

The Wealth Gap in Canada: Perception versus Reality

January 8, 2015

Presentation to the Centre for the Study of Living Standards

By Rick Smith



Broadbent Institute in a nutshell...



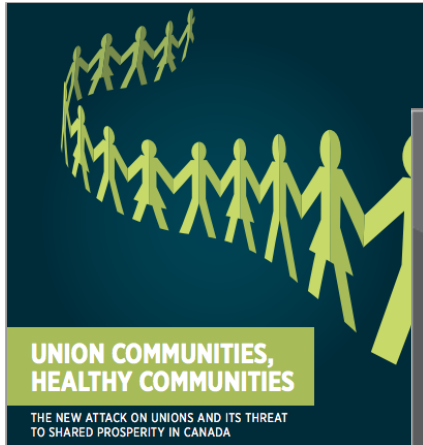
- Founded in 2011
- Non-partisan, with mission to advance social democratic movement
- Rapid growth with offices now in Vancouver, Toronto, Ottawa, Montréal
- Twin focuses on policy and training

Conservatives have a head start

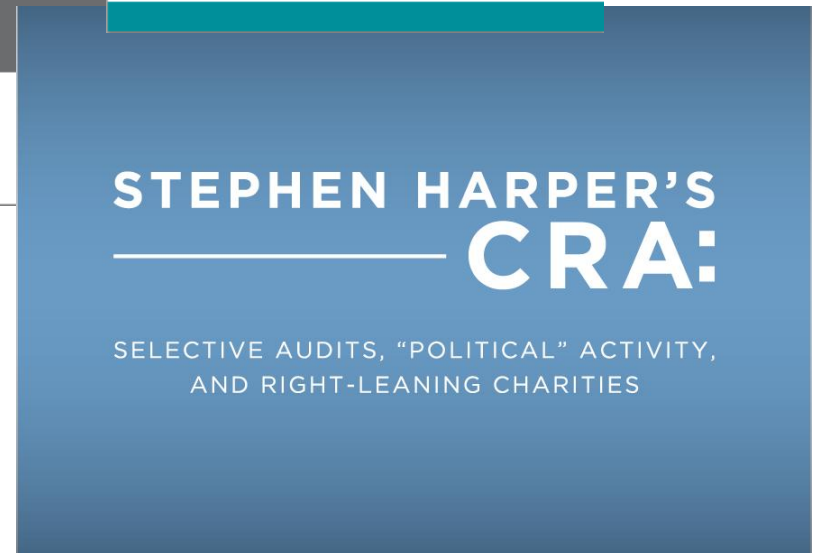
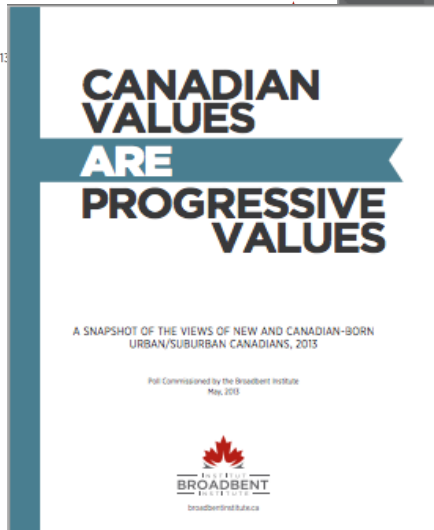
> \$70M/year



Three main policy interests



April 2013



Progress Summit

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67 Hours of live stream media



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Web Roundup



State of the Unions

Headlines



NOV 22, 2013

Senate scandal update: compare QP clips to PMO emails

Court documents released this week must make Stephen Harper wish he could go back to the days when Question Period wasn't televised. The RCMP's 80-page document confirm Harper's former chief of staff Nigel Wright and Harper's Senate appointee Mike Duffy are being investigated for bribery, frauds on the government and breach of trust. [Continue Reading >](#)

Up Next:

Five federal bills to watch



Latest News



Jason Kenney ✓
@kenneyjason



Just wrapped-up a meeting with several staff members, at midnight. Good thing they're not unionized!
#beststaffever

