

Overview

Managing a country as large, diverse and dynamic as Canada presents a big challenge—just imagine delivering services to 33 million people who are spread across 10 million square kilometres.

The task is so large that it takes 3.2 million people working in hundreds of public sector organizations at three levels of government. Federal public servants process social security benefits such as Employment Insurance. Provincial public servants ensure that hospitals and clinics provide the health services Canadians need. Local government employees provide services such as the supply of safe drinking water, garbage removal, parks, policing and firefighting.

Most employees work at a provincial or local level

Provincial, territorial and local government employees make up the majority of public

servants, and include general government (ministries and departments) as well as universities, colleges, school boards, and health and social service institutions. All told, these organizations account for about 80% of public sector employees, about 2.5 million people.

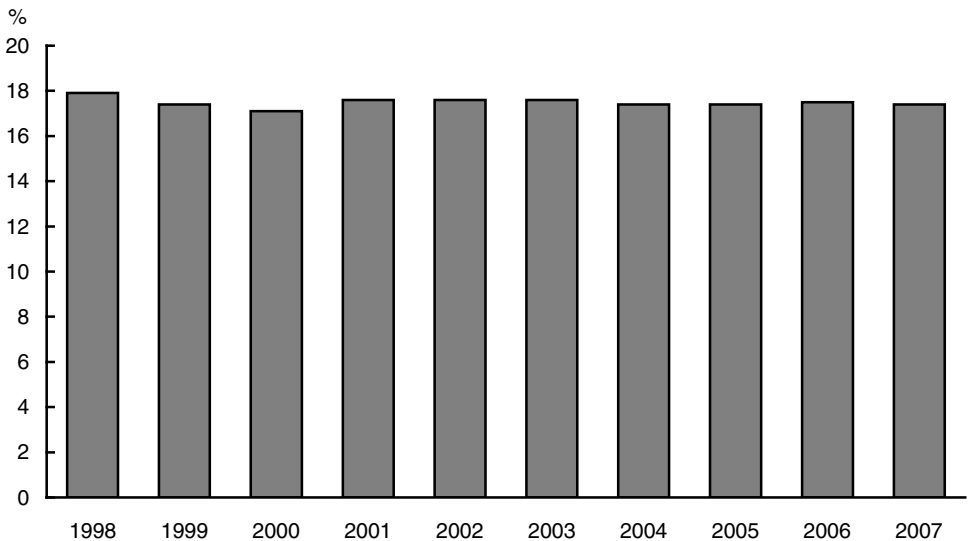
The federal government accounts for about 12% of all public sector workers. The remainder work in government business enterprises—in activities such as delivering the mail, selling alcohol in provincial liquor stores and providing electricity through local utilities.

Renewal in the public service

All three levels of government scaled back their workforces in the early to mid-1990s to cut budgets and eliminate deficits. However, since 1997 the number of public sector employees has grown by 16% and the private

Chart 16.1

Government sector employees as a percentage of total employment



Note: Data are on a calendar year basis.

Source: Statistics Canada, Catalogue no. 68-213-XIE.

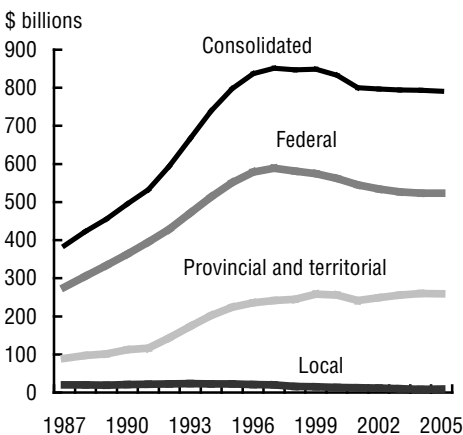
sector labour force has also grown. As such, the proportion of government sector workers among all working Canadians has remained essentially unchanged at 18%.

Delivering essential government services and other programs is expensive work. In 2007, our three levels of government managed budgets totalling \$604.5 billion. This spending includes all departments, ministries and government programs, as well as the Canada Pension Plan and Quebec Pension Plan accounts.

How each level of government spends taxpayers' dollars is partly determined by the constitution. The federal level is responsible for activities that benefit the nation as a whole, such as nationwide social service programs or international relations.

Of the \$223.9 billion in federal spending in 2007, about one-third was dedicated to social security payments, family allowances and income assistance. International activities such as national defense, foreign diplomacy and international assistance totalled 10% of federal spending, as did health care and general purpose transfer payments to other levels of government.

Chart 16.2
Net debt, by level of government



Source: Statistics Canada, CANSIM table 385-0014.

Table 16.a
Public sector employment, wages and salaries

	2006	2007
	number	
Employees ¹	3,164,593	3,225,700
	\$ thousands	
Wages and salaries ²	151,863,218	160,985,860

1. Annual average.

2. Annual total.

Source: Statistics Canada, CANSIM table 183-0002.

The provinces have the main responsibility for health care and education of the \$278.4 billion the provinces spent in 2007, more than one-half was devoted to these two areas. Social services account for about one-sixth of provincial spending.

Of the \$62.9 billion spent at the local level in 2006, transportation and communication services—such as roads, snow removal and public transit—made up the largest single area of expenditure, absorbing about one-fifth of municipal budgets. Environmental services such as water purification, sewage treatment and garbage disposal were another major item (18% of all spending), as was the protection of people and property—firefighting, policing and the courts (16%).

