

2011 National Household Survey: Income of Canadians

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New data from the 2011 National Household Survey (NHS) show that more than 95% of the approximately 27.3 million Canadians aged 15 and over received some form of income in 2010, totalling \$1.1 trillion.

Employment income was the largest component of total income

Close to 70% of Canadians aged 15 and over earned income from employment, representing about three out of every four dollars of total income in Canada.

The percentage of total income earned from employment was highest in the three territories, led by the Northwest Territories at 87.8%. Among the provinces, it ranged from 81.3% in Alberta to 68.6% in Prince Edward Island.

Ontario, with a share of income from employment of 74.8%, was close to the national level of 74.7%. Manitoba and Saskatchewan were slightly above the national level, at 75.4% and 75.6%, respectively.

The employment income shares of the other provinces were below the national level.

Among the country's census metropolitan areas (CMAs), Calgary and Edmonton had the highest share of employment income in 2010 with 82.2% and 81.3% respectively, followed by Saskatoon (79.1%), Toronto (78.5%), Regina (78.3%) and St. John's (78.2%)

The three CMAs with the lowest share of income from employment were Trois-Rivières (67.1%), Peterborough (67.0%) and St. Catharines–Niagara (66.6%).

Other market income important to seniors, high-income Canadians

While employment income was the largest component of all income from private sources, investment income, private retirement income and other private income combined accounted for 12.9% of total income reported by Canadians in 2010. Investment income was reported by 29.0% of Canadians, private retirement income by 13.2% and other private income (such as child support or severance pay) by 14.5%.

Investment income is a relatively more important source of income for high-income Canadians and seniors.

Over half (56.7%) of all investment income reported was received by high-income Canadians (those in the top decile) and 11.3% went to people in the next highest decile. (Canadians have been classified into 10 equal income groups, or deciles, based on the adjusted after-tax income of their economic family.)

The proportion of seniors with investment income was 51.8%, compared with 29.0% for the general population. Investment income accounted for over 10% of seniors' income, and the median amount was \$1,300, more than double the national median of \$600.

Among those aged 65 and over, private retirement pension income represented 29.9% of total income in 2010. Private pensions were received by 59.2% of seniors and the median amount was \$11,700.

Government transfers also an important income source

About 7 in 10 persons aged 15 years and over received government transfers, representing 12.4% of their total income in 2010. For just under 13% of Canadians, government transfers were their only source of income.

Canada/Quebec Pension Plan (CPP/QPP) benefits as well as Old Age Security (OAS) pensions and the Guaranteed Income Supplement (GIS) accounted for over half of all income from government sources. In May 2011, about 14% of Canadians were 65 years of age and over, and over 90% of them received OAS/GIS or CPP/QPP in 2010. These two sources accounted for 37.6% of the total income of the senior population.

Benefits received from either the Employment Insurance (EI) or child benefit programs were the next largest sources of income from government. They represented 1.8% and 1.5% respectively of total income received by Canadians.

Other income from government, composed of a number of programs including social assistance, worker's compensation and refundable tax credits, accounted for the remaining 2.6% of total income. Nearly half (48.2%) of the population aged 15 and over in 2010 had income from this source.

Canadians in bottom two income deciles had more than half of their income from government sources

The majority of income for people in the lowest two income deciles came from government transfers (55.1% in the second decile and 67.5% in the lowest decile). In contrast, government transfers represented 5.0% of total income in the ninth decile and 2.1% in the top decile.

Almost one-third of those in the second decile were aged 65 and over, so OAS/GIS (21.1%) and other government income (12.3%) were among the main sources of transfer income for this group. Government assistance to people in the bottom income decile came mainly from child benefits (17.3%) and other government income (35.0%).

Most families with young children receive child benefits

Families had a higher share of income from market sources, at 88.6% of family total income, than persons living alone (82.6%).

For couple families with children under 6 years old, EI benefits and child benefits accounted for 4.1% and 4.7% respectively of total income. Over 40% of these families received EI benefits. Child benefits reached a much larger number of these families, as 92.4% of the couples with children under 6 years old received such benefits.

Female lone-parent families were more likely to be recipients of child benefits than male lone-parent families. In 2010, 95.8% of female lone-parent families with children under 18 years old received child benefits, whereas 63.9% of male lone-parent families with children under 18 had such benefits.

Almost two-thirds of Canadians paid income taxes

In 2010, Canadians paid 16.4% of their total income in income taxes, leaving 83.6% of total income as after-tax income. Overall, 63.7% of the population aged 15 and over reported income taxes.

Characteristics of high-income Canadians

According to the 2011 NHS, 10% of Canadians had total income of more than \$80,400 in 2010 — almost triple the national median income of \$27,800. To be in the top 5%, Canadians needed to have a total income of \$102,300 and to be in the top 1% required \$191,100, nearly seven times the national median income.

High-income Canadians tended to be highly educated as 67.1% of the top 1% had attained a university degree compared with 20.9% of all Canadians aged 15 and over.

