

# Understanding the SD41 Budget Crisis

*A plain-language guide for Burnaby parents*

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## Burnaby Schools at a Glance

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Before diving in, here's some context on the scale of what we're talking about:

- SD41 is the 4th largest school district in BC
- 27,338 students across 41 elementary schools and 8 secondary schools
- Over 4,600 dedicated staff
- Annual operating budget of approximately \$340 million

## 1. How BC School Funding Works

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Think of it as a chain with three links:

**The Province → The Ministry → The District**

Each year, the provincial government decides how much money to put into public education through its annual budget. That money flows to the Ministry of Education and Child Care, which then distributes it to school districts across BC using several formulas based primarily on how many students are enrolled in each district.

SD41 (our Burnaby School District) receives that funding and acts as the employer. The district runs payroll, hires staff, manages schools, and makes all day-to-day operational decisions. The province sets the rules and provides the money; the district runs the schools via a board of elected trustees.

### Two Pots of Money

To understand the budget, it helps to know that the district operates with two distinct pools of money and they work very differently.

### Restricted Funding

The operating grant and other targeted grants from the Province come with strict conditions. Every dollar is earmarked for a specific purpose and includes teacher salaries, special education supports, English language learning, and so on. The district is legally prohibited from redirecting restricted money to anything else, no matter how urgent the need. When you see line items like the Classroom Enhancement Fund (\$24.9M) or CommunityLINK in the budget, those are restricted, untouchable for anything other than their designated purpose.

### Unrestricted Funding

The district can also generate its own revenue, and this money can be spent at the district's discretion. The largest source by far is international student tuition. Hosting international students has historically generated millions of dollars annually, revenue Burnaby used to fund programs and staffing above and beyond what the provincial grant requires. This included discretionary programs like the Mandarin Language Arts Program, Grade 7 band, and the MACC and BETA gifted programs. But it also includes staffing that parents often assume is guaranteed: counsellors above the collective agreement minimum, Educational Assistants beyond what restricted grants cover, and other support staff whose positions exist only because the district chose to fund them from its own revenue. The province sets minimum ratios; anything above those minimums is paid for locally. When local revenue disappears, so does that staffing.

*Here's why this matters right now: federal changes to immigration policy caused international student enrolment in Burnaby to fall by nearly 50% from pre-pandemic levels. That collapse in unrestricted revenue is why the district had to cut discretionary programs last year such as band, gifted learning, Mandarin, and others. Those cuts happened because the revenue that paid for them disappeared. The \$9.4M arbitration debt is an entirely separate and new problem, now layered on top of a district that had already cut everything discretionary it could.*

## 2. The Two Unions

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Staff in SD41 are represented by two unions and understanding how their agreements work is essential to understanding how the \$9.4 million crisis happened.

### **There are two levels of collective agreement for every union in BC's school system:**

A **Provincial Collective Agreement** is negotiated once, on behalf of all 60 school districts simultaneously. Every district in BC is bound by it. Individual districts have no seat at that table and no ability to reject or modify the outcome.

A **Local Agreement** contains provisions negotiated directly between a specific school district and its local union. Not all districts have local agreements, and where they exist, they can only add to or improve upon the provincial agreement, they cannot take anything away. Burnaby has local agreements for both of its unions, which is relatively uncommon and reflects decades of locally negotiated improvements for Burnaby staff.

*This two-level structure is exactly what created the conditions for the \$9.4 million crisis, but more on that in Section 4.*

### **BCTF - BC Teachers' Federation (and locally, the BTA)**

The BCTF is the provincial union for all certificated teaching staff in BC. Locally, Burnaby teachers are represented by the Burnaby Teachers' Association (BTA), which negotiates Burnaby's local agreement with SD41.