11/19/13, 0:28

The next generation of leaders



progress
training

Learning from the best



Labour

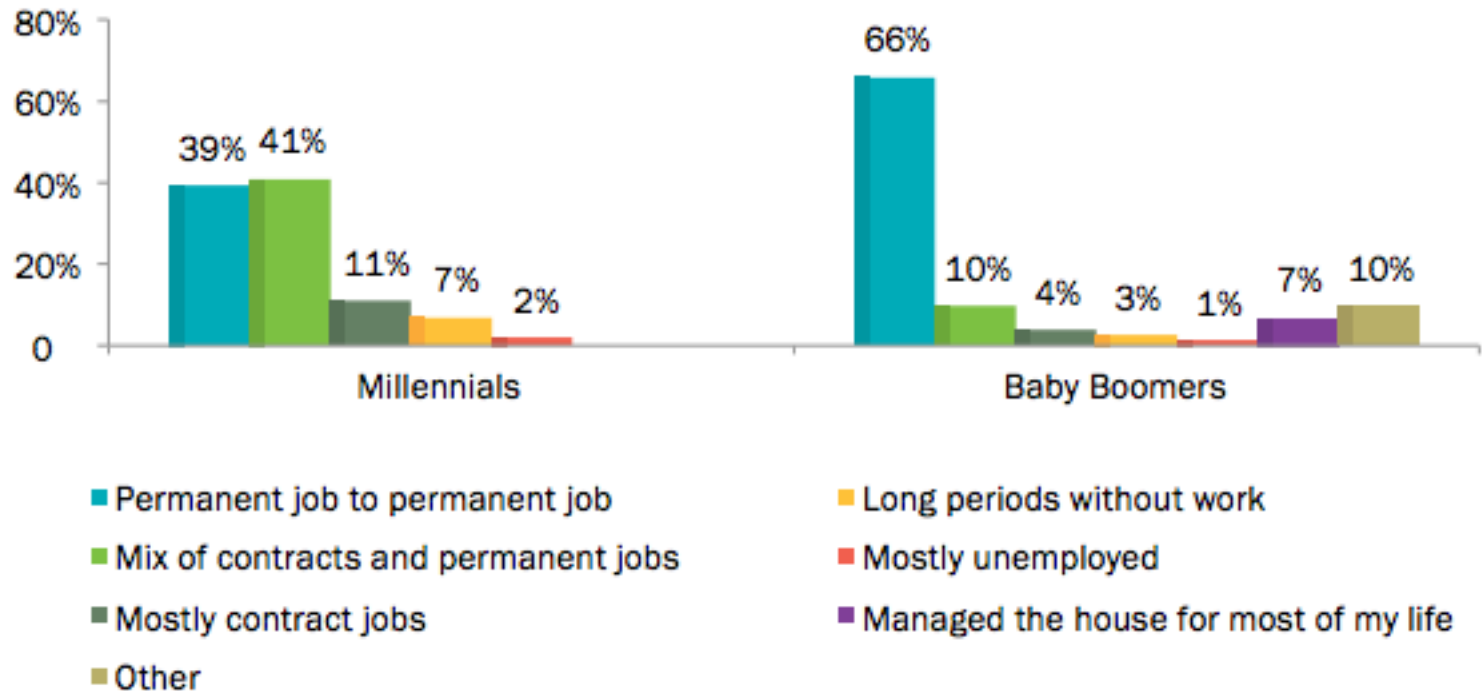


Growing anxiety about the future

Time for a
New Deal
for Young People.

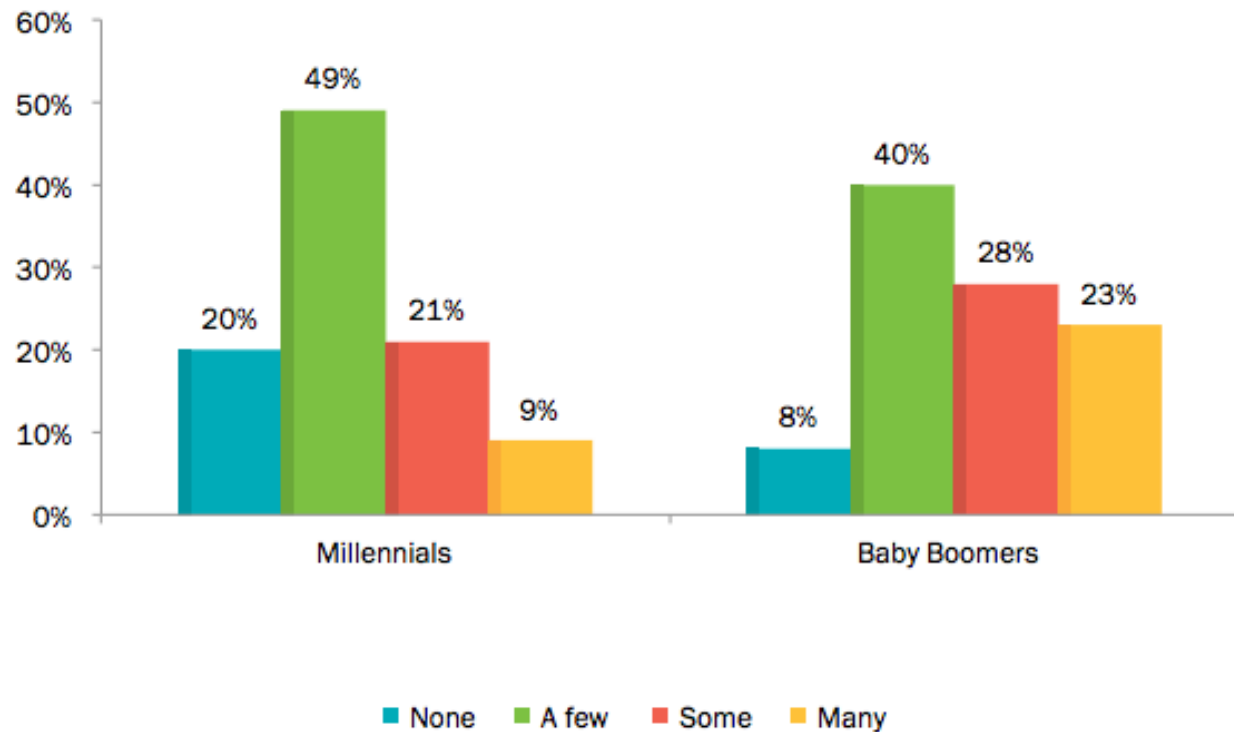
Expecting precarious work

Employment Expectations/Reality by Generation



Generational pension gap

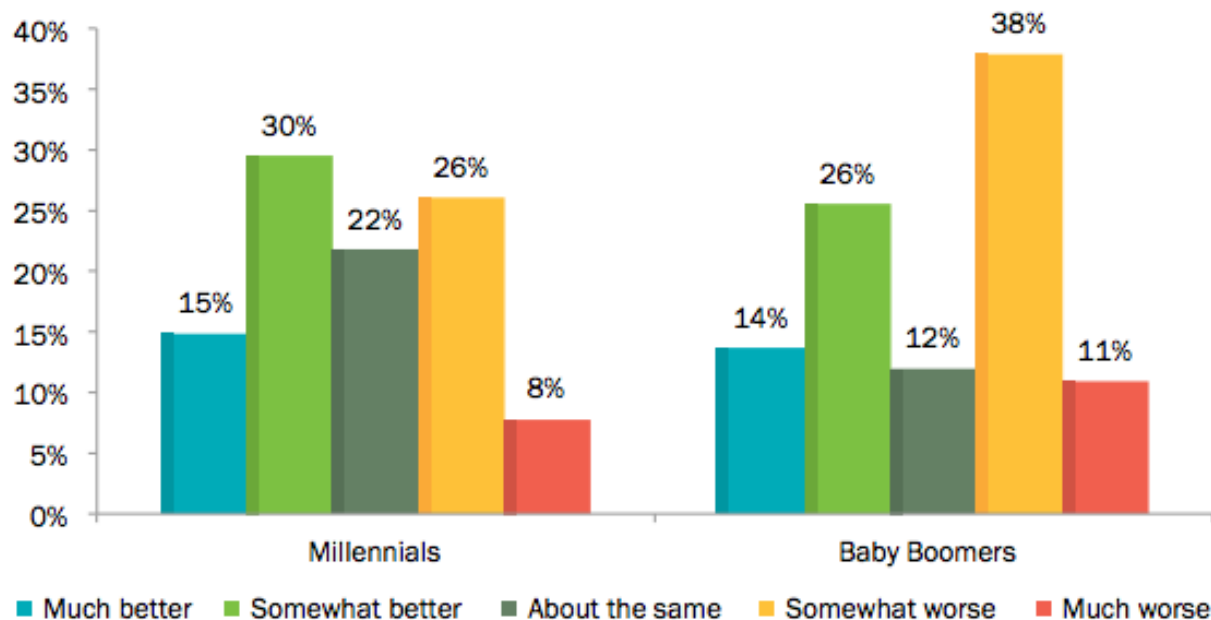
Do you personally know anyone with a pension provided by their employer?



