Research Report, March 2008; on the worldwide web at <http://www.bctf.ca/publications.aspx?id=5630>.



## 4. Reduce class sizes so that all children get adequate attention to their learning.

The BC government recognized the importance of class size when it introduced Bill 33. It identified classes of 30 as what should be the maximum size in Grades 4 to 12, with smaller numbers in primary grades. Unfortunately, Bill 33 has not been working.

Few classes are over 30 in Grades 4 to 7 because teachers have to consent to additional students being put into their classes. Teachers know that large classes are not just more work, but they allow fewer opportunities to support individual student needs.

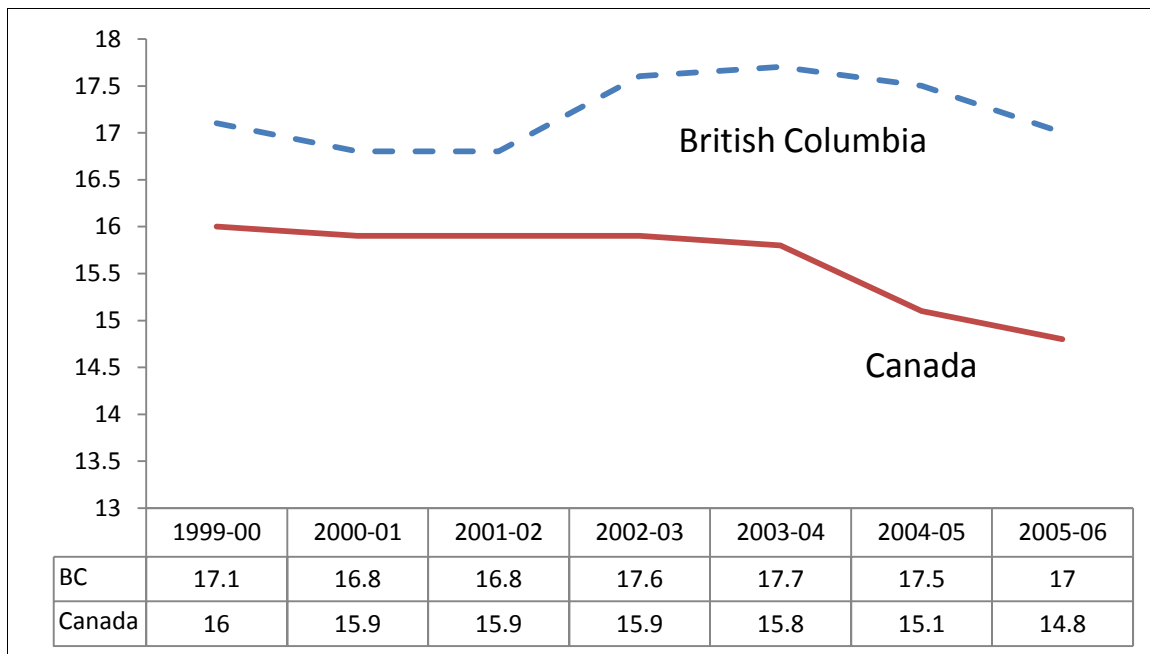
Bill 33 has made no improvements for secondary students. Secondary teachers only have to be “consulted” by the principal for more than 30 students to be stuffed into a class. Thousands of students are in these large classes.

Even the number of 30 is too large in many cases. Many contracts before 2001 had provisions for fewer than 30—including provisions for 24 students in secondary classes with extensive marking loads, such as English, and for purposes of safety in laboratories and shops.

### BC has the worst student/educator ratio in Canada

In the most recent year for which cross-Canada comparisons are available—2005–06—BC has the highest student/educator ratio in Canada (see Table 6). This is a good indicator of larger classes and fewer support services than are being provided in Canada as a whole. It is certainly not a situation that the education system should be facing when the government has identified a primary goal of BC being “the most literate jurisdiction in North America.”

Table 6: Student/educator ratio in BC and Canada, 1999–2000 to 2005–06.

