

**OFFICE OF
THE PARLIAMENTARY BUDGET OFFICER**



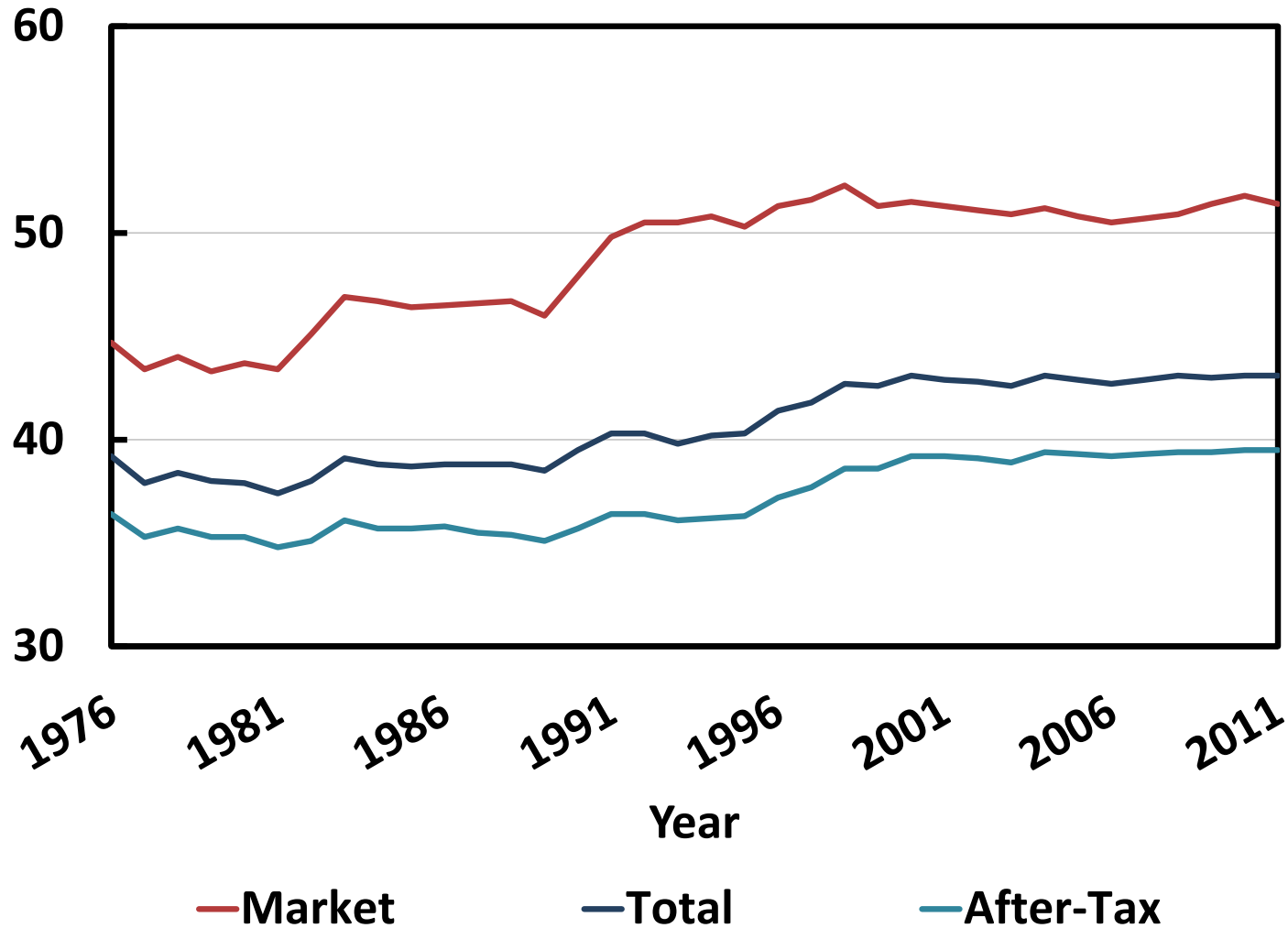
**BUREAU DU
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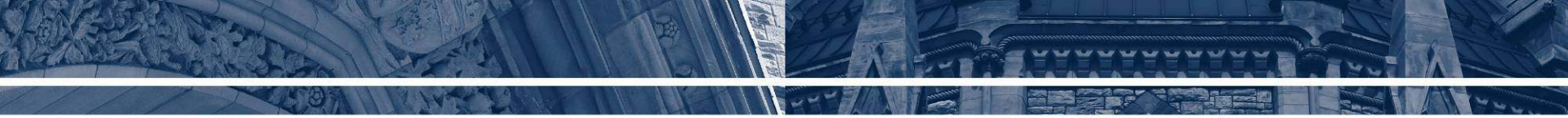
How the Federal Tax and Transfer System Interacts with Income Inequality

