Education Spending in Public Schools in Canada
Fall 2021

Paige MacPherson, Joel Emes, and Nathaniel Li
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by Paige MacPherson, Joel Emes, and Nathaniel Li
Executive Summary

This study examines changes in education spending on public schools in Canada from 2014/15 to 2018/19. It is clear from the data that Canada has increased education spending in public schools during this period beyond what was required to account for enrolment and inflation—contrary to the general perception that education spending in public schools has been cut. Our results also indicate that compensation remains the largest and costliest aspect of education spending, and has contributed the largest portion of the growth in total education spending in Canada.

To provide an accurate assessment of education spending in Canada, we have taken into account the effects of enrolment and price changes (inflation). Student enrolment in public schools increased by 3.2% nationally from 2014/15 to 2018/19. Alberta (7.7%) and Saskatchewan (5.5%) saw the most significant increases in enrolment. In contrast, half of the Atlantic Provinces saw a decrease in enrolment: Newfoundland & Labrador saw the largest decrease at 4.4% while in New Brunswick enrolment fell by 1.0%.

After accounting for enrolment and adjusting for inflation, per-student spending saw an increase of 2.6% nationally from 2014/15 to 2018/19. Per-student spending (inflation-adjusted) increased in seven of ten provinces. Nova Scotia saw the largest increase (9.2%), followed by Quebec (7.3%) and Prince Edward Island (5.1%). Ontario—the province with the highest total nominal spending—saw an increase of 2.8%. Three provinces experienced a decline in real per-student spending—Newfoundland & Labrador, Saskatchewan, and Alberta.

When capital expenditure—spending on physical infrastructure such as new schools—is removed, Canada’s per-student, inflation-adjusted spending increased by 1.7% between 2014/15 and 2018/19. Nova Scotia’s spending in this area increased at a higher percentage than that of the other nine provinces, at 9.7%. Three provinces’ inflation-adjusted per-student spending with capital excluded decreased over this time period: Saskatchewan decreased by 5.7%, Alberta by 5.3% and Newfoundland & Labrador by 4.8%.

In 2018/19, annual spending on public-school education in Canada increased by $2.5 billion more than was necessary to account for changes in enrolment and inflation alone. If real per-student spending had remained constant from 2014/15 to 2018/19, total spending would have been 3.3% lower. In all provinces except Newfoundland & Labrador, Saskatchewan, and Alberta, total spending exceeded the amount necessary to account for enrolment and inflation changes.

In 2018/19, Nova Scotia saw the largest percentage difference—9.6%—between actual spending and the level of spending that would be needed to offset enrolment and price changes alone. Quebec (7.7%) and Prince Edward Island (6.6%) also saw spending increase significantly more than would be necessary to account for these factors.

Compensation (salaries, wages, fringe benefits, and pensions) contributed the most to the total growth in spending from 2014/15 to 2018/19. Specifically, spending on compensation increased from $47.8 billion (2014/15) to $54.0 billion (2018/19). This
is the equivalent of a 13.0% increase in compensation spending. Salaries and wages increased by 12.7%, from $38.1 billion in 2014/15 to nearly $43.0 billion in 2018/19, and accounted for 77.6% of the overall compensation increase. However, as a share of total education spending in public schools, salaries and wages declined slightly from 59.1% in 2014/15 to 58.6% in 2018/19.

Fringe benefits saw the highest growth of all compensation categories, increasing from nearly $6.0 billion (2014/15) to $7.0 billion (2018/19)—an increase of 18.7%. As a share of total education spending in public schools, fringe benefits increased slightly from 9.2% in 2014/15 to 9.6% in 2018/19. Pension costs also saw substantial growth, increasing from $3.8 billion (2014/15) to $4.1 billion (2018/19). The portion of total education spending allocated to pension costs decreased slightly from 5.9% in 2014/15 to 5.5% in 2018/19. Capital spending saw the highest growth rate of any spending category from 2014/15 to 2018/19—an increase of 25.8%. In dollar terms, capital spending increased from $5.2 billion to $6.5 billion during this time period. As a share of total spending, capital spending increased from 8.0% in 2014/15 to 8.9% in 2018/19.

The data clearly show that there has been an increase in education spending in Canada. In some provinces, such as Alberta, capital spending (while still costing less than compensation overall) accounts for a notable portion of the growth in spending. In other provinces, such as Nova Scotia, the spending increases are almost entirely explained by increases to compensation. Education spending has increased by more than necessary to offset the effects of growth in enrolment and inflation, equating to billions of dollars in additional spending. This is contrary to the general perception that education spending in public schools has been cut.
Introduction

This study aims to provide Canadians with an update on the state of public education in Canada by focusing on a key component—education spending in public schools. We review per-student education spending (inflation-adjusted) for both primary and secondary education (referred to as K–12) over five years, from 2014/15 to 2018/19. This study offers additional analysis not found in earlier reports, looking more closely at operational spending in K–12 education with capital expenditure removed.

History of the study
This study is an update to previous work, including Hill, Li, and Emes, 2021, 2019; MacLeod and Emes, 2019, 2017a, 2017b; and Clemens, Emes, and Van Pelt, 2016. Because of changes in methodology within a primary data source (Statistics Canada, 2021d, table 37-10-0066-01) in 2012/13, the period of analysis was reduced from ten to five years in the 2020 edition of this study. For more information, see Appendix A: Changes in Methodology and Period of Analysis (Hill, Li, and Emes, 2019: 24).

Organization of the study
There are two main parts to this paper. First, we review changes in education spending through time, accounting for student enrolment and inflation. Second, we review the components of education spending in Canada—provincially and nationally (national data includes both the provinces and the territories)—to develop a better understanding of the composition of spending increases. We conclude with an overview of our findings.
Education Spending and Enrolment in Public Schools

This part of the study is divided into six main sections. First, we review the increase in total education spending on public schools by province and nationally from 2014/15 to 2018/19. Second, we review enrolment in public schools by province and nationally, over the same period. Third, to adjust for enrolment changes, we calculate per-student spending using data from parts one and two. Section four adjusts the data for inflation (that is, price changes). Section five looks at operational education spending, with capital spending removed, to review the level of education spending in each province aside from spending on physical infrastructure and associated costs. Finally, section six reviews what the increase in education spending would be, if spending increased proportionally to enrolment and inflation only, to provide a clear comparison to the actual increase in spending.

1. Education spending on public schools
This section examines total education spending in public schools over the last five years (2014/15–2018/19). It is important to note that this measure is limited to spending on public schools rather than public education. As a result, government spending on independent schools in Quebec and the four Western provinces is excluded.

Second, Statistics Canada’s currently available data includes some small categories of revenue and spending that could be considered non-governmental and are difficult to remove. Specifically, “Fees & Other Private Sources” is included in the data series used in this study. The category includes rentals and leases, investment revenues, revenues from capital funds, other fees, revenues from trust accounts, inter-school transfers, and adjustments. These items represent a comparatively small amount of revenue and spending relative to the entire envelope of spending on public schools. However, it is important to recognize that the measure relied on for this study may include small amounts of private revenue and spending.

In addition, the dataset used in this study includes several categories of spending on public schools that are often ignored or purposefully excluded, such as spending on capital (mainly new school construction and/or renovations) and contributions to teachers’ pension plans. The definition of education spending used for this dataset is the following: “public elementary and secondary education expenditures” less “direct government expenditures on public education by the Department of National Defence”, “federal school expenditures”, and “special education expenditures on public education” (Statistics Canada, 2021a).

