



The Daily

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1996 CENSUS: SOURCES OF INCOME, EARNINGS AND TOTAL INCOME, AND FAMILY INCOME

- The recession of the early 1990s lowered incomes of individual Canadians by 6% between 1990 and 1995, wiping out the gains made during the second half of the 1980s. As a result, after adjustment for inflation, the average income received by individuals in 1995 (\$25,196) was almost identical to that received in 1985, and slightly below the level of 1980.
- Average earnings declined for all age and education groups between 1990 and 1995. However, a more mature and better-educated workforce tempered the effect of the recession on overall earnings.
- Average incomes declined in almost all types of husband-and-wife families between 1990 and 1995. In three out of five husband-and-wife families, both spouses reported employment income. Their average income decreased 1% during the five-year period, while the income of lone-parent families declined 8%.
- Average family income declined between 1990 and 1995 in all census metropolitan areas except two – Windsor and Victoria. The declines ranged from 2% in Saskatoon to 10% in Toronto.
- Women accounted for 22% of all earners in the 25 highest paying occupations in 1995, compared with 17% in 1990. But they still formed a majority of workers in the 25 lowest paying occupations.
- The incidence of low income among families increased from 13% in 1990 to 16% in 1995. The rate was highest among lone-parent families, Aboriginal people and the visible minority population.

The 1996 Census

The 1996 Census products released today on sources of income, earnings and total income, and family income are:

From *The Nation* series: 10 tables, providing data for Canada, provinces and territories, and census metropolitan areas (Package No. 9, catalogue no. 93F0029XDB96000.) The price for the set or any subset of tables is \$60. Extracts from some of these tables will be available free of charge on the Statistics Canada Internet site (www.statcan.ca) under **1996 Census**.

From the Area Profiles series: electronic area profiles for census divisions and census subdivisions. Profiles for the remaining geographic levels—CMA/tracted CA/CT, CMA/CA, FED (1996 Representation Order), FED (1987 Representation Order/EA), and FSA—will be available on June 12, 1998. Prices for area profiles vary depending on the format and geographic level required by the user.

For further information, contact your nearest Statistics Canada Regional Reference Centre.

1996 Census: Sources of income, earnings and total income, and family income

Statistics Canada today releases income data from the 1996 Census, the tenth of 11 reports that are painting a new statistical portrait of the nation.

This report examines changes in the composition of total income, the employment income of individuals and the incomes of families.

The 1996 Census collected information on incomes received in 1995. Similarly, each of the previous censuses provided income data for the preceding calendar year.

Statistics Canada has published more recent survey data for 1996 incomes at the national and provincial levels. However, the census is the only source that permits analysis of incomes for geographic areas such as census metropolitan areas, and for specific population groups, such as lone-parent families, immigrants, seniors and the Aboriginal population.

income from all sources of \$25,196, down 6% from 1990 after adjustment for inflation. This decrease wiped out gains during the second half of the 1980s. As a result, average total income in 1995 was almost identical to that in 1985, and slightly below the level of 1980.

The average income of men (\$31,117) was 7.8% below their average income in 1990. Between 1985 and 1990, men were just able to recoup the income losses suffered in the recession of the early 1980s. As a result, average income of men in 1995 was 7.6% below their income in 1980.

The number of female income recipients has been increasing over the years. In 1995, women accounted for nearly half (49.7%) of all income recipients. In 1995, they had an average income of \$19,208, down 2.1% from 1990.

Despite the recession of the early 1980s, women had on average increased their purchasing power by almost 5% between 1980 and 1985, and had gained another 12% between 1985 and 1990. Thus, unlike men whose average income declined 7.6% between 1980 and 1995, the average income of women increased 15% during the same period.

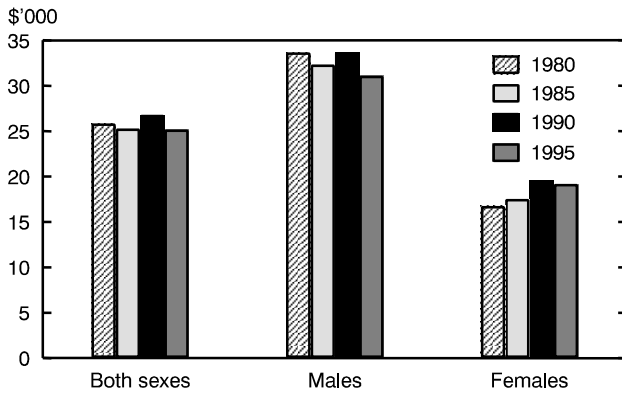
Changes in composition of income

Employment income, or earnings, continued to decline as a proportion of total income between 1990 and 1995, even though it remained by far the largest component of total income. In 1995, employment income accounted for 75 cents of every dollar of income, down from 78 cents in 1990 and 86 cents in 1970.

The share of government transfer payments, such as old-age pensions, unemployment insurance benefits, child tax benefits and Goods and Services Tax credits, doubled over the past quarter century. In 1995, these transfers contributed 14 cents of every dollar of income, compared with 11 cents in 1990 and less than seven cents in 1970.

This increase resulted from changes in both social security programs and the demographic composition of the population. Between 1971 and 1996, the total population increased 34%, while the population aged 65 and older, which received many of these transfer payments, more than doubled. (Annual estimates from other sources show a decline in aggregate government transfer payments between 1994 and 1995, but the 1995 aggregate remained higher than 1990.)

Average total income of individuals in constant (1995) dollars, Canada, 1980, 1985, 1990 and 1995

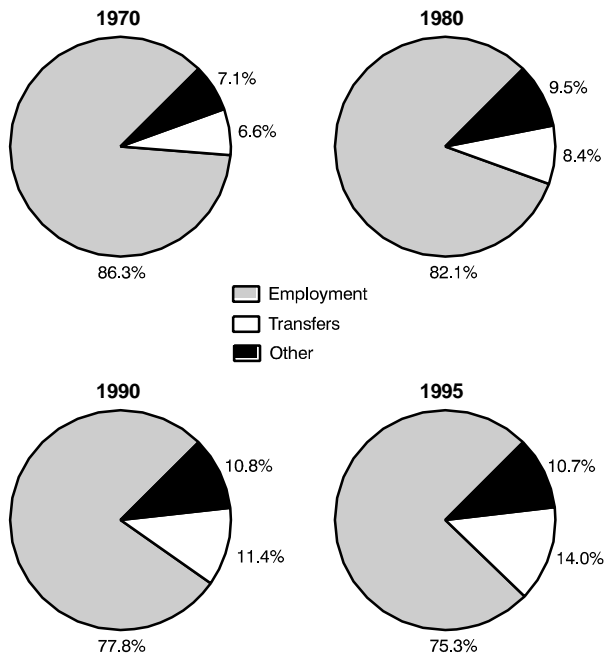


TOTAL INCOME OF INDIVIDUALS

Total income comprises the income an individual receives from all sources, including wages and salaries, farm and non-farm self-employment, government transfer payments, investment income, retirement pensions and other money income.

The nearly 21 million individuals who were income recipients in 1995 had an average total

Composition of total income, Canada, 1970, 1980, 1990 and 1995



Pensions to the elderly accounted for half of all government transfers to individuals. In 1990, an almost identical number of people (2.8 million) received Old Age Security pensions and Canada/Quebec Pensions. By 1995, while the number of OAS recipients increased by 320,000 or 11.5%, the number of recipients of C/QPP benefits increased by over one million persons, or 38.7%. The number of recipients of unemployment insurance benefits declined 6%, while the number of recipients of child tax benefits declined 8%.

The remaining 11 cents of every dollar of income in 1995 came from sources such as investment income and retirement pensions. This amount increased from about seven cents in 1970 to 11 cents in 1990, and did not change between 1990 and 1995.

