

Prime Ministers and Government Spending, 2020 edition

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Summary

■ This bulletin measures the level of per-person program spending undertaken annually by prime ministers, adjusting for inflation, since 1870. (The years from 1867 to 1869 were excluded due to a lack of inflation data).

■ Per-person spending spiked during World War I under Prime Minister Sir Robert Borden but essentially returned to pre-war levels once the war ended. The same is not true of World War II when William Lyon Mackenzie King was prime minister. Per-person spending stabilized at a permanently higher level after the end of that war.

■ The highest single year of per-person spending (\$9,066) between 1870 and 2019 was under Prime Minister Justin Trudeau in 2019.

■ Prime Minister Arthur Meighen (1920-1921) recorded the largest average annual decline in per-person spending (-23.1%). That decline, however, is largely explained by the rapid drop in expenditures following World War I.

■ Among post-World War II prime ministers, Louis St. Laurent oversaw the largest annual average increase in per-person spending (7.0%), though this spending was partly influenced by the Korean War.

■ Prime Minister Joe Clark holds the record for the largest average annual post-World War II decline in per-person spending (-4.8%), though his tenure was less than a year.

■ Both Prime Ministers Brian Mulroney and Jean Chrétien recorded average annual per-person spending declines of 0.3%.

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Introduction

It is always informative to look back at the spending records of Canada's prime ministers and consider how those records relate to the federal government's changing role, not just in the economy, but in society more broadly.

Before delving into the spending analysis, it is first necessary to understand the varying tenures of the country's 23 prime ministers. Table 1 lists the twenty-three prime ministers, their affiliated parties, and their terms as prime ministers. There are a number of unusual situations on the list, including several prime ministers who served non-consecutive terms.

Several prime ministers served in what could be categorized as transitional periods. For instance, the four prime ministers who followed Sir John A. Macdonald after his death in 1891 served a total of 5 years before Sir Wilfrid Laurier led the Liberals to government in 1896.¹ In fact, Sir Charles Tupper was prime minister for just three months before losing the 1896 election.

¹ Sir John Abbott, who immediately succeeded Sir John A. Macdonald, was forced to relinquish the prime ministership in 1892 due to failing health. Sir John Thompson, the first Roman Catholic prime minister, succeeded Abbott, but only served as prime minister from December 1892 to December 1894 when he died suddenly. Sir Mackenzie Bowell, who was then serving in the Senate, was appointed prime minister, a position he held from December 1894 to April 1896. He was forced to resign from office in what was considered a political crisis when seven ministers of his government resigned citing his incompetence. Sir Charles Tupper was recalled from the United Kingdom, where he served as the High Commissioner. He had been selected by those in Cabinet who moved against Bowell to be his successor. Tupper only served as prime minister for a few months before he was defeated by Sir Wilfrid Laurier in the July 1896 election.

A number of other prime ministers also served quite short terms. Prime Ministers John Turner (1984) and Kim Campbell (1993) both assumed power in the latter stages of a government's term only to lose the ensuing election. Arthur Meighen's second term as prime minister in 1926 lasted only three months before he lost to William Lyon Mackenzie King, the country's longest serving prime minister. Joe Clark served as prime minister in a minority Tory government for less than a year in 1979 before the government fell on its budget bill. He lost the subsequent 1980 election to Pierre Trudeau.

Prime Ministers Sir John A. Macdonald, William Lyon Mackenzie King, and Pierre Trudeau all experienced interruptions, of varying lengths, in their governance. All three lost elections, but retained the leadership of their parties, and were later re-elected.

The tenures of Sir Robert Borden and William Lyon Mackenzie King were each heavily influenced by the two world wars. Prime Ministers Alexander Mackenzie, Sir John Thompson, Sir Robert Borden, Arthur Meighen, William Lyon Mackenzie King, and R.B. Bennett all experienced prolonged recessions during their terms. These challenging situations are worth recalling in any assessment of the spending records of the various prime ministers.

Spending analysis and methodology

This bulletin focuses only on program spending by the prime ministers; it excludes interest costs on government debt. Were we to include interest costs, it would penalize or reward prime ministers on the level of accumulated debt prior to their tenure, or who faced higher or lower than normal interest rates, both of

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Table 1: Terms and Political Party of Canada's Prime Ministers

Prime Minister (Budget)	Party	Tenure as PM
Sir John A. Macdonald	Liberal Conservative Party	1867-1873, 1878-1891
Alexander Mackenzie	Liberal Party	1873-1878
Sir John Abbott	Liberal Conservative Party	1891-1892
Sir John Thompson	Liberal Conservative Party	1892-1894
Sir Mackenzie Bowell	Conservative Party	1894-1896
Sir Charles Tupper	Conservative Party	1896
Sir Wilfrid Laurier	Liberal Party	1896-1911
Sir Robert Borden	Conservative Party, Unionist Party*	1911-1917, 1917-1920
Arthur Meighen	National Liberal and Conservative Party**, Conservative Party	1920-1921, 1926
William Lyon Mackenzie King	Liberal Party	1921-1926, 1926-1930, 1935-1948
R.B. Bennett	Conservative Party	1930-1935
Louis St. Laurent	Liberal Party	1948-1957
John Diefenbaker	Progressive Conservative Party	1957-1963
Lester B. Pearson	Liberal Party	1963-1968
Pierre E. Trudeau	Liberal Party	1968-1979, 1980-1984
Joe Clark	Progressive Conservative Party	1979
John Turner	Liberal Party	1984
Brian Mulroney	Progressive Conservative Party	1984-1993
Kim Campbell	Progressive Conservative Party	1993
Jean Chretien	Liberal Party	1994-2003
Paul Martin	Liberal Party	2003-2006
Stephen Harper	Conservative Party	2006-2015
Justin Trudeau	Liberal Party	2015-Present

