Health-care costs for typical Canadian family will eclipse $15,000 this year

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VANCOUVER—A typical Canadian family of four will pay an estimated $15,039 for public health-care insurance this year, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“Canadians pay a substantial amount of money for health care through a variety of taxes—even if we don’t pay directly for medical services,” said Bacchus Barua, associate director of health policy studies at the Fraser Institute and co-author of The Price of Public Health Care Insurance, 2021.

Most Canadians are unaware of the true cost of health care because they never see a bill for medical services, may only be aware of partial costs collected via employer health taxes and contributions (in provinces that impose them), and because general government revenue—not a dedicated tax—funds Canada’s public health-care system.

The study estimates that a typical Canadian family consisting of two parents and two children with an average household income of $150,177 will pay $15,039 for public health care this year. Couples without dependent children will pay an estimated $13,533. Single Canadians will pay $4,296 for health care insurance, and single parents with one child will pay $3,909.

Over the past 25 years, the cost of healthcare for the average Canadian family has increased substantially, and has risen more quickly than its income. In fact, whereas health care costs have increased 177.6 per cent since 1997, average incomes have only increased by 109.9 per cent over the same period.

“Understanding how much Canadians actually pay for health care, and how much that amount has increased over time, is an important first step for taxpayers to assess the value and performance of the health-care system, and whether it’s financially sustainable,” Barua said.

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