Table 1 reviews education spending in public schools from 2014/15 to 2018/19. Figure 1 illustrates the increase in education spending over the same period by province. In total, education spending in Canada increased from $64.5 billion in 2014/15 to $73.3 billion in 2018/19. This represents a 13.7% increase in nominal spending, or $8.9 billion.
Table 1: Spending ($ millions) on public schools, 2014/15 and 2018/19

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<tr>
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</thead>
<tbody>
<tr>
<td>Canada</td>
<td>64,481</td>
<td>73,346</td>
<td>8,865</td>
<td>13.7%</td>
</tr>
<tr>
<td>Newfoundland &amp; Labrador</td>
<td>886</td>
<td>823</td>
<td>-62</td>
<td>-7.0%</td>
</tr>
<tr>
<td>Prince Edward Island</td>
<td>249</td>
<td>285</td>
<td>36</td>
<td>14.5%</td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>1,532</td>
<td>1,798</td>
<td>266</td>
<td>17.4%</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>1,368</td>
<td>1,516</td>
<td>148</td>
<td>10.8%</td>
</tr>
<tr>
<td>Quebec</td>
<td>13,503</td>
<td>15,864</td>
<td>2,361</td>
<td>17.5%</td>
</tr>
<tr>
<td>Ontario</td>
<td>26,758</td>
<td>30,242</td>
<td>3,484</td>
<td>13.0%</td>
</tr>
<tr>
<td>Manitoba</td>
<td>2,554</td>
<td>2,879</td>
<td>325</td>
<td>12.7%</td>
</tr>
<tr>
<td>Saskatchewan</td>
<td>2,593</td>
<td>2,611</td>
<td>18</td>
<td>0.7%</td>
</tr>
<tr>
<td>Alberta</td>
<td>8,332</td>
<td>9,188</td>
<td>855</td>
<td>10.3%</td>
</tr>
<tr>
<td>British Columbia</td>
<td>6,170</td>
<td>7,120</td>
<td>949</td>
<td>15.4%</td>
</tr>
</tbody>
</table>

Source: Statistics Canada, 2021d.

While Quebec and Ontario have the highest spending in dollar terms, Quebec saw the largest percentage increase in nominal spending at 17.5%. Nova Scotia followed closely behind with the second highest increase in spending at 17.4%. Every other province, except Newfoundland & Labrador and Saskatchewan, experienced a notable increase in education spending (more than 10%) from 2014/15 to 2018/19.

Figure 1: Spending ($ millions) on public schools, by province, 2014/15 and 2018/19

Source: Statistics Canada, 2021d.
2. Enrolment in public schools

As noted by Van Pelt and Emes (2015), an analysis of spending on public schools is incomplete without consideration of enrolment. Any analysis of education spending that ignores enrolment risks materially misrepresenting the reality of education spending. An increase in aggregate education spending that is less than the increase in enrolment results in a decrease in spending per student on education. Alternatively, a reduction in education spending that is less than a reduction in enrolment results in an increase in per-student spending. It is therefore critical to consider changes in enrolment when reviewing education spending.

Table 2 includes enrolment in public schools across provinces and nationally, from 2014/15 to 2018/19. Nationally, enrolment increased by 3.2% from 2014/15 to 2018/19. In contrast, two of the four Atlantic provinces saw a decrease in enrolment: Newfoundland & Labrador saw the largest decrease at 4.4% while in New Brunswick enrolment fell by 1.0%. On the other hand, public-school enrolment in Alberta increased by 7.7% from 2014/15 to 2018/19. Saskatchewan saw the second highest increase during this time, at 5.5%. Quebec and Manitoba also experienced notable increases, while enrolment increased only modestly in British Columbia, Ontario, and Prince Edward Island. Enrolment in Nova Scotia’s public schools was fairly flat over this period.

Table 2: Enrolment (number of students) in public schools, 2014/15–2018/19

<table>
<thead>
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</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>5,052,069</td>
<td>5,068,569</td>
<td>5,117,307</td>
<td>5,159,925</td>
<td>5,212,905</td>
<td>3.2%</td>
</tr>
<tr>
<td>Newfoundland &amp; Labrador</td>
<td>67,167</td>
<td>66,654</td>
<td>66,183</td>
<td>65,283</td>
<td>64,188</td>
<td>−4.4%</td>
</tr>
<tr>
<td>Prince Edward Island</td>
<td>19,938</td>
<td>19,713</td>
<td>20,007</td>
<td>20,187</td>
<td>20,361</td>
<td>2.1%</td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>119,382</td>
<td>118,152</td>
<td>118,566</td>
<td>118,962</td>
<td>120,603</td>
<td>1.0%</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>98,904</td>
<td>97,911</td>
<td>97,842</td>
<td>97,755</td>
<td>97,896</td>
<td>−1.0%</td>
</tr>
<tr>
<td>Quebec</td>
<td>1,187,103</td>
<td>1,196,667</td>
<td>1,210,677</td>
<td>1,216,797</td>
<td>1,231,077</td>
<td>3.7%</td>
</tr>
<tr>
<td>Ontario</td>
<td>2,003,238</td>
<td>1,993,431</td>
<td>2,006,700</td>
<td>2,020,245</td>
<td>2,040,480</td>
<td>1.9%</td>
</tr>
<tr>
<td>Manitoba</td>
<td>179,736</td>
<td>181,023</td>
<td>183,015</td>
<td>184,710</td>
<td>186,519</td>
<td>3.8%</td>
</tr>
<tr>
<td>Saskatchewan</td>
<td>174,747</td>
<td>177,243</td>
<td>180,696</td>
<td>182,643</td>
<td>184,413</td>
<td>5.5%</td>
</tr>
<tr>
<td>Alberta</td>
<td>625,680</td>
<td>640,872</td>
<td>652,272</td>
<td>665,877</td>
<td>673,788</td>
<td>7.7%</td>
</tr>
<tr>
<td>British Columbia</td>
<td>552,786</td>
<td>553,374</td>
<td>557,625</td>
<td>563,238</td>
<td>568,983</td>
<td>2.9%</td>
</tr>
</tbody>
</table>

Sources: Statistics Canada, 2021b, 2021e.
3. Spending per student in public schools

An increase in total enrolment in public schools means that the increase in per-student spending is lower than the simple aggregated spending presented previously. To account for changes in enrolment, it is useful to assess per-student spending. Table 3 presents per-student spending across provinces and nationally, from 2014/15 to 2018/19. Figure 2 illustrates per-student spending by province in 2014/15 and 2018/19.

Table 3: Spending ($) per student in public schools, 2014/15–2018/19

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</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>12,763</td>
<td>13,140</td>
<td>13,315</td>
<td>13,798</td>
<td>14,070</td>
<td>10.2%</td>
</tr>
<tr>
<td>Newfoundland &amp; Labrador</td>
<td>13,185</td>
<td>13,560</td>
<td>13,521</td>
<td>12,992</td>
<td>12,828</td>
<td>−2.7%</td>
</tr>
<tr>
<td>Prince Edward Island</td>
<td>12,492</td>
<td>12,429</td>
<td>12,621</td>
<td>13,752</td>
<td>14,008</td>
<td>12.1%</td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>12,834</td>
<td>13,133</td>
<td>13,135</td>
<td>14,726</td>
<td>14,910</td>
<td>16.2%</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>13,830</td>
<td>14,419</td>
<td>14,768</td>
<td>15,000</td>
<td>15,486</td>
<td>12.0%</td>
</tr>
<tr>
<td>Quebec</td>
<td>11,375</td>
<td>11,180</td>
<td>11,544</td>
<td>12,430</td>
<td>12,887</td>
<td>13.3%</td>
</tr>
<tr>
<td>Ontario</td>
<td>13,357</td>
<td>13,655</td>
<td>13,894</td>
<td>14,394</td>
<td>14,821</td>
<td>11.0%</td>
</tr>
<tr>
<td>Manitoba</td>
<td>14,210</td>
<td>14,528</td>
<td>14,734</td>
<td>14,815</td>
<td>15,434</td>
<td>8.6%</td>
</tr>
<tr>
<td>Saskatchewan</td>
<td>14,837</td>
<td>16,115</td>
<td>15,423</td>
<td>16,038</td>
<td>14,158</td>
<td>−4.6%</td>
</tr>
<tr>
<td>Alberta</td>
<td>13,317</td>
<td>14,551</td>
<td>14,456</td>
<td>13,923</td>
<td>13,636</td>
<td>2.4%</td>
</tr>
<tr>
<td>British Columbia</td>
<td>11,162</td>
<td>11,809</td>
<td>11,879</td>
<td>12,641</td>
<td>12,513</td>
<td>12.1%</td>
</tr>
</tbody>
</table>

Sources: Statistics Canada, 2021b, 2021d, 2021e.
In total, Canada saw an increase in per-student spending of 10.2%. This is lower than the initially reported increase of 13.7% in aggregate spending because total enrolment increased by 3.2%. All provinces except Newfoundland & Labrador and Saskatchewan recorded increases in per-student spending in public schools from 2014/15 to 2018/19. As was the case in our most recent previous analysis, Nova Scotia saw the highest increase in per-student spending over this period, from $12,834 to $14,910, an increase of 16.2%. Quebec saw the next-highest increase in per-student spending, rising from $11,375 to $12,887, or 13.3%, over the period. Several other provinces saw a marked increase, including British Columbia (12.1%), Prince Edward Island (12.1%), New Brunswick (12.0%), and Ontario (11.0%). Saskatchewan recorded a decrease of 4.6% in per-student spending and per-student spending in Newfoundland & Labrador also decreased, by 2.7%.