Notes:

* Sir Robert Borden led the Conservative Party from October 10, 1911 to October 11, 1917, and then the Unionist Party from October 12, 1917 to July 10, 1920. The Unionist Party was a centre-right party primarily consisting of members of the Conservative Party along with some former members of the Liberal Party.

** The National Liberal and Conservative Party is the name adopted by the Conservative Party in 1920 after the end of the Unionist Party.

Source: Parliament of Canada, 2019.

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which are out of the government's direct, immediate control.²

There are several breaks in the spending data that this report uses, which mean that the year-over-year comparisons in the change in per-person federal program spending in those years will, to some extent, be driven by the changes in the underlying data. For instance, there is a break in the spending data in 1983 based on a change in government accounting that makes year-over-year comparisons difficult for that year. Similarly, the fiscal year end was changed from June 30th to March 31st in 1907, which means the fiscal year in 1906 was only 9 months long.

The data used in this bulletin are based on government fiscal years, which, as noted, run from April 1st to March 31st.

This bulletin uses several different sources for the spending data. Specifically, program spending data from 1870-71 to 1966-67 come from the second edition of *Historical Statistics of Canada, Section H-Government Finance* (Leacy, ed., 1983). The data from 1966-67 to 2018-19 are from the Department of Finance's *Federal Fiscal Reference Tables 2019*. Finally, we used data from the Department of Finance's *Economic and Fiscal Update 2019* for the 2019-20 fiscal year. We adjusted federal program spending by population in order to calculate per-person spend-

ing.³ This is an important adjustment since changes in population influence aggregate program spending. In other words, the same dollar amount of increased spending can look quite different depending on whether a jurisdiction is experiencing robust or modest population growth, or perhaps even a population decline.

We have also adjusted program spending for inflation so that spending in 1900 is comparable with spending in 2019.⁴ Hereafter, per-person federal program spending adjusted for inflation is simply referred to as "per-person spending."

Finally, a word about the adjustments we needed to make with respect to which prime minister was designated responsible for various budgets, particularly in years when there were changes in government. Table 2 summarizes the allocation of budgets to prime ministers. At the bottom of the table is a list of decisions that were made for a number of budgets. Almost all of these decisions relate to budget years in which there was a transition within the governing party's leadership such that the prime ministership changed or there was an election. For example, the 1873-74 budget was allocated to Alexander Mackenzie rather than Sir John A. Macdonald, even though the latter started the fiscal year as prime minister. We assigned Mackenzie responsibility for the year's budget

² While debt-servicing costs are influenced by both prevailing interest rates and the level of accumulated debt from previous governments, that is not to say that the policies of the current government do not influence either interest costs or debt. For instance, current policies regarding the use of deficits to finance current spending can and do influence bond ratings, which affect the risk premiums required by bond investors. Similarly, current deficit policies will influence near-term debt accumulation.

³ Two Statistics Canada tables, 17-10-0063-01 (from 1870 to 1970) and 17-10-0005-01 (from 1971 to 2019) provide population data.

⁴ The price index used is a GDP deflator. For the period from 1870 to 1960, the data come from Urquhart (1988); for 1961 to 2018, the data are taken from Statistics Canada, CANSIM Table 36-10-0130-01. Data for 2019 and onwards come from the 2019 *Federal Budget* (Canada, Department of Finance, 2019b). (We chose the GDP deflator in part because the historical data go back to 1870, whereas the comparable CPI data are only available as of 1914.)

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(fiscal year) because he won the November 1873 election, which meant that most of the fiscal year occurred within his tenure.

In deciding which prime minister was allocated responsibility for a specific budget year, we used two factors. The single most important consideration was the prime minister's length of time in office during a budget year. However, a number of budget years were fairly evenly split between two different prime ministers. These situations were resolved by the second consideration: which prime minister delivered the original budget for the year, because he set the foundation for spending for the year.

In a few instances a new prime minister was elected late in a fiscal year but was nonetheless allocated responsibility for a budget because of material spending changes enacted after the election. For instance, there is legitimate debate about who properly bears responsibility for the spending enacted in the 2015 budget. The Conservatives led by then-Prime Minister Stephen Harper planned for \$263.2 billion in program spending, which represents spending of \$7,372 per person (or \$7,899 in 2019 dollars). Once the Trudeau Liberals assumed power after the election in October 2015, they increased program spending to \$273.6 billion, or \$7,664 per person (\$8,212 in 2019 dollars) in budget year 2015-16, some \$10.4 billion more than the Harper Conservatives originally planned (Canada, Department of Finance, 2019a).⁵ This per-person spending increase is a 4.0% rise over that originally planned by Prime Minister Harper.

