

Expenditure trends, 1969-86. Between 1969 and 1986 eight surveys of family expenditures were conducted. Of these, four 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 5.31, while patterns on a selected city basis are shown in Table 5.32. Three broad conclusions can be drawn from Tables 5.31 and 5.32: over the 17-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 national series, over the 17-year period, the share of total expenditure spent on food fell from 18.9% to 14.2%, clothing from 8.8% to 6.3%, and health care from 3.4% to 1.8%; while the share for recreation rose from 4.1% to 5.0%, miscellaneous from 1.6% to 2.6% and personal taxes from 12.6% to 18.5%. A similar set of changes was evident in the selected city series.

Across year variation in expenditure patterns was, however, small in relation to between-income-group variation in a particular year. Tables 5.31 and 5.32 show this variation by broad income classes for 1986. Both show that the share for food and shelter was halved, going from the lowest to the highest income group, from 23% to slightly over 11% for food and for shelter, from 32% to about 12%, while the share for personal taxes increased from less than 1% to about 27% of total expenditure.

Differences in patterns of expenditure within the same income class between the selected city and national series were, however, very small except for shelter and transportation. For shelter the share of total expenditures for those living in the selected cities was higher than nationally and more particularly in the lower income groups,

whereas for transportation the share was lower in the selected cities and again particularly in the lower income groups.

Other factors were involved in all of these comparisons. For example, average family size fell throughout most of the period, it was higher in each successive income group, and within the same income group it was lower in the selected cities than nationally. The average age of head of family has not changed much over time, but it does vary across income classes. Incidence of home and automobile ownership also varies widely across income groups, and within income groups is lower for the selected cities than nationally, particularly in the lower income classes.

The expenditure patterns also reflected increases in real incomes and differences in price changes between expenditure groups. Over the 17-year period average incomes as reported in the survey of consumer finance rose by 438%, whereas average prices as measured by the all items Consumer Price Index increased 333%. Real incomes thus increased by about 31%, but mostly in the period up to 1976. Differences in price changes between groups were also quite marked. Average food prices, for example, were 381% higher in 1986 compared to 1969, whereas the average prices of clothing goods and services had increased only 235%. The latter, at least partially, explained the apparent fall in the expenditure share for clothing.

Tables 5.31 and 5.32 show the expenditure patterns in a summary form, while many of the more interesting changes appear in more disaggregated series. For example, within food, purchases from restaurants took an increasing share of total expenditure over the period and, unlike food purchased from stores, tended to be either a fairly constant share across income groups or even a slightly rising trend. The share for energy categories, on the other hand (fuel, electricity and gasoline), which were subject to some of the highest price increases, were also influenced by conversion and conservation measures, and did not change very much. Other changes included the high expenditures on child care.

More detailed information is provided in the *Family Expenditure in Canada* publications and in unpublished tables.