



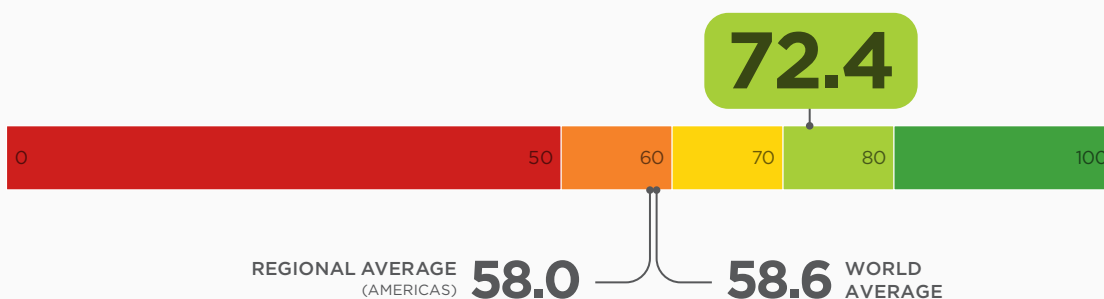
WORLD RANK:	REGIONAL RANK:
16	1
ECONOMIC FREEDOM STATUS: MOSTLY FREE	

CANADA

Canada's economic freedom score is 72.4, making its economy the 16th freest in the 2024 *Index of Economic Freedom*. Its rating has decreased by 1.3 points from last year, and Canada is ranked 1st out of 32 countries in the Americas region. The country's economic freedom score is higher than the world and regional averages. Canada's economy is considered "mostly free" according to the 2024 *Index*.

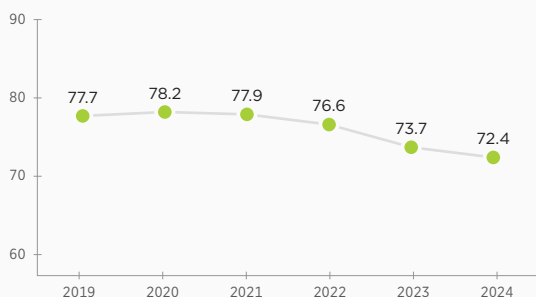
The foundations of economic freedom in Canada are strong. The economy has emerged from the global economic slowdown relatively unscathed and maintains its resilience. An effective court system sustains the rule of law, ensuring protection of property rights and application of the commercial code. The regulatory framework is highly conducive to business formation and operation, and the average cost of necessary licenses is not burdensome. Flexible labor regulations enhance employment growth. Leading sectors include automotive and other manufactures, forest products, minerals, and petroleum.

ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): +3.0

RECENT FREEDOM TREND

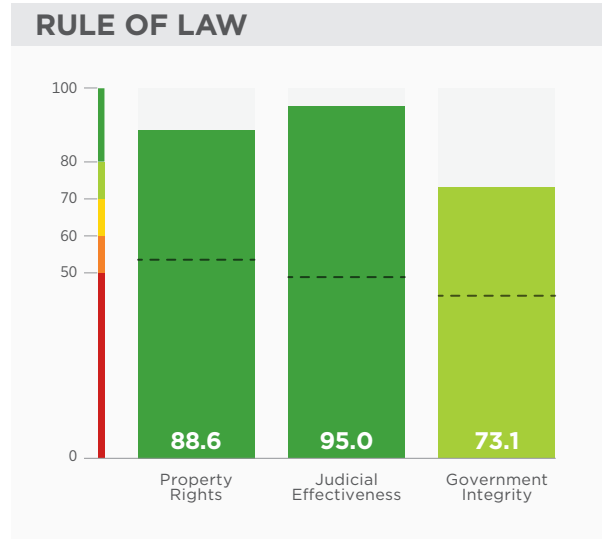


QUICK FACTS

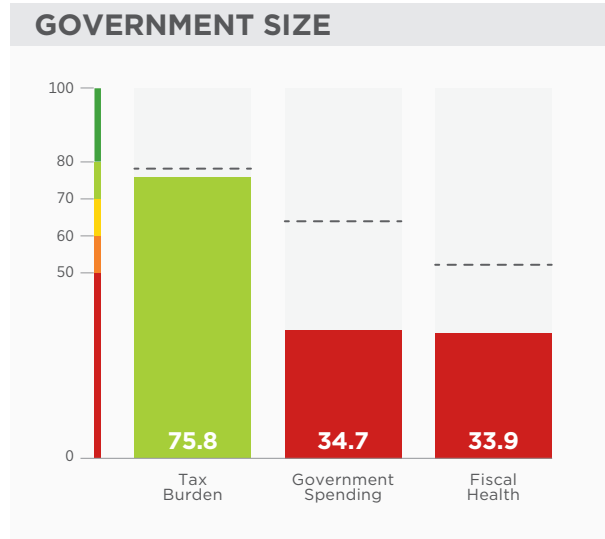
POPULATION: 38.2 million	UNEMPLOYMENT: 7.5%
GDP (PPP): \$2.3 trillion 3.4% growth in 2022 5-year average growth rate: 1.6% \$58,316 per capita	INFLATION (CPI): 6.8%
	FDI INFLOW: \$52.6 billion
	PUBLIC DEBT: 107.4% of GDP

2022 data unless otherwise noted. Data compiled as of October 2023.

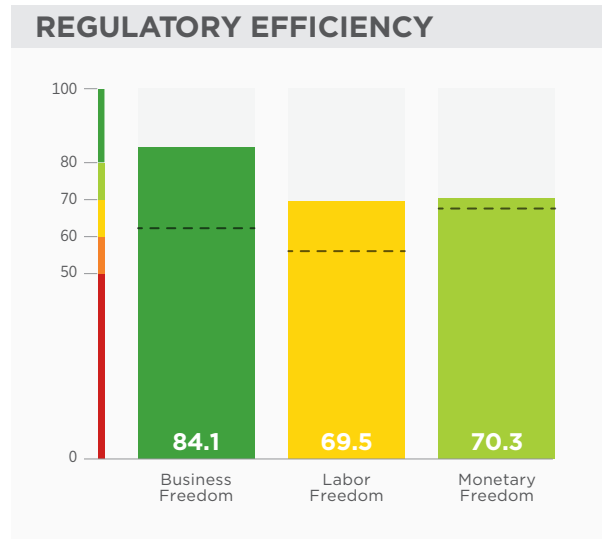
12 ECONOMIC FREEDOMS | CANADA



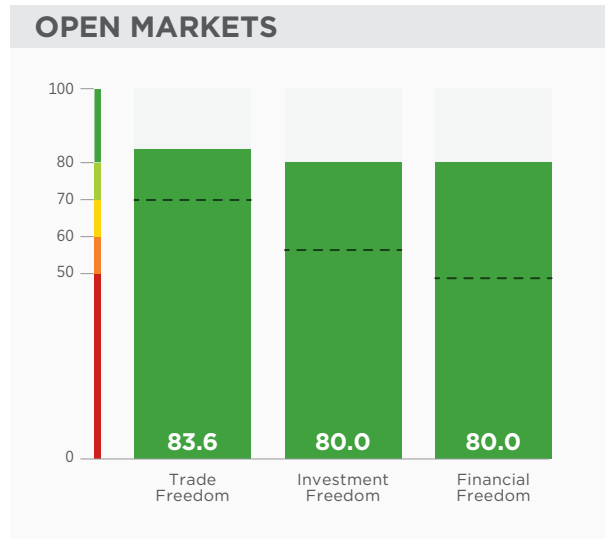
The overall rule of law is well respected in Canada. The country's property rights score is above the world average; its judicial effectiveness score is above the world average; and its government integrity score is above the world average.



The top individual income tax rate is 33 percent, and the top corporate tax rate is 15 percent. The tax burden equals 33.2 percent of GDP. Three-year government spending and budget balance averages are, respectively, 46.7 percent and -5.4 percent of GDP. Public debt amounts to 107.4 percent of GDP.



Canada's overall regulatory environment is well institutionalized and relatively efficient. The country's business freedom score is far above the world average; its labor freedom score is above the world average; and its monetary freedom score is above the world average.



The trade-weighted average tariff rate is 3.2 percent, and more than 400 nontariff measures are in effect. Foreign investment in some sectors is capped by the government. The banking sector, dominated by six major banks, remains sound and offers a wide range of financial services.