Note to readers: impact of inflation

All income data in this report are presented in constant (1995) dollars. Incomes from previous censuses have been adjusted for changes in the price of goods and services using the Consumer Price Index.

For example, the actual average income of a census family in 1995 was \$54,600, compared with \$51,300 in 1990. This is an increase of 6.4% before adjustment. When changes in prices are taken into account, real (constant-dollar) family income declined by 4.8%, compared with 1990.

A census family is a now-married couple (with or without never-married sons or daughters of either or both spouses), a couple living common-law (again with or without never-married sons or daughters of either or both partners), or a lone parent of any marital status, with at least one never-married son or daughter living in the same dwelling. Families of now-married and common-law couples together constitute husband-wife families.

Total income comprises the income an individual receives from all sources, including wages and salaries, farm and non-farm self-employment, government transfer payments, investment income, retirement pensions and other money income.

The total income of a census family is the sum of the total incomes of all members of that family aged 15 and over received during the calendar year preceding the census. Income includes wages and salaries, income from farm and non-farm self-employment, government transfer payments, investment income, retirement pensions and other money income.

EARNINGS OF MEN AND WOMEN

The main source of income for most individuals and families is employment income, which includes wages and salaries, and net income from farm and non-farm self-employment.

In 1995, just under 15 million Canadians reported employment income, an increase of less than 100,000 between 1990 and 1995.

Between 1990 and 1995, the overall average employment income of individuals declined 2.6% to \$26,474, the result of the downturn in the business cycle early in the decade. The number of men who reported earnings declined by 53,000 to about 8.0 million, while the number of women increased by about 144,000 to 6.9 million.

Number and average earnings of individuals 15 years and over, in constant (1995) dollars, by sex and work activity, Canada
1980, 1985, 1990 and 1995

	1980	1985	1990	1995
	Number			
Both sexes	12,495,345	13,074,460	14,905,395	14,996,115
Worked full year, full time ¹	6,212,125	6,580,875	7,718,780	7,513,790
All others	6,283,215	6,493,580	7,186,610	7,482,325
Males	7,309,330	7,386,820	8,105,020	8,051,900
Worked full year, full time ¹	4,181,160	4,249,365	4,699,895	4,514,850
All others	3,128,175	3,137,455	3,405,125	3,537,050
Females	5,186,010	5,687,640	6,800,370	6,944,210
Worked full year, full time ¹	2,030,965	2,331,515	3,018,885	2,998,940
All others	3,155,045	3,356,125	3,781,485	3,945,270
	Average earnings (\$)			
Both sexes	26,784	26,062	27,170	26,474
Worked full year, full time ¹	37,517	37,258	37,652	37,556
All others	16,172	14,715	15,912	15,345
Males	33,458	32,319	33,333	31,917
Worked full year, full time ¹	42,556	42,438	43,162	42,488
All others	21,299	18,614	19,768	18,422
Females	17,377	17,935	19,824	20,162
Worked full year, full time ¹	27,145	27,817	29,074	30,130
All others	11,089	11,069	12,440	12,586

¹ Worked 49-52 weeks in the reference year, mostly full time

During this five-year period, employment grew at an annual rate of only 0.5%. Significant changes have occurred in the Canadian economy in more recent years. Employment grew by over 1% in both 1996 and 1997. The average earnings of individuals, after adjustment for inflation, increased 2.2% in 1996, the latest year for which annual (non-census) data are available.

Since 1980, average employment income has fluctuated. The recession in the early 1980s resulted in a 2.7% decline between 1980 and 1985. Average individual earnings then rebounded during the recovery between 1985 and 1990, increasing 4.3%. Although the average in 1995 was slightly higher than in 1985, it was 1.2% below the level in 1980.

Earnings: a detailed analysis

Census data allow a detailed examination of several factors that have an impact on the level of employment income for individuals.

The following sections of this report provide information about people who reported employment

income, relating it to their age, sex, education and the time they spent at work.

In addition, this report examines earnings of several sub-groups of the population – youth, people in high- and low-earning occupations, immigrants, the visible minority population and Aboriginal people.

Differences in trends in earnings for men and women

In 1995, men reported average earnings of \$31,917, down 5% from a high of \$33,458 in 1980. Average earnings of men fluctuated with the economic cycles during this 15-year period. In contrast, earnings of women steadily increased. Women reported earnings of \$20,162 in 1995, up 16% from \$17,377 in 1980.

There is a close relationship between time spent on work and the amount of earnings. Individuals who worked for the full year in 1995 on a full-time basis had average employment income of \$37,556, two-and-a-half times higher than all other earners. (A full

**Number and average earnings of individuals in constant (1995) dollars, by age and education, Canada
1990 and 1995**

	Age						
	Total	15-24	25-34	35-44	45-54	55-64	65 and over
	Number						
Total - 1995	14,996,115	2,514,240	3,716,775	4,052,125	2,988,600	1,351,950	372,415
Less than Grade 9	833,455	43,945	77,745	136,080	243,410	243,085	89,185
Grades 9-13, without certificate	2,743,935	754,060	496,220	645,635	479,045	284,520	84,455
Grades 9-13, with certificate	2,260,915	425,560	516,860	669,480	448,665	162,060	38,280
Less than university degree	6,602,695	1,108,430	1,821,830	1,845,300	1,238,520	480,445	108,170
University degree	2,555,120	182,235	804,120	755,625	578,965	181,835	52,330
Total - 1990	14,905,395	2,775,180	4,159,795	3,764,775	2,436,110	1,382,365	387,165
Less than Grade 9	1,106,015	58,865	111,525	196,700	316,605	319,660	102,650
Grades 9-13, without certificate	3,140,465	877,540	731,610	639,140	482,270	318,365	91,545
Grades 9-13, with certificate	2,340,125	533,570	656,760	611,425	337,920	159,520	40,920
Less than university degree	6,195,705	1,145,415	1,944,230	1,623,830	930,160	445,400	106,670
University degree	2,123,085	159,790	715,660	693,680	369,155	139,420	45,375
	Average earnings (\$)						
Total - 1995	26,474	8,199	24,689	32,155	35,317	30,448	20,446
Less than Grade 9	19,377	8,178	16,197	19,416	22,412	21,442	13,696
Grades 9-13, without certificate	18,639	5,498	20,001	24,662	26,705	24,301	17,089
Grades 9-13, with certificate	22,846	8,938	22,163	27,006	29,434	26,978	19,199
Less than university degree	25,838	9,318	24,258	31,039	33,827	30,706	19,936
University degree	42,054	10,851	31,002	48,140	55,614	54,519	39,334
Total - 1990	27,170	10,212	26,519	33,855	35,816	31,249	21,742
Less than Grade 9	21,100	9,005	17,273	21,661	24,138	23,092	15,547
Grades 9-13, without certificate	19,933	7,175	21,936	26,015	28,173	26,047	19,086
Grades 9-13, with certificate	23,655	11,136	24,055	28,627	31,347	29,102	21,406
Less than university degree	27,257	11,776	26,683	33,021	35,527	32,571	21,936
University degree	44,658	13,045	34,462	51,100	60,640	60,067	40,960

year is defined as 49 weeks or more, and full time is defined as 30 hours or more per week.)

In 1995, men who worked full year, full time reported earnings of \$42,488, down 1.6% from 1990. Those who worked part year, or part time, had earnings of \$18,422, down 6.8% during this five-year period. In contrast, the average earnings of women who worked full year, full time, increased 3.6% to \$30,130. Earnings of women who worked part year or part time also increased, 1.2% to \$12,586.

On the whole, about one-half of all earners worked full year, full time in 1995. Among men, the proportion of full-year, full-time workers declined from 58% in 1990 to 56% in 1995. Among women, it declined from 44% to 43%. Without these changes in the amount of time worked, average earnings of men would have declined 2.9% instead of 4.2%, and those of women would have increased 2.8% instead of 1.7%.

