

Rich getting richer, data shows

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A new report using data provided by McMaster economist Mike Veall suggests that Canada's richest continue to get richer at a much faster rate, taking home almost one third of all growth in incomes between 1997 and 2007. Photo via flickr.com/photos/coaxial.

A new report released today by the Canadian Centre for Policy Alternatives (CCPA), using data provided by McMaster economist Mike Veall, suggests that Canada's richest continue to get richer at a much faster rate, taking home almost one third of all growth in incomes between 1997 and 2007.

According to *The Rise of Canada's Richest 1%* - written by Armine Yalnizyan, CCPA senior [economist](#) - Canada's wealthy are taking more of the gains from [economic growth](#) than ever before in recorded history.

The last time Canada's elite held so much of the nation's [income](#) was in the 1920s, says the report. Median incomes, meanwhile, have remained

stagnant.

The top 0.01 per cent represent 2,400 Canadians who earn at least \$1.85-million. Nearly 75 per cent of their income comes from wages. Similarly, the top 1 per cent, or 240,000 Canadian who earn more than \$169,000, receive about 67 per cent of their income in wages.

Veall, who provided previously unpublished tax form data for the report, suggests that the income shift can be explained in a number of ways.

"One view is that corporate boards have allowed CEO salaries to jump because they were climbing elsewhere," he says. "Another reason may be that CEOs, known for being good communicators, are more effective and therefore more valuable in the digital age because email and mass media allow better contact with employees and the public."

A similar phenomenon can be seen in Australia, New Zealand, the United Kingdom, and particularly the United States, he says. But non-English-speaking countries such as France and Italy don't show the same [inequality](#) gaps.

Provided by McMaster University

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