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INCOME DISTRIBUTION AND POVERTY IN CANADA

1967

PRELIMINARY ESTIMATES

DOMINION BUREAU OF STATISTICS
Consumers Finance Research Staff

THE COMMERCIAL BANK AND TRUST COMPANY

INCORPORATED IN THE STATE OF NEW YORK

Capital Paid Up \$1,000,000
Surplus \$1,000,000

Banking and Trust Business Transacted in New York and all other cities.

Income Distributions and Poverty in Canada, 1967
Preliminary Estimates

I. Introduction

The Dominion Bureau of Statistics has conducted surveys on incomes of families and individuals since the early 1950's. Since 1965 these surveys have included a representative sample of all private households (with minor exceptions) whereas in the earlier years only non-farm households were surveyed. Data from these surveys have been published in a number of DBS reports, the latest of them being DBS Cat. No. 13-528, Income Distributions by Size in Canada, 1965.

In the spring of 1968 another survey in the series was conducted and individuals in over 20,000 households across the country supplied information on the amount and sources of income received during 1967. The present bulletin is being issued because of the great interest in the rapidly changing income picture. This is a preliminary release presenting only the most basic tabulations and using partially edited data. In other words, it is expected that these preliminary estimates will be somewhat revised after full edit corrections to the data have been made. Income, personal and family characteristics, and work history of individuals during 1967 will be analyzed and published later in a report Cat. No. 13-534, Income Distributions by Size in Canada, 1967.

This bulletin covers money income only, prior to deduction for taxes. For more detailed definitions of the terms and concepts used in this bulletin, see Income Distributions by Size in Canada, 1965 (DBS Cat. No. 13-528).

Since the estimates in this report are based on a sample, they are subject to sampling variability. Moreover, as in all field surveys of income, the figures are subject to errors of response and non-reporting.

II. Family Incomes

According to preliminary estimates, the average income of families (1) increased from \$6,536 in 1965 to \$7,596 in 1967, or by 16 per cent. However, only about half of this increase represented a real gain; increased consumer prices absorbed the remainder. The proportion of families receiving incomes of less than \$5,000 decreased during this period from 37.9 to 29.7 per cent, while 22.5 per cent rather than 14.6 per cent had incomes above \$10,000. In other words, in 1967 more than 1 million families had incomes of \$10,000 or more.

The average family income increased least in the Atlantic region, by 11 per cent, while in Quebec and Ontario it rose by nearly 18 per cent. In the remaining two regions, Prairies and the British Columbia, the increase amounted to 14 per cent. Ontario with its average of \$8,446 continued to be well ahead of all other regions. The Atlantic region had the lowest average of \$5,756.

For unattached individuals, (2) the average income went up from \$2,873 in 1965 to \$3,261 in 1967, or by 14 per cent. In 1967, as in 1965, one half of unattached individuals received incomes of less than \$2,500. However, the proportion of unattached individuals in the lowest income group, under \$1,000, declined from 24.4 to 16.6 per cent. In all regions, except Quebec, the rate of increase was in the same - 15 to 16 per cent - range; in Quebec the increase was less.

(1) The family is defined as a group of individuals sharing a common dwelling unit and related by blood, marriage or adoption.

(2) Unattached individuals are persons living by themselves or rooming in a household where they are not related to other household members.

TABLE 1. Percentage Distribution of Families and of Unattached Individuals by Income Groups and Size of Family, 1967

