

Challenge Themes

Join us in challenging the dynamics behind widening economic inequality and in developing entrepreneurial solutions that can help make the shift to an economy that generates shared prosperity.

We're looking for people motivated to tackle opportunities within the following themes – and we also want to hear from those who see potential for radical solutions that aren't represented here.

1 Rethinking models for housing, land and real estate

The Challenge

How might we rethink current housing, land and real estate models to generate fairer outcomes for all Canadians?

How could this impact economic inequality?

The accumulation of wealth associated with housing and real estate has been the biggest contributor to widening economic inequality in recent decades. Housing represents the single greatest lifetime cost for most people. The run up in housing costs has created an affordability crisis that is changing the shape of our cities, creating visible divides between rich and poor and damaging social cohesion.

We are particularly interested in the opportunities and threats represented by two current phenomena:

- The enormous generational transfer of personal/private wealth. Estimated at over \$1 trillion, much of this is real estate, including private inheritances and the wind-down of asset holdings by shrinking religious and non-profit institutions.
- The massive expiration of government mortgages and rent subsidy programs. A large percentage of this is for nonprofit and cooperatively owned housing and real estate, and will result in significant repositioning and potential privatization of these assets.

The opportunity is to capitalise on this moment of change to create innovative solutions that channel these assets in ways that enable all citizens to access, own, and benefit from land and real estate.

What might be created?

- New housing development, ownership, access, and financing models to protect and radically increase affordable access to good housing
- Solutions that significantly increase shared ownership (for citizens and social purpose organizations) of land and other real estate and ensure benefits are distributed more widely
- Models that use data to increase transparency and fairness in housing, rental markets, land ownership and credit.

LOUGHEED LEADERSHIP

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ALT/NOW: ECONOMIC INEQUALITY

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2 The Squeezed Middle

The Challenge

How might we support the re-growth of a thriving middle class?

How could this impact economic inequality?

There has been a massive transfer of wealth from the middle to the top in recent decades, resulting in a 'squeeze on the middle': fewer families on a middle income, with poorer quality of life and a loss of optimism as hard work no longer seems sufficient. The hollowing out of the job market has reduced overall social mobility, middle income households have disappeared from neighborhoods, eroding social cohesion, and markets are increasingly skewed to serve the rich.

Meanwhile, research is beginning to find that over the long term countries with a larger middle class boast stronger and more stable economic growth. Recreating a thriving middle class will generate healthy economic activity, rebalance political influence, and enable more people to live a good life on a middle income.

The opportunity is to generate a market for solutions that together make life in the middle more prosperous, accessible and desirable.

What might be created?

- A new range of affordable and accessible models for childcare, utilities, transport, housing, food, and other core cost drivers
- New infrastructure and services that create stability and resilience for those with precarious working patterns and cash flow
- New business models that actively increase the number of good jobs in the middle
- Mass models of the true sharing economy that increase access to resources, generate shared culture, and create commons based ownership of intellectual and local assets
- Use of new technologies (such as 3D printing and renewable energy) so that householders can become producers
- New ways of leveraging intangible assets, such as trust and social capital
- Initiatives that build participation in the opportunities new industries represent, and ensure a share in the gains

3 Fair Wealth Creation for All

The Challenge

How might we create opportunities for all Canadians to become full economic actors (not wage earners alone), and radically grow the proportion of assets dedicated to generating community wealth?

How could this impact economic inequality?

The Canadian economy offers a multitude of methods to grow wealth. Many of these, however, require either individuals or organizations (both for- and not-for-profit) to have ownership or control over a particular asset. For instance, owning a property allows someone the potential to generate a rental stream, and owning shares in a business provides opportunities for dividend payments. Without a means of acquiring ownership or control of an asset, many Canadians find themselves participating only partially in our economy as wage earners.

The opportunity is to design models that massively increase the ability for those at the lower end of the income spectrum to acquire, share in or control assets that can be leveraged to generate income.

This new wealth creation can be targeted a) to individuals that would otherwise not have the ability to acquire wealth-generating assets, or b) to organizations that aim to generate community wealth via community-owned/managed assets.

What might be created?

- New models for fractional ownership in assets that enable income generation, e.g. for renters, customers, citizens, workers
- New forms of saving and borrowing that enable those on a lower income to grow assets
- Innovative models to turn debt into assets that can be leveraged, e.g. converting student debt into equity in student businesses
- New social wealth fund models that allow community contribution Shared equity models enabling a “third way” between owning and renting useful assets
- New retail investment platforms that allow the general public to redirect idle savings into vehicles and businesses that generate community wealth

4 The Future of Work and Good Business

The Challenge

How might we ensure that the majority of people benefit from a rapidly changing economy and labour market?

How could this impact economic inequality?

Technological advancement and globalization have opened opportunities to generate wealth more quickly than ever before. They have also contributed to a labour market marked by insecure work, disinvestment in workforce development, and an increasing number of jobs under threat from technologies such as artificial intelligence and robotics. Corporate profits and benefits for the wealthy and educated continue to climb, but wages and job growth for the rest have largely stagnated.

The opportunity is to create a suite of new solutions that will together ensure that the opportunities, rewards and risks of these changes are more widely shared in our society.

What might be created?

- New infrastructure for a ‘precarious’ workforce, with innovative services for training, benefits, insurance, shared profit models etc
- Models for a new relationship between big business and local communities - a rethinking of industrial paternalism for the 21st century
- New mechanisms to share the benefits and dividends of intellectual property, particularly in industries relying less and less on labour
- Innovative solutions to support the movement towards fair pay, shareholder accountability and transparency in wages and taxes
- New services or platforms to massively increase the number of mutuals, profit sharing models, coops and other forms of shared ownership and decision making
- Fair Trade-like practices here at home that reduce widening inequality, increase diversification and invest in the circular economy