

Three-fifths of total federal, provincial, territorial and local spending went to social protection, health care and education in 2019

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Governments in Canada spent an estimated \$798.5 billion in 2019, the majority (61.0%) of which was directed towards social protection, health care and education. Spending on education (+3.7%) grew at the fastest pace in 2019, followed by spending on social protection (+3.4%) and health care (+2.9%).

Impacts of COVID-19 on the 2019 reference year

The 2019 reference year corresponds to the fiscal year ending March 31, 2020, for the federal, provincial and territorial governments. The current estimates include, among other things, retroactive payments for the Canada Emergency Wage Subsidy.

The marked decline in economic activity in the 2020 reference year, coupled with broad fiscal measures implemented in response to the COVID-19 pandemic, will lead to record spending, especially for the federal government.

Social protection remains the largest expense of the Canadian general government

The consolidated Canadian general government—that is, the federal, provincial, territorial, local and other government entities combined—increased spending on social protection by 3.4% in 2019 to \$190.6 billion. This accounted for almost one-quarter (23.9%) of total government spending.

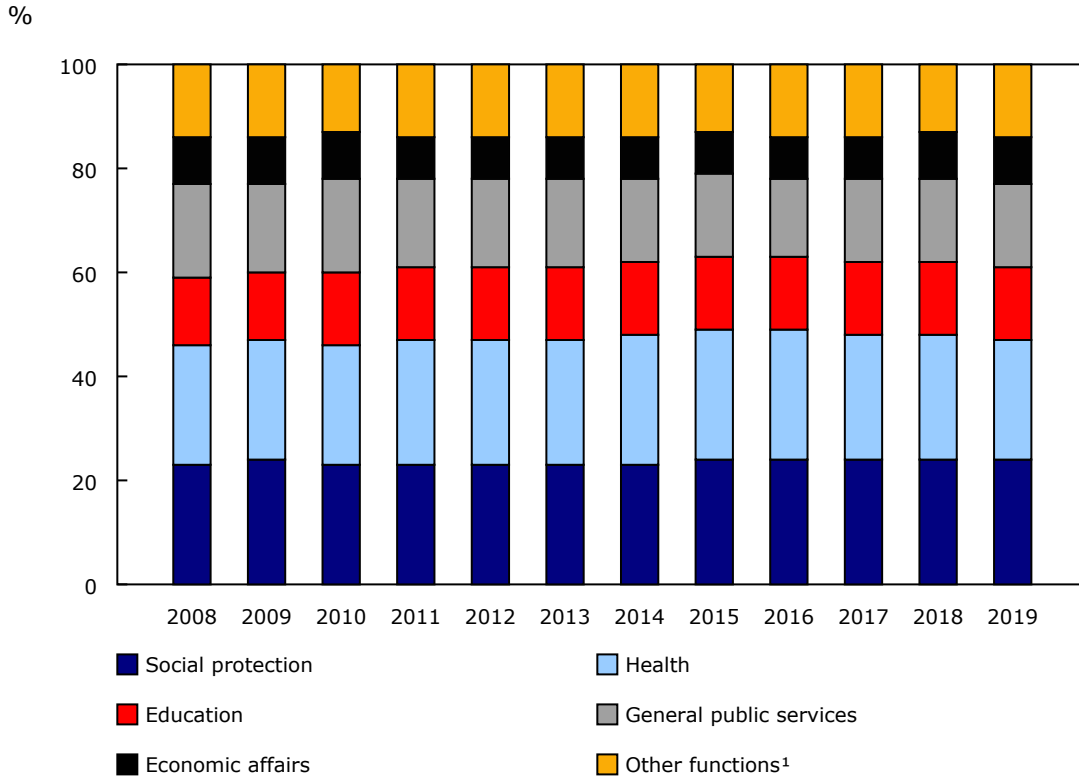
Social protection includes programs such as Old Age Security, family benefits, disability payments and unemployment benefits. The increase in 2019 (+3.4%) was primarily driven by higher spending on Old Age Security (+\$4.9 billion) and family and children benefits (+\$3.1 billion).