Lowered expectations

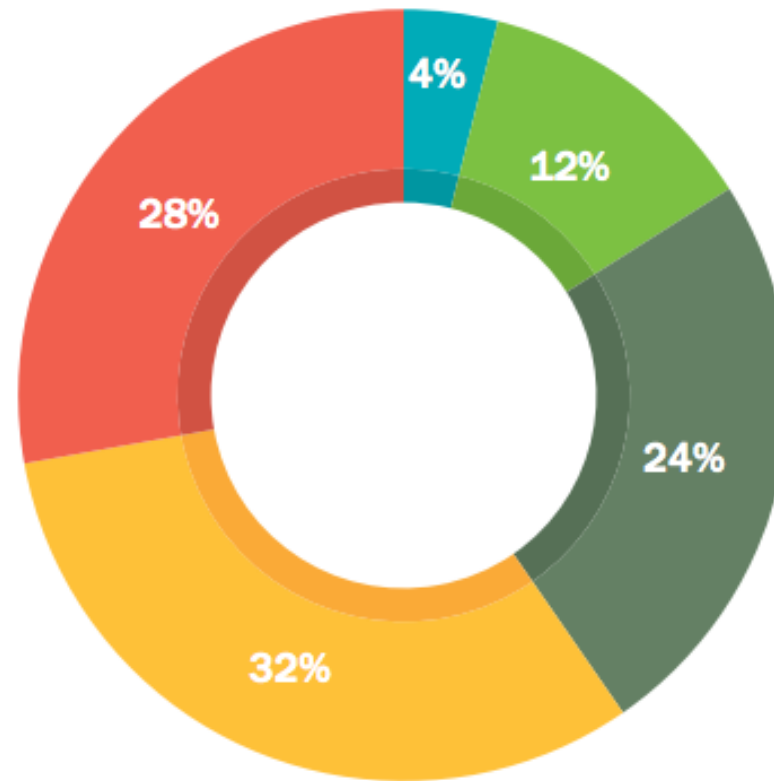
Millennials: Generally, how do you feel your economic opportunities are compared with those of your parents?

Boomers: Generally, how do you feel your child's/children's economic opportunities are today compared with your own when you were their age?



Millennials think inequality will widen

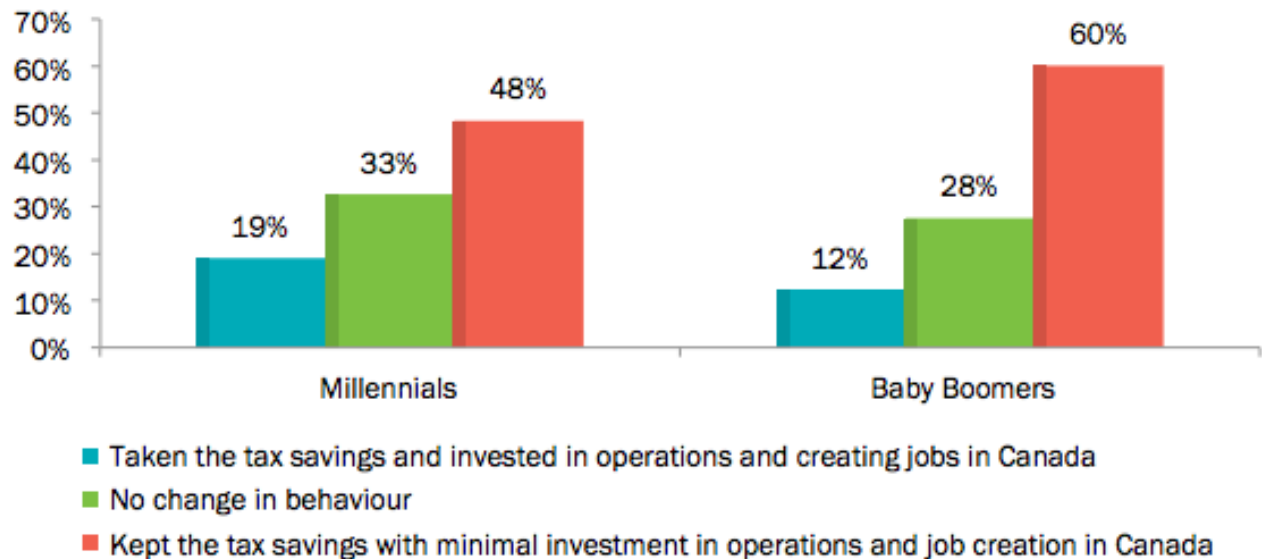
**Over your life, what do you think will happen to the gap between rich and poor?
(Millennials Only)**



