

individuals sharing a common dwelling unit and related by blood, marriage or adoption". However, according to the economic family definition, unrelated persons living in the same household would be counted as unattached individuals. Under the definitions in the expenditure survey, it is possible for two or more unrelated persons to comprise one family or spending unit.

Family expenditure patterns

7.8.2

In addition to trend comparisons it is useful to classify the expenditure patterns of families by a number of related variables such as family income, size of family and age of family head to determine the influence and effects of these various factors on family spending habits. This section provides a brief trend comparison of expenditure patterns for 1969-76 and a classification of family expenditures in 1976 by income quintiles, income being the most influential of all factors bearing on most items of family spending.

Expenditure trends, 1969-76. While the average income of survey families of two or more persons in the eight cities rose from \$10,560 in 1969 to \$20,772 in 1976, Table 7.37 indicates that there were few significant shifts in the overall expenditure patterns of these families during this period. Income taxes as a percentage of total expenditure increased from 15.6% in 1969 to 19.1% in 1976, and miscellaneous expenses from 1.4% to 2.2% (mainly in categories such as lottery tickets and interest on consumer debt). Categories whose share of total expenditure decreased over the seven years included food which fell from 17.5% in 1969 to 16.1% in 1976; medical and health care from 3.2% to 2.0% (resulting from changes in the coverage and financing of provincial health insurance plans); and clothing from 8.1% to 7.2%. All other major expenditure categories were within 0.5% of the proportions which they consumed of the family budget in the 1969 survey year.

Expenditure patterns by family income quintile, 1976. Table 7.38 shows the expenditure patterns in 1976 of survey families of two or more persons arranged by income quintiles (families ranked in ascending order of income size and then divided into five equal groups). For example, the average net income before taxes of the 20% of all families comprising the lowest quintile was \$7,906 as compared to an average of \$38,072 for the 20% of families forming the highest quintile.

As might be expected the percentages of total expenditure on specific items in the family budget showed some significant differences throughout the five income quintiles. The 20% of families in the lowest group spent on the average 45.9% of their total expenditures on food and shelter alone. The proportion ranged downward to only 25.1% for the 20% of families in the highest group. Another offsetting difference was the amount for personal taxes which represented only 6.1% of total expenditures for families in the lowest group compared with 25.1% for those in the highest quintile. Evidence of the better financial position of families in the higher quintiles, despite their much larger tax expenditures, can be seen from the net change in assets and liabilities for 1976 which ranged from an average decrease of \$363 for families in the lowest quintile group to an increase of \$4,127 for those in the highest group. Other interesting differences in the characteristics of families from the low- to high-income ranges as shown in Table 7.38 were the following percentages: home owners, from 35.4% of families to 82.4%; and car or truck ownership, from 46.9% to 93.6%. It should be noted also that the successive income classes are not homogeneous with respect to family size or number of full-time earners; average family size rose from 2.68 persons in the lowest class to 3.88 persons in the highest, and the number of full-time earners from 0.30 to 1.54 persons.

Family assets and debts

7.9

As a supplement to the 1977 survey of consumer finances, Statistics Canada collected data on family assets and debts in May 1977. This sample survey covered 13,479 households in which 29,158 individuals over 15 years old provided details on incomes received in 1976 and on their assets and debts as of spring 1977. Data on family