

In 1987-88, Canadian expenditures on elementary-secondary education totalled an estimated \$24.8 billion, or 64 per cent of all education spending (see Appendix D).

Financing of public elementary-secondary education has traditionally been a municipal responsibility, with local real estate and corporation taxes paying most of the costs. However, the expansion in educational services since the Second World War has involved other levels of government in public school financing.

At the end of the 1940s, provincial governments were contributing less than 20 per cent of net general revenues. During the following decade, as education spending nearly tripled (reflecting rising enrolments, improvement in teachers' salaries, large-scale building programs, and the growth of special services), municipal authorities sought greater support from provincial governments. Provincial grants to school boards have generally been increasing since then.

The relative contributions of provincial and local governments to public schools differ significantly from province to province, as each provincial authority determines the magnitude of its financial responsibility. In 1987-88, on average, provincial government grants accounted for nearly 70 per cent of net general expenditures on public education.

Part of the provincial support for public schools actually comes from the federal government. Of particular consequence is a federal-provincial program for the development of bilingualism in education.

Separate schools are financed by members of the religious denominations that operate them as well as by the provinces. Provincial legislation allows taxpayers who are members of these denominations to direct their school taxes toward the support of these schools.

Private schools are financed through a combination of tuition fees, private and church endowments, as well as provincial funding (subject to certain provincial educational requirements). Provincial policies on financing for private schools vary considerably — from the provision of direct grants per pupil to minimum provincial involvement in financing.