**Office of the Parliamentary Budget Officer
March 10, 2015**

Income Inequality in Canada

Gini coefficient

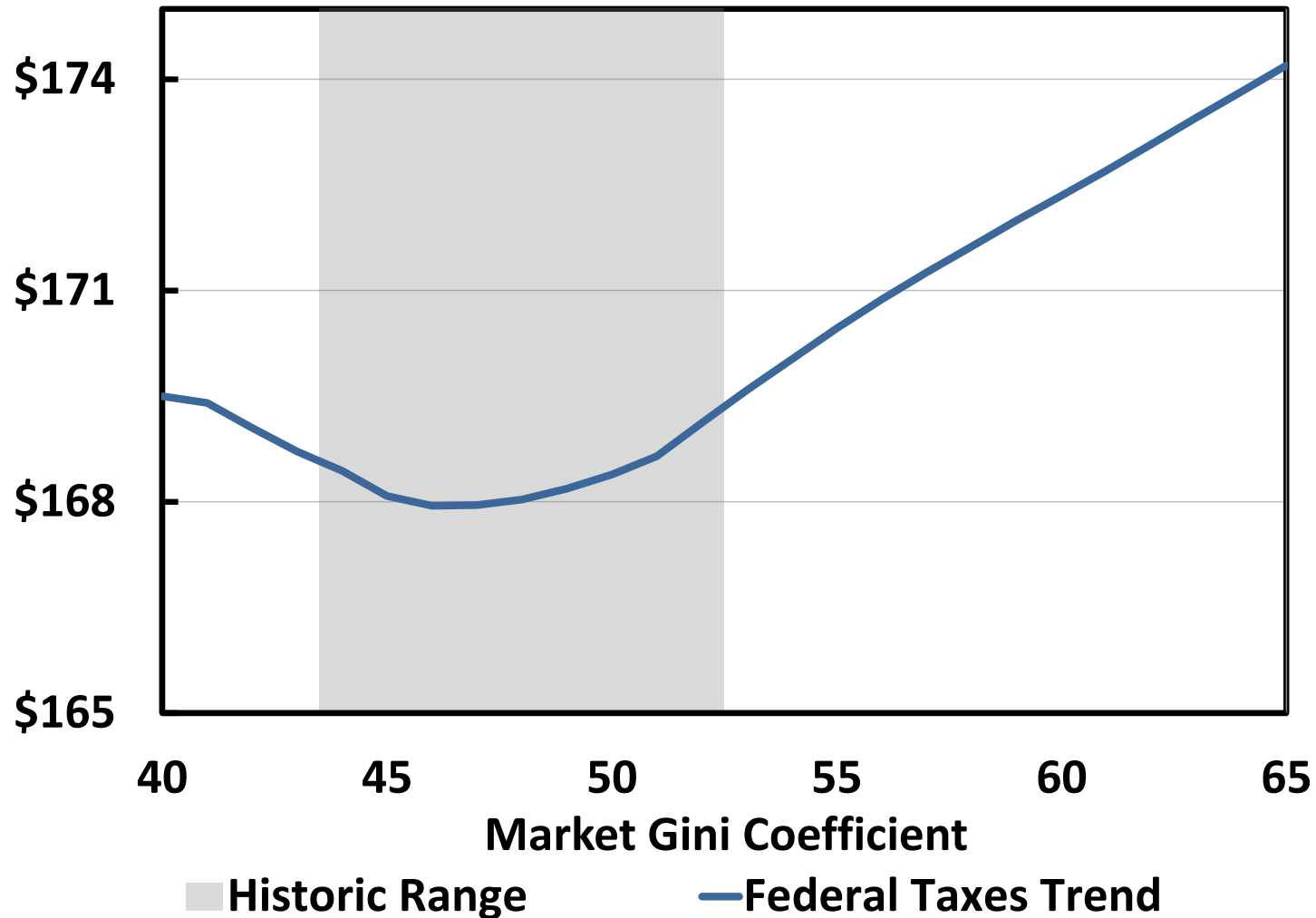




