

# A Poll of Canadians on the Average Family's Taxes

by Jake Fuss

## Summary

■ As the total tax bill continues to rise for the average Canadian family, it's critical to better understand the opinions of Canadians on both their tax burdens and the value of services they receive from governments in return for their tax dollars.

■ The Fraser Institute commissioned a poll from Leger in early 2023 that surveyed 1,554 Canadians about their opinions on the tax burdens imposed on families.

■ There is a large discrepancy between what the average family actually pays in total taxes versus what Canadians believe the average family should be paying.

■ 74% of Canadians surveyed feel that the average family is being over-taxed by the federal, provincial, and local governments.

■ 80% of Canadians support the average family paying 40% or less of their income in total taxes to all levels of government. Over half (52%) of Canadians believe the average family should pay 25% or less of their income to governments.

■ Only 6% of Canadians expressed support for the idea that the tax burden should represent more than 40% of the average family's income. This is especially interesting considering that the average Canadian family paid 45.2% of its income to the federal, provincial, and local governments in 2022.

■ Nearly half (44%) of Canadians feel they receive poor or very poor value from the services they receive from governments like health care, education, police, roads, and national defence.

■ Only 16% of Canadians believe they are getting good or great value from the services they receive from governments.

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## Introduction

While it is simple enough for Canadians to check their income tax returns or pay stubs to see how much they pay in personal income tax and payroll taxes (ie., CPP and EI contributions), it's much more difficult for ordinary Canadians to calculate their total tax bill. It's difficult, in large part, because Canadians pay so many different taxes. Not only do they pay income and payroll taxes, they also pay sales taxes, health taxes, property taxes, profit taxes, so-called sin taxes, fuel taxes, and many others.

The Fraser Institute's Tax Freedom Day study simplifies the process by calculating what the average Canadian family (two or more people) pays in total taxes each year. In 2022, the average Canadian family was estimated to have paid 45.2% of their total income on federal, provincial, and local taxes (Palacios et al., 2022). This is a substantial increase from 1981 (the earliest year tracked in the study) when the total tax bill of the average Canadian family amounted to 40.8% of its income (Palacios et al., 2022).

However, despite an increasing tax burden on average families, little is known about the opinions of Canadians on the current tax burden they face. Do they believe their own tax bill should be lower, the same, or higher than it is now? What percentage of their income do Canadians believe the average family should pay in total taxes? Are Canadians confident they are getting good value from governments for their money? This bulletin seeks to answer these questions by examining results from a commissioned survey that asked Canadians about their opinions on the tax burden imposed on average families.

## Details on polling methodology

The Fraser Institute commissioned a poll from Leger (2023) that surveyed Canadians about

their opinions on the tax burdens imposed on families. A total of 1,554 Canadians were surveyed from January 20 to 22, 2023 via Leger's online panel.

The survey was a "non-probability survey," in which a margin of error is technically not reported. If the data were collected through a random sample, the margin of error would be  $\pm 2.5\%$ , 19 times out of 20. Results were weighted according to age, gender, education level, mother tongue, region, and presence of children in households in order to give a representative sample of the population in Canada. The numbers presented in this poll have been rounded to the nearest whole number. However, the sums presented were calculated using raw values, so may not correspond exactly to the manual addition of these numbers.

## I. Are Canadian families paying too much in taxes?

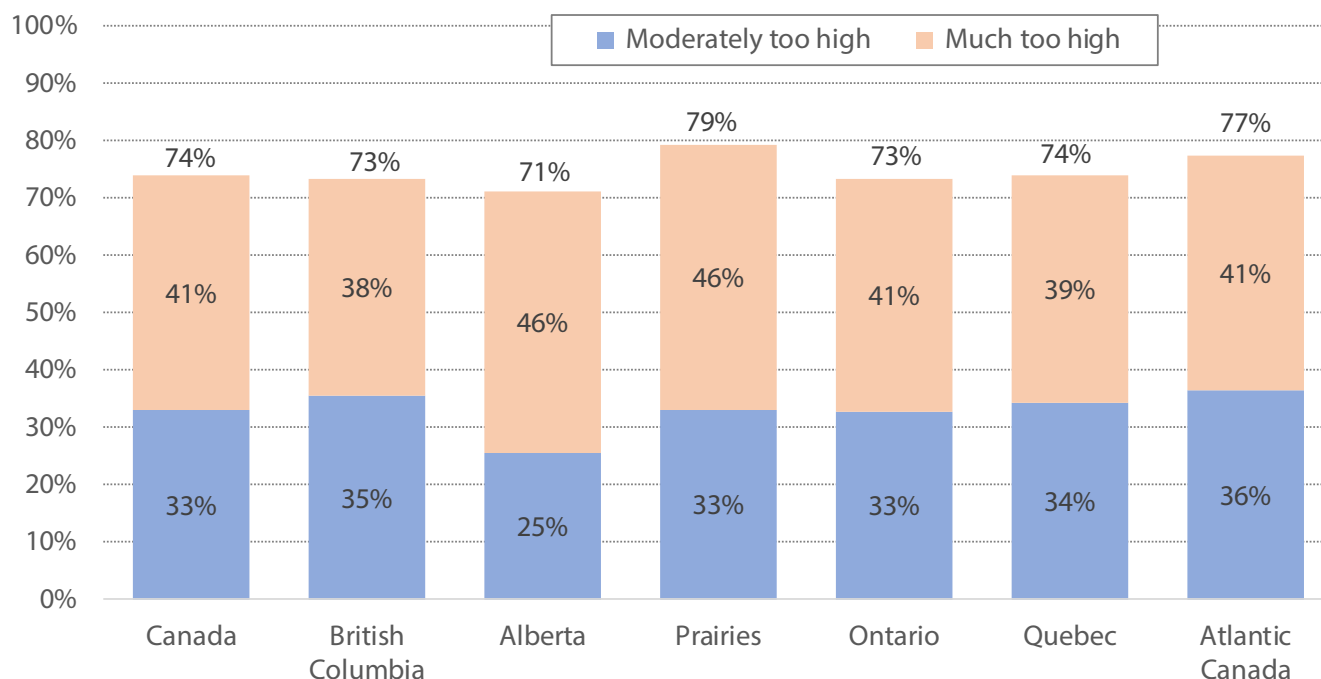
The Leger poll asked Canadians aged 18 or older the following: *In 2022, the average family with two adults working paid 45% of their income to Canadian governments: federal, provincial, and local. Do you believe paying this percentage of income in taxes is too high, too low, or relatively right?* Respondents could select from the following responses:

- much too high,
- moderately too high,
- relatively right,
- moderately too low,
- much too low
- I don't know/prefer not to answer.

Approximately three-quarters (74%) of the Canadians surveyed felt that the tax burden imposed on the average family was too high (figure

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Figure 1: Percentage of Canadians That Feel Taxes for the Average Family Are Too High, by Region



1). Figure 1 includes respondents who selected either *much too high* or *moderately too high*.

Regionally, the Prairie provinces (Manitoba and Saskatchewan) expressed the highest level of support for the idea that the current tax burden for average families was too high with 79% of respondents either answering that the tax burden was *moderately too high* or *much too high*. At least 71% of respondents in every region across the country said that total taxes for the average family were too high.

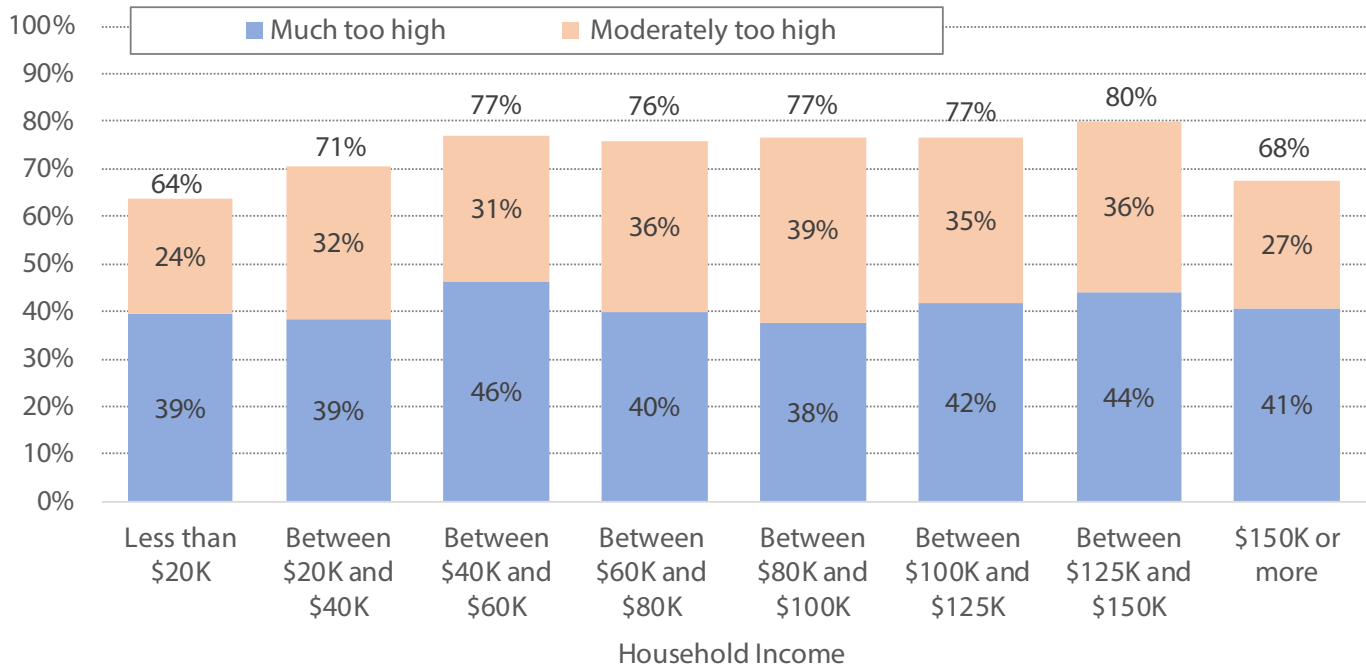
There were slight differences in responses based on household income. For instance, four out of five (80%) Canadians with \$125,000 to \$150,000 in household income believe that taxes are too high for the average family (see fig-

ure 2). Respondents with less than \$20,000 in household income were the least likely income group to say that taxes are too high for the average family, though the vast majority of them (64%) still agreed. More than 63% of respondents in every income group agreed that the total tax bill for the average family is *moderately too high* or *much too high*.

