

# NEWS RELEASE

## Municipal government spending up 51% across Canada over the last decade

October 1, 2020  
For immediate release

**VANCOUVER**—Local governments across Canada have increased spending significantly in recent years—even before the COVID-19 pandemic and recession, finds a new study by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“Despite claims from municipal policymakers about their dire financial positions, local government revenues and spending have increased substantially,” said Livio Di Matteo, Fraser Institute senior fellow, economics professor at Lakehead University and author of *Local Leviathans: The Rise of Municipal Government Spending in Canada, 1990–2018*.

The study analyzes municipal government spending and revenue trends nationwide over the past 30 years.

For example, from 2008 to 2018 (the latest year of comparable data), total municipal spending in Canada increased 51 per cent, from \$68.4 billion to \$103.3 billion.

Over the same period, municipal property tax revenue increased 53 per cent, from \$36.1 billion to \$55.4 billion. And total municipal government revenues—including taxes, user fees and grants from other levels of government—increased 54 per cent.

The study also finds that local governments across Canada have built up significant cash reserves. In fact, nationwide, the net worth of local governments (including assets and reserves) has increased from \$207 billion in 2008 to \$363 billion in 2018.

“It’s important for Canadians to understand the true state of municipal government finances so they can decide whether their government representatives are making good decisions and whether they’re getting good value for their money,” Di Matteo said.

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