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# BCTF Research Report

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**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**

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## Introduction

*Budget 2014* announced a three-year freeze to public-schools funding, of which operating grants are the major component.<sup>1</sup> This is the third year in a row the government has frozen operating grants. Under the ongoing freeze on operating grants, many districts continue to cut educational services to address ongoing budget shortfalls arising from inadequate provincial funding. An April 2014 article in the *Vancouver Sun* on the impact of budget shortfalls estimates that boards plan to eliminate 350 jobs in 2014–15, including teachers, special education assistants, and support staff.<sup>2</sup> This will add further to the loss of 343.3 FTE teaching positions<sup>3</sup> that were cut from district operating budgets between 2011–12 and 2013–14.

As announced in Budget 2012<sup>4</sup>, the Learning Improvement Fund increases from \$60 million to \$75 million in 2014–15. But the extra \$15 million in LIF funding is unlikely to improve learning conditions if teaching positions are eliminated in the operating grants area of district budgets. To assess the net impact on extra teaching support for students, this report draws on data in the ministry's Revenue and Expenditure tables to estimate the loss of teaching and educational assistant positions funded by district operating grants in 2014–15 (see pp. 2–3). Based on data submitted by districts in Audited Financial Statements, this report also estimates the potential gain in teaching and EA positions arising from the extra \$15 million in LIF funding (see p. 4).

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<sup>1</sup> See Budget 2014 Backgrounder 1: Fiscal Plan 2014–15 - 2016–17, p. 2.

[http://www.bcbudget.gov.bc.ca/2014/backgrounders/2014\\_backgrounder\\_1\\_fiscal\\_plan.pdf](http://www.bcbudget.gov.bc.ca/2014/backgrounders/2014_backgrounder_1_fiscal_plan.pdf)

<sup>2</sup> Sherlock, Tracy. "School districts planning deep cuts to balance budgets", *Vancouver Sun*, April 17, 2014, p. A1.

<sup>3</sup> Ministry of Education. *Teacher Statistics 2013/14* – Province, public schools, p. 3.

[http://www.bced.gov.bc.ca/reports/pdfs/teacher\\_stats/public.pdf](http://www.bced.gov.bc.ca/reports/pdfs/teacher_stats/public.pdf)

<sup>4</sup> Budget 2012: Ministry of Education 2012/13 to 2014/15 Service Plan, p. 27.

<http://www.bcbudget.gov.bc.ca/2012/sp/pdf/ministry/educ.pdf>

## Operating-grants freeze results in lower district expenditures on teachers and Educational Assistants (EAs)

The Ministry of Education Revenue and Expenditure tables show districts plan to spend \$28.3 million less on teachers' salaries and \$5.4 million less on educational assistants' salaries in 2014–15, compared to 2013–14. Overall, districts plan to reduce salary expenditures in Special Education in 2014–15 by \$5.8 million for teachers and about \$3 million for educational assistants.

### Change in operating expenditures for teachers' salaries and educational assistants' salaries— Function 1: Instructional programs: 2014–15 annual budget (planned) compared to 2013–14 amended (final) operating expenditures

	Teachers' salaries			Educational Assistants' salaries		
	2014–15 budgeted	2013–14 final	Change since 2013–14	2014–15 budgeted	2013–14 final	Change since 2013–14
1.02 Regular Instruction	1,725,919,602	1,742,551,309	-16,631,707	15,374,305	16,471,002	-1,096,697
1.03 Career Programs	14,843,593	14,971,833	-128,240	2,495,771	2,154,655	341,116
1.07 Library Services	43,750,877	46,917,656	-3,166,779	2,609,142	2,763,948	-154,806
1.08 Counselling	65,732,955	65,526,437	206,518	44,593	92,643	-48,050
1.10 Special Education	236,063,784	241,826,449	-5,762,665	287,059,722	290,023,886	-2,964,164
1.30 English Language Learning	53,416,516	53,071,071	345,445	3,113,911	3,359,857	-245,946
1.31 Aboriginal Education	14,157,289	15,483,340	-1,326,051	24,711,097	24,665,090	46,007
1.41 School Administration	1,091,902	1,020,948	70,954	66,734	70,290	-3,556
1.60 Summer School	8,688,358	8,692,946	-4,588	153,834	124,539	29,295
1.61 Continuing Education	5,808,976	6,892,197	-1,083,221	17,245	52,536	-35,291
1.62 Off Shore Students	36,703,367	36,861,061	-157,694	1,246,035	1,360,529	-114,494
1.64 Other	1,951,980	2,585,239	-633,259	332,575	1,456,065	-1,123,490
<b>FUNCTION 1 TOTAL</b>	<b>\$2,208,129,199</b>	<b>\$2,236,400,486</b>	<b>-\$28,271,287</b>	<b>\$337,224,964</b>	<b>\$342,595,040</b>	<b>-\$5,370,076</b>

Sources: BCTF Research calculations with data from: Ministry of Education. BC School District Revenue and Expenditures tables, available at: <http://www.bced.gov.bc.ca/accountability/district/revenue/>.

