

# Financial information of universities and degree-granting colleges, 2015/2016

Released at 8:30 a.m. Eastern time in *The Daily*, Thursday, July 13, 2017

---

Postsecondary education plays an important role in a skills-based labour market and the successful labour market outcomes of Canadian youth. In this context, it is important to understand the investment Canada makes to ensure young people have the opportunity for higher learning.

Canada's 150 public universities and degree-granting institutions spent \$27.1 billion in 2015/2016, up from \$26.8 billion in 2014/2015. Revenues fell from \$28.4 billion in 2014/2015 to \$27.2 billion in 2015/2016.

## Government funding is the largest source of revenue

Universities and degree-granting colleges receive most of their funding from government sources and tuition fees. The remaining funding comes from donations, private grants, investments and other minor sources of revenues. Governments are the single biggest source of revenue, accounting for \$13.4 billion or 49.1% of all revenues in 2015/2016. The vast majority of government funding came through the provinces (\$10.6 billion), while the federal government was the direct source of another \$2.5 billion.

Almost all federal government funding (97%) is directed towards sponsored research through research granting programs, such as the Social Sciences and Humanities Research Council and the National Science and Engineering Research Council. Provincial funding is primarily directed towards operating costs and capital spending.

The proportion of provincial funding decreased from 41.5% in 2010/2011 to 39.1% in 2015/2016. The main factors for this decline were lower provincial funding, from \$11.3 billion to \$10.6 billion over this period, and increased revenues from tuition fees.

## Tuition and other fees account for a growing portion of revenue

Institutions received \$7.6 billion in revenue from tuition and other fees in 2015/2016, up \$328.8 million from 2014/2015. Revenue from tuition fees increased by 29.3%, from \$5.9 billion in 2010/2011 to \$7.6 billion in 2015/2016. The proportion of revenues from tuition fees has grown from 21.5% in 2010/2011 to 27.9% in 2015/2016.

Important factors for the total increase in the proportion of tuition revenues were higher tuition fees and more international students, who pay higher tuition fees than domestic students. For example, the number of full-time international undergraduate university students rose by 55% from 2010/2011 to 2014/2015, compared with a 5% increase for domestic students. International undergraduate students paid an average annual tuition of \$22,346 in 2015/2016, while domestic students paid \$6,201.

Tuition revenues can include payments received for tuition from students, as well as various forms of bursaries and financial aid to students that are channeled through institutions to support tuition fees. Not included in institutional revenues are other forms of direct assistance to students that are not administered through the institutions, such as government contributions to Registered Education Savings Plans, tuition tax credits or some federal and provincial student financial aid programs.

## Sponsored research remains at one-fifth of revenues

Funds to support sponsored research are revenues that are earmarked solely for research. The federal government is the primary source of this income, but it also includes other sources, such as private industry and private donors. Revenues for sponsored research increased by 0.9% from 2014/2015 to \$5.4 billion in 2015/2016, and have been relatively stable in recent years. In 2015/2016, sponsored research comprised 19.9% of total revenue, compared with 18.8% in 2014/2015.



---

## The largest share of expenditures goes towards salaries, wages and benefits

The largest proportion of universities' expenditures was for staff compensation (salaries, wages and benefits), accounting for \$16.3 billion in 2015/2016, up \$159 million from 2014/2015. Total compensation has increased as a proportion of total expenditures, from 55.5% in 2010/2011 to 60.1% in 2015/2016.

## Capital spending declines as a percentage of expenditures

Net capital expenditures by universities and degree-granting colleges decreased by \$205 million from 2014/2015 to \$2.3 billion in 2015/2016, accounting for 8.6% of total expenditure. Capital expenditures cover longer-term acquisitions like property, building, large renovations and equipment purchases. In the Financial Information of Universities and Colleges survey, capital expenditure is recorded when the expense takes place and amortization costs are not recorded over the life of the asset. Large annual fluctuations are common in capital spending.

### Note to readers

*Revenue and expenditure data are collected from each university and degree-granting college and are distributed by fund.*

*The main funds are: general operating (an unrestricted fund that accounts for the institution's primary activities of instruction and research, other than sponsored research), special purpose and trust, sponsored research, ancillary, capital and endowment.*

*Data for this release cover 150 universities and degree-granting colleges. All dollar figures are adjusted for inflation unless otherwise specified.*

*Caution should be taken in comparing provinces directly since provinces have different funding formulas and mechanisms.*

**Available in CANSIM: tables [477-0058](#) and [477-0059](#).**

**Definitions, data sources and methods: survey number [3121](#).**

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; [STATCAN.infostats-infostats.STATCAN@canada.ca](mailto:STATCAN.infostats-infostats.STATCAN@canada.ca)) or Media Relations (613-951-4636; [STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca](mailto:STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca)).