Between 1980 and 1995, the average earnings of full-year, full-time working men changed little. However, those of part-year or part-time working men declined 14% during this 15-year period. In comparison, average earnings of women increased 11% for full-year, full-time working earners, and by 14% for other female earners.

During this 15-year period, the intensity of work in terms of weeks and hours declined in the case of male part-year or part-time earners, and increased in the case of female earners. This accounts in large measure for the differences in changes in the earnings of men and women between 1980 and 1995.

As a result of these changes, the female-to-male earnings ratio has risen steadily during the past 15 years. In 1995, women who worked full year, full time, earned on average 71 cents for each dollar earned by their male counterparts, compared with 67 cents in 1990, 66 cents in 1985 and 64 cents in 1980. These are overall comparisons, however. A more

refined comparison, taking education, work experience, occupation and other factors into account, has to wait for further analysis.

Shifts in age profile of earners dampened overall decline in earnings

In general, individual earnings increase with age and work experience. In 1995, average earnings were lowest at \$8,199 for individuals aged 15 to 24. They increased to a peak of \$35,317 for those aged 45 to 54, then declined to \$20,446 for those aged 65 and over. The nature of the relationship of age to earnings was consistent for both men and women.

Between 1990 and 1995, average earnings declined in all age groups. The largest decline, almost 20%, occurred among the youngest group, those aged 15 to 24, the smallest decline, 1.4%, among those aged 45 to 54. Although the overall number of earners was virtually unchanged between 1990 and 1995, there were significant changes within the age distribution of earners. These differed from shifts occurring in the distribution of overall population. The general ageing of the population is increasing the proportion of the retired and elderly. In contrast, baby boomers are entering the peak-earnings age groups and increasing the proportions of these groups among earners.

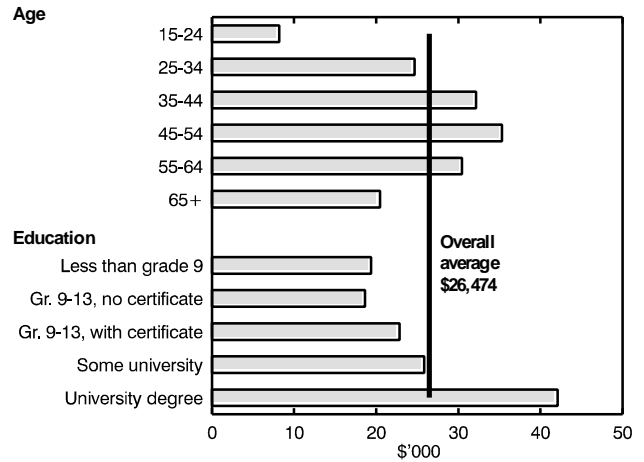
Shifts in the age profile of earners mitigated the general drop in earnings between 1990 and 1995. For example, the number of people in the age group with the highest earnings (45 to 54) increased 23% between 1990 and 1995, while the number in the second highest earning group (35 to 44) increased almost 8%. All other things being equal, without these demographic shifts, overall average earnings would have declined almost 6% between 1990 and 1995, instead of the actual 2.6% decline.

More mature, better educated workforce offset decline in earnings

Education, as well as age and experience, has a major bearing on earnings. The negative impact of the recession of the early 1990s was considerably offset by a more mature and better-educated workforce.

In 1995, individuals with a university degree reported average earnings of \$42,054, compared with about \$19,000 for those who had not graduated from high school. High school graduates reported average earnings of \$22,846.

Average earnings, by age and education, Canada, 1995



However, average earnings declined in all education categories between 1990 and 1995. People with less than Grade 9 education incurred the largest decline in average earnings, 8.2%. Average earnings for high school graduates declined 3.4%, while those for university graduates declined 5.8%.

Shifts in the education profile of earners tempered the decline in overall earnings among the various groups. The number of earners with a university degree increased 20% between 1990 and 1995, while the number with some university education increased 7%. At the same time, the number of people with lower levels of education, and consequently in lower earnings groups, declined. These shifts occurred along with the significant increase in the number of people aged 35 to 54 who recorded the highest earnings.

All other things being equal, without these changes in the age and education profiles of earners between 1990 and 1995, average earnings would have declined by about \$2,200, instead of \$700.

Average earnings of young people declining since 1980

Average earnings of young people aged 15 to 24 have been declining since 1980. This section examines some of the responsible factors.

The impact of changes in overall economic activity on youth differs from that on other age groups. For example, during good economic times, job opportunities for young people grow, but their earnings do not appear to grow at the same rate as

Average earnings in constant (1995) dollars, by age, Canada
1970, 1980, 1985, 1990 and 1995

	1970	1980	1985	1990	1995
Total	23,075	26,784	26,062	27,170	26,474
15-24	11,643	13,191	10,565	10,212	8,199
25-34	25,641	28,724	26,326	26,519	24,689
35-44	29,836	34,601	33,620	33,855	32,155
45-54	28,845	34,683	34,061	35,816	35,317
55-64	25,669	31,441	31,092	31,249	30,448
65 and over	16,474	19,707	19,729	21,742	20,446

those of experienced workers. For example, during the periods 1970 to 1980 and 1985 to 1990, real average earnings of young people increased, but at a rate slightly lower than the overall rate of increase.

During recessionary periods, all earnings generally fall or stagnate. In the case of young people, there is a dual impact. Their chances of full-time employment fade quickly. In addition, they may be limited to low paying jobs. Consequently during the tough economic times between 1980 and 1985, and in the early 1990s, their average earnings fell about 20%, much more than the overall rate of decline.

In 1970 and 1980, the average earnings of young people aged 15 to 24 were around one-half of the overall national average. By 1995, they had declined to 31%. As a result of these changes, the position of young earners relative to other age groups consistently deteriorated between 1980 and 1995.

Increasingly, young people have been working only part of the year, or part time, because they are staying in school longer. In 1971, about 23% of individuals aged 15 to 24 had post-secondary education including a university degree. By 1996, this proportion had reached 39%.

Work patterns have also been changing for young people aged 15 to 24. In 1970, 29% of young earners worked full year, full time. By 1995, this proportion had declined to only 16%. Had this decline not occurred, the earnings of young people would have been \$10,600 or 30% higher than their actual earnings in 1995.

Earnings of immigrants

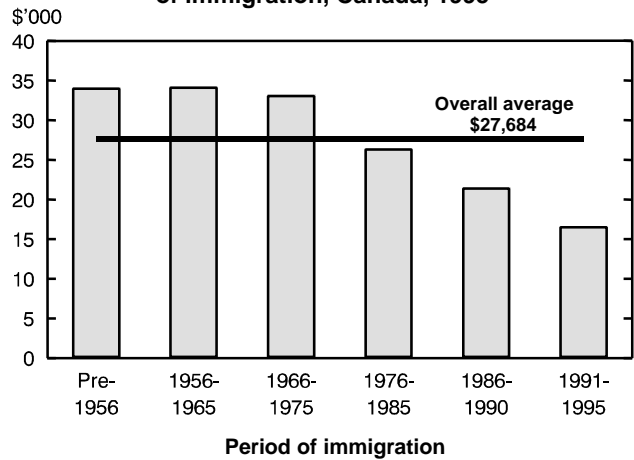
In 1995, over 2.8 million earners were immigrants, accounting for 19% of all people with employment income. Their earnings varied significantly by their period of immigration to Canada. About 21% of them immigrated before 1966. Another 28% came between 1966 and 1975.

The average earnings in 1995 of both these groups of immigrants were more than 30% above the average earnings of non-immigrants. The average for immigrants who arrived between 1976 and 1985 was 1% higher. In addition to any other factors, experience in the Canadian labour market is clearly a substantial benefit to earlier groups of immigrants.

