

Canadian Income Survey, 2014

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The median after-tax income of Canadian economic families and persons not in an economic family was \$55,600 in 2014, up 2.6% from 2013.

The median after-tax income of economic families of two or more people rose 2.4% from 2013 to \$75,700 in 2014, while for persons not in an economic family, the median was virtually unchanged, at \$29,100.

Median after-tax income by family type

Families whose highest income earner was aged 65 or older (senior families) had a median after-tax income of \$54,500 in 2014, virtually unchanged from 2013, while non-senior families had a median after-tax income of \$82,100, up 3.7%.

Canadians aged 65 or older not living in an economic family recorded a median after-tax income of \$26,900, while their non-senior counterparts reported \$29,800.

For two-parent families with children, median after-tax income was up 4.5% from 2013 to \$91,000 in 2014.

Lone-parent families had a median after-tax income of \$43,400 in 2014, virtually unchanged from 2013.

Components of after-tax income

After-tax income is the total of market income and government transfers, less income tax.

Among economic families and persons not in an economic family, median market income (that is, employment income, private pensions, and income from investments and other sources) was \$52,100 in 2014.

In 2014, two-parent families with children had a median market income of \$98,600, while senior families had a median of \$32,600 and lone-parent families had a median of \$34,300.

Among those not living in an economic family, seniors had a median market income of \$11,900, while those aged under 65 recorded a median of \$30,600.

The types of government transfers received in 2014 varied by family type. Government transfers, such as Old Age Security, the Guaranteed Income Supplement, and Canada and Quebec pension plans, accounted for a large part of seniors' income. Median government transfers for senior families were \$26,400, down 2.6% from 2013, while seniors not living in an economic family had a median of \$17,000, down 1.7% from 2013. In contrast, median government transfers for non-senior families were \$3,700, unchanged from 2013.

The median amount of income tax, including both federal and provincial tax, paid by economic families and persons not in an economic family increased 4.6% from 2013 to \$6,800 in 2014. The median amount paid by non-senior families was \$12,400, while the median amount paid by senior families was \$3,600.

After-tax income distribution among Canadians

To provide an overview of the distribution of after-tax income in Canada, economic families and persons not in an economic family were divided into 10 equal-sized groups, or deciles, from lowest to highest after-tax income.

Economic families and persons not in an economic family needed to have an after-tax income of more than \$131,500 to be in the top decile in 2014. The average after-tax income in the highest decile was \$186,500.

Economic families and persons not in an economic family with after-tax income below \$17,600 were in the lowest decile in 2014. Average after-tax income in the lowest decile was \$9,300.



Income inequality

For statistics on income inequality, it is common practice to use income measures based on after-tax household income that has been adjusted for household size (adjusted after-tax income). Adjusting for household size allows users to compare the income of households of different sizes.

One way to look at income inequality is to look at the share of income held by various segments of the income distribution. Based on adjusted after-tax income, Canadians in the highest decile accounted for 23.5% of total after-tax income in Canada in 2014, while the lowest decile represented 2.6%.

Incidence of low income

According to the after-tax low income measure (LIM-AT), 4.5 million people, or 13.0% of the population, lived in low income in 2014, virtually unchanged from 2013. The LIM-AT is an internationally used measure of low income. The concept underlying the LIM-AT is that all persons in a household have low income if their household after-tax income falls below half of the median after-tax income.

In 2014, 14.7% of children aged 17 and under lived in low income, virtually unchanged from 2013. Among children living in two-parent families, 10.8% lived in low income.

For seniors living in an economic family, the low-income rate was 6.5%, while for seniors not in an economic family, the rate was 28.8%

Employment income

In 2014, 20.6 million people had employment income, up 1.8% from 2013. Alberta recorded the largest increase at 4.7%, followed by British Columbia (+2.9%).

Median employment income for all workers was \$32,800 in 2014, unchanged from 2013. Alberta had the highest median employment income at \$41,000, virtually unchanged from the previous year. Newfoundland and Labrador (+6.0%) and Saskatchewan (+5.8%) registered the largest gains in median employment income compared with 2013.

A total of 11.8 million people worked both full year and full time in 2014, an increase of 2.9% from 2013. Median employment income for these workers was \$50,400 in 2014. Alberta (\$61,800) and Newfoundland and Labrador (\$53,600) posted the highest median employment income for full-year full-time workers in 2014.

Note to readers

This release is based on data from the Canadian Income Survey. As estimates are based on probability samples, differences between estimates are reported only where they are statistically significant at the 5% level of confidence.

As of this release, estimates are produced according to population projections based on data from the 2011 Census of Population. As a result, data from 2006 to 2013 have been revised.

Geographic boundaries have also been changed. Data are now based on 2011 Census boundaries rather than 2006 Census boundaries. Subprovincial data from 2011 to 2013 have been revised to reflect these changes.