4. Accounting for inflation

To avoid overstating changes in spending (or possibly understating them), it is important to factor in inflation. Inflation is the change in the general price level through time that affects the real or effective value of money. As a result, governments could well be spending more in nominal dollars on education over time but, if these increases were less than inflation, the real or effective level of spending would be decreasing. The reason for this seemingly counterintuitive result is that inflation erodes the value of money by making goods and services more expensive.

This section re-calculates per-student spending, adjusting for inflation (measured in real $2019). Figure 3 and table 4 present the re-calculated numbers. Per-student spending adjusted for inflation (price changes) increased by 2.6% nationally from 2014/15.
to 2018/19. Put another way, after accounting for the effects of enrolment and price changes, Canada saw an increase in spending of $359 per student over this time frame. Nova Scotia saw the highest percentage increase at 9.2%, or an additional $1,262 per student. There were also marked increases in inflation-adjusted, per-student spending in Quebec (7.3%) and Prince Edward Island (5.1%). Three provinces saw a decrease in inflation-adjusted, per-student spending: Saskatchewan, Newfoundland & Labrador, and Alberta. Saskatchewan saw a decrease of 10.8%, Newfoundland & Labrador, a decrease of 9.9%, and Alberta, a decrease of 4.3%, from 2014/15 to 2018/19.

For all provinces (and nationally), the percentage increases in per-student spending in table 4 are less than those in table 3, which did not account for the effects of inflation. It is notable, however, that, after adjusting for changes in enrolment and price levels, per-student spending still increased in seven of the ten provinces.

### 5. Education spending excluding capital expenditure

Capital spending on education accounts for the construction of new schools and any upgrades to existing school facilities, plus the associated debt. Some provinces incur higher capital expenses as a result of increasing enrolment, as they build new schools to accommodate new students. For this reason, this paper reviews per-student education spending with capital removed—that is, per-student operational education spending—to give a clearer picture of the day-to-day costs such as teacher and staff compensation, without the cost of building or renovating schools.

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**Table 4: Spending ($2019) per student in public schools, adjusted for price changes, 2014/15–2018/19**

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<tbody>
<tr>
<td>Canada</td>
<td>13,711</td>
<td>13,918</td>
<td>13,887</td>
<td>14,067</td>
<td>14,070</td>
</tr>
<tr>
<td>Newfoundland &amp; Labrador</td>
<td>14,238</td>
<td>14,256</td>
<td>13,880</td>
<td>13,124</td>
<td>12,828</td>
</tr>
<tr>
<td>Prince Edward Island</td>
<td>13,323</td>
<td>13,104</td>
<td>13,066</td>
<td>13,914</td>
<td>14,008</td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>13,648</td>
<td>13,795</td>
<td>13,641</td>
<td>14,965</td>
<td>14,910</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>15,032</td>
<td>15,330</td>
<td>15,343</td>
<td>15,258</td>
<td>15,486</td>
</tr>
<tr>
<td>Quebec</td>
<td>12,014</td>
<td>11,723</td>
<td>11,980</td>
<td>12,690</td>
<td>12,887</td>
</tr>
<tr>
<td>Ontario</td>
<td>14,416</td>
<td>14,476</td>
<td>14,484</td>
<td>14,660</td>
<td>14,821</td>
</tr>
<tr>
<td>Manitoba</td>
<td>15,330</td>
<td>15,479</td>
<td>15,445</td>
<td>15,147</td>
<td>15,434</td>
</tr>
<tr>
<td>Saskatchewan</td>
<td>15,869</td>
<td>17,054</td>
<td>16,054</td>
<td>16,318</td>
<td>14,158</td>
</tr>
<tr>
<td>Alberta</td>
<td>14,254</td>
<td>15,401</td>
<td>15,067</td>
<td>14,171</td>
<td>13,636</td>
</tr>
<tr>
<td>British Columbia</td>
<td>12,203</td>
<td>12,678</td>
<td>12,487</td>
<td>12,936</td>
<td>12,513</td>
</tr>
</tbody>
</table>

Table 5 presents inflation-adjusted per-student operational spending, with capital spending removed, across provinces and nationally, from 2014/15 to 2018/19. Figure 4 illustrates inflation-adjusted operational spending per student, with capital spending removed, by province in 2014/15 and 2018/19.

Table 5: Operational spending† ($2019) per student in public schools, adjusted for price changes, 2014/15 to 2018/19

<table>
<thead>
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</thead>
<tbody>
<tr>
<td>Canada</td>
<td>12,613</td>
<td>12,687</td>
<td>12,656</td>
<td>12,863</td>
<td>12,824</td>
<td>1.7%</td>
</tr>
<tr>
<td>Newfoundland &amp; Labrador</td>
<td>12,953</td>
<td>13,047</td>
<td>12,701</td>
<td>12,663</td>
<td>12,327</td>
<td>−4.8%</td>
</tr>
<tr>
<td>Prince Edward Island</td>
<td>13,323</td>
<td>13,104</td>
<td>13,066</td>
<td>13,914</td>
<td>14,008</td>
<td>5.1%</td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>13,548</td>
<td>13,711</td>
<td>13,549</td>
<td>14,888</td>
<td>14,864</td>
<td>9.7%</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>14,973</td>
<td>15,242</td>
<td>15,268</td>
<td>15,184</td>
<td>15,410</td>
<td>2.9%</td>
</tr>
<tr>
<td>Quebec</td>
<td>10,686</td>
<td>10,489</td>
<td>10,773</td>
<td>11,277</td>
<td>11,259</td>
<td>5.4%</td>
</tr>
<tr>
<td>Ontario</td>
<td>13,208</td>
<td>13,303</td>
<td>13,181</td>
<td>13,409</td>
<td>13,387</td>
<td>1.4%</td>
</tr>
<tr>
<td>Manitoba</td>
<td>13,851</td>
<td>14,117</td>
<td>14,218</td>
<td>14,103</td>
<td>14,063</td>
<td>1.5%</td>
</tr>
<tr>
<td>Saskatchewan</td>
<td>14,518</td>
<td>14,370</td>
<td>14,197</td>
<td>13,820</td>
<td>13,697</td>
<td>−5.7%</td>
</tr>
<tr>
<td>Alberta</td>
<td>13,578</td>
<td>13,629</td>
<td>13,406</td>
<td>13,099</td>
<td>12,852</td>
<td>−5.3%</td>
</tr>
<tr>
<td>British Columbia</td>
<td>11,331</td>
<td>11,908</td>
<td>11,656</td>
<td>11,963</td>
<td>11,384</td>
<td>0.5%</td>
</tr>
</tbody>
</table>

Note 1: Operational spending excludes capital expenditure.

In total, Canada experienced an increase in per-student, inflation-adjusted operational spending of 1.7% between 2014/15 and 2018/19, or $211 per student. After excluding capital spending, Nova Scotia’s spending has increased at a higher percentage than the other nine provinces, at 9.7% over this time period, or $1,316 per student. Three provinces’ inflation-adjusted, per-student operational spending decreased over this time period: Saskatchewan decreased by 5.7%, Alberta by 5.3%, and Newfoundland & Labrador by 4.8%. The percentage increase from 2014/15 and 2018/19 after capital spending has been excluded is, for Nova Scotia, 0.5 percentage points higher than the spending shown in table 4, and for Manitoba, 0.9 percentage points higher. This indicates that operational spending is increasing more quickly than capital spending in the two provinces. Saskatchewan and Newfoundland & Labrador experienced a smaller percentage decrease in spending after capital spending was excluded, suggesting the decline in per-student capital spending is faster than the decrease in per-student operational spending from 2014/15 to 2018/19 for the two provinces.
6. The increases in total spending in context

The changes in total inflation-adjusted, per-student education spending across the provinces are quite mixed, ranging from a decrease of 10.8% in Saskatchewan to an increase of 9.2% in Nova Scotia (table 4). It is important to provide context to determine how large or small the changes actually are. To do so, this section compares actual education spending to the spending expected when inflation and changes in enrolment are taken into account. This analysis is based on a counterfactual assumption wherein education spending is calculated for 2018/19 based on the per-student level observed in 2014/15, adjusted for changes in enrolment and inflation. In other words, this section compares actual aggregate spending on public schools in 2018/19 with what the total spending would have been if the levels of inflation-adjusted, per-student spending on public schools remained constant from 2014/15 to 2018/19.