⁵ This was largely a deliberate decision by the Trudeau government. For details on the planned spending increase, see Budget 2016, Table A1.2, p. 234: <https://www.budget.gc.ca/2016/docs/plan/budget2016-en.pdf>.

Figure 1 illustrates per-person spending beginning in 1870. (Data for 1867 to 1869 were not included because a lack of inflation data for those years prevented proper inflation adjustments). Table 2 identifies and lists the specific prime minister for each period.

A number of aspects of figure 1 are worth noting. First, per-person spending has increased from a little over \$100 (in 2019 dollars) in 1870 to \$9,066 in 2019. Put simply, Canada has seen a massive increase in federal government per-person spending over its 152-year history, which is indicative of the federal government's markedly expanded role in the economy.⁶

The spikes in per-person spending during both world wars are unmistakable in figure 1. Per-person spending rose under Prime Minister Sir Robert Borden from \$617 in 1913 to \$1,349 by 1916. It remained above \$1,000 per person in both 1918 and 1919 before being cut by almost 50% in 1920; per-person spending levels essentially returned to pre-World War I levels after the war ended.

World War II saw a more pronounced spike in per-person spending, which increased from \$811 in 1938 to a wartime high of \$7,612 per person in 1943. By 1948, William Lyon Mackenzie King's last year as prime minister, per-person spending had declined to \$1,772. Unlike the spending after World War I, per-person spending following World War II did not return to its pre-war level. Rather, per-person spending in

⁶ This bulletin focuses specifically and narrowly on measuring federal government per-person spending. It is not intended to be a commentary on, or an analysis of, whether such spending changes are positive or negative. For those interested in this normative issue, please see Tanzi (2011) and Di Matteo (2013).

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Table 2: Canadian Prime Ministers and Budgets, By Year

Prime Minister (Budget)	Years	Number of Budgets
Sir John A. Macdonald	1867-1872, 1878-1890	16*
Alexander Mackenzie	1873-1877	5
Sir John Abbott	1891	1
Sir John Thompson	1892-1894	3
Sir Mackenzie Bowell	1895	1
Sir Wilfrid Laurier	1896-1911	16
Sir Robert Borden	1912-1919	8
Arthur Meighen	1920-1921	2
William Lyon Mackenzie King	1922-1930, 1936-1948	22
R.B. Bennett	1931-1935	5
Louis St. Laurent	1949-1956	8
John Diefenbaker	1957-1963	6
Lester B. Pearson	1963-1967	5
Pierre E. Trudeau	1968-1978, 1980-1984**	16
Joe Clark	1979	1
Brian Mulroney	1985-1993***	9
Jean Chretien	1994-2003	10
Paul Martin	2004-2005	2
Stephen Harper+	2006-2015	10
Justin Trudeau+	2016-Present	4

Notes:

The fiscal year-end for the federal government was changed from June 30th to March 31st in 1907.

The budgets for 1867 to 1869 are excluded from this analysis due to a lack of inflation data.

This analysis uses the Department of Finance's *Economic and Fiscal Update 2019* for 2019-20 data.

* Does not include budgets for 1867–1869 due to a lack of inflation data for those years.

** The 1984 budget was allocated to the tenure of Pierre Trudeau even though John Turner served as PM during the year before losing the general election to Brian Mulroney and the Progressive Conservative Party.

*** The 1993 budget was allocated to the tenure of Brian Mulroney even though Kim Campbell served as PM during the year before losing the general election to Jean Chretien and the Liberal Party.

+ There is some legitimate debate regarding the allocation of the 2015 budget. The Conservatives under Prime Minister Harper were on course to spend \$263.2 billion in budget year 2015-16. The Liberals led by Prime Minister Trudeau initiated immediate spending increases after winning the election in October of 2015. The result was an increase in program spending in budget year 2015-16 from the planned \$263.2 billion to \$273.6 billion.

Details on the allocation of specific budgets:

1 The 1873 budget was allocated to Alexander Mackenzie who was elected in November 1873.

2 The 1878 budget was allocated to Sir John A. Macdonald as he was re-elected in October of 1878.

3 The 1891 budget was allocated to Sir John Abbott as he assumed leadership for Liberal-Conservative Party in June of 1891.

4 The 1894 budget was allocated to Sir John Thompson as he retained the leadership of the Liberal-Conservative Party until December of 1894, after which Sir Mackenzie Bowell assumed the leadership of the Conservative Party.

5 The 1896 budget was allocated to Sir Wilfrid Laurier rather than either Sir Mackenzie Bowell or Sir Charles Tupper since Laurier and the Liberal Party assumed power in July of 1896.

6 Note that no budget is allocated to Sir Charles Tupper who served as the Prime Minister from May 1896 to July 1896 before losing the general election to Sir Wilfrid Laurier.