BCTF members include:

- Classroom teachers (enrolling teachers)
- Counsellors
- Learning Assistance Teachers (LAT) and Special Education Resource Teachers (SERT)
- English Language Learning (ELL) teachers
- Teacher-Librarians

The collective agreement sets minimum staffing ratios for many of these positions. For example, the provincial agreement requires one counsellor for every 693 students — but Burnaby's local agreement improves on that, requiring one counsellor for every 587 students. That locally negotiated improvement is only possible because Burnaby has historically had the discretionary revenue to fund it. It is not guaranteed by the province.

### **CUPE Local 379**

CUPE Local 379 is the union for all support staff in SD41, including:

- Educational Assistants (EAs)
- School and district administration staff
- Custodians and maintenance workers
- Technology and IT staff

- Indigenous learning workers and engagement staff

Unlike teachers, most CUPE positions have no legally mandated minimum staffing ratios, meaning the district has more discretion to cut these positions, even though they are often the direct support for our most vulnerable students.

### 3. How Teachers Get Paid

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Teacher salaries in BC are determined by two things: their qualifications (category) and their years of experience (step).

#### Categories

A teacher's category is based on their level of education from Category 4 (a basic teaching degree) up to Category 6 (a Master's degree or equivalent). Higher categories mean higher pay.

#### Steps

Within each category, teachers move up a "step" on the salary grid each year, earning approximately \$3,000 more per step. The grid runs from Step 0 to Step 10, with Step 0 being the entry point for brand new teachers province-wide.

In most BC school districts, a brand new teacher starts at Step 0 and moves up one step per year.

Before 1994, teacher salary was a local bargaining matter. Each school district negotiated wages directly with its own teachers' union. In 1993, SD41 and the Burnaby Teachers' Association used that authority to negotiate an improvement: beginning teachers in Burnaby would enter at Step 1, not Step 0. No teacher in Burnaby has been paid at Step 0 since September 1, 1993. This meant Burnaby's newest teachers were immediately better compensated than entry-level teachers in most other districts. While this was a deliberate local choice to make Burnaby a more attractive place to teach, this locally negotiated provision became the fault line of the entire crisis.

### 4. What BCPSEA Is and What They Got Wrong

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#### The creation of BCPSEA and why it matters

In 1994, the province passed the Public Education Labour Relations Act (PELRA) which fundamentally restructured how teacher collective agreements work in BC. Under PELRA, salary and benefits became exclusively **provincial matters**, meaning they could no longer be negotiated at the district level. A new body called BCPSEA (the BC Public School Employers' Association) was created to negotiate on behalf of all 60 school districts simultaneously. Individual districts lost their seat at the table entirely. From 1994 onward, SD41 could not negotiate teacher salaries as BCPSEA does that, and whatever BCPSEA agrees to binds every district in BC, with no vote and no right of appeal.

Critically, PELRA did not erase existing local agreements. Pre-1994 provisions were grandfathered in and continued to apply alongside the new provincial framework. Burnaby's 1993 Step 1 agreement survived, legally embedded in Burnaby's working document, sitting alongside every subsequent provincial agreement negotiated by BCPSEA.

This meant that from 1994 onward, Burnaby operated under a unique combination: the province-wide collective agreement on top, and a grandfathered local improvement underneath. A improvement, it's worth noting, that Burnaby could never negotiate today as the rules no longer allow it.

## The 2022-25 Negotiations

During the 2022-25 round of collective bargaining, one of the items negotiated was that all teachers' province-wide should move up one step on the salary grid. The first step of every grid would be eliminated, meaning every beginning teacher in BC would be paid at a higher rate.

In most districts, this meant moving teachers from Step 0 to Step 1. Straightforward.

But Burnaby already had its grandfathered 1993 agreement placing teachers at Step 1. BCPSEA's interpretation: Burnaby teachers are already at Step 1, so the step elimination doesn't change anything for them. No additional pay required.

The Burnaby Teachers' Association disagreed. Their position was that the intent of the 2022 agreement was for every beginning teacher in BC to move up one step from wherever they actually started and so Burnaby teachers, who started at Step 1, should now start at Step 2. BCPSEA had failed to account for Burnaby's unique local history.

