

Cost estimate of proposed changes to Canada Summer Jobs

PBO 

Cost
Estimate

The Parliamentary Budget Office (PBO) supports Parliament by providing economic and financial analysis for the purposes of raising the quality of parliamentary debate and promoting greater budget transparency and accountability.

In response to a [request from the Standing Senate Committee on National Finance](#), this report estimates the cost of expanding the Canada Summer Jobs program.

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Highlights

In response to a request from the [Standing Senate Committee on National Finance \(NFFN\)](#), PBO estimates the cost of expanding the Canada Summer Jobs program from approximately 73,600 jobs to 200,000 jobs to be \$3,279 million over the 5 years between 2027-28 and 2031-32.

Alternatively, if the number of annual summer jobs is to remain unchanged, but a portion of jobs are expanded to 16 weeks while some still last for fewer than 16 weeks - to allow differential high school and CEGEP student participation - the estimated cost increase is \$809 million over 5 years.

If instead, the number of jobs is increased to 200,000 and a portion of jobs is simultaneously expanded to 16 weeks, the cost is estimated at \$5,478 million over 5 years.

Finally, PBO estimates the cost of expanding the program to the rest of the year with 200,000 jobs at 16 weeks each to be \$7,568 million over 5 years.

Summary

The [Standing Senate Committee on National Finance \(NFFN\)](#) requested that PBO estimate the cost of proposed changes to the Canada Summer Jobs (CSJ) program. The request includes three components:

1. *Doubling the number of jobs created under the Canada Summer Jobs program from 100,000 to 200,000;*
2. *Doubling the length of time for jobs created under the Canada Summer Jobs program run, from 8 weeks each to 16 weeks each; and*
3. *Extending the Canada Summer Jobs program to cover young Canadians whether or not they are in full time education, before or after the summer.*

Currently, the CSJ is an annual program that subsidizes full-time jobs for youth, regardless of student status. The extent of the subsidy depends on the sector of the employer. The CSJ program runs from approximately May to August.¹ Jobs must last between 6 and 16 weeks, with the majority currently lasting 8 weeks.

During each summer between 2023 and 2025, there were between 70,000 and 80,000 jobs subsidized by the CSJ program. Budget 2025 increased the CSJ target for summer 2026 to 100,000 jobs, returning to 70,000 jobs for summer 2027.² Annual CSJ targets represent minimums, and ESDC typically surpasses its targets with the funding available for the CSJ. Given this, PBO estimates that there will be approximately 73,600 CSJ jobs per summer in 2027 and onward.

Against this backdrop, PBO estimates the five-year cost of expanding the number of summer jobs to 200,000 for each of the next 5 summers to be \$3,279 million, from 2027-28 to 2031-32. Alternatively, if the number of jobs in the status quo is maintained but the number of weeks per job increases, the cost is estimated at \$809 million.

Moreover, if there is a simultaneous increase to 200,000 summer jobs for each of the next 5 summers and to a greater number of weeks per job, PBO estimates the cost to be \$5,478 million if only some jobs last 16 weeks.

Finally, if the program is expanded to the rest of the year with 200,000 jobs for 16 weeks each, the cost is estimated at \$7,568 million over the next five fiscal years.

Table S-1

Total costs of proposed changes by fiscal year in millions of dollars

Fiscal Year	2027-28	2028-29	2029-30	2030-31	2031-32	Total
200,000 summer jobs	632	644	656	668	680	3,279
Some summer jobs 16 weeks	156	159	162	165	168	809
200,000 summer jobs, some 16 weeks	1,055	1,076	1,095	1,115	1,136	5,478
200,000 jobs, all 16 weeks	1,458	1,486	1,513	1,541	1,570	7,568

Source:

Parliamentary Budget Office.

Note:

Totals may not add due to rounding.

In a typical year, the number of summer jobs that employers request exceeds the number the government can fund under the current program. As an increase in the availability and length of CSJ jobs is expected to increase employers' demand for the program, PBO assumed that all new and lengthened jobs under the CSJ would be used by employers.