However, more recent immigrants had significantly lower earnings. The average employment income of immigrants who came between 1986 and 1990 was \$21,538, or 18% lower than that of non-immigrants. The average employment income of the most recent immigrants, those who came after 1990, was \$16,673, or 36% lower than the average earnings of non-immigrants.

In spite of the large variation in the average earnings of immigrants by period of immigration, the much higher weight of pre-1976 immigrants in their distribution pushed their overall average earnings to \$27,684, which was 5.7% higher than for non-immigrants (\$26,193). The difference in the overall average earnings of immigrants and non-immigrants stems largely from two factors.

Average earnings of immigrants by period of immigration, Canada, 1995



Number and average earnings of individuals, by immigration status, age and education, Canada 1995

	Number	
	Canadian-born	Immigrants
Total	12,178,095	2,818,020
Age		
15-24	2,285,115	229,125
25-34	3,110,790	605,995
35-44	3,305,420	746,700
45-54	2,242,715	745,890
55-64	963,915	388,040
65 and over	270,140	102,275
Education		
Less than Grade 9	572,755	260,695
Grades 9-13, without certificate	2,356,450	387,485
Grades 9-13, with certificate	2,400,215	453,495
Trades and non-university	3,518,645	745,695
Some university	644,210	155,625
University degree	2,685,815	815,025
Average earnings (\$)		
	Canadian-born	Immigrants
Total	26,193	27,684
Age		
15-24	8,171	8,483
25-34	25,119	22,482
35-44	32,793	29,333
45-54	35,500	34,767
55-64	29,917	31,767
65 and over	19,727	22,345
Education		
Less than Grade 9	18,825	20,589
Grades 9-13, without certificate	18,334	20,491
Grades 9-13, with certificate	23,984	23,717
Trades and non-university	25,645	26,835
Some university	22,138	23,227
University degree	38,326	37,209

Immigrant earners were generally older. Their median age was about 42 years, compared with 36 for the Canadian-born population. There were proportionally fewer immigrant earners in the young age groups where employment income was lower, and more in older age groups which tended to have higher earnings. In addition, higher proportions of immigrant earners had completed university.

Without this age and education advantage, the overall average employment income of immigrants would have been about \$3,600, or 8.3% lower, than the average for non-immigrants, instead of 5.7% higher.

Employment income of visible minorities

About 10% of all people who reported employment income in 1995, or about 1.5 million individuals, were members of the visible minority population. They reported average employment income of \$22,498, about 15% below the national average.

Four out of every five of these individuals were immigrants, almost all of whom arrived after 1965. Like other immigrants, their earnings varied by period of immigration. However, except for the immigrants who arrived between 1956 and 1965, average employment income of visible minority earners within each period of immigration was lower than that of other immigrants. The differences ranged from about 2% for 1966-1975 immigrants to 28% for most recent immigrants.

Canadian-born visible minority earners

In 1995, just over 253,000 earners in the visible minority population reported that they were Canadian-born. Their average employment income of \$18,565 was almost 30% below the level reported by all other earners who were Canadian-born. This was primarily due to major differences in the characteristics of the two groups.

Although the educational attainment of the visible minority earners was higher than other Canadian-born earners, there were significant differences in their age distributions. The median age of the visible minority group was lower by more than 11 years. Nearly 45% of the earners in the Canadian-born visible minority population were under the age of 25, compared with 18% for other Canadian-born earners. Similarly, less than 10% were between 45 and 64 in the Canadian-born visible minority population, compared with 25% for other Canadian-born earners.

In addition, only one-third of the individuals in the Canadian-born visible minority population worked full year, full time in 1995, compared with one-half of other Canadian-born earners. Compensating for these differences between visible minority and other Canadian-born earners reduces the gap between their average employment income from about 30% to 4%.

**Number and average earnings of visible minority immigrants aged 15 and over by period of immigration, Canada
1995**

Period of immigration	Immigrant earners		Average earnings		% difference
	Visible minority population	Others	Visible minority population	Others	
	Number		Dollars		
TOTAL	1,247,940	1,570,080	23,298	31,170	-25.3
Pre-1956	6,715	213,380	28,378	34,350	-17.4
1956-1965	28,360	341,155	36,910	34,011	8.5
1966-1975	293,485	488,160	32,852	33,399	-1.6
1976-1985	331,970	260,640	24,279	29,286	-17.1
1986-1990	264,420	139,365	19,960	24,533	-18.6
1991-1995	322,990	127,375	15,042	20,809	-27.7

**Number and average earnings of the Canadian-born visible minority population, by age, Canada
1995**

	Canadian-born earners		Average earnings		Worked full year, full time	
	Visible minority population	Others	Visible minority population	Others	Visible minority population	Others
	Number		Dollars		%	
TOTAL	253,890	11,924,205	18,565	26,356	33.9	49.9
15-19	48,695	868,445	3,699	3,825	2.3	3.7
20-24	65,245	1,302,735	8,827	11,203	15.0	24.6
25-29	42,565	1,377,630	20,664	21,912	46.4	50.9
30-34	30,955	1,659,640	27,539	27,850	57.0	57.5
35-44	38,930	3,266,490	33,229	32,787	57.8	61.3
45-54	16,770	2,225,945	35,218	35,502	61.1	62.9
55-64	8,060	955,850	33,792	29,885	53.8	50.0
65 and over	2,670	267,470	26,277	19,662	28.7	24.4

Earnings of Aboriginal people

About 298,200 Aboriginal people reported employment income in 1995, accounting for 57% of the total Aboriginal population aged 15 and over. In comparison, 66% of the general population aged 15 and over reported employment income.

In 1995, average employment income of Aboriginal people at \$17,382 was 34% below the national average of \$26,474. This was due in large measure to differences between Aboriginal earners and other earners relating to factors that affect the amount of earnings.

There was a predominance of part-year, or part-time, work among Aboriginal people. In 1995, just over one-third of Aboriginal people who reported employment income worked for the full year on a full-time basis, compared with one-half of the total population. However, the average employment income of Aboriginal people was significantly lower than the national average regardless of whether they worked full year, full time in 1995.

Average earnings of full-year, full-time Aboriginal workers (\$29,684) were 21% lower than the national average, while those of other Aboriginal earners (\$10,866) were 29% lower.

The average earnings of Aboriginal people were lower in every age and education category. In addition, they had significantly larger concentrations in the age groups and education levels that are associated with lower earnings. Two out of three Aboriginal earners were under the age of 35, compared with two out of five nationally. Similarly, about 40% of Aboriginal earners had not completed high school, compared with only about 25% of earners in the general population.

On the whole, these differences in work patterns, age and education accounted for about

three-fifths of the total difference between the average earnings of the Aboriginal population and the national average.

One of every four Aboriginal earners lived on a reserve. Less than one-third (31%) of these individuals worked full year, full time, in 1995. This had a significant impact on the overall employment income of Aboriginal earners on reserves. Aboriginal people who lived on a reserve reported average employment income of \$14,055, which was 24% below the \$18,463 reported by those who lived off reserve.

Highest-paying occupations

In 1995, more than 7.5 million Canadians worked full year, full time, in 514 occupations for which employment income data are available. Of these, 368,325 or 5% worked in the 25 highest paying occupations. They had an average employment income of \$80,206 in 1995, compared with the overall average of \$26,474.

Earnings in these occupations varied considerably. Judges recorded the highest average earnings (\$126,246), followed by specialist physicians and surgeons (\$123,976), general practitioners and family physicians (\$107,620) and dentists (\$102,433). Average employment incomes in just over half of these 25 occupations in 1995 were under \$70,000.

Security agents, investment dealers and traders experienced the largest increases, both in numbers (+33%) and average earnings (+23%) between 1990 and 1995. The number of dentists increased 21%, but their average earnings declined 2%. The number of commissioned police officers increased 41%, while their average employment income declined 6%.

