

NEWS RELEASE

Alberta workers paid \$27.9 billion more into CPP than Alberta retirees received in payments over past decade

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For immediate release

CALGARY—Alberta workers paid \$27.9 billion into the Canada Pension Plan over and above what retirees in the province received in CPP payments over the past 10-year period, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

In fact, Alberta's disproportionate net contribution to the CPP kept the payroll tax rate for all workers (prior to the expansion) at 9.9 per cent instead of 10.6 per cent—the amount required to maintain the same level of pension benefits without Alberta workers contributing.

“The Canada Pension Plan is just one example to show clearly that when Alberta is prosperous, the whole country benefits,” said Jason Clemens, executive vice-president of the Fraser Institute and co-author of *Albertans Make Disproportionate Contributions to National Programs: The Canada Pension Plan as a Case Study*.

The study finds that in 2017, Alberta workers made 16.5 per cent of all contributions to the Canada Pension Plan (CPP), but retirees in Alberta received just 10.8 per cent of CPP payments. In fact, the net contribution of Alberta workers to the CPP over and above what Alberta retirees were paid in CPP payments was \$2.9 billion that year.

From 2008 to 2017, the total net contribution from Alberta workers to the CPP was a staggering \$27.9 billion. (This analysis excludes Quebec, which has opted out of the CPP.)

Crucially, Alberta's net contribution was nearly four times that of Ontario, the next highest contributing province, with a net contribution of \$7.4 billion over the same 10-year period.

“Canadians in other parts of the country clearly benefit from Alberta's outsized financial contribution to the country, so Canadians and governments across the country should be more accommodating to help Alberta prosper,” Clemens said.

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