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Dominion Bureau of Statistics, Ottawa, Canada

SURVEY OF FAMILY EXPENDITURE

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1947-1948
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Expenditure by Income Level

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## SURVEI OF FAMILY EXPENDITURE <br> 1947-1948 <br> EXPENDITURE BY INCOME LEVEL

This reference paper shows expenditure patterns by income level for nine income groups: under $\$ 1,051$, from $\mathrm{B} 1,051$ to 4,050 by $\$ 500$ intervals, $\$ 4,051$ to $\$ 5,050$ and $\$ 5,051$ and over. The material presented here is from the Survey of Family Expenditures in Canada which was carried out by the Bureau in September, 1948.

Tables 1 to 9 show the proportion of spending units reporting an expenditure on each item, and the proportion of the expenditure on each 1tem to the total. The sumary table shows the budget proportions for the main expenditure groups by income levels.

Proportions of each expenditure item to the total show interesting differences in tehaviour at successively higher income levels. For example, the proportionate expenditure on food declines as incone rises, that on education and recreation remains substantially the same, while that on automobiles rises.

The proportion of each group reporting an expenditure on any particular item also changes from one income group to the next; the relative number of units buying clothing and automobiles, for example, tends to rise with income. A large number of single persons are included in the low income spending units. Since single persons often do not prepare their meals at home, but eat in restaurants or boarding-houses, the proportion of spending units buying food to eat at home is smaller for the low income groups than for the higher income spending units.

The definitions of certain expenditure items are included in the appendix. Data have been tabulated in greater detail than here presented and are available at the Bureau for study.
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Ixpenditure patterns of non-farm families and single persons in Canada by income level, from September 1, 1947 to August 31, 1948

| Expenditure Itens | Under 1,051 |  | 1,051-\$1,549 |  |
| :---: | :---: | :---: | :---: | :---: |
|  | Proportion reporting the $\frac{i t e m}{\%}$ | Proportion of total expenditure $\%$ | Proportion reporting the item | Proportion of total expenditurs |
| Housing: |  | 13.9 |  | 11.4 |
| Total rent paid. | 43.8 | 8.4 | 60.6 | 8.2 |
| Repairs made by tenant. | 5.6 | . 1 | 14.4 | . 2 |
| Expenses of owned home............... | 46.4 | 5.4 | 36.2 | 3.0 |
| Expenses of summer cottage.......... | 1.0 | - | 2.2 | - |
| Lodging: |  |  |  | .2 |
| Persons at school. ................... | 0.5 | - | 0.3 | - |
| Persons working away from home...... | 0.8 | - | 1.6 | . 1 |
| Persons travelling................... | 2.7 | - | 4.0 | . 1 |
| Other Household Expenses: |  | 14.4 |  | 11.6 |
| Fuel................................... | 59.4 | 6.2 | 58.1 | 3.8 |
| Other - electricity, laundry, etc... | 86.7 | 5.3 | 86.8 | 3.9 |
| Soap, tobacco, etc................... | 88.9 | 2.9 | 95.2 | 3.9 |
| Food: |  | 35.6 |  | 32.6 |
| Eaten at home. . . . . . . . . . . . . . . . . . . | 77.8 | 29.6 | 74.9 | 24.7 |
| Between meal food. | 56.8 | . 7 | 72.6 | . 9 |
| Restaurant meals...... . . . . . . . . . . . . | 31.9 | 1.5 | 46.6 | 4.0 |
| Board. . . . . . . . . . . . . . . . . . . . . . . . . . . | 20.3 | 3.8 | 23.8 | 3.0 |
| Furnishings and Equipment: | 67.7 | 3.4 | 75.7 | 4.9 |
| Clothing: |  | 10.2 |  | 12.9 |
| Girls (3 to 14)....................... | 2.7 | . 1 | 9.6 | . 3 |
| Women and girls (over 14)............ | 66.7 | 6.2 | 8.3 | 7.8 |
| Boys (3 to 14)........................ | 2.2 | . 1 | 10.7 | . 4 |
| Men and boys (over 14).............. | 44.5 | 2.6 | 57.0 | 3.0 |
| Children (under 3)................... | 2.2 | . 1 | 12.6 | . 3 |
| Material, dry cleaning and repairs.. | 60.6 | 1.1 | 79.9 | 1.1 |
| Miscellaneous. ....................... | 0.8 | - | 2.3 | - |
| Transportation: |  | 4.2 |  | 5.9 |
| Automobile - net price............... | 0.6 | . 5 | 4.0 | 1.2 |
| Automobile operation................. | 10.0 | 1.4 | 18.2 | 2.4 |
| Other. | 73.4 | 2.3 | 83.6 | 2.3 |
| Medical Care: | 79.0 | 4.9 | 76.3 | 3.4 |
| Personal Care: | 87.3 | 1.4 | 98.0 | 1.6 |
| Education and Recreation: | 21.2 | 5.6 | 97.7 | 5.6 |
| Taxes, Charitable Contributions and Insurance Premiums: | 75.0 | 3.6 | 93.9 | 6.7 |
| Miscellaneous Expenses: |  | 2.8 |  | 3.2 |
| TOTAL. .......... |  | 100.0 |  | 100.0 |