**Number and average earnings of Aboriginal population¹ by selected characteristics, Canada
1995**

	All earners		Full-year, full-time earners	
	Number	Average earnings (\$)	Number	Average earnings (\$)
All earners	14,996,110	26,474	7,513,790	37,556
Aboriginal earners	298,180	17,382	103,245	29,684
North American Indian only	182,205	16,760	61,680	29,045
Métis only	89,455	18,683	32,980	30,289
Inuit only	16,140	16,378	5,030	32,426
All other	10,375	18,652	3,560	31,290
Reserve status				
On reserve	73,105	14,055	22,300	25,376
Off reserve	225,075	18,463	80,945	30,872
Age²				
15-24	70,190	6,984	8,815	18,397
25-34	90,215	17,024	32,110	27,212
35-44	75,655	22,385	33,890	32,140
45-54	42,810	24,861	21,305	33,666
55-64	16,315	21,598	6,475	31,125
65 and over	2,995	15,596	660	31,886
Education²				
Less than Grade 9	33,555	13,893	8,975	24,815
Grades 9-13, without certificate	86,110	13,347	22,530	26,533
Grades 9-13, with certificate	31,010	17,431	12,000	28,157
Less than university degree	132,520	19,259	51,615	30,287
University degree	14,980	31,690	8,130	42,220

¹ The population who reported identifying with a least one Aboriginal group: North American Indian, Métis or Inuit.

² For total age and education statistics, see table "Number and average earnings of individuals in constant (1995) dollars, by age and education".

**Number and average earnings of full year, full time workers in the 25 highest paying and 25 lowest paying occupations, by sex, Canada
1995**

	Number of earners			Average earnings (\$)		
	Both sexes	Men	Women	Both sexes	Men	Women
All occupations	7,513,790	4,514,850	2,998,940	37,556	42,488	30,130
Total - 25 highest paying occupations¹	368,325	287,955	80,365	80,206	86,139	58,943
Judges	1,765	1,360	405	126,246	128,791	117,707
Specialist physicians	12,560	9,345	3,220	123,976	137,019	86,086
General practitioners and family physicians	21,670	16,055	5,615	107,620	116,750	81,512
Dentists	8,530	6,995	1,535	102,433	109,187	71,587
Senior managers - Goods production, utilities, transportation and construction	35,510	32,625	2,880	99,360	102,971	58,463
Senior managers - Financial, communications carriers and other business services	23,055	19,190	3,860	99,117	104,715	71,270
Lawyers and Quebec notaries	44,385	32,305	12,080	81,617	89,353	60,930
Senior managers - Trade, broadcasting and other services n.e.c.	28,665	24,610	4,060	79,200	84,237	48,651
Primary production managers (except agriculture)	7,075	6,670	405	76,701	78,421	48,479
Securities agents, investment dealers and traders	14,520	9,640	4,880	75,911	90,391	47,323
Petroleum engineers	2,765	2,585	180	72,543	73,657	56,506
Chiropractors	2,370	2,000	370	68,808	71,032	56,764
Engineering, science and architecture managers	17,835	16,165	1,665	68,235	69,792	53,138
University professors	31,395	23,210	8,190	68,195	72,532	55,909
Senior managers - Health, education, social and community services and membership organizations	8,025	4,410	3,615	68,187	78,012	56,190
Air pilots, flight engineers and flying instructors	7,490	7,290	195	67,581	68,219	43,991
Geologists, geochemists and geophysicists	4,935	4,375	555	66,210	68,116	51,151
Utilities managers	6,645	5,955	690	64,816	66,239	52,564
School principals and administrators of elementary and secondary education	23,000	14,700	8,300	64,513	66,837	60,394
Optometrists	2,045	1,285	760	64,419	73,920	48,337
Insurance, real estate and financial brokerage managers	22,835	15,135	7,700	64,197	73,419	46,070
Commissioned police officers	3,680	3,345	335	63,518	64,865	50,011
Senior government managers and officials	15,655	10,690	4,965	63,195	69,477	49,667
Supervisors, mining and quarrying	4,425	4,375	0	62,537	62,768	0
Information systems and data processing managers	17,490	13,640	3,855	62,387	64,999	53,140
Total - 25 lowest paying occupations¹	567,765	179,950	387,810	17,729	20,238	16,564
Inspectors and testers, fabric, fur, leather products manufacturing	1,860	400	1,455	20,001	25,396	18,507
Light duty cleaners	46,875	15,330	31,535	19,991	23,829	18,125
Early childhood educators and assistants	32,480	1,105	31,375	19,772	25,074	19,586
Pet groomers and animal care workers	4,175	1,370	2,805	19,716	24,467	17,398
Taxi and limousine drivers and chauffeurs	16,695	15,720	980	19,664	19,845	16,756
Visiting homemakers, housekeepers and related occupations	22,775	2,175	20,600	19,607	24,751	19,063
Hotel front desk clerks	7,660	2,760	4,900	19,220	20,364	18,575
Cooks	68,775	38,025	30,755	19,054	20,224	17,607
Maitres d'hôtel and hosts/hostesses	4,590	965	3,620	18,873	24,649	17,336
Kitchen and food service helpers	24,825	9,385	15,440	18,799	17,320	19,697
Hairstylists and barbers	43,120	10,835	32,280	18,292	22,867	16,755
Painters, sculptors and other visual artists	4,405	2,595	1,810	18,188	20,421	14,982
Tailors, dressmakers, furriers and milliners	8,855	1,865	6,990	17,850	24,686	16,026
General farm workers	42,925	27,365	15,560	17,756	19,990	13,825
Estheticians, electrologists and related occupations	6,845	245	6,600	17,658	22,889	17,462
Sewing machine operators	30,235	2,490	27,750	17,613	20,664	17,340
Cashiers	56,140	9,025	47,110	17,553	20,557	16,977
Ironing, pressing and finishing occupations	3,370	990	2,375	17,322	19,297	16,499
Artisans and craftspersons	5,880	2,840	3,040	16,943	20,555	13,565
Bartenders	15,570	7,080	8,495	16,740	18,899	14,940
Harvesting labourers	1,130	525	605	16,426	18,683	14,465
Service station attendants	10,800	8,630	2,175	16,203	16,520	14,947
Food service counter attendants and food preparers	22,225	5,550	16,680	15,487	17,912	14,681
Food and beverage servers	50,190	11,940	38,250	14,891	18,192	13,861
Babysitters, nannies and parents' helpers	35,365	740	34,625	12,713	15,106	12,662

¹ Although athletes were in the 25 highest paying occupations and trappers and hunters were in the 25 lowest paying occupations, their very small numbers rendered their income statistics unreliable. Hence the individuals in these occupations were excluded from this table.

Women made inroads in high-paying occupations

Women represented 22% of all earners in the 25 highest paying occupations in 1995, compared with 17% in 1990. Between 1990 and 1995, the number of men in these occupations declined almost 5%, while the number of women increased 26%. The increase among women was spread across the 25 occupations.

The largest growth occurred in two occupation groups: lawyers and Quebec notaries, and elementary and secondary school principals and administrators. In each group, the number of women who worked full year, full time, increased by 3,000 between 1990 and 1995. The number of female dentists nearly doubled from 800 in 1990 to 1,500 in 1995.

Women still a majority in the lowest paying occupations

About 568,000 individuals worked full year, full time, in the 25 lowest paying occupations. As in 1990, the majority, about three out of every five earners, were women. Between 1990 and 1995, the number of workers in these occupations declined by 10,000.

Average employment income in these 25 occupations ranged from \$12,713 to \$20,001. The overall average was \$17,729. Between 1990 and 1995, the average earnings of men in these occupations declined 12% to \$20,238, while those of women declined 5% to \$16,564.

INCOMES OF FAMILIES

The total income of a census family is the sum of the total incomes of all members of that family aged 15 and over received during the calendar year preceding the census. Income includes wages and salaries, income from farm and non-farm self-employment, government transfer payments, investment income, retirement pensions and other money income.