The impact of income inequality on taxes and transfers

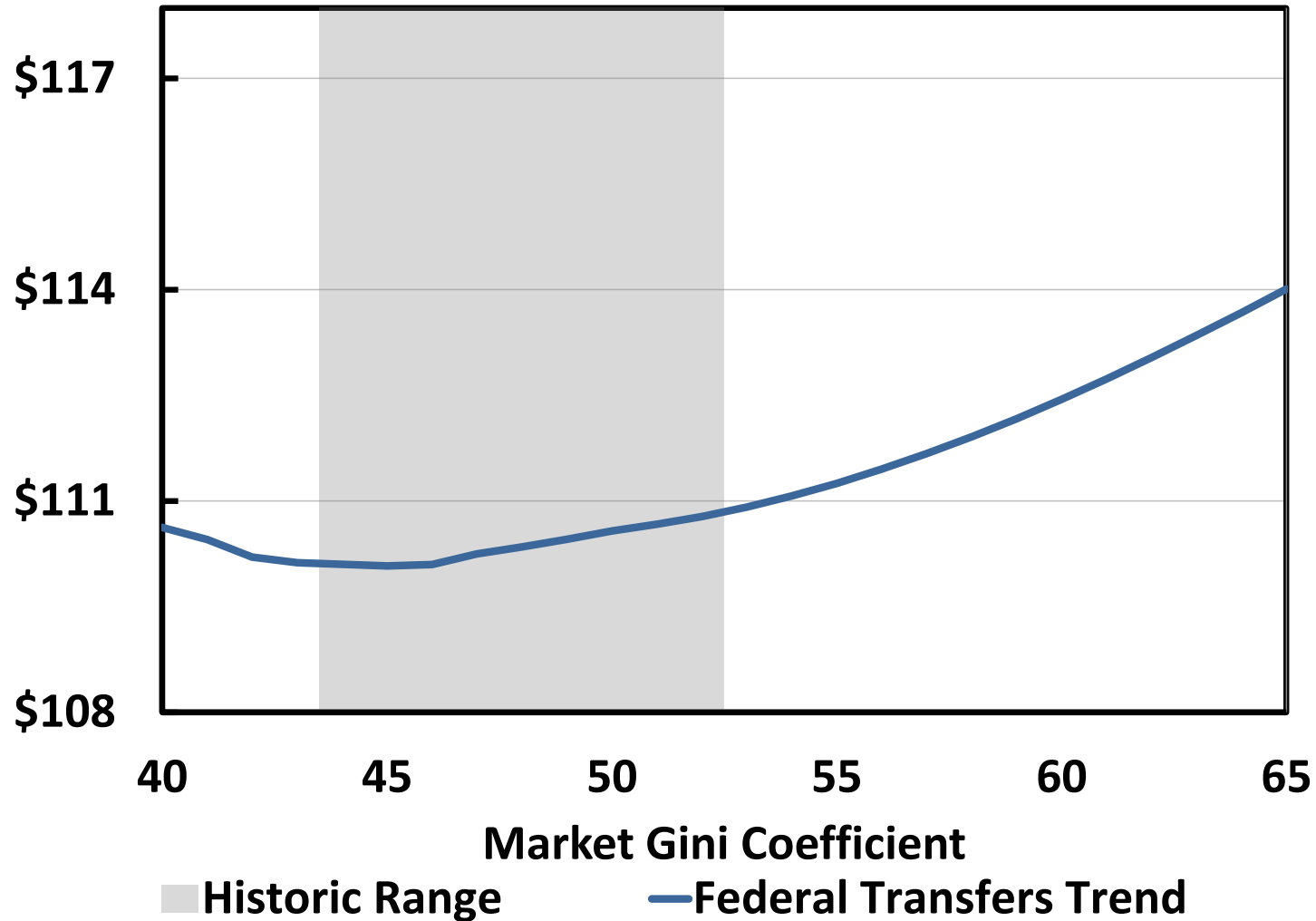
Federal Taxes at Various Gini Coefficients

Billions (\$)



