

The Personal Security Index, 2003

by the Canadian Council on Social Development

Economic Security Highlights

Over the last five years, increases in objective measures of economic security have been much greater than increases in perceptions of economic security. Canadians have a little more disposable income, they are more confident in their job security and employability, but they are less satisfied with the adequacy of their incomes and they have little faith in government income support programs.

- Average disposable incomes increased gradually between 1998 and 2002, by a total of approximately \$1,500 in constant 1998 dollars.
- But Canadians feel decreasing satisfaction with the adequacy of their incomes to meet their basic needs. Whereas 57% of Canadians surveyed felt that their income was *very* adequate in 1998, only 47% (10 percentage points less) felt the same way in 2002. The proportion of Canadians who classified their income as only *moderately* adequate in 2002 rose from 29% to 36%, while the proportion who classified their income as *inadequate* to meet their needs rose from 14% to 17%.
- Canadians are going deeper into debt. Since 1998, the amount that Canadians have borrowed to buy homes and consumer goods increased from an average of 95.9% of their total disposable income, to 98.4% by 2002. This was an increase of almost 18 percentage points from a decade earlier (1992), and more than 42 percentage points higher than in 1984, when that ratio was 56%.
- On the bright side, Canadians are becoming more confident about their job security. In 2002, about 62% of Canadians surveyed were not concerned about losing their jobs, a 15 percentage point increase from the 47% who were as confident of their job security in 1998.
- They are also becoming more confident in their employability. In 2002, 57% of working-age Canadians were confident in their ability to find an equivalent position within six months if they lost their job, up from 49% 1998.
- But in both 2002 and 1998, only 23% of respondents were confident that if they lost their job, government income support programs would sustain them adequately while they looked for a new one.
- Over the five-year period, there has been a small increase in the percentage of unemployed workers eligible for EI – from 43% in 1998 to 45.2% in 2002 – but EI eligibility remains significantly lower than it was in the late-1980s and early-1990s when more than 80% of the unemployed were eligible.