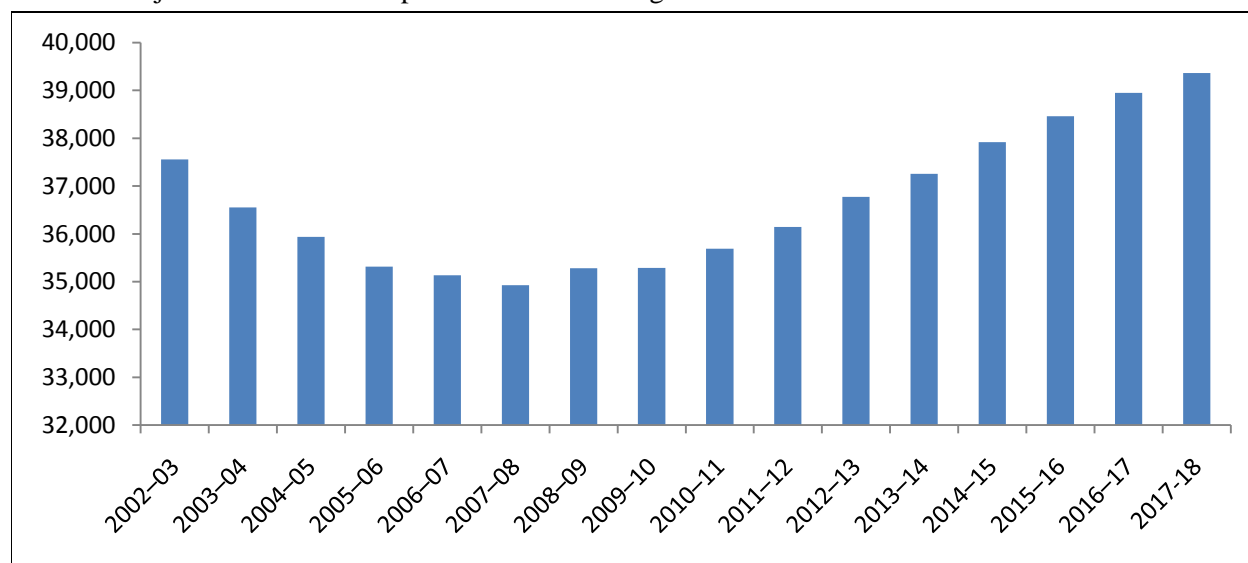


Source: Statistics Canada. (July 2008). Summary Public School Indicators for the Provinces and Territories, 1999/2000 to 2005/06, p. 30.

## Declining enrolment is in decline

The number of Kindergarten students entering public school is projected to increase in the 2008–09 school year, the start of an upward trend. If the government extends full-day Kindergarten across the province, the FTE Kindergarten enrolment will also increase from 20,210 FTE students to 35,000 FTE students.<sup>4</sup> Public school enrolment for all grades will recover as increases in Kindergarten enrolments work their way through the system, as shown in Table 7. Based on Ministry of Education projections, the rate of enrolment decline for all grades remains below 1% from 2010 onward, until 2015–16, when overall student enrolment starts to increase again.

Table 7: Projected enrolment for public-school Kindergarten students.



Includes Public school Grades K–12 students, elementary/secondary ungraded students and home-school students. Source: BC Ministry of Education, *Projection Report for Public School Headcount Enrolments*, May 2008, p. 2.

## Real education funding has declined more than enrolment

If the number of dollars provided for education has increased and the student enrolment declined, why has there not been enough money to maintain the level of services in the system as at the beginning of this decade?

The answer is quite simple: The funding provided for education, in constant value dollars, has not kept up with inflation.