Table 6 presents the actual and counterfactual (adjusted) spending in public schools for 2018/19, as well as the difference between these two values. The first column shows the actual level of spending on public schools. The second column, “Adjusted spending”, illustrates spending based on the counterfactual assumption, or what total education spending on public schools in 2018/19 would have been had the inflation-adjusted, per-student spending levels been maintained from the 2014/15 base year. Figure 5 illustrates the comparison across provinces.

Nationally, between 2014/15 to 2018/19, total education spending exceeded the amount required to account for changes in enrolment and inflation by $2.5 billion. In percentage terms, if inflation-adjusted, per-student spending had remained constant over this period, actual spending in public schools in 2018/19 would have been 3.3% lower.
Provincially, Nova Scotia’s actual spending was the highest of any province relative to what would have been required to adjust for changes in enrolment and inflation: the province spent 9.6% ($172 million) more in 2018/19. This counterfactual analysis confirms the fact that the increase in education spending has exceeded what is required to offset the effects of inflation and enrolment changes in all provinces except Saskatchewan, Newfoundland & Labrador, and Alberta over the last five years (2014/15–2018/19).

Figure 5: Actual and adjusted spending ($ millions) on public schools, by province, 2018/19
Understanding the Increases in Education Spending

This section extends the analysis of education spending in Canada to provide a more comprehensive review of the components of spending, provincially and nationally, from 2014/15 to 2018/19. Our analysis of education spending is based on data provided to Statistics Canada by provincial governments. While Statistics Canada’s data tables are an excellent resource for understanding education spending, there are weaknesses in the underlying provincially provided data. [1] One key challenge stems from the data definitions, which are established by the provinces themselves and not Statistics Canada. Definitional differences among provinces and changes to spending categories over time can affect the quality of the data.

After consultation with Statistics Canada, the authors developed three aggregated categories of education spending that offer the most reasonable balance between the possible variation in definitions among provinces, among other issues, and our aim to analyze changes within educational spending categories. The three aggregated categories of education spending are Compensation, Capital, and Other.

Compensation
Compensation includes the salaries, wages, and benefits of all school staff and direct contributions to the teachers’ pension funds. Employers’ pension contributions for non-teaching staff are included in “fringe benefits”.

Capital
Capital includes expenditures to buy a new asset or extend the life of an existing asset—constructing new buildings, expanding existing facilities, or making renovations—and debt charges on such spending.

Other
Other covers all other expenditures, including direct spending by the provincial government, supply and services, fees and contractual services, and other miscellaneous expenditures.

Table 7 shows the dollar value of aggregate education spending in public schools in Canada by spending category, the growth in spending for each category, and the contribution of each to total growth in spending in 2014/15 to 2018/19.

[1] For more information on the types of data collected by Statistics Canada and their relative strengths and weaknesses, see Types of Data Collection at <https://www150.statcan.gc.ca/n1/edu/power-pouvoir/ch2/types/5214777-eng.htm>.
Compensation
An overwhelming proportion of the increase was spent on compensation, the costs for which grew from $47.8 billion in 2014/15 to $54.1 billion in 2018/19, an increase of $6.2 billion or 13.0%. The increase in compensation costs represents 70.4% of the total increase of $8.9 billion in education spending in public schools between 2014/15 and 2018/19. It is important to understand how each of the three sub-categories contributed to the overall increase in spending on compensation.

Salaries and wages accounted for the largest share of growth in compensation spending at 77.6%. This spending category increased from $38.1 billion in 2014/15 to nearly $43.0 billion in 2018/19, an increase of 12.7%. As a share of total education spending in public schools, salaries and wages decreased slightly from 59.1% in 2014/15 to 58.6% in 2018/19.

Fringe benefits rose from nearly $6.0 billion in 2014/15 to $7.1 billion in 2018/19, a 18.7% increase. The increase in fringe benefits explains 17.9% of the overall increase in compensation spending. The cost of fringe benefits as a share of total education spending in public schools increased slightly from 9.2% in 2014/15 to 9.6% in 2018/19.

Pension costs increased over this time period, rising from $3.8 billion in 2014/15 to $4.1 billion in 2018/19, a 7.5% increase. This increase explains 4.5% of the overall increase in compensation costs. Pension costs as a share of total education spending on public schools decreased marginally, from 5.9% in 2014/15 to 5.5% in 2018/19.

Capital spending
Of the other major categories, capital spending saw the highest percentage rise over the time period, growing from $5.2 billion in 2014/15 to $6.5 billion in 2018/19, a 25.8% increase. Capital spending represents 15.0% ($1.3 billion) of the overall increase in education spending ($8.9 billion) in public schools. As a share of total education spending in public schools, capital spending rose from 8.0% in 2014/15 to 8.9% in 2018/19.
Other spending
Other spending recorded the smallest increase of any category of spending in public schools over this time period at 11.3%. As a share of total education spending, it declined slightly from 17.8% in 2014/15 to 17.4% in 2018/19.

Spending on pensions
Tables 8 to 13 provide more details about spending on pensions, fringe benefits, and capital investments in aggregate, both provincially and nationally. Table 8 contains the dollar value for contributions to teachers’ pensions made by seven of the ten provincial governments in Canada, as well as the total contribution by these provincial governments, from 2014/15 to 2018/19. [2] Among the provinces for which data was available, Nova Scotia saw the fastest growth in contributions to teachers’ pensions from 2014/15 to 2018/19, at a rate of 43.5%. [3] New Brunswick had the second highest growth rate in this category, at 27.6%, followed by Saskatchewan at 22.3%. [4]

Table 9 shows the annual growth in government contributions to teachers’ pensions for Canada and the provinces. Across Canada, pension spending grew by 1.9% annually, on average, between 2014/15 and 2018/19. In line with total growth over the period, Nova Scotia experienced the highest average annual growth in contributions to teachers’ pensions at 9.6%. New Brunswick saw the second highest average annual growth at 6.4%. All provinces with available data, other than Quebec, experienced positive average annual growth in spending on teacher pensions from 2014/15 to 2018/19.

Spending on fringe benefits
The growth in fringe benefits exceeded aggregate growth for total spending, at 18.7%. As shown in table 10, this represents an increase from nearly $6.0 billion (2014/15) to $7.1 billion (2018/19), or $1.1 billion in additional spending. In nominal dollars, Ontario saw the largest increase in spending ($598 million), followed by Quebec ($152 million) and Nova Scotia ($133 million) from 2014/15 to 2018/19. These three provinces accounted for 79.3% of the total increase in spending on fringe benefits in public schools in Canada. Ontario alone accounted for more than half of the total increase in spending on fringe benefits. All ten provinces saw an increase in nominal spending on fringe benefits from

[2] Newfoundland & Labrador, Prince Edward Island, and British Columbia do not have data available for the period analyzed. In the cases of Newfoundland & Labrador and British Columbia, this data appeared to be zero. In previous editions of this publication, pension spending was provided for both provinces but, because of the methodological changes undertaken by Statistics Canada, this data seems to be reallocated under spending on fringe benefits. However, Statistics Canada was unable to confirm these changes prior to release of this edition.

[3] The spending in this analysis includes only the employer portion of the pension contributions, not contributions to pensions made by the employees themselves.