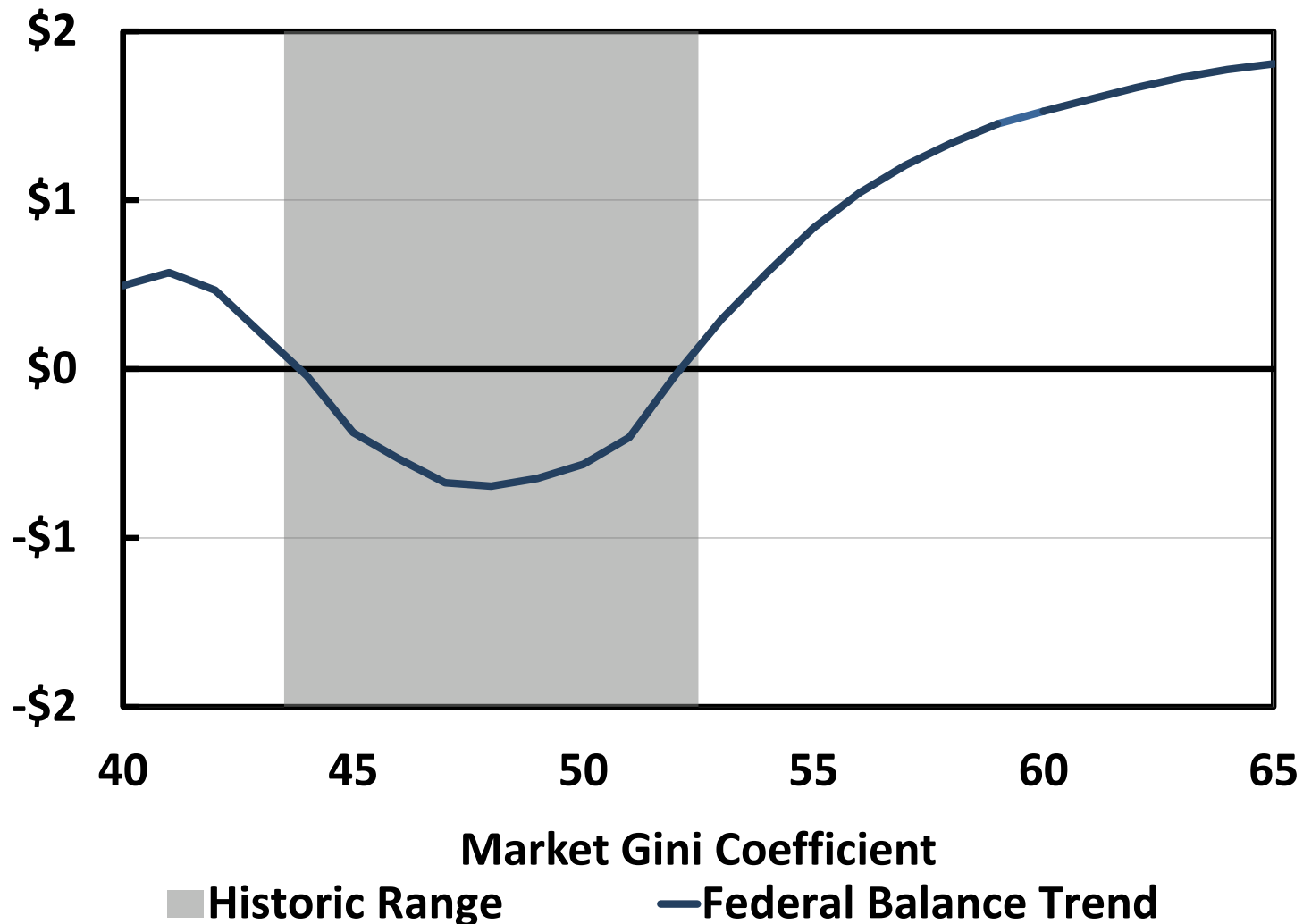
Federal Transfers at Various Gini Coefficients

Billions (\$)



