

NEWS RELEASE

Canada trails U.S. in annual economic freedom ranking

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For immediate release

TORONTO—Canadians are less economically free than Americans—and the gap is widening, according to the Fraser Institute’s annual *Economic Freedom of the World* report released today.

The United States ranks 6th in this year’s index, while Canada is tied for 10th with Australia.

“Canada has gone from being a top five country two years ago, to barely hanging in the top 10 on this year’s index, while on the other hand, the United States has improved from 13th to 6th,” said Fred McMahon, Dr. Michael A. Walker Research Chair in Economic Freedom with the Fraser Institute.

“Higher taxes and growing regulation at the federal level and in some provinces have made Canadians materially less economically free. This should be worrying to all Canadians as lower levels of economic freedom leads to slower economic growth and less investment,” McMahon added.

The report measures the economic freedom—the ability of individuals to make their own economic decisions—by analyzing the policies and institutions of 162 countries and territories. These include regulation, freedom to trade internationally, size of government, sound legal system and property rights, and government spending and taxation. The 2018 report is based on data from 2016, the last year of available comparable statistics.

According to this year’s report, Hong Kong is again number one followed by Singapore, New Zealand, Switzerland, Ireland, the United States, Georgia, Mauritius and the United Kingdom.

“While Hong Kong is still the most economically free, there is a valid concern that interference from mainland China—which ranks 108th in economic freedom—will ultimately lead to deterioration in Hong Kong’s top position, particularly in rule of law, which helps ensure equal freedom for all,” McMahon said.

Other notable countries include Germany (20th), Japan (41st), France (57th) and Russia (87th).

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

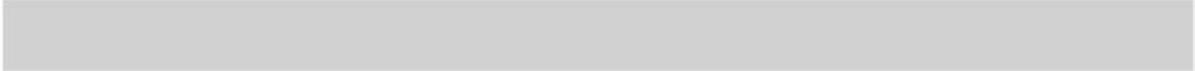
The Fraser Institute produces the annual *Economic Freedom of the World* report in cooperation with the Economic Freedom Network, a group of independent research and educational institutes in nearly 100 countries and territories. It’s the world’s premier measurement of economic freedom.

The report was prepared by James Gwartney, Florida State University; Robert A. Lawson and Ryan Murphy of Southern Methodist University; and Joshua Hall, West Virginia University.

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