

# Financial information of universities and degree-granting colleges, 2016/2017

Released at 8:30 a.m. Eastern time in *The Daily*, Tuesday, July 24, 2018

---

Canada's 148 public universities and degree-granting institutions spent \$27.5 billion in 2016/2017, up 1.5% from \$27.1 billion in 2015/2016. Revenues increased 10.7%, rising from \$27.2 billion in 2015/2016 to \$30.1 billion in 2016/2017.

Postsecondary education plays a key role in a skills-based labour market and the successful labour market outcomes of Canadians.

## 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 remainder comes from donations, private grants, investments and other minor revenue sources. Governments are the single biggest contributor to revenue, accounting for \$13.9 billion or 46.1% of all revenues in 2016/2017. The majority of government funding came through the provinces (\$10.8 billion), while the federal government was the direct source for another \$2.9 billion.

Almost all of federal government funding (87.6%) is directed toward 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 earmarked for operating costs and capital spending.

Provincial funding totalled \$10.8 billion in 2016/2017, up from \$10.6 billion in 2015/2016. As a proportion of total funding over the five-year period, provincial funding decreased from 41.9% in 2011/2012 to 35.8% in 2016/2017.

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

Institutions received \$8.0 billion in revenue from tuition and other fees in 2016/2017, up \$422.3 million from 2015/2016. Revenue from tuition fees increased by 29.1%, from \$6.2 billion in 2011/2012 to \$8.0 billion in 2016/2017. The proportion of revenues from tuition fees has grown from 23.5% in 2011/2012 to 26.6% in 2016/2017.

Key factors for the overall rise in the proportion of tuition revenues were increased tuition fees, and more international students, who pay higher tuition fees than domestic students. For example, the number of international undergraduate university students rose by 46.1% from 2011/2012 to 2015/2016, the latest year for which data are available, this compares with a 1.9% increase for domestic students.

International undergraduate students paid an average annual tuition of \$23,677 in 2016/2017, nearly four times the average for domestic students, who paid \$6,375 (unadjusted for inflation).

## Sponsored research remains at one-fifth of revenues

Funds to support sponsored research are revenues that are earmarked specifically for research. The federal government is the primary source of this revenue, but it also includes other sources, such as private industry and private donors. Revenues for sponsored research rose by 5.3% from 2015/2016 to \$5.7 billion in 2016/2017. In 2016/2017, sponsored research accounted for 20.9% of total revenue, compared with 19.9% in 2015/2016.

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

The largest proportion of university expenditures was for staff compensation (salaries, wages and benefits), accounting for \$16.5 billion in 2016/2017, up \$246 million from 2015/2016. Total compensation has increased as a proportion of total expenditures, from 57.8% in 2011/2012 to 60.0% in 2016/2017.



---

## Capital spending increases as a percentage of expenditures

Net capital expenditures by universities and degree-granting colleges increased by \$190 million from 2015/2016 to \$2.5 billion in 2016/2017, accounting for 9.2% of total expenditure. Capital expenditures cover longer-term acquisitions like property, building, large renovations and equipment purchases. In the 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 distributed by fund. These 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 148 universities and degree-granting colleges. All dollar figures are adjusted for inflation unless otherwise specified.*

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

**Available tables:** [37-10-0026-01](#) and [37-10-0027-01](#).

**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)).