## The Arbitration

The dispute went to an independent arbitrator, Koml Kandola, who heard extensive evidence including bargaining history going back to 1993. The arbitrator ruled in favour of the teachers in October 2025. The BC Labour Relations Board upheld that ruling on appeal in February 2026.

The finding was unambiguous: BCPSEA had misapplied the salary grid in Burnaby. By failing to account for the grandfathered 1993 local agreement, BCPSEA effectively wiped out a benefit Burnaby teachers had earned thirty years earlier, before the province even had the authority to negotiate on their behalf. Burnaby's beginning teachers should have been paid at Step 2 since July 1, 2022.

*BCPSEA got it wrong. Burnaby teachers were underpaid from 2022 to 2025. The province's own bargaining agent created this debt, against a locally negotiated improvement it inherited, misread, and erased.*

## 5. Where the \$9.4 Million Comes From

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The \$9.4 million figure has two distinct parts:

### Part 1: \$4.8 Million — Retroactive Back Pay

This is the actual back pay owed to Burnaby teachers for the wages they should have received between 2022-25 but didn't because BCPSEA got the grid wrong. This money is legally due to teachers by the end of June 2026.

### Part 2: \$4.6 Million — Salary Differential Funding Never Received

Here's where it gets even more infuriating. The Province's funding formula takes into account average teacher salaries in each district called the supplement for salary differential ([see 2026/27 Operating Grants Manual Table 5](#)). If a district's average salary is higher than the provincial average, the Province tops up the district's grant accordingly.

If Burnaby had been paying teachers at Step 2 since 2022 as they should have been, the average teacher salary in Burnaby would have been higher, and the Province would have provided an additional \$4.6 million in funding over those three years.

That \$4.6 million was never paid to Burnaby. Not because of anything the district did wrong — but because BCPSEA's error kept salaries artificially low, which in turn kept the district's provincial funding grant artificially low.

*The \$4.6M is not a new ask. It is money Burnaby was already entitled to under the existing funding formula, money the Province simply never paid because the error went undetected.*

**\$4.8M back pay + \$4.6M underfunding = \$9.4M total**

## 6. Why the District — Not the Province — Is Likely Paying

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The Province created this obligation through its own bargaining agent. The Province funds BCPSEA. And under Section 116 of the School Act, the Province is not merely expected to pay expenditures incurred in operating BC schools, it is legally required to. The statute uses the word *must*. Teacher salaries under the collective agreement are provincially appropriated expenditures; the \$9.4 million is simply the portion the province's own bargaining agent miscalculated and never paid. And yet, as of April 2026, the Province has made no commitment to fund any portion of it.

On April 17, 2026, three days after SD41's public budget presentation, the Minister of Education submitted a funding request to the BC Treasury Board. No commitment has been made. No timeline has been given. No one in government has indicated how likely approval is. The district has been told to wait.

But waiting has a deadline. Under the School Act, BC school boards are legally required to submit a balanced budget with SD41's being due by end of May. There is no borrowing mechanism for operating deficits. A board that fails to comply can be dissolved and replaced by a provincially appointed trustee, meaning ***Burnaby parents would lose their elected representation entirely.*** The province, by simply doing nothing, is forcing the district's hand. Every day without a funding commitment is a day closer to the district having no choice but to absorb a debt it never created.

This structural imbalance should concern every parent. The seven elected trustees who govern SD41 are volunteers receiving a modest stipend, and are held to a strict legal standard of fiscal accountability that the provincial government itself is not subject to. The province runs deficits. The province has a \$5 billion contingency fund sitting in its 2026 budget. The province can borrow, delay, defer, and manoeuvre. The district cannot.

The province negotiates the contracts, sets the funding levels, and when disputes arise, makes the decisions about whether and how to remedy them. The district has no seat at any of those tables. Yet when the financial consequences land, they land entirely on the district. Whether by design or by consequence, this structure means that provincial decisions consistently produce local accountability. The district makes the cuts. The district faces the community. The province remains one step removed from the direct impact of its own choices. That distance makes it easier for provincial inaction to persist and harder for the people most affected to know where to direct their frustration.