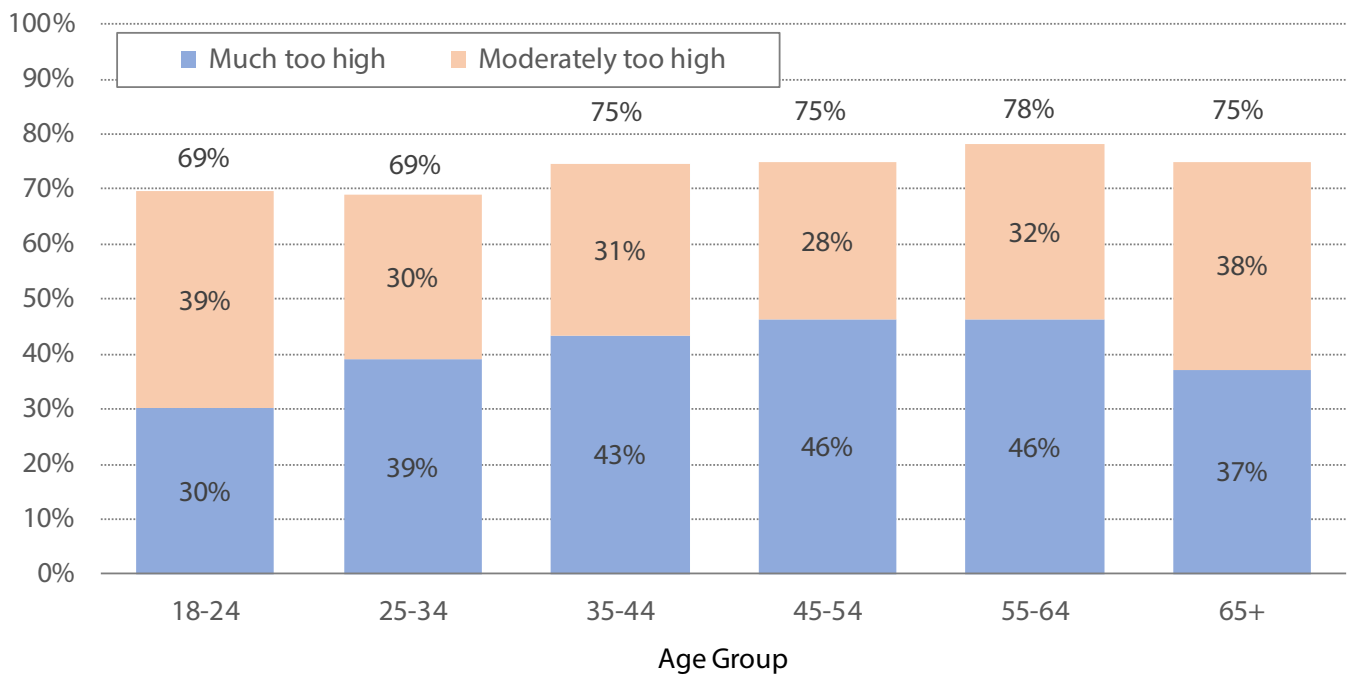
The polling results were also fairly consistent among age groups. Older Canadians were more likely than younger Canadians to believe that the average family is over-taxed, but the differences were not large. At least three-quarters (75%) of Canadians aged 35 or over feel that the tax bill for the average family is too high, while nearly seven in ten (69%) Canadians between the ages of 18 and 34 agreed that taxes were too high.

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**Figure 2: Percentage of Canadians That Feel Taxes for the Average Family Are Too High, by Household Income Group**



**Figure 3: Percentage of Canadians That Feel Taxes for the Average Family Are Too High, by Age Group**



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## II. How much should Canadian families pay in total taxes?

The Leger poll asked a follow-up question to Canadians to gauge their opinions on what the appropriate tax burden should be for the average family. The poll asked Canadians aged 18 or older the following: *In your opinion, what percentage of its income should the average family with two working adults pay in total taxes to Canadian governments?* Respondents could select from the following options:

- At or below 10.0%,
- 10.1% to 15.0%,
- 15.1% to 20.0%,
- 20.1% to 25.0%,
- 25.1% to 30.0%,
- 30.1% to 35.0%,
- 35.1% to 40.0%,
- 40.1% to 45.0%,
- 45.1% to 50.0%,
- 50.1% to 55.0%,
- 55.1% to 60.0%,
- 60.1% to 65.0%,
- 65.1% to 70.0%,
- more than 70.0%
- I don't know/I prefer not to answer.

Table 1 highlights the results. A large majority (80%) of Canadians expressed a desire for the average family to pay 40% or less of its income to governments in total taxes. Only 6% of those responding to the survey said that the tax burden should represent more than 40% of the average family's income. Moreover, the majority of respondents (52%) in the survey believe that the average family should pay 25% or less of its income in total taxes. This is especially inter-