Expenditure patterns of non-farm families and single persons in Canada by income level, from September 1, 1947 to August 31, 1948

| Expenditure Items | \$1,550-2,050 |  | \$2,051-\$2,549 |  |
| :---: | :---: | :---: | :---: | :---: |
|  | Proportion reporting the itcrn | Proportion of total $\frac{\text { expendituro }}{\frac{8}{6}}$ | Proportion reporting the itern | Proportion of total expenditure |
| Housing: |  | 11.5 |  | 10.8 |
| Total rent paid..................... | 67.2 | 8.9 | 63.4 | 7.5 |
| Repairs made by tenant............ | 23.0 | . 3 | 29.2 | . 5 |
| Expenses of owned home............ | 30.5 | 2.3 | 36.9 | 2.6 |
| Expenses of summer cottage........ | 2.7 | - | 3.7 | . 2 |
| Lodging: |  | . 2 |  | . 1 |
| Persons at school.................. | . 1 | - | 1.0 | - |
| Persons working away from home.... | 1.5 | . 1 | 2.5 | - |
| Persons travelling................. | 3.7 | . 1 | 9.4 | . 1 |
| Other Household Expenses: |  | 11.2 |  | 11.5 |
| Fucl................................. | 59.8 | 3.2 | 70.4 | 3.2 |
| Other - electricity, laundry, etc. | 91.0 | 3.8 | 98.2 | 4.1 |
| Soap, tobacco, etc................ | 97.7 | 4.2 | 99.2 | 4.2 |
| Food: |  | 32.3 |  | 31.1 |
| Eaten at home. | 86.9 | 26.6 | 91.9 | 27.5 |
| Between meal food.................. | 80.0 | 1.0 | 85.4 | . 8 |
| Restaurant meals................... | 50.6 | 2.5 | 57.0 | 1.4 |
| Board........... | 21.7 | 2.2 | 19.8 | 1.4 |
| Furnishings and Equipment: | 86.2 | 5.4 | 94.5 | 7.0 |
| Clothing: |  | 12.2 |  | 10.8 |
| Girls (3 to 14)........ | 16.4 | . 4 | 24.9 | . 6 |
| Women and girls (over 14)......... | 82.4 | 5.8 | 89.2 | 4.3 |
| Boys (3 to 14)..................... | 17.8 | . 5 | 26.0 | . 7 |
| Men and boys (over 14)............ | 80.3 | 4.0 | 90.8 | 3.7 |
| Children (under 3)................. | 19.9 | . 3 | 28.6 | . 4 |
| Matcrial, dry cleaning and repairs | 83.4 | 1.2 | 88.5 | 1.1 |
| Iifscellaneous.. | 3.3 | - | 2.8 | - |
| Transportation: |  | 6.0 |  | 6.3 |
| Automobile - net price............ | 4.0 | 1.4 | 5.7 | 1.9 |
| Automobile operation | 20.2 | 2.0 | 29.4 | 2.2 |
| Other. | 87.1 | 2.6 | 89.9 | 2.2 |
| Mcdical Care: | 88.1 | 3.4 | 90.9 | 3.5 |
| Personal Care: | 99.0 | 1.6 | 99.9 | 1.5 |
| Education and Recreation: | 99.6 | 6.0 | 99.1 | 5.3 |
| Taxes, Charitable Contributions and Insurance Preniums: | 98.0 | 7.8 | 99.3 | 9.2 |
| Miscellaneous Expenses: |  | 2.4 |  | 2.9 |
| TOTAL. . . . . . . . . . . . . . . . . . . . . |  | 100,0 |  | 100.0 |




