

NEWS RELEASE

Canada spent more than \$50 billion on corporate welfare across provinces in 2022

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For Immediate Release

VANCOUVER— Canadian governments spent \$52 billion in 2022 subsidizing businesses across all provinces—including federal, provincial, and local spending—finds a new report published today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“These subsidies for businesses—also known as corporate welfare—come with huge costs to government budgets and taxpayers while doing little if anything to stimulate economic growth,” said Tegan Hill, associate director of Alberta policy at the Fraser Institute and co-author of *The Cost of Business Subsidies in Canada: Updated Edition*.

In the study, business subsidies include unrequited government transfers to businesses but exclude other forms of government support such as loan guarantees and direct investment.

More specifically, government spending on business subsidies more than doubled (after adjusting for inflation) from \$24.5 billion in 2007 to \$52 billion in 2022 (the latest year of available data).

Total provincial subsidies experienced the highest increase over the period growing from \$13.2 billion in 2007 to \$35.4 billion in 2022. Federal subsidies increased from \$7.4 billion to \$11.2 billion over the period.

“Rather than give preferential treatment to certain companies and industries, it’s high time Canada reduce business taxes and help foster a pro-economic growth environment that gives all businesses the opportunity and incentives to succeed,” said Jake Fuss, director of fiscal policy at the Fraser Institute and study co-author.

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