Table 1: Preferred Tax Burden for the Average Canadian Family

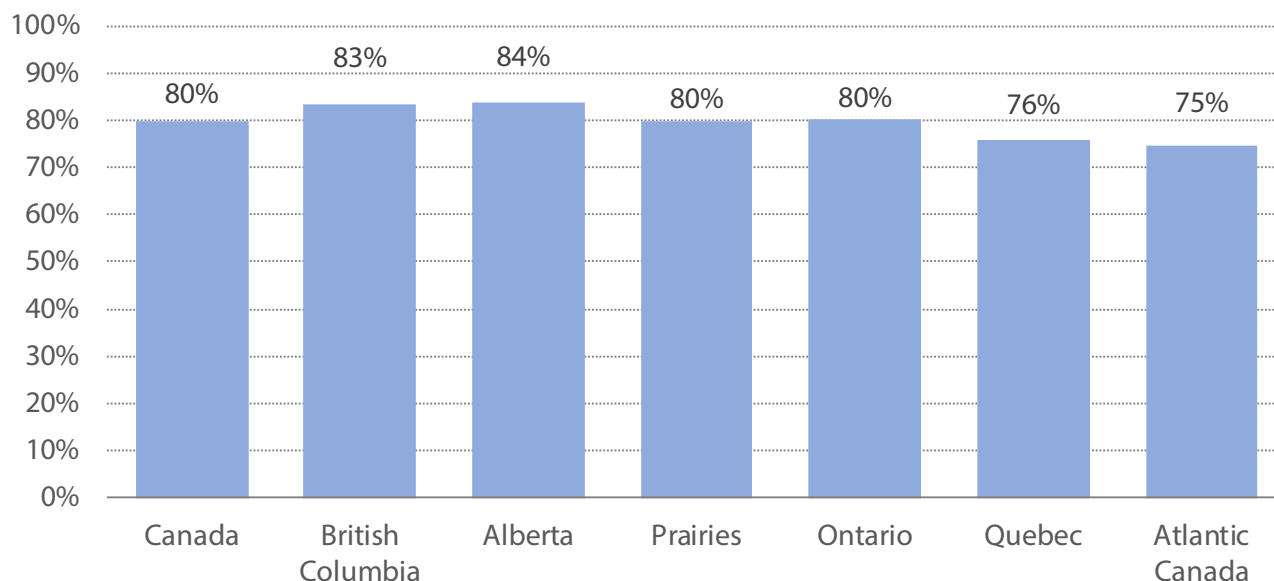
Preferred Share of Income Paid in Taxes	% of Respondents
At or below 10.0%	10%
10.1% to 15.0%	11%
15.1% to 20.0%	13%
20.1% to 25.0%	18%
25.1% to 30.0%	12%
30.1% to 35.0%	11%
35.1% to 40.0%	5%
40.1% to 45.0%	4%
45.1% to 50.0%	1%
50.1% to 55.0%	1%
55.1% to 60.0%	0%
60.1% to 65.0%	0%
65.1% to 70.0%	0%
More than 70.0%	0%
I don't know/I prefer not to answer	14%

esting considering that the average Canadian family currently pays 45.2% of its income to the federal, provincial, and local governments. It is quite clear that there is a large discrepancy between what the average family actually pays in total taxes versus what Canadians believe the average family should be paying.

Regionally, there were some slight differences. Support for a tax burden equivalent to 40% or less of the average family's income was highest in Alberta (84%) and lowest in Atlantic Canada (75%). However, a strong majority (three-quarters or more) of Canadians in every region agreed that the tax burden should be 40% or less of the average family's income (figure 4).

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Figure 4: Percentage of Canadians that Support the Average Family Paying 40% or Less of its Income in Total Taxes



There were slight differences in responses based on household income. For instance, roughly nine in ten (89%) Canadians with \$125,000 to \$150,000 in household income believe that the average family should pay 40% or less of its income in total taxes (see figure 5). Respondents with less than \$20,000 in household income were the least likely income group to say that the tax burden should be at or below 40% of the average family's income, but even amongst that group, the vast majority of them (73%) still agreed. More than 70% of respondents in every income group agreed that the total tax bill for the average family should not be above 40% of its income.

There was little difference among age groups in responses to this survey question. Canadians between the ages of 35 and 44 offered the most support (83%) for a tax burden equivalent

to 40% or less of the average family's household income. In contrast, those aged 65 or older were the least supportive (76%) of the tax burden being 40% or less. However, more than three-quarters of Canadians in all age groups believed that the average family should not pay more than 40% of its income in total taxes (figure 6).

### III. Value for tax dollars

Finally, the Leger poll asked Canadians aged 18 or older the following: *Given how much you believe you are paying in total taxes to all levels of government, what type of value would you say you are getting for your money from the services you receive from government like health care, primary and secondary education, college and university, police, roads, and national defence?* Respondents could select from the following responses:

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Figure 5: Percentage of Canadians, by household income group, that Support the Average Family Paying 40% or Less of its Income in Total Taxes

