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Oilpatch workers five times more likely to be a one percenter, survey reveals

By MEGHAN POTKINS, CALGARY HERALD

CALGARY – What do a Bay Street broker and a steel-toed tradesman in the oilsands have in common?

A lot more than you might think.

Workers in the mining and oil and gas industries are five times more likely to belong to Canada's richest one per cent, according to economists.

Among the top three industries for churning out the wealthy, individuals working in the resource sector make up 4.6 per cent of Canada's elite, according to a recently released University of British Columbia paper.

"When you think about the top one per cent, I think it's a mistake to think about the guy with the monocle and the top hat, which is sometimes the characterization," said Kevin Milligan, an associate professor at UBC. "I don't think it's a fair characterization. There's a lot of other folks in there, as well."

While only one per cent of Canadians work in the resource sector, they make up nearly five per cent of top earners.

"These are high-paying, well-paying jobs and there is some heavy demand, and in some cases, significant labour shortages," said Canada West economist Michael Holden. "It's not surprising that we see these kinds of wages (in resource sectors),"

And many of these resource sector jobs are in Alberta, notes Milligan.

Men in Alberta earn \$14,000 more each year than the national average of \$47,000, according to Statistics Canada. At \$34,000, Alberta women earn \$3,900 more than the national average.

Other one percenters come from professional fields like medicine, law and accounting. Ten per cent come from finance.

"This isn't just the CEOs and the corporate accountants we're talking about here. People who are doing very well and working very hard in the skilled trades can get themselves pretty close to the top one per cent, as well," said Milligan.

Milligan and his colleagues say they were spurred to investigate top earners following the Occupy movement that swept Canada last summer.

Their 43-page report paints a picture of Canada's well-off.

Overwhelmingly, the one per cent are men- by a "staggering 83 per cent," according to the report. They're also older, more educated, and work longer hours than most Canadians.

Fifty-two per cent of individuals in the one per cent work at least 50 hours a week compared with fewer than 20 per cent for the overall population.

The report also notes that income inequality has grown significantly in Canada since the late-1970s.

The income gap has almost doubled in the last three decades. Currently, 18 per cent of the total income in Canada is concentrated in the hands of only one per cent of the population.

"These numbers reveal that the ratcheting up of inequality in Canada is real," the study says. "Whatever else it achieved, the Occupy Movement shone a light on our growing inequality."

The paper, titled Canadian Inequality: Recent Developments and Policy Options, was written by UBC academics Kevin Milligan, Nicole Fortin, David Green, Thomas Lemieux and Craig Riddell.

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