

Press release

September 14, 2017

What we found in Statistics Canada's latest data

Statistics Canada revealed, yesterday, new data from the last Census regarding the median total income of Canadian households. Among other things, the data show an increase of 11% of New Brunswickers' income between 2005 and 2015. At first sight, the data seems positive but, taking a closer look, we realize that the purchasing power of New Brunswickers has, actually, diminished. In fact, during that same period, the consumer price inflation has increased 18.86%.¹ In other words, the difference between the inflation rate (18.86%) and the increase of median total income in New Brunswick (11%) reveals a decrease of 7.86% of the purchasing power of New Brunswickers during that period.

On the other hand, the median total income does not show who benefited from the increase in income. Chances are the 1% of the richest people probably benefited from the increase in income since, during the last 30 years, that 1% represented 37% of the increases in income.²

Finally, it is very likely that the lower purchasing power of poor people and of the middle class is higher than the 7.86% mentioned above.

That statistics also shows that the median total income of New Brunswickers is 15.62% lower than the median total income of all Canadians.³ Moreover, New Brunswick is the province where the average salary is the lowest in Canada.

The Common Front for Social Justice believes the time has come, for New Brunswick, to change its economic model. Instead of trying to keep the economy rolling with more and more people getting deeper in poverty, New Brunswick could choose to increase the minimum wage to 15\$/hour in order to increase consumption activities of 33.7% of our workers⁴ who have difficulty making ends meet.

We must also mention that welfare recipients are in an even more precarious situation given that New Brunswick still comes last, in Canada, for the help provided to welfare recipients.⁵

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¹ <http://www.bankofcanada.ca/rates/related/inflation-calculator/>

² <http://ici.radio-canada.ca/nouvelle/738980/etat-du-canada-partage-richeesse-emploi-economie>

³ <https://www.statcan.gc.ca/daily-quotidien/170913/dq170913a-eng.htm?HPA=1>

⁴ <http://www.macleans.ca/economy/economicanalysis/why-a-15-minimum-wage-is-good-for-business/>

⁵ Tweddle, Anne, Battle, Ken, and Torjman, Sherri, *Canada Social Report. Welfare in Canada, 2015*. (November, 2016). The Caledon Institute of Social Policy.