

PRESS RELEASE

October 6, 2015. For Immediate Release

## New study asks:

### Why does the federal government spend five times more per retiree than per person under 45?

"This is an important question to ask in the middle of the 2015 federal election," observes Dr. Paul Kershaw, University of BC policy professor in the School of Population Health, and the study's first author. "It is important in order to assess whether Canada is working fairly for all generations. If not, what are the parties campaigning for our vote going to do about it?"

Working for all generations means protecting the medical care and income security on which our aging parents and grandparents are counting, while also adapting policy for Canadians in their 20s, 30s, and 40s, along with the children we are raising.

Policy adaptations for younger Canadians are required now because we earn thousands less for full-time work (after inflation) even though we devote years more to postsecondary, pay thousands more for the privilege, and face housing prices that are up hundreds of thousands of dollars. The resulting time, money, and service squeeze for younger generations is compounded by an environmental squeeze that coincides with greater risks from climate change.

The Government of Canada does not report how federal spending breaks down by age. "This means parliamentarians cannot easily assess whether the government is finding the right balance between investing in young and old, and between investing earlier in each citizen's life compared to later," explains Eric Swanson, Executive Director of Generation Squeeze.

To fill this void, Generation Squeeze is publishing this ground breaking study that carefully examines federal budget spending on retirement, health care, employment, families, income support, housing, culture, immigration, etc. in 2015. For each social spending area, Dr. Kershaw and his co-author, Lynell Anderson CPA, identify what portion goes towards those age 65+, age 45 to 64 and under 45.

"The results show a large age gap," concludes Kershaw. "The federal government now spends nearly \$21,000 per person age 65+; over \$7,000 per person age 45 to 64; and only \$4,349 per person under age 45. This age gap in federal spending is considerably larger than the age gap in provincial spending."

Is this fair? Generation Squeeze recommends that the Government of Canada support an ongoing public dialogue about this question by reporting how its spending breaks down by age on an annual basis.

"We ask all national parties running for office to adopt this recommendation," Swanson explains.

The full study, *Federal Favouritism*, is available at: <http://bit.ly/GSFedFavouritism>