■ Narrow a lot ■ Narrow a bit ■ Widen a lot ■ Widen a bit ■ Stay about the same

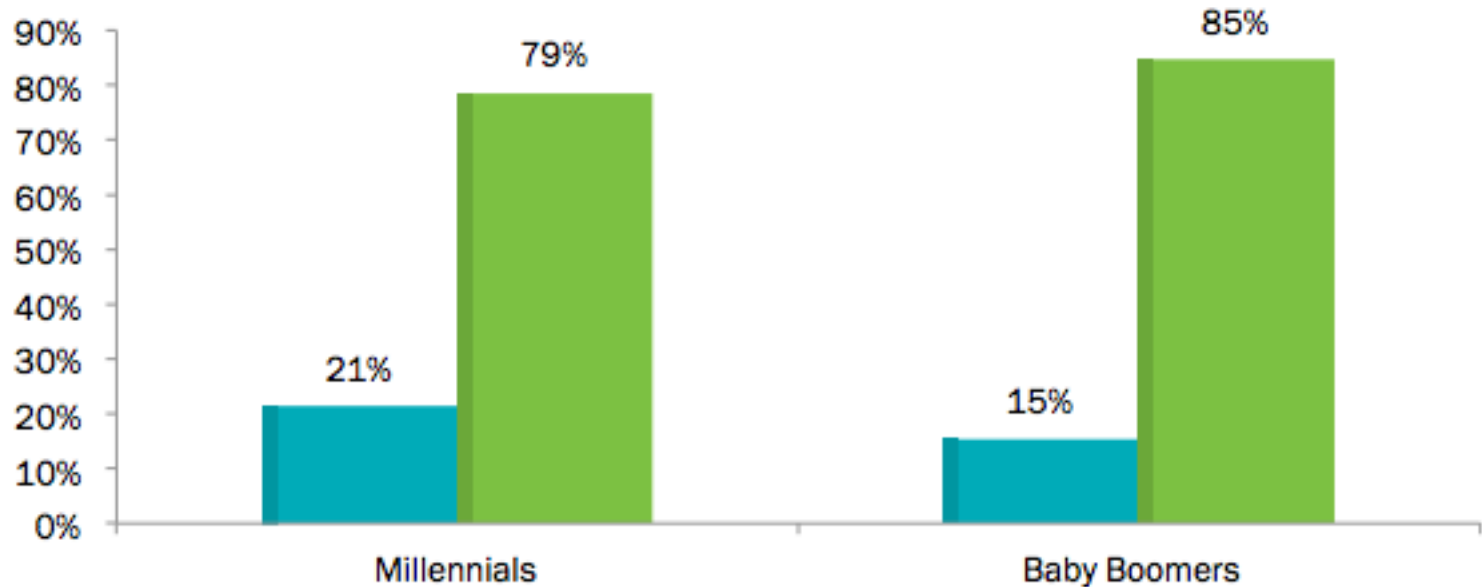
Eroding trust in corporations

Over the past two decades, Canada has reduced corporate taxes. Which of the following statements best describes how you think corporations have responded to those tax cuts?



Eroding trust in corporations

Over the next 30 years, which statement best describes what you think will happen?



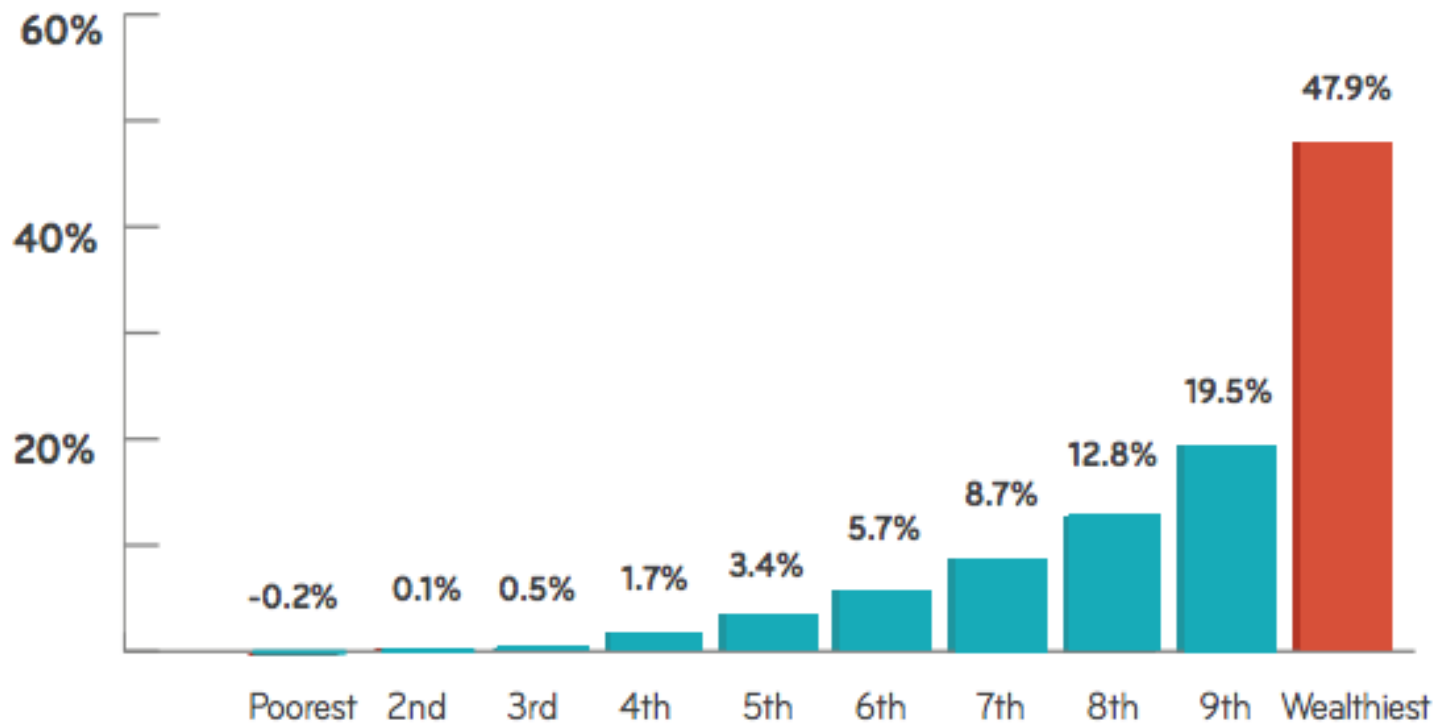
- Corporations will work harder to make sure good jobs are created in Canada
- Corporations will concentrate more on their profits, even if good jobs are not created in Canada