Income group	Unattached individuals	All families	Size of family (number of persons)(1)			
			2	3	4	5 or more
per cent						
<u>All families and unattached individuals</u>						
Under \$1,000	16.6	2.0	3.3	1.6	1.4	1.4
\$ 1,000- 1,499	17.7	1.4	3.1	1.0	0.6	0.7
1,500- 1,999	8.5	2.5	4.9	2.0	1.7	1.1
2,000- 2,499	6.2	3.3	6.1	3.1	1.7	1.9
2,500- 2,999	5.4	4.1	8.6	3.0	2.0	2.3
3,000- 3,499	6.5	3.6	5.3	3.7	2.4	2.9
3,500- 3,999	6.0	4.0	5.4	3.8	2.9	3.8
4,000- 4,499	5.6	4.4	4.9	4.4	4.0	4.2
4,500- 4,999	5.1	4.4	4.4	4.7	4.6	4.2
5,000- 5,499	4.8	5.5	5.4	6.5	5.8	5.0
5,500- 5,999	3.0	5.5	5.0	5.7	5.0	6.1
6,000- 6,499	3.6	5.8	4.5	7.0	6.2	6.0
6,500- 6,999	2.3	5.3	4.3	5.2	6.5	5.3
7,000- 7,999	3.0	10.3	7.8	11.2	11.4	11.4
8,000- 9,999	3.2	15.3	11.0	16.8	18.0	16.3
10,000-14,999	1.6	16.5	12.3	15.7	19.0	19.2
\$15,000 and over	0.7	6.0	3.8	4.7	6.9	8.2
Totals	100.0	100.0	100.0	100.0	100.0	100.0
Average income	\$ 3,261	7,596	6,268	7,467	8,232	8,410
Median income	\$ 2,592	6,829	5,369	6,835	7,455	7,445

(1) Size of family refers to the total number of persons in the family including both adults and children.

TABLE 2. Percentage Distribution of Families and of Unattached Individuals by Income Groups and Regions, 1967

Income group	Atlantic Provinces		Quebec		Ontario		Prairie Provinces		British Columbia	
	Unat- tached Indi- viduals	Families	Unat- tached Indi- viduals	Families	Unat- tached Indi- viduals	Families	Unat- tached Indi- viduals	Families	Unat- tached Indi- viduals	Families
per cent										
Under \$1,000	21.9	2.2	22.9	1.7	11.8	1.8	16.2	2.8	14.4	1.6
\$ 1,000- 1,499	25.1	3.0	16.4	1.4	15.9	0.8	18.1	2.2	19.7	0.9
1,500- 1,999	10.7	3.9	6.2	2.4	8.3	1.7	9.6	3.5	11.1	2.7
2,000- 2,499	8.3	5.2	5.4	3.3	5.9	2.4	8.2	4.1	5.0	3.4
2,500- 2,999	5.8	7.3	5.9	4.0	5.0	2.8	5.7	5.1	4.9	5.0
3,000- 3,499	5.6	6.2	7.2	3.7	5.8	2.6	6.8	4.6	6.8	3.3
3,500- 3,999	5.4	6.6	7.4	4.3	5.5	3.3	6.0	4.0	5.4	4.0
4,000- 4,499	4.4	7.1	4.8	5.3	6.8	3.5	6.0	4.1	4.4	3.5
4,500- 4,999	3.2	6.2	4.2	5.5	6.9	3.3	4.4	4.7	4.1	3.5
5,000- 5,499	1.3	6.9	5.2	5.6	6.2	5.5	3.6	5.7	4.4	3.9
5,500- 5,999	2.3	6.2	2.1	6.5	3.3	4.9	3.8	5.5	3.6	4.1
6,000- 6,499	1.2	6.4	2.9	6.1	4.8	5.6	3.3	5.9	3.7	5.0
6,500- 6,999	0.2	4.8	2.1	5.3	2.7	5.6	1.8	4.7	4.0	5.4
7,000- 7,999	1.3	8.1	2.4	10.1	4.0	11.0	2.4	10.3	3.5	10.5
8,000- 9,999	2.2	9.8	2.8	14.5	4.0	16.5	2.5	14.6	3.6	18.5
10,000-14,999	0.9	7.9	1.6	14.4	2.2	20.8	1.1	13.7	1.1	18.8
\$15,000 and over	0.2	2.1	0.6	6.0	0.9	7.8	0.6	4.5	0.4	5.8
Totals	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Average income	\$ 2,382	5,756	3,032	7,372	3,731	8,446	3,058	6,928	3,269	7,800
Median income	\$ 1,639	5,166	2,416	6,518	3,266	7,563	2,371	6,313	2,479	7,351

