

Survey of Financial Security, 2012

Released at 8:30 a.m. Eastern time in *The Daily*, Tuesday, February 25, 2014

The median net worth of Canadian family units was \$243,800 in 2012, up 44.5% from 2005 and almost 80% more than the 1999 median of \$137,000, adjusted for inflation.

Net worth is the amount family units would have if they sold all of their assets and paid off all of their debts. Family units are defined as families of two or more people living in the same dwelling, related by blood, marriage, common law or adoption and unattached individuals who are living either alone or with others to whom they are unrelated.

Net worth by age and family type

Median net worth was highest for family units where the person with the highest income was 55 to 64 years old (\$533,600) in 2012. This was almost three times higher than for family units where the highest income recipient was 35 to 44 (\$182,500). For senior family units, those where the highest income recipient was 65 or older, median net worth was lower as they begin to draw on their assets as they transition from the workforce (\$460,700).

Among families of two or more persons, lone parent families had the lowest median net worth in 2012 (\$37,000) and senior families had the highest median net worth (\$650,400). Among unattached persons, seniors (\$246,000) had a substantially higher median net worth compared with non-seniors (\$22,700).

Net worth across the provinces

British Columbia reported the highest median net worth of family units at \$344,000, more than double the median of those living in Newfoundland and Labrador (\$167,900) and Prince Edward Island (\$150,300). After British Columbia, family units living in Saskatchewan had the next highest median net worth at \$271,400, followed closely by Alberta (\$267,500) and Ontario (\$265,700).

Comparing 1999 with 2012, median net worth in British Columbia more than doubled, rising from \$150,700 in 1999 when the province ranked fourth nationally.

Family units living in Ontario had the largest share of total net worth in Canada, holding \$3.1 trillion or 38.8% of Canada's net worth in 2012. This share is in line with the proportion of the national total of family units residing in Ontario (37.4%). In contrast, family units living in British Columbia held \$1.4 trillion or 17.0% of Canada's net worth, with 13.6% of family units living in the province.

Assets: Principal residence still key asset, but large increases in other real estate

The total value of assets held by Canadian family units in 2012 was \$9.4 trillion, composed of financial assets (pension and non-pension), non-financial assets and equity in business. As in 1999 and 2005, the principal residence was the largest asset in 2012, representing one-third of the total value of assets. For those who owned their principal residence, the median reported value of their residence was \$300,000 in 2012, up 83.2% from 1999 and 46.6% more than in 2005.

Following closely behind the principal residence were private pension assets, representing 30.1% of the total value of assets held by Canadian family units in 2012. These assets include employer pension plans, Registered Retirement Savings Plans and Registered Retirement Income Plans. About 7 in 10 Canadian family units had private pension assets in 2012, the same as in 1999 and 2005. However, the median amount held increased to \$116,700 in 2012, up from \$65,500 in 1999 and \$77,400 in 2005. This was due, in part, to the aging population.

Other real estate such as cottages, timeshares, rental properties and other commercial properties represented 9.9% of total assets held in 2012. About one in five Canadian family units owned these properties, with a median value of \$180,000. The median value has more than doubled since 1999.



The 2012 Survey of Financial Security gives the first glimpse at investments in Tax-free Savings Accounts (TFSA). Introduced in 2009, they allow individuals to invest up to \$5,000 each year, and earnings within them are not taxable, even when the money is withdrawn. In 2012, 4.9 million family units held almost \$66 billion of assets in these accounts. Although this represents a small portion of total assets (0.7%), one-third of family units had TFSA. For those with TFSA, the median value was \$10,000.

Debts: Largest increases seen in mortgages and lines of credit

Of the \$1.3 trillion of debts owed by Canadians in 2012, \$1.0 trillion (77.0%) was in mortgages, a share virtually unchanged from 1999. However, the total amount of mortgage debt has increased substantially, up from \$453.6 billion in 1999 and \$650.8 billion in 2005.

The median value of mortgages on principal residences was \$145,000 in 2012, up 66.5% from 1999 and 41.6% from 2005. When looking at other real estate, the median value of the debt was \$140,000 in 2012, up 78.1% from 1999 and 36.7% from 2005.

While 33.8% of family units reported having a mortgage on a principal residence, a figure that has changed little over the 13 years of the survey (32.0% in 1999 and 34.1% in 2005), the proportion holding mortgages on other real estate increased over this period (6.4% in 2012 compared with 4.6% in 1999).

In 2012, total debts in lines of credit amounted to \$144.9 billion, up from \$33.2 billion in 1999 and \$77.5 billion in 2005. One-quarter of family units had lines of credit in 2012, the same as in 2005, but up from 15.4% in 1999. The median line of credit debt was \$15,000 in 2012, up from \$6,600 in 1999 and \$10,200 in 2005.

Loans on owned vehicles amounted to \$75.8 billion in 2012, more than double the amount in 1999 and up 44.6% from 2005. There were increases in both the share of family units with a vehicle loan (from 20.8% in 1999 to 28.5% in 2012) and the median amount owed (from \$11,800 in 1999 to \$15,000 in 2012).

