



NEWS RELEASE

The average Canadian family paid more in 2022 on taxes than it did on housing, food and clothing combined

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For Immediate Release

CALGARY—The average Canadian family spent 45.3 per cent of its income on taxes in 2022—more than housing, food and clothing costs combined, finds a new study published by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“Taxes remain the largest household expense for families in Canada,” said Jake Fuss, director of Fiscal Studies at the Fraser Institute and co-author of *Taxes versus the Necessities of Life: The Canadian Consumer Tax Index 2023 Edition*.

In 2022, the average Canadian family earned an income of \$106,430 and paid in total taxes equaling \$48,199.

In other words, the average Canadian family spent 45.3 per cent of its income on taxes compared to 35.6 per cent on basic necessities.

This is a dramatic shift since 1961 when the average Canadian family spent much less of its income on taxes (33.5 per cent) than the basic necessities (56.5 per cent). Taxes have grown much more rapidly than any other single expenditure for the average Canadian family.

The total tax bill for Canadians includes visible and hidden taxes (paid to the federal, provincial and local governments) including income, payroll, sales, property, carbon, health, fuel and alcohol taxes.

Moreover, since 1961, the average Canadian family’s total tax bill has increased nominally by 2,778 per cent, dwarfing increases in annual housing costs (1,880 per cent), clothing (654 per cent) and food (870 per cent).

“Considering the sheer amount of income that goes towards taxes in this country, Canadians may question whether or not we’re getting good value for our money,” Fuss said.

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