7 The 1911 budget was allocated to Sir Wilfrid Laurier as he served as the Prime Minister until October of 1911. Though this represents the mid-point of the fiscal year, the Liberal Party would have delivered and implemented the budget for the year before the election.

8 The 1920 budget was allocated to Arthur Meighen as he was appointed Prime Minister in July of 1920.

9 Note that even though Arthur Meighen was appointed PM for 4 months in 1926, William Lyon Mackenzie King was allocated responsibility for the year's budget, in large measure because he was the PM for 8 of the 12 months of the year and he delivered the annual budget.

10 The 1930 budget was allocated to William Lyon Mackenzie King even though he lost the election in August, which is close to the mid-point of the budget year. However, the King Liberals delivered the budget in 1930, which is the main reason they are allocated responsibility for it.

11 John Diefenbaker was allocated responsibility for the 1957 budget since he was elected in June of that year.

12 The 1963 budget was allocated to Lester B. Pearson as he was elected as Prime Minister in April of 1963.

13 Pierre Trudeau was allocated responsibility for 1968 budget as he was appointed the leader of the Liberal Party in April of 1968.

14 The 1984 budget was jointly allocated to Pierre Trudeau and John Turner chiefly because the Liberal Party delivered the year's budget and did not lose the general election until September of 1984.

15 The 1993 budget was jointly allocated to Brian Mulroney and Kim Campbell chiefly because the Progressive Conservative Party delivered the year's budget and did not lose the general election until November of 1993.

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1948 (\$1,772) was 119% higher than in 1938 before wartime spending began.

Figure 2 focuses specifically on per-person spending following World War II, starting with Prime Minister Louis St. Laurent in 1949. Figure 2 is based on the same data as figure 1. Per-person spending grew relatively slowly during the St. Laurent and Diefenbaker periods following World War II, though, as discussed, at a higher level than prior to the war.

Increases in per-person spending began in earnest in 1966 under Prime Minister Lester Pearson and continued with his successor, Prime Minister Pierre Trudeau. Per-person spending was \$3,155 in 1962 when Pearson assumed office. Large increases were introduced in 1966 and continued thereafter as existing programs were expanded and new programs, such as Medicare, were introduced. Per-person spending reached \$4,038 in 1967, Pearson's last budget as prime minister.

When Prime Minister Pierre Trudeau assumed office in 1968, he continued the trend that Pearson had begun. At its peak in 1982, Pearson-Trudeau per-person spending reached \$7,587, a 141% increase from the 1962 budget, Prime Minister John Diefenbaker's last before losing the election to Lester B. Pearson.

Under Prime Minister Brian Mulroney, per-person spending became fairly stable, even decreasing slightly (by 0.3% annually, on average) during his tenure from 1984 to 1993.

The Mulroney era was followed by a period that was critically important to fiscal reform. Led by Prime Minister Jean Chrétien,⁷ the federal gov-

ernment reduced per-person spending by 16.5% in the three budgets between 1994 and 1996.⁸

The Chrétien era of reform was followed by increases in per-person spending under both Prime Minister Paul Martin and Prime Minister Stephen Harper. Per-person spending spiked 16.2% to \$8,811 during the recession of 2009 under the Harper government (figure 2). However, per-person spending then dropped by a cumulative total of 12.8% between 2009 and 2014.

Finally, and most recently, Prime Minister Justin Trudeau began to increase per-person spending immediately after his election in October 2015. The first increases were implemented aggressively at the end of 2015, which makes the allocation of that budget year more challenging. As noted previously, the Harper Conservatives planned for per-person spending to reach \$7,372 in 2015 (or \$7,899 in 2019 dollars). However, spending reached \$7,664 per person (or \$8,212 in 2019 dollars) after a series of spending initiatives were introduced directly after the election of the Trudeau Liberals. It is reasonable to allocate these incremental increases to the Trudeau government rather than the Harper government. Prime Minister Trudeau has further increased per-person spending to \$9,066 in 2019, the highest point in Canadian history.⁹

Crowley, Clemens, and Veldhuis (2010), and Veldhuis, Clemens, and Palacios (2011).