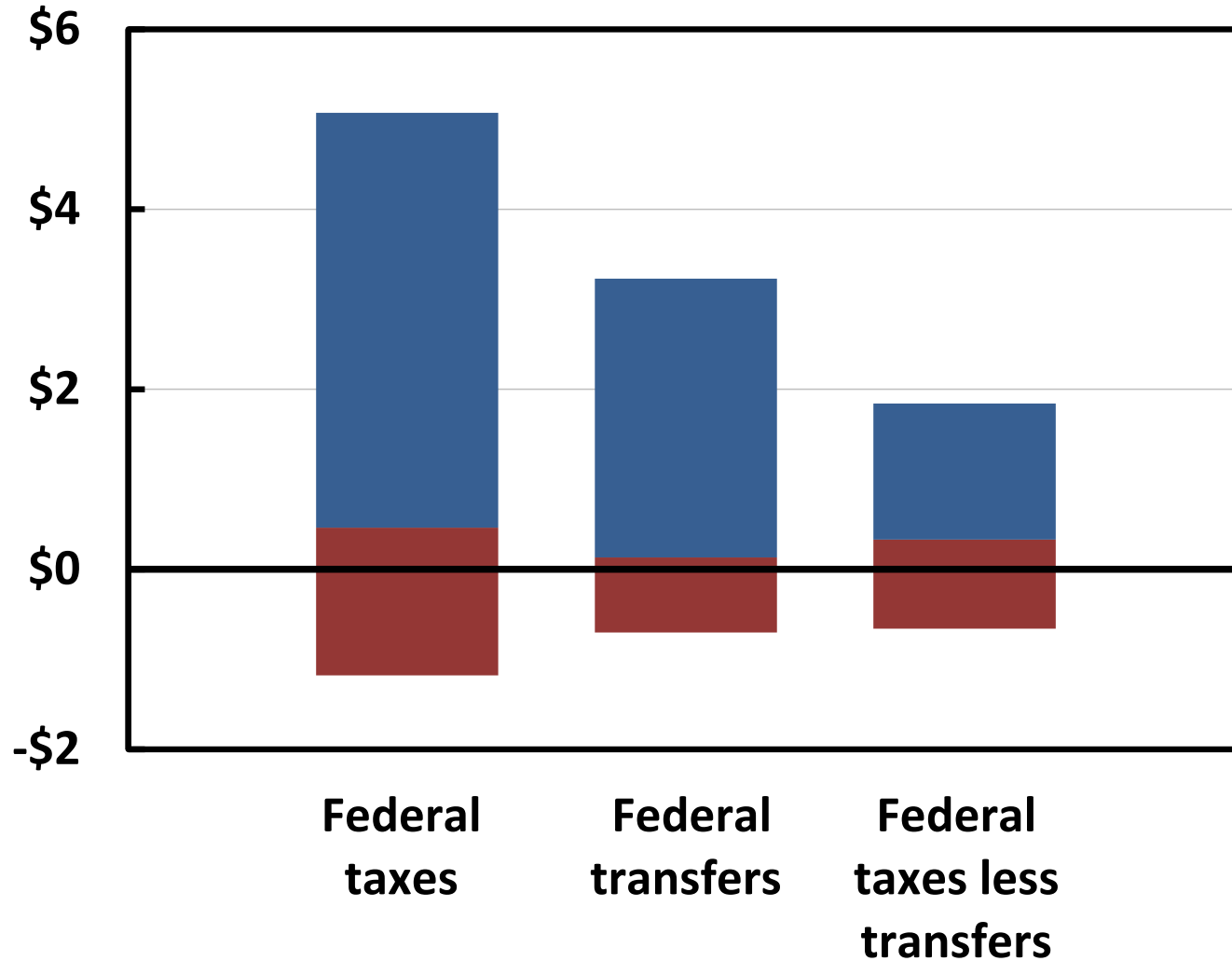
Change in the Balance: Taxes Less Transfers

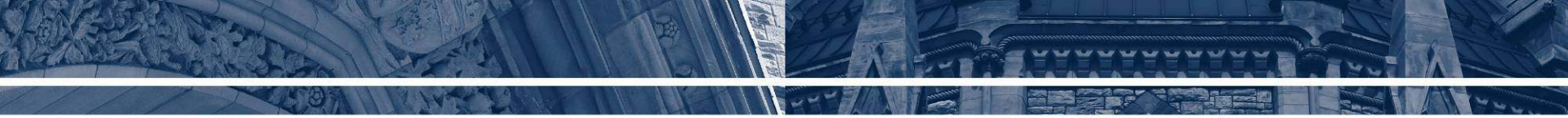
Billions (\$)



Inequality Based Fiscal Impacts

Billions (\$)