About 40% of Canadian family units carried an outstanding balance on their credit cards in 2012, virtually unchanged from 1999 and 2005. The median amount was \$3,000 in 2012, up 25.0% from 1999 and 11.1% from 2005.

In 2012, \$28.3 billion was owed in student loans, up 44.1% from 1999 and 24.4% from 2005. In 2012, one in eight family units had student loans with a median value of \$10,000.

Distribution of net worth

One way of looking at the distribution of net worth is to divide family units into five groups, from lowest net worth to highest, with each quintile representing 20% of all family units. There were differences in both the median net worth among the quintiles and the magnitude of the change over time. Those in the lowest quintile had a median net worth of \$1,100 in 2012, while those in the highest quintile had a median net worth of almost \$1.4 million.

In terms of change, those in the lowest quintile saw a slight decrease in their median net worth, down from \$1,300 in 1999. The family units in the top three quintiles saw increases of about 80% between 1999 and 2012. Differences in home ownership and private pension assets between quintiles help explain these changes.

Debt load: Lone-parent families have the highest debt load

Debt load can be measured as the amount of debt owed for every \$100 held in assets. Canadian family units had a debt load of \$14.21 in 2012, up from \$13.06 in 1999. Family units with the major income recipient under 35 years old had the highest debt load in 2012 at \$36.44, compared with \$3.50 for all senior family units. With a debt load of \$29.08 in 2012, family units with the major income recipient between 35 and 44 years old experienced the largest increase, up from \$21.28 in 1999.

This ratio varied by family type from \$3.56 for senior families to \$25.72 for lone-parent families in 2012. When comparing 1999 to 2012, couples with children saw their debt load increase from \$20.88 to \$23.74, while unattached persons saw their debt load increase from \$10.55 to \$13.25.

Note to readers

The Survey of Financial Security, conducted between September and November 2012, collected information on the assets and debts of families and individuals in Canada.

The survey, which covered about 20,000 dwellings, also sheds light on how net worth is distributed, the extent to which it is concentrated, the forms in which it is held and how these features are changing over time in the context of an aging population and an evolving economy.

All asset, debt and net worth amounts in this release are expressed in constant 2012 dollars.

Most of the information on assets and debts was collected for the "family unit," not for each individual in the family. The term "family unit" includes both unattached individuals and families of two or more. Families of two or more are also referred to as economic families, defined as a group of two or more persons who live in the same dwelling and are related to each other by blood, marriage, common law or adoption.

Due to a smaller sample size in 2005, estimates for specific disaggregated data are not available, including provincial estimates.

*For the purpose of this release, information on the distribution of net worth was presented by age group, family type and by net worth quintile. Further analysis using other techniques and indicators is forthcoming. This includes further tables accessible in CANSIM and analytical articles in *Insights in Canadian Society* (75-006-X).*

Table 1
Total and median net worth by age and family type

	Total net worth		Median net worth		
	1999	2012	1999	2012	1999 to 2012
	millions of dollars		dollars		% change
All family units	3,903,014	8,073,585	137,000	243,800	78.0
Age of major income recipient					
under 35	309,022	523,943	23,300	25,300	8.6
35 to 44	763,841	1,056,173	124,800	182,500	46.2
45 to 54	1,010,672	2,014,041	244,100	378,300	55.0
55 to 64	852,631	2,298,198	354,200	533,600	50.6
65 and older	966,847	2,181,230	270,700	460,700	70.2
Economic families	3,285,165	6,747,994	201,700	381,300	89.0
Senior families	676,964	1,624,898	390,100	650,400	66.7
Non-senior families	2,608,200	5,123,096	176,600	318,600	80.4
Couples only	836,346	1,820,436	216,200	365,200	68.9
Couples with children under 18	1,024,041	1,803,075	164,800	302,100	83.3
Lone-parent families	74,532	127,256	20,000	37,000	85.0
Other non-senior families	673,282	1,372,328	263,000	423,000	60.8
Unattached individuals	617,849	1,325,591	38,000	49,000	28.9
Seniors	289,883	556,332	157,600	246,000	56.1
Non-seniors	327,966	769,259	17,600	22,700	29.0
Provinces					
Newfoundland and Labrador	32,480	80,238	84,500	167,900	98.7
Prince Edward Island	14,638	18,249	107,800	150,300	39.4
Nova Scotia	89,122	162,734	125,500	192,300	53.2
New Brunswick	69,392	123,249	106,200	175,100	64.9
Quebec	811,793	1,701,918	100,200	198,000	97.6
Ontario	1,599,959	3,135,098	167,700	265,700	58.4
Manitoba	121,767	236,398	135,900	224,800	65.4
Saskatchewan	127,240	269,325	168,300	271,400	61.3
Alberta	405,383	974,546	156,000	267,500	71.5
British Columbia	631,239	1,371,831	150,700	344,000	128.3

Note(s): All dollar amounts are in constant 2012 dollars.

