

# NEWS RELEASE

## The average Canadian family paid more in 2021 on taxes than it did on housing, food and clothing combined

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For Immediate Release

**VANCOUVER**—The average Canadian family spent 43 per cent of its income on taxes in 2021—more than housing, food and clothing costs combined, finds a new study released today 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, Associate Director of Fiscal Studies at the Fraser Institute and co-author of *Taxes versus the Necessities of Life: The Canadian Consumer Tax Index 2022 Edition*.

In 2021, the average Canadian family earned an income of \$99,030 and paid in total taxes equaling \$42,547.

In other words, the average Canadian family spent 43.0 per cent of its income on taxes compared to 35.7 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 2,440 per cent, dwarfing increases in annual housing costs (1,751 per cent), clothing (643 per cent) and food (790 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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