In their current draft budget, the district, directed by the province, has proposed covering the \$4.8M portion by draining the entire \$4.3M unrestricted reserve, the very savings account rebuilt through last year's painful cuts, plus an additional \$500,000 from restricted funds. Restricted funds are provincially designated money that is legally supposed to be spent only on specific purposes like special education and English language learning. Using restricted funds to cover an arbitration debt is not what that money is for. The district is being pushed into a corner where even the rules about how money can be spent are being bent by necessity.

### **This has happened before**

Burnaby parents may not know about the portable classroom crisis but it is a direct precedent for what is happening now, and it should worry anyone watching this situation unfold.

For years, BC school districts faced severe overcrowding as the province failed to build enough permanent school spaces to keep pace with enrollment but Districts were legally obligated to find a

seat for every child in their boundaries regardless. So in good faith, districts purchased portable classrooms at a cost of \$200,000 to \$500,000 each, fully expecting the province to reimburse them as part of its obligation to fund the infrastructure of schools.

### ***The province never paid.***

Instead, the province used a technicality: portables can theoretically be moved, so they argued portables aren't permanent infrastructure and therefore don't qualify for capital reimbursement. Never mind that these portables are bolted to the ground, retrofitted to meet building code, connected to utilities, and used as permanent classrooms housing hundreds of children every day. The province hid behind wordplay to avoid a financial obligation it had effectively created and districts across BC are still carrying and adding to those costs today.

The \$9.4 million arbitration debt follows the same pattern exactly. The province creates an obligation, through its bargaining agent and its failure to properly implement a collective agreement and then steps back while the district scrambles to cover it within a legally mandated balanced budget. If the Treasury Board declines to fund it, or simply delays past the May deadline, the outcome is identical to the portable situation: a provincial obligation quietly offloaded onto a district that had no say, no recourse, and no choice.

The district didn't create this debt. The district didn't negotiate the agreement. The district didn't have a say in whether to appeal. The district has already been burned once by trusting the province to honour its obligations in good faith. Now the district, and parents, are being asked to trust again but this time with its last \$2,712 in reserve and 27,338 students' education on the line.

## **7. What This Means for the Budget**

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Last year, SD41 cut 36.86 full-time positions specifically to rebuild its reserve from a dangerously low \$29,760 to \$4.3 million. Those cuts eliminated the Grade 7 band program, reduced secondary counsellors, cut daytime custodians, and phased out advanced learning programs among other reductions.

Now the Province is directing the district to draw \$4,335,507 from that rebuilt reserve plus \$513,309 from restricted grant funds to cover the \$4.8M retroactive payment.

After that transfer, Burnaby's unrestricted reserve will stand at \$2,712. The recommended minimum is \$6.8 million (2% of the operating budget).

To be clear: as of today, the province has made no funding commitment for any portion of the \$9.4 million. Not the \$4.8M the district is being directed to absorb from its own reserves, and not the \$4.6M in salary differential the district has cautiously included in its projections based on conversations with the Ministry. Every dollar of this debt remains unresolved.

*The three-year budget projection, published in SD41's preliminary FY2026/27 budget, shows the unrestricted reserve falling to -\$2.5M by 2027/28 and -\$6.3M by 2028/29 if the Province does not fund the full \$9.4M.*

## **8. What Can Be Cut? (Almost Nothing)**

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Neither the district nor the province has publicly identified what cuts would be required if the \$9.4 million goes unfunded. The district's and province's position is that discussing specific reductions prematurely could cause unnecessary harm and that the conversation becomes moot if the province fully funds the obligation.

We understand that position. And we respect that the district and province are navigating an extraordinarily difficult situation with care for its staff and community.

But we respectfully disagree with the approach.

Parents are not fragile. We are voters, advocates, and the people whose children sit in these classrooms every day. The time to understand what is at stake, and to act on that understanding, is *before* a decision is made, not after. Once the province decides, the cuts follow automatically. At that point, the information serves no purpose except grief. The window for meaningful pressure is now, and it closes with the May budget deadline.