Spending on priorities

Health and education are the services that have been given priority in recent years. From 2003 to 2007, total government spending on health care jumped 28%, outpacing the 20% growth rate in overall government spending over the same period.

The 23% increase in spending on education also outpaced expenditure growth; spending on postsecondary education jumped 31% from 2003 to 2007. Social services spending rose 20%, keeping pace with overall growth. Other areas saw little growth or even decreases over the same period, such as resource conservation and industrial development, labour, employment and immigration, housing, regional planning and research establishments.

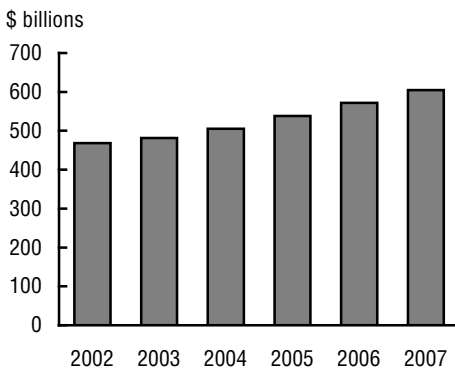
Reducing the debt burden

Governments have recently reduced spending in another key area: interest charges on debt. By reducing or eliminating deficits—the shortfalls governments face in a given year—and paying lower interest rates, interest charges as a portion of government expenditures have fallen, from 11% in 2002 to 8% in 2007.

Success in fighting the deficit and debt has not been shared equally by all levels of government. The federal government has posted surpluses every year since 1998. The provinces and territories have seen mixed results, however. Quebec, Ontario, Newfoundland and Labrador, and the three territories have mostly seen deficits, but the commodities boom has helped oil-rich Alberta record sizeable surpluses—\$9.5 billion in 2007. Taken together, local governments across Canada have experienced five consecutive years of deficit since 2003.

The 25% overall increase in government spending from 2002 to 2007 has been

Chart 16.3
Consolidated federal, provincial, territorial and local government revenue



Note: Data for consolidated, federal, provincial and territorial governments are as at March 31, local government data are at December 31.

Source: Statistics Canada, CANSIM table 385-0001.

possible in large part because revenues grew 29% during that period.

Seventy percent of total government income is generated by income taxes, consumption taxes and contributions to social insurance plans. The federal government is most reliant on taxation for revenue, 84% of its income is generated by tax measures. A further 9% is earned through contributions to social insurance plans. The provincial and local levels use taxation less; 57% and 40% of their income, respectively, comes from taxes.

Government income growing

Thanks to robust economic growth over the past decade, government income has seen 29% growth since 2002. With more Canadians working and salaries rising, the total amount of income tax collected jumped 31% from 2002 to 2007 to \$246.2 billion. Contributions to government social insurance plans also rose, by 24% to \$74.5 billion.

Strong growth in consumer and business spending has pushed income from consumption taxes up 18% to \$105.4 billion, although the reduction of the Goods and Services Tax in 2006 has slowed this growth. As well, the booming commodities sector and a steadily rising stock market increased income from government investments by 58% to \$51.1 billion.

Rejuvenating Canada's infrastructure

On the road, over waterways and under the ground, governments have been upgrading and replacing infrastructure at a rate not seen in decades.

Much of our infrastructure is the product of the last great boom in infrastructure spending during the 1950s, 1960s and 1970s. But governments have sparked a new cycle of investment in the 2000s, reducing the average age of our roads, bridges, water systems, wastewater facilities and sewers to 16.3 years in 2007, down from its peak of 17.5 years in 2000.

Rapidly growing Ontario had the youngest infrastructure in the country in 2007, followed by Prince Edward Island and Alberta. The oldest belonged to Nova Scotia, Manitoba and Saskatchewan.

The largest re-investment has been made in our highways and roads. Since 2001, Quebec alone accounted for more than half of the reduction in the national average age of roads, which was 14.9 years in 2007. Over

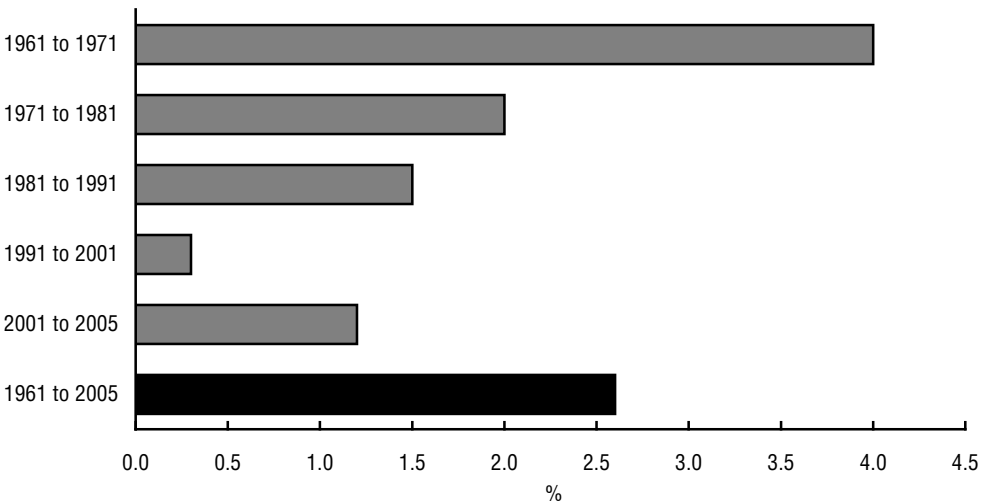
the same period, the average age of roads fell in all provinces except Prince Edward Island and Newfoundland and Labrador.

