

NEWS RELEASE

The average Canadian family paid \$39,299 in taxes last year—more than housing, food and clothing combined

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For immediate release

TORONTO—The average Canadian family spent more than 44 per cent of its income on taxes in 2018, more than housing, food and clothing costs combined, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“Taxes—not life’s basic necessities—remain the largest household expense for families across the country,” said Finn Poschmann, resident scholar at the Fraser Institute, citing the *Canadian Consumer Tax Index*, which tracks the total tax bill of the average Canadian family from 1961 to 2018.

Last year, the average Canadian family earned \$88,865 and paid \$39,299 in taxes compared to \$32,214 on the basic necessities—housing (including rent and mortgage payments), food and clothing combined.

In other words, the average Canadian family spent 44.2 per cent of its income on taxes compared to 36.3 per cent on basic necessities.

This is a dramatic shift since 1961, when the average Canadian family spent much less of its income on taxes (33.5 per cent) than the basic necessities (56.5 per cent).

The total tax bill includes visible and hidden taxes paid to the federal, provincial and local governments, including income, payroll, sales, property, carbon, health, fuel, alcohol taxes and more.

Moreover, since 1961, the average Canadian family’s total tax bill has increased by 2,246 per cent, dwarfing increases in annual housing costs (1,593 per cent), clothing (769 per cent) and food (639 per cent).

“Of course, taxes help fund important public services, but with more than 44 per cent of their income going to taxes, Canadians might wonder whether they’re getting good value for their tax dollars,” said Jake Fuss, a Fraser Institute economist and study co-author.

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