Health care spending rose 2.9% to \$186.5 billion, accounting for 23.4% of total government spending. This was equivalent to \$4,910 per Canadian. The increase was largely attributable to higher spending on hospital services, which rose 3.5% to \$123.4 billion.

Spending on education rose 3.7% from 2018 to \$109.9 billion. Excluding public debt transactions, which are considered a general public service, education was the third largest expense in 2019, accounting for 13.8% of total government spending. Although spending was up for every level of education, primary and secondary education contributed the most to the increase, rising 3.4% to \$67.2 billion.



Chart 1
Share of consolidated Canadian general government expenses by function, 2008 to 2019



1. The category "Other functions" includes defence, public order and safety, environmental protection, housing and community amenities, and recreation, culture, and religion.
 Source(s): Table 10-10-0005-01.

Canadian general government increases economic affairs spending in response to COVID-19 pandemic

The Canadian general government increased its spending on economic affairs by 12.8% in 2019 to \$75.7 billion, accounting for 9.5% of total expenditures. Economic affairs refers to economic activities such as agriculture, energy, mining or transport.

The most notable increases in economic affairs spending were in general economic, commercial, and labour affairs (+\$4.2 billion) and fuel and energy (+\$2.2 billion). Federal government spending on the Canada Emergency Wage Subsidy was the main reason for the increase in the former, while provincial, territorial, and local governments drove the increase in the latter.

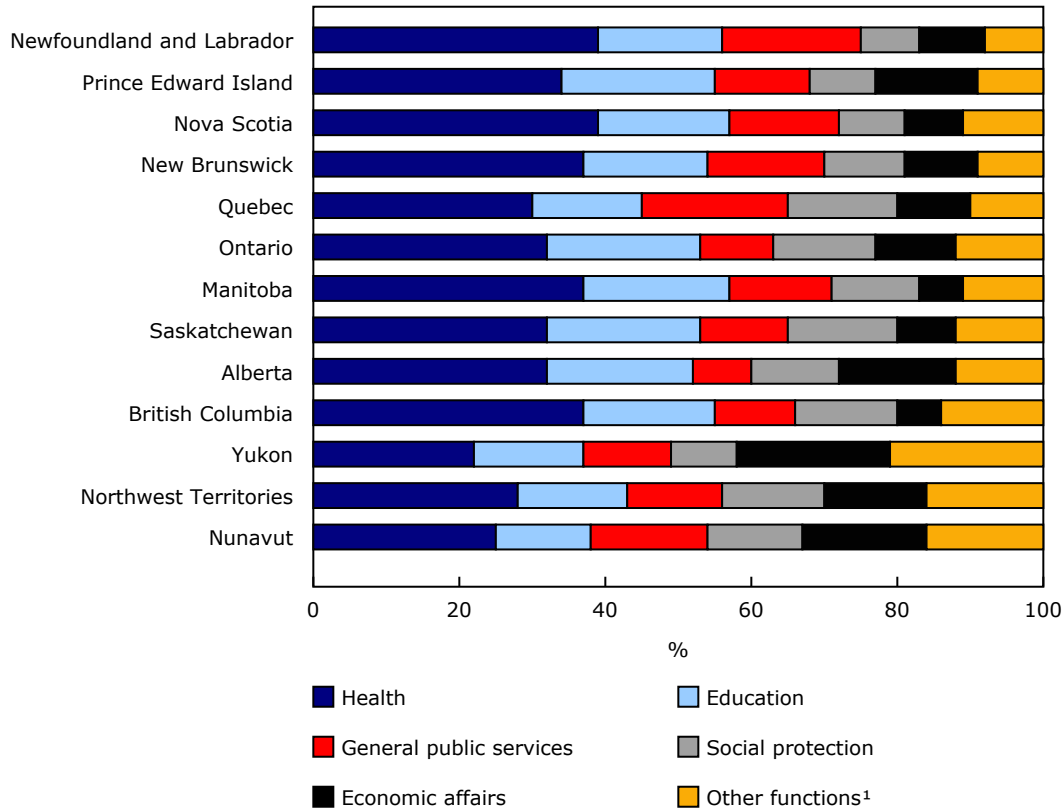
Health remains largest expense of provincial, territorial and local governments