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Expenditure patterns of non-farm families and single persons in Canada by income level, from September 1,1947 to August 31, 1948

Table V
Table VI





Expenditure patterns of non-farm families and single persons in Canada, by income level, from September 1, 1947 to August 31, 1948

| Expenditure Itcms | \% 3, 550- 4,050 |  | \%4,051-5,050 |  |
| :---: | :---: | :---: | :---: | :---: |
|  | Proportion reporting the item | Proportion of total expenditure | Proportion reporting the item | Proportion of total expenditure |
| Housing: |  | 8.8 |  | 8.4 |
| Total rent paid.................... | 51.4 | 5.1 | 50.4 | 4.3 |
| Repairs made by tenant............ | 29.0 | . 3 | 31.8 | . 3 |
| Expenses of owned home............. | 49.0 | 3.2 | 53.0 | 3.5 |
| Expenses of summer cottage........ | 14.9 | . 2 | 15.6 | . 3 |
| Lodging: |  | . 2 |  | .5 |
| Persons at school.................. | 3.6 | . 1 | 3.9 | . 1 |
| Persons working away from home.... | 2.0 | - | 5.6 | . 2 |
| Porsons travelling. . . . . . . . . . . . . | 19.8 | . 1 | 25.8 | . 2 |
| Other Houschold Expenses: |  | 9.9 |  | 10.0 |
| Fuel................................ | 79.1 | 2.6 | 77.7 | 2.4 |
| Other - electricity, laundry, etc. | 99.6 | 3.7 | 98.8 | 4.0 |
| Soap, tobacco, etc................. | 100.0 | 3.5 | 99.3 | 3.6 |
| Food: |  | 25.0 |  | 24.5 |
| Eaten at home....................... | 97.2 | 22.2 | 98.7 | 21.6 |
| Between meal food. | 92.3 | . 8 | 92.9 | . 8 |
| Restaurant meals. | 67.8 | 1.2 | 76.0 | 1.2 |
| Board........ | 26.1 | . 8 | 35.5 | . 9 |
| Furnishings and Equipment: | 96.5 | 7.1 | 99.0 | 7.2 |
| Clothing: |  | 12.8 |  | 13.2 |
| Girls (3 to 14).................... | 30.5 | . 8 | 28.2 | . 7 |
| Women and girls (over 14)......... | 96.7 | 6.0 | 98.0 | 6.0 |
| Boys (3 to 14)..................... . | 29.8 | . 7 | 25.6 | . 5 |
| Men and boys (over 14) ............ | 96.9 | 3.9 | 98.5 | 4.6 |
| Children (under 3)................. | 20.6 | . 2 | 18.1 | . 2 |
| Material, dry cleaning and repairs | 93.3 | 1.2 | 96.5 | 1.2 |
| Misccllancous....................... | 3.6 | - | 1.7 | - |
| Transportation: |  | 9.1 |  | 8.9 |
| Automobile - net price............ | 12.8 | 3.3 | 14.6 | 3.3 |
| Automobile operation. | 47.8 | 3.4 | 47.7 | 3.2 |
| Other. | 93.1 | 2.4 | 95.1 | 2.4 |
| Medical Care: | 97.9 | 3.2 | 98.1 | 3.0 |
| Personal Care: | 99.3 | 1.4 | 100.0 | 1.4 |
| Education and Recreation: | 100.0 | 6.1 | 100.0 | 6.3 |
| Taxes, Charitable Contributions and Insurance Premiums: | 100.0 | 13.6 | 100.0 | 13.9 |
| Miscellancous Expenses: |  | 2.9 |  | 2.7 |
| TOTAL. |  | 100.0 |  | 100.0 |

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- Expenditure patterns of non-farm familios and single persons in Canada, by income level, from September 1, 1947 to August 31, 1948

Table IX


## ULTINITION OF EXPENDITURE ITEWS

In the expenditure sections of the questionnaire families were asked to enter the full purchase price of any goods bought, and the cost of services received whether or not they were paid for in the year under consideration. However, the purchase of a house during the survey year, or principal payments on a house bought previously, were not included on the expenditure side because these payments were regarded as an increase in assets, not an expense for current consumption. Sales and excise taxes were included in the price of goods bought.