Survey of Financial Security

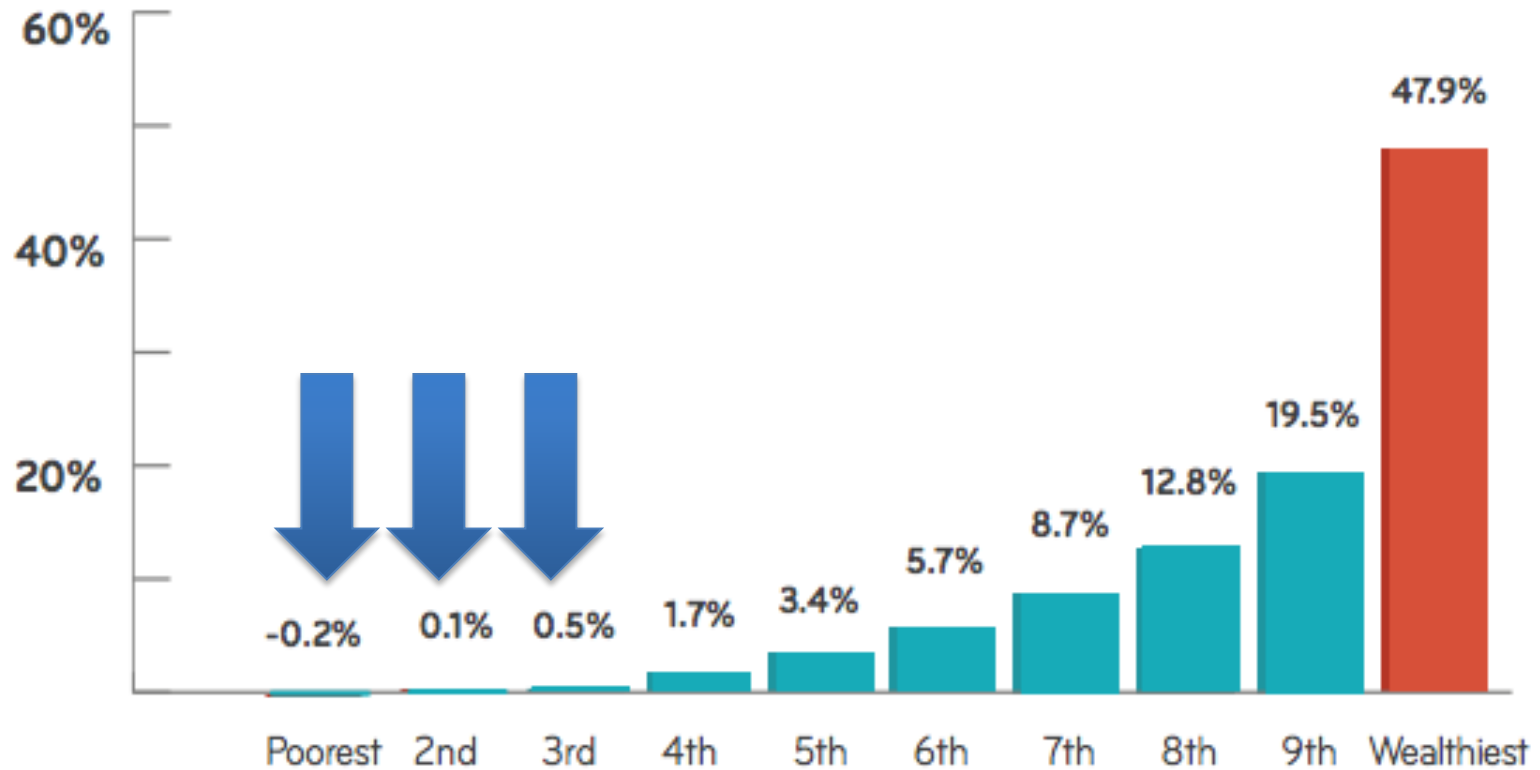


Wealth inequality: top heavy

TABLE 1 – DISTRIBUTION OF WEALTH IN CANADA BY DECILE, 2012

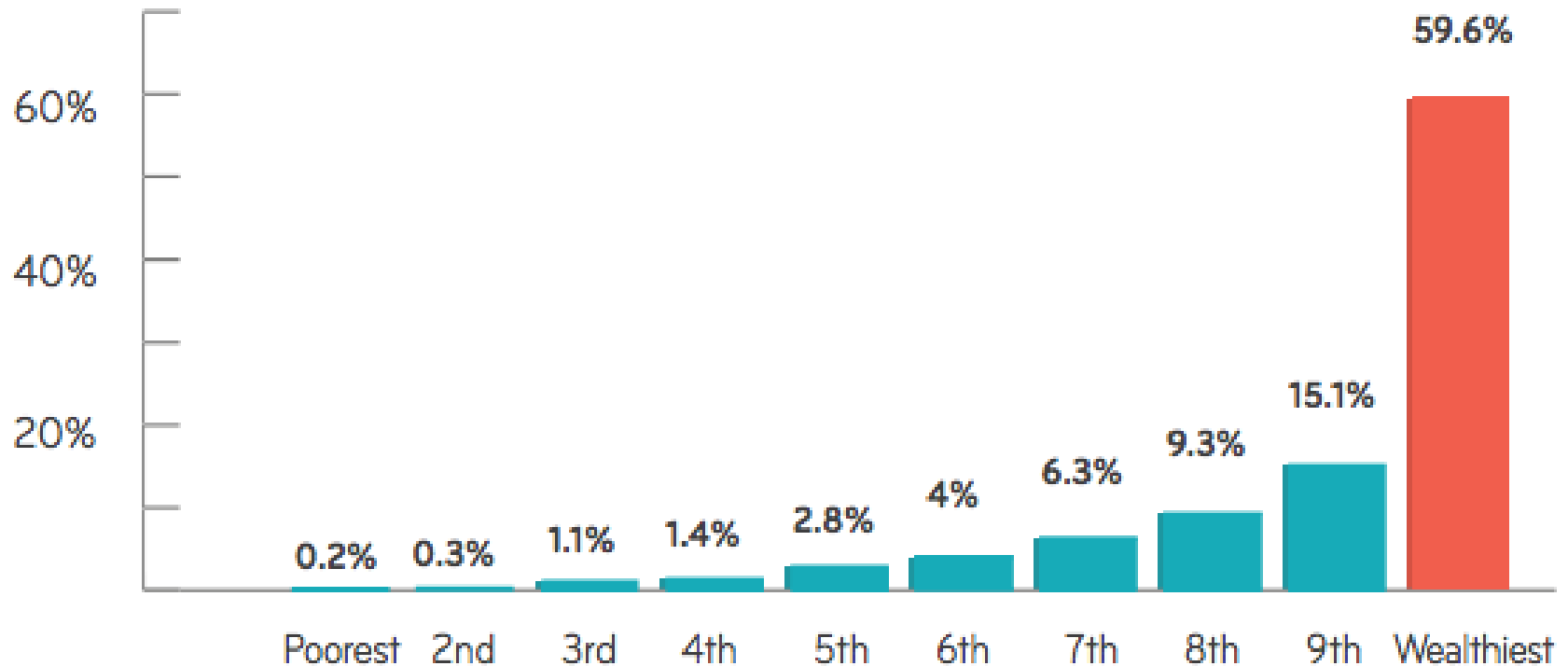


Wealth inequality: bottomed out

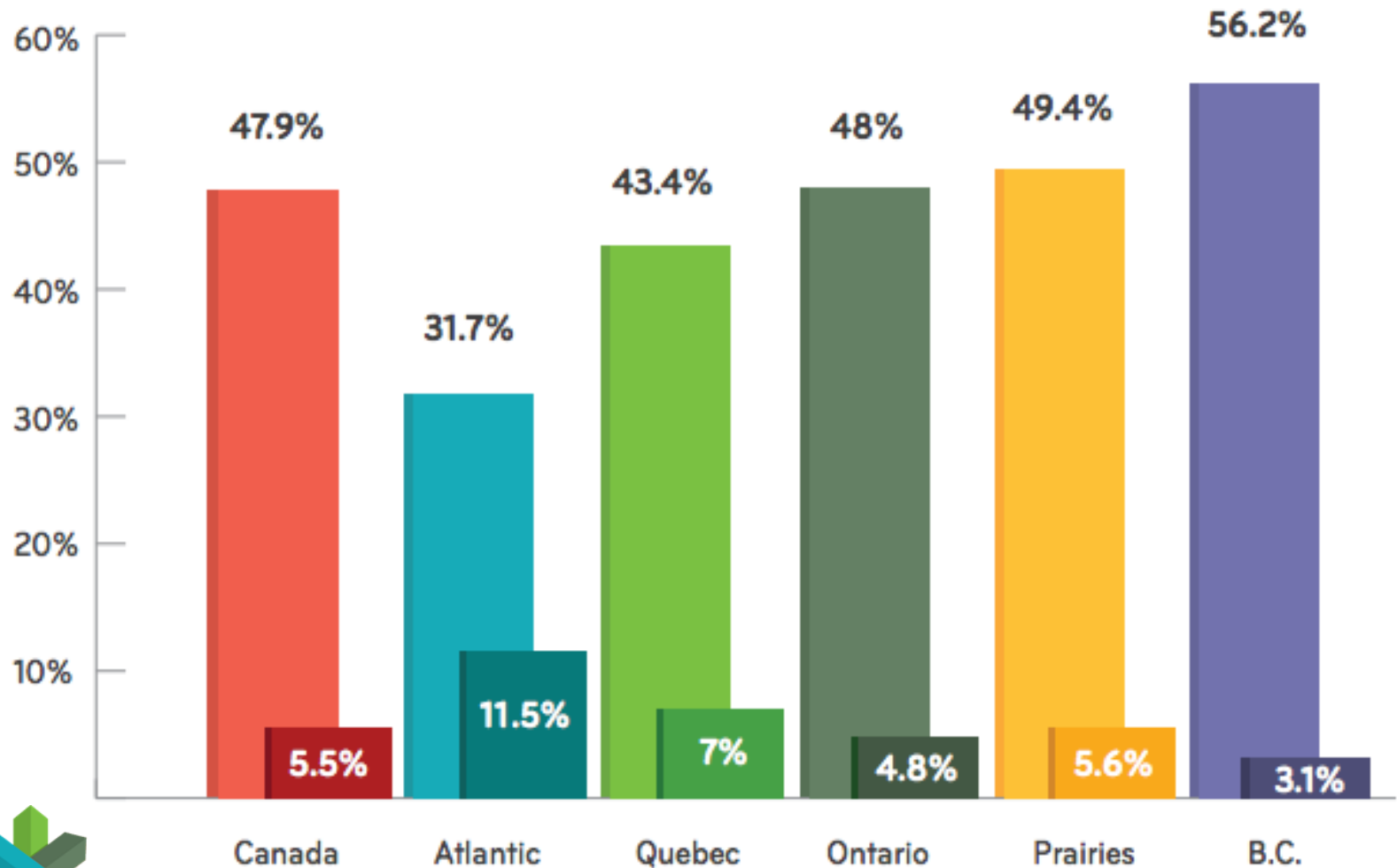