Health (32.7%) remained the largest expense among provincial, territorial and local governments combined, accounting for nearly one-third of their total spending in 2019.

On a per capita basis, health expenses were the highest provincially in Newfoundland and Labrador (\$6,449), Nova Scotia (\$5,577) and New Brunswick (\$5,566). The lowest health expenses per capita were in Ontario (\$4,440), Prince Edward Island (\$4,622) and British Columbia (\$4,648).

Based on the average of the provinces, hospital services accounted for the largest proportion of health expenses at over two-thirds (69.9%), followed by outpatient services (13.0%) and medical products, appliances and equipment (6.1%).

Chart 2
Share of consolidated provincial, territorial and local government expenses by function, 2019



1. The category "Other functions" includes public order and safety, environmental protection, housing and community amenities, and recreation, culture, and religion.
 Source(s): Table 10-10-0005-01.

Primary and secondary education dominate provincial educational spending

Spending on primary and secondary education was the largest educational expense for every province. On average, primary and secondary education accounted for almost two-thirds (63.2%) of provincial education spending, university education accounted for almost one-quarter (24.4%) and college education accounted for 10.5%.

Saskatchewan (\$3,331), Alberta (\$3,145), and Prince Edward Island (\$2,939) spent the most on education on a per capita basis, while British Columbia (\$2,283), Quebec (\$2,344) and Nova Scotia (\$2,628) spent the least.

Manitoba had the highest per capita increase on education spending (+6.4%) compared with 2018, while Ontario (-0.3%) had the lone decline, partly attributable to labour actions by Ontario teachers.

British Columbia increases social protection spending for second consecutive year

Among provincial and local governments, spending on social protection on a per capita basis was highest in Saskatchewan (\$2,479) and Quebec (\$2,384), and lowest in Prince Edward Island (\$1,187) and Nova Scotia (\$1,336).

British Columbia reported the highest growth in social protection spending for the second year in a row, up 12.1% to \$9.1 billion (\$1,776 per capita). The increase in social protection spending was mainly attributable to housing and social development as well as children and family development programs.

Alberta shows strong growth in economic affairs

Total provincial, territorial and local government spending on economic affairs rose 6.7% to \$58.4 billion in 2019. This increase was largely attributable to higher spending on energy (+\$2.2 billion) and transport (+\$0.9 billion).

The increase in spending on energy was led by Alberta (+\$1.3 billion) and Ontario (+\$0.9 billion). For the second consecutive year, the increase in Ontario was mainly due to the Electricity Price Mitigation program. Alberta's increase was mainly due to expenses from the province's crude-by-rail program.

On a per capita basis, provincial spending on economic affairs was highest in Alberta (\$2,611), Prince Edward Island (\$1,934) and Quebec (\$1,578), and was lowest in British Columbia (\$790), Manitoba (\$823) and Nova Scotia (\$1,170).

Western Canada wildfires impact spending on agriculture, forestry, fishing, and hunting

Alberta and British Columbia experienced divergent wildfire seasons in 2019, and wildfires had a significant impact on their agriculture, forestry, fishing, and hunting expenses.

Alberta's spending on agriculture, forestry, fishing, and hunting in 2019 increased by almost one-third (+32.6%) to \$1.6 billion, mainly attributable to wildfire expenses. According to media reports, in 2019, wildfires burned more land in Alberta than any year in the past four decades.

