## Low Income in Canada: 2000-2002 Using the Market Basket Measure

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## Highlights

- The Market Basket Measure (MBM) is a recently-developed measure of low income based on the cost of a specified basket of goods and services. Three years of data based on this measure are now available. Therefore, an examination of the persistence of low income for various groups over the 2000 to 2002 period can be featured in this report.
- Over the period from 2000 to 2002 the incidence of low income using the MBM declined from 14.8% to 13.7%.
- The incidence of low income for families headed by persons who worked for pay at least 910 hours a year the definition of "working poor" families used in this report also declined over the same period from 8.4% to 7.0%. But such families still accounted for almost 30% of working-age, low income families and for just over 40% of low income children.
- Five socio-demographic groups among working-age adults have been identified as being disproportionately at risk of experiencing persistent low income lone parents with at least one child under age 18; unattached individuals aged 45-64; persons with work-limiting physical or mental disabilities; persons immigrating to Canada within the past 10 years; and, Aboriginal Canadians living off-reserve. Two of these groups unattached persons 45-64 and persons with work-limiting disabilities had statistically significant improvements in their low income situation between 2000 and 2002. Changes for the other three groups were not statistically significant.
- Using the Market Basket Measure (MBM), the incidence of low income in 2002 (13.7%) was higher than that (11.6%) using Statistics Canada's post-income tax Low Income Cut-offs (LICOs-IAT).
- This is not because the MBM low income thresholds are higher than those for the LICOs-IAT, but because the MBM definition of family disposable income compared to those thresholds is much more stringent.
- The share of low income children and adults living in families whose main income recipient worked for pay at least 910 hours is significantly higher using the MBM than using the LICOs-IAT because child care spending and other work-related expenses are deducted from gross family income before comparing it to the low income thresholds.
- The geographical distribution of the low income population is also different using the MBM instead of the LICOs-IAT. Using the MBM, a smaller share of the low income population is found in the largest urban centres while a larger share lives in rural areas.

## I. Background

The Market Basket Measure (MBM) is a recently introduced low income measure. The first report presenting statistics based on this measure was released in May 2003 and covered the year 2000. Data based on this measure have been collected continuously since 2000. This second report presents new results for the years 2001 and 2002 and updates results for the year 2000 to take into account important revisions made by Statistics Canada in May 2005 to the Survey of Labour and Income Dynamics (the SLID) and to the Low Income Cut-offs low income thresholds covering the period from 1990 to 2002.<sup>1</sup>

The MBM was developed by a Federal-Provincial-Territorial Working Group on Social Development Research and Information in response to a 1997 request of Federal, Provincial and Territorial Ministers responsible for Social Services.

The development of the content of the MBM was a complex and rigorous process that involved substantial consultations at the national level and in several provinces. Government departments, academic experts, non-governmental organizations and advisory bodies as well as Statistics Canada all contributed to developing the measure.

Statistics Canada, on Human Resources and Social Development Canada's behalf, collects the data on the cost of goods and services in the basket to calculate thresholds for 19 specific communities and 29 community sizes in the ten provinces<sup>2</sup>.

After a brief description of the Market Basket Measure in Section II, this report provides an overview in Section III of the incidence<sup>3</sup>, depth<sup>4</sup> and persistence<sup>5</sup> of low income in Canada for the period 2000-2002 based on this measure.

With this report, for the first time it is possible to examine time trends and the persistence of low income using the MBM since we have data for multiple years.

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<sup>&</sup>lt;sup>1</sup> For a full discussion of these revisions and their impact on low income statistics see Statistics Canada, Catalogue 75F002MIE- No. 009, Heather Lathe, "Survey of Labour and Income Dynamics: 2003 Historical Revision" (July 2005).

The income data for this report are from Statistics Canada's Survey of Labour and Income Dynamics (SLID) which is currently not administered in Nunavut, the Northwest Territories and the Yukon. Consequently, Statistics Canada is not currently able to provide reliable income estimates for persons living in these three jurisdictions. Nor is it able to produce reliable estimates for the costs of some components of the MBM basket in these jurisdictions. For these reasons data cannot yet be produced for the Territories. Work is underway at Statistics Canada and in other federal government departments to capture reliable income and pricing data for Nunavut, the Northwest Territories and the Yukon.