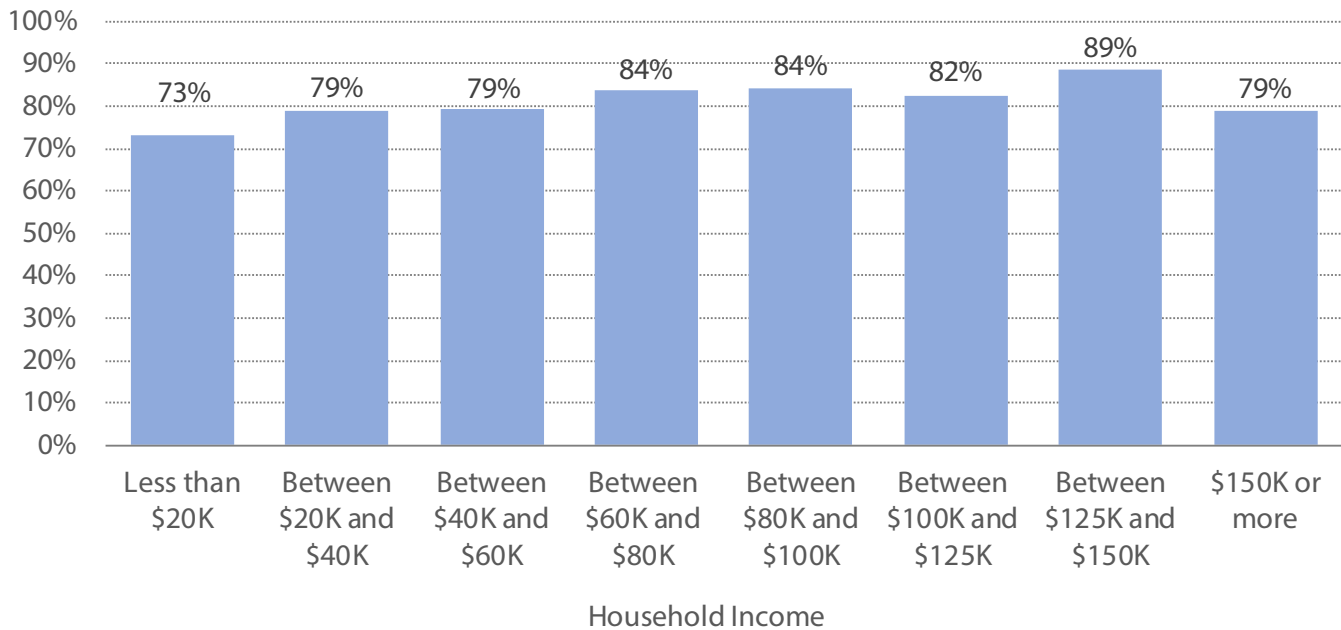
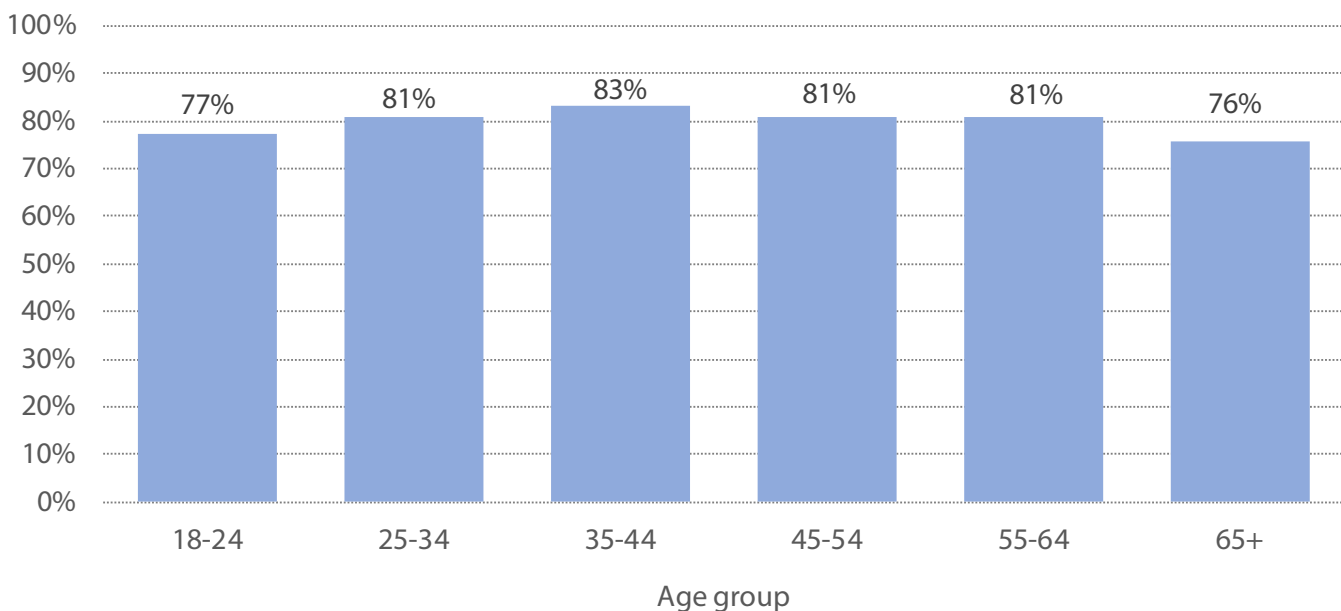


Figure 6: Percentage of Canadians, by age group, that Support the Average Family Paying 40% or Less of its Income in Total Taxes



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Figure 7: Percentage of Canadians That Believe They Receive Poor Value for Taxes