[4] New Brunswick introduced a new teacher’s pension plan in 2014 that ended special payments, which had averaged $83 million over the previous decade.
Table 8: Spending ($ millions) on teachers’ pensions, 2014/15–2018/19

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>3,772</td>
<td>3,913</td>
<td>4,013</td>
<td>4,145</td>
<td>4,056</td>
<td>283</td>
<td>7.5</td>
<td></td>
</tr>
<tr>
<td>Newfoundland &amp; Labrador</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Prince Edward Island</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>64</td>
<td>72</td>
<td>82</td>
<td>91</td>
<td>92</td>
<td>28</td>
<td>9.9</td>
<td>43.5</td>
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<tr>
<td>New Brunswick</td>
<td>68</td>
<td>78</td>
<td>80</td>
<td>85</td>
<td>87</td>
<td>19</td>
<td>6.6</td>
<td>27.6</td>
</tr>
<tr>
<td>Quebec</td>
<td>792</td>
<td>769</td>
<td>776</td>
<td>864</td>
<td>751</td>
<td>−41</td>
<td>−14.5</td>
<td>−5.2</td>
</tr>
<tr>
<td>Ontario</td>
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<td>1,601</td>
<td>1,643</td>
<td>1,666</td>
<td>1,678</td>
<td>147</td>
<td>52.1</td>
<td>9.6</td>
</tr>
<tr>
<td>Manitoba</td>
<td>167</td>
<td>183</td>
<td>189</td>
<td>192</td>
<td>195</td>
<td>28</td>
<td>9.9</td>
<td>16.8</td>
</tr>
<tr>
<td>Saskatchewan</td>
<td>302</td>
<td>337</td>
<td>361</td>
<td>361</td>
<td>370</td>
<td>67</td>
<td>23.8</td>
<td>22.3</td>
</tr>
<tr>
<td>Alberta</td>
<td>848</td>
<td>873</td>
<td>882</td>
<td>885</td>
<td>883</td>
<td>35</td>
<td>12.3</td>
<td>4.1</td>
</tr>
<tr>
<td>British Columbia</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>

Note: “n/a” means that data are not available for a specific reference period.
Source: Statistics Canada, 2021d.

Table 9: Growth (%) in spending on teachers’ pensions, 2014/15–2018/19

<table>
<thead>
<tr>
<th></th>
<th>2014/15</th>
<th>2015/16</th>
<th>2016/17</th>
<th>2017/18</th>
<th>2018/19</th>
<th>Average annual growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>n/a</td>
<td>3.7</td>
<td>2.6</td>
<td>3.3</td>
<td>−2.2</td>
<td>1.9</td>
</tr>
<tr>
<td>Newfoundland &amp; Labrador</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Prince Edward Island</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>n/a</td>
<td>12.9</td>
<td>13.5</td>
<td>11.2</td>
<td>0.7</td>
<td>9.6</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>n/a</td>
<td>15.4</td>
<td>1.8</td>
<td>7.0</td>
<td>1.5</td>
<td>6.4</td>
</tr>
<tr>
<td>Quebec</td>
<td>n/a</td>
<td>−2.9</td>
<td>0.9</td>
<td>11.4</td>
<td>−13.1</td>
<td>−0.9</td>
</tr>
<tr>
<td>Ontario</td>
<td>n/a</td>
<td>4.6</td>
<td>2.7</td>
<td>1.4</td>
<td>0.7</td>
<td>2.3</td>
</tr>
<tr>
<td>Manitoba</td>
<td>n/a</td>
<td>9.4</td>
<td>3.7</td>
<td>1.1</td>
<td>1.8</td>
<td>4.0</td>
</tr>
<tr>
<td>Saskatchewan</td>
<td>n/a</td>
<td>11.3</td>
<td>7.3</td>
<td>0.0</td>
<td>2.3</td>
<td>5.2</td>
</tr>
<tr>
<td>Alberta</td>
<td>n/a</td>
<td>2.9</td>
<td>0.9</td>
<td>0.4</td>
<td>−0.2</td>
<td>1.0</td>
</tr>
<tr>
<td>British Columbia</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>

Note: “n/a” means that data are not available for a specific reference period.
Source: Statistics Canada, 2021d.
2014/15 to 2018/19. In terms of percentage increase, from 2014/15 to 2018/19, Nova Scotia experienced the highest growth in fringe benefits (133.2%). Saskatchewan had the lowest growth rate at 4.2%.

As shown in Table 11, spending on fringe benefits nationally has grown consistently year over year, with the highest growth in 2017/18 at 8.0%. On a year-by-year basis, 2018/19 saw an increase of 5.3% in overall fringe-benefit spending in Canada. All provinces except Nova Scotia and Alberta saw a year over year increase in fringe-benefit spending in 2018/19, with Ontario experiencing the highest growth in fringe benefits at 8.4%. Besides Ontario, New Brunswick and Quebec also saw a year-over-year growth rate in spending on fringe benefits that exceeded the national average.

**Capital spending**

Capital spending has been increasing at a faster rate than any other category of education spending in public schools: this category of spending increased from $5.2 billion in 2014/15 to $6.5 billion in 2018/19, an increase of 25.8% (Table 12). Ontario saw the largest increase in nominal dollars over the time period at $684 million and alone accounted for over half (51.4%) of the total increase in capital spending in public schools in Canada. Quebec saw the second-largest increase in nominal dollars at $512 million and accounts for the second largest share of total change in capital spending at 38.5%. The smallest nominal dollar increase over the period was in New Brunswick, with an increase of $2.0 million.

### Table 10: Spending ($ millions) on fringe benefits, 2014/15–2018/19

<table>
<thead>
<tr>
<th>Province</th>
<th>2014/15</th>
<th>2015/16</th>
<th>2016/17</th>
<th>2017/18</th>
<th>2018/19</th>
<th>Change</th>
<th>Share of change (%)</th>
<th>Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>5,955</td>
<td>6,163</td>
<td>6,219</td>
<td>6,714</td>
<td>7,069</td>
<td>1,114</td>
<td>18.7</td>
<td></td>
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<tr>
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<td>83</td>
<td>93</td>
<td>95</td>
<td>98</td>
<td>101</td>
<td>17</td>
<td>1.6 21.0</td>
<td></td>
</tr>
<tr>
<td>Prince Edward Island</td>
<td>33</td>
<td>34</td>
<td>34</td>
<td>35</td>
<td>36</td>
<td>3</td>
<td>0.3 8.5</td>
<td></td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>100</td>
<td>112</td>
<td>93</td>
<td>233</td>
<td>233</td>
<td>133</td>
<td>12.0 133.2</td>
<td></td>
</tr>
<tr>
<td>New Brunswick</td>
<td>63</td>
<td>63</td>
<td>74</td>
<td>78</td>
<td>82</td>
<td>19</td>
<td>1.7 30.7</td>
<td></td>
</tr>
<tr>
<td>Quebec</td>
<td>920</td>
<td>917</td>
<td>959</td>
<td>1,016</td>
<td>1,072</td>
<td>152</td>
<td>13.7 16.6</td>
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<td>3,060</td>
<td>598</td>
<td>53.6 24.3</td>
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<td>135</td>
<td>144</td>
<td>144</td>
<td>147</td>
<td>152</td>
<td>17</td>
<td>1.5 12.7</td>
<td></td>
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<td>131</td>
<td>131</td>
<td>137</td>
<td>6</td>
<td>0.5 4.2</td>
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<tr>
<td>Alberta</td>
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<td>1,106</td>
<td>1,114</td>
<td>1,142</td>
<td>1,140</td>
<td>84</td>
<td>7.5 8.0</td>
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<tr>
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<td>964</td>
<td>914</td>
<td>965</td>
<td>1,000</td>
<td>78</td>
<td>7.0 8.4</td>
<td></td>
</tr>
</tbody>
</table>

Source: Statistics Canada, 2021c.
Table 11: Growth (%) in spending on fringe benefits, 2014/15–2018/19

<table>
<thead>
<tr>
<th></th>
<th>2014/15</th>
<th>2015/16</th>
<th>2016/17</th>
<th>2017/18</th>
<th>2018/19</th>
<th>Average annual growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>n/a</td>
<td>3.5</td>
<td>0.9</td>
<td>8.0</td>
<td>5.3</td>
<td>4.4</td>
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<td>Newfoundland &amp; Labrador</td>
<td>n/a</td>
<td>12.3</td>
<td>1.2</td>
<td>4.1</td>
<td>2.2</td>
<td>5.0</td>
</tr>
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<td>Prince Edward Island</td>
<td>n/a</td>
<td>2.6</td>
<td>−0.1</td>
<td>2.6</td>
<td>3.2</td>
<td>2.1</td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>n/a</td>
<td>11.9</td>
<td>−17.1</td>
<td>151.4</td>
<td>0.0</td>
<td>36.5</td>
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<tr>
<td>New Brunswick</td>
<td>n/a</td>
<td>0.7</td>
<td>16.1</td>
<td>5.4</td>
<td>6.0</td>
<td>7.1</td>
</tr>
<tr>
<td>Quebec</td>
<td>n/a</td>
<td>−0.3</td>
<td>4.6</td>
<td>5.9</td>
<td>5.5</td>
<td>3.9</td>
</tr>
<tr>
<td>Ontario</td>
<td>n/a</td>
<td>3.6</td>
<td>2.3</td>
<td>8.1</td>
<td>8.4</td>
<td>5.6</td>
</tr>
<tr>
<td>Manitoba</td>
<td>n/a</td>
<td>6.6</td>
<td>0.1</td>
<td>1.8</td>
<td>3.8</td>
<td>3.1</td>
</tr>
<tr>
<td>Saskatchewan</td>
<td>n/a</td>
<td>−1.4</td>
<td>0.7</td>
<td>0.5</td>
<td>4.4</td>
<td>1.1</td>
</tr>
<tr>
<td>Alberta</td>
<td>n/a</td>
<td>4.7</td>
<td>0.8</td>
<td>2.5</td>
<td>−0.1</td>
<td>1.9</td>
</tr>
<tr>
<td>British Columbia</td>
<td>n/a</td>
<td>4.5</td>
<td>−5.2</td>
<td>5.6</td>
<td>3.6</td>
<td>2.1</td>
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</table>

Source: Statistics Canada, 2020d.

