

**Presentation to the Select Standing Committee
on Finance and Government Services—
Budget 2017 Consultations**

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Families Against Cuts to Education: Who We Are

Families Against Cuts to Education (FACE) is a non-partisan, inclusive group representing parents and other citizens who are concerned about public education funding levels in BC and want to see public education treated as an important investment in the future rather than an expense to be minimized. We advocate for public education as a social good that benefits not only BC's children, but also BC's society more broadly.

Public Education Funding Levels Have Broad Long-Term Effects

In its November 2015 *Report on the 2016 Budget Consultations*, this Committee recognized the importance of public education in British Columbia and noted that K-12 education “is clearly an area of focus for many British Columbians.”¹

It is clear that public education's effects extend far beyond current students and their families. The economic and social benefits of public education are recognized in the preamble to the School Act²: public education, as “the great equalizer,” enables all learners to become contributing members of society. Research shows that investing in public education, and thereby increasing graduation rates, creates economic benefits: higher government revenue and reduced government spending. Conversely, lower graduation rates have long-term negative social and economic consequences such as a decreased tax base, increased reliance on welfare, and an increased level of criminal activity and incarceration.³ A Canadian study estimated that an increase in graduation

¹ www.leg.bc.ca/parliamentary-business/committees-reports/14#K-12-edu

² [RSBC 1996] c. 412

³ Henry Levin, Clive Belfield, et al, “The Costs and Benefits of an Excellent Education for All of America's Children” (Center for Benefit-Cost Studies of Education, 2007), www.cbcse.org/wordpress/wpcontent/uploads/2013/03/2007-Levin.Excellent-educatin-for-all-of-america's-children.pdf.

rates as small as one percent would result in aggregated annual cost savings to Canada of over \$7.7 billion (in 2008 dollars).⁴

The three K-12 education recommendations made by this Committee in 2015, echoing previous years' recommendations, recognized that increased investment in public education was necessary in order to achieve its goals and long-term benefits:

1. Provide adequate capital funding to school districts for facility improvements, seismic upgrades and additional schools in rapidly growing communities. (2013: #25 and 2014: #23)
2. Provide stable, sustainable and adequate funding to enable school districts to fulfil their responsibility to continue to provide access to quality public education, with recognition of the increased costs that school districts have incurred. (2014: #22)
3. Review the Ministry of Education funding formula for programs and services, as well as administrative staff compensation levels to ensure adequate and competitive compensation.

FACE wholeheartedly supports these recommendations and commends the Committee for uniting across partisan lines to acknowledge the societal importance of public education. Unfortunately, the public education system continues to face the consequences of persistent underfunding.

Public Education Is Underfunded

It is clear that this Committee understands that public education is underfunded, given its conclusion in its 2015 report that “current funding levels and assistance are inadequate” and its recommendation for increased funding with recognition of the increased costs faced by the districts.

Despite the recommendations of this Committee, operational funding for public schools (instruction, administration, Learning Improvement Fund) increased by only \$28 million in Budget 2016.⁵ That is a less than 1% increase over 2015, which amounts to a cut because inflation is 1.9%. Enrolment has increased for two years in a row, yet an increase that is lower than inflation will not even allow the districts to reach the same levels of service as last year.

Furthermore, costs have increased over and above inflation: for example, ICBC and Hydro rates are going up, and school districts are required to pay the cost of installing the Next Generation Network as well as funding raises for exempt employees (such as

⁴ Olena Hankivsky, “Cost Estimates of Dropping Out of High School in Canada” (Canadian Council on Learning, 2008) www.research4children.com/data/documents/CostofdroppingoutHighSchoolinCanadaHankivskyFinalReportpdf.pdf.

⁵ Ministry of Education Service Plan 2016/17-2018/19, Resource Summary, www.bcbudget.gov.bc.ca/2016/sp/pdf/ministry/educ.pdf, p. 13.

principals). All of these concerns are well documented in letters sent to the Minister of Education by the BC School Trustees Association and individual districts.⁶

The result of these funding pressures is that districts had to make cuts yet again in the spring of 2016 in order to balance their 2016/17 budgets, as required by law. By searching for media coverage and looking at districts' websites, FACE was able to calculate that at least 31 of the 60 districts faced a cumulative shortfall of \$85.28 million by mid-May 2016.⁷ It is notable that several of these districts had seen enrolment grow, yet still faced budget shortfalls (for example, Surrey, Chilliwack, and Sooke). Districts throughout the province cut staffing levels, programs, services, and sometimes closed entire schools to deal with their budget shortfalls.