Withholding concrete information in the name of protecting feelings is, however well-intentioned, a form of managing the public rather than informing it. It also hands the province a significant political advantage: if parents don't know what's at stake until the budget is final, the province faces no accountability for the choices its inaction forced.

So we did the math ourselves using publicly available budget documents, collective agreement data, and provincial staffing information. The figures below are estimates. There is inherent variation in teacher category distributions, and some positions are partially or fully protected by restricted provincial grant funding that is not broken down in public documents. But the estimates are grounded in real data and we believe they are accurate enough to give parents a clear picture of the order of magnitude of what we are facing.

This is what the numbers say. Parents deserve to know.

The district has already exhausted its discretionary program options. The only remaining lever is accelerating the phase-out of two programs already being wound down, the Mandarin Language Arts Program and the MACC gifted program. Releasing all remaining teachers immediately saves at most \$1.2M in year one and \$3.5M total. That still leaves an \$4.7 million gap.

Beyond that, every remaining cut comes directly from the people who teach and support your child in the classroom:

- Counsellors — already cut to within 1 FTE of the collective agreement minimum. Any further cuts breach the contract. This leaves 45 counsellors to service 27,338 students.
- ELL Teachers — SD41's 7,588 ELL students are already served by the fewest allowed. Any further cuts breach the contract.
- Educational Assistants — SD41's approximately 849 EAs support 1,798 students with the most complex needs such as students with Autism, Profound Intellectual Disabilities, Physical Disabilities, Visual Impairment, and Deafblindness. There is no legally mandated minimum staffing ratio for EAs, which means this is where the budget axe may fall hardest and with the least legal protection. To cover the full shortfall through EA cuts alone would require eliminating 259 EA positions, leaving one EA for every three of these students.
- Classroom Teachers — SD41's 1,151 classroom teachers currently serve 27,338 students. The collective agreement sets hard class size maximums of 20 students for Kindergarten, 22 for Grades 1-3, 30 for Grades 4-7, and 31 for Grades 8-12. Cutting to those absolute maximums means eliminating 72 teachers and adding an average of 2 students to every classroom in the district with zero flexibility remaining for any student with complex needs. And even this drastic cut still leaves a \$2.2M gap in the shortfall.

*There is no combination of cuts that closes this gap without devastating consequences for students. The math does not work. The only solution is provincial funding.*

## 9. What We're Asking For — and What You Can Do

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Burnaby DPAC is calling on Minister of Education Lisa Beare and the BC Treasury Board to:

- Fund the full \$9.4 million immediately
- Make a public commitment before the district's budget deadline
- Overhaul the K-12 funding model, including exploring a wealth levy on net assets over \$100 million, so BC school districts can rebuild from decades of structural underfunding

The Ministry of Education's annual K-12 operating budget exceeds \$6 billion. The \$9.4 million Burnaby is owed represents less than two-tenths of one percent of that fund. This is not a resource problem for the Province. It is a political choice.

The Province can resolve this with one decision. Until it does, Burnaby's 26,000 students are paying for a debt that was never theirs.

***The window to act is now, not after the budget is final.***

The most effective thing you can do is make direct, personal contact with the decision-makers before the end of May. Here's how:

**1. Contact Minister of Education Lisa Beare directly** Minister Beare holds the Education portfolio and submitted the funding request to Treasury Board on April 17. She needs to hear from Burnaby parents that more needs to be done to obtain certainty that this will get funding from her colleagues.

- Constituency Office: 104-20130 Lougheed Hwy, Maple Ridge BC V2X 2P7
- Phone: (604) 465-9299
- Email: [Lisa.Beare.MLA@leg.bc.ca](mailto:Lisa.Beare.MLA@leg.bc.ca)
- Hours: Monday–Friday 9:30am–4:00pm

**2. Contact the Treasury Board — the body that controls the money** The BC Treasury Board is chaired by Minister of Finance Brenda Bailey and includes several Greater Vancouver MLAs who are reachable at their local constituency offices. These are the people whose approval the funding request requires.