Table 12: Capital spending ($ millions), 2014/15–2018/19

<table>
<thead>
<tr>
<th></th>
<th>2014/15</th>
<th>2015/16</th>
<th>2016/17</th>
<th>2017/18</th>
<th>2018/19</th>
<th>Change</th>
<th>Share of change (%)</th>
<th>Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>5,165</td>
<td>5,891</td>
<td>6,042</td>
<td>6,095</td>
<td>6,496</td>
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<td>25.8</td>
<td></td>
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<tr>
<td>Newfoundland &amp; Labrador</td>
<td>80</td>
<td>77</td>
<td>76</td>
<td>30</td>
<td>32</td>
<td>−48</td>
<td>−3.6</td>
<td>−59.8</td>
</tr>
<tr>
<td>Prince Edward Island*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>11</td>
<td>9</td>
<td>10</td>
<td>9</td>
<td>6</td>
<td>−6</td>
<td>−0.4</td>
<td>−50.6</td>
</tr>
<tr>
<td>New Brunswick</td>
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<td>7</td>
<td>7</td>
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<td>2</td>
<td>0.2</td>
<td>37.1</td>
</tr>
<tr>
<td>Quebec</td>
<td>1,492</td>
<td>1,409</td>
<td>1,408</td>
<td>1,684</td>
<td>2,004</td>
<td>512</td>
<td>38.5</td>
<td>34.3</td>
</tr>
<tr>
<td>Ontario</td>
<td>2,243</td>
<td>2,206</td>
<td>2,509</td>
<td>2,481</td>
<td>2,926</td>
<td>684</td>
<td>51.4</td>
<td>30.5</td>
</tr>
<tr>
<td>Manitoba</td>
<td>246</td>
<td>231</td>
<td>214</td>
<td>189</td>
<td>256</td>
<td>9</td>
<td>0.7</td>
<td>3.8</td>
</tr>
<tr>
<td>Saskatchewan</td>
<td>221</td>
<td>450</td>
<td>322</td>
<td>448</td>
<td>85</td>
<td>−136</td>
<td>−10.2</td>
<td>−61.4</td>
</tr>
<tr>
<td>Alberta</td>
<td>395</td>
<td>1,073</td>
<td>1,039</td>
<td>701</td>
<td>528</td>
<td>133</td>
<td>10.0</td>
<td>33.7</td>
</tr>
<tr>
<td>British Columbia</td>
<td>441</td>
<td>397</td>
<td>441</td>
<td>535</td>
<td>642</td>
<td>202</td>
<td>15.2</td>
<td>45.7</td>
</tr>
</tbody>
</table>

Note * that there are no data reported for Prince Edward Island because the underlying values are too small.
Source: Statistics Canada, 2021c.
Newfoundland & Labrador, Nova Scotia, and Saskatchewan saw a decrease in capital spending from 2014/15 to 2018/19, falling by $48.0 million (59.8%), $6.0 million (50.6%), and $136 million (61.4%), respectively. In this category, Saskatchewan adjusted to a lower spending level, after a period of higher spending, beginning in 2015/16. Saskatchewan experienced the second-highest enrolment growth of any province over this time period, while enrolment in Newfoundland & Labrador decreased and Nova Scotia’s enrolment was relatively flat. By contrast, Nova Scotia’s percentage increase in per-student, inflation-adjusted spending was the highest of any province over this time period. In other words, the $6.0 million decline in Nova Scotia’s capital spending suggests the significant increases in overall education spending can be explained by operational expenditures and not capital spending—in fact, 97.7% of the province’s increase in spending over this time period was on compensation alone (table A3).

In terms of percentage change, on average, capital spending for Canada has grown by 6.0% annually since 2013/14 (table 13). Alberta experienced a year-over-year decrease in capital spending since 2016/17, yet the spike of a 171.6% increase in 2015/16 still make it the province with the highest average annual growth rate over the period at 27.8%, followed by British Columbia at 10.6% and New Brunswick at 10.4%. Newfoundland & Labrador (−14.5%) and Nova Scotia (−14.3%) had negative average annual growth in capital spending.

There is a high degree of variability in the annual growth rates both among provinces and within each province over time. Each province has experienced a decline in capital spending in at least one year and yet many have experienced significant growth in other years. Alberta has seen the greatest variability across years, with an annual growth of 171.6% in 2015/16, and a decrease of 32.5% in 2017/18.

Table 13: Growth (%) in capital spending, 2014/15–2018/19

<table>
<thead>
<tr>
<th>Province</th>
<th>2013/14</th>
<th>2014/15</th>
<th>2015/16</th>
<th>2016/17</th>
<th>2017/18</th>
<th>Average annual growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>n/a</td>
<td>14.0</td>
<td>2.6</td>
<td>0.9</td>
<td>6.6</td>
<td>6.0</td>
</tr>
<tr>
<td>Newfoundland &amp; Labrador</td>
<td>n/a</td>
<td>−4.1</td>
<td>−0.9</td>
<td>−60.8</td>
<td>7.8</td>
<td>−14.5</td>
</tr>
<tr>
<td>Prince Edward Island*</td>
<td>n/a</td>
<td>−15.7</td>
<td>10.8</td>
<td>−13.4</td>
<td>−38.9</td>
<td>−14.3</td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>n/a</td>
<td>49.3</td>
<td>−12.9</td>
<td>1.1</td>
<td>4.3</td>
<td>10.4</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>n/a</td>
<td>−5.6</td>
<td>0.0</td>
<td>19.6</td>
<td>19.0</td>
<td>8.2</td>
</tr>
<tr>
<td>Quebec</td>
<td>n/a</td>
<td>−1.7</td>
<td>13.8</td>
<td>−1.1</td>
<td>18.0</td>
<td>7.2</td>
</tr>
<tr>
<td>Ontario</td>
<td>n/a</td>
<td>−6.1</td>
<td>−7.4</td>
<td>−11.9</td>
<td>35.5</td>
<td>2.5</td>
</tr>
<tr>
<td>Manitoba</td>
<td>n/a</td>
<td>103.6</td>
<td>−28.3</td>
<td>39.1</td>
<td>−81.0</td>
<td>8.4</td>
</tr>
<tr>
<td>Saskatchewan</td>
<td>n/a</td>
<td>171.6</td>
<td>−3.2</td>
<td>−32.5</td>
<td>−24.7</td>
<td>27.8</td>
</tr>
<tr>
<td>Alberta</td>
<td>n/a</td>
<td>−10.0</td>
<td>11.1</td>
<td>21.5</td>
<td>20.0</td>
<td>10.6</td>
</tr>
<tr>
<td>British Columbia</td>
<td>n/a</td>
<td>−10.0</td>
<td>11.1</td>
<td>21.5</td>
<td>20.0</td>
<td>10.6</td>
</tr>
</tbody>
</table>

Note * that there are no data reported for Prince Edward Island because the underlying values are too small. Source: Statistics Canada, 2021c.
Conclusion

It is clear from the data presented that from 2014/15 to 2018/19 Canada has increased education spending in public schools beyond what was required to account for enrolment and price changes. This means there was a real increase in per-student spending in public schools in Canada, which is contrary to the general perception that education spending in public schools has been cut. Our results indicate that compensation remains the largest and costliest aspect of education spending and has contributed the largest portion to the growth in total education spending in Canada. Capital spending has also seen substantial increase over the years and has grown as a share of overall spending.
Appendix: Allocation of Spending, by Province