Wealth inequality: financial assets

TABLE 3 – DISTRIBUTION OF FINANCIAL ASSETS (EXCLUDING PENSIONS) BY DECILE, 2012



Wealth gap – top 10% vs. bottom half of Canadians



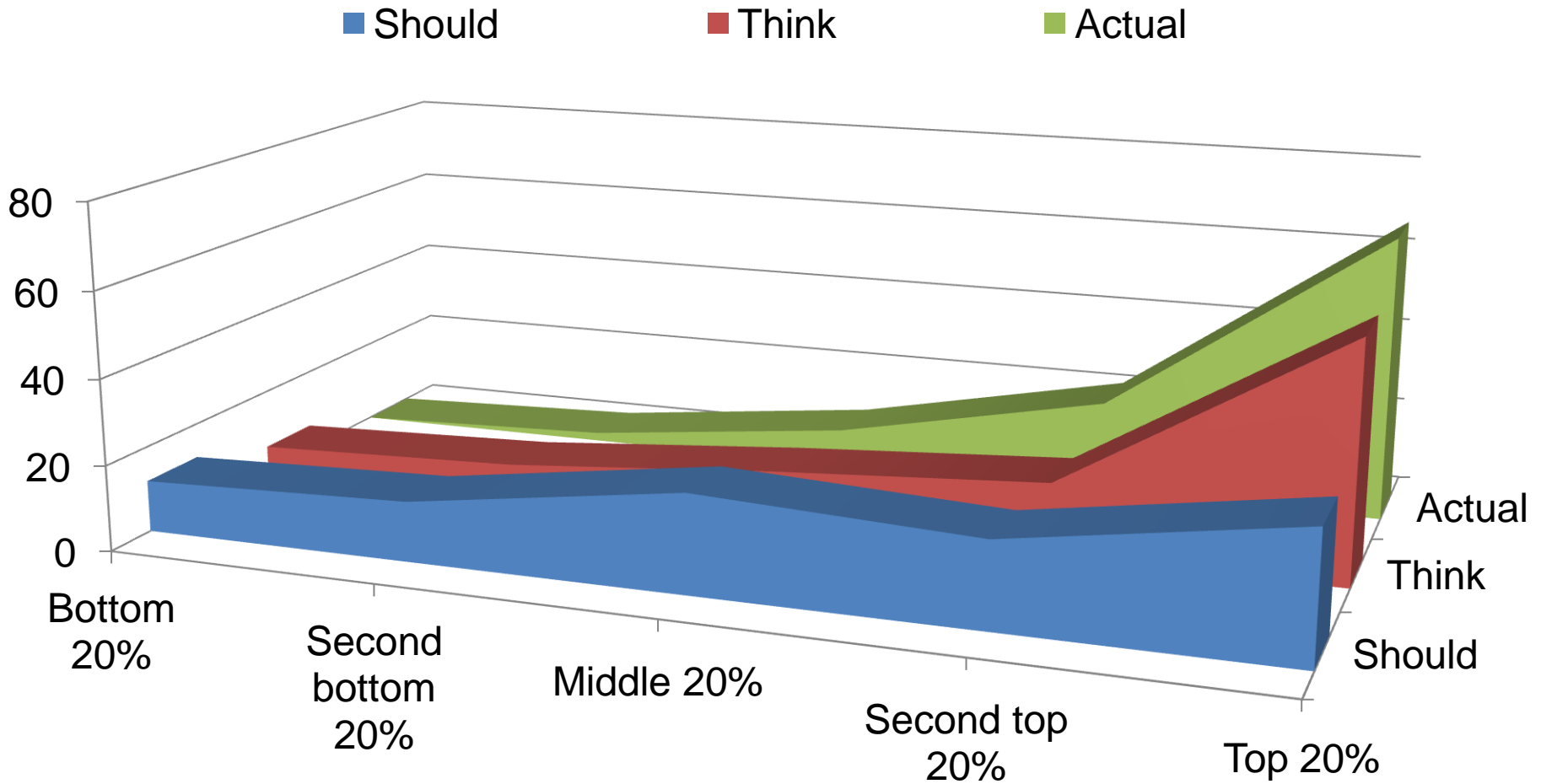
Landmark study



Perception vs. Reality



Perception vs. Reality cont'd