Per-Pupil Funding Model Results in Underfunding

One of the root causes of the underfunding issues in public education is the decision in 2002 to cap education funding and move to a per-pupil funding model, despite the fact that the government was warned it would result in exactly the drastic cuts and closures we have seen over the last 14 years and continue to see today.⁸

The current funding model does not look to the districts for insight as to what their needs and actual costs are. It does not take into account the fixed costs of education (such as maintaining, heating, and lighting buildings) that must be met before the school doors even open, nor does it consider that those fixed costs continue even though some students may leave the district (or the system), taking their associated funding with them. The current model punishes the children who happen to attend school in a district with declining enrolment, as the district must meet its fixed costs with decreasing amounts of money. And, as mentioned above, even districts with rising enrolment face shortfalls, since costs are rising faster than the per-pupil amount is increasing.

This Committee, in its 2002 report on the consultations on Budget 2003, noted that problems were immediately apparent as a result of the move to per-pupil funding:

During the public hearings, the Committee was struck forcibly by how much financial pressure educators working in the K-to-12 system seemed to be experiencing as they try to adjust to the new funding formula for school districts. We think the shortage of funds is reaching a critical stage for rural schools and schools-based programs in urban areas.⁹

⁶ See, for example, the letter from SD 5-Southeast Kootenay to Minister Bernier, May 11, 2016, facebc.wordpress.com/2016/05/13/can-you-hear-us-now-school-district-5-responds-to-minister-of-education/
⁷ facebc.wordpress.com/2016/04/10/bcedinred/ (Note that there may have been more districts in a shortfall position, but these were simply the ones we were able to find.)

⁸ Mike Smyth, "Why Liberals Switched to Per-Student Funding," *The Province*, March 3, 2002, www.documentcloud.org/documents/2941937-Why-Liberals-Switched-to-Per-Student-Funding.html

⁹ www.leg.bc.ca/content/legacy/web/cmt/37thparl/session-3/fgs/reports/PDF/Rpt-FGS-37-3-FirstRptPBC-2002-NOV-14.pdf, p. 13

The 2003 Report of the Task Force on Rural Education (commissioned by then Education Minister Christy Clark) echoed this Committee's words quoted above and recommended that the government undertake a review of rural school funding due to "a commonly held view that the new funding allocation system does not work for rural B.C."¹⁰ However, it was not until June 2016 that the government announced the creation of the Rural Education Enhancement Fund, to provide "provincial funding that recognizes the unique challenges faced in keeping schools open in rural communities."¹¹ While this Fund was announced in time to save a few schools previously set for closure in 2016, it was too late to save the hundreds of rural schools already closed across BC in the years since the Task Force's report.¹²

Rural districts are not the only ones to suffer under the per-pupil model: our list of 31 school districts with shortfalls this year includes urban, suburban, and rural districts alike.¹³

It is clear that the government recognizes that the current funding model is insufficient. In addition to the announcement of the Rural Education Enhancement Fund, recent months have seen the government announce that it will return the \$25 million in "administrative savings" cut from boards' budgets this year¹⁴; that it will put \$14 million into a transportation fund to cover some school bus costs in some districts¹⁵; that it will provide \$6 million for new curriculum training and technology¹⁶; and that it will cover some school maintenance costs through a "fix-it" fund for "routine maintenance" items such as new roofs and boilers.¹⁷

It appears that at least some of these funding announcements are made without regard to how much is actually required: the \$6 million for curriculum implementation and technology, spread across 60 districts, will not do much to relieve the constant and inequitable need for PACs to fundraise for technology; the "fix-it" fund of \$45 million is nowhere near the amount necessary to address severe backlogs of deferred maintenance (SD39-Vancouver alone has \$700 million of deferred maintenance and even a small district like SD8-Kootenay Lake has \$83 million in

¹⁰ "Enhancing Rural Learning," www2.gov.bc.ca/assets/gov/education/kindergarten-to-grade12/teach/pdfs/rural_task_rep.pdf, p. 36.

¹¹ news.gov.bc.ca/releases/2016PREM0067-001044

¹² Justine Hunter, "More Schools in Rural British Columbia Communities Set to Shut Down," *The Globe & Mail*, June 20, 2016, www.theglobeandmail.com/news/british-columbia/more-schools-in-rural-british-columbia-communities-set-to-shut-down/article30533197/

¹³ facebc.wordpress.com/2016/04/10/bcedinred/

¹⁴ Canadian Press, "BC School Districts to See Return of \$25-million in Administrative Savings," *The Globe & Mail*, May 31, 2016, www.theglobeandmail.com/news/british-columbia/bc-returns-25-million-in-administrative-savings-to-school-districts/article30219460/

¹⁵ Richard Zussman, "Provincial Government Increases Funding for School Buses," August 10, 2016, www.cbc.ca/news/canada/british-columbia/provincial-government-increases-funding-for-school-buses-1.3715615.