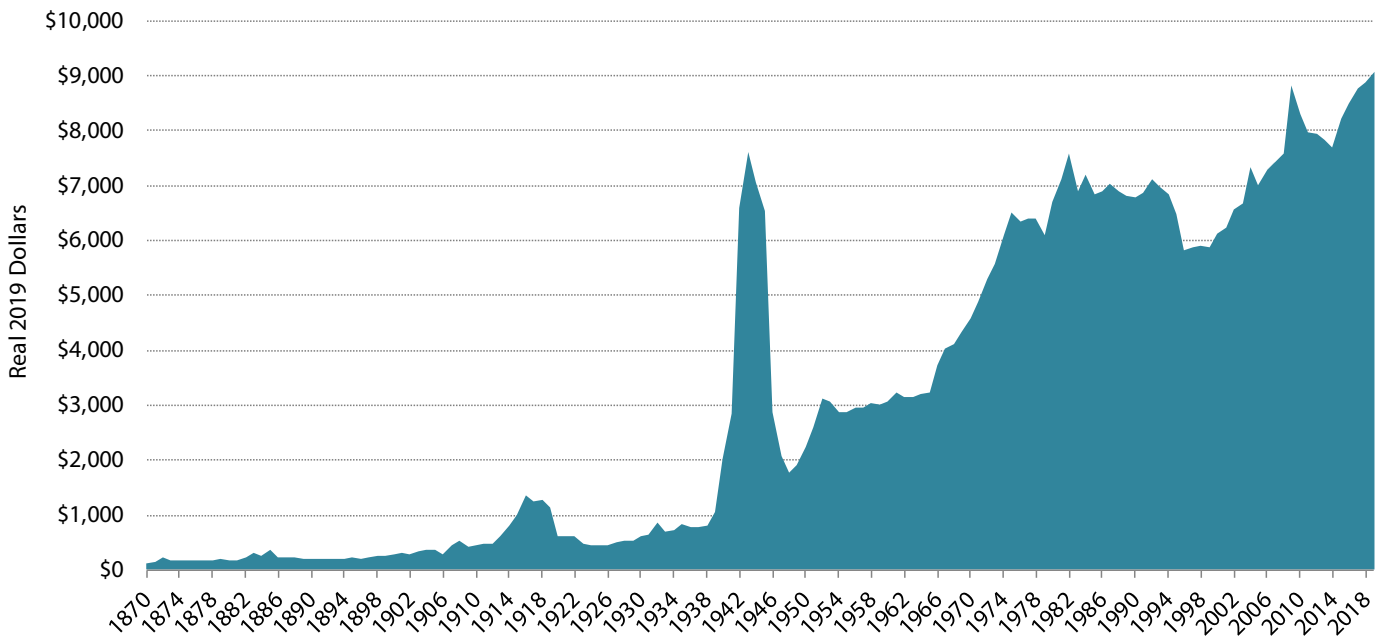
⁸ For a thorough discussion of the reforms enacted during the Chrétien era, see Clemens, Lau, Palacios, and Veldhuis (2017).

⁹ Much of the increase in spending in 2019 is driven by a low interest rate outlook which requires higher expenses on employee pensions and benefits.

⁷ For a discussion of the importance of the fiscal reforms enacted by the Chrétien government, see

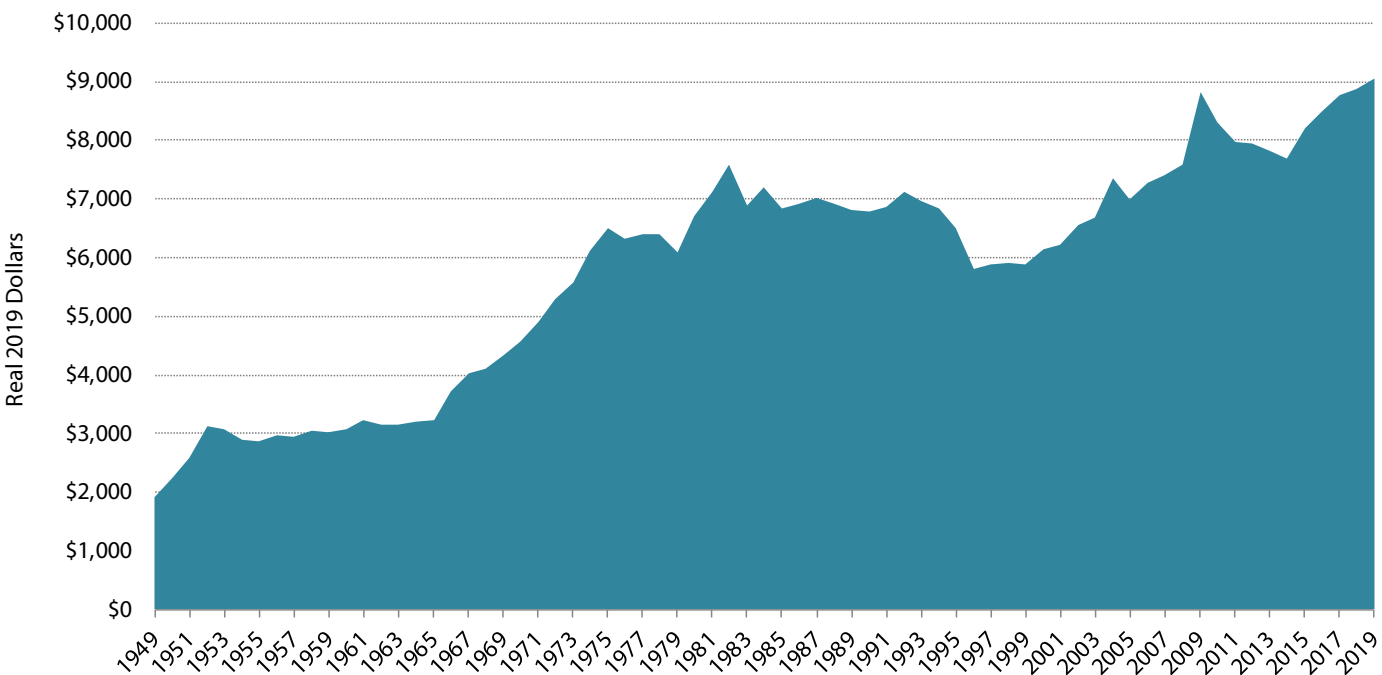
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Figure 1: Per Person Federal Program Spending, 1870-2019 (2019\$)



Sources: Leacy, 1983; Canada, Department of Finance, 2019a, 2019b, 2019c; Statistics Canada 2019a, 2019b, 2019c; calculations by authors.