TABLE 3. Percentage Distribution of Families and Unattached Individuals by Income Groups, Age and Sex of Head, 1967

Income group	All families and unattached individuals	Age of head					
		24 and under	25-34	35-44	45-54	55-64	65 and over
		per cent					
<u>All families and unattached individuals</u>							
Under \$1,000	5.6	15.6	2.4	2.5	3.8	8.1	7.4
\$ 1,000- 1,499	5.5	5.2	1.1	0.8	1.9	5.0	20.6
1,500- 1,999	4.0	5.5	1.7	1.6	2.4	4.1	10.2
2,000- 2,499	4.0	4.5	2.5	2.5	2.5	4.6	8.5
2,500- 2,999	4.5	5.6	2.6	2.2	2.8	4.3	10.6
3,000- 3,499	4.3	7.3	3.5	2.5	3.7	4.4	6.4
3,500- 3,999	4.5	6.6	4.2	3.9	3.5	5.1	5.2
4,000- 4,499	4.7	7.1	5.0	4.1	4.1	4.9	4.2
4,500- 4,999	4.6	6.3	5.2	4.5	3.6	4.9	3.7
5,000- 5,499	5.4	5.3	7.1	5.4	5.7	4.7	3.8
5,500- 5,999	4.9	5.3	5.5	6.1	5.1	4.7	2.4
6,000- 6,499	5.3	5.7	7.7	6.3	5.4	3.8	2.2
6,500- 6,999	4.5	3.4	6.1	6.2	4.8	3.7	1.8
7,000- 7,999	8.5	5.0	12.5	11.6	8.6	7.5	2.9
8,000- 9,999	12.3	7.5	16.5	17.0	14.2	10.8	3.5
10,000-14,999	12.8	4.0	14.0	17.0	19.2	12.7	4.3
15,000 and over	4.7	0.1	2.4	5.8	8.7	6.8	2.2
Totals	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Average income	\$ 6,515	4,203	6,986	7,803	8,079	6,656	3,849
Median income	\$ 5,795	3,976	6,622	7,120	7,080	5,488	2,655
<u>Male head</u>							
Under \$1,000	3.1	6.5	1.7	1.8	2.3	5.0	4.8
\$ 1,000- 1,499	3.0	3.6	0.7	0.6	1.0	3.0	13.8
1,500- 1,999	3.1	4.2	1.5	1.3	2.0	3.4	9.9
2,000- 2,499	3.4	3.7	1.8	2.1	2.0	4.3	8.7
2,500- 2,999	4.1	4.7	2.2	1.9	2.4	3.3	14.4
3,000- 3,499	3.7	5.2	3.1	2.2	3.2	3.9	7.3
3,500- 3,999	4.2	6.7	3.7	3.4	3.3	4.6	5.8
4,000- 4,499	4.5	6.9	4.2	4.0	3.9	5.2	5.0
4,500- 4,999	4.6	7.4	4.8	4.2	3.5	4.6	4.6
5,000- 5,499	5.5	6.4	7.2	5.3	5.2	4.8	3.9
5,500- 5,999	5.4	7.6	5.8	6.1	5.0	5.3	2.8
6,000- 6,499	5.8	8.0	8.0	6.4	5.5	4.1	2.4
6,500- 6,999	5.0	5.1	6.2	6.2	5.0	4.3	2.1
7,000- 7,999	9.6	7.2	13.2	12.0	9.0	8.7	3.3
8,000- 9,999	14.2	10.9	17.9	18.1	15.3	12.3	3.6
10,000-14,999	15.1	5.8	15.3	18.1	21.7	15.0	4.9
\$15,000 and over	5.5	0.1	2.6	6.2	9.8	8.1	2.8
Totals	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Average income	\$ 7,198	5,184	7,296	8,068	8,646	7,442	4,302
Median income	\$ 6,465	5,085	6,926	7,374	7,632	6,316	2,943
<u>Female head</u>							
Under \$1,000	16.6	34.0	8.9	10.5	12.5	18.8	12.3
\$ 1,000- 1,499	16.1	8.4	5.5	3.2	6.8	11.8	33.1
1,500- 1,999	7.7	8.4	4.3	5.1	4.7	6.9	10.8
2,000- 2,499	6.9	6.0	8.4	7.1	5.4	5.8	8.1
2,500- 2,999	5.8	7.6	6.6	5.6	5.5	7.6	3.9
3,000- 3,499	6.9	11.6	7.2	6.7	7.3	6.0	4.8
3,500- 3,999	6.1	6.4	8.5	10.9	5.3	6.9	4.0
4,000- 4,499	5.4	7.7	12.2	6.2	5.5	3.9	2.7
4,500- 4,999	4.7	4.1	9.2	8.2	4.2	6.2	2.1
5,000- 5,499	4.7	3.0	5.9	6.3	8.1	4.3	3.5
5,500- 5,999	2.6	0.5	2.6	5.6	5.3	2.7	1.7
6,000- 6,499	2.8	0.9	5.0	4.6	5.0	2.5	1.9
6,500- 6,999	2.3	--	4.8	6.1	4.0	1.8	1.3
7,000- 7,999	3.5	0.6	5.7	7.2	5.9	3.4	2.3
8,000- 9,999	3.8	0.5	3.0	2.8	8.2	5.4	3.3
10,000-14,999	2.9	0.2	1.9	3.2	4.3	4.2	3.1
\$15,000 and over	1.2	0.1	0.3	0.7	2.1	1.9	1.3
Totals	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Average income	\$ 3,494	2,197	4,063	4,431	4,684	3,853	3,028
Median income	\$ 2,732	1,951	4,024	4,072	4,226	2,940	1,712