Water supply systems have also seen sustained heavy investment, especially in Ontario and British Columbia, which now own the country's youngest systems. Wastewater treatment facilities, however, are still significantly aged, particularly in Quebec and Prince Edward Island.

Infrastructure investment has also been focused on community recreation. For example, the number of sports facilities grew by nearly 4% a year from 1961 to 2005, particularly in Western Canada for the 1988 Olympic Games in Calgary and the 2010 Olympic Games in Vancouver.

Quebec, unlike other regions, has boosted investment in cultural facilities rather than in sports facilities. Since the 1960s, Quebec has spent approximately \$100 per person (in 1997 dollars) on libraries, museums, theatres and historic sites.

Chart 16.4
Average annual growth of government infrastructure capital, by period



Source: Statistics Canada, Catalogue no. 11-624-MIE.

Changes in social services spending

Keeping up with Canada's rapidly changing society over the past two decades has involved some shifts in government spending. As all levels of government grapple with the effects of a stronger economy, growing populations and an aging workforce, they have changed the ways they support their citizens with social services.

In some areas, spending on social services—programs that aim to improve the well-being of individuals or families—has slowed. While it remains the single largest component of government spending, social services spending is growing at a slower pace than other areas. Spending on health rose an average 6% each year from 2003 to 2007 and environment spending 9%, but social service spending rose 5%.

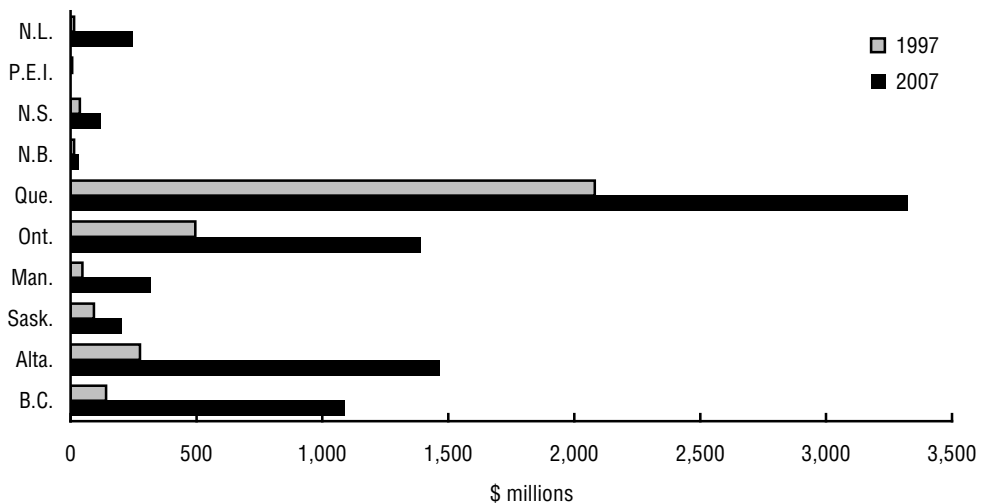
In other areas, social services as a proportion of all spending has decreased. The strong

Canadian economy and the lowest unemployment rate in over three decades combined to reduce spending on Employment Insurance to 6% of federal government expenditures in 2007, from 10% in 1989.

Other parts of the social services system have boosted spending to keep up with growing demand. To keep up with Canada's aging population, the Old Age Security program has expanded. In 1989, spending in this area amounted to \$15.2 billion, or 14% of program expenditures; by 2007 the federal government was spending \$31.1 billion on Old Age Security, or 14% of total spending.

Equally, as more Canadians retire, more people draw pension benefits. Annual spending under the Canada Pension Plan and Quebec Pension Plan has more than tripled from \$11.3 billion in 1989 to \$35.1 billion in 2007.

Chart 16.5
Social services spending, by province



Source: Statistics Canada, CANSIM table 385-0008.