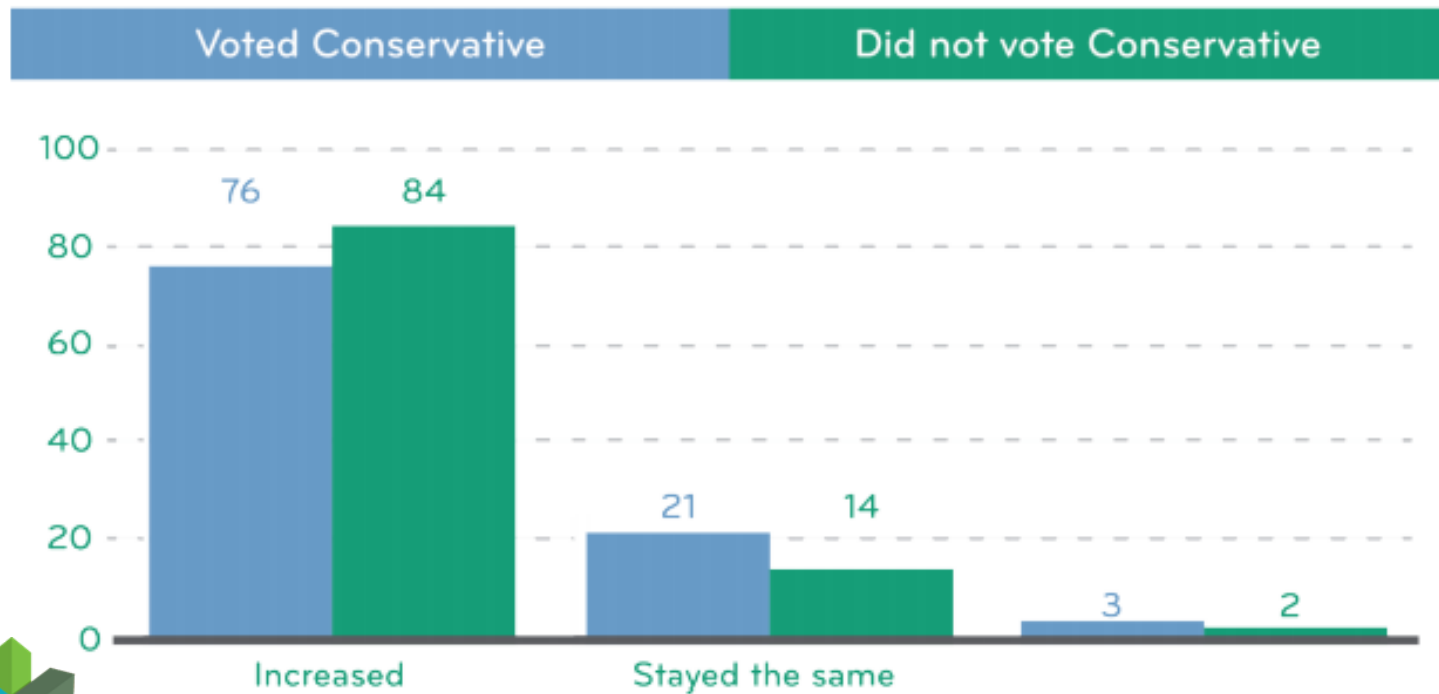


Conservatives chose similar distribution

	Wealthiest 20%	2nd Wealthiest 20%	Middle 20%	2nd Poorest 20%	Poorest 20%
2011 Conservative Voters	33.5	20.6	22.9	13.3	9.7
2011 NDP Voters	27.8	19.9	25.3	14.6	12.4
2011 Liberal Voters	31.8	20.7	23.2	13.2	11.1

