



Focus Canada – Fall 2019

Intergenerational Mobility in Canada – An Update

FINAL REPORT

The Environics Institute's Focus Canada public opinion research program (launched in 1976) tracks the evolution of Canadian attitudes on key issues. The most recent survey is based on telephone interviews conducted (via landline and cellphones) with 2,008 Canadians between October 7 and 20, 2019. A sample of this size drawn from the population produces results accurate to within plus or minus 2.2 percentage points in 19 out of 20 samples.

Executive summary

A succession of economic downturns over the last decades has led many to express concerns that the next generation of Canadians will be less, and not more, well-off than the ones that preceded it. This issue was addressed by the Environics Institute for Survey research in its most recent Focus Canada survey. The survey finds that one in four Canadians feel worse off, financially speaking, than their parents were at their age, and almost one in two say the next generation will be worse off than they are. For these Canadians, the promise of economic and social mobility seems unfulfilled.

The situation, however, is not getting progressively worse. Views on these questions have fluctuated somewhat over the past 30 years, and were certainly more pessimistic a generation ago, in the mid-1990s. The survey results show a link between perceptions of one's current financial situation and educational attainment, pointing to the important role that education now plays in underpinning social mobility. Canada also continues to hold considerable promise for immigrants, who are much more likely than non-immigrants to expect that the next generation will be better off than they are.

Introduction: The promise of economic progress

One of the main measures of the state of our economy is the extent to which it is able to provide opportunities for individuals to improve their circumstances – to not be bound by the class they were born into; and to move up the economic ladder through a combination of education, talent and hard work. Many parents – particularly (but not only) those who have immigrated to Canada from poorer or war-torn countries – are motivated by the belief that their hard work will result in a much better life for their children. Younger Canadians are no less motivated by a sense that their own efforts will open doors to opportunities not available to their parents.

In the decades following the Second World War, the promise of intergenerational mobility was unmistakable, as the hardships experienced by grandparents and parents during the Great Depression and the war were replaced by expanding prosperity for their children and grandchildren. More recently, however, a succession of recessions, slower income growth and

rising living costs has eroded confidence that economic progress is inevitable. It is now common to hear concerns that the next generation of Canadians will be less, and not more, likely to have the type of well-paid jobs, affordable housing and accumulated savings than the ones that preceded it.

The changing views on the prospects for the next generation were addressed by the Environics Institute for Survey research in its most recent Focus Canada survey. The survey was conducted in October 2019, with a representative sample of 2,008 adult Canadians. To gauge whether views have shifted over time, the results from this survey are compared with those from previous Focus Canada studies conducted since 1990.

Are you better off than your parents?

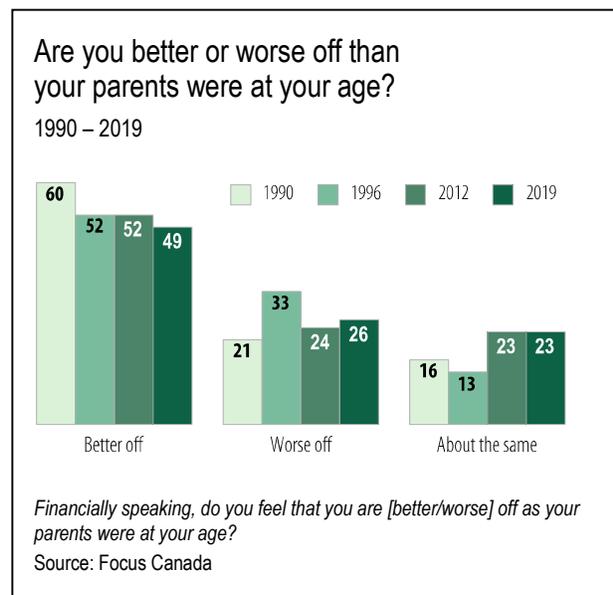
One in two Canadians feel they are better off, financially speaking, than their parents were at their age, while one in four feel worse off. The proportion feeling better off than their parents has declined since the question was first asked in 1990, although most of this decline occurred in the mid-1990s and not more recently.

