

NEWS RELEASE

Newfoundland and Labrador among most indebted provinces in Canada, New Brunswick and Nova Scotia middling debt performers, P.E.I. carries relatively small government debt burden

Jan. 16, 2020

For Immediate Release

HALIFAX—On several measures of government debt, the Atlantic provinces vary widely between Newfoundland and Labrador, which has some of the highest levels of government indebtedness of any province, to Prince Edward Island, which has comparatively low levels of government debt, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“As budget season approaches, provincial policymakers should understand the scope of their province’s debt problem, which is ultimately borne by taxpayers,” said Alex Whalen, policy analyst at the Fraser Institute and coordinator of the institute’s Atlantic Canada Initiative.

The Growing Debt Burden for Canadians includes several measures of government debt for all four Atlantic provinces.

- Newfoundland and Labrador:
 - provincial government debt of \$14.0 billion in 2019/2020
 - largest provincial debt as a share of the provincial economy (40.6 per cent) among all provinces
 - highest per-person combined debt (the provincial debt combined with the province’s portion of the federal debt) of any province (\$48,478 per Newfoundlander)
 - New Brunswick:
 - provincial government debt of \$13.8 billion in 2019/2020
 - since 2007/2008, one year before the last recession, provincial debt as a share of the provincial economy grew by 11.6 percentage points—the largest increase in the region and fourth largest in the country
 - over the same time period, provincial-only per-person debt (\$17,794 in 2019/2020) increased by 87.7 per cent, fourth largest increase in the country
 - Nova Scotia:
 - provincial government debt of \$15.3 billion in 2019/2020
 - since 2007/2008, provincial debt as a share of the provincial economy decreased by 2.3 percentage points, one of only two provinces to experience a decline
 - over the same time period, provincial-only per-person debt (\$15,726 in 2019/2020) increased by 21.4 per cent, the smallest increase in Canada
- Prince Edward Island:
- provincial government debt of \$2.2 billion in 2019/2020
 - since 2007/2008, provincial debt as a share of the provincial economy increased by 1.8 percentage points, the smallest increase of any province
 - over the same time period, provincial-only per-person debt (\$14,300 in 2019/2020) increased by 46.2 per cent

“Government debt remains a serious fiscal challenge in much of Atlantic Canada, and the region’s aging population will only compound the problem,” Whalen said.

(30)

MEDIA CONTACTS:

Alex Whalen, Policy Analyst, Fraser Institute

Jason Clemens, Executive Vice-president, Fraser Institute

To arrange media interviews or for more information, please contact:

Mark Hasiuk, 604-688-0221 ext. 517, mark.hasiuk@fraserinstitute.org

[Follow the Fraser Institute on Twitter](#) | [Like us on Facebook](#)

The Fraser Institute is an independent Canadian public policy research and educational organization with offices in Vancouver, Calgary, Toronto, and Montreal and ties to a global network of think-tanks in 87 countries. Its mission is to improve the quality of life for Canadians, their families and future generations by studying, measuring and broadly communicating the effects of government policies, entrepreneurship and choice on their well-being. To protect the Institute's independence, it does not accept grants from governments or contracts for research. Visit www.fraserinstitute.org