III. Individual Incomes

The average size of incomes reported by individuals(3) increased from \$3,633 in 1965 to \$4,240 in 1967, or by 17 per cent. The rate of increase varied regionally from a low of 13 per cent in the Atlantic region to a high of 21 per cent in Ontario. In other regions, the average income went up by 17 to 18 per cent. Ontario's average of \$4,711, highest in Canada, was 50 per cent above the \$3,128 average figure of the Atlantic provinces, the region with the lowest average income.

Incomes reported by women for the year 1967 averaged \$2,303. This was \$436, or 23 per cent, higher than the 1965 average. For men, the average income was \$5,331, up 17 per cent from the 1965 figure of \$4,551. It should be noted that the above figures do not represent earnings from employment only but money income from all sources, and individuals who did not work in 1967 as well as full-time and part-time workers are included in these averages.

(3) An individual for the purposes of this report is defined as a person 14 years of age and over who had some income in 1967 regardless of size and whose main source of income was not military pay and allowances.

TABLE 4. Percentage Distribution of Individuals by Income Groups and Regions, 1967

Income group	All individuals					
	Canada	Atlantic Provinces	Quebec	Ontario	Prairie Provinces	British Columbia
	per cent					
Under \$500	8.2	10.4	7.2	7.4	9.7	9.7
\$ 500- 999	8.5	10.7	8.2	7.9	8.8	8.7
1,000-1,499	10.3	14.7	10.3	9.0	11.5	9.4
1,500-1,999	5.8	7.8	5.8	4.9	6.2	6.2
2,000-2,499	5.5	6.6	5.9	5.0	5.9	4.9
2,500-2,999	5.2	7.0	5.7	4.4	5.4	4.9
3,000-3,499	5.6	6.5	6.6	4.9	5.7	4.7
3,500-3,999	5.6	5.9	6.5	5.1	5.4	5.1
4,000-4,499	5.4	5.7	6.0	5.6	5.1	4.0
4,500-4,999	5.1	4.3	5.8	5.2	4.9	3.7
5,000-5,499	5.5	4.9	5.9	5.9	5.1	4.4
5,500-5,999	4.6	3.3	4.6	5.1	4.4	3.9
6,000-6,999	8.1	4.5	7.5	9.7	6.7	9.2
7,000-7,999	5.4	2.8	4.9	6.3	4.9	6.8
8,000-9,999	5.7	2.5	4.7	6.6	5.6	7.9
10,000 and over	5.5	2.2	4.6	7.2	4.7	6.5
Totals	100.0	100.0	100.0	100.0	100.0	100.0
Average income	\$ 4,240	3,128	4,111	4,711	3,938	4,381
Median income	\$ 3,579	2,484	3,522	4,124	3,219	3,646