Table A1: Allocation of spending ($ millions) on education in Newfoundland & Labrador, 2014/15–2018/19

<table>
<thead>
<tr>
<th></th>
<th>2014/15</th>
<th>Share of total (%)</th>
<th>2018/19</th>
<th>Share of total (%)</th>
<th>2014/15–2018/19</th>
<th>Share of change (%)</th>
<th>Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Compensation</strong></td>
<td>660</td>
<td>75.9</td>
<td>651</td>
<td>80.0</td>
<td>−9</td>
<td>16.5</td>
<td>−1.4</td>
</tr>
<tr>
<td>Salaries &amp; Wages</td>
<td>577</td>
<td>66.3</td>
<td>550</td>
<td>67.7</td>
<td>−27</td>
<td>47.1</td>
<td>−4.7</td>
</tr>
<tr>
<td>Fringe Benefits</td>
<td>83</td>
<td>9.6</td>
<td>101</td>
<td>12.4</td>
<td>17</td>
<td>−30.6</td>
<td>21.0</td>
</tr>
<tr>
<td>Pensions</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Capital</strong></td>
<td>80</td>
<td>9.2</td>
<td>32</td>
<td>3.9</td>
<td>−48</td>
<td>83.7</td>
<td>−59.8</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>130</td>
<td>15.0</td>
<td>130</td>
<td>16.0</td>
<td>0</td>
<td>−0.2</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>870</td>
<td>81.3</td>
<td>813</td>
<td>81.3</td>
<td>−57</td>
<td>−6.6</td>
<td></td>
</tr>
</tbody>
</table>

Note: The value for Total may not match the value in table 1 because of a lack of details on “Special education expenditures on public education” and “Private elementary and secondary school expenditures.”

Sources: Statistics Canada, 2021c, 2021d.

Table A2: Allocation of spending ($ millions) on education in Prince Edward Island, 2014/15–2018/19

<table>
<thead>
<tr>
<th></th>
<th>2014/15</th>
<th>Share of total (%)</th>
<th>2018/19</th>
<th>Share of total (%)</th>
<th>2014/15–2018/19</th>
<th>Share of change (%)</th>
<th>Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Compensation</strong></td>
<td>193</td>
<td>78.2</td>
<td>215</td>
<td>76.4</td>
<td>22</td>
<td>64.1</td>
<td>11.6</td>
</tr>
<tr>
<td>Salaries &amp; Wages</td>
<td>160</td>
<td>64.8</td>
<td>180</td>
<td>63.8</td>
<td>20</td>
<td>56.1</td>
<td>12.2</td>
</tr>
<tr>
<td>Fringe Benefits</td>
<td>33</td>
<td>13.3</td>
<td>36</td>
<td>12.7</td>
<td>3</td>
<td>8.0</td>
<td>8.5</td>
</tr>
<tr>
<td>Pensions</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Capital</strong></td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>54</td>
<td>21.8</td>
<td>66</td>
<td>23.6</td>
<td>12</td>
<td>35.9</td>
<td>23.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>247</td>
<td>100.0</td>
<td>282</td>
<td>100.0</td>
<td>35</td>
<td>14.1</td>
<td></td>
</tr>
</tbody>
</table>

Note: The value for Total may not match the value in table 1 because of a lack of details on “Special education expenditures on public education” and “Private elementary and secondary school expenditures.”

Sources: Statistics Canada, 2021c, 2021d.
Table A3: Allocation of spending ($ millions) on education in Nova Scotia, 2014/15–2018/19

<table>
<thead>
<tr>
<th></th>
<th>2014/15</th>
<th>Share of total (%)</th>
<th>2018/19</th>
<th>Share of total (%)</th>
<th>2014/15–2018/19</th>
<th>Share of change (%)</th>
<th>Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation</td>
<td>1,091</td>
<td>72.8</td>
<td>1,346</td>
<td>76.5</td>
<td>255</td>
<td>97.7</td>
<td>23.4</td>
</tr>
<tr>
<td>Salaries &amp; Wages</td>
<td>927</td>
<td>61.8</td>
<td>1,021</td>
<td>58.0</td>
<td>94</td>
<td>36.0</td>
<td>10.1</td>
</tr>
<tr>
<td>Fringe Benefits</td>
<td>100</td>
<td>6.7</td>
<td>233</td>
<td>13.3</td>
<td>133</td>
<td>51.0</td>
<td>133.2</td>
</tr>
<tr>
<td>Pensions</td>
<td>64</td>
<td>4</td>
<td>92</td>
<td>5.2</td>
<td>28</td>
<td>10.7</td>
<td>43.5</td>
</tr>
<tr>
<td>Capital</td>
<td>11</td>
<td>0.7</td>
<td>6</td>
<td>0.3</td>
<td>−6</td>
<td>−2.2</td>
<td>−50.6</td>
</tr>
<tr>
<td>Other</td>
<td>397</td>
<td>26.5</td>
<td>408</td>
<td>23.2</td>
<td>12</td>
<td>4.4</td>
<td>2.9</td>
</tr>
<tr>
<td>Total</td>
<td>1,499</td>
<td>100</td>
<td>1,760</td>
<td>100</td>
<td>261</td>
<td>100</td>
<td>17.4</td>
</tr>
</tbody>
</table>

Note: The value for Total may not match the value in table 1 because of a lack of details on "Special education expenditures on public education" and "Private elementary and secondary school expenditures".
Sources: Statistics Canada, 2021c, 2021d.

Table A4: Allocation of spending ($ millions) on education in New Brunswick, 2014/15–2018/19

<table>
<thead>
<tr>
<th></th>
<th>2014/15</th>
<th>Share of total (%)</th>
<th>2018/19</th>
<th>Share of total (%)</th>
<th>2014/15–2018/19</th>
<th>Share of change (%)</th>
<th>Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation</td>
<td>912</td>
<td>66.7</td>
<td>1,038</td>
<td>68.5</td>
<td>126</td>
<td>85.1</td>
<td>13.8</td>
</tr>
<tr>
<td>Salaries &amp; Wages</td>
<td>781</td>
<td>57.1</td>
<td>870</td>
<td>57.4</td>
<td>88</td>
<td>59.4</td>
<td>11.3</td>
</tr>
<tr>
<td>Fringe Benefits</td>
<td>63</td>
<td>4.6</td>
<td>82</td>
<td>5.4</td>
<td>19</td>
<td>13.0</td>
<td>30.7</td>
</tr>
<tr>
<td>Pensions</td>
<td>68</td>
<td>5</td>
<td>87</td>
<td>5.7</td>
<td>19</td>
<td>12.6</td>
<td>27.6</td>
</tr>
<tr>
<td>Capital</td>
<td>5</td>
<td>0.4</td>
<td>7</td>
<td>0.5</td>
<td>2</td>
<td>1.3</td>
<td>37.1</td>
</tr>
<tr>
<td>Other</td>
<td>450</td>
<td>32.9</td>
<td>470</td>
<td>31.0</td>
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<td>4.5</td>
</tr>
<tr>
<td>Total</td>
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<td>100</td>
<td>1,516</td>
<td>100</td>
<td>148</td>
<td>100</td>
<td>10.8</td>
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</tbody>
</table>

Note: The value for Total may not match the value in table 1 because of a lack of details on "Special education expenditures on public education" and "Private elementary and secondary school expenditures".
Sources: Statistics Canada, 2021c, 2021d.
Table A5: Allocation of spending ($ millions) on education in Quebec, 2014/15–2018/19

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Spending ($ millions)</td>
<td>Share of total (%)</td>
<td>Spending ($ millions)</td>
</tr>
<tr>
<td>Compensation</td>
<td>9,471</td>
<td>70.1</td>
<td>11,026</td>
</tr>
<tr>
<td>Salaries &amp; Wages</td>
<td>7,760</td>
<td>57.5</td>
<td>9,204</td>
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<tr>
<td>Fringe Benefits</td>
<td>920</td>
<td>6.8</td>
<td>1,072</td>
</tr>
<tr>
<td>Pensions</td>
<td>792</td>
<td>6</td>
<td>751</td>
</tr>
<tr>
<td>Capital</td>
<td>1,492</td>
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<td>2,004</td>
</tr>
<tr>
<td>Other</td>
<td>2,540</td>
<td>18.8</td>
<td>2,834</td>
</tr>
<tr>
<td>Total</td>
<td>13,503</td>
<td>15.0</td>
<td>15,864</td>
</tr>
</tbody>
</table>

Note: The value for Total may not match the value in table 1 because of a lack of details on “Special education expenditures on public education” and “Private elementary and secondary school expenditures.”