Figure 2: Per Person Federal Program Spending, Post WWII (2019\$)



Source: See Figure 1.

Ranking prime ministers on spending

Table 3 shows the average annual change in per-person spending during the tenure of each prime minister. The measures for Sir John A. Macdonald, William Lyon Mackenzie King, and Pierre Trudeau indicate the per-person changes in spending over the entirety of their two terms as prime minister.

In addition, we have made adjustments for both Prime Minister Stephen Harper and Prime Minister Justin Trudeau to account for the extra spending enacted in fiscal year 2015 after the Trudeau Liberals won office. Specifically, the Harper government is allocated responsibility for changes in per-person spending up to the planned amount presented in the 2015 budget. The Trudeau government is allocated responsibility for the increase in per-person spending above that planned by the Harper government.

Figure 3 presents the ranking of the prime ministers based on the average annual change in per-person spending from the year before they took office as prime minister to their last budget. Based on the analysis employed, Sir Robert Borden ranks as having the highest average annual increase in per-person spending (12.8%). This increase is clearly linked to the added spending undertaken to support Canada's role in World War I.

The prime minister with the second highest average annual change in per-person spending was William Lyon Mackenzie King (9.0%). Mackenzie King's second term as prime minister (1935¹⁰ to 1948) was heavily affected by both the Great Depression and World War II. In fact, once the run-up linked to World War II is ex-

cluded from his tenure, per-person spending increases during this period were quite modest.

Sir John A. Macdonald is the prime minister responsible for the third highest average annual increases in per-person spending (8.8%). However, while these increases were large, they applied to very small amounts of federal spending. For example, between 1870 and 1873, spending increased from \$112.0 to \$187.0 per person, a pronounced percentage increase (66.9%), but a nominally small amount of money during the period in question. Moreover, Macdonald's tenure as prime minister occurred early in the nation-building phase and included the early development of a functioning federal government, and the development of the transcontinental railroad.

R.B. Bennett, who served as prime minister between Mackenzie King's two terms (1930-1935), oversaw the fourth highest average annual change in per-person spending (7.9%). Bennett's performance was clearly affected by the Great Depression, which saw the Canadian economy contract for five straight years between 1929 and 1933.¹¹

Thus far, a common theme has emerged in the ranking of prime ministers. The large increases in per-person spending that have put these prime ministers at the top of the rankings occurred before or during a world war, and were either heavily influenced by large military expenditures linked with wars, or took place at the birth of the nation. At that early stage, expenditures were relatively low, which meant that even with the large increases, expenditure levels were still very modest.

This same phenomenon can be observed at the other end of the rankings presented in figure 3.

¹⁰ This study did not assign Mackenzie King responsibility for the 1935 budget. See table 2 for details.

¹¹ The deflation observed during this period also affected the value of per-person spending.

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Table 3: Change in Per Person Spending

Prime Minister	Budgets	Average Annual Change
Sir John A. Macdonald*,**	1870 - 1872, 1878 - 1890	8.8%
Alexander Mackenzie	1874 - 1878	-5.8%
Sir John Abbott	1891	2.3%
Sir John Thompson	1892 - 1894	1.7%
Sir Mackenzie Bowell	1895	5.6%
Sir Wilfrid Laurier	1896 - 1911	6.2%
Sir Robert Borden	1912 - 1919	12.8%
Arthur Meighen	1920 - 1921	-23.1%
William Lyon Mackenzie King (Combined)	1931 - 1935, 1936 - 1948	9.0%
R.B. Bennett	1931 - 1935	7.9%
Louis St. Laurent	1949 - 1956	7.0%
John Diefenbaker	1957 - 1961	1.1%
Lester B. Pearson	1962 - 1967	5.2%
Pierre E. Trudeau	1968 - 1978, 1980 - 1984	4.1%
Joe Clark	1979	-4.8%
Brian Mulroney	1985 - 1993	-0.3%
Jean Chretien	1994 - 2003	-0.3%
Paul Martin	2004 - 2005	2.6%
Stephen Harper	2006 - 2015***	1.4%
Justin Trudeau	2015*** - Present	3.5%

Notes:

See Table 2 for details relating to the assumptions used to allocate individual budgets, particularly in transition years between prime ministers.

This analysis uses the Department of Finance's *Economic and Fiscal Update 2019* for 2019-20 data.

* Does not include budgets for 1867–1869 due to a lack of inflation data for those years.

