

# Public and private spending on elementary and secondary schools rises in 2017/2018

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Total public and private expenditures for elementary and secondary education rose 2.3% from a year earlier to \$58.0 billion in 2017/2018, double the increase of the previous school year.

The rise in total expenditures coincided with the growing student population in Canada, which rose 1.0% from a year earlier to 5.6 million public and private elementary and secondary school students.

The financial pressures on the Canadian elementary and secondary school system resulting from the annual spending increase in 2017/2018 may be compounded by the impending constraints of COVID-19 in the 2020/2021 school year. As local governments ease rules for property tax payments used to support educational institutions, and priorities for funding from provincial/territorial governments potentially shift, public school boards may lose access to a portion of their public funding. Also, with the development of online learning platforms and classrooms fit for safe learning, schools will likely be forced to increase both capital and operating expenditures.

## Public elementary and secondary school board expenditures continue to grow

Canadian public elementary and secondary school board expenditures increased by 2.1% from a year earlier to \$48.7 billion in 2017/2018.

The increase was mainly attributable to higher spending on salaries and benefits for educators working in public elementary and secondary schools. Educator salaries and benefits accounted for just over two-thirds (67.0%) or \$29.5 billion of the total operating expenses at public elementary and secondary schools in 2017/2018, up 1.8% from the previous school year. This was the fourth consecutive annual increase in total educator salaries and benefits.

The increase in educator salaries and benefits spending was also one of the main factors in higher levels of per-student spending in public schools. In 2017/2018, the increase in public elementary and secondary school expenditures on educator salaries and benefits outpaced the rise in student enrollment. This contributed to a per-student spending increase of 1.0% from 2016/2017.

Other factors played a role in higher per-student spending. These included provincial/territorial policy directions such as the implementation of full-time kindergarten in Ontario and the overall increase in the number of elementary and secondary educators.

Although the average annual statutory salary for educators has decreased, the total number of educators rose 1.5% to 392,400 in 2017/2018. Not only is the total number of educators growing, but so too is the share of full-time educators (+0.6%), who normally have better benefit plans.

There are also now more educators aged 65 years and older, since the removal of mandatory retirement ages for educators in several provinces/territories in 2013/2014. The share of educators aged 65 and older rose 0.7% in 2017/2018 and was up 15.4% compared with five years earlier. By way of comparison, the share of those aged 65 and older within the entire Canadian labour force rose 20.9% from 2013 to 2017. Since educator salaries are associated with level of experience, those aged 65 and older are often paid at the top of the annual statutory scale.

## Provincial and territorial governments account for two-thirds of funding

Expenditures by provincial and territorial governments totalled \$39.0 billion in 2017/2018, accounting for just over two-thirds (67.7%) of total funding for elementary and secondary education. While the majority of these funds represent grants and contributions to public and private schools, other uses of these funds include direct expenditures for services, general administration and capital purchases on behalf of the schools.



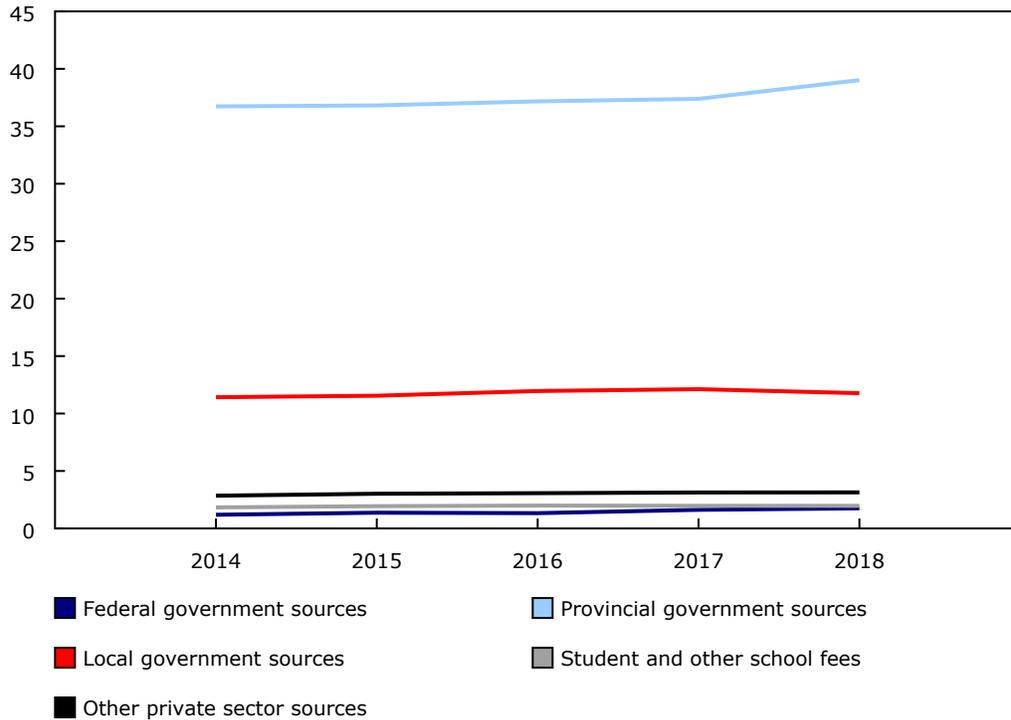
The share of provincial and territorial government expenditures ranged from just under half (49.7%) in Manitoba to almost all (98.1%) in Prince Edward Island. These regional variations are attributable to different funding mechanisms for the public and private school systems within each jurisdiction.