Some of the expenditure items appearing in the tables, are explained in more detail below:

## Rent

This iter covers rents paid for all kinds of accomodation, including single rooms. The payment may cover various servicos beyond actual shelter, such as furnishings, heat, light, water and so on. Where rooms and board were paid for in a lump sum amounts were allocated to rent and to board on the basis of the number of meals per day covered by the total payment.

Expenses of owned home
Included here are property taxes or special assessments due in the year covered (but not back taxes), insurance premiums due on the home, interest due on mortgage (not principal payments), repairs and replacements (not improvements), and such miscellaneous expenses as upkeep of driveway, transfer of title, resurvey of property, etc.

## Fue 1

Coal, wood, sawdust, coke, kerosene, gasoline (not for use in a car), and fuel oil are included.

## Other houschold expenses

This category covers expenses for ics, water, gas, electricity, telephone, laundry sent out, moving, freight, postage and telegraph, wages, uniforms and gifts for paid household help, and small items such as freezcr lockor, folfice wax, garbage disposal, ink, etc.

## Miscellaneous

This item includes laundry and toilet soap, bleaches, scouring powder, polishes, floor wax, paper supplies, cigarettes, tobacco, pipes and other smoking supplies.

## Furnishings and equipment

This covers such items as kitchen equipment, cleaning equipment, laundry equipment, furniture, floor covering, glass, china and silverware, houschold textiles and the servicing, repairing, cleaning, insurance and rontal of such furnishings and equipment.

## Clothing material and services

Yard goods, yarn, pins, needles, thrend, dry cleaning, storage of clothing, seamstress and tailor charges, watch and jowclry repair, dyeing, and clothing repair are included in this category.

## Othor ciothin: orgense

This category inclucies the infrequent items of clothing which could not be classified under tie headings used in the quostionnaire.

## Net price of cars bought

Trade-in allowices, if any, were deducted from the price of cars bought. If a car was bought to be used partly for businoss, the appropriate fraction of its cost was subtreciad from family living expenses and transferred to increase in invostmont in buiness.

## Automobile oneration

The costs of a tonobile operation include tires, tubes, gas and oil, repairs, parts, servicing, autumbile insurance, car and drivers' licences, parking and garage rent, tolls, heaters, seat covers, fines, and accessories. If the car was used partly for luminess the appropriate fraction of its operation costs was subtractod from family living expenses and treated instead as a business expense to be deducted from gross business income.

## Other transnortation

Inciuded here sie taxi fares, rent of car, purchase and upkeep of motorcycle, bicycle or boat if those vere used mainly for transportation rather than recreation, street caw, was and fosmy fares, train, bus, plank or ship fares.

## Medical and denta caro

This category covery professional services by a doctor, osteopath, chiropractor, optometrist or optician, cost of eye glasses and repairs to them, dental care including x-rovr, hospital ard nursing care, physiothorapy, medicines and drugs and appliances and supplies such as thermometers, syringos, adhesive tape, etc.

## Personal care

This item incluies the cost of haircuts, shaves, permanent waves, shempoos and finger waves, shaving soap, hair preparations, tooth-paste, cosmetics, combs, toothbrushes, razorn, lair pins, cleanty tisnas, to.

## Recreation roadine education, itts

Recreation expense include movies, admissions to plays, concerts, dances, fairs, etc., the cost of children's toys and equipment; equipment, fees and licences for games and sports, $\dot{C i m s}$ to social and recreational clubs; hobbies, pets, radios, phonographs, recorde, wisical instruments, cameras and films. The expenses of a vecation 10 not appar hire but were entered under housing, transportation, and the other appropriate hoadits. Education expenses include school books and supplies, tuition for studoris ana Epecia? lessons in music, dancing and so on. Under gifts were included ifits to porsons outside the economic family, and contributions to the support of relatives outaide tio economic family. Gifts exchanged by members of the family were not enteced hore, but in the appropriate expenditure section of the questionnaine.

## Personal insurnce premins, taros, charitable contributions, etc.

This iter ircludes income taxes, personal property taxes, succession duties, contributions to charitible, religious and cducational organizations, personal insuranco promiuns (rimus dividords received) paymonts for group medical care and group hospitalization; hoilth and accident insurance promiums, unomploymert insurance, paymonts to retircmont or pension funds, poll taxes, duty, etc.