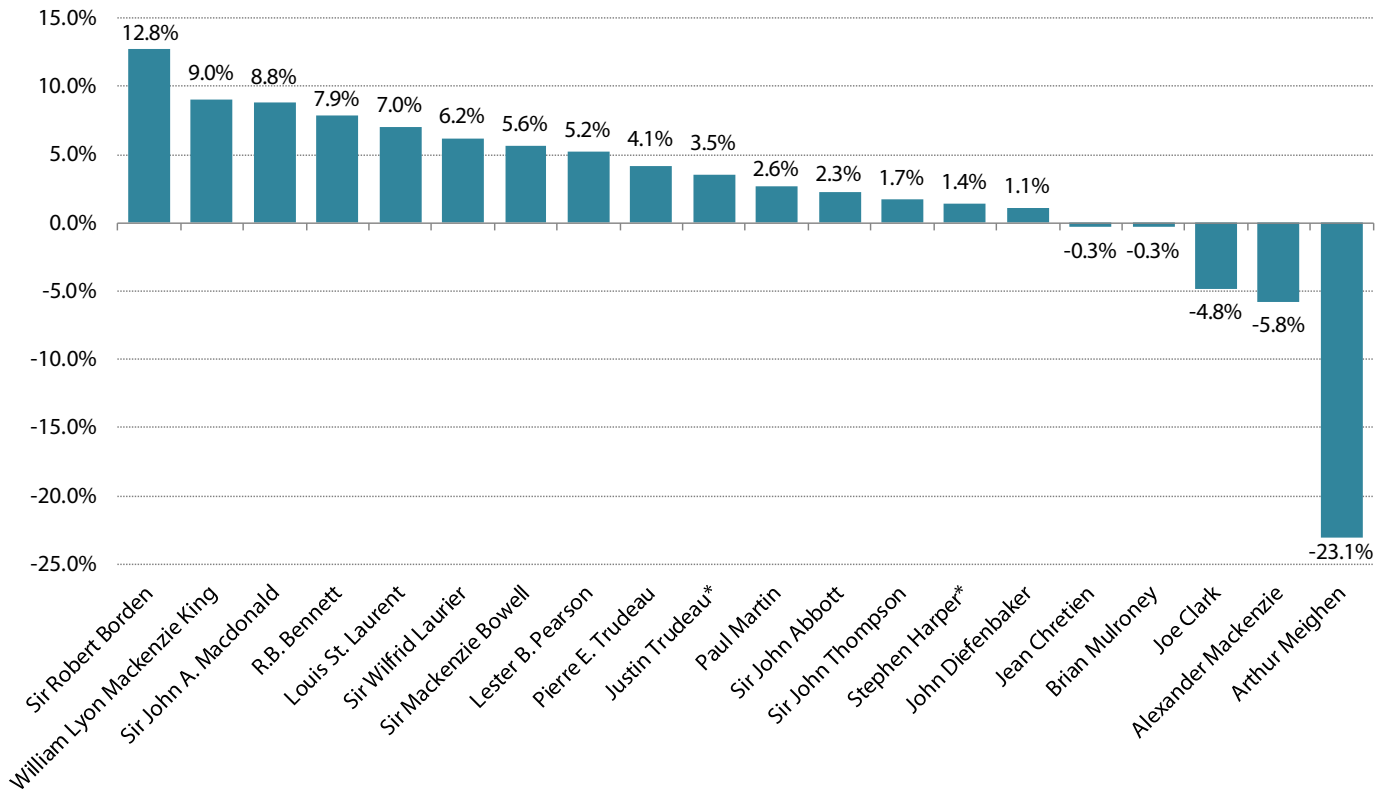
** Note that 15 budget years are used to calculate the simple average annual percentage change in per person spending for Sir John A. Macdonald's first term. The reason for this is that there is no previous year of data as Sir John A. Macdonald was Canada's first prime minister.

*** There is debate about the spending increases contained in the 2015-16 fiscal year. The Liberals were elected late in the fiscal year (October) but nonetheless initiated substantial spending in the latter half of the 2015-16 fiscal year. To reflect this fact, we made an adjustment to allocate Stephen Harper the portion of spending up to the originally budgeted amount (as per Budget 2015) and allocated the additional spending (in excess of Budget 2015) to Justin Trudeau for the 2015-16 fiscal year.

Source: See Figure 1.

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Figure 3: Ranking of Prime Ministers by Average Annual Change in Per Person Spending



* Note that the 2015 Budget is adjusted to reflect the originally planned level of program spending for the Harper government and the increased level of program spending for the Trudeau government.

Source: See Figure 1.

Prime Minister Arthur Meighen, who served as prime minister in 1920 and 1921, recorded the largest average annual decline in per-person spending (-23.1%). That decline is largely explained by the 47.0% drop in per-person spending in 1920 following the end of World War I as expenditures from the war effort were unwinding.