TABLE 5. Percentage Distribution of Individuals by Income Groups, Age and Sex, 1967

Income group	All age groups	Age					
		24 and under	25-34	35-44	45-54	55-64	65 and over
<u>All individuals</u>		per cent					
Under \$500	8.2	20.9	5.6	4.6	5.1	5.7	2.1
\$ 500- 999	8.5	14.3	3.6	4.3	4.6	7.9	16.0
1,000-1,499	10.3	9.5	3.9	3.4	4.7	7.0	38.5
1,500-1,999	5.8	7.9	3.5	3.5	4.0	5.5	10.5
2,000-2,499	5.5	6.4	4.3	4.2	4.9	6.3	7.5
2,500-2,999	5.2	6.8	4.4	4.1	5.2	5.9	4.8
3,000-3,499	5.6	7.5	5.1	4.6	5.8	6.0	4.2
3,500-3,999	5.6	6.2	6.3	5.0	6.2	6.2	3.3
4,000-4,499	5.4	5.4	6.9	5.7	5.8	6.1	2.4
4,500-4,999	5.1	4.5	6.5	5.3	6.1	5.9	2.0
5,000-5,499	5.5	3.8	8.3	6.6	6.3	6.0	2.0
5,500-5,999	4.6	2.3	6.6	6.4	5.6	5.5	1.2
6,000-6,999	8.1	2.9	12.8	12.1	10.5	8.3	1.6
7,000-7,999	5.4	1.1	8.7	9.0	7.3	5.2	1.2
8,000-9,999	5.7	0.6	8.4	10.7	8.1	5.2	1.0
10,000 and over	5.5	0.1	5.1	10.4	9.8	7.4	1.7
Totals	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Average income	\$ 4,240	2,294	5,067	5,790	5,486	4,754	2,330
Median income	\$ 3,579	1,835	4,491	5,401	4,803	3,959	1,413
<u>Male</u>							
Under \$500	4.5	17.6	1.3	1.0	1.1	2.5	1.3
\$ 500- 999	4.9	14.0	1.0	1.4	1.8	4.4	8.1
1,000-1,499	6.6	8.9	2.0	1.4	2.1	4.4	29.8
1,500-1,999	4.6	7.7	1.9	1.9	2.5	4.4	12.5
2,000-2,499	4.4	5.8	2.6	2.5	3.0	5.5	9.8
2,500-2,999	4.4	5.9	3.6	2.6	3.5	5.1	6.9
3,000-3,499	4.8	6.3	4.1	2.9	4.6	5.9	5.9
3,500-3,999	5.2	6.1	5.2	4.1	5.5	6.1	4.6
4,000-4,499	5.8	5.8	6.7	5.4	5.5	6.8	3.8
4,500-4,999	5.8	5.3	6.5	5.7	6.8	6.7	3.4
5,000-5,499	7.1	5.5	9.7	7.7	7.9	7.1	2.8
5,500-5,999	6.2	3.5	8.0	7.9	6.9	7.1	2.0
6,000-6,999	11.2	4.7	16.7	15.2	13.7	10.5	2.5
7,000-7,999	7.8	1.7	11.7	11.8	9.9	6.8	1.8
8,000-9,999	8.4	1.0	11.7	14.4	11.1	6.8	1.6
10,000 and over	8.4	0.2	7.4	14.1	14.1	10.0	3.2
Totals	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Average income	\$ 5,331	2,621	6,062	6,980	6,754	5,691	3,044
Median income	\$ 4,913	2,154	5,837	6,361	5,912	4,865	1,931
<u>Female</u>							
Under \$500	14.9	25.1	15.2	14.0	13.3	12.9	3.0
\$ 500- 999	14.7	14.6	9.6	11.9	10.3	16.0	24.0
1,000-1,499	17.0	10.2	8.3	8.6	10.2	13.0	47.4
1,500-1,999	7.8	8.1	7.1	7.8	7.2	8.2	8.4
2,000-2,499	7.5	7.2	8.1	8.8	8.9	8.1	5.1
2,500-2,999	6.7	7.9	6.1	7.9	8.6	7.7	2.6
3,000-3,499	7.1	9.0	7.1	9.0	8.3	6.1	2.5
3,500-3,999	6.3	6.4	9.0	7.4	7.6	6.4	1.9
4,000-4,499	4.9	4.9	7.3	6.2	6.5	4.5	0.9
4,500-4,999	3.7	3.4	6.5	4.4	4.6	4.1	0.6
5,000-5,499	2.8	1.7	5.2	3.7	3.1	3.4	1.2
5,500-5,999	1.7	0.7	3.4	2.5	2.7	1.8	0.4
6,000-6,999	2.4	0.5	4.1	4.3	3.9	3.3	0.8
7,000-7,999	1.1	0.2	1.9	1.8	2.0	1.5	0.6
8,000-9,999	0.8	0.1	0.8	1.1	2.0	1.6	0.3
10,000 and over	0.4		0.1	0.7	0.9	1.5	0.2
Totals	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Average income	\$ 2,303	1,885	2,824	2,724	2,841	2,603	1,596
Median income	\$ 1,717	1,505	2,639	2,437	2,505	1,994	1,241