<sup>&</sup>lt;sup>3</sup> The incidence of low income, for any low income measure, is the percentage of the population living in economic families (families of two or more persons plus unattached individuals) where the total gross or disposable income falls below the low income thresholds calculated using that measure.

The depth of low income is the percentage gap between any low income threshold and the actual income of any family of two or more persons or any unattached individual with an income below the threshold for their family. For more detail on the depth of low income see "Low Income based on the Market Basket Measure" In Section II of this report.

<sup>&</sup>lt;sup>5</sup> Persons are said to be in persistent low income if the total income of their family over a period of years falls below the combined low income thresholds for the families in which they resided over that period of years.

Sections IV and V of the report place a specific focus on working-age Canadians and their children. Data are provided for these groups in Section IV according to the full-time student status and annual paid hours worked by the main income recipient in the family and in Section V by membership in five groups identified in previous research as being most at risk of being exposed to persistent low income. Results using the MBM are compared to those using the LICOs-IAT.

Approaches to measuring low income fall into two broad categories. The first is based on the cost of a specific quantity and quality of goods and services. The second approach is to determine the number and proportion of persons and families whose incomes fall below some fixed percentage of the average or median<sup>6</sup> level of income for their family size and configuration. This is commonly referred to as the "relative approach". The calculation of Statistics Canada's Low Income Measure is an example of this "relative" method. It is set at one-half of adjusted median pre or post-income tax income. (See the section in Appendix A, on the Post-income tax Low Income Measure for a fuller description of this measure).

The median income for any given population is the level of income where half the population has a higher income and half has a lower income.

## II. The Market Basket Measure Defined

#### 1. The Market Basket Measure Standard of Consumption

As its name implies, the Market Basket Measure is a goods and services rather than a relative measure of low income. The MBM estimates the cost of a specific basket of goods and services assuming that all items in the basket are entirely provided for out of the spending of the family. This cost would be lower, for example, for those families who meet all or part of this standard of consumption through direct services provided by governments, other institutions or other families.<sup>7</sup>

As described in more detail in the methodological annex (Appendix A), the components of the MBM basket have been designed to represent a standard of consumption which is close to median standards of expenditure for food, clothing and footwear and shelter and somewhat below that standard for other categories of expenditure.

The purpose of the MBM is to provide another perspective on low income in Canada to complement existing Statistics Canada measures of low income, the post-income tax Low Income Cut-offs (LICOs-IAT) and the post-income tax Low Income Measure (LIM-IAT). It is not an official poverty line, nor was it designed for determining eligibility for government programs or services.

The use of the MBM along with other tools to assess low income recognizes that no single indicator can shed light on all the questions of interest for policy analysis in this area. Together they provide a more comprehensive portrait of low income in Canada than any of them could do alone.

#### 2. Low Income Based on the Market Basket Measure

The MBM statistics in the report's accompanying tables for Canada and for each of the ten provinces (Tables 7-10 in this report) are similar to those provided by Statistics Canada using the LICOs-IAT in its publication, <u>Incomes in Canada</u>. Statistics are provided for all persons, by main age groups and sex, for all economic families and for several types of economic families of two or more persons and for unattached individuals (adults who do not live with relatives). For those persons living in families with disposable incomes below their Market Basket Measure (MBM) threshold, the depth of low income is reported as the difference between their income and the low income threshold expressed as a percentage of that threshold. The tables compare results using the MBM for the years 2000-2002 to those using the LICOs-IAT for the year 2002.

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Examples of such services would be rent-geared-to-income housing and food, clothing or transportation provided by charitable institutions or relatives or friends.

For example, a depth of low income of 20.0 means that the person lives in a family whose MBM disposable income is 20% below the MBM threshold for that family.

