

for mentally gifted children. Special educational services are also provided for the Indian and Eskimo nomads of Northern Canada and for isolated children such as those serviced by railway-car classrooms in northern Ontario and by bus classrooms in British Columbia.

Altogether, about 50,000 children are cared for in one or another of 110 special public schools, 590 classes, and 130 private schools, some of which receive government aid. About 2,000 teachers conduct these services.

Financing Education.—Slightly more than 3 p.c. of Canada's gross national expenditure, or \$1,049,000,000, was expended on formal education during 1957. Almost 12 p.c. of all municipal, provincial and federal revenue went for education, with the municipalities providing 43 p.c. and the provinces 41 p.c. of the total. Municipal revenue is obtained mainly from direct taxes on land and improvements and from business taxes; provincial revenue is obtained from a variety of sources such as corporation taxes, sale of alcoholic beverages, tobacco, etc., licences, permits, etc., and from federal tax-rental agreements, and may also be secured through a special education tax of from 2 to 4 p.c. on sales.

Federal expenditures on education include sums for the education of Indians and Eskimos, and children of members of the Armed Services, war dead and veterans. They also include grants to the National Federation of Universities to be divided among the provinces on a per capita basis and then distributed among the universities of a province according to the number of regular full-time students enrolled. Other grants are provided, usually on a matching basis, to the provinces for vocational education; scholarships and grants-in-aid of research are awarded to universities and individuals by the National Research Council, the Defence Research Board, the Canada Council and various departments of government; and grants for libraries and student residences are awarded through the Canada Council.

The provincial departments of education make grants to all publicly controlled schools and are also financially responsible for an increasing number of services. Such services, as mentioned previously, include the establishment and maintenance of teacher-training colleges or assistance to universities for the provision of that training; the establishment and maintenance of technical institutes and trade schools; and the provision of correspondence courses.

Municipal governments must provide money for buildings and equipment, maintenance and other operating expenditures. They must raise, by direct taxes, the difference between the amounts budgeted for by the school boards and the grants received from the provincial government. Provincial grants account for from 79 p.c. of the total school-board revenue in Newfoundland to 30 p.c. in Manitoba and Quebec. Methods of payment vary. British Columbia, Nova Scotia and Manitoba no longer pay flat and incentive grants, but instead pay operation grants based on equalization formulas. Two other provinces—Newfoundland and Prince Edward Island—achieve a degree of equalization by paying the greater part of the cost of instruction. Ontario, Saskatchewan and Alberta make use of various flat and equalization grants, and New Brunswick and Quebec use flat and special grants. In addition, most provinces provide grants for capital expenditure, establish loan funds, and guarantee and assist in marketing debentures.

Private schools are normally supported from endowment income, gifts from religious or other sponsoring or operating bodies, and student fees. Universities and colleges receive about 19 p.c. of their current revenue from the Federal Government, 37 p.c. from provincial governments, 30 p.c. from fees, 4 p.c. from endowments and gifts, and 10 p.c. from various other sources.