2014-15: *Table 6: 2014/15 Provincial Summary of Annual Budgeted Operating Expenditures by Function, Program and Object*

2013-14: *Table 15: Provincial Summary of 2013/14 Amended Annual Budgeted Operating Expenditures by Function, Program and Object.*

## How many fewer teachers as a result of cuts in budgeted operating-grants expenditures?

This means considerable reductions in teaching and educational assistant positions that are funded through district operating grants. Based on an average teacher salary of \$71,194, the \$28.3 million reduction in expenditures on teacher salaries for 2014–15 would result in 397 fewer FTE teachers to support students in BC public schools in 2014–15. This means 234 fewer classroom teachers, 81 fewer Special Education teachers, 44 fewer teacher-librarians, and 38 fewer teachers spread across a range of other programs.

### Effect of budgeted operating-grant expenditures for 2014–15: Loss of teachers

	Decrease in operating-grant expenditures	Average teacher salary	Loss of FTE teachers
Regular Instruction	- \$ 16,631,707	\$ 71,194	-234
Special Education	- \$ 5,762,665	\$ 71,194	-81
Teacher-Librarians	- \$ 3,166,779	\$ 71,194	-44
Other programs	- \$ 2,710,136	\$ 71,194	-38
Totals, All programs (Function1: Instruction)	- \$ 28,271,287	\$ 71,194	-397

Sources: BCTF Research calculations with data from: Ministry of Education. BC School District Revenue and Expenditures tables, available at: <http://www.bced.gov.bc.ca/accountability/district/revenue/> . Table 6: 2014/15 Provincial Summary of Annual Budgeted Operating Expenditures by Function, Program and Object  
2013–14 average FTE teacher salary: *Teacher Statistics, 2013–14*, p. 3, [http://www.bced.gov.bc.ca/reports/pdfs/teacher\\_stats/public.pdf](http://www.bced.gov.bc.ca/reports/pdfs/teacher_stats/public.pdf)

## What about the \$15 million increase in LIF funding?

Based on a BCTF analysis of 2012–13 district audited financial statements, \$29.4 million of the \$60 million Learning Improvement Fund (LIF) was allocated to salaries for teachers and \$15.3 million for educational assistants. This data is not yet available for 2013–14.

The Learning Improvement Fund increases from \$60 million to \$75 million in 2014–15. Assuming the same proportion of the LIF is spent on salaries in 2014–15 as in 2012–13, expenditures on teacher salaries would increase to \$36.8 million (+\$7.4 million) and expenditures on education assistants’ salaries would increase to \$19 million (+\$3.8 million).

	2012–13 allocation of \$60 million LIF		Estimated effect of \$15 million increase in LIF for 2014–15	
	\$	%	\$	%
<b>Teachers</b>	\$ 29,402,934	49.0%	<b>\$ 7,350,000</b>	49.0%
<b>EAs</b>	\$ 15,247,147	25.4%	<b>\$ 3,810,000</b>	25.4%

Source: BCTF table, with data from Schedule 3A, “Changes in Special Purpose Funds and Expense by Object: Learning Improvement Fund” as at June 30, 2013, as reported on SD financial statements.

The estimated \$7.4 million portion of the new LIF funding allocated for teacher salaries is enough to hire 103 new FTE teachers in Special Education<sup>5</sup>, based on the average teacher salary. But this is before taking into account the estimated loss of 81 FTE teaching positions in the Special Education program funded by operating grants (see p. 3). The net gain in teaching support, from both sources of funding, would be about 22 additional FTE special education teachers province-wide.

These estimates indicate districts will spend \$3.8 million of the \$15 million increase to the LIF on EA salaries in 2014–15. But the ministry’s operating grants expenditures data shows districts plan to reduce spending on EA salaries by \$5.4 million, including a reduction of \$3 million in the Special Education program. The net increase in funding for EAs from both sources of funding is only \$0.8 million.

## Summary

This report provides evidence that the overall improvement in support for students in Special Education as a result of the Learning Improvement Fund will be minimal if the government continues to freeze district operating grants, leading to significant reductions in teachers and educational assistants in the Special Education program, and an overall loss of teaching support in BC classrooms.

<sup>5</sup> This is calculated by dividing the \$7,350,000 portion of the LIF (est.) by the average teacher salary (\$71,194).