Definitions

*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 concept differs from the census family concept used for subprovincial data in the Annual Income Estimates for Census Families and Individuals.*

*This release analyzes income on the basis of medians. The **median** is the level of income at which half the population has higher income and half has lower. Dollar estimates are expressed in 2014 constant dollars to factor in inflation and enable comparisons across time in real terms.*

***After-tax income** is the total of market income and government transfers, less income tax.*

***Market income** consists of employment income, private pensions and income from investments and other market sources.*

***Employment income** consists of wages and salaries, commissions, net-income from unincorporated non-farm and or professional practice, and net farm self-employment income.*

*A **full-year full-time** worker is a person aged 16 and older who was employed 52 weeks in the year and who worked on average 30 or more hours per week.*

***Government transfers** consist of benefits that include Old Age Security, the Guaranteed Income Supplement, Canada and Quebec pension plans, Employment Insurance, social assistance, the goods and services tax credit, provincial tax credits and various types of child benefits.*

***Income inequality** refers to the extent to which income is distributed unequally among members of a population. This release analyzes income inequality using statistics based on adjusted after-tax income. This adjustment distributes income among the members of the household, and takes into account the economies of scale present in larger households, the increasing number of people living on their own and the decline in family size over time. The adjustment is made by dividing household income by the square root of the household size and assigning this value to all persons in the household. While there are different ways to describe income inequality, this release analyzes the share of adjusted after-tax income held by various segments of the income distribution.*

***Low income** in this release is calculated using the after-tax low income measure. Individuals are defined as having low income if their adjusted after-tax income falls below 50% of the median adjusted after-tax income. Adjusted after-tax income is derived by dividing household income by the square root of the household size and assigning this value to all persons in the household.*

Table 1
Income statistics by selected family types

	2013				2014			
	After-tax income	Market income	Government transfers	Income tax	After-tax income	Market income	Government transfers	Income tax
median (2014 constant dollars)								
Economic families and persons not in an economic family	54,200	51,100	5,300	6,500	55,600	52,100	5,600	6,800
Economic families	73,900	74,500	7,200	10,100	75,700	76,400	7,300	10,400
Senior families	53,500	30,500	27,100	3,200	54,500	32,600	26,400	3,600
Non-senior families	79,200	85,100	3,700	12,000	82,100	87,300	3,700	12,400
Two-parent families with children	87,100	94,800	4,400	13,800	91,000	98,600	4,200	14,300
Lone-parent families	43,100	30,400	10,600	F	43,400	34,300	9,500	F
Persons not in an economic family	28,800	23,700	1,500	2,500	29,100	24,700	1,600	2,700
Seniors	26,300	10,600	17,300	700	26,900	11,900	17,000	1,000
Non-seniors	30,400	30,600	600	3,400	29,800	30,600	700	3,500

F too unreliable to be published
Source(s): CANSIM table [206-0011](#).

Table 2
Income statistics by after-tax income decile, economic families and persons not in an economic family, 2014

	Upper after-tax income limit	Average after-tax income
	dollars	
Lowest decile	17,600	9,300
Second decile	26,600	21,800
Third decile	35,500	31,100
Fourth decile	44,700	40,200
Fifth decile	55,600	50,000
Sixth decile	67,100	61,300
Seventh decile	82,000	74,300
Eighth decile	100,900	90,900
Ninth decile	131,500	114,400
Highest decile	.	186,500

. not available for any reference period
Source(s): CANSIM table [206-0031](#).

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

	Persons in low income			
	2013		2014	
	thousands	% of all persons	thousands	% of all persons
All persons in low income	4,615	13.4	4,517	13.0
Persons under 18 years ¹	1,090	16.2	991	14.7
In two-parent families	704	12.8	603	10.8
In female lone-parent families	313	41.7	313	44.9
Persons 18 to 64 years	2,923	13.0	2,849	12.6
In economic families	1,852	10.0	1,777	9.6
Not in an economic family	1,071	27.4	1,072	27.0
Persons 65 years and over	602	11.6	677	12.5
In economic families	204	5.4	257	6.5
Not in an economic family	398	27.5	421	28.8

1. Data do not add up to the total, as some components have been excluded.
Source(s): CANSIM table [206-0041](#).

Table 4
Median employment income, Canada and the provinces

	2013	2014
	median (2014 constant dollars)	
Canada	32,400	32,800
Newfoundland and Labrador	29,900	31,700
Prince Edward Island	25,600	25,200
Nova Scotia	30,000	29,700
New Brunswick	28,200	29,000
Quebec	30,200	31,000
Ontario	32,200	33,000
Manitoba	33,300	32,500
Saskatchewan	34,700	36,700
Alberta	42,500	41,000
British Columbia	30,300	31,100

Source(s): CANSIM table [206-0053](#).

Available in CANSIM: tables [206-0011](#), [206-0012](#), [206-0021](#), [206-0031 to 206-0033](#), [206-0041](#), [206-0042](#), [206-0051 to 206-0053](#) and [206-0091 to 206-0094](#).

Definitions, data sources and methods: survey number [5200](#).

The articles "[Low Income Lines: What they are and how they are created](#)" and "[Canadian Income Survey: Population rebasing, 2006 to 2013](#)," which are part of the *Income Research Paper Series (75F0002M)*, are now available from the *Browse by key resource* module of our website under *Publications*.

Custom tabulations are 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; STATCAN.infostats-infostats.STATCAN@canada.ca) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).