Table 2
Assets, debts and net worth held by all family units in Canada

	Held by all family units			Percentage holding asset or debt			Median amount for family units holding asset or debt		
	1999	2005	2012	1999	2005	2012	1999	2005	2012
	millions of dollars			%			dollars		
Total assets	4,489,109	6,395,134	9,410,656	100.0	100.0	100.0	209,900	261,500	371,300
Private pension assets	1,309,523	1,856,089	2,829,705	69.7	70.6	70.5	65,500	77,400	116,700
Financial assets, non pension	554,126	664,900	1,047,214	89.8	89.4	95.0	6,000	6,900	9,900
Deposits in financial institutions	207,339	269,929	343,984	87.5	87.0	92.8	3,300	4,100	4,000
Mutual funds / investment funds / income trusts	103,102	152,129	239,468	14.0	12.3	11.6	17,000	27,500	50,000
Stocks	117,919	117,222	204,864	9.9	9.9	8.5	11,800	13,100	30,000
Bonds (saving and other)	33,172	39,375	24,378	14.0	10.4	7.4	3,300	2,800	3,000
Tax-free savings accounts	65,939	33.7	10,000
Other financial assets	92,595	86,246	168,580	13.2	17.5	21.6	6,300	6,800	10,000
Non-financial assets	2,176,597	3,203,286	4,744,580	100.0	100.0	100.0	131,000	161,200	227,000
Principal residence	1,418,971	2,137,890	3,254,275	59.6	61.9	62.5	163,800	204,700	300,000
Other real estate	302,863	546,886	931,762	16.3	16.1	18.4	82,500	96,700	180,000
Vehicles	161,343	194,726	245,520	76.5	75.4	78.1	11,800	13,100	15,000
Other non-financial assets	293,420	323,785	313,023	100.0	100.0	100.0	13,100	11,400	10,000
Equity in business	448,863	670,859	789,158	19.0	16.6	17.1	11,800	18,000	10,000
Total debts	586,095	864,625	1,337,071	67.3	69.4	71.1	36,700	50,600	60,100
Mortgages	453,557	650,751	1,029,811	34.3	36.5	36.7	90,400	105,800	150,000
Principal residence	388,119	552,849	821,010	32.0	34.1	33.8	87,100	102,400	145,000
Other real estate	65,438	97,901	208,801	4.6	4.7	6.4	78,600	102,400	140,000
Line of credit	33,220	77,492	144,946	15.4	24.9	24.8	6,600	10,200	15,000
Credit card and installment debt	18,507	29,316	35,321	38.0	39.3	39.9	2,400	2,700	3,000
Student loans	19,623	22,718	28,272	11.7	11.8	12.5	9,400	10,200	10,000
Vehicle loans	37,093	52,439	75,814	20.8	25.8	28.5	11,800	12,500	15,000
Other debt	24,096	31,909	22,908	16.2	14.1	11.2	5,200	6,800	4,800
Net worth (assets less debts)	3,903,014	5,530,509	8,073,585	100.0	100.0	100.0	137,000	168,700	243,800

.. not available for a specific reference period

Note(s): All dollar amounts are in constant 2012 dollars.

Table 3
Distribution and median net worth by quintile

	1999		2005			2012			Median net worth		
	Net worth by quintile	Total net worth	Median net worth	Net worth by quintile	Total net worth	Median net worth	Net worth by quintile	Total net worth	Median net worth	1999 to 2012	2005 to 2012
	%	millions of dollars	dollars	%	millions of dollars	dollars	%	millions of dollars	dollars	% change	
All family units	100.0	3,903,014	137,000	100.0	5,530,509	168,700	100.0	8,073,585	243,800	78.0	44.5
Lowest quintile	-0.1	-4,161	1,300	-0.1	-7,234	1,100	-0.1	-10,826	1,100	-15.4	0.0
Second quintile	2.6	102,036	39,600	2.3	124,739	42,400	2.2	180,292	56,100	41.7	32.3
Third quintile	8.8	343,419	137,000	8.4	465,147	168,700	9.0	728,655	245,000	78.8	45.2
Fourth quintile	20.1	785,529	313,400	20.2	1,118,333	410,900	21.5	1,735,014	575,500	83.6	40.1
Highest quintile	68.6	2,676,191	763,700	69.2	3,829,524	981,400	67.4	5,440,451	1,380,000	80.7	40.6

Note(s): All dollar amounts are in constant 2012 dollars.

Table 4
Debt per \$100 of assets by age of major income recipient and family type

	1999	2012
	dollars	
All family units	13.06	14.21
Age of major income recipient		
Under 35	33.61	36.44
35 to 44	21.28	29.08
45 to 54	12.94	13.80
55 to 64	5.89	8.09
65 and older	1.99	3.50
Family type		
Economic families	13.51	14.39
Senior families	2.28	3.56
Non-senior families	16.02	17.34
Couple only	11.37	12.97
Couples with children under 18	20.88	23.74
Lone-parent families	25.69	25.72
Other non-senior families	12.26	12.61
Unattached individuals	10.55	13.25
Seniors	1.29	3.34
Non-seniors	17.40	19.24

Note(s): All dollar amounts are in constant 2012 dollars.

Available in CANSIM: tables 205-0001 and 205-0002.

Definitions, data sources and methods: survey number 2620.

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).