

current dollars) rose from \$10,368 in 1971 to \$38,059 in 1985, but these changes do not reflect the decrease in the purchasing power of the dollar. The second part of Table 5.27 and Table 5.28 take this into account and give the average income in constant 1985 dollars.

In 1985, average family incomes ranged from approximately \$30,000 (Newfoundland and Prince Edward Island at \$29,629 and \$30,943, respectively) to over \$40,000 (Alberta and Ontario, at \$40,736 and \$41,775, respectively). Ontario and Alberta had average family incomes above the national average.

Table 5.30 presents historical quintile data for families, unattached individuals and all units (families and unattached individuals combined). In 1985, the upper 20% of all families (those with incomes in excess of \$53,400) received 39.4% of income, while the lowest 20% (incomes below \$17,834) received 6.3%. The median or mid-point income was \$34,076.

Table 5.31 indicates the incidence of low income among families and unattached individuals and compares selected characteristics of families and unattached individuals with low income vis-à-vis those with higher incomes. In 1985, the incidence of low income among families (or the percentage of families below the low income cut-offs) was 13.3% and among unattached individuals it was 36.8%.

By age and sex of head, families headed by females under 65 years of age (the majority of them single-parent families) had the highest incidence of low income at 46.7% among all families; for unattached individuals, females under 65 years of age had the highest rate at 51.0%.

5.9 Family spending

Household surveys of family spending provide consumer information that can be related to characteristics such as geographic location, family size and income level.

A primary use of such surveys is to provide information for constructing, reviewing and revising the weights of the Consumer Price Index. Initially these small-scale sample expenditure surveys, carried out in selected Canadian urban centres since 1953, were designed to follow changes in the patterns of a well-defined group of middle-income urban families known as the "target group" of the Consumer Price Index. Demand for expenditure statistics to serve other needs of government, business, welfare organizations and academic research has resulted in a widening in the scope and size of the surveys.

The most recent survey, carried out in February and March 1985, refers to calendar year 1984. This survey covered only selected cities. The most recent national survey is for 1982.

5.9.1 Family (spending unit) concept

In the family expenditure surveys, the family or spending unit is defined as a group of persons dependent on a common or pooled income for major items of expense and living in the same dwelling, or one financially independent individual living alone. In most cases, the spending units of two or more are persons related by blood, marriage or adoption, and are thus consistent with the economic family definition used in surveys of family income. However, there are far fewer unattached individuals on the spending unit basis, since many unrelated persons form multi-person spending units. In fact, overall, the spending unit is much closer to a household. For 1982 only about 1% of households had more than one spending unit.

5.9.2 Family expenditure patterns

Income is the most influential of all factors bearing on most items of family spending.

Expenditure trends, 1969-84. Between 1969 and 1984 seven surveys of family expenditures were conducted. Of these, three had near national coverage — including both urban and rural areas in the 10 provinces — while the other four covered only a group of selected cities. Since the selected cities are also identified in the national surveys, two sets of expenditure trends can be identified: a national series and a selected city series. Patterns of family expenditures on a national basis are shown in Table 5.32, while patterns on a selected city basis are shown in Table 5.33. Three broad conclusions can be drawn from Tables 5.32 and 5.33: over the 15-year period, changes in average spending patterns were quite marked; variation in spending patterns for a given year across income groups was even more marked; and given income, spending patterns based on those families and unattached individuals living in selected major cities were not very different from the patterns derived on a national basis.

Some qualifications, following, with respect to these conclusions are necessary. Based on the selected city series, over the 15-year period the share of total expenditure spent on food fell from 17.9% to 14.6%, clothing from 8.8% to 6.3%, and health care from 3.3% to 1.9%; while the share for shelter rose from 16.8% to 17.7%, miscellaneous from 1.4% to 2.6% and personal taxes from 13.7% to 18.6%. The share for