Table 16.1 Consolidated government revenue and expenditures, 1995 to 2008

	1995	1996	1997	1998	1999	2000	2001
	\$ millions						
Revenue	335,313	352,416	366,764	390,484	404,976	436,558	475,137
Income taxes	123,417	134,343	143,578	160,204	164,593	178,423	191,144
Personal income taxes	102,144	108,649	113,750	123,029	127,763	138,443	143,116
Corporation income taxes	19,525	23,604	26,758	33,897	33,621	36,155	43,262
Mining and logging taxes	308	479	223	304	307	326	454
Taxes on payments to non-residents	1,439	1,611	2,847	2,974	2,901	3,499	4,312
Consumption taxes	65,647	66,951	69,372	73,065	76,697	80,088	87,870
General sales tax	40,050	40,320	42,222	44,620	47,566	51,323	55,523
Alcoholic beverages and tobacco taxes	5,389	5,459	5,581	5,801	6,235	6,190	6,203
Amusement tax	309	351	411	485	627	630	598
Gasoline and motive fuel taxes	9,984	10,710	10,873	11,227	11,602	11,789	11,745
Custom duties	3,576	2,971	2,677	2,766	2,359	2,104	2,807
Liquor profits	2,356	2,658	2,519	2,727	2,807	2,747	3,475
Remitted gaming profits	2,814	3,200	3,517	3,730	4,175	4,183	6,315
Other consumption taxes	1,170	1,282	1,573	1,709	1,325	1,121	1,205
Property and related taxes	35,491	35,846	36,935	38,546	38,557	40,255	41,063
Other taxes	12,455	13,039	13,080	13,333	14,054	14,334	15,157
Health and drug insurance premiums	1,589	1,579	1,648	1,700	2,018	1,950	2,178
Contributions to social security plans	42,571	43,272	45,212	45,874	49,552	51,946	57,530
Sales of goods and services	24,978	25,744	27,763	27,409	29,097	32,202	34,415
Investment income	24,555	26,285	26,153	26,377	24,560	29,588	38,836
Other revenue from own sources	4,609	5,357	3,022	3,976	5,849	7,773	6,943
Expenditures	389,155	397,616	389,359	391,673	407,343	422,402	446,505
General government services	12,227	12,157	12,255	12,496	13,238	13,752	15,968
Protection of persons and property	29,248	29,330	28,501	27,984	29,366	31,749	32,978
Transportation and communication	18,150	19,680	17,422	17,062	17,823	18,117	17,979
Health	51,753	53,105	53,427	56,762	59,378	64,317	70,465
Social services	117,133	118,048	120,176	122,256	126,240	129,704	135,793
Education	55,644	55,602	54,269	55,390	57,970	60,457	63,522
Resource conservation and industrial development	15,473	15,029	13,072	11,670	12,992	14,353	15,713
Environment	8,398	8,666	8,381	8,703	8,566	8,672	9,222
Recreation and culture	8,906	9,189	9,010	8,751	9,277	9,909	10,871
Labour, employment and immigration	2,575	2,805	2,237	2,930	2,996	2,951	2,882
Housing	3,885	3,948	4,053	3,733	3,816	3,519	3,723
Foreign affairs and international assistance	4,634	3,954	3,761	3,676	4,035	4,291	4,477
Regional planning and development	1,564	1,558	1,527	1,562	1,688	1,762	1,847
Research establishments	2,135	1,933	1,623	1,522	1,724	1,951	1,419
Debt charges	56,994	62,056	59,114	56,011	56,900	56,397	57,790
Other expenditures	436	556	530	1,166	1,334	501	1,857
Surplus/deficit (-)	-53,842	-45,200	-22,595	-1,189	-2,367	14,156	28,632

See note and source at end of table.

Table 16.1 Consolidated government revenue and expenditures, 1995 to 2008 (continued)

	2002	2003	2004	2005	2006	2007	2008
	\$ millions						
Revenue	468,149	481,412	505,434	538,265	571,678	604,541	635,664
Income taxes	188,011	178,173	188,619	207,415	225,218	246,175	267,360
Personal income taxes	144,746	139,836	145,324	155,136	167,409	180,034	193,491
Corporation income taxes	38,819	33,608	38,925	46,928	50,893	58,240	65,995
Mining and logging taxes	297	352	215	530	757	1,005	994
Taxes on payments to non-residents	4,150	4,377	4,156	4,822	6,159	6,896	6,879
Consumption taxes	88,987	96,431	98,918	104,495	107,844	105,396	111,461
General sales tax	56,076	60,210	62,169	66,352	69,460	67,397	72,162
Alcoholic beverages and tobacco taxes	7,201	8,800	9,260	9,673	9,024	8,430	8,711
Amusement tax	592	592	552	561	563	518	508
Gasoline and motive fuel taxes	11,743	12,337	12,760	12,700	13,013	13,079	13,575
Custom duties	3,018	3,189	2,804	3,041	3,429	3,651	3,728
Liquor profits	3,144	3,334	3,544	3,703	3,976	4,207	4,408
Remitted gaming profits	5,926	6,095	5,969	6,395	6,438	6,152	6,229
Other consumption taxes	1,288	1,873	1,860	2,070	1,941	1,961	2,139
Property and related taxes	41,730	42,529	44,244	46,721	49,404	51,220	52,993
Other taxes	14,940	16,083	17,037	18,018	18,885	20,549	21,092
Health and drug insurance premiums	2,282	3,000	3,132	3,206	3,258	3,268	3,424
Contributions to social security plans	59,953	63,489	67,568	69,039	71,132	74,489	76,505
Sales of goods and services	34,594	37,299	38,704	40,822	42,459	45,541	47,840
Investment income	32,269	34,838	37,267	40,525	47,528	51,125	51,074
Other revenue from own sources	5,381	9,570	9,946	8,022	5,950	6,779	3,916
Expenditures	461,306	480,915	501,884	516,576	544,753	576,182	607,589
General government services	15,765	17,520	18,633	18,792	19,796	20,612	21,110
Protection of persons and property	35,218	37,193	39,154	41,096	43,534	46,752	49,125
Transportation and communication	18,628	19,148	20,258	21,172	24,723	25,913	29,516
Health	76,935	83,315	89,479	94,497	99,126	106,919	115,358
Social services	141,751	145,398	150,827	156,762	164,524	173,812	183,278
Education	66,559	70,533	74,246	77,140	82,685	86,837	91,144
Resource conservation and industrial development	16,329	18,784	19,430	18,652	19,754	20,978	21,379
Environment	9,853	10,259	11,391	11,903	12,935	14,464	16,082
Recreation and culture	11,347	11,690	13,143	13,476	14,207	14,891	15,880
Labour, employment and immigration	3,019	3,395	3,440	2,328	2,480	2,498	2,590
Housing	3,420	3,624	3,833	3,880	4,244	4,435	4,575
Foreign affairs and international assistance	4,562	5,128	4,611	5,556	5,585	6,500	5,942
Regional planning and development	2,099	2,111	2,133	2,057	2,217	2,385	2,665
Research establishments	1,767	1,881	1,890	1,823	1,859	2,165	2,354
Debt charges	52,075	49,475	46,917	45,506	44,755	45,844	45,181
Other expenditures	1,979	1,463	2,499	1,935	2,329	1,176	1,410
Surplus/deficit (-)	6,842	496	3,550	21,689	26,925	28,360	28,075