Sources: Statistics Canada, 2021c, 2021d.

Table A6: Allocation of spending ($ millions) on education in Ontario, 2014/15–2018/19

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Spending ($ millions)</td>
<td>Share of total (%)</td>
<td>Spending ($ millions)</td>
</tr>
<tr>
<td>Compensation</td>
<td>20,541</td>
<td>76.8</td>
<td>22,991</td>
</tr>
<tr>
<td>Salaries &amp; Wages</td>
<td>16,548</td>
<td>61.8</td>
<td>18,252</td>
</tr>
<tr>
<td>Fringe Benefits</td>
<td>2,462</td>
<td>9.2</td>
<td>3,060</td>
</tr>
<tr>
<td>Pensions</td>
<td>1,531</td>
<td>6</td>
<td>1,678</td>
</tr>
<tr>
<td>Capital</td>
<td>2,243</td>
<td>8.4</td>
<td>2,926</td>
</tr>
<tr>
<td>Other</td>
<td>3,974</td>
<td>14.9</td>
<td>4,324</td>
</tr>
<tr>
<td>Total</td>
<td>26,758</td>
<td>100.0</td>
<td>30,242</td>
</tr>
</tbody>
</table>

Note: The value for Total may not match the value in table 1 because of a lack of details on “Special education expenditures on public education” and “Private elementary and secondary school expenditures.”

Sources: Statistics Canada, 2021c, 2021d.
Table A7: Allocation of spending ($ millions) on education in Manitoba, 2014/15–2018/19

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Spending ($ millions)</td>
<td>Share of total (%)</td>
<td>Spending ($ millions)</td>
</tr>
<tr>
<td>Compensation</td>
<td>1,937</td>
<td>75.8</td>
<td>2,208</td>
</tr>
<tr>
<td>Salaries &amp; Wages</td>
<td>1,635</td>
<td>64.0</td>
<td>1,861</td>
</tr>
<tr>
<td>Fringe Benefits</td>
<td>135</td>
<td>5.3</td>
<td>152</td>
</tr>
<tr>
<td>Pensions</td>
<td>167</td>
<td>7</td>
<td>195</td>
</tr>
<tr>
<td>Capital</td>
<td>246</td>
<td>9.6</td>
<td>256</td>
</tr>
<tr>
<td>Other</td>
<td>370</td>
<td>14.5</td>
<td>415</td>
</tr>
<tr>
<td>Total</td>
<td>2,554</td>
<td>14.5</td>
<td>2,879</td>
</tr>
</tbody>
</table>

Note: The value for Total may not match the value in table 1 because of a lack of details on “Special education expenditures on public education” and “Private elementary and secondary school expenditures”.

Sources: Statistics Canada, 2021c, 2021d.

Table A8: Allocation of spending ($ millions) on education in Saskatchewan, 2014/15–2018/19

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Spending ($ millions)</td>
<td>Share of total (%)</td>
<td>Spending ($ millions)</td>
</tr>
<tr>
<td>Compensation</td>
<td>1,866</td>
<td>72.0</td>
<td>2,009</td>
</tr>
<tr>
<td>Salaries &amp; Wages</td>
<td>1,432</td>
<td>55.2</td>
<td>1,502</td>
</tr>
<tr>
<td>Fringe Benefits</td>
<td>132</td>
<td>5.1</td>
<td>137</td>
</tr>
<tr>
<td>Pensions</td>
<td>302</td>
<td>12</td>
<td>370</td>
</tr>
<tr>
<td>Capital</td>
<td>221</td>
<td>8.5</td>
<td>85</td>
</tr>
<tr>
<td>Other</td>
<td>506</td>
<td>19.5</td>
<td>517</td>
</tr>
<tr>
<td>Total</td>
<td>2,593</td>
<td>19.5</td>
<td>2,611</td>
</tr>
</tbody>
</table>

Note: The value for Total may not match the value in table 1 because of a lack of details on “Special education expenditures on public education” and “Private elementary and secondary school expenditures”.

Sources: Statistics Canada, 2021c, 2021d.
### Table A9: Allocation of spending ($ millions) on education in Alberta, 2014/15–2018/19

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Spending ($ millions)</td>
<td>Share of total (%)</td>
<td>Spending ($ millions)</td>
</tr>
<tr>
<td>Compensation</td>
<td>6,353</td>
<td>76.2</td>
<td>7,053</td>
</tr>
<tr>
<td>Salaries &amp; Wages</td>
<td>4,448</td>
<td>53.4</td>
<td>5,029</td>
</tr>
<tr>
<td>Fringe Benefits</td>
<td>1,056</td>
<td>12.7</td>
<td>1,140</td>
</tr>
<tr>
<td>Pensions</td>
<td>848</td>
<td>10</td>
<td>883</td>
</tr>
<tr>
<td>Capital</td>
<td>395</td>
<td>4.7</td>
<td>528</td>
</tr>
<tr>
<td>Other</td>
<td>1,585</td>
<td>19.0</td>
<td>1,607</td>
</tr>
<tr>
<td>Total</td>
<td>8,332</td>
<td></td>
<td>9,188</td>
</tr>
</tbody>
</table>

Note: The value for Total may not match the value in table 1 because of a lack of details on “Special education expenditures on public education” and “Private elementary and secondary school expenditures”. Sources: Statistics Canada, 2021c, 2021d.

### Table A10: Allocation of spending ($ millions) on education in British Columbia, 2014/15–2018/19

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Spending ($ millions)</td>
<td>Share of total (%)</td>
<td>Spending ($ millions)</td>
</tr>
<tr>
<td>Compensation</td>
<td>4,463</td>
<td>72.3</td>
<td>5,146</td>
</tr>
<tr>
<td>Salaries &amp; Wages</td>
<td>3,540</td>
<td>57.4</td>
<td>4,145</td>
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<tr>
<td>Fringe Benefits</td>
<td>923</td>
<td>15.0</td>
<td>1,000</td>
</tr>
<tr>
<td>Pensions</td>
<td>n/a</td>
<td></td>
<td>n/a</td>
</tr>
<tr>
<td>Capital</td>
<td>441</td>
<td>7.1</td>
<td>642</td>
</tr>
<tr>
<td>Other</td>
<td>1,267</td>
<td>20.5</td>
<td>1,733</td>
</tr>
<tr>
<td>Total</td>
<td>6,170</td>
<td></td>
<td>7,521</td>
</tr>
</tbody>
</table>

Note: The value for Total may not match the value in table 1 because of a lack of details on “Special education expenditures on public education” and “Private elementary and secondary school expenditures”. Sources: Statistics Canada, 2021c, 2021d.
References


About the Authors

Paige MacPherson
Paige MacPherson is Associate Director of Education Policy for the Fraser Institute. For many years, she has contributed policy analysis and commentary to major media outlets and research organizations across Canada, focusing on education policy, fiscal policy, and government accountability. She holds a Master of Public Policy from the School of Public Policy at the University of Calgary and a B.A. from Dalhousie University. Prior to joining the Fraser Institute, Ms. MacPherson was Alberta Director and Atlantic Director for the Canadian Taxpayers Federation, TV host and politics reporter with Sun Media; she also provided communications for the Atlantic Institute for Market Studies, where she founded a post-secondary student-outreach program. Her work has taken her from coast to coast to coast.

Joel Emes
Joel Emes is President of Abacus Economics and a Fraser Institute Senior Fellow who rejoined the Institute after a stint as a senior advisor to British Columbia’s provincial government. He previously served as a senior analyst, then as acting executive director, at the BC Progress Board. Prior to that, Mr Emes was a senior research economist at the Fraser Institute where he initiated and led several flagship projects in the areas of tax freedom and government performance, spending, debt, and unfunded liabilities. Mr. Emes holds a B.A. and an M.A. in economics from Simon Fraser University.

Nathaniel Li
Nathaniel Li is an Economist at the Fraser Institute. He holds a B.A. from the Fudan University in China and a Ph.D. in Food, Agricultural and Resource Economics from the University of Guelph. Prior to joining the Fraser Institute, he worked for the University of Toronto as a postdoctoral fellow and the University of Guelph as a research associate. His past research has been published in Applied Economic Perspectives and Policy, Agricultural Economics, Preventive Medicine, and Canadian Public Policy.
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