



2011 BC Budget Backgrounder

Overview

BC's 2011 legislative and budget agenda is taking a curious turn this year. With the BC Liberals locked in an unanticipated leadership race that won't conclude until later in February and the Official Opposition involved in a similar process that will not finish until April, the spring sitting of the BC Legislature will be an abridged session lasting less than a week. In fact, the BC Budget presented on February 15 will only be tabled and not passed during this abridged session, forcing the government to finance operations on interim spending warrants.

Not surprisingly the Minister of Finance's "status quo" approach leaves very little in the way of significant changes in the government's current fiscal strategy. The funding trend lines that were evident in previous budgets continue on in this one. The budget crunch that public post-secondary institutions face with per-student operating grants failing to keep pace with either rising pressures of inflation or the push to provide more spaces without any increase in funding continues unabated in the 2011 budget.

Affordability continues to be a major barrier for BC post-secondary students. In previous budgets total tuition fee revenues were shown to actually exceed corporate tax revenues, an unprecedented and regressive development in BC tax policy. By 2011 corporate taxes appear to now be slightly ahead of tuition fee revenues, however, over the three years in the budget forecast, tuition fee revenues are projected to increase while corporate taxes are slated to decline.

Summary of Key Budget Measures for Post-Secondary Education

Total Operating Grants, 2010/2011:	\$1.876 (Billion)
Total Operating Grants, 2011/2012:	\$1.880 (Billion)
Total Student FTEs, 2010/2011:	205,015
Total Student FTEs, 2011/2012:	201,792