Note: Data for the federal, provincial and territorial governments are as of March 31 and the local government data are as of December 31.

Source: Statistics Canada, CANSIM table 385-0001.

Table 16.2 Government transfer payments to individuals, 1992 to 2005

	1992	1993	1994	1995	1996	1997	1998
	\$ millions						
All levels of government	93,077	98,323	98,495	98,512	98,865	100,431	104,558
Federal government	49,317	51,600	50,166	48,879	48,752	49,234	50,739
Family and youth allowances	2,870	37	37	38	39	43	58
Child Tax Benefit or Credit	658	5,252	5,259	5,214	5,228	5,310	5,600
Pensions (First and Second World Wars)	856	848	864	909	914	921	918
War veterans' allowances	443	441	417	397	383	387	387
Grants to Aboriginal people	2,573	2,886	3,027	3,566	3,564	3,730	4,447
Goods and Services Tax Credit	2,557	2,655	2,833	2,810	2,866	2,905	2,924
Employment Insurance benefits	18,648	17,591	15,012	12,889	11,859	10,874	10,713
Old Age Security payments	18,776	19,479	20,170	20,622	21,221	21,798	22,398
Scholarships and research grants	726	727	780	687	686	700	519
Miscellaneous and other transfers	1,210	1,684	1,767	1,747	1,992	2,566	2,775
Provincial governments	23,651	24,603	24,815	25,406	25,576	25,945	26,717
Social assistance, income maintenance	9,371	9,660	9,863	9,854	9,258	8,723	8,050
Social assistance, other	1,213	2,239	2,316	2,308	2,371	2,408	2,241
Workers' Compensation benefits	4,091	3,925	3,811	3,992	4,198	4,067	3,886
Grants to benevolent associations	6,848	5,506	5,577	5,962	6,123	6,714	7,196
Miscellaneous transfers	2,128	3,273	3,248	3,290	3,626	4,033	5,344
Local governments	3,410	3,899	3,949	3,738	2,950	2,640	3,523
Canada Pension Plan	12,808	14,058	15,132	15,777	16,559	17,327	18,054
Quebec Pension Plan	3,891	4,163	4,433	4,712	5,028	5,285	5,525
	1999	2000	2001	2002	2003	2004	2005
	\$ millions						
All levels of government	106,006	110,487	117,633	121,047	124,775	130,044	134,766
Federal government	51,575	53,479	57,965	60,857	62,949	65,438	67,282
Family and youth allowances	84	99	116	133	140	157	165
Child Tax Benefit or Credit	5,939	6,577	7,379	7,824	8,051	8,547	9,174
Pensions (First and Second World Wars)	910	973	1,196	1,398	1,463	1,527	1,571
War veterans' allowances	414	404	267	212	223	266	292
Grants to Aboriginal people	4,271	4,511	4,448	4,800	4,951	5,191	5,584
Goods and Services Tax Credit	2,943	2,974	3,099	3,140	3,264	3,346	3,472
Employment Insurance benefits	10,150	9,615	11,361	12,837	13,361	13,269	12,937
Old Age Security payments	22,907	23,790	24,789	25,747	26,931	27,992	29,085
Scholarships and research grants	519	531	560	585	612	668	692
Miscellaneous and other transfers	3,438	4,005	4,750	4,181	3,953	4,475	4,310
Provincial governments	27,170	28,574	29,662	29,781	30,066	31,074	32,551
Social assistance, income maintenance	7,048	6,538	6,547	6,603	6,641	6,788	6,893
Social assistance, other	2,546	2,906	2,966	2,936	3,061	3,180	3,252
Workers' Compensation benefits	4,073	4,434	4,840	5,150	5,036	5,081	5,295
Grants to benevolent associations	7,322	7,953	8,406	8,500	8,667	8,920	9,155
Miscellaneous transfers	6,181	6,743	6,903	6,592	6,661	7,105	7,956
Local governments	2,990	3,248	3,641	2,637	2,747	2,903	2,912
Canada Pension Plan	18,540	19,183	20,023	21,076	21,986	23,129	24,225
Quebec Pension Plan	5,731	6,003	6,342	6,696	7,027	7,500	7,796

Source: Statistics Canada, CANSIM table 384-0009.