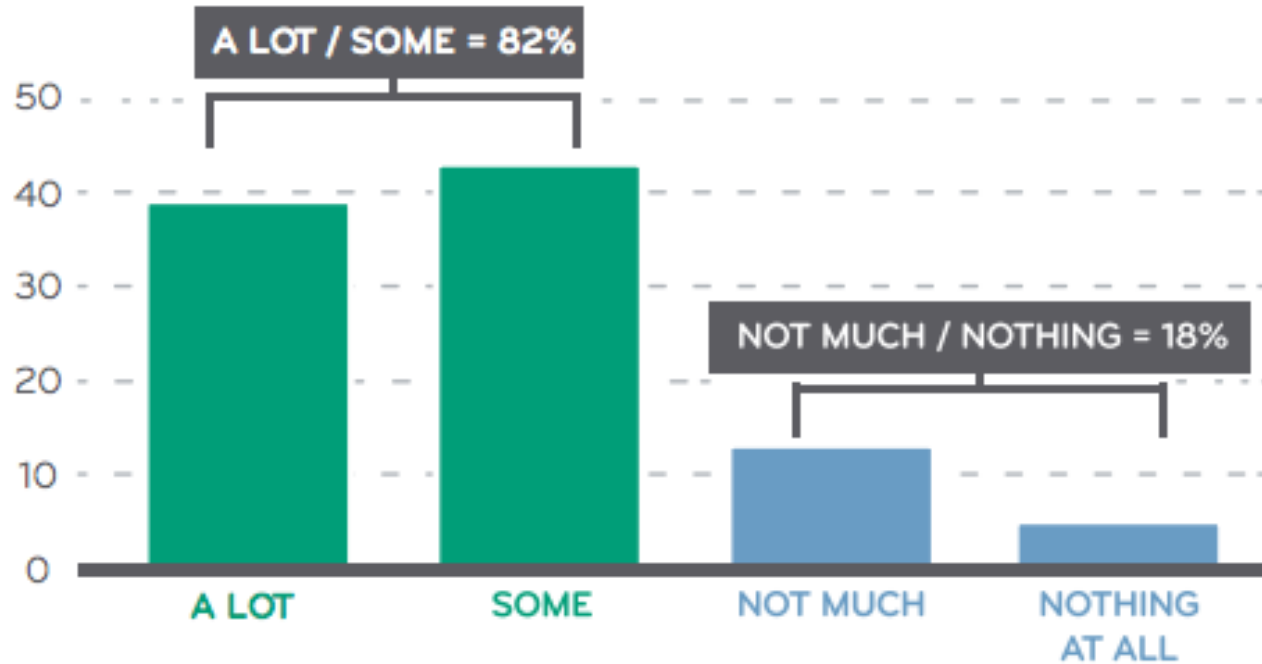
Canadians know things are bad...

FIGURE 2: OVER THE LAST TEN YEARS, DO YOU THINK THE GAP BETWEEN THE RICH AND EVERYONE ELSE IN CANADA HAS INCREASED, DECREASED OR STAYED THE SAME?

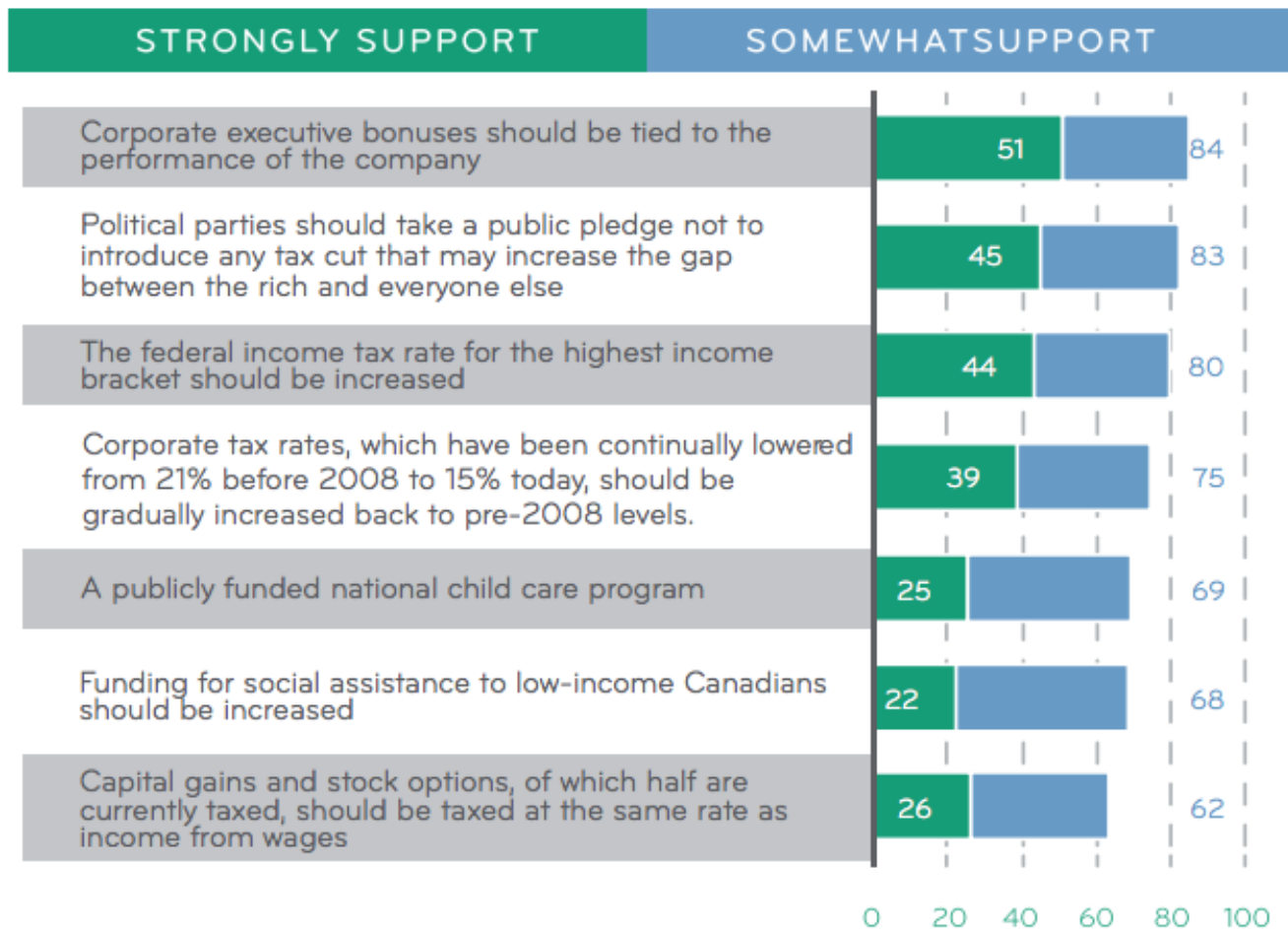


Support for government action

FIGURE 3: HOW MUCH, IF ANYTHING, SHOULD THE FEDERAL GOVERNMENT DO TO REDUCE THE GAP BETWEEN THE RICH AND EVERYONE ELSE?



Support for strong action



Conclusion

- Wealth gap in Canada is significant and persistent
- Most Canadians dramatically underestimate the true scale of the problem
- Even still, public support for corrective action is wide and deep and political parties need to take notice



Thank you/Merci

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