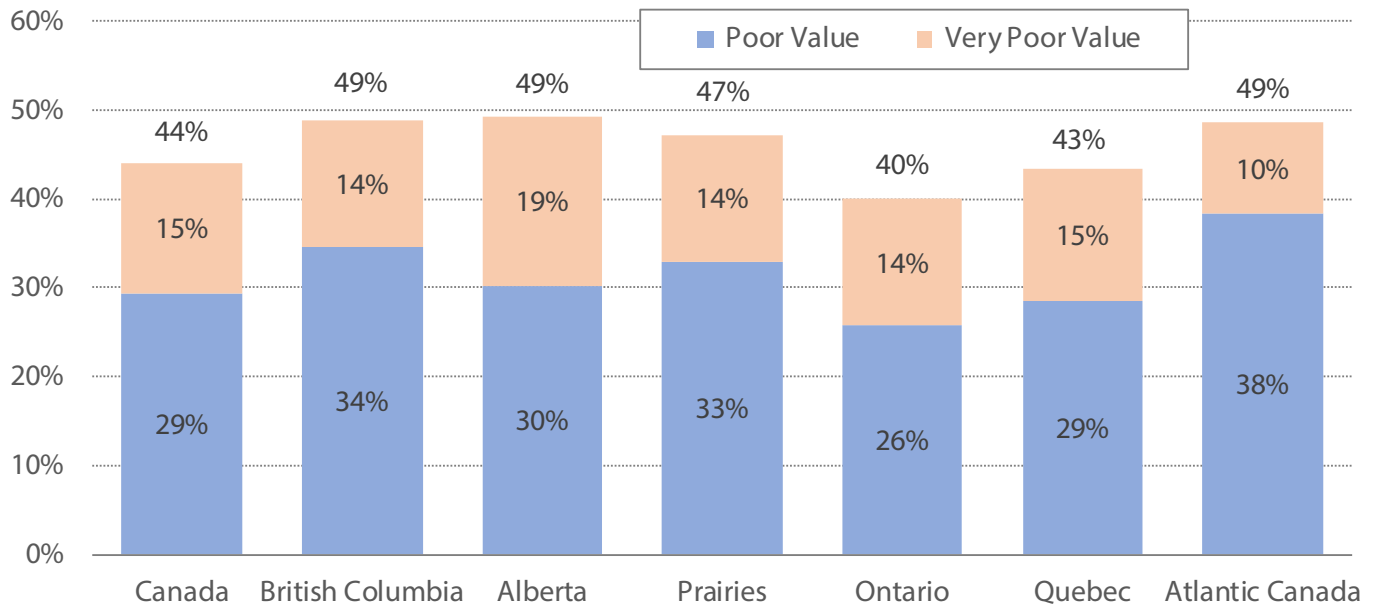
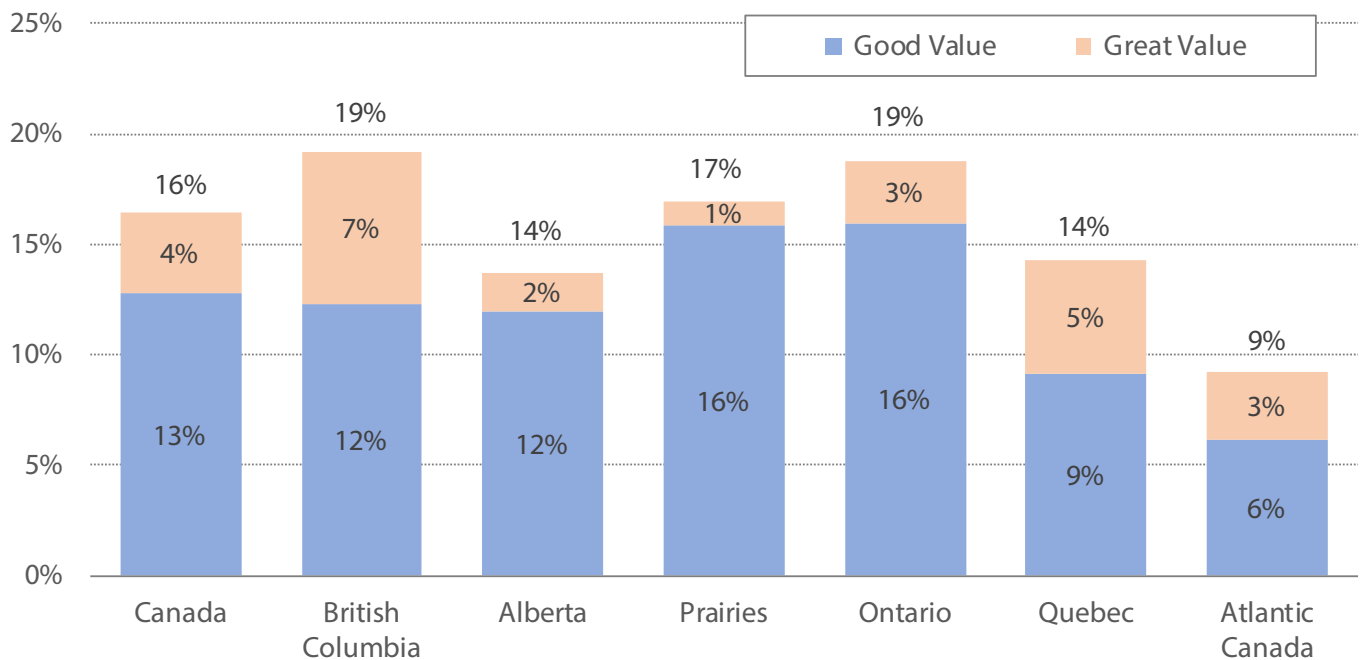