Conversely, British Columbia's spending fell by over one-fifth (-22.7%) to \$1.0 billion, largely due to a decrease in wildfire expenses. The 2019 wildfire season in British Columbia was the second-least-active since 2011.

Table 1
Consolidated per capita spending by selected Canadian Classification of Functions of Government, 2019

	Canadian general government	Federal government ¹	Provincial- territorial and local governments	Newfoundland and Labrador	Prince Edward Island	Nova Scotia	New Brunswick	Quebec
	dollars							
General public services	3,390	2,724	1,890	3,214	1,821	2,182	2,488	3,066
Executive and legislative organs, financial and fiscal affairs and external affairs	525	324	255	598	232	306	229	366
Foreign economic aid	135	135	0	0	0	0	0	0
General services	820	345	501	1,396	697	619	1,181	825
Basic research	1	65	0	0	0	0	0	2
Public debt transactions	1,719	657	1,065	1,210	879	939	1,061	1,745
General public services n.e.c. ²	190	1,198	68	8	13	318	15	127
Defence	507	516	0	0	0	0	0	0
Military defense	458	466	0	0	0	0	0	0
Civil defense	13	14	0	0	0	0	0	0
Foreign military aid	31	31	0	0	0	0	0	0
Defence n.e.c. ²	4	4	0	0	0	0	0	0
Public order and safety	1,074	377	752	675	634	742	726	658
Police services	515	219	342	273	308	380	357	324
Fire protection services	131	0	131	82	63	117	83	86
Law courts	150	27	124	136	88	160	24	133
Prisons	135	69	68	86	100	56	70	42
Public order and safety n.e.c. ²	143	63	87	96	69	30	191	74
Economic affairs	1,993	632	1,539	1,421	1,934	1,170	1,484	1,578
General economic, commercial and labour affairs	446	383	196	423	584	449	370	223
Agriculture, forestry, fishing and hunting	250	98	173	132	553	133	166	195
Fuel and energy	330	16	324	55	13	86	9	7
Mining, manufacturing and construction	10	0	10	19	6	0	0	25
Transport	766	76	693	750	597	447	853	793
Economic affairs n.e.c. ²	192	58	142	44	176	55	86	335
Environmental protection	440	134	310	180	226	264	174	273
Waste management	115	18	98	122	119	135	65	85
Waste water management	102	0	103	19	25	17	64	73
Pollution abatement	64	32	33	6	63	42	12	74
Protection of biodiversity and landscape	56	14	43	11	13	31	23	12
Environmental protection n.e.c. ²	103	70	34	23	6	39	12	28
Housing and community amenities	280	88	226	210	119	220	174	138
Housing and community development	107	28	80	42	44	57	58	40
Water supply	140	20	120	130	57	115	82	74
Street lighting	16	0	16	27	13	39	32	12
Housing and community amenities n.e.c. ²	18	40	10	13	13	10	1	13
Health	4,910	1,235	4,744	6,449	4,622	5,577	5,566	4,680
Medical products, appliances and equipment	368	10	358	315	232	267	310	469
Outpatient services	682	39	672	602	615	601	613	527
Hospital services	3,250	4	3,247	4,769	2,945	4,119	4,302	3,487
Public health services	239	11	228	170	333	440	97	92
Health n.e.c. ²	371	1,170	239	593	490	150	243	105
Recreation, culture and religion	517	163	375	237	182	293	228	393
Recreational and sporting services	186	18	169	105	88	110	140	146
Cultural services	173	82	111	90	88	80	83	158
Broadcasting and publishing services	107	61	47	0	0	0	0	9
Recreation, culture, and religion n.e.c. ²	51	2	49	42	6	103	6	81
Education	2,895	200	2,712	2,782	2,939	2,628	2,643	2,344
Primary and secondary education	1,768	29	1,740	1,820	1,689	1,433	1,618	1,611
College education	381	53	328	237	383	221	229	411
University education	658	52	607	652	797	953	613	308
Education n.e.c. ²	88	66	38	73	69	21	181	14
Social protection	5,018	3,123	1,976	1,405	1,187	1,336	1,626	2,384
Sickness and disability	833	187	650	411	860	517	679	475
Old age	1,570	1,515	56	0	0	3	22	3
Family and children	1,480	871	627	335	132	233	455	996
Unemployment	341	315	26	0	0	0	0	22
Housing	186	57	175	214	107	161	143	136
Social exclusion n.e.c. ²	551	178	388	426	69	421	250	718
Social protection n.e.c. ²	56	1	55	15	13	0	77	34

	Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	Northwest Territories	Nunavut
	dollars							
General public services	1,396	2,111	1,905	1,325	1,376	4,073	6,128	9,341
Executive and legislative organs, financial and fiscal affairs and external affairs	138	153	253	262	342	1,215	2,566	2,438
Foreign economic aid	0	0	0	0	0	0	0	0
General services	253	442	766	528	317	2,620	2,920	3,644
Basic research	0	0	0	0	0	0	0	0
Public debt transactions	984	1,480	824	494	632	191	531	385
General public services n.e.c. ²	21	34	63	41	85	24	133	2,849
Defence	0	0	0	0	0	0	0	0
Military defense	0	0	0	0	0	0	0	0
Civil defense	0	0	0	0	0	0	0	0
Foreign military aid	0	0	0	0	0	0	0	0
Defence n.e.c. ²	0	0	0	0	0	0	0	0
Public order and safety	778	849	947	707	769	2,144	3,031	3,542
Police services	360	337	382	291	341	738	1,018	1,181
Fire protection services	144	125	154	171	148	310	199	77
Law courts	114	104	134	111	149	405	619	847
Prisons	65	236	158	64	43	357	774	770
Public order and safety n.e.c. ²	95	46	118	70	88	333	420	667
Economic affairs	1,512	823	1,342	2,611	790	7,051	6,814	9,957
General economic, commercial and labour affairs	157	120	156	198	164	476	885	1,565
Agriculture, forestry, fishing and hunting	47	287	604	363	193	834	951	411
Fuel and energy	421	0	78	1,260	4	214	996	5,133
Mining, manufacturing and construction	3	7	12	0	10	572	177	0
Transport	786	331	357	721	368	3,835	3,717	2,618
Economic affairs n.e.c. ²	99	78	134	69	51	1,143	88	205
Environmental protection	312	235	310	434	304	1,620	1,549	513
Waste management	99	41	74	114	116	95	199	51
Waste water management	118	72	164	110	126	95	243	26
Pollution abatement	12	0	6	55	20	238	88	0
Protection of biodiversity and landscape	57	24	19	113	9	619	310	154
Environmental protection n.e.c. ²	26	98	46	41	33	572	686	257
Housing and community amenities	208	292	330	296	277	2,454	2,146	3,311
Housing and community development	80	86	95	102	98	1,453	1,283	2,002
Water supply	108	157	201	153	162	953	774	1,283
Street lighting	12	17	30	19	16	24	66	51
Housing and community amenities n.e.c. ²	7	30	4	22	1	0	22	0
Health	4,440	5,361	5,108	5,110	4,648	7,384	13,495	14,962
Medical products, appliances and equipment	375	268	348	224	304	119	310	154
Outpatient services	690	870	632	560	894	1,167	2,500	6,236
Hospital services	2,748	3,547	3,364	3,832	3,114	4,907	8,031	7,545
Public health services	323	318	408	180	140	214	354	642
Health n.e.c. ²	305	358	355	313	197	1,000	2,279	411
Recreation, culture and religion	333	246	322	433	497	1,000	1,283	1,848
Recreational and sporting services	168	69	152	254	179	548	664	667
Cultural services	97	155	114	113	63	405	221	719
Broadcasting and publishing services	58	15	0	3	156	0	44	0
Recreation, culture, and religion n.e.c. ²	10	6	57	63	98	48	354	462
Education	2,855	2,863	3,331	3,145	2,283	5,002	7,079	7,725
Primary and secondary education	1,795	2,088	2,157	2,101	1,308	2,716	5,133	4,337
College education	323	234	266	321	258	1,501	1,438	2,130
University education	685	522	866	702	700	0	0	180
Education n.e.c. ²	51	19	42	22	18	786	509	1,078
Social protection	1,881	1,707	2,479	1,876	1,776	3,216	6,504	7,673
Sickness and disability	634	606	1,608	982	521	643	2,124	257
Old age	113	0	1	82	5	143	111	77
Family and children	584	777	396	464	412	881	1,062	2,489
Unemployment	15	13	51	101	9	0	155	77
Housing	173	159	148	92	277	762	1,858	4,568
Social exclusion n.e.c. ²	296	146	178	95	489	191	553	128
Social protection n.e.c. ²	66	5	99	61	63	596	619	103