Table 16.3 Federal government debt, 1994 to 2007

	1994	1995	1996	1997	1998	1999	2000
	\$ millions						
Gross federal debt	557,604	595,877	634,939	651,124	645,725	648,389	648,212
Unmatured debt	414,942	441,991	470,581	477,940	468,024	461,004	457,331
Marketable bonds	208,464	233,621	262,279	295,022	309,256	315,421	315,854
Treasury bills	166,000	164,450	166,100	135,400	112,300	96,950	99,850
Notes and loans	5,649	9,046	7,296	10,557	12,533	16,353	11,302
Canada Savings Bonds	31,331	31,386	31,428	33,493	30,479	28,217	26,899
Bonds issued to the Canada Pension Plan	3,498	3,488	3,478	3,468	3,456	4,063	3,426
Superannuation accounts	94,097	101,033	107,882	114,205	117,456	122,407	128,346
Dominion notes and coins in circulation	2,464	2,570	2,805	3,243	3,346	3,428	3,601
Other liabilities	46,101	50,283	53,671	55,736	56,899	61,550	58,934
Unmatured debt payable in foreign currencies	10,668	16,921	16,809	23,016	27,183	36,000	32,589
Financial assets	44,385	45,192	56,221	62,722	64,144	73,921	86,479
Net federal debt¹	513,219	550,685	578,718	588,402	581,581	574,468	561,733
	2001	2002	2003	2004	2005	2006	2007
	\$ millions						
Gross federal debt	644,900	640,526	629,638	628,830	626,217	619,701	618,790
Unmatured debt	447,741	444,058	441,366	437,946	432,996	428,354	419,646
Marketable bonds	316,651	314,685	303,689	292,145	276,676	269,577	264,664
Treasury bills	88,700	94,201	104,600	113,400	127,200	131,600	134,100
Notes and loans	12,570	7,765	7,124	7,720	6,705	6,740	3,965
Canada Savings Bonds	26,416	24,021	22,584	21,330	19,080	17,342	15,175
Bonds issued to the Canada Pension Plan	3,404	3,386	3,369	3,351	3,335	3,095	1,742
Superannuation accounts	129,185	126,921	125,708	127,560	129,579	131,062	134,726
Dominion notes and coins in circulation	3,763	3,914	4,122	4,193	4,310	4,533	4,750
Other liabilities	64,211	65,633	58,442	59,131	59,332	55,752	59,668
Unmatured debt payable in foreign currencies	33,664	27,547	21,603	20,827	16,543	14,333	10,617
Financial assets	99,600	105,836	103,146	105,182	102,873	105,602	110,681
Net federal debt¹	545,300	534,690	526,492	523,648	523,344	514,099	508,109

Note: Fiscal year ending March 31.

1. Net federal debt equals gross federal debt minus financial assets.

Source: Statistics Canada, CANSIM table 385-0010.

Table 16.4 Local government revenue and expenditures, 1996 to 2007

	1996	1997	1998	1999	2000	2001
	\$ thousands					
Revenue	71,091,614	71,653,094	79,762,114	79,451,699	79,592,734	82,975,700
Own source revenue	42,158,810	43,769,168	44,636,875	47,105,477	48,166,738	50,195,967
Consumption taxes	53,752	54,984	57,688	77,824	83,450	91,430
Property and related taxes	29,978,851	31,082,662	31,003,224	32,175,113	32,347,101	33,321,793
Other taxes	389,097	440,650	458,448	511,733	513,763	556,465
Sales of goods and services	9,074,083	9,654,961	10,436,005	11,498,887	12,094,702	12,861,473
Investment income	2,206,610	2,064,419	2,163,079	2,272,428	2,441,897	2,609,744
Other revenue from own sources	456,417	471,492	518,431	569,492	685,825	755,062
General purpose transfers from other government subsectors	1,520,974	1,238,912	1,424,893	1,183,535	1,165,153	1,335,653
Specific purpose transfers from other government subsectors	27,411,830	26,645,014	33,700,346	31,162,687	30,260,843	31,444,080
Expenditures	71,137,903	72,064,460	74,180,972	75,934,368	78,889,423	81,923,239
General government services	3,877,000	4,014,048	4,237,621	4,711,618	3,836,904	4,359,578
Protection of persons and property	6,113,280	6,195,067	6,767,336	6,819,085	7,194,115	7,707,272
Transportation and communication	7,936,934	8,390,888	8,492,782	8,822,465	8,918,128	9,094,338
Health	723,213	674,411	860,300	763,441	914,879	1,142,819
Social services	4,263,112	4,213,551	5,171,253	4,982,959	5,532,077	5,187,874
Education	30,687,738	31,198,727	31,335,434	31,969,447	33,442,064	34,679,067
Resource conservation and industrial development	720,586	796,395	813,459	912,009	940,118	970,859
Environment	6,299,724	6,442,329	6,250,761	6,388,056	6,797,043	7,168,290
Recreation and culture	4,846,077	4,649,903	4,741,202	5,003,778	5,538,033	5,846,720
Housing	550,909	558,536	1,098,613	1,142,914	1,481,658	1,721,882
Regional planning and development	623,945	648,769	696,463	742,136	780,654	859,517
Debt charges	4,175,801	3,951,100	3,585,330	3,413,081	3,174,753	3,071,983
Other expenditures	319,584	330,736	130,418	263,379	338,997	113,040
Surplus (+) / deficit (-)	-46,289	-411,366	5,581,142	3,517,331	703,311	1,052,461

See note and source at end of table.