- **Brenda Bailey** (Chair, Minister of Finance, Vancouver-South Granville) Constituency Office: 102-1012 Beach Ave, Vancouver | (604) 775-2601
- **Christine Boyle** (Housing & Municipal Affairs, Vancouver-Little Mountain): Constituency Office: 100-75 W. Broadway, Vancouver | (604) 660-0551
- **Paul Choi** (MLA, Burnaby South-Metrotown): Constituency Office: 5234 Rumble St, Burnaby | (604) 660-0855
- **George Chow** (MLA, Vancouver-Fraserview): Constituency Office: #112-2609 East 49<sup>th</sup>, Vancouver | (604) 660-2035
- **Mike Farnworth** (Transportation & Transit, Port Coquitlam): Constituency Office: 107A-2748 Lougheed Hwy, Port Coquitlam | (604) 927-2088
- **Bowinn Ma** (Infrastructure, North Vancouver-Lonsdale): Constituency Office: 50-221 West Esplanade, North Vancouver | (604) 981-0033
- **Janet Routledge** (MLA, Burnaby North): Constituency Office: 4270 Hastings St, Burnaby | (604) 775-0778
- **Niki Sharma** (Vice-Chair, Attorney General, Vancouver-Hastings) Constituency Office: 2135 E Hastings St, Vancouver | (604) 775-2277
- **Jennifer Whiteside** (Labour, New Westminster-Coquitlam): Constituency Office: 335 Sixth St, New Westminster | (604) 775-2101

**3. Contact your Burnaby MLA** All five Burnaby MLAs are NDP members, the same party as the government making this decision. They have direct access to cabinet. Tell them their constituents are watching.

- **Rohini Arora** (Burnaby East): Constituency Office: Unit 3 - 8699 10th Ave., Burnaby | (604) 660-5058
- **Paul Choi** (Burnaby South-Metrotown): Constituency Office: 5234 Rumble St, Burnaby | (604) 660-0855

- **Raj Chouhan** (Burnaby-New Westminster): Constituency Office: 923 12th Street, New Westminster | (604) 660-7301
- **Anne Kang** (Burnaby Centre): Constituency Office: 105-6411 Nelson Ave, Burnaby | (604) 775-0565
- **Janet Routledge** (Burnaby North): Constituency Office: 4270 Hastings St, Burnaby | (604) 775-0778

**4. Find your own MLA** If you live outside Burnaby, your MLA matters too as this sets a precedent that will affect every school district in BC. Find yours at: [findyourrep.elections.bc.ca](http://findyourrep.elections.bc.ca)

**5. Spread the word** Share this document with every parent you know in Burnaby. In your PAC, your school's parent group, your neighbourhood. The more voices, the more pressure. Forward it to local media. Post it in community Facebook groups. Talk to your neighbours.

**6. Follow Burnaby DPAC** Check <https://dpac.burnabypac.ca/> and DPAC's communications for updates on advocacy events, community meetings, or any organized actions as the May deadline approaches.

**A note on visiting constituency offices:** MLAs hold regular constituent hours — you do not need to be a member of any organization to walk in and speak with a staff member or request a meeting. Showing up in person, calmly and with the facts, is one of the most effective forms of constituent advocacy there is. Bring this document.

*The Province can resolve this with one decision. Until it does, Burnaby's 27,338 students are paying for a mistake that was never theirs.*

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Sources: SD41 Preliminary FY2026/27 Budget; SD41 2022-25 BTA/BCTF Collective Agreement; CUPE Local 379 2022-2025 Collective Agreement; BC Labour Relations Board Decision (2025); School Act RSBC 1996 Chapter 412 s.116; BC Ministry of Education and Child Care operating grant data; Provincial K-12 Funding Operating Manual & Operating Grant FY2026/27 .