The LICOs-IAT results were chosen as those most appropriate to compare to those using the MBM because both are disposable income measures. However, as discussed below, the definition of disposable income for the MBM is much more stringent than for the LICOs-IAT.

#### 3. MBM Disposable Income and the MBM "Basket"

As defined by the MBM, a person in low income is someone whose *disposable* family income falls below the cost of the goods and services in the Market Basket in their community or community size. (See Appendices for a detailed description of the content of the basket and how its cost was measured).

MBM disposable family income is the sum remaining after deducting from total family money income the following: total income taxes paid; the personal portion of payroll taxes; other mandatory payroll deductions such as contributions to employer-sponsored pension plans, supplementary health plans and union dues; child support and alimony payments made to another family; out-of-pocket spending on child care; and non-insured but medically-prescribed health-related expenses such as dental and vision care, prescription drugs and aids for persons with disabilities.

For the LICOs-IAT, only income taxes paid are deducted from total family income before comparison to the associated low income thresholds.

The basket on which the MBM is based includes specified quantities and qualities of goods and services related to food, clothing and footwear, shelter, transportation and other goods and services such as personal and household needs, furniture, telephone service and modest levels of reading, recreation and entertainment (e.g. newspaper and magazine subscriptions, fees to participate in recreational activities or sports, video rentals, tickets to local sports events).

#### 4. The MBM Thresholds

As indicated above, the MBM thresholds are simply the sum of the costs of the goods and services in the basket in various communities and community sizes in the ten provinces for the reference family of two adults and two children.

The MBM is thus more sensitive than other low income measures to the significant geographical variations, especially those for shelter and transportation (both among and within provinces), in the costs of the various components of the basket.

The MBM thresholds also take into account that families of different sizes and different numbers of adults and children in the same community will require different amounts of disposable income to purchase the standard of consumption represented by the goods and services in the MBM basket. Statistics Canada's Low Income Measure equivalence scale is used to calculate thresholds for families of a different size and composition than the reference family (See Appendix A for a detailed description of this equivalence scale and

its application). For example, using this scale it is estimated that a single adult living alone needs one-half of the disposable income of the reference family of two adults and two children to purchase the standard of consumption represented by the goods and services in the MBM basket.

Appendix G provides estimates of the amount of disposable income the MBM reference family would have required in 2001 and 2002 to purchase the components of the MBM basket in 19 specific urban centres and in another 29 community sizes in the ten provinces (Estimates for the year 2000 were provided in the first MBM report). In 2002 this amount ranged from \$22,167 in urban communities with populations between 30,000 and 99,999 in Quebec to \$29,343 in the Toronto Census Metropolitan Area.

A very different methodology is used to determine the low income thresholds for the LICOs-IAT. This measure identifies as low income those Canadians living in economic families that spend a share of their total post-income tax incomes on food, clothing and footwear and shelter at least twenty percentage points higher than the average family of the same size, living in the same urban or rural community size. In 1992 the average family spent 43% of its post-income tax income on these three categories of expenditure. Thus the LICOs-IAT are set at income levels where a family would spend 63% or more of its post-income tax income on food, clothing and footwear and shelter. These levels were calculated for 1992 and are updated each year for changes in the Canadian Consumer Price Index. They are further adjusted for five community sizes (rural, urban <30,000, urban 30,000-99,999, urban 100,000-499,999 and urban 500,000+) and for seven different family sizes (one to seven or more).

The LICOs-IAT thresholds vary by both family and community size to recognize that shelter tends to cost more as the size of the community increases and that larger families require more resources than smaller ones. However, the LICOs-IAT thresholds are not adjusted for differences in the cost of shelter *within* community sizes (which Appendix G indicates are often significant<sup>9</sup>) and make no allowance for geographical variations in the cost of transportation and other categories of expenditure.

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For example, in 2002, annual shelter costs in Montreal were estimated at \$7,384 compared to \$12,497 in Toronto although both metropolitan areas have populations above 500,000 people.

