



NEWS RELEASE

Canada ranks among top five jurisdictions worldwide for economic freedom, but recent policy changes threaten Canada's ranking in the coming years

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For immediate release

TORONTO—Canada has moved into the top five among the world's most economically free countries, according to the Fraser Institute's annual *Economic Freedom of the World* report released today.

But a growing government, substantial tax increases, and encroaching regulations threaten Canada's ranking in the coming years.

The report measures the economic freedom (levels of personal choice, ability to enter markets, security of privately owned property, rule of law, etc.) by analyzing the policies and institutions of 159 countries and territories.

Canada tied fifth overall in the 2016 report, which uses data from 2014, the last year of available comparable statistics. Since then, the provincial Ontario government and new governments in Alberta and at the federal level have increased taxes significantly and introduced stifling regulations on industry and business that jeopardize the gains in economic freedom Canada has made.

"Canada remains one of the most economically-free jurisdictions in the world. However, increased government intervention, higher taxes, and growing regulation at the federal level and in some provinces will leave Canadians materially less free," said Fred McMahon, Dr. Michael A. Walker Research Chair in Economic Freedom with the Fraser Institute.

"Given the clear link between economic freedom and prosperity, we should expect recent changes to have negative and long-term effects on economic opportunities in Canada."

According to this year's report, Hong Kong is again number one, followed by Singapore, New Zealand and Switzerland.

The United States ranked 16th for the second year in a row.

Venezuela is once again last. Some despotic countries such as North Korea and Cuba can't be ranked due to lack of data.

"Economic freedom leads to prosperity and a higher quality of life, while the lowest-ranked countries are usually burdened by oppressive regimes that limit the freedom and opportunity of their citizens," McMahon said.

The Fraser Institute produces the annual *Economic Freedom of the World* report in cooperation with the Economic Freedom Network, a group of independent research and educational institutes in nearly 100 countries and territories. It's the world's premier measurement of economic freedom, ranking countries based on economic freedom, which is measured in five areas: size of government, legal structure and security of property rights, access to sound money, freedom to trade internationally, and regulation of credit, labour and business.

This year's report was prepared by James Gwartney, Florida State University; Robert A. Lawson, Southern Methodist University; and Joshua Hall, West Virginia University.

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