

NEWS RELEASE

Salaries, pensions and benefits consumed majority of increased spending on public schools in Canada

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TORONTO—Nearly 80 per cent of all increases in public school spending in Canada over the past decade went to salaries, pensions and benefits, finds a new study by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

"Contrary to misperceptions, public education spending has increased dramatically across the country, and it's important for parents and taxpayers to know that the bulk of that money has gone to teachers and other staff," said Deani Van Pelt, director of the Barbara Mitchell Centre for Improvement in Education at the Fraser Institute and co-author of *Understanding the Increases in Education Spending in Public Schools in Canada*, 2016 Edition.

The study finds that between 2004/2005 and 2013/2014, staff compensation costs rose from \$32 billion to \$46.4 billion—an increase of more than \$14 billion.

That represents slightly more than three-quarters (78.2 per cent) of the overall \$18.2 billion increase in education spending during the same 10-year period.

More specifically, spending on salaries and wages increased by \$10.4 billion between 2004/2005 and 2013/2014, the most recent year of available Statistics Canada data.

And pension costs almost doubled during the same period, rising 91.5 per cent from \$2.3 billion to \$4.3 billion. Increases in employer contributions to teachers' pensions were highest in Alberta, Saskatchewan and Ontario with increases in all three provinces exceeding 100 per cent.

Capital spending (new schools, renovations, etc.) also increased from \$3 billion in 2004/2005 to \$4.9 billion in 2013/2014.

Quebec accounted for nearly half of the capital spending increases in Canada with an increase of \$872 million. British Columbia and Ontario also saw significant capital spending increases of \$237 million and \$408 million respectively.

"A clear understanding of public school spending, particularly in light of chronic complaints from some quarters about a lack of resources, is vital for anyone concerned about improving our children's education," Van Pelt said.

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