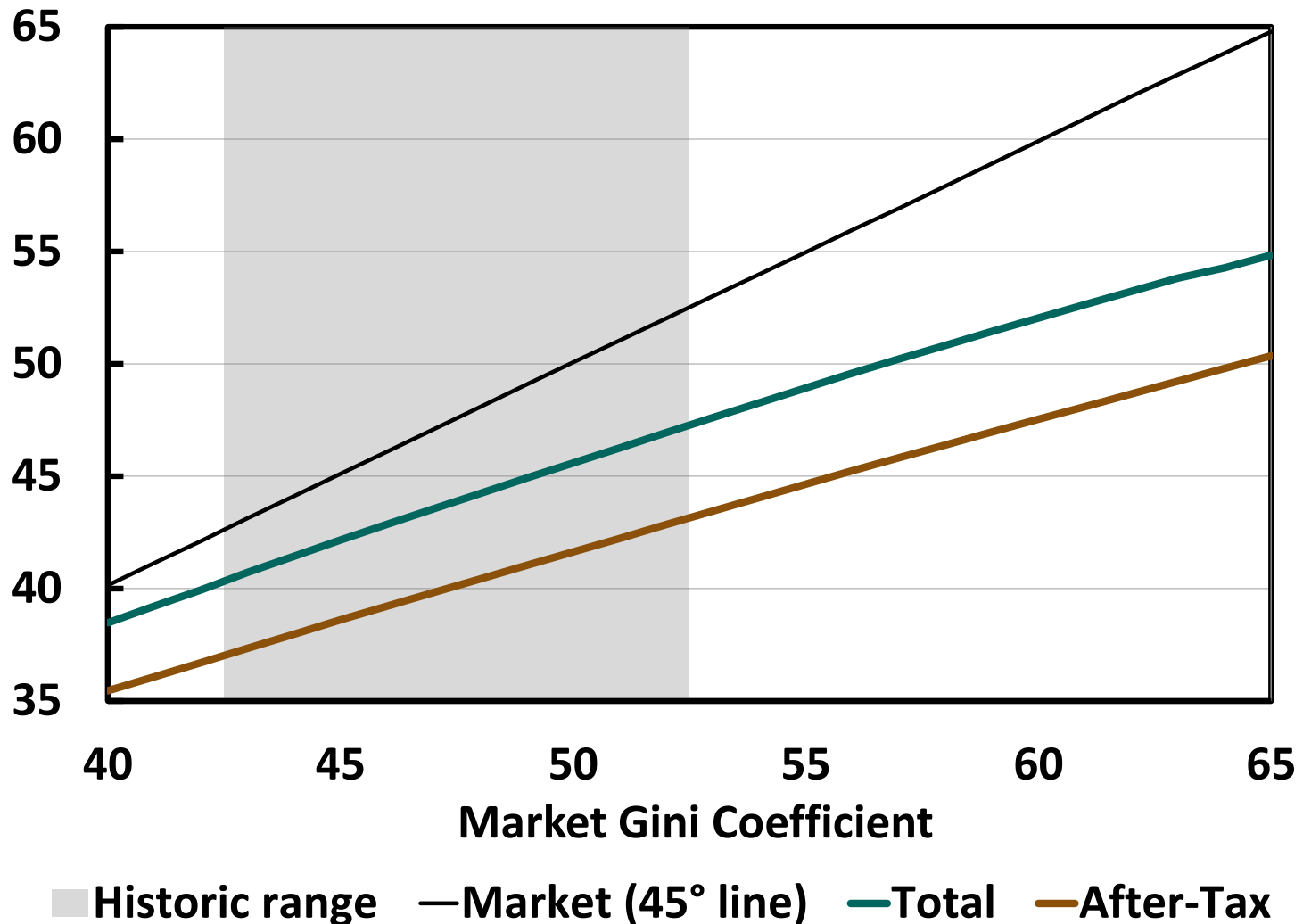




The impact of the tax and transfer system on income inequality

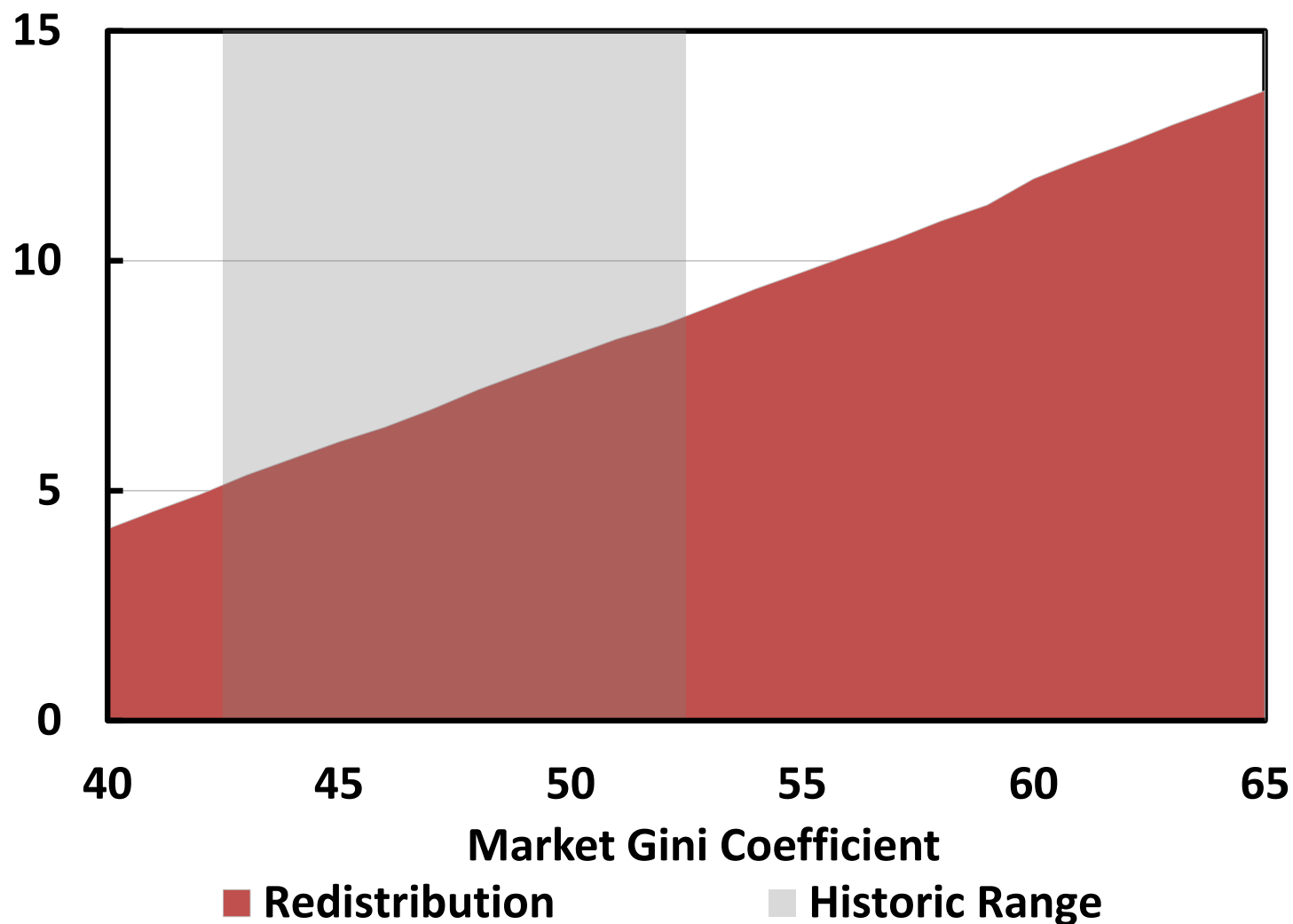
Gini Coefficient for Total and After-Tax Income