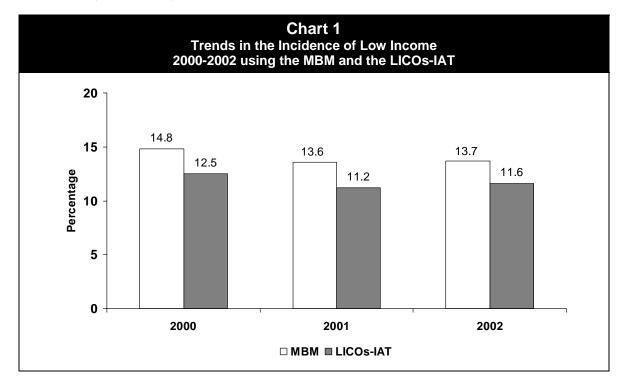
#### III. The Results

## Comparisons of Low Income incidence, depth and persistence for the period 2000 to 2002 using the MBM and the LICOs-IAT

#### 1. Incidence: 2000-2002

The incidence of low income in this report is the percentage of the population living in families with a total disposable income below their low income threshold.

The overall incidence of low income for the population in the ten provinces using the MBM fell from 2000 to 2001 before rising slightly in 2002. As can be seen in Chart 1, this was similar to the trend in incidence using the LICOs-IAT. However, with both measures, the small rise between 2001 and 2002 was not statistically significant.<sup>10</sup> This pattern was experienced by each of the three main age groups (<18, 18-64 and 65+) using both measures. (See Table 7).



For all estimates in this report, Bootstrap weights (that is, weights appropriate for the sample size underlying the estimate cited) were used to calculate the standard errors and confidence intervals. When the report says that the difference between two estimates is statistically significant it means that the confidence intervals related to each estimate do not overlap.

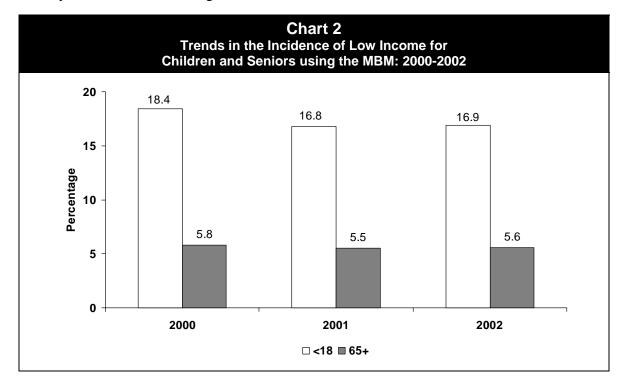
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As can be seen in Chart 1, in 2002 the percentage of persons in the ten provinces living in low income based on the Market Basket Measure was 13.7% compared to 11.6% using the LICOs-IAT. This difference in the overall incidence of low income was accounted for by the more stringent definition of MBM disposable income. If the same disposable income definition used for the LICOs-IAT had been compared to the MBM low income thresholds, the incidence of low income using the MBM would have been 11.4%.

There was a somewhat wider gap in the incidence of low income for children under age 18 using the two measures (See Table 7, following Section VI). The subtraction of actual out-of-pocket child care costs from the disposable incomes of families with children before comparing them to the MBM thresholds contributed to this result.

The situation was reversed for persons 65 and over. This was despite the fact that out-of-pocket medical expenses, which tend to be higher for households where the main income recipient is 65 or over, are subtracted from disposable income before comparing it to the MBM thresholds.

This negative effect on the incidence of low income for the elderly using the MBM is more than offset by the impact of the Low Income Measure equivalence scale used for this measure. Except for those living in rural and small urban communities, the Low Income Measure equivalence scale calculates that a smaller fraction of the disposable income of a family of four is needed by one and two-person families to have a similar standard of living than do the implicit equivalence scales of the LICOs-IAT. Since most elderly persons live in one and two-person families in medium to large urban communities, their low income thresholds and, consequently their low income rates, relative to those of the reference family, tend to be lower using the MBM than the LICOs-IAT.