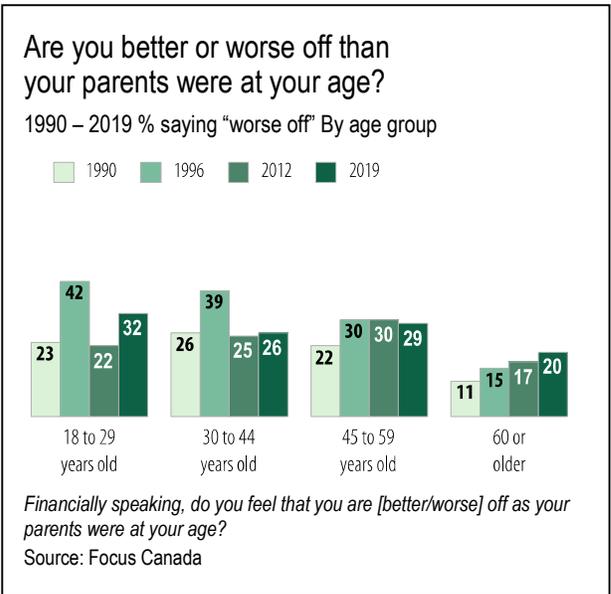
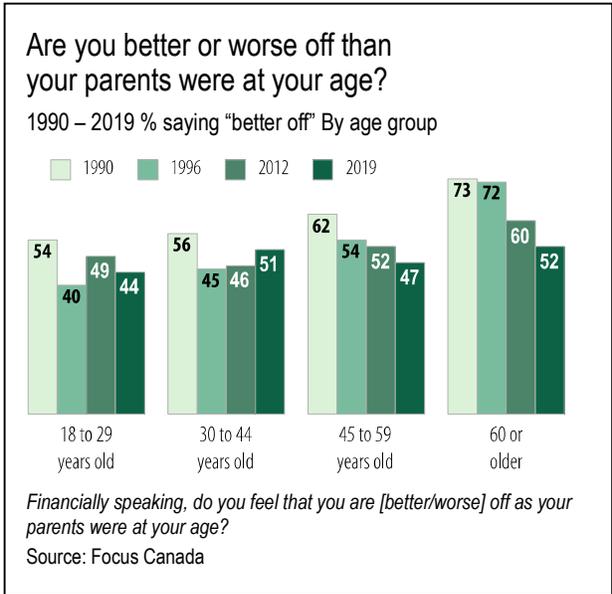
Most Canadians feel they are doing at least as well as their parents, if not better. One in two Canadians (49%) say that, financially speaking, they feel better off than their parents were at their age. The remainder is divided between those who feel worse off (26%) and those who feel they are doing about the same as their parents were at their age (23%).

The proportion feeling better off than their parents has declined since the question was first asked in 1990, although most of this decline occurred in the mid-1990s and not more recently. In 1990, 60 percent of Canadians said they felt financially better off than their parents had been at their age. This figure declined to just over 50 percent in 1996 and is now just under 50 percent.

The proportion feeling worse off than their parents, however, is also lower now than it once was. This proportion increased significantly between 1990 and 1996, from one in five (21%) to one in three (33%). It fell back to one in four (24%) in 2012, and remains at that level today (26%).

While the proportions of Canadians feeling either better or worse off than their parents have declined compared to 1996, the proportion saying they are doing about the same has increased.





