

GENERATION | squeeze

PRESS RELEASE

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Offside: federal budget 2013 gives retirees on-ice advantage; leaves younger generations on the bench

Today's federal budget may make kids hockey equipment a little less expensive, but it still leaves younger generations with an empty net when it comes to defending themselves against the high cost of living in Canada today. Meanwhile, the NHL's Vezina Trophy winner stays in goal for older generations as government continues to spend around \$45,000 a year per retiree in Canada, mostly on health care, pensions and retirement income subsidies.

This spending is nearly four times larger than government spending per younger Canadian. Grade school, post-secondary, health care, child care, parental leave, EI and workers compensation all combine with today's investment in skills training for a total of around \$12,000 annually per person under age 45.

"The high level of spending per retiree is not the problem," observes Dr. Paul Kershaw, UBC Professor and Founder of the Generation Squeeze campaign. "Public investments in pensions and health care have dramatically reduced the economic pressures facing millions of seniors today compared to the past. Now poverty is lower for seniors than any other age group, and half what it is for families with kids."

"The problem," Kershaw explains, "is when we spend \$45,000 per retiree, but claim that the government's cupboard is bare for younger generations who face a serious decline in the standard of living".

Since two earners barely bring home today what one breadwinner did in the 1970s, we've gone from 40 hour work weeks to closer to 80 hours. Despite this extra work, young household incomes have flat-lined while tuition has jumped and housing costs skyrocketed. The result is Generation Squeeze – Canadians under 45 today are squeezed for time and income. And those with young children are squeezed for services like child care, which are essential for parents to deal with rising costs, but are in short supply and cost more than university

"Younger generations can't work their way out of this squeeze without giving up something fundamental" reports Lynell Anderson, Senior Researcher for the Generation Squeeze campaign. "Working and studying more to deal with lower wages and higher housing costs means there is less time and money available to start and care for the family they may want."

A small increase in government spending - from \$12,000 to \$13,000 - can make a BIG difference to Generation Squeeze, helping them to afford children, pay off student debt, reduce the time it takes to save a down payment for a home, and save for retirement.

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A large network of partners support the Generation Squeeze Campaign (gensqueeze.ca) to ensure younger generations have a chance. A chance to deal with lower wages, higher living costs, environmental change and an imbalance in government spending *without compromising the family they have, or the family they want.*

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