The 1996 Census measured levels of family income for the year 1995. According to the data, average family income that year was \$54,583, a

4.8% decline from 1990 after adjusting for inflation. Since 1980, family income has fluctuated in much the same manner as employment income. It declined between 1980 and 1985, and increased significantly during the recovery of the late 1980s. Overall, the level in 1995 was 2.8% higher than in 1980.

Income declined in most husband-and-wife families

By far the largest proportion of Canadians lived in 6.7 million husband-and-wife census families in 1995. These reported an average family income of \$58,763, down 4% from 1990.

In 14% of these husband-and-wife families, at least one child in addition to the two spouses reported employment income. Although the average income of these families declined 2.3% during the five-year period, they still enjoyed the highest average family income (\$85,501) in 1995.

Both spouses reported employment income in an additional 46% of all husband-and-wife families. With an average income of \$65,561, these dual-earner families experienced little change in their purchasing power between 1990 and 1995.

Another way to analyse changes in the income of husband-and-wife families is to examine the earnings status of wives. In this respect, the average income of the 4.3 million husband-and-wife families in which the wife had employment income was \$67,894 in 1995, down 1.9% from 1990. In contrast, the average in the 2.4 million families in which the wife had no earned income was \$42,200 in 1995, down 6.9%.

Rate of income decline higher among lone-parent families

Between 1990 and 1995, average income declined 8% among lone-parent families, twice the decline of 4% among husband-and-wife families. Male lone-parent families incurred the largest decline, 10%, to \$40,974.

Among female lone-parent families, which accounted for four out of five lone-parent families, average income declined 6.5% to \$27,721 in 1995. Their average income in 1995 remained at about one-half of the overall average family income.

Average income of census families in constant (1995) dollars, by family structure and combination of earners, Canada
1980, 1985, 1990 and 1995

	1980	1985	1990	1995	1980	1985	1990	1995
	Number of census families				Average family income (\$)			
All families	6,325,315	6,733,845	7,355,730	7,837,870	53,089	52,625	57,339	54,583
Husband-wife families	5,611,495	5,880,550	6,402,090	6,700,355	55,945	55,957	61,053	58,763
No earner	585,080	748,300	854,760	1,067,430	24,890	27,140	30,896	30,399
Husband, wife and child	623,385	686,130	899,435	909,705	83,829	82,594	87,526	85,501
Husband and wife	2,323,150	2,552,005	3,063,005	3,048,555	60,484	61,650	65,968	65,561
Husband and child	428,405	352,695	257,160	227,845	71,174	68,485	72,508	68,733
Husband only	1,408,180	1,206,555	957,970	951,460	46,975	47,184	50,137	47,993
Wife and child	32,940	49,595	58,330	78,065	54,603	53,262	58,834	57,690
Wife only	121,900	177,080	200,745	282,775	33,698	34,738	39,122	39,211
Child only	88,455	108,185	110,685	134,515	45,800	45,003	51,579	49,939
Husband with earnings	4,783,120	4,797,385	5,177,570	5,137,565	60,507	61,510	67,109	65,979
Husband without earnings	828,375	1,083,165	1,224,520	1,562,790	29,604	31,364	35,448	35,041
Wife with earnings	3,101,370	3,464,810	4,221,510	4,319,105	64,061	64,302	69,186	67,894
Wife without earnings	2,510,125	2,415,740	2,180,575	2,381,255	45,916	43,988	45,307	42,200
All lone-parent families	713,815	853,300	953,645	1,137,505	30,640	29,661	32,408	29,962
Male lone-parent families	124,380	151,485	165,245	192,275	46,133	43,478	45,557	40,974
With earnings	112,850	133,150	147,075	162,840	49,413	47,619	49,239	45,666
Without earnings	11,530	18,335	18,170	29,430	14,032	13,409	15,757	15,008
Female lone-parent families	589,435	701,810	788,400	945,230	27,370	26,679	29,652	27,721
With earnings	437,540	506,750	595,795	667,005	33,244	32,714	35,150	33,960
Without earnings	151,895	195,065	192,600	278,230	10,449	11,001	12,642	12,765

Changes in family structure have affected overall family incomes

Demographic shifts in Canada have been affecting family incomes. On the whole, the number of census families increased 7% between the 1991 and 1996 censuses. However, the rate of increase in lone-parent families (+19%) was almost four times the rate of increase in husband-wife families (+5%).

These changes in the distribution of families by structure accounted for about one-fifth of the overall decline of 5% between 1990 and 1995 in average family income.

Along with these structural shifts, there were also changes in the combination of earners within families. For example, in the case of husband-and-wife families, the proportion of families without any earnings increased from 13% in 1990 to 16% in 1995. The proportion of families in which both

husband and wife reported employment income declined from 62% to 59%. Meanwhile, the number of husbands without earnings increased 28%, while the number of wives without earnings increased 9%.

Without these changes, the average income of husband-and-wife families would have declined only 1.7%, instead of the actual drop of almost 4%.

In the case of lone-parent families, between 1990 and 1995 the number headed by men increased 16%, compared with a 20% increase among those headed by women.

Declines in the income of both male and female lone-parent families were above average because of disproportionately large growth among those families that did not report any earned income.

**Number and average income of census families in constant (1995) dollars
1990 and 1995**

Census Metropolitan area	Number		% change	Average Income (\$)		% change
	1990	1995		1990	1995	
St. John's	44,775	47,590	6.3	56,140	52,054	-7.3
Halifax	85,930	91,015	5.9	57,937	54,241	-6.4
Saint John	33,680	34,550	2.6	52,215	49,138	-5.9
Chicoutimi-Jonquière	44,875	45,080	0.5	50,787	46,656	-8.1
Québec	174,575	182,770	4.7	54,953	52,570	-4.3
Sherbrooke	37,270	39,335	5.5	48,462	47,198	-2.6
Trois-Rivières	37,610	38,270	1.8	48,800	47,242	-3.2
Montréal	842,860	891,895	5.8	56,418	52,795	-6.4
Ottawa-Hull	246,425	271,600	10.2	68,726	64,243	-6.5
Oshawa	66,975	74,855	11.8	65,639	62,101	-5.4
Toronto	1,024,740	1,135,135	10.8	71,180	64,044	-10.0
Hamilton	165,485	173,115	4.6	62,945	60,899	-3.3
St. Catharines-Niagara	102,675	105,190	2.4	55,838	53,674	-3.9
Kitchener	96,850	104,915	8.3	61,244	59,658	-2.6
London	102,965	107,515	4.4	61,362	58,671	-4.4
Windsor	70,630	75,255	6.5	59,321	62,244	4.9
Sudbury	43,655	45,060	3.2	60,901	57,109	-6.2
Thunder Bay	33,755	34,625	2.6	61,486	58,731	-4.5
Winnipeg	172,365	176,945	2.7	55,414	53,759	-3.0
Regina	50,335	51,290	1.9	58,688	56,844	-3.1
Saskatoon	54,250	57,130	5.3	54,424	53,196	-2.3
Calgary	198,785	219,085	10.2	65,430	63,586	-2.8
Edmonton	220,350	230,260	4.5	59,154	56,090	-5.2
Vancouver	418,970	477,875	14.1	63,769	60,438	-5.2
Victoria	79,085	82,875	4.8	59,086	59,585	0.8

**Number and average income of census families by age of husband / lone parent, Canada
1990 and 1995**

Age of husband / lone parent	Number		Average income (\$)		% change 1990-1995	
	1990	1995	1990	1995	Number	Average income
All families	7,355,730	7,837,865	57,339	54,583	6.6	-4.8
15-24	225,435	204,030	29,313	23,115	-9.5	-21.1
25-34	1,650,600	1,472,875	49,402	45,560	-10.8	-7.8
35-44	1,972,450	2,142,110	61,814	57,364	8.6	-7.2
45-54	1,390,165	1,710,130	71,455	68,112	23.0	-4.7
55-64	1,057,780	1,096,715	61,186	58,218	3.7	-4.9
65 and over	1,059,300	1,212,005	44,971	43,671	14.4	-2.9

Average family income declined among all age groups

Average family income fell in all age groups, the largest decline occurring in cases in which the husband, or in the case of lone-parent families, the parent, was aged 15 to 24. Between 1990 and 1995, the average income of these families declined 21% to \$23,115.