Background

Current Canada Summer Jobs program

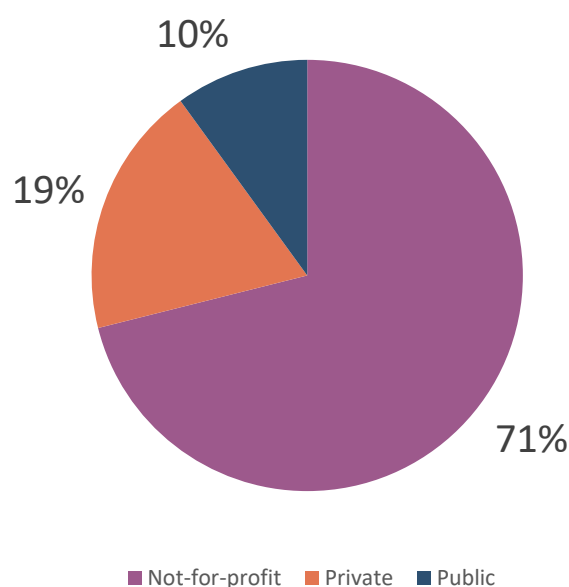
Canada Summer Jobs (CSJ) is a program offered by Employment and Social Development Canada (ESDC) that provides subsidies for employers to hire youth aged 15-30 during the post-secondary summer break, which is approximately from May to August. Participating youth do not have to be students.³

In terms of eligibility, employers in three sectors may participate in the program: the not-for-profit sector, the private sector if the employer has 50 or fewer full-time employees, and the public sector. Employers can apply for subsidies for one or multiple jobs. Employers apply for CSJ subsidies late in the previous calendar year. Then, if a job is approved, it will be subsidized based on the applicable provincial/territorial minimum wage.

Not-for-profit employers are reimbursed for up to 100 per cent of the minimum wage, as well as for Mandatory Employment Related Costs (MERCs), such as Employment Insurance premiums and Canada/Quebec Pension Plan contributions paid by the employer. Private sector and public sector employers are only reimbursed for up to 50 per cent of the minimum wage. Figure 1 shows that the majority of CSJ jobs are in the not-for-profit sector. Jobs must last for 6 to 16 consecutive weeks, with most jobs lasting 8 weeks. Currently, less than 1 per cent of jobs last 16 weeks. All jobs must be full-time, which is defined as 30 to 40 hours per week.⁴ Costs that employers incur to accommodate youth with disabilities can also be covered by the program.

Figure 1

CSJ jobs by sector, summer 2025, percentage of total jobs



Source:

Employment and Social Development Canada through Information request IR0922.

Note:

Totals may not add due to rounding.

Notably, the CSJ program allocates jobs to each federal electoral district. Members of Parliament can choose local CSJ priorities, which are used to help inform the selection of CSJ jobs by ESDC within their electoral district.⁵ Another contributing factor to job selection is how well a job will help respond to a national priority.⁶ Further, the quality of learning experience that a job will provide is assessed, as is the extent to which the employer will attempt to attract candidates who face obstacles to employment.⁷

In the past five summers that were not affected by COVID-19, ESDC provided subsidies to between 70,000 and 80,000 CSJ jobs, with 69,276 jobs funded in 2020.^{8,9} In 2021 and 2022, the number of jobs was expanded, with eligibility offered outside summer months.

Budget 2025 provided an additional \$594.7 million for the CSJ, to be split between summers 2026 and 2027. This funding is on top of other planned CSJ funding and was intended to increase the summer 2026 target to 100,000 jobs. The target for summer 2027 will return to 70,000 jobs. Based on past take-up of the program, PBO expects the actual number of jobs to be approximately 73,600.

Proposed changes

The [Standing Senate Committee on National Finance \(NFFN\) requested](#) that PBO estimate the cost of proposed changes to the Canada Summer Jobs (CSJ) program across 3 scenarios:

1. *Doubling the number of jobs created under the Canada Summer Jobs program from 100,000 to 200,000;*
2. *Doubling the length of time for jobs created under the Canada Summer Jobs program run, from 8 weeks each to 16 weeks each; and*
3. *Extending the Canada Summer Jobs program to cover young Canadians whether or not they are in full time education, before or after the summer.*

The first scenario of the request is to estimate the cost of expanding to 200,000 CSJ jobs for each summer. Based on the 70,000 target for 2027 and other recent years, PBO expects that the baseline number of jobs during the summers of 2027 to 2031 will be approximately 73,600.¹⁰ PBO also estimates that additional public servants will be needed to process the increased number of applicants and to support the expanded program.

In the second scenario of the request, the average number of weeks per job increases. However, if all jobs are 16 weeks, virtually no full-time high school or CEGEP students can participate in the CSJ, due to not having 16 consecutive weeks off school.¹¹ As such, the second scenario involves a portion of jobs lasting for 16 weeks, with the rest lasting for a shorter period.¹² Under this option, the weighted average number of weeks is approximately 12.

PBO also estimates the cost of combining the first two scenarios: simultaneously expanding the program to 200,000 jobs and increasing the average job duration to approximately 12 weeks.

Finally, the third scenario of the request is about expanding the CSJ program to apply during all months of the year.