Gini Coefficient



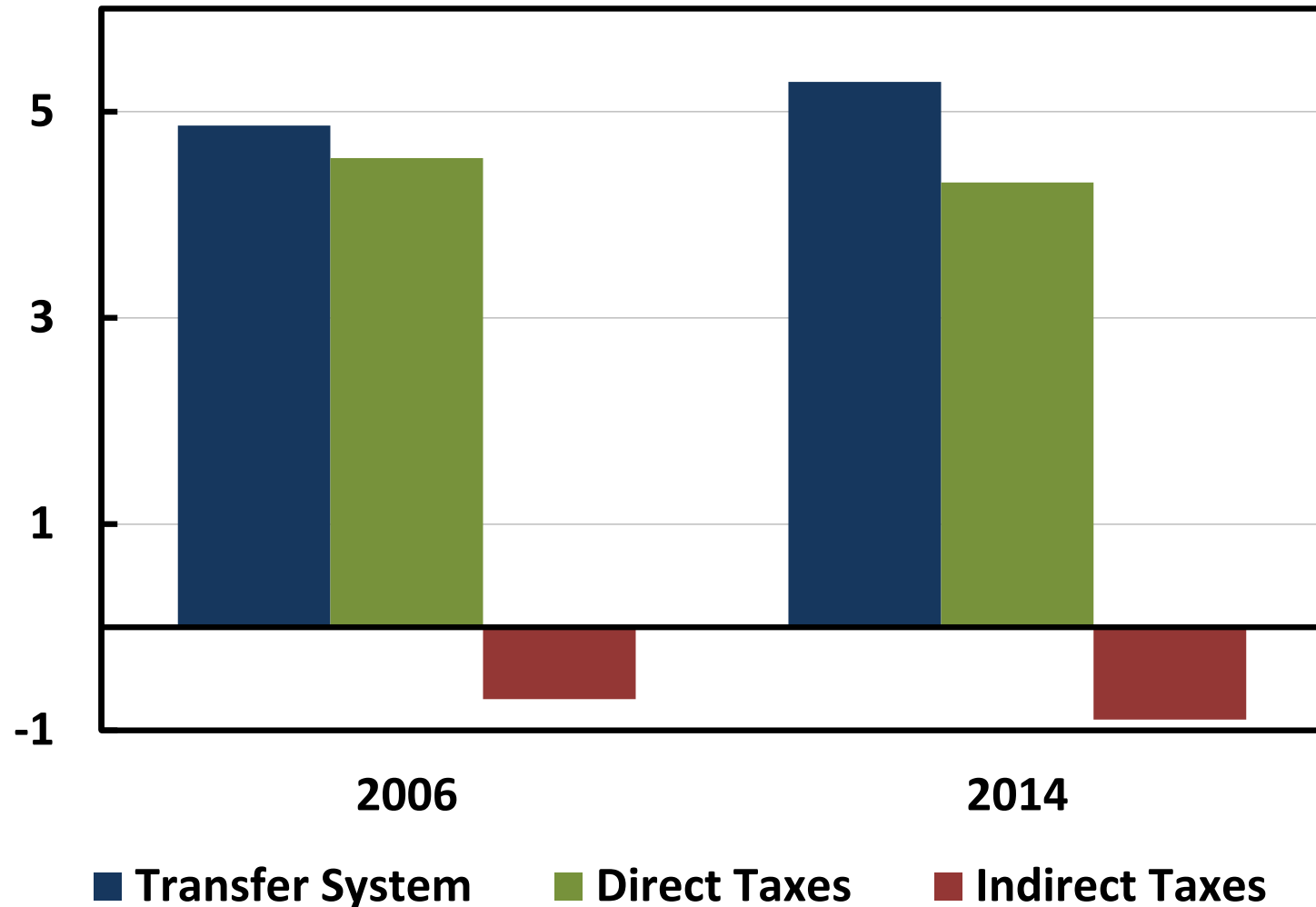
Equalizing Effect of the Tax and Transfer System

