

High-income trends among Canadian taxfilers, 1982 to 2010

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The top 1% of Canada's 25.5 million tax filers accounted for 10.6% of the nation's total income in 2010, down from a peak of 12.1% in 2006.

In the early 1980s, the top 1% of tax filers held 7.0% of the total income reported by all tax filers. This proportion edged up to 8.0% in the early 1990s and reached 11.0% by the early 2000s.

Threshold value just over \$201,000 for top 1%

In 2010, a tax filer required an annual income of \$201,400 to be in the top 1%. This was 37% higher than the threshold value of \$147,500 in 1982, when the data series began. (All dollar figures in this text are expressed in 2010 constant dollars.)

The income gap between the top 1% and the rest of filers has widened over time. In 1982, the median income of the top 1% of filers was \$191,600. This was seven times higher than the median income of \$28,000 for the other 99% of filers.

By 2010, the median income of the top 1% of filers increased to \$283,400, about 10 times higher than the median income of \$28,400 for the rest.

The income of top filers was increasingly dependent on their jobs, rather than on investments. In 1982, just over half of the total income of men in the top 1% came from wages and salaries. By 2000, this had increased to 67%.

The increase among women was more pronounced. In 1982, wages and salaries accounted for 21% of the income of women in the top 1%. By 2010, this proportion had more than doubled to 50%.

Proportion of women in top 1% nearly doubles

Men continued to dominate in Canada's top 1%, but women have made significant gains.

In 2010, the top 1% of tax filers consisted of 254,700 individuals. Women accounted for 53,200, 21% of the total, almost twice the proportion than in 1982 (11%).

During the same time period, the proportion of men in the top 1% fell from 89% to 79%.

The median age of the top 1% of tax filers was 51 in 2010, a number that has changed little in the last 30 years. By contrast, the median age of all tax filers has increased from 36 to 47.

In 2010, 87% of the men in the top 1% were married or lived in a common-law partnership compared with 68% of the women.

The share of income taxes paid by top filers increases

In 1982, the richest 1% of filers paid 13.4% of federal and provincial or territorial income taxes. This proportion rose steadily to a peak of 23.3% in 2007, then slipped to 21.2% in 2010. The share of income taxes paid by the rest of all tax filers fell from 86.6% in 1982 to 78.8% in 2010.

The median federal and provincial income tax paid by the top 1% of filers was \$60,900 in 1982. By 2010, this median had increased 48% to \$90,100. By contrast, the median for the rest of tax filers fell from \$2,800 in 1982 to \$1,800 by 2010.



Provinces

In 2010, four provinces – Ontario, Alberta, Quebec and British Columbia – accounted for 92% of the 254,700 people in the top 1%.

Ontario had 110,300, followed by Alberta with 52,200, Quebec at 42,600 and British Columbia with 29,500.

Between 1990 and 2010, Alberta's share of the top 1% of filers doubled from 10% to 20%, while Ontario's proportion fell from 51% to 43%.

Metropolitan areas

The five largest census metropolitan areas – Montréal, Toronto, Calgary, Edmonton and Vancouver – accounted for 62% of the top 1% of tax filers in 2010. In contrast, these five metropolitan areas had 42% of all tax filers.

Calgary had 27,300 tax filers in the top 1% in 2010. However, between 1989 and 2010, its share of the national total more than doubled from 5% to 11%.

The median income of the top 1% of tax filers who lived in Toronto was \$301,200 in 2010, while in Calgary, it was \$293,800. The top 1% in Calgary held 26% of the metropolitan area's total income, while those in Toronto accounted for 18%.

Top filers more likely to stay on top over time

Over time, the top 1% of tax filers have become more likely to remain in the group. Among those who were in the top 1% in 1983, two-thirds (67%) were also in the top 1% in 1982. By 2010, this one-year measure of high income persistence had risen to 72%.

The five-year persistence also increased. In 1987, close to 44% of the top 1% filers had also been in the top 1% five years earlier, that is, in 1982. This proportion rose to 48% in the early 1990s and to 52.7% in 2010.

Note to readers

*This release provides a follow-up to information contained in the research paper *A Profile of High Income Canadians, 1982 to 2004*, released in September 2007.*

All dollar figures in this release are expressed in constant 2010 dollars unless otherwise noted.

Total (or before-tax) income consists of income from earnings, investments, pensions, spousal support payments and other taxable income plus government transfers and refundable tax credits.

Data for 1982 to 2010 on Canadian tax filers with high incomes are now available on CANSIM for various provinces and selected census metropolitan areas. The tables are derived from the Longitudinal Administrative Databank, which follows a random sample of 20% of Canadian tax filers from 1982 to 2010.

Since not all individuals file income tax returns and a small portion of filers die every year, statistics contained in these tables should be interpreted in the context of living tax filers, not the whole population. Living tax filers accounted for about 74% of the total population and about 94% of the population age 18 and over at the end of 2010.

Table 1
Characteristics of high income Canadians, total income, national thresholds, Canada, 2010

	Income group	
	Top 1%	Bottom 99%
Threshold value (dollars)	201,400	201,400
Number of taxfilers (persons)	254,730	25,217,145
Males (%)	79.1	47.7
Females (%)	20.9	52.3
Married or common-law (%)	82.7	56.9
Males (%)	86.7	59.2
Females (%)	67.7	54.8
Median age (years)	51	47
Median income (dollars)	283,400	28,400
Average income (dollars)	429,600	36,600
Share of income (%)	10.6	89.4
Males (%)	8.7	49.9
Females (%)	1.9	39.5
Federal and provincial or territorial income taxes paid		
Median (dollars)	90,100	1,800
Average (dollars)	142,900	5,400
Share (%)	21.2	78.8
Income from wages and salaries (%)	63.9	68.4
Males (%)	66.9	71.3
Females (%)	50.2	64.7
Percentage in same quantile		
Last year (%)	72.1	99.7
Five years ago (%)	52.7	99.5
Percentage in top 5 percentiles		
Last year (%)	94.1	4.2
Five years ago (%)	84.9	4.3
At least once during the preceding five-year period (%)	96.9	8.1
Percentage always in top 5 percentiles during the preceding five-year period	80.4	2.1

Available without charge in CANSIM: tables 204-0001 and 204-0002.

Definitions, data sources and methods: survey number 4107.

For more information, contact us (toll-free 1-800-263-1136; infostats@statcan.gc.ca).

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