The MBM thresholds are more sensitive to geographical differences in the costs of shelter and transportation than the LICOs-IAT. This is because they take into account differences in living costs between the same-sized communities in different provinces. However, within each province, the differences between the low income thresholds for rural areas and urban communities too small to be served by public transit systems and larger urban communities are smaller than using the LICOs-IAT. Because operating a used car is more costly than purchasing adult public transit passes and taxi rides, and because incomes tend to be lower in rural areas than in large urban centres, there are significant differences using the two measures in the geographical distribution of the low income population. In 2002, according to the LICOs-IAT, only 6.5% of Canada's low income population lived in rural areas while 60.3% lived in the nine Census Metropolitan Areas (CMAs) with populations of 500,000 or more. However, in the same year, according to the MBM, 13.3% of Canada's low income population lived in rural areas and only 51.3% lived in the large CMAs.

#### 2. Depth

For those families with disposable incomes below a low income threshold, the depth of low income is the difference between their disposable income and their low income threshold expressed as a percentage of that threshold. For example, a depth of low income of 0.2 means that the person lives in a family whose disposable income is 20% below its low income threshold.

In addition to the percentage of people living in low income it is also important to know how far below the low income thresholds their incomes fall. Two populations might have the same incidence of low income. However, if one low income population, on average, has an income just below the low income thresholds while the second, on average, has an income that is only half the low income thresholds, the first population is definitely better off than the second.

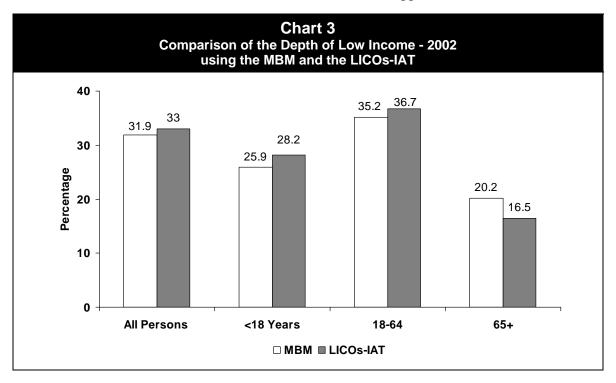
It appears from Chart 3 and Table 9 (following Section VI), that persons in low income in 2002, according to the MBM, lived in families with a smaller gap between their disposable incomes and their low income thresholds than did persons counted as low income using the LICOs-IAT. However, these differences are also not statistically significant (see footnote ten). This observation also holds true for contrasts in the depth of low income using the two measures for children and seniors.

Furthermore, it is difficult to disaggregate changes in the depth of low income between any two years. This is because in any given year large numbers of persons and economic families are moving above and below the low income thresholds of any measure. For example, between 2001 and 2002 there was a net increase of 142,000 persons living in economic families below their LICO-IAT thresholds. However, over that same period more than 1,600,000 persons either moved into or out of low income economic families.

The change in the depth of low income over this period was thus the net result of a combination of influences: 1) how far below the thresholds those moving into low income fell; 2) how close to the thresholds those moving above the thresholds were before they escaped from low income; and, 3) whether the disposable incomes of those

who remained below the thresholds in both years moved closer to or farther away from the thresholds.

It is interesting to note that the depth of low income was considerably less both for the low income elderly (20.2%) and for low income children (25.8%) than it was for the workingage population 18-64. This reflects the greater generosity of government transfer programs to seniors (such as the Old Age Security Pension, the Guaranteed Income Supplement, and the Canada and Quebec Pension Plans) and to families with children (such the refundable Canada Child Tax Benefit and the National Child Benefit Supplement).



#### 3. Persistence

In this report, a person is considered to experience persistent low income using the MBM when, over the three-year period from 2000 to 2002, the cumulative disposable income of the economic family or families in which they were residing during those years falls short of the cumulative value of the low income thresholds for those families. Thus, low-income persistence is a combination of low-income incidence, depth and duration.

The negative consequences of living in low income, particularly for children, are likely to be more damaging the longer one lives in such circumstances. Thus it is important to know to what extent persons experience persistent, as opposed to short-term, low income.