IV. Low Income as Measure of Poverty in Canada, 1967

If poverty is defined as being synonymous with low levels of money income, nearly one-fifth of all families and two-fifths of unattached individuals were living in poverty in 1967. These estimates are based on the data in Part II of this bulletin and on the same low income cut-offs that were used in Canada in the past but adjusted for rising consumer prices.(4) The adjusted cut-offs in terms of 1967 dollars were approximately \$1,740 for unattached individuals; for families with two, three, four or five or more members the limits were \$2,900, \$3,480, \$4,060 and \$4,640 respectively. These points on the income scale will be referred to interchangeably as "income limits", "poverty lines" or "low income cut-offs". Families and persons below these lines will be referred to as being "poor" without implying an officially recognized designation. All attempts to measure poverty in a quantitative way, almost inevitably, involve arbitrariness and subjective judgment. The validity of the poverty lines is not being re-examined here.

It should be noted that data presented below are not strictly comparable with earlier estimates because income information was not available for farm families and for that reason such families were excluded from the 1961 estimates. In the statistics in this report the same low income criteria are being used for all families including farm families as were previously used for non-farm families only. The income limits originally developed in 1961 were selected on the basis that urban families with incomes below these limits usually spent 70 per cent or more of their income on the basic necessities of food, shelter and clothing and thus had very little discretionary income. Many farm families meet some of their requirements for basic commodities such as food from domestic production rather than through purchases in the market. For farm families then, income criteria developed from urban data may result in setting too high a "poverty line".

Although the data are not comparable to 1961, some idea about the changing numbers of the low income population can be obtained from the following rough comparison. The estimates obtained from the 1961 Census of Canada which were used by the Economic Council in its discussion of poverty in the Fifth Annual Review put the number of poor non-farm families at 916,000. If income data had been available for farm families the total number of families in low income brackets would probably have ranged between 1,050,000 and 1,100,000. The current preliminary estimates for 1967 indicate that the number of all poor families (including farm families) has dropped to 840,000. This constitutes a substantial reduction over the six year period in the number of Canadian families with incomes below the poverty line, especially in view of the fact that the population has grown by more than 10 per cent during this period.

