

NEWS RELEASE

Canada falls out of top five in international economic freedom ranking; now tied with U.S. at 11th

September 28, 2017
For immediate release

TORONTO—Canada is no longer one of the world’s five most economically free countries, according to the Fraser Institute’s annual *Economic Freedom of the World* report released today.

Last year, Canada ranked 5th overall and the United States ranked 16th. Both are tied at 11th in this year’s ranking, which uses data from 2015, the last year of available comparable statistics.

“Higher taxes, increased government intervention, and growing regulation at the federal level and in some of Canada’s biggest provinces have made Canadians materially less economically free,” said Fred McMahon, Dr. Michael A. Walker Research Chair in Economic Freedom with the Fraser Institute.

“The decline in economic freedom should be worrying for all Canadians because lower levels of economic freedom lead to less prosperity, slower economic growth, less investment and fewer jobs and opportunities.”

This is the first year since 2009 that Canada has not ranked higher than the U.S.

The report measures the economic freedom (levels of personal choice, ability to enter markets, security of privately owned property, rule of law, etc.) by analyzing the policies and institutions of 159 countries and territories.

According to this year’s report, Hong Kong is again number one followed by Singapore, New Zealand, Switzerland, Ireland, the United Kingdom, Mauritius, Georgia, Australia and Estonia.

Other notable countries include: Germany (23), Japan (39), France (52) and Russia (100).

“While Hong Kong is again the most economically free, there is a valid concern that interference from mainland China—which ranks 112th in economic freedom—will ultimately lead to deterioration in Hong Kong’s top position, particularly in rule of law, which helps ensure equal freedom for all,” McMahon said.

Venezuela is once again last. Some despotic countries such as North Korea and Cuba can’t be ranked due to lack of data.

This year, for the first time, the ranking is adjusted for gender equality. In countries where women are not legally accorded the same level of economic freedom as men, that country receives a lower score.

“The link between economic freedom for all citizens and the prosperity they enjoy is undeniable,” McMahon said.

The Fraser Institute produces the annual *Economic Freedom of the World* report in cooperation with the Economic Freedom Network, a group of independent research and educational institutes in nearly 100 countries and territories. It’s the world’s premier measurement of economic freedom.

This year’s report was prepared by James Gwartney, Florida State University; Robert A. Lawson, Southern Methodist University; and Joshua Hall, West Virginia University.

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