NEWS RELEASE

Alberta’s net contribution to Ottawa—more than $94 billion—dwarfed contributions from other provinces in recent years

April 28, 2020
For Immediate Release

CALGARY—From 2014 to 2018, Alberta’s net contribution to federal finances was $94.9 billion, by far the largest contribution from any province during that time period, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“The last half-decade has been a terrible time for Alberta’s economy. Nevertheless, Albertans have continued to make an disproportionate contribution to the health of the federal government’s finances throughout this difficult period,” said Ben Eisen, Fraser Institute senior fellow and co-author of A Friend in Need: How Albertans Continue to Keep Federal Finances Afloat, 2020.

According to the study, which compares what Ottawa collects in a province with what Ottawa spends in the same province, from 2014 to 2018 (the latest year of comparable data) Alberta’s net contribution (again, $94.9 billion) far exceeded the contribution of any other province.

For example, during that same time period, Ontario ($58.3 billion) and British Columbia ($29.6 billion) were the only other net-contributor provinces. In other words, every other province received more from Ottawa than it sent to Ottawa.

It’s also worth noting that second-place Ontario’s population in 2018 (14.3 million people) was more than three times larger than Alberta’s (4.3 million).

Finally, Alberta’s outsized contribution (due to programs such as equalization) helped stabilize federal finances in recent years. In fact, without Alberta’s net contribution, Canada’s federal budget deficit in 2018/19 would have eclipsed $29 billion—more than double that fiscal year’s actual deficit of $14 billion.

“Alberta’s economic health is a matter of national importance, so the very serious struggles Alberta is dealing with right now have implications for all Canadians,” said study co-author Steve Lafleur.

“Canada cannot reach its full economic and fiscal potential unless Alberta is able to fulfill its own economic potential.”

MEDIA CONTACT:
Ben Eisen, Senior Fellow, Fraser Institute

To arrange media interviews or for more information, please contact:
Bryn Weese, Associate Director, Communications
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, and Montreal 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 www.fraserinstitute.org