Canadian Income Survey, 2012

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This is the first release of data from the new Canadian Income Survey (CIS). It is based on annual income information for the 2012 reference year.

Median after-tax income of Canadian families of two or more people was \$71,700 in 2012.

Four provinces, Ontario, Saskatchewan, Alberta and British Columbia, saw families of two or more people with higher median after-tax income than for Canada as a whole. Families in Alberta had the highest median (\$92,300), followed by Saskatchewan (\$77,300), Ontario (\$73,700) and British Columbia (\$72,200).

Families in Alberta not only had the highest median after-tax income, they also had the highest median market income at \$102,700. Since the tax system is directly tied to income earned and some transfers are tied to income, families in the province also had the highest median income tax paid (\$15,600) and the lowest median government transfers (\$2,400).

This was also the case for unattached individuals, as those in Alberta had the highest median after-tax income (\$36,500), market income (\$37,000) and income tax paid (\$4,300). They also had the lowest median government transfers (\$400).

Median after-tax income by family type

Among senior families, those where the highest income earner was 65 or older, the median was \$52,300, while for non-senior families it was \$76,900.

For two-parent families with children, median after-tax income was \$84,600, while for lone-parent families headed by a woman, the median was \$39,100.

For the unattached, median after-tax income was \$27,300 in 2012. Unattached seniors had a median income of \$25,000, while non-seniors received \$28,300.

Components of after-tax income

After-tax income is the total of market income and government transfers, less income tax. Market income consists of earnings, private pensions as well as income from investments and other sources such as support and disability payments.

Median market income for families of two or more people was \$71,900 in 2012. Among families with children, two-parent families had a median of \$91,700, while female lone-parent families had a median of \$25,000.

Among the unattached, median market income was \$9,300 for seniors and \$29,100 for non-seniors.

In 2012, 18.7 million Canadians aged 16 or over received \$138.8 billion dollars in government transfers. One-quarter of recipients of government transfers were seniors and they received just over half of the total transfers paid. Almost all (94.1%) of this amount for seniors comes from Old Age Security, Guaranteed Income Supplement, Canada Pension Plan and Quebec Pension Plan programs.

Transfers received varied widely by family type. For non-senior families, median government transfers amounted to \$3,500 in 2012, while for senior families, the median was \$26,000. For female lone-parent families, the median was \$10,300, while for two-parent families, it was \$4,300.

The median amount of income tax, including both federal and provincial, paid by senior families was \$3,200 in 2012, while the median paid by non-senior families was \$11,600.





Incidence of low income

According to the after-tax low-income measure (LIM-AT), 4.7 million people, or 13.8% of the population, lived in low income in 2012. The LIM-AT is an internationally used measure of low income. The concept underlying the LIM-AT is that a household has low income if its income is less than half of the median income of all households.

For children aged 17 and under, 16.3% lived in low income in 2012; however, their situations varied depending on their family structure. For children living in two-parent families, the incidence was 12.9%, while for those living in lone-parent families headed by a woman, the incidence was 44.5%.

For seniors living in an economic family, the incidence was 6.2%, while for seniors living alone, the rate was 28.5%.

Note to readers

This is the first release of data from the new Canadian Income Survey (CIS). It is based on annual income information for the 2012 reference year.

The CIS reports on many of the same statistics, such as individual and family income, as the Survey of Labour and Income Dynamics (SLID), which last reported on income for the 2011 reference year.

The 2012 CIS uses a different methodology compared with that used in SLID. Comparisons of CIS and SLID reveal differences in estimates between 2011 and 2012 that are attributable to the two surveys having different methods, rather than a true change in the characteristics of the population. For more information on the differences between CIS and SLID, see the report "Note to Users of Data from the 2012 Canadian Income Survey."

Statistics Canada will release results from the 2013 CIS in July 2015. This will be a first step towards the generation of a new income series using CIS data.

As annual statistics on income are more informative when comparisons can be made over time, by December 2015, Statistics Canada will release a revised series of income statistics that will allow for the comparison of 2012 and 2013 data to earlier years.

Until revised historical statistics are prepared and analyzed to ensure that they are as comparable as possible to the current CIS results, the results of the CIS should not be compared with those produced by the SLID or other previous income surveys.

It is valid to compare estimates for different subpopulations within the CIS, such as estimates for different provinces or demographic groups.

This release examines the income of economic families and unattached individuals, as well as low income in Canada.

An economic family refers to a group of two or more persons who live in the same dwelling and are related to each other by blood, marriage, common-law, adoption or a foster relationship.

