

# NEWS RELEASE

## Ontario needs more than one year of improved economic growth to make-up for stagnant decade

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For immediate release

**TORONTO**—Despite upbeat government rhetoric, Ontario’s economic growth in 2017 was not enough to repair the damage done during the preceding decade when the province’s economic performance was among the worst in Canada, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“Over the course of a decade, Ontario was near the bottom of the heap for private sector job-creation, economic growth and increases in household income. The recent uptick in growth is good news, but given the length of Ontario’s slump, it’s far too early to celebrate,” said Ben Eisen, director of the Fraser Institute’s Ontario Prosperity Initiative and co-author of *Ontario’s Lost Decade: 2007-2016*.

“Most of Canada—including Ontario—enjoyed stronger economic growth last year, but it isn’t expected to last with the Bank of Canada and others forecasting slower growth in the years ahead,” Eisen added.

The study finds that from 2007 to 2016 Ontario was at or near the bottom on several important economic indicators compared to Canada’s other provinces. For example:

- **GDP growth per person:** Ontario was 7<sup>th</sup> out of 10, with average annual GDP growth of 0.4 per cent per person over the 10-year period, compared to 0.6 per cent for the rest of Canada.
- **Annual private-sector job growth:** Ontario was 8<sup>th</sup> out of 10, with barely half the average private-sector job growth of the rest of Canada—0.6 per cent annually compared to 1.1 per cent.
- **Debt accumulated per person:** Ontario was 9<sup>th</sup> out of 10, having added \$9,313 in new government debt per Ontarian during the 10-year period compared to \$5,770 for Canadians in other provinces.
- **Median household income growth:** Ontario finished last—10<sup>th</sup> out of 10—with just 3.8 per cent income growth for the median household, compared to 15.7 per cent in the rest of Canada from 2005 to 2015, the most recent year of available data.

“Queen’s Park should not be complacent about Ontario’s economic prospects, given more sluggish growth is looming on the horizon,” Eisen said.

“Instead of boasting about last year, policymakers should instead focus on identifying strategies that can ensure Ontario’s next economic decade is stronger than the last one.”

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