Results

To expand the CSJ program to 200,000 jobs for the next 5 summers, the total cost over 5 years is estimated to be \$3,279 million (consult Table 1). The vast majority of this cost is the \$2,592 million in wages for CSJ youth. The cost also includes MERCs for not-for-profit CSJ jobs, accommodation costs for youth with special needs, and the cost of additional public servants needed to administer the expanded CSJ program.

Table 1

Cost of increasing to 200,000 jobs each summer by fiscal year in millions of dollars

Fiscal Year	2027-28	2028-29	2029-30	2030-31	2031-32	Total
Wages	499	509	518	528	538	2,592
MERCs	48	49	49	50	51	247
Accommodations	0.1	0.1	0.1	0.1	0.1	1
Administration	85	86	88	90	91	439
Total	632	644	656	668	680	3,279

Source:

Parliamentary Budget Office.

Note:

Totals may not add due to rounding.

Next, PBO calculated the cost of increasing the number of weeks per job. The cost is estimated to be \$809 million if some jobs are 16 weeks (consult Table 2). PBO assumed that the share of jobs filled by high school and CEGEP students would be approximately 50 per cent, based on estimations using available historical data. The jobs they occupy would remain at 8 weeks given their shorter summer availability for full-time work (consult the methodology section for more detail). Because the number of jobs will remain the same, PBO does not expect additional public servants to be needed to administer the CSJ.

Table 2

Cost increase if some summer jobs lengthened to 16 weeks by fiscal year in millions of dollars

Fiscal Year	2027-28	2028-29	2029-30	2030-31	2031-32	Total
Wages	142	145	148	150	153	738
MERCs	14	14	14	14	15	70
Accommodations	0.04	0.04	0.04	0.04	0.04	0.2
Administration	-	-	-	-	-	-
Total	156	159	162	165	168	809

Source:

Parliamentary Budget Office.

Note:

Totals may not add due to rounding.

Next, PBO calculates the cost of increasing to 200,000 jobs while also lengthening the term of the jobs. The cost of implementing both changes is estimated to be \$5,478 million if some jobs are 16 weeks (consult Table 3). The same assumptions regarding the share of 8-week jobs because of full-time high school and CEGEP students also apply to this scenario.

Table 3

Cost increase if 200,000 jobs and some lengthened to 16 weeks by fiscal year in millions of dollars

Fiscal Year	2027-28	2028-29	2029-30	2030-31	2031-32	Total
Wages	886	903	920	936	954	4,599
MERCs	84	86	88	89	91	438
Accommodations	0.2	0.2	0.2	0.2	0.2	1
Administration	85	86	88	90	91	439
Total	1,055	1,076	1,095	1,115	1,136	5,478

Source:

Parliamentary Budget Office.

Note:

Totals may not add due to rounding.

Finally, if the program were expanded to the full year with 200,000 jobs at 16 weeks each, the cost is estimated to be \$7,568 million (consult Table 4).

Table 4

Cost increase if 200,000 jobs and all lengthened to 16 weeks by fiscal year in millions of dollars

Fiscal Year	2027-28	2028-29	2029-30	2030-31	2031-32	Total
Wages	1,254	1,278	1,301	1,324	1,349	6,506
MERCs	120	122	124	126	129	620
Accommodations	0.3	0.3	0.3	0.3	0.4	2
Administration	85	86	88	90	91	439
Total	1,458	1,486	1,513	1,541	1,570	7,568

Source:

Parliamentary Budget Office.

Note:

Totals may not add due to rounding.

In each of the last three summers for which PBO received CSJ data from ESDC (2023, 2024 and 2025), there were about 230,000 jobs submitted by employers in the hope of receiving CSJ funding. PBO expects the proposed changes to incentivize new employers to apply for subsidized jobs as well as to increase the average number of jobs and weeks per job requested from returning applicants.

For further context, over the 2023 to 2025 period, the average unemployment rate during the summer was 16 per cent among full-time students aged 15 to 24, or 602,000 unemployed students. The summer unemployment rate for all youth in that age range, including non-students, was 13 per cent or 909,000 unemployed youth.¹³

Therefore, the funds in this last scenario could potentially be exhausted in the summer without needing the program to be extended all year round. However, given that some employers will still only apply for 8-week jobs (for example, if hiring a day camp counsellor), there could be more than 200,000 jobs subsidized for the same total cost.

Thus, the cost estimate presented in Table 4 could also be interpreted as the cost of subsidizing 3.2 million weeks of youth employment (200,000 jobs multiplied by 16 weeks) each year, for multiple combinations of number of jobs and duration.

