

## **NEWS RELEASE**

## Trudeau government spending hits all-time high, including years of war and recession

January 7, 2020 For Immediate Release

**VANCOUVER**—Prime Minister Justin Trudeau's government has now recorded the highest ever per-person spending level of any federal government, including those that fought wars or faced recessions, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

"This high level of spending could lead to a rapid deterioration of federal finances should the economy continue to slow, or worse, enter into a recession," commented Jake Fuss, a senior policy analyst with the Fraser Institute and co-author of <u>Prime Ministers and Government Spending</u>, 2020.

The study, which tracks annual per person program spending (adjusted for inflation) by prime ministers since Confederation, finds that spending in 2019 (\$9,066 per Canadian) tops the previous all-time record of \$8,811 (in 2019 dollars) set by Prime Minister Stephen Harper in 2009 during the global recession.

In fact, three of the four highest-spending years on record—2017, 2018 and 2019–are all in the current government's tenure.

By comparison, at the height of World War Two in 1943, per person spending (in 2019 dollars) reached \$7,582 before dropping back down to \$1,766 by 1948. Another spending spike as a result of the 1981 recession saw per person spending reach \$7,557 in 1982.

"Wars and recessions clearly affect government finances, but high levels of spending without those same external pressures raises legitimate questions about fiscal discipline in Ottawa," said Jason Clemens, executive vice-president of the Fraser Institute.

(30)

## **MEDIA CONTACT:**

Jake Fuss, Senior Policy Analyst Fraser Institute

Jason Clemens, Executive Vice-President Fraser Institute

To arrange media interviews or for more information, please contact: Bryn Weese, Fraser Institute 604-688-0221 ext. 589 bryn.weese@fraserinstitute.org

Follow the Fraser Institute on Twitter Like us on Facebook

The Fraser Institute is an independent Canadian public policy research and educational organization with offices in Vancouver, Calgary, Toronto, Montreal and Halifax and ties to a global network of think-tanks in 87 countries. Its mission is to improve the quality of life for Canadians, their families and future generations by studying, measuring and broadly

communicating the effects of government policies, entrepreneurship and choice on their well-being. To protect the Institute's independence, it does not accept grants from governments or contracts for research. Visit <a href="www.fraserinstitute.org">www.fraserinstitute.org</a>