¹⁶ <https://news.gov.bc.ca/releases/2016PREM0065-000994>

¹⁷ James Smith, "Ministry of Education Announces 'Fix-It Fund' for School Upgrades," *Vancouver Courier*, May 19, 2016, www.vancourier.com/news/ministry-of-education-announces-fix-it-fund-for-school-upgrades-1.2259588

deferred maintenance costs¹⁸); and the transportation fund is not sufficient to replace amounts previously cut from budgets (for example, SD 37-Delta is eligible for only \$42,000 from the fund even though it had \$728,000 cut from its budget¹⁹).

Furthermore, while it is encouraging to see the government commit money to public education, this type of arbitrary, one-off, crisis-to-crisis type of funding is indicative of a systemic problem and is in no way a sustainable method of funding an education system.²⁰ School boards need stable, predictable, and adequate funding to enable them to provide quality education and make plans without having to hope for chunks of cash to arrive at unknown times and in unknown quantities. Routine items should be funded routinely and predictably, so that districts can properly maintain their capital assets without having to scramble to apply for funding.

Capital Funding Lags Behind Need

Another area that requires urgent review is capital funding for new schools. Some areas of the province have seen large-scale development and growing numbers of children, without the school infrastructure to support them. In Surrey, thousands of children have spent years in portable classrooms due to a lack of school space to support the large numbers of families and the ongoing development in the area.²¹ Similar situations exist in Langley,²² Chilliwack,²³ and parts of Vancouver,²⁴ among other places.

It seems counterintuitive to build new communities without including vital infrastructure, such as schools, from the outset. This has not always been the approach: when Vancouver's South False Creek lands were developed in the 1970s, the school was an integral part of the development and was ready when families moved into the new community.²⁵

Premier Christy Clark recognizes that the current method of waiting to build schools is not serving communities well; we agree with her statement with regard to Surrey in May 2016: "I think we need to have a good look at the way we decide when we will be

¹⁸ SD 8 Long Range Facilities Planning, www.sd8.bc.ca/Publ/Presentation%20-%20Family%20of%20Schools%20-%20Round%203%20-%20Nelson%20-%202016%2002%2024%20-%20CORRECTED%2028%20and%2030.pdf

¹⁹ Ian Jacques, "No Money For Rural Routes," *Delta Optimist*, August 24, 2016, www.delta-optimist.com/no-money-for-rural-routes-1.2329334

²⁰ On June 16, 2016, the BCSTA's president wrote, in a letter to the Premier and all MLAs, "[boards] cannot do our jobs properly under the current practice of unpredictable and erratic funding and policy decisions." (Letter posted on Twitter by SD62 trustee Ravi Parmar: www.twitter.com/rparmarSD62/status/743658104361910273)

²¹ Evan Seal, "New Funding for Surrey Schools," *Surrey Leader*, May 20, 2016, www.surreyleader.com/news/380298051.html

²² news.gov.bc.ca/releases/2016EDUC0096-001713

²³ Paul Henderson, "Chilliwack Enrolment Up as Kids Go Back to Overfull Schools," *Chilliwack Times*, August 31, 2016, www.chilliwacktimes.com/news/391941141.html

²⁴ Tracy Sherlock, "Schools in Vancouver Forced to Turn Away Kindergarten Kids," *National Post*, December 21, 2014, www.nationalpost.com/m/schools+downtown+vancouver+forced+turn+away+kindergarten/10671761/story.html

²⁵ Info from Bill McCreery, member of False Creek planning committee, in response to an inquiry on Twitter.

funding a new school and make sure that accommodates school districts that are growing as quickly as this one.”²⁶

Conclusions

The public education system continues to be underfunded. We urge this Committee to once again recommend that the government increase operational and capital education funding to a level adequate for districts to meet their mandate to provide quality public education to all learners in safe buildings.

We further urge the Committee to renew and strengthen its call for a review of the funding formula. Districts must be consulted as to what they need in order to meet their mandate; funding should be based on actual costs. It is abundantly clear that the per-pupil funding model is not working and is in fact detrimental to the provision of educational services, and that capital funding lags too far behind population growth.

FACE has called for a comprehensive and impartial review of what British Columbians expect from their public education system, how best to provide that, and how best to fund it.²⁷ Whether the review is called a Royal Commission or something else, and whether it results in a return to previous funding models or results in something entirely new, it is time to address the critical outstanding issues in public education funding so that we can provide the best quality public education possible to BC’s most important resource: our children.

²⁶ See note 21.

²⁷ Jennifer Stewart and Marlene Rodgers, “Opinion: FACE Time Would Facilitate Education Co-operation,” *Vancouver Sun*, June 23, 2015, www.vancouversun.com/news/Opinion+FACE+time+would+facilitate+education+operation/11160290/story.html