Changes in the age distribution of families between 1990 and 1995 favoured a higher overall average family income. During this period, the number of younger families declined considerably. In the age group 15 to 24, the number declined 10%. In the age group 25 to 34, the decline was 11%. However, the number of families in the age group 45 to 54, who reported the highest family income, increased 23%.

Without these changes in family life cycle, overall family incomes would have declined by another percentage point between 1990 and 1995.

Family income declined in most census metropolitan areas

Average family income declined between 1990 and 1995 in all census metropolitan areas except two. In Windsor, it increased 5%, and in Victoria, it was virtually the same as in 1990.

The declines ranged from 2% in Saskatoon to 10% in Toronto. Eleven census metropolitan areas registered decreases greater than the national average of 4.8%. In the remaining 12, the declines were below the national average.

The census metropolitan area with the highest average family income in 1995 was Ottawa-Hull. Toronto moved from first to second place. Calgary replaced Oshawa in third place. The census metropolitan areas with the lowest average family income were Chicoutimi-Jonquière, Sherbrooke and Trois-Rivières in both 1990 and 1995.

LOW INCOME

The general decline in incomes between 1990 and 1995 resulted in an increase in the incidence of low income. In 1995, 16% of economic families were below Statistics Canada's low income cut-offs, up from 13% in 1990. Similarly, 42% of unattached individuals in 1995 were below the cut-offs, compared with 40% in 1990.

While the number of all families increased 6% during this period, the number of low-income families increased 32%. All types of families recorded increases in the incidence of low income between 1990 and 1995.

In 1995, 12% of husband-and-wife families were below the cut-offs, up from 9% five years earlier. Similarly, 48% of lone-parent families headed by women were in a low-income situation, compared with 44% in 1990. The proportion among male lone-parent families increased from 18% to 24% during the same period.

The proportion of unattached men in a low-income situation increased from 34% in 1990 to 39% in 1995. Among unattached women, the increase was from 44% to 45%. The incidence of low income increased in all age groups of unattached individuals, except for those aged 65 and over.

While the total population increased 6% between 1990 and 1995, the low-income population increased 29%. There were 1.2 million more persons below the low income cut-offs in 1995 than in 1990. These developments resulted in a larger proportion of the population in private households with low income – from 16% in 1990 to 20% in 1995.

One in four children under six lived in low-income families in 1995, compared with one in five in 1990. The number of children younger than 15 living in low-income families increased by 321,200, to about 1.3 million in 1995.

At the opposite end of the age scale, the proportion of people aged 70 and over in a low-income situation declined by about two percentage points. Still, one in five seniors had an income below Statistics Canada's low income cut-offs.

Incidence of low income among economic families, unattached individuals and population in private households, Canada¹
1990 and 1995

	1990			1995		
	Total	Low income	Incidence of low income	Total	Low income	Incidence of low income
	Number		%	Number		%
All economic families	7,357,705	961,835	13.1	7,784,865	1,267,205	16.3
Total husband-wife families	6,255,120	577,075	9.2	6,500,645	759,630	11.7
Married couples only	2,364,815	210,145	8.9	2,487,735	252,765	10.2
Married couples with never-married children only	3,514,875	332,200	9.5	3,614,895	456,930	12.6
Other married couples	375,430	34,720	9.2	398,015	49,935	12.5
Total non-husband-wife families	1,102,585	384,760	34.9	1,284,220	507,575	39.5
Male lone-parent families	132,855	24,290	18.3	164,240	39,325	23.9
Female lone-parent families	683,515	300,240	43.9	826,365	396,245	48.0
All other non-husband wife families	286,215	60,230	21.0	293,615	72,005	24.5
Unattached individuals	3,248,425	1,290,205	39.7	3,584,510	1,511,570	42.2
Males	1,518,155	522,665	34.4	1,690,965	654,115	38.7
Females	1,730,270	767,540	44.4	1,893,545	857,450	45.3
Population in private households	26,396,390	4,289,165	16.2	28,011,350	5,514,190	19.7
Under 6	2,210,085	447,230	20.2	2,257,830	582,905	25.8
6 - 14	3,308,720	576,100	17.4	3,479,190	761,620	21.9
15 - 17	1,093,115	180,455	16.5	1,168,070	229,210	19.6
18 - 24	2,625,225	548,805	20.9	2,598,535	675,365	26.0
25 - 34	4,736,485	729,040	15.4	4,400,810	895,005	20.3
35 - 44	4,286,330	528,460	12.3	4,776,325	794,785	16.6
45 - 54	2,914,830	322,535	11.1	3,650,930	511,040	14.0
55 - 64	2,348,580	371,990	15.8	2,445,505	440,255	18.0
65 - 69	1,039,540	169,410	16.3	1,081,430	182,730	16.9
70 and over	1,833,480	415,135	22.6	2,152,730	441,265	20.5
Canada¹	26,396,390	4,289,165	16.2	28,011,350	5,514,190	19.7
Newfoundland	557,445	98,165	17.6	544,610	116,440	21.4
Prince Edward Island	125,990	17,135	13.6	131,485	20,040	15.2
Nova Scotia	873,650	135,980	15.6	888,635	167,000	18.8
New Brunswick	705,470	118,875	16.9	721,005	137,300	19.0
Quebec	6,714,790	1,305,205	19.4	6,973,160	1,630,910	23.4
Ontario	9,853,060	1,323,080	13.4	10,562,620	1,869,040	17.7
Manitoba	1,021,240	198,425	19.4	1,036,095	213,290	20.6
Saskatchewan	930,965	169,870	18.2	930,460	170,450	18.3
Alberta	2,455,280	424,840	17.3	2,612,235	481,510	18.4
British Columbia	3,158,500	497,590	15.8	3,611,035	708,200	19.6

1. Excludes population on Indian reserves and in the Yukon and Northwest Territories.

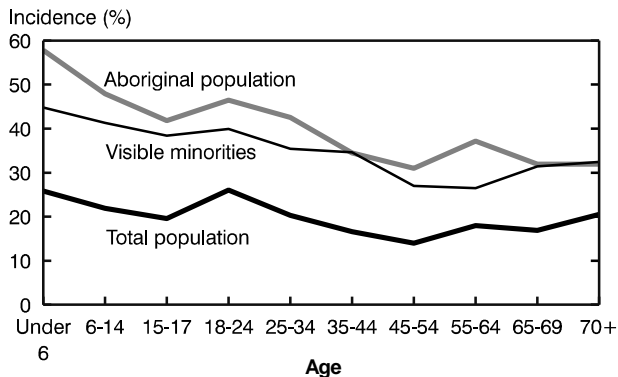
Incidence of low income up in every province and census metropolitan area

The incidence of low income increased in every province and census metropolitan area. In Ontario, 18% of the population in private households was in a low-income situation in 1995, compared with 13% in 1990. Other provinces showing significant increases were Quebec, British Columbia and Newfoundland.

The incidence of low income in the population in census metropolitan areas ranged from 12% in Oshawa to 27% in Montreal. The largest increase occurred in Toronto, the lowest in Windsor.

In 1995, Montreal had 892,900 persons in a low-income situation, Toronto had 890,700 and Vancouver had 419,200. Thus, although these three census metropolitan areas accounted for 33% of total population, 40% of the total low-income population in 1995 lived in these areas.