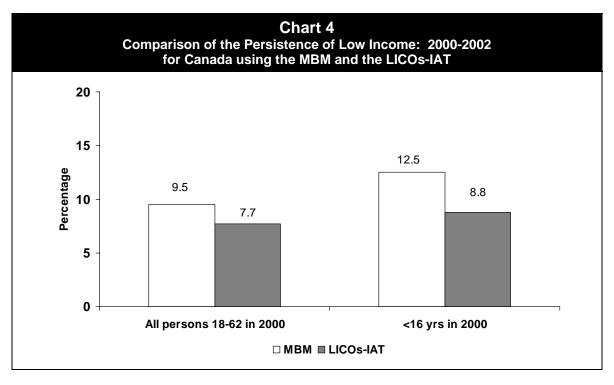
It is important to understand the difference between experiencing low income in a given year during a period of more than one year, experiencing low income every year during the period and experiencing low income persistently during the period.<sup>11</sup> Consider, for

<sup>&</sup>lt;sup>11</sup> See Tables 3a and 3b in Section IV

example, an unattached young woman living alone in 2000 who had a disposable income of \$12,500 and a low income threshold of \$15,000. In 2001 she married and she and her spouse both experienced spells of unemployment so their combined family disposable income was \$22,000 compared to a low income threshold of \$21,000. In 2002 she had a child and stopped earning, but her spouse obtained full-time employment so family disposable income rose to \$25,000 compared to a low income threshold of \$25,500. So, over the three year period from 2000 to 2002, this woman had a total disposable income of \$59,500 and the total of the low income thresholds for the families she lived in was \$61,500. Therefore she is counted as living in persistent low income for the period from 2000 to 2002 although during the first year of her marriage (2001) the disposable income of her family was above the low income threshold.

Of all persons aged 18-62 in 2000, 19.0% experienced low income using the MBM at least one year between the years 2000 and 2002; yet only 9.5% (half) experienced persistent low income over this three-year period. The comparable numbers using the LICOs-IAT were that 15.6% experienced low income during the period and that 7.7% experienced persistent low income.

Looking at children under age 16 in 2000 living in families where the main income recipient was aged 18-62, 22.8% were in low income at least one year between 2000 and 2002 using the MBM; yet only 12.5% (just over half) of them experienced persistent low income. The comparable rates using the LICOs-IAT were that 17.3% experienced low income during the period and that 8.8% experienced persistent low income.



# IV. A Focus on the "Working Poor"

There is growing interest in Canada in the situation of a group within the low income population commonly described as the "working poor." These are persons who live in families whose Main Income Recipient <sup>12</sup> (MIR hereafter) had significant annual hours of paid work but were unable to amass enough income to rise above their family's low income threshold.

In this report, we use a recently proposed definition of the "working poor". <sup>13</sup> This definition classifies as low income workers those persons aged 18-64 who are not full-time students, have worked for pay a minimum of 910 hours in the reference year and yet live in families whose total disposable income is below the MBM low income threshold in that year for their community or community size and family configuration. The standard of 910 annual hours of paid work or more was chosen to define "workers" as it is the equivalent of working for pay at least 35 hours a week for half the year (26 weeks), which is a significant attachment to paid work.

The MBM is well-suited to analysis of the "working poor" since its definition of disposable income takes into account expenses commonly incurred when the major income recipient in the family takes up paid work; including income taxes and the employee portion of payroll taxes, mandatory deductions for employer-sponsored benefits and out-of-pocket spending on child care and non-insured but medically recommended expenditures on prescription drugs, dental and vision care and aids, devices and supports for persons with disabilities.