In the current (2019) survey, younger Canadians are more likely than older Canadians to say that they are worse off than their parents were at their age: one in three (32%) of those age 18 to 29 say they are worse off, compared to one in five (20%) of those age 60 and over. This was also the case in 1996, when younger Canadians were almost three times more likely than older Canadians to say they were worse off than their parents were at their age. In 1990 and 2012, however, those in the middle age groups were the most likely to say they felt worse off. On this question, the views of those between the ages of 18 and 29 are more volatile, rising and falling between surveys by a larger margin than is the case for the older age groups. This suggests that the optimism of economic booms and the anxiety of economic downturns may be felt more acutely by those in the early stages of their careers.

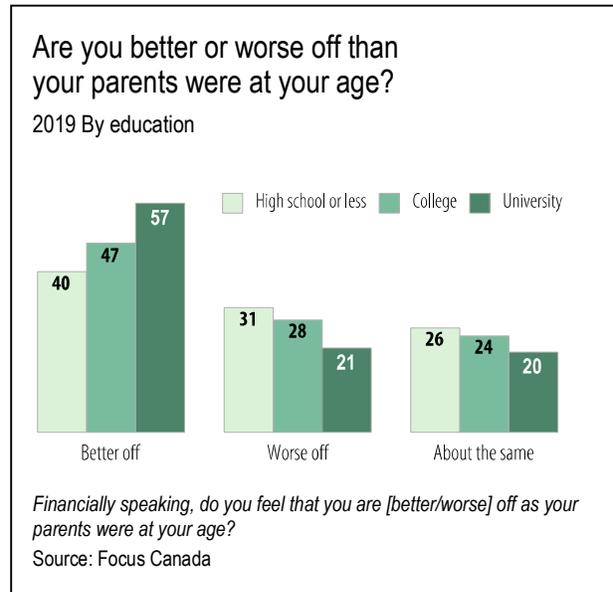
When looking at the changes in views over time across each age group, it is also apparent that the proportion of those in the older age group (age 60 and over) who are feeling better off than their parents were at their age is steadily declining, while the proportion feeling worse off is increasing. It is important to note that this doesn't simply mean a change in view among those within the same age cohort. It is also evidence of generational change: those who were in their 30s, 40s or 50s at the time of the earlier surveys are moving into the 60-plus age cohort today. As these younger cohorts age and move into the older age bracket, they bring their generation's more pronounced feelings of being less well-off with them.

There are two other notable differences in opinion on this question: one is among regions. Quebecers (16%) are currently only half as likely as those in Western Canada (33%) to say they feel worse off than their parents were at their age. In none of the previous surveys were Quebecers the least likely to feel this way – pointing to an important recent shift in the economic outlook of Quebecers compared with other Canadians.¹ Moreover, this 17-point

¹ For more on this trend, see the discussion on feelings of job security in Environics Institute for Survey Research, *Regional Perspectives on Politics and Priorities* (November 2019); <https://www.environicsinstitute.org/projects/project-details/regional-perspectives-on-politics-and-priorities>
The Environics Institute for Survey Research, 2020

difference among regions is much larger than any of the previous differences (the previous largest difference between regions was only 5 points, in 1990).

A second notable difference relates to educational attainment. Those with a university education (57%) are much more likely than those who did not continue their education past high school (40%) to feel better off than their parents were at their age. This difference is much larger than that in the previous surveys, pointing to the increasing importance of education in underpinning social mobility.



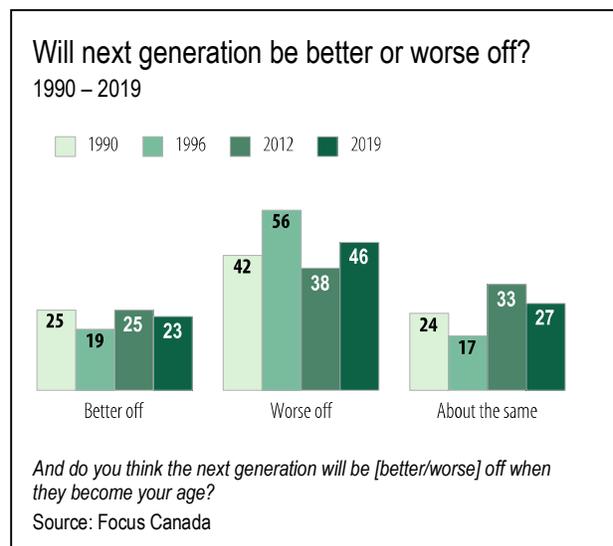
Will the next generation be better off?

