



# NEWS RELEASE

## Prime Minister Trudeau on pace to lead all PMs in debt accumulation outside world wars or recessions

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For Immediate Release

**VANCOUVER**—Prime Minister Justin Trudeau is on track to increase per-person federal debt more than any other prime minister who didn't face a world war or economic recession, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“Government debt matters—higher debt means more tax dollars are diverted away from important public programs in order to pay interest, and it leaves future generations on the hook to pay for today's spending through higher taxes,” said Charles Lammam, director of fiscal studies at the Fraser Institute and co-author of *An Analysis of Federal Debt in Canada by Prime Ministers Since Confederation*.

In light of Canada's 150<sup>th</sup> anniversary, the study tracks the debt legacies of every Canadian prime minister since Confederation—how much they increased or decreased total federal debt (which includes all federal financial liabilities) during their time in office, after accounting for both inflation and population changes.

According to his own government's projections, Prime Minister Justin Trudeau will increase per-person federal debt by five per cent from 2015 to 2019—the largest increase of any prime minister whose time in office didn't include a world war or economic recession.

Compare that to other recent Liberal prime ministers such as Jean Chrétien, Paul Martin, and Lester B. Pearson whose tenures also did not feature a world war or recession. Chrétien cut per-person debt by 13 per cent while Martin cut per-person debt by 8 per cent. And Pearson reduced debt by 6 per cent.

There are only three prime ministers in history who did not preside over a world war or recession but who increased per-person federal debt over their tenure: Justin Trudeau, along with John Abbott and MacKenzie Bowell, both of whom served in the late 19<sup>th</sup> century.

“The fact is, Justin Trudeau is the only prime minister in the last 120 years who has increased the federal per-person debt burden without a world war or recession to justify it,” Lammam said.

Among all Canadian prime ministers, Robert Borden, who governed during the First World War and four years of economic downturns, increased per-person debt levels the most (188 per cent). Louis St. Laurent lowered the federal per-person debt the most (34 per cent), even though his tenure included two recessions.

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