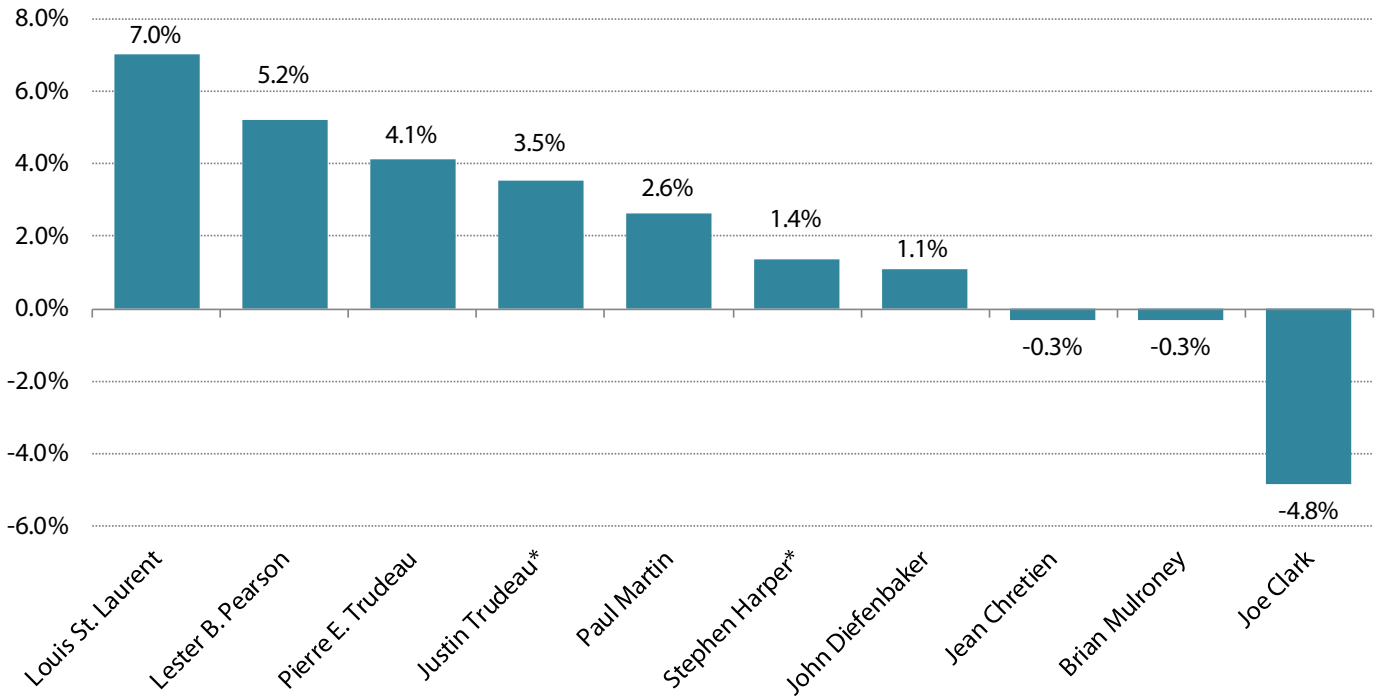
Prime ministerial spending after World War II

The difficulty of comparing wartime expenditures and spending linked with the founding of the country at a time when government was quite limited is addressed to some extent in figure 4. It ranks only post-World War II prime ministers on average annual changes in per-person spending.

Within figure 4's shortened time period, Prime Minister Louis St. Laurent recorded the highest

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Figure 4: Ranking of Prime Ministers by Average Annual Change in Per-Person Spending After World War II



* Note that the 2015 Budget is adjusted to reflect the originally planned level of program spending for the Harper government and the increased level of program spending for the Trudeau government.

Source: See Figure 1.

average annual increase in per-person spending (7.0%). (In the ranking of all prime ministers, St. Laurent is 5th overall). There is some argument to be made that Prime Minister St. Laurent's spending record was influenced by the Korean War, which ran from 1950 to 1953.

With average annual increases in per-person spending of 5.2%, Prime Minister Lester B. Pearson is Canada's second highest ranking post-World War II prime minister.

Pearson ranks slightly higher than Pierre Trudeau, who received third place for his average annual increases in per-person spending of 4.1%. His son, current Prime Minister Justin

Trudeau, has increased per-person spending by an average annual rate of 3.5%. His spending measure is adjusted for the 2015 budget in order to allocate the higher-than-originally planned spending in that year to the Trudeau government. It is important to note, however, that Prime Minister Justin Trudeau's tenure as prime minister has occurred during a period of stable economic growth (i.e., no war or recession).¹²

¹² Pearson's tenure also occurred during a period of stable economic growth. The period of analysis does not include 2020-21 and beyond, even though the 2019 federal Budget provides estimates for this

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Of the post-war prime ministers, Joe Clark oversaw the largest average annual decline in per-person spending (-4.8%), but he served as prime minister for less than a full year.

Amongst the longer-serving post-war prime ministers, only Brian Mulroney and Jean Chrétien recorded average annual per-person spending declines (-0.3% for each). However, while Prime Minister Brian Mulroney's term was characterized by small increases or decreases over most of the nine budget years, Prime Minister Jean Chrétien oversaw a pronounced period of spending reductions. Specifically, the Chrétien government reduced per-person spending by 16.5% between 1993 and 1996.

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