

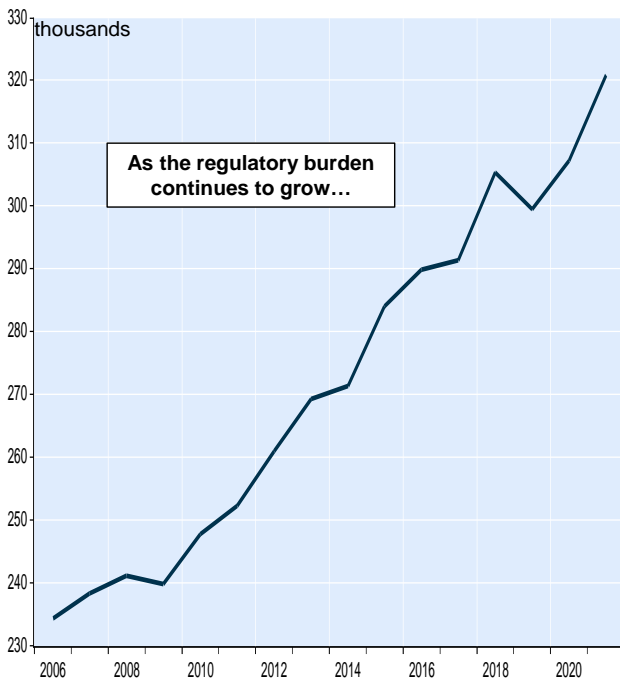
Canada Watch

By Stéfane Marion

The U.S. President recently quipped that “tariff” is the most beautiful word in the dictionary. For a small, trade-dependent economy like Canada—where the U.S. is our largest partner—this is deeply troubling. As concerns about Washington’s trade strategy persist, this moment calls for serious soul-searching among Canadian policymakers to strengthen our economy against U.S. tariff uncertainty and restore business confidence. A good starting point? Tackling excessive government regulation. A newly released Statistics Canada [study](#) reveals that regulatory requirements have surged 37% from 2006 to 2021, reaching 321,000, with manufacturing alone seeing a 41% increase. The economic cost is undeniable: GDP is 1.7% lower, employment is down 1.3%, and business investment has plummeted 9% due to excessive red tape. If that’s not shooting ourselves in the foot, consider this: at the current growth rate of 2.1% per year, regulations could exceed 350,000 by 2025. It seems that for Canadian policymakers, “regulation” is the most beautiful word in the dictionary.

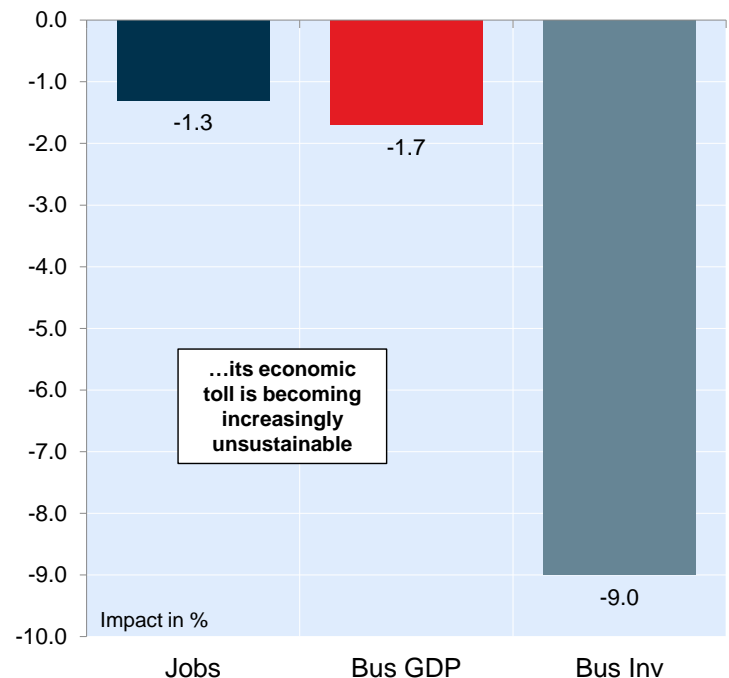
Canada: Is “regulation” the most beautiful word in our policymakers’ dictionary?

Total number of regulatory requirements
2006-2021



NBC Economics and Strategy (data via [Statistics Canada](#))

Cumulative Impact on key
economic variables





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