Across Canada, public funding for schools comes from three principal sources: provincial/territorial general revenues, provincial/territorial property tax levies and locally-levied school-based property tax. The share of funding from each source varies by jurisdiction. In general, these grants and contributions are predominately allocated on a per-student basis, which can be seen in the relationship between the growing student population and increasing expenditures made by the provincial/territorial governments.

Other sources of funds for elementary and secondary education include local taxation and other taxes levied by the school boards and local governments (20.4%), student fees and tuition (3.4%), federal departments (3.0%) and all other private sources (5.5%).

**Chart 1**  
**Public and private elementary and secondary education expenditures by direct source of funds, 2017/2018, Canada**

billions of dollars



**Note(s):** All dollar figures are adjusted for inflation (base year 2002).  
**Source(s):** Table 37-10-0067-01.

### Indigenous Services Canada funding increases for First Nations education

Support for First Nations elementary and secondary education from Indigenous Services Canada (which prior to 2019 was known as Indigenous and Northern Affairs Canada) increased 9.7% from a year earlier to \$1.4 billion in 2017/2018.

The increase stemmed from the investment set out in the 2016 Government of Canada Budget to improve elementary and secondary education on reserves. This includes spending on elementary and secondary instructional services, student support and band support funding.

## Government expenditures for administration increase

Total costs for the general regulation and control of public and private elementary and secondary education as well as the overall supervision and administration of instructional programs increased by 5.1% to \$115.8 million in 2017/2018. Administrative costs accounted for 2.4% of total direct government expenditures. These expenditures are predominately derived from the respective Ministries of Education within the provincial and territorial governments and the associated costs of the Minister's office. This also includes costs associated with the overall governance of elementary and secondary education incurred by each ministry.

### Note to readers

*Public school board finance data are derived from the Survey of Uniform Financial System – School Boards. The objective of this annual survey is to collect financial information on school boards and districts across Canada. These financial statistics are collected from every province and territory—with the exception of Nunavut, where data are estimated—and are converted into a standard classification. Data for this survey are not available at the school board and district level.*

*Educator salaries and benefits include the total wages and benefits paid to personnel who are directly involved in providing kindergarten, elementary and secondary courses. These personnel include full-time and part-time teachers, principals, vice principals, supply teachers and student assistants. Also included in the benefit expenditures are costs related to employer contributions to teachers' pension plans, which are partially or entirely paid by school boards and districts in seven provinces and territories, rather than the provincial/territorial governments in other jurisdictions.*

*Student enrolment figures and educator counts are from the [Elementary–Secondary Education Survey](#).*

*Annual statutory teachers' salaries in public institutions are derived from the [Educators in Canada: An International Perspective](#).*

*The ratio of full-time students to teaching staff in Canadian educational institutions are derived from data supplied by the Canadian Centre for Education Statistics, within the [OECD Education at a Glance](#).*

*Due to the elimination of the Survey of Financial Statistics of Private Elementary and Secondary Schools, data for private elementary and secondary education finance have been estimated for reference period 2006/2007 onward based on changes to private institutions' enrollment.*

*All dollar figures are adjusted for inflation unless otherwise specified.*

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

**Available tables:** [37-10-0066-01](#) and [37-10-0067-01](#).

**Definitions, data sources and methods:** survey numbers [3119](#), [3120](#), [3140](#) and [3141](#).

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