

NEWS RELEASE

Canadians in every province will pay more than \$1,750 per person in 2023-24 on government interest costs amounting to \$81.8 billion

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VANCOUVER—Canadians in every province will pay more than \$1,750 per person in 2023/24 on government interest costs, finds a new study published by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“Interest must be paid on government debt, and the more money governments spend on interest payments the less money is available for the programs and services that matter to Canadians,” said Jake Fuss, director of fiscal studies at the Fraser Institute and author of *Federal and Provincial Debt Interest Costs for Canadians, 2024 edition*.

The study finds that taxpayers across Canada will pay a total of \$81.8 billion on interest payments for the federal and provincial debts this year alone.

The federal government will spend \$46.5 billion on debt servicing charges in 2023/24, which is more than the government expects to spend on childcare benefits (\$31.2 billion) and almost as much as the Canada Health Transfer (\$49.4 billion).

Nationally, Newfoundland and Labrador’s combined federal and provincial interest costs is the highest in the country at \$3,225 per person. Manitoba is the next highest at \$2,728 per person.

Meanwhile, total expenditures on interest costs for Albertans (\$8.6 billion) and Ontarians (\$31.5 billion) are nearly equivalent to expected spending on K-12 education in their respective provinces this year.

“Even before the COVID-19 pandemic and recession, governments across Canada and in Ottawa were racking up large debts, and this debt imposes real costs on Canadian taxpayers in the form of interest payments,” said Fuss.

“Interest payments across the country are substantial, and that takes money away from other important priorities.”

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MEDIA CONTACT:
Jake Fuss, Director, Fiscal Studies
Fraser Institute

To arrange media interviews or for more information, please contact:
Drue MacPherson, Fraser Institute
(604) 688-0221 Ext. 721
drue.macpherson@fraserinstitute.org

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