

NEWS RELEASE

Per person federal spending in 2022 expected to exceed highest level of spending pre-COVID; exceeds \$11,000—5.0 per cent higher than 2019

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VANCOUVER— Per-person federal program (inflation adjusted) spending is expected to reach \$11,498 in 2022-23—5 per cent higher than in 2019, pre-COVID, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

"The level of per person spending continues to be unprecedented for Canadian history even when compared to recessions and wartime, excluding the recent COVID crisis," commented Jake Fuss, associate director of fiscal studies at the Fraser Institute and author of *Prime Ministers and Government Spending: 2023 Edition*.

Federal spending reached \$19,208 per-person in 2020-21, which represents the highest level in the country's history. Critically, even if COVID-related spending is excluded, 2020 and 2021 are still the two highest per- person spending years in Canadian history.

Among post-World War II prime ministers, Prime Minister Justin Trudeau has overseen the second largest annual average increase in per-person spending at 6.8 per cent (though this spending was partly influenced by the COVID-19 pandemic).

In fact, the current federal government is on track to record the five highest levels of per-person spending (2018 to 2022) in Canadian history.

"By all indications, the 'new normal' level of federal program spending is substantially higher than even the record-high levels of spending we experienced pre-COVID—and this year is no exception," Fuss said.

"This high level of deficit-financed spending will have to be repaid eventually, and that will have implications for future taxpayers who will face tax hikes to pay for today's spending."

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