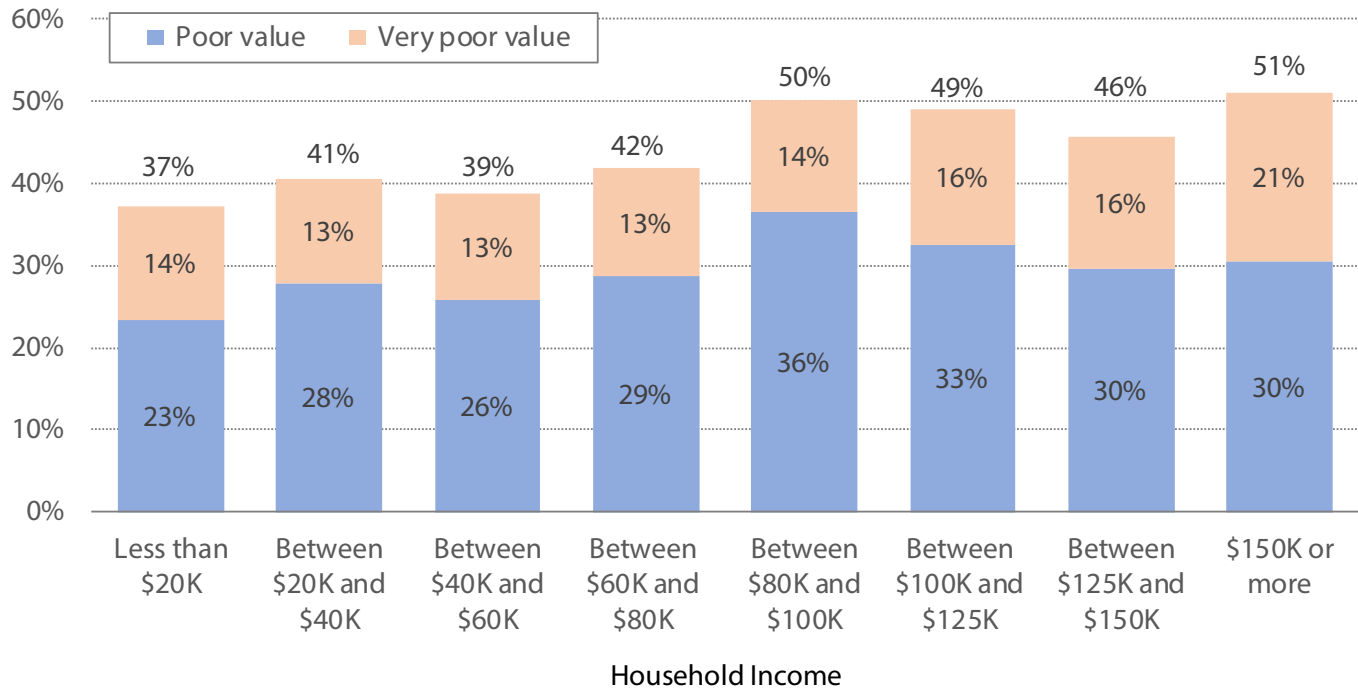
Figure 8: Percentage of Canadians That Believe They Receive Good Value for Taxes





# A Poll of Canadians on the Average Family's Taxes

**Figure 9: Percentage of Canadians, by household income group, that Believe They Receive Poor Value for Taxes**



- *great value,*
- *good value,*
- *satisfactory value,*
- *poor value,*
- *very poor value*
- *I don't know/ I prefer not to answer.*

Nearly half (44%) of Canadians responded that they believe they get poor value for their tax dollars. This includes respondents who selected *poor value* or *very poor value*. Only 16% of Canadians believe they are getting *good value* or *great value*, while 28% of respondents believe they receive *satisfactory value*. Roughly one in nine (11%) respondents selected *I don't know/ I prefer not to answer*.

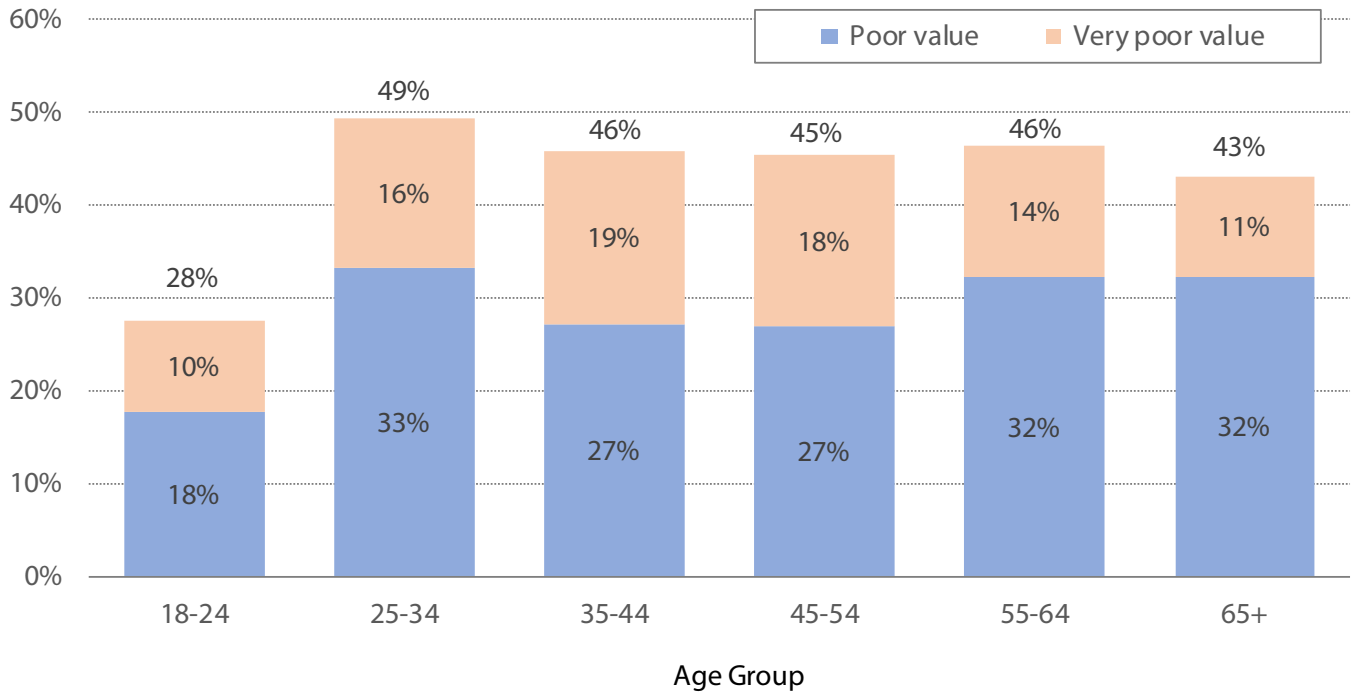
Those most likely to answer that they were getting poor or very poor value for their tax dol-

