

# Financial information of community colleges and vocational schools, 2016/2017

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Revenue for Canada's 166 public colleges, CEGEPs, and polytechnics rose from \$8.7 billion in 2015/2016 to \$8.9 billion in 2016/2017. At the same time, expenditures increased from \$8.6 billion in 2015/2016 to \$8.8 billion in 2016/2017.

## Provincial/territorial governments are the largest source of revenue

Funding from provincial/territorial governments has remained stable since 2012/2013, accounting for \$5.2 billion or 58.8% of college revenues in 2016/2017. Despite this stability, the percentage of total revenue coming from provincial/territorial governments has declined by 4.5% over this period.

Student fees accounted for the second-largest source of revenues at 27.3% in 2016/2017. The remaining funds came from other ancillary enterprises (5.3%), the federal government (1.9%), donations (1.2%) and other miscellaneous sources (6.7%).

## Student fees account for a growing portion of revenue

Over the past five years, revenue from student fees has increased by 27.2%, up from \$1.9 billion in 2012/2013 to \$2.4 billion in 2016/2017. As a result, the proportion of revenues from student fees has grown from 22.8% in 2012/2013 to 27.3% in 2016/2017.

A key factor in the rise in tuition fee revenue is the increased enrolment of international students, who pay three to four times the amount that domestic students pay. This is similar to what is happening in universities. The number of international college students rose by 55% from 2012/2013 to 2016/2017, while there was an 8% decline in the number of domestic students.

## Sponsored research in colleges on the rise

The sponsored research fund includes revenues intended solely for research. This funding increased from \$60.1 million in 2015/2016 to \$70.5 million in 2016/2017. Overall, this funding has risen 40% since 2012/2013, due to an increased focus on applied research within the college sector and better reporting of financial data.

Sponsored research funds are provided through various sources, mainly the federal and provincial/territorial governments, business enterprises, and individuals. Applied research is the main activity carried out in colleges and is often done in collaboration with local communities and industry. In Budget 2018, the federal government announced additional funding to colleges over five years to support research activities, which should result in a continued increase in research revenue in the next few years.

## Salaries and benefits account for the largest share of total expenditures

The percentage of overall expenditures devoted to staff compensation (total salaries and benefits) has remained unchanged since 2012/2013. In 2016/2017, it continued to draw the largest proportion of college expenditures (63.5%), accounting for \$5.6 billion. This was up slightly from \$5.5 billion in 2015/2016.

Benefits, which include the contribution to pensions, group life insurance, worker's compensation, as well as staff training costs paid for by the institution, were \$898.1 million in 2016/2017, or 16.1% of total staff compensation.



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## Capital spending remains stable as a share of total expenditures

Capital expenditures cover direct investment in property, building, renovations, and equipment. Net capital expenditures by colleges decreased slightly, down from \$751.6 million in 2015/2016 to \$745.9 million in 2016/2017. This accounted for 8.5% of total expenditures, and the percentage of total expenses devoted to capital spending has remained relatively stable over the last several years.

### **Note to readers**

*In the Information of Community Colleges and Vocational Schools (FINCOL) survey, colleges refer to colleges, institutes, CEGEPs, and polytechnics.*

*Revenue and expenditure data are collected from each college and are distributed by type of fund in accordance with fund accounting. The main funds are: general operating funds (an unrestricted fund that accounts for the institution's primary activities of instruction and operations), sponsored research, and capital.*

*All of the financial figures are in 2002 constant dollars (adjusted for inflation).*

*Additional information for the 2016/2017 FINCOL survey is also [available](#) online.*

**Available tables:** [37-10-0028-01](#) and [37-10-0029-01](#).

**Definitions, data sources and methods:** survey number [3146](#).

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