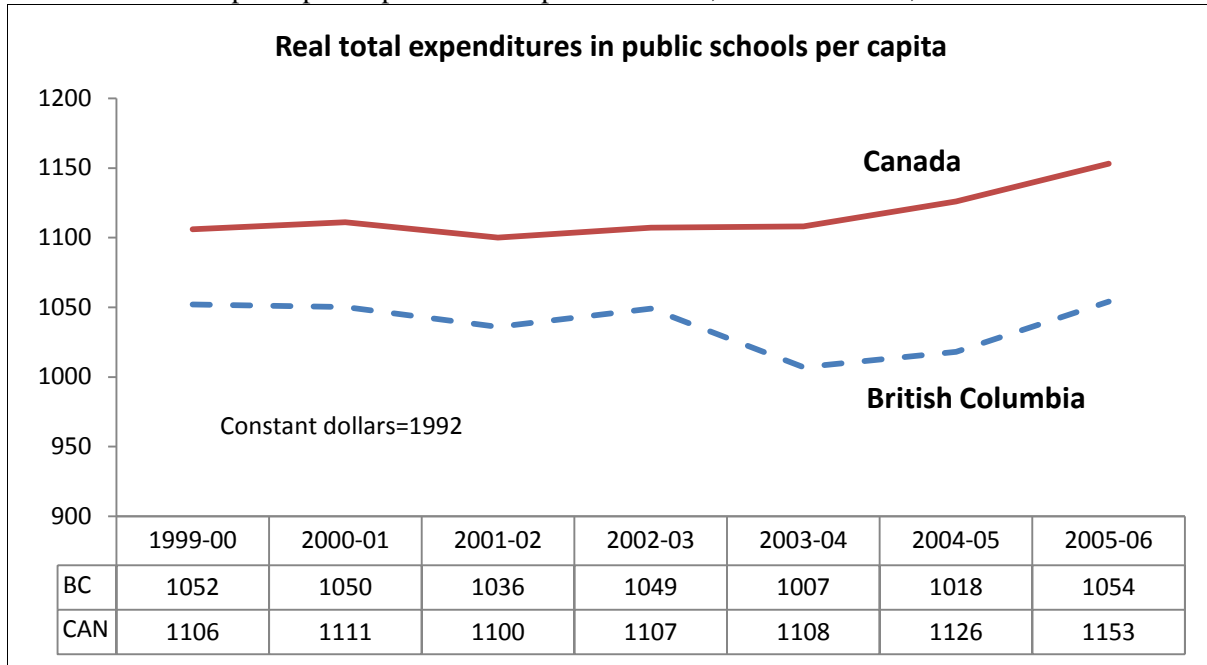
Since 2002–03, the gap of total expenditures per capita in public schools (after adjusting for inflation) widened considerably between BC and the rest of Canada.<sup>5</sup> Between 1999–2000 and 2005–06, real total public education expenditures increased by an average of \$47 per capita in Canada, while BC saw an increase of only \$2 per capita (see Table 8). Other Western provinces

<sup>4</sup> Based on 2007–08 Ministry of Education enrolment figures.

<sup>5</sup> Statistics Canada. *Summary Public School Indicators for the Provinces and Territories, 1999/2000 to 2005/06*, p. 44.

saw significant increases in real per capita funding—Alberta (+\$148), Saskatchewan (+\$193) and Manitoba (+\$79).<sup>6</sup>

Table 8: Real total per capita expenditures in public schools, BC and Canada, 1999–2000 to 2005–06.



Source: Statistics Canada. (July 2008). Summary Public School Indicators for the Provinces and Territories, 1999/2000 to 2005/06, p. 44.