Gini coefficient units



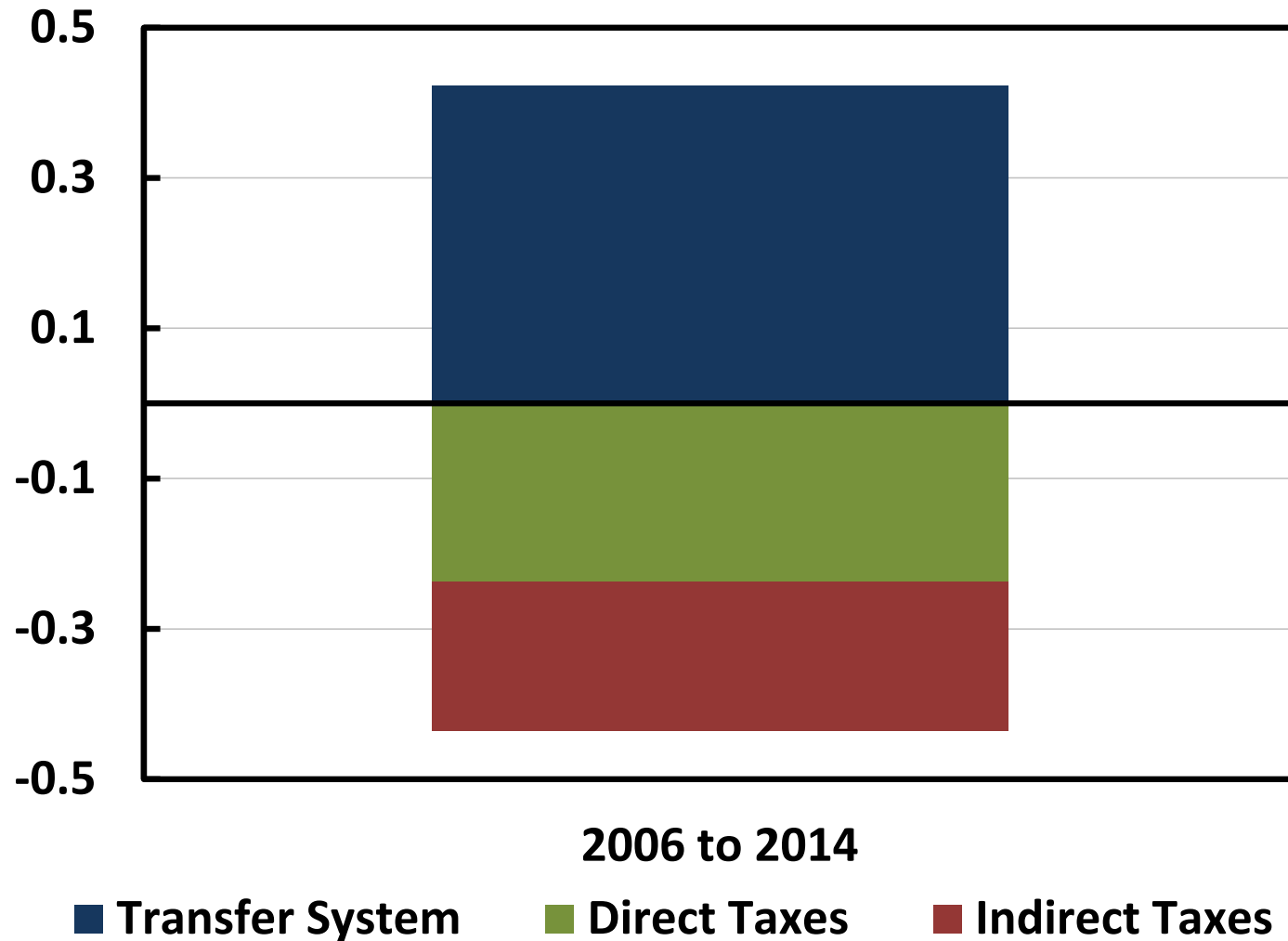
Inequality Reduction with the Tax and Transfer System

Gini coefficient units



Change in Average Inequality Reduction: 2006 to 2014

Gini coefficient units





Questions about this report?

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