

NEWS RELEASE

Health care costs typical Canadian family more than \$11,000 per year

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For immediate release

VANCOUVER—An average Canadian family of four (two parents with two children) will pay \$11,494 for public health-care insurance in 2016, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“Contrary to what many believe, health care in Canada isn’t free. While Canadians may not pay directly for medical services, they pay a substantial amount of money for health care through their taxes,” said Bacchus Barua, senior economist in the Fraser Institute’s Centre for Health Policy Studies and co-author of *The Price of Public Health Care Insurance*.

Most Canadians are unaware of the true cost of health care because they never see a bill for medical services and may only pay a small public health insurance “premium” tax (in provinces that impose them).

Moreover, general government revenue—not a dedicated tax—funds health care, making it difficult for Canadians to decipher how many of their tax dollars actually go towards public health insurance. However, using data from Statistics Canada and the Canadian Institute for Health Information, the study finds that the average Canadian family with two parents and two children earning \$122,101 will pay \$11,494 for public health-care insurance.

Due to Canada’s progressive tax system, there’s great disparity in how much Canadian families pay for health care. For example, the 10 per cent of Canadian families with the lowest incomes (earning \$14,028 on average) will pay an average of \$443 for public health insurance in 2016, while the families among the top 10 per cent of income earners (earning \$281,359 on average) will pay \$37,361.

“Hopefully these dollar amounts will help Canadians better understand just how much they pay for public health-care insurance and decide whether they’re getting good value for their money,” Barua said.

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