This release largely analyses income on the basis of medians. The **median** is the level of income at which half the population had higher income and half had lower.

This analysis reports on low income solely on the basis of the after-tax low income measure (LIM-AT). Previous releases had provided analysis based on the Low-income Cut-off (LICO). While many low-income measures, including the LICO, are well suited to the analysis of trends in low income, the LIM-AT is better suited to the analysis of low income in the CIS 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.

Other low income lines (the LICO and Employment and Social Development Canada's Market Basket Measure) are available in the article "Low Income Lines, 2012-2013," as part of the Income Research Paper Series (75F0002M), and low-income statistics based on each of the lines are available in CANSIM tables 206-0003 and 206-0004.

Table 1 Selected income statistics for economic families of two persons or more and unattached individuals by province, 2012

	Economic families, two persons or more				
	After-tax income	Market income	Government transfers	Income tax	
	median (dollars)				
Canada	71,700	71,900	6,800	9,700	
Newfoundland and Labrador	64,500	56,400	11,900	8,700	
Prince Edward Island	61,100	59,600	12,500	8,900	
Nova Scotia	62,900	59,200	9,500	8,900	
New Brunswick	59,300	56,300	8,900	7,100	
Quebec	64,000	63,100	8,800	9,800	
Ontario	73,700	73,400	7,000	9,400	
Manitoba	68,100	70,000	4,900	10,300	
Saskatchewan	77,300	80,700	4,100	11,200	
Alberta	92,300	102,700	2,400	15,600	
British Columbia	72,200	70,800	6,200	7,700	
	Unattached individuals				
	After-tax income	Market income	Government transfers	Income tax	
	median (dollars)				
Canada	27,300	22,400	1,500	2,100	
Newfoundland and Labrador	22,100	12,300	10,000	, F	
Prince Edward Island	23,300	18,000	6,800	1,700	
Nova Scotia	26,300	20,600	F	2,300	
New Brunswick	23,200	17,800	6,100	, F	
Quebec	26,200	21,800	3,200	2,500	
Ontario	26,600	20,600	1,500	1,800	
Manitoba	27,400	22,300	F	2,800	
Saskatchewan	32,000	30,400	900	3,200	
Alberta	36,500	37,000	400	4,300	
British Columbia	25,200	19,500	1,400	1,400	

F too unreliable to be published **Source(s):** CANSIM table **206-0001**.

Table 2 Selected income statistics by family type, 2012

	After-tax income	Market income	Government transfers	Income tax	
	median (dollars)				
Economic families, two persons or more	71,700	71,900	6,800	9,700	
Senior families	52,300	30,600	26,000	3,200	
Married couples	51,800	30,500	26,000	3,200	
Other families	56,200	31,300	26,400	3,000	
Non-senior families	76,900	82,500	3,500	11,600	
Married couples	70,400	78,800	600	11,700	
Two-parent families with children	84,600	91,700	4,300	13,500	
Married couples with other relatives	109,900	122,000	2,700	17,600	
Female lone-parent families	39,100	25,000	10,300	F	
Other families	66,600	64,400	6,600	7,300	
Unattached individuals	27,300	22,400	1,500	2,100	
Seniors	25,000	9,300	16,800	400	
Non-seniors	28,300	29,100	700	3,000	

F too unreliable to be published **Source(s):** CANSIM table **206-0001**.

Table 3 Persons in low income (after-tax low income measure), 2012

	Persons in low inco	me
	thousands	% of all persons
All persons in low income	4,682	13.8
Persons under 18 years ¹	1,100	16.3
In two-parent families	722	12.9
In female lone-parent families	314	44.5
Persons 18 to 64 years	2,976	13.3
In economic families	1,963	10.6
Unattached individuals	1,013	27.0
Persons 65 years and over	606	12.1
In economic families	228	6.2
Unattached individuals	378	28.5

1. Data do not add up to the total, as some components have been excluded. **Source(s):** CANSIM table **206-0003**.

Available in CANSIM: tables 206-0001 to 206-0004.

Definitions, data sources and methods: survey number 5200.

The report "Note to Users of Data from the 2012 Canadian Income Survey," as part of *Canadian Income Survey Products* (**75-513-X**), is now available from the *Browse by key resource* module of our website under *Publications*. This report describes the Canadian Income Survey (CIS) methodology, as well as the main differences in survey objectives, methodology and questionnaires between CIS and the Survey of Labour and Income Dynamics.

The article "Low Income Lines, 2012-2013," as part of the *Income Research Paper Series* (**75F0002M**), is also now available from the *Browse by key resource* module of our website under *Publications*.

Custom tabulations are also available upon request.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).