

PEF-CSLS Panel: Inflationary Shocks, Real Wages, and Income Distribution in Canada since 2019: Are We Witnessing a Wage-Price Spiral?

Discussant

Danny Leung is the Director of the Economic Analysis Division at Statistics Canada. After graduating with a Ph.D in Economics from Western University, he worked at Lakehead University and the Bank of Canada before moving to Statistics Canada in 2009. Over his career Danny has worked in a number of areas. Recently, he has been focusing on business dynamics, firm financing and patenting.

This panel will explore the distributional impacts of inflation in Canada since the start of the pandemic, considering both on the trajectory of real wages and on the distribution of income between firms and workers. Panelists will discuss both the low-inflation environment at the start of the pandemic and the recent period of historically high inflation, including the Bank of Canada's current inflation-control measures, whose presumed justification is to prevent a wage-price spiral. Is inflation fundamentally the outcome of a distributional conflict between firms, workers and taxpayers that only stops when various players are forced to accept the outcome as Olivier Blanchard famously posited on Twitter?