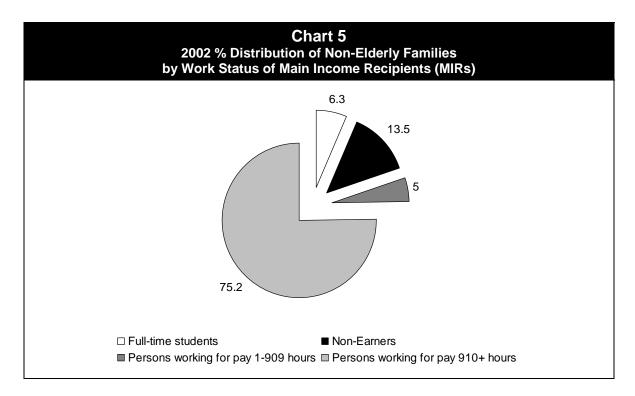
To analyze low income by the work status of the MIR in working-age families, families are divided into four groups (See Chart 5). In 2002, in the vast majority of working-age families, <sup>14</sup> the MIR had at least 910 hours of paid work. Families where the MIR did not work for pay, was a full-time student or worked for pay between 1 and 909 hours accounted for much smaller shares of the total.

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<sup>&</sup>lt;sup>12</sup> The Main Income Recipient in an economic family is the adult in that family who has the highest individual annual income.

<sup>&</sup>lt;sup>13</sup> See Dominique Fleury and Myriam Fortin, "Canada's Working Poor", <u>Horizons</u>, Volume 7 Number 2, (December 2004), pp.51-57.

This statement refers to those families where the MIR's hours of paid work and full-time student status were known in 2002. This applies to all other pie charts in this section.



#### 1. Incidence

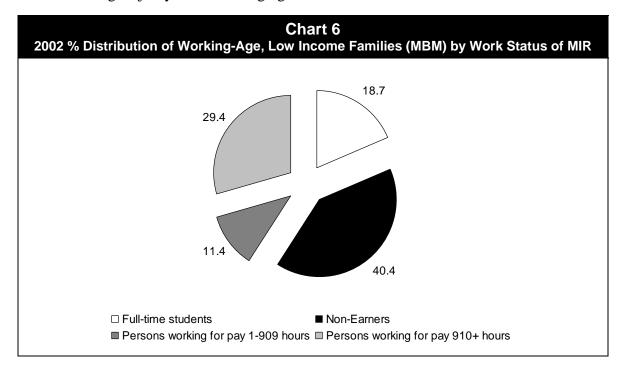
In 2002, 18.3% of all economic families where the MIR was aged 18-64 had a disposable income below their MBM low income threshold. (See Table 1a). But the incidence ranged from 7.0% for families where the MIR had 910 hours or more of paid work to 53.7% for economic families where the MIR did not work for pay.

Table 1a Incidence of Low Income: MBM- Working-Age Families (MIR 18-64) By Full-Time Student Status / Annual Hours of Paid Work			
MIRs by paid work status	2000	2001	2002
All MIRs 18-64	19.8	18.7	18.3
MIR Full-Time Student	54.1	50.8	52.9
MIR 0 Paid Hours	56.7	56.0	53.7
MIR 1-909 Paid Hours	42.4	37.1	40.9
MIR 910+ Paid Hours	8.4	7.7	7.0

Table 1b Incidence of Low Income: MBM- Children <18 in Working-Age Families By Full-Time Student Status / Annual Hours of Paid Work by MIR			
Children <18 by MIR's paid work status	2000	2001	2002
All MIRs 18-64	18.2	16.8	16.7
MIR Full-Time Student	53.1	41.4	49.3
MIR 0 Paid Hours	73.1	80.2	74.4
MIR 1-909 Paid Hours	50.2	44.3	51.8
MIR 910+ Paid Hours	10.0	8.5	7.9

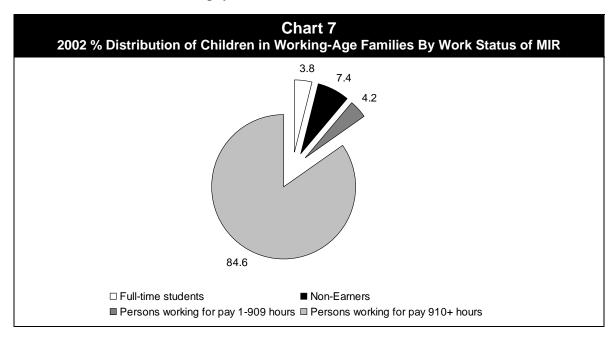
As can be seen from Tables 1a and 1b, the incidence of low income for families where the MIR had at least 910 hours of paid work (and for children in such families) was much lower than for the other groups. Moreover, there was a significant decline in the incidence of low income for such families and for their children between 2000 and 2002, while there was no statistically significant change in the incidence of low income for the other three groups.