lars were in Atlantic Canada, Alberta, and British Columbia (figure 7). Almost half (49%) of respondents in those three regions believe they are getting poor value for their tax dollars. Ontarians were the least likely (40%) to say that they receive poor or very poor value for their tax dollars. However, less than 20% of people in every region believe Canadians are getting good or great value for tax dollars (figure 8).

Polling results were fairly similar across household income groups (figure 9). However, individuals in higher-income households were generally more likely to agree that they were receiving poor or very poor value for their tax dollars. The majority (51%) of those with \$150,000 or more in household income responded that they were receiving poor or very poor value for their tax dollars, whereas just 37% of respondents with less than \$20,000 in

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Figure 10: Percentage of Canadians, by age group, that Believe They Receive Poor Value for Taxes



household income answered the same. But in all income groups examined, 20% or less of people responding indicated that they were getting good or great value for their tax dollars.

There were some notable differences among age groups on the value received for taxes. Canadians between the ages of 18 and 24 were the least likely to answer that they received poor or very poor value for their tax dollars (28%) compared to other age groups. However, those aged 25 to 34 had the highest proportion of respondents (49%) answer that they received poor or very poor value for their tax dollars. Excluding Canadians aged 18 to 24, more than four in ten respondents of all age groups believe they receive poor or very poor value for their tax dollars (figure 10). Also, less than 20% of respondents in each of these age groups believe they

are getting good or great value for the taxes they pay.

## Conclusion

As the total tax bill continues to rise for the average Canadian family, it's critical that we better understand the opinions of Canadians on both the level of their tax burdens and the value they place on the services they receive from governments in return for their tax dollars. The data collected in this poll show three clear conclusions. First, the vast majority of Canadians regardless of the region in which they live, their age, or their income level, feel the average family is being over-taxed by the federal, provincial, and local governments. Second, eight in ten Canadians expressed a preference for the average family to pay 40% or less of their in-

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**Appendix Table 1: Percentage of Household Income that Canadians Believe They Pay in Total Taxes**

Share of Income Paid in Taxes	% of Respondents in Canada	% of Respondents in BC	% of Respondents in AB	% of Respondents in MB/SK	% of Respondents in ON	% of Respondents in QC	% of Respondents in Atlantic Canada
At or below 10.0%	7%	10%	8%	8%	7%	6%	4%
10.1% to 15.0%	7%	5%	6%	7%	8%	5%	8%
15.1% to 20.0%	7%	7%	6%	3%	8%	5%	6%
20.1% to 25.0%	6%	9%	5%	12%	6%	6%	5%
25.1% to 30.0%	8%	9%	10%	5%	9%	6%	9%
30.1% to 35.0%	9%	12%	13%	12%	7%	7%	3%
35.1% to 40.0%	8%	8%	9%	10%	7%	8%	9%
40.1% to 45.0%	6%	7%	10%	5%	4%	7%	3%
45.1% to 50.0%	5%	5%	4%	3%	4%	7%	6%
50.1% to 55.0%	4%	3%	3%	5%	4%	5%	5%
55.1% to 60.0%	2%	2%	2%	0%	2%	3%	4%
60.1% to 65.0%	2%	1%	2%	0%	1%	3%	3%
65.1% to 70.0%	1%	1%	3%	0%	1%	1%	0%
More than 70.0%	1%	0%	0%	2%	0%	0%	3%
I don't know/I prefer not to answer	28%	20%	19%	26%	32%	31%	31%

come to governments in total taxes and over half of Canadians believe they should pay 25% or less of their income. Clearly, there is a large discrepancy between what the average family actually pays in total taxes versus what Canadians believe the average family should be paying. Finally, nearly half (44%) of Canadians believe they get poor or very poor value from the services they receive from governments like health care, primary and secondary education, college and university, police, roads, and national defence.

## Appendix

The Leger poll asked a question to Canadians to gauge what they believe they currently pay in total taxes as a percentage of their household income. The poll asked Canadians aged 18 or older the following: *Consider your total tax bill including personal income taxes, property taxes, payroll taxes (i.e. CPP and EI), carbon taxes, the GST/PST/HST, and other fees paid to the federal, provincial, and local governments. What percentage of your household income do you think*

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you pay in total taxes annually? Respondents could select from the following options:

- At or below 10.0%,
- 10.1% to 15.0%,
- 15.1% to 20.0%,
- 20.1% to 25.0%,
- 25.1% to 30.0%,
- 30.1% to 35.0%,
- 35.1% to 40.0%,
- 40.1% to 45.0%,
- 45.1% to 50.0%,
- 50.1% to 55.0%,
- 55.1% to 60.0%,
- 60.1% to 65.0%,
- 65.1% to 70.0%,
- more than 70.0%
- I don't know/I prefer not to answer.

The results are included in the table on the previous page.

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