1. Federal government data are not consolidated.

2. n.e.c. = not elsewhere classified.

Source(s): Tables 17-10-0009-01, 10-10-0024-01 and 10-10-0005-01.

Note to readers

The COVID-19 outbreak, declared a pandemic on March 11, 2020, has led to economic disruptions across the globe. The Canadian federal, provincial, territorial and local governments took unprecedented economic measures to help limit the spread of the virus. The most recent Canadian Classification of Functions of Government (CCOFOG) data for the 2019 reference year includes annual data for the fiscal year ended March 31, 2020. Although the COVID-19 pandemic impacted government expenditures at the end of this period, the impacts being felt in the current fiscal year, ending March 31, 2021 (2020 reference year), will be much more significant.

The CCOFOG organizes government expenses into their main socioeconomic functions. This information provides an important picture of how governments spend money, and the role governments play in delivering services.

CCOFOG is a variant of the international functional expenditure classification that was developed by the Organisation for Economic Co-operation and Development. CCOFOG replaced the Financial Management System that was used by Statistics Canada until 2008.

Currently, CCOFOG data exclude the acquisitions of non-financial assets and consumption of fixed capital expenses. Future data improvements may include the functionalization of capital expenditures and the consumption of fixed capital.

The consolidated provincial, territorial and local government (PTLG) estimates are often used for provincial and territorial comparisons since there can be different delineations of responsibilities between levels of government in various jurisdictions. These estimates combine provincial and territorial governments, health and social service institutions, universities and colleges, municipalities and other local public administrations, and school boards, while removing interparty transactions. The consolidated Canadian general government estimates combine the federal government with PTLG data. They exclude data for the Canada Pension Plan and the Quebec Pension Plan, and for federal and provincial government business enterprises.

The constitutional framework of PTLGs in the territories differs from the framework in the provinces. This leads to differences in the roles and financial authorities of government. These differences, as well as other geographic, demographic and socioeconomic dissimilarities between the North and the rest of Canada, give rise to marked disparities in government finance statistics.

Since the size of PTLG estimates varies significantly across jurisdictions because of different population sizes, per capita data are used for expense comparisons. Per capita data are based on population estimates for Canada, the provinces and the territories, available in table [17-10-0009-01](#).

Annual data correspond to the end of the fiscal year closest to December 31. For example, data for the federal government fiscal year ending on March 31, 2020 (fiscal year 2019/2020) are reported as the 2019 reference year.

Available tables: [10-10-0005-01](#) and [10-10-0024-01](#).

Definitions, data sources and methods: survey number [5218](#).

The [Canadian Classification of Functions of Government](#) classification structure and descriptions are now available under the related information module of our website.

Additional information can be found in the *Latest Developments in the Canadian Economic Accounts (13-605-X)*. The *User Guide: Canadian System of Macroeconomic Accounts (13-606-G)* is also available. This publication has been updated with [Chapter 9. Government sector accounts in the Canadian System of Macroeconomic Accounts](#).

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) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).