Table 16.4 Local government revenue and expenditures, 1996 to 2007 (continued)

	2002	2003	2004	2005	2006	2007
	\$ thousands					
Revenue	86,250,076	90,692,440	94,606,314	99,512,869	108,429,815	109,667,285
Own source revenue	51,548,535	53,541,264	56,642,305	59,652,013	63,258,309	65,333,614
Consumption taxes	96,387	97,623	98,885	102,297	110,859	114,747
Property and related taxes	34,263,273	35,821,903	37,759,412	39,901,677	41,646,452	43,075,562
Other taxes	620,433	632,025	717,411	733,215	770,098	786,673
Sales of goods and services	13,464,364	13,599,140	14,344,044	14,976,225	16,243,751	16,712,824
Investment income	2,332,801	2,579,762	2,868,614	3,062,347	3,508,467	3,603,756
Other revenue from own sources	771,277	810,811	853,939	876,252	978,682	1,040,052
General purpose transfers from other government subsectors	1,474,235	1,545,596	1,657,222	1,827,974	1,842,701	1,879,803
Specific purpose transfers from other government subsectors	33,227,306	35,605,580	36,306,787	38,032,882	43,328,805	42,453,868
Expenditures	85,368,021	91,633,360	94,878,259	100,461,389	108,704,519	112,166,933
General government services	5,165,139	5,853,617	5,854,126	6,037,124	6,414,515	6,887,145
Protection of persons and property	8,096,465	8,981,806	9,232,645	9,843,695	10,358,766	10,960,292
Transportation and communication	9,245,703	10,186,898	10,799,284	11,716,661	12,685,486	13,821,798
Health	1,248,668	1,342,148	1,471,662	1,622,440	1,670,285	1,676,049
Social services	5,285,551	5,547,707	5,777,432	5,996,978	6,179,661	6,095,391
Education	36,178,085	37,557,661	38,709,529	40,125,158	44,316,435	43,499,985
Resource conservation and industrial development	937,830	1,094,150	1,155,389	1,257,949	1,386,869	1,464,293
Environment	7,432,848	8,591,633	9,012,248	10,065,411	11,135,736	12,461,375
Recreation and culture	5,751,152	6,546,538	6,774,704	7,502,875	7,914,672	8,563,751
Housing	1,901,034	1,950,566	2,009,372	2,240,100	2,402,429	2,347,563
Regional planning and development	903,391	944,251	1,012,986	1,080,641	1,195,225	1,370,169
Debt charges	3,014,306	2,958,402	2,958,169	2,910,791	2,971,221	2,938,687
Other expenditures	207,849	77,983	110,713	61,566	73,219	80,435
Surplus (+) / deficit (-)	882,055	-940,920	-271,945	-948,520	-274,704	-2,499,648

Note: Year ending December 31.

Source: Statistics Canada, CANSIM table 385-0003.

Table 16.5 Public sector employment, wages and salaries, 2003 to 2007

	2003	2004	2005	2006	2007
	number				
Employment¹	3,031,830	3,054,125	3,101,494	3,164,593	3,225,700
Government	2,756,850	2,771,572	2,819,798	2,880,763	2,936,738
Federal general government ²	366,428	366,733	370,477	386,765	387,636
Provincial and territorial general government	345,684	343,772	348,521	351,893	357,949
Health and social service institutions, provincial and territorial	752,279	753,450	766,773	780,390	800,669
Universities, colleges, vocational and trade institutions, provincial and territorial	320,542	326,118	334,720	340,289	348,734
Local general government	367,627	368,713	377,603	385,621	395,167
Local school boards	604,290	612,786	621,703	635,806	646,583
Government business enterprises	274,980	282,553	281,696	283,831	288,962
Federal government business enterprises	92,084	94,634	95,436	96,310	99,121
Provincial and territorial government business enterprises	131,314	134,859	131,543	130,963	131,252
Local government business enterprises	51,582	53,060	54,717	56,558	58,589
	\$ thousands				
Wages and salaries³	132,743,725	137,457,424	144,018,454	151,863,218	160,985,860
Government	119,780,111	123,636,733	129,908,952	137,057,274	145,215,977
Federal general government ²	21,018,975	21,318,865	23,641,854	24,607,268	25,826,946
Provincial and territorial general government	17,047,909	17,312,214	17,704,886	18,605,108	19,547,493
Health and social service institutions, provincial and territorial	29,142,154	30,118,469	31,061,851	32,952,374	35,726,591
Universities, colleges, vocational and trade institutions, provincial and territorial	13,174,934	13,955,697	14,854,839	15,826,476	16,678,163
Local general government	14,826,207	15,468,000	16,314,796	17,258,817	18,276,605
Local school boards	24,569,925	25,463,489	26,330,725	27,807,232	29,160,183
Government business enterprises	12,963,614	13,820,691	14,109,503	14,805,943	15,769,884
Federal government business enterprises	3,741,516	4,021,975	4,072,449	4,316,943	4,634,364
Provincial and territorial government business enterprises	6,659,890	7,109,667	7,207,753	7,505,088	7,981,573
Local government business enterprises	2,562,206	2,689,052	2,829,299	2,983,915	3,153,947

Notes: As of August 24, 2005, minor revisions were brought to some estimates prior to 2005: the Nunavut general government data have been revised from 2000 on; the federal government business enterprise data for Nova Scotia and Manitoba have been revised from 2003 on; the Ontario provincial government business enterprise data have been revised from 2003 on. The corresponding totals have changed for total government, total government business enterprises and total public sector.