Incidence of low income by age, Canada, 1995



Incidence high among visible minorities

The incidence of low income is generally higher in a group if, as a whole, it has lower employment income. A well-known case is that of families headed by lone parents. The visible minority population, the largest proportion of which consists of recent immigrants, constituted another group with below average earnings from employment. As a result, the incidence of low income among visible minorities was significantly above average.

About 36% of members of the visible minority population were in a low-income situation in 1995, compared with 20% within the general population.

Note to readers: low income

Low income refers to economic families and unattached individuals who have incomes below Statistics Canada's low income cut-offs (LICOs), 1992 base. These cut-offs were selected on the basis that families and unattached individuals with incomes below these limits usually spend more than 54.7% of their income on food, shelter and clothing, and hence be considered to live in straitened circumstances. To apply to incomes in 1990 and 1995, LICOs were adjusted to compensate for changes in Consumer Price Index.

Statistics Canada has emphasized, since their publication began over 25 years ago, that the LICOs are quite different from measures of poverty and that the agency does not endorse their use as such. LICOs reflect a consistent and well defined methodology that identifies those who are substantially worse off than the average. In the absence of an accepted definition of poverty, these statistics have been used by many analysts who wanted to study the characteristics of the relatively worse-off families in Canada. These measures have enabled Statistics Canada to report important trends such as the changing composition of this group over time.

As the survey from which low income cut-offs were determined excluded the Yukon, the Northwest Territories and Indian Reserves, all estimates given in the low income section exclude those areas.

The **economic family** concept is used to establish LICOs rather than a census family. An economic family consists of all persons in a household who are related to each other by blood, marriage, common-law or adoption. An unattached individual is a person 15 years or over who is living alone or living in a household where he/she is not related to anyone else.

About 45% of children under the age of six in the visible minority population were in low-income families in 1995, compared with 26% for all children. In the case of people aged 65 and over, the incidence of low income was 32% among the visible minority groups, as opposed to the national average of 19%.

Low-income among Aboriginal population

The data in this section exclude the approximately 36% of the Aboriginal population residing on reserves, or in the Yukon or Northwest Territories. Since income is generally lower for the Aboriginal population on reserves as opposed to those who lived off reserves, their inclusion would likely increase the incidence of low income among the Aboriginal population. The Statistics Canada

**Selected income statistics for low income families by family structure, Canada
1990 and 1995**

	Average family					Income deficiency ¹
	Number	Earnings	Transfer payments	Other income	Total income	
		Dollars				
All families - 1995	1,267,205	5,328	7,505	945	13,778	10,223
Married couple only	252,760	3,300	6,922	1,002	11,223	7,398
Married couple with never-married children only	456,935	8,185	7,149	865	16,199	11,641
Other married couples	49,930	9,345	9,253	1,362	19,960	12,333
Male lone-parent families	39,320	4,037	6,986	589	11,612	9,412
Female lone-parent families	396,245	3,061	7,979	992	12,032	10,165
Other non-husband-wife families	72,010	4,714	8,267	902	13,884	10,450
All families - 1990	961,830	5,904	6,875	836	13,615	10,111
Married couple only	210,150	3,127	7,100	1,118	11,345	8,233
Married couple with never-married children only	332,205	9,156	6,155	640	15,951	10,963
Other married couples	34,720	9,900	8,524	764	19,188	11,475
Male lone-parent families	24,290	4,960	6,253	452	11,665	9,929
Female lone-parent families	300,240	3,952	7,226	913	12,092	10,337
Other non-husband-wife families	60,230	5,464	7,608	750	13,821	10,120

¹ Income deficiency is the difference between family income and the applicable low-income cut-off.

survey that determines low income cut-offs, however, excludes these areas.

In 1995, 44% of the Aboriginal population was below Statistics Canada's low income cut-offs, compared with the national rate of 20%. Over half of the Aboriginal population reported themselves as North American Indian, and nearly half (48%) of them were in a low-income situation. The second largest group, the Métis, had a low-income incidence of 39%.

Three out of five Aboriginal children under the age of six were in low-income families in 1995, compared with the national rate of one in four. Among Aboriginal children aged six to 14, the incidence of low income was 48%, more than double the national rate of 22%.

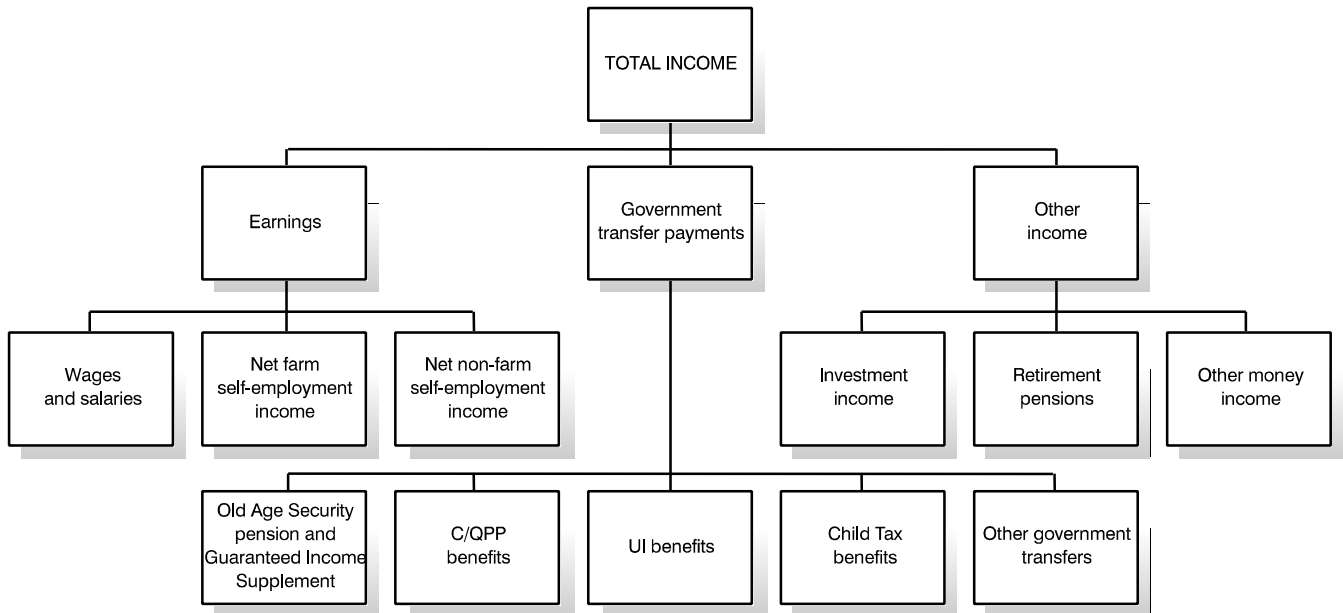
Government transfer payments crucial for low-income families

Between 1990 and 1995, average earnings of low-income families declined by \$576, or 10%. However, an average increase of \$630, or 9%, in government transfer payments compensated for this decline. Average income of these families from other sources such as investment income and retirement pensions also increased by \$109, or 13%.

As a result, while the average total income of low-income families increased slightly (1.2%), the composition of their income changed. In 1990, employment income for these families accounted for 43% of their total income. By 1995, that had declined to 39%. This development was accompanied by an increase in the proportion of government transfer payments from 51% to 55%.

The largest change occurred in the case of female lone-parent families. The share of employment income among these families declined from 33% to 25%. At the same time, the share of government transfer payments increased from 60% to 66%.

For more information, contact Media Relations at (613) 951-4636.



Statistics Canada has started consultations on 2001 Census content and post-censal survey topics. For information write : 2001 Census Content Determination Project, Statistics Canada, Ottawa, Ontario, K1A 0T6. Internet : consultation2001@statcan.ca

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