Data and Methodology

To estimate the wages associated with the expansion to 200,000 summer jobs, the projected jobs are allocated between provinces/territories and between the three sectors (public, private and not-for-profit). These allocations are based on the most recent 3 years of geographical and sectoral CSJ proportions received from ESDC through Information Request IR0922.¹⁴

Minimum wages are projected based on each province/territory's indexation method.¹⁵ Where possible, projections are informed by inflation numbers from the most recent provincial/territorial budgets. The minimum wage projections and the number of hours per job allow for the projections of total wages subsidized, while recognizing that private and public sector jobs are only subsidized up to half the minimum wage.

MERCs for not-for-profit jobs and accommodation costs for all sectors of jobs are projected based on how they compare historically to total wages.

For the scenarios in which only some jobs are increased to 16 weeks, a weighted average of the number of weeks per job is calculated. Based on the 3 most recent years of data received from ESDC, just under half of CSJ youth are 15 to 19 years old. This proportion is used as a proxy for CSJ youth who cannot work for 16 weeks because they are full-time high school or CEGEP students. As well, the average number of weeks worked among this age group is approximately 8. Given that the rest of the CSJ youth will work for 16 weeks, the weighted average number of weeks per job in this scenario is approximately 12.

Due to a high level of uncertainty, PBO did not estimate the changes in income tax paid by CSJ youth or the effect of hiring CSJ youth on employers' revenue and expenses.

Lastly, there are various sources of uncertainty in this costing. Many aspects can be affected by broader economic conditions such as inflation and employer demand for workers. These factors can impact minimum wages and the number of CSJ jobs requested by employers. As well, the number of additional staff hired to administer the expanded CSJ program can be affected by wider governmental priorities about public service staffing levels.

Notes

¹ In summer 2026, jobs could start as early as April 20 and could end as late as August 29.

² This information was provided to PBO by Employment and Social Development Canada (ESDC) through [Information Request IR0922](#).

³ Non-students became eligible for the CSJ program as of 2019. Prior to that change, to be eligible the individual had to be a full-time student right before the summer and planning to go back to full-time studies in the fall. For more information, consult [Backgrounder: Canada Summer Jobs 2019](#).

⁴ Service Canada, which administers the CSJ program within ESDC, can grant exceptions to this rule in certain cases, such as if a youth has a disability.

⁵ For more information, consult [Canada Summer Jobs 2026 - Local Priorities by province, territory, and constituency](#). While Members of Parliament can choose local priorities and provide further input into the job allocation process, they alone do not make the final decisions about which jobs receive CSJ funding.

⁶ Information about national priorities can be found in the [Canada Summer Jobs Applicant Guide - How we assess your application](#).

⁷ Details about youth facing obstacles to employment can be found at [Canada Summer Jobs Applicant Guide - Prepare to apply – Recruitment plan](#).

⁸ These summers were in 2018, 2019, 2023, 2024 and 2025.

⁹ For more information about the number of jobs in summers 2019 to 2023, please consult [Report 12 – Canada Summer Jobs – Employment and Social Development Canada](#). For more information about the number of jobs in summers 2024 and 2025, please consult [Canada Summer Jobs Insights](#).

¹⁰ For the 100,000 and 200,000 targets, PBO allocates the target number between provinces/territories and sectors based on historical proportions. This produces numbers of jobs that are not whole numbers. The government prefers to exceed its target than fall short of it, and has exceeded its target in some recent years. As such, PBO rounds up the number of jobs in each province/territory and sector to the next whole number. Due

to this, the actual number of funded jobs estimated in each year is slightly higher than the year's target. For the status quo number of jobs, the PBO uses a similar approach but uses a historical average of the 2023 to 2025 numbers.

¹¹ Within the CSJ summer period, high school students typically have 10 weeks available to work full-time, whereas CEGEP students typically have 12 weeks.

¹² Data about the number of high school and CEGEP students in the CSJ program is unavailable. However, between 2023 and 2025, an average of 48 per cent of CSJ youth were 15 to 19 years old and an average of 69 per cent of all CSJ youth were students. This includes all types of students (i.e. full-time, part-time, high school, CEGEP, university, college, etc.).

¹³ PBO calculations using data from Statistics Canada [Table 14-10-0286-01: Unemployment rate and employment rate by type of student during summer months, monthly, unadjusted for seasonality](#).

¹⁴ For more information, consult [Information Request IR0922](#).

¹⁵ For provinces/territories with minimum wages that differ based on age and/or student status, or for which the minimum wage is expected to change during the CSJ period, a weighted average minimum wage is used.

