



NEWS RELEASE

Canada's combined federal-provincial debt will reach \$2 trillion in 2020/21; Ontario's combined debt now exceeds 100% of the province's economy

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For Immediate Release

TORONTO—Combined federal and provincial debt in Canada has doubled from \$1.0 trillion in 2007/08 to a projected \$2.0 trillion this year, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“Government debt—federally and in every province—has grown substantially over the past 13 years, creating serious fiscal challenges for Ottawa and provincial governments in the years ahead,” said Jake Fuss, a senior economist at the Fraser Institute and co-author of *The Growing Debt Burden for Canadians: 2021 Edition*.

The study finds that not only has Canada's projected combined government debt (the federal debt and the provincial debt of all 10 provinces) doubled since 2007/08, the year before the last recession, but the combined debt now equals 91.6 per cent of the Canadian economy—up from 65.2 per cent last year.

Crucially, on a per person basis, the combined debt this year ranges from a low of \$43,635 in British Columbia to a high of \$64,224 in Newfoundland & Labrador.

Ontario's combined government debt in 2020/21 exceeds 100 per cent of the provincial GDP, meaning it would take every dollar in Ontario's economy for a full year to eliminate the combined government debt of Ontarians.

Ontarians also have the highest combined debt (\$862.8 billion) and the second-highest combined debt per person (\$58,559), second only to Newfoundland and Labrador (\$64,224).

“It's important for Canadians to understand the magnitude of the country's combined debt because deficits and debt today could result in higher taxes in the future,” said Steve Lafleur, senior policy analyst at the Fraser Institute and study co-author.

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