Among the 10 broad occupation groups within the NHS, the vast majority of workers (87.7%) in the top 1% worked in one of five occupations: management occupations (38.8%), health occupations (14.3%), business, finance and administration occupations (13.7%), occupations in education, law and social, community and government services (11.0%) and natural and applied sciences and related occupations (9.9%). By comparison, these five occupation groups accounted for 51.9% of all Canadian workers.

Persons living in low-income neighbourhoods

The NHS collected data for over 5,000 neighbourhoods, or census tracts, across Canada, accounting for close to three-quarters of the Canadian population. Neighbourhoods were considered low-income neighbourhoods if 30% or more of the people living there had low income. Very low-income neighbourhoods were defined as a subset of the low-income neighbourhoods where 40% or more of the population had low income.

Overall, there were 478 low-income neighbourhoods in 2010. Nearly one-fifth (18.9%) of the low-income population living in neighbourhoods lived in these low-income neighbourhoods. Of these 478 low-income neighbourhoods, 137 were classified as very low-income neighbourhoods and contained 6.5% of low-income Canadians living in neighbourhoods.

Just under half (48.5%) of the total Canadian population living in census tracts lived in the three largest CMAs of Toronto, Montréal and Vancouver. Close to three-fifths (58.6%) of all low-income neighbourhoods in Canada were located in these three metropolitan areas.

Sherbrooke had the highest proportion of its low-income population living in low-income neighbourhoods (44.5%). Other CMAs or census agglomerations with relatively high proportions of low-income persons living in low-income neighbourhoods were Windsor (40.6%), Trois-Rivières (39.2%), Montréal (33.6%), Saint-Jean-sur-Richelieu (33.0%), Saint John (30.6%) and Winnipeg (30.4%).

Note to readers

Comparability of low-income estimates

Low-income estimates from the 2011 National Household Survey (NHS) compared with previous censuses show markedly different trends than those derived from other surveys and administrative data such as the Survey of Labour and Income Dynamics or the T1 Family File.

Data to support quality estimates of low-income trends require a stable methodology over time that has similar response patterns. With the new methodology of the NHS, estimates of low income are not comparable with the census-based estimates produced in the past.

Previous census income releases compared low-income rates over time using the low-income cut-off (LICO). Given the lack of comparability of the trends and to prevent misleading conclusions arising from comparisons of LICO estimates from the NHS with earlier censuses, estimates of low income based on LICO are not available as a standard product from the NHS. They are available upon request.

Analysis of the NHS estimates suggests that it is valid to compare low-income estimates for different subpopulations within the NHS (that is, for different geographic areas or demographic groups). While many low-income measures, including the LICO, are well suited to the analysis of trends in low income, the after-tax Low Income Measure is better suited to the analysis of low income in the NHS because the threshold level of income below which one is considered to have low income is itself derived from the households that responded to the survey.

Information on the concepts used in this article can be found in the Concepts and definitions box in the analytical document [Income Composition in Canada](#) and in the National Household Survey in Brief series articles entitled "[Education and occupation of high-income Canadians](#)" and "[Persons living in low-income neighbourhoods](#)."

National Household Survey

This is the third and final release of data from the National Household Survey.

The analytical document [Income Composition in Canada](#) presents the results of the NHS on income. In addition, there are two companion analytical articles in the *National Household Survey in Brief series* entitled "[Education and occupation of high-income Canadians](#)" and "[Persons living in low-income neighbourhoods](#)."

A second analytical document, [Homeownership and Shelter Costs in Canada](#), also released today, analyses findings from the NHS on housing. There is also a companion article in the *National Household Survey in Brief series* for this topic entitled "[Condominium dwellings in Canada](#)."

Data and highlights on key topics found in these analytical products are also available for various standard levels of geography in the [National Household Survey Focus on Geography Series](#).

Various data and reference products are also available from the [2011 National Household Survey \(NHS\) website](#). A wide range of data on income, earnings, housing and shelter costs are available for standard geographic areas in the [National Household Survey Profile](#) and [National Household Survey Data Tables](#).

Information on the quality of NHS data on income as well as explanations of concepts, classifications, questions and comparability with other data sources can be found in the [Income Reference Guide](#).

Other reference materials include the [National Household Survey Dictionary](#), which provides definitions of NHS concepts, universes and variables. As well, users can refer to the [National Household Survey User Guide](#) (released on May 8, 2013), which provides information on the methodology, collection, processing, evaluation and data quality of the NHS.

A brief portrait of income in Canada is presented on [video](#).

Users are also invited to [Chat with an expert](#) on September 13, from 12:30 to 1:30 p.m., Eastern Daylight Time.

Definitions, data sources and methods: survey number 5178.

The report *Income Composition in Canada* (99-014-X2011001) is now available from the *Browse by key resource* module of our website under *Publications*.

Additional analysis is also available in the *National Household Survey in Brief series* articles (99-014-X2011003): "[Education and occupation of high-income Canadians](#)" and "[Persons living in low-income neighbourhoods](#)."

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