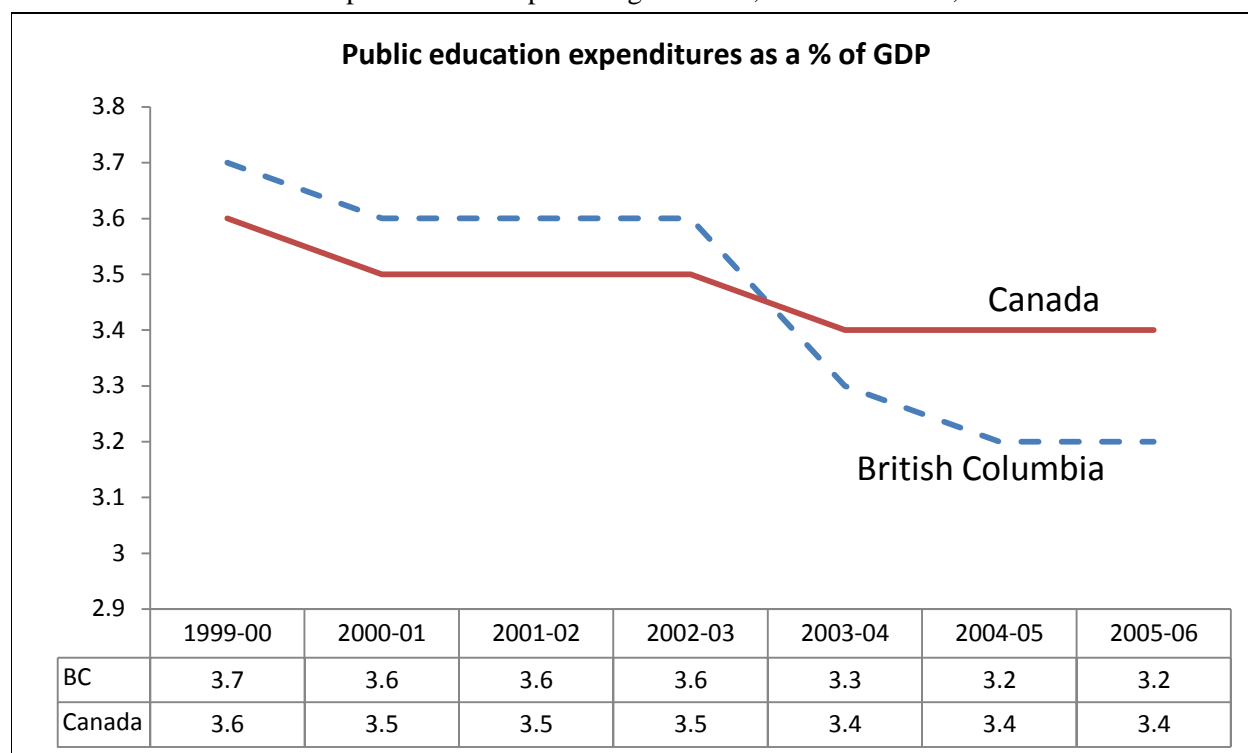
**The minister’s constant refrain that the government has the highest spending ever does not hold up when one looks at what can be bought with those dollars.**

That is why there is such a disconnect between the claim of more dollars and the reality of cuts in public education services year after year.

To get another picture of the relative amount that is being spent on education, one needs to look at the percentage of the Gross Domestic Product (GDP) spent on public education. The GDP is a measure of all the economic activity in the province, and it has grown considerably in this decade.

<sup>6</sup> Statistics Canada. *Summary Public School Indicators for the Provinces and Territories, 1999/2000 to 2005/06*, p. 44.

Table 9: Public education expenditures as a percentage of GDP, BC and Canada, 1999–2000 to 2005–06.



Source: Statistics Canada. (July 2008). Summary Public School Indicators for the Provinces and Territories, 1999–2000 to 2005–06, p. 45.

The percentage of BC’s GDP spent on education in 1999–2000 was 3.7%. In the most recent year for which we have figures, 2005–06, the percentage had fallen to 3.2% (see Table 9).

If spending on education had kept up with the increase in the GDP, we would have had some \$1 billion more to meet the needs of students. That would have been enough to restore all the conditions that were reduced early in the decade and provide more services as well.

Unfortunately, that has not been the decision of government, which has focused more on reducing taxes than having the public services meet the full needs of its youth.

## 5. Fully fund costs for services that the province has downloaded onto boards of education.

In addition to failing to keep up with inflation, the province has downloaded expenses and expanded mandates onto school districts. Each time this happens, it adds to the cumulative shortage that has to be addressed by cuts elsewhere. Because most of school district expenditures are on the people who provide the services, many of these downloaded expenses lead to the cuts in teachers and services.