Canadians are twice as likely to say that the next generation will be worse off as they are to say they will be better off. The proportion of Canadians expecting the next generation to be worse off has fluctuated over time. Immigrants are more than twice as likely as those born in Canada to say that the next generation will be better off when they become their age.

Looking toward the future, Canadians are not overly optimistic about their children’s financial prospects. Asked if they think the next generation will be better or worse off when they become their age, Canadians are twice as likely to say that they will be worse off (46%) as they are to say they will be better off (23%). Just over one in four (27%) say they will be about the same.

Not surprisingly, views on the two survey questions are linked, as those who feel they are worse off than their parents were are much more likely to say the next generation will also be worse off. Specifically, 70 percent of those who feel worse off than their parents say the next generation will be worse off than they are, compared to 37 percent of those who feel better off than their parents.

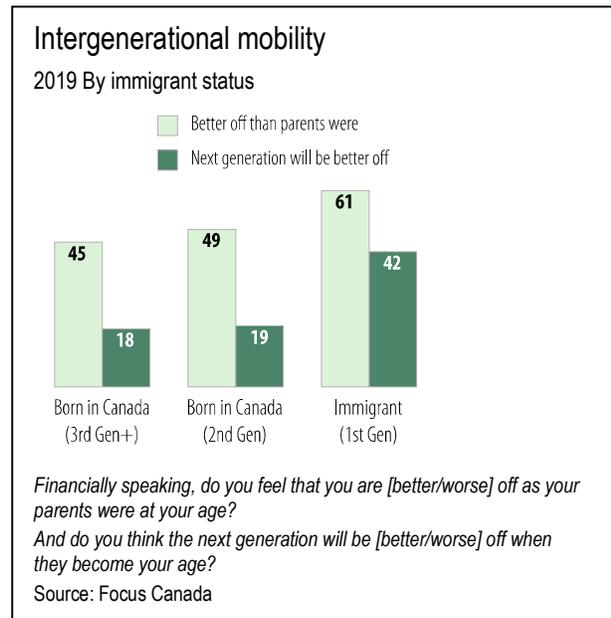
That said, even those who feel they are better off than their parents are slightly more likely to expect the next generation to be worse off



than they are – with 37 percent holding this view, compared to 30 percent who expect the next generation to be better off.

The proportion of Canadians expecting the next generation to be better off has remained fairly stable over time, at around one in four. The proportion expecting the next generation to be worse off, however, has risen and fallen. It jumped from 42 percent in 1990 to 56 percent in 1996; it then dropped back to 38 percent in 2012 before rising again to the current level of 46 percent. This pattern mirrors that for the previous survey question. It appears that pessimism about intergenerational mobility is slightly more pronounced today compared to earlier in the decade, but not as pronounced as it was in the mid-1990s.

On the question of whether the next generation will be better or worse off, results do not differ notably by age, region or education. But there are significant differences between immigrants and those born in Canada. Immigrants are more than twice as likely (42%) as those born in Canada (18%) to say that the next generation will be better off when they become their age. While immigrants are more likely to say the next generation will be better off than they are to say they will be worse off, the opposite is true for those born in Canada.



The Environics Institute for Survey Research was established in 2006 as an independent non-profit organization to promote relevant and original public opinion and social research on important issues of public policy and social change. It is through such research that organizations and individuals can better understand Canada today, how it has been changing, and where it may be heading.

For further information see www.EnvironicsInstitute.org, or contact Dr. Andrew Parkin at andrew.parkin@environics.ca

