

NEWS RELEASE

Alberta leads North America in economic freedom, Saskatchewan third while Quebec, Nova Scotia and PEI lag behind

November 28, 2012
For Immediate Release

TORONTO, ON—Alberta has the highest level of economic freedom among all Canadian provinces and U.S. states, according to a new report released today by the Fraser Institute, Canada's leading public policy think-tank.

The [*Economic Freedom of North America 2012*](#) report ranks Saskatchewan second among the provinces and third overall. Canadian provinces make up four of the top 10 jurisdictions, with Newfoundland and Labrador and British Columbia coming in ninth and 10th among all provinces and U.S. states.

The *Economic Freedom of North America 2012* report examines key indicators of economic freedom in the Canadian provinces and U.S. states based on size of government, taxation, rule of law and property rights, and regulation using data from 2010 (most recent year available); a separate chapter compares the economic freedom levels of the Mexican states. Economic freedom represents the ability of individuals and families to make their own economic decisions, free from government interference. The complete report is available for download as a free PDF at www.fraserinstitute.org.

The study measures economic freedom at two levels: the subnational and the all-government (comprising federal, state/provincial, and municipal/local). This year's report includes a "world-adjusted" index for Canada and the United States at the all-government level using data from the Fraser Institute's *Economic Freedom of the World: 2012 Annual Report*, which ranked Canada fifth out of 144 nations and territories, well ahead of the United States in 16th.

"The link between economic freedom and prosperity is clear: provinces that support low taxation, limited government, and flexible labour markets benefit from greater economic growth," said Fred McMahon, Dr. Michael A. Walker Research Chair in Economic Freedom (Fraser Institute) and co-author of the report.

"In contrast, provinces with reduced levels of economic freedom see lower living standards for families and fewer economic opportunities."

Ontario is the fifth highest-ranked province at 21st overall, followed by Manitoba (32nd), New Brunswick (45th), Quebec (50th), and Nova Scotia (56th). Prince Edward Island ranks last overall at 60th.

Reinforcing the connection between economic freedom and prosperity, the report shows that Canadian provinces with the most economic freedom (Alberta, Saskatchewan, Newfoundland and Labrador) had an average per-capita GDP of \$60,163 (Cdn) in 2010, compared to the three provinces with the least economic freedom (Quebec, Nova Scotia, Prince Edward Island) at \$45,872 (Cdn).

Canadian provinces are ahead of U.S. states in average levels of economic freedom. Overall, Canadian provinces averaged a score of 6.8 out of 10 compared to 6.7 out of 10 for U.S. states.

"The Canadian provinces with the most economic freedom have dynamic, growing economies and offer significant economic benefits for families," McMahon said.

Economic freedom is based on the cornerstones of personal choice, voluntary exchange, freedom to compete, and security of private property. Research shows that people living in jurisdictions with high levels of economic freedom enjoy greater economic growth, higher incomes, more individual freedoms, and longer life spans.

(more)

The *Economic Freedom of North America* report is an offshoot of the Fraser Institute's *Economic Freedom of the World* index, the result of a quarter century of work by more than 60 scholars, including three Nobel laureates.

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MEDIA CONTACT:

Fred McMahon
Dr. Michael A. Walker Research Chair in Economic Freedom, Fraser Institute
Tel: (416) 363-6575 ext. 226
Mobile: (416) 727-7138
E-mail: fred.mcmahon@fraserinstitute.org

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For further information, contact:
Dean Pelkey
Director of Communications, Fraser Institute
Tel: (604) 714-4582
E-mail: dean.pelkey@fraserinstitute.org