## **Transportation costs are downloaded and increase inequality**

The education funding formula is supposed to produce relative equity among school districts. If a district has higher expenses for a particular aspect of providing education, the formula is supposed to allocate a larger share of dollars for that expense.

One of these areas of equity allocation is transportation. School districts with small populations and large areas have higher transportation costs as a percentage of their budget. At one time the funding formula was adjusted each year to reflect the growth in these costs.

However, the reality of fuel costs has been ignored in the budget allocations since 2002. Each year the amount allocated in the formula is \$85 million. In January of 2002, the price of gasoline was about 64 cents a litre ([http://climate.uvic.ca/people/ewiebe/car/fuel\\_price.html](http://climate.uvic.ca/people/ewiebe/car/fuel_price.html)) compared to current prices of at least \$1.30 a litre, just about double.

If gasoline for transportation was a cost of \$85 million in 2002, the allocation for the current budget would have to be about \$170 million, just to maintain the same level of transportation service.

Where does that other \$85 million come from? Some districts have tried to cut transportation—most of the districts that have gone to four days a week have been small districts with populations widely spread. Most of the reductions, though, have to come from cuts in staffing levels since teachers, administrators, and support staff make up most of the budget of a school district. Districts with high transportation costs pay a higher price than others, a source of inequality.

## **More downloads—protecting the environment by cutting education**

The carbon tax is an obvious case of downloading. The government says that the cost of the carbon tax will be returned to the populace. It claims this will be accomplished through tax cuts to individuals and corporations.

School trustees have pointed out that school districts are left out of this formula. They are already under extreme pressure from the lack of increases to the transportation formula. Now the carbon tax just adds to that, again affecting most the districts that face significant transportation challenges and the need to heat buildings in a cold climate.

Similarly, the province has required that school districts be “carbon neutral” by 2012. Certainly addressing the roots of global warming is necessary, but the costs of doing that should not be further downloaded onto educational services, without providing the funding necessary to accomplish the objective.

## **Underfunded labour settlements downloaded onto boards**

Research by the Columbia Institute indicates that the province has downloaded part of the costs of the collective agreements and salary increases for administrators onto the school districts. The budget allocations for the current year include a category for labour settlements, but not enough to cover the actual costs of what the province agreed to with school district employees.

## **Expanded board of education mandates with no new funding**

The mandate of boards of education has been expanded to include literacy from preschool literacy preparation through adult education. All school districts have had to create literacy plans after consultation with libraries and many other services and groups in the community. The

legitimate expectation from creating a plan is that something will be done to bring it into reality—but no funding has been provided, another unfunded mandate. If activities are carried out, they will be at the expense of other educational services.

### **No school fees for classroom activities and summer school—more downloading**

With a few exceptions provided for in regulations, schools are no longer allowed to charge fees for courses. The impact of this has been to eliminate some valuable parts of the education experience, cut from elsewhere to provide resources to replace the fees or, as some have unfortunately attempted, to get around the rules in some way.

A similar situation has happened with summer school. Last year the ministry changed the funding formula in the middle of the year to claw back a portion of the funding. This was then redistributed to cover summer school and distributed learning amounts that had not been anticipated. None of this produced more funding—it just shifted it from one pot to another.

No additional funding has been provided to districts to take the place of the fees that they are now no longer allowed to collect.

The provincial budget should include funding to cover all these and other downloaded costs that have reduced the capacity of school districts to offer the quality and extent of service that our children need.

## **Conclusion—more funding is required for public education.**

The minister daily repeats the mantra that there is more funding for education than ever before. That does not reflect the reality in the classrooms for the many reasons outlined in this brief.

Services to students with special needs are inadequate. Poverty is harmful to the life prospects of children and a healthy society. Class sizes are too large. Some districts offer classes only four days a week.

Demands for more services are made by government, but without putting resources behind the demands. Downloading of costs expands.

The conclusion is obvious: the Standing Committee on Finance should recommend that the next provincial budget includes significant increases to funding to reduce child poverty and to restore and improve public education—the committee should call for a “Children’s Budget.”

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