As of December 31.

1. Employment data are not in full-time equivalent and do not distinguish between full-time and part-time employees. The data are an annual average. Includes employees both in and outside of Canada.
2. Federal general government data include reservists and full-time military personnel.
3. Wages and salaries data are an annual sum. Includes employees both in and outside of Canada.

Source: Statistics Canada, CANSIM table 183-0002.

Table 16.6 Military personnel and pay, 2003 to 2007

	2003	2004	2005	2006	2007
	number				
Employees¹					
Canada and outside Canada	83,766	84,059	85,706	87,730	89,332
Newfoundland and Labrador	1,295	1,402	1,375	1,226	1,227
Prince Edward Island	262	266	284	213	230
Nova Scotia	10,598	10,696	10,830	10,520	10,536
New Brunswick	4,949	4,959	5,084	5,300	5,763
Quebec	15,384	15,402	16,121	17,663	18,200
Ontario	27,751	27,681	28,413	29,741	29,904
Manitoba	3,960	3,908	3,927	3,824	4,002
Saskatchewan	1,100	1,104	1,150	1,108	1,112
Alberta	9,052	9,209	9,078	9,090	9,217
British Columbia	7,741	7,776	7,793	7,298	7,305
Yukon	x	x	x	x	x
Northwest Territories	148	153	150	166	174
Nunavut	x	x	x	x	x
Outside Canada	1,521	1,496	1,494	1,577	1,656
	\$ thousands				
Annual wages and salaries²					
Canada and outside Canada	4,072,576	4,130,991	4,635,783	4,738,238	4,914,600
Newfoundland and Labrador	44,635	45,623	55,668	53,914	55,117
Prince Edward Island	4,516	4,838	6,299	5,862	6,986
Nova Scotia	571,509	577,900	645,756	656,543	667,479
New Brunswick	218,997	224,507	257,565	268,851	305,644
Quebec	667,067	691,148	777,348	801,439	873,722
Ontario	1,365,989	1,377,531	1,552,523	1,616,418	1,646,513
Manitoba	200,137	196,817	220,550	215,275	224,931
Saskatchewan	45,867	47,793	50,570	51,691	53,794
Alberta	426,726	433,678	483,977	485,571	490,258
British Columbia	399,413	406,287	448,902	440,776	447,203
Yukon	x	x	x	x	x
Northwest Territories	11,920	12,102	13,807	14,303	14,824
Nunavut	x	x	x	x	x
Outside Canada	115,550	112,388	122,103	126,492	125,769

Notes: Employment data are not in full-time equivalents and do not distinguish between full-time and part-time employees. Civilian employees are excluded.

1. Average annual number.

2. Wages and salaries data are an annual sum.

Source: Statistics Canada, CANSIM table 183-0004.

Table 16.7 Health and social services institutions' revenue and expenditures, 2003 to 2007

	2003	2004	2005	2006	2007
	\$ thousands				
Revenue	53,363,118	57,163,948	60,362,742	63,712,802	69,039,362
Own-source revenue	8,066,583	8,417,204	8,985,511	9,508,376	10,326,873
Sales of goods and services	6,742,844	7,236,310	7,748,671	8,202,267	8,909,139
Investment income	122,103	146,341	115,278	120,579	130,779
Other revenue from own sources	1,201,636	1,034,552	1,121,562	1,185,531	1,286,956
Transfers from all levels of government	45,296,535	48,746,744	51,377,231	54,204,425	58,712,489
Federal government	857	6,334	6,868	5,282	5,848
Provincial governments	45,105,809	48,475,693	51,148,536	53,962,320	58,449,620
Local governments	189,869	264,718	221,827	236,823	257,022
Expenditures	55,064,854	59,121,941	61,907,633	63,972,758	69,301,721
Health	48,856,865	52,582,587	55,037,326	56,800,899	61,568,320
Hospital care	25,624,256	27,357,155	28,647,459	30,126,928	32,716,547
Medical care	11,272,160	12,110,118	13,164,745	12,842,837	13,902,999
Preventive care	953,514	1,077,248	1,167,437	1,224,864	1,327,722
Other health services	11,006,935	12,038,066	12,057,686	12,606,270	13,621,052
Social services	5,998,135	6,315,931	6,641,924	6,938,575	7,484,622
Social assistance	58,051	47,541	41,312	4,471	4,906
Other social services	5,940,084	6,268,390	6,600,611	6,934,104	7,479,716
Debt charges	205,220	218,531	224,545	233,223	248,713
Housing	4,634	4,893	3,838	61	67
Surplus/deficit (-)	-1,701,734	-1,957,994	-1,544,891	-259,957	-262,359

Note: Fiscal year ending March 31.

Source: Statistics Canada, CANSIM table 385-0008.