(4) See Economic Council of Canada, Fifth Annual Review, Queen's Printer, 1968 Chapter 6. The 1961 Census data were analyzed by setting the income cut-offs as follows:

1 person unit	\$1,500
2 person unit	\$2,500
3 person unit	\$3,000
4 person unit	\$3,500
5+ person unit	\$4,000

For an explanation how these levels were established see: J.R. Podoluk, Incomes of Canadians, Queen's Printer, 1968, p. 185.

The situation, however, is different for persons not in families - the so-called unattached individuals. These are individuals who maintain their own households or live as lodgers or roomers in households where no other person is related to them. Since the 1961 Census there has been a large increase of such individuals due to complex demographic and socio-economic factors. For example, if young people attend university or take up jobs and move away from their families on a permanent basis, these cases increase the number of unattached individuals. Also, if elderly people such as widows, prefer (and can afford) to live by themselves rather than living with their married children or other relatives, they also increase the ranks of unattached individuals.

From the 1961 Census it was estimated that approximately 415,000 non-farm unattached individuals had incomes below \$1,500. The preliminary estimates for 1967 indicate that 586,000 unattached individuals (including farmers) had incomes below \$1,740 - the equivalent of the \$1,500 cut-off used for the 1961 statistics.

It is difficult, however, to interpret the increased numbers in this group as a total as being a serious increase in poverty among individuals living alone. As explained above, an increase in young people who may have little money income in their own right but are still well enough off to live separately from their families, may swell the number of unattached individuals. (5) There is some indication that this may have been happening and some of the increase in this group is explainable by an inflow of young people. More detailed analysis later will be undertaken to examine this problem.

Because an earlier survey for 1965 had also included farm families, comparisons can be made for these two years. In 1965 it was estimated that 39.0 per cent of unattached individuals and 21.2 per cent of families had incomes below the income-cut-off. (6) Table 6 below indicates that over the two year period the incidence of low income among unattached individuals has remained unchanged and that among families it has dropped only slightly. This indicates that income increases at the lower end of the income distribution for persons living alone had not caught up with increases in the cost of living. Although young people constituted a growing proportion of low income individuals, nearly half of the unattached individuals below the income cut-off were persons aged 65 and over. (See Table 7.) The Guaranteed Income Supplement introduced in 1966 and higher Old Age Pensions have improved the income situation of many of these individuals, but these increases have not moved them above the poverty line because the maximum pensions are lower than the income limits used.

From 1965 to 1967 the proportion of families below the poverty line dropped from 21.2 per cent to 18.6 and this may seem a relatively moderate reduction. However, it is well in line with general increases in family incomes. As discussed in Part II of this bulletin average family incomes rose in real terms (i.e. taking into account price increases) by approximately 8 per cent over the two year period. The reduction in incidence of poverty is somewhat larger than that, so families at the lower end of the income distribution

(5) Loans and gifts are not being measured as part of income.

(6) The 1965 as well as the 1967 estimates discussed here cover farm as well as non-farm families and individuals. Excluded from the surveys on which the estimates are based are families and individuals living in the Yukon and Northwest Territories or on Indian reservations as well as the institutional population.

seem to have participated at least proportionately in the general income increases.

As has been pointed out before, the characteristics of families and unattached individuals below the poverty line differ markedly from those above the poverty line. Table 7 describes some of these differences, but the data are limited to only a few basic characteristics. Further information will be tabulated when fully edited survey records become available. It is expected that more detailed data as well as the revised estimates for the statistics in the following tables will be published in a special report early in 1970.