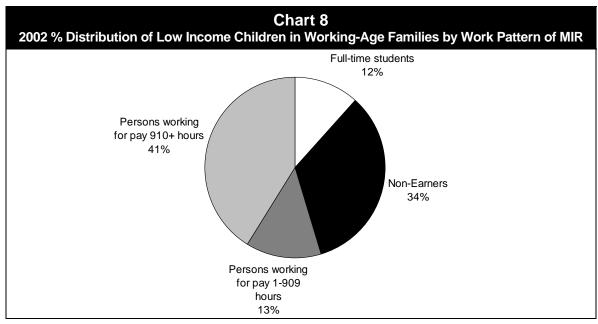
While the *risk* of low income for economic families where the MIR had 910 hours or more of paid work was much lower than for the other three economic family types, they accounted for a substantial *share* (29.4%, or 479,000 families) of all *low income* workingage families<sup>15</sup>. (See Chart 6). This was because (See Chart 5) they accounted for such an overwhelming majority of all working-age families.



This is the share of all working-age families whose hours of paid work were reported in the Survey of Labour and Income Dynamics for 2002. The same method was used to determine the share of low income children in "working" families in the next paragraph. The numerical estimates assume that working-age low income families where the work status of the MIR was unknown were divided in the same proportions as those whose MIR's work status could be identified.

Low Income in Canada: 2000-2002 Using the Market Basket Measure A similar pattern held for *children* living in economic families where the MIR was 18-64. Even though the risk of low income in 2002 for children in economic families where the MIR had 910 hours or more of paid work was by far the lowest, (see Table 1b) there were 401,000 low income children in such families accounting for over 40% of all low income children in working-age families (See Chart 8). This is because almost 85% of children in working-age families with at least one child under age 18 (5,087,000 out of 6,016,000), had an MIR who worked for pay at least 910 hours. (See chart 7).





The 6,016,000 number refers to the number of children where the work pattern of the MIR could be identified. In total there were 6,825,000 children under the age of 18 in the ten provinces in 2002.

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#### 2. Depth

As Table 2a reveals, the depth of low income for low income families where the MIR worked for pay 910 or more hours was also significantly lower than for the other groups — 30.3% in 2002 compared to 47.6% where the MIR was a full-time student; 37.5% where the MIR was a non-earner and 36.4% where the MIR worked for pay 1-909 paid hours. As Table 2b shows the same pattern prevailed (at much lower depths of low income) for children among the four groups.

Table 2a  Depth of Low Income (%) MBM  Working-Age Families  By Full-Time Student Status / Annual Hours of Paid Work by MIR			
MIRs by paid work status	2000	2001	2002
All MIRs 18-64	37.7	36.9	37.0
MIR Full-Time Student	49.0	47.8	47.9
MIR 0 Paid Hours	39.1	36.9	37.8
MIR 1-909 Paid Hours	35.5	36.6	36.3
MIR 910+ Paid Hours	30.4	31.4	30.6

Table 2b  Depth of Low Income (%) MBM  Children in Working-Age Families  By Full-Time Student Status / Annual Hours of Paid Work by MIR			
Children <18 by MIR's paid work status	2000	2001	2002
All MIRs 18-64	25.9	26.9	25.6
MIR Full-Time Student	25.2	28.8	25.2
MIR 0 Paid Hours	29.3	32.8	31.6
MIR 1-909 Paid Hours	29.2	29.2	26.4
MIR 910+ Paid Hours	22.3	23.2	20.3

#### 3. Persistence

Adults and children in low income, working-age families where the MIR had at least 910 hours of paid work in 2000 (i.e. those described as the "working poor") were also less likely to experience persistent low income <sup>17</sup> over the 2000-2002 period than those where the