



Expenditures by Global Affairs Canada on Basic Education: Can the Downward Trend Be Reversed?

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Context

Several years ago, various organizations and publications voices their concern about the decline of Canadian funding for basic education, such as Aid Watch 2015.

(http://www.campaignforeducation.org/docs/reports/Education%20Aid%20Watch_2015_EN_WEB.pdf).

The present update seeks to examine whether the decline is continuing.

Data Sources

The Government of Canada reports on its aid program expenditures in two major ways: first, like every donor, it provides a report which is inputted into the OECD's Creditor Reporting System and details the commitments and expenditures, on a calendar basis, on the basis of expenditure categories determined by the OECD; second, under the Official Development Assistance Accountability Act (ODAAA), it provides a statistical report on a fiscal year basis (April to March) using identical expenditure categories. We will use both sources of data.

Definition

Basic education spending is not a concept for which there is an international unanimous definition. The Government of Canada does not track basic education spending.

UNESCO uses a formula for tracking basic education spending which is also used by the Canadian chapter of the Global Campaign for Education. It is based on the Organization for Economic Cooperation and Development (OECD) codes, and incorporates all amounts coded to Code 11200 (primary education and basic life skills) as well as

50% of amounts coded to Education Level Unspecified (excluding education research) and 10% of general budget support (allocations in support of the treasury of a given government with no sector specified).

This document will use a simplified definition which will omit the 10% of general budget support. Indeed, general budget support is a very marginal category of aid and its actual contribution to basic education is speculative. More importantly, its inclusion or not in calculations does not affect the data materially.

Lastly, it is important to note that aid provided through Finance Canada and the World Bank's IDA lending arm is not factored in this analysis, as Canada does not control the decision to allocate any of that funding to basic education.

The trends observed

a) Using Data of the ODAAA Statistical Report

As can be seen from the table below, the last four years have seen a marked decline in aid allocated to basic education. While there was a limited reversal in 2014/15 aid levels remain lower than at the beginning of the decade if one factors in inflation. As a proportion of total aid provided by GAC, basic education has been dropping, and the last two years on record were the lowest two in the past six years. This is all the more disconcerting that the aid budget has been flatlined, which means that basic education is confined to a reduced share of a reduced pie.

This situation is difficult to explain when education is connected to so many other priority development outcomes: nutrition, women's empowerment, child health and economic growth, to name but a few.

GAC Funding for Basic Education, in Millions of Canadian Dollars and as % of GAC's Aid Program

	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
CAD\$M	160.12	168.42	200.7	174.8	171.95	158.44
% of Cdn Aid	4.86%	5.37%	6.79%	5.79%	4.64%	4.06%

ODAAA Statistical Reports, Government of Canada

b) Using data published by the OECD

While the data published by the OECD also comes from the Government of Canada, it provides a different perspective on funding flows relating to basic education. First, the period of reference is the calendar year, not the fiscal year. Second, the financial information is converted into US dollars, and it is possible to have it in constant dollars to provide the real purchasing power of the aid dollars, once inflation has been offset. The data is not directly comparable, because it omits all multilateral bank funding, not just IDA funding, keeping only government-to-government funding and funding through non governmental actors (which does constitute the large majority of GAC funding).

The results are even more dire as attested by the table below. The drop in basic education funding now appears a long term trend, with 2008-2012 levels never reached again despite larger aid envelopes. A cursory review of the relative weight of basic education within the aid budget shows that over the ten year period of observation, the share of basic education was reduced by nearly half.

GAC Aid for Basic Education, in Millions of Constant US Dollars, OECD Data

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Cst US\$M	186.6	177.1	194.1	151.6	144.6	109.6	111.4	135.0	110.7	101.0
As % of aid	6.2%	5.57%	5.6%	4.5%	4.35%	3.73%	3.86%	4.42%	3.92%	3.18%

Source: OECD Creditor Reporting System

Conclusion

In May of 2016, Canada launched a review of its international assistance program. One of the purposes of the review was to refocus the program on the planet's poorest. It is clear that the poorest are in large part precisely the ones that cannot secure basic education for their children, and that the poorest of the next generation will be the ones who are currently not completing their basic education. The new

Feminist International Assistance Policy has unfortunately not made it a priority to reverse the drop in basic education funding observed in previous years, although girls are 50% more likely to never make to a classroom than boys.

On February 2019, GAC announced the key performance indicators it would assess its performance against. One of these indicators is encouraging: “number of schools that have implemented changes to create welcoming spaces that respond to the specific needs of girls.” Another one, however, may take the spotlight away from basic education: “number of graduates (m/f) of Global Affairs Canada supported, demand driven, technical and vocational education and training”. It will be important to be vigilant to make sure basic education is not forgotten, especially in a context where total funding for education is shrinking (see companion publication by GPS).