TABLE 6. Incidence of Low Income(1) Among Families and Unattached Individuals by Selected Characteristics, 1967

	Families	Unattached individuals
All units	18.6	39.0
<u>By size of family unit</u>		
1		39.0
2	24.3	
3	14.1	
4	13.3	
5 and more	19.6	
<u>By region of residence</u>		
Atlantic Provinces	33.7	52.5
Quebec	20.3	42.5
Ontario	12.4	32.5
Prairie Provinces	23.0	39.8
British Columbia	16.2	40.5
<u>By place of residence(2)</u>		
Metropolitan centers	10.7	32.5
Other cities	15.6	50.2
Small urban areas	22.1	48.9
Rural areas	40.7	58.0
<u>By sex of head</u>		
Male	17.2	29.9
Female	35.6	47.7
<u>By age of head</u>		
24 and under	14.9	38.0
25-34	14.8	11.6
35-44	15.4	16.0
45-54	14.6	26.0
55-64	18.3	39.6
65-69	31.8	57.2
70 and over	43.2	68.4
<u>By labour force status of head</u>		
Paid worker	8.8	21.4
Self-employed(3)	34.6	40.8
Not in labour force	46.4	70.7

(1) The percentage of all families or unattached individuals in a given category whose income in 1967 was below:

- \$1,740 for unattached individuals.
- \$2,900 for families of size 2.
- \$3,480 for families of size 3.
- \$4,060 for families of size 4.
- \$4,640 for families with 5 or more members.

(2) Classified according to size of population:

- Metropolitan centers - 30,000 and over.
- Other cities - 15,000-29,999.
- Small urban areas - less than 15,000.

(3) Includes farmers as well as professionals and owners of businesses.

TABLE 7. Selected Characteristics of Low Income Families and Unattached Individuals(1)
and of Other Families and Unattached Individuals, 1967

	Families			Unattached individuals		
	Low income	Other	All	Low income	Other	All
	per cent					
TOTALS	100.0	100.0	100.0	100.0	100.0	100.0
<u>By size of family</u>						
2	36.6	26.0	28.0			
3	14.4	19.9	18.9			
4	14.8	21.9	20.6			
5 and more	34.3	32.2	32.5			
<u>By region of residence</u>						
Atlantic Provinces	15.7	7.1	8.7	10.9	6.3	8.1
Quebec	30.1	27.0	27.5	27.9	24.2	25.6
Ontario	24.5	39.6	36.8	29.4	39.1	35.3
Prairie Provinces	20.8	15.9	16.9	18.8	18.2	18.4
British Columbia	9.0	10.5	10.2	13.1	12.3	12.6
<u>By place of residence(2)</u>						
Metropolitan centers	34.9	66.3	60.5	56.6	75.2	67.9
Other cities	6.0	7.4	7.1	11.3	7.2	8.7
Small urban areas	14.0	11.3	11.8	13.0	8.7	10.4
Rural areas	45.1	15.0	20.6	19.2	8.9	12.9
<u>By sex of head</u>						
Male	85.6	94.1	92.5	37.2	56.0	48.7
Female	14.4	5.9	7.5	62.8	44.0	51.4
<u>By age of head</u>						
24 and under	4.2	5.5	5.3	21.2	22.2	21.8
25-34	16.9	22.1	21.1	3.9	19.1	13.2
35-44	20.5	25.6	24.7	3.8	12.7	9.2
45-54	16.4	21.9	20.9	7.6	13.9	11.5
55-64	14.7	15.0	15.0	16.1	15.7	15.9
65-69	8.7	4.3	5.1	13.3	6.4	9.1
70 and over	18.6	5.6	8.0	34.1	10.1	19.5
<u>By labour force status of head</u>						
Paid worker	33.0	77.8	69.5	33.7	79.1	61.4
Self-employed(3)	26.6	11.5	14.3	5.0	4.7	4.8
Not in labour force	40.4	10.7	16.2	61.3	16.2	33.8

(1) For low income cut-offs see footnote (1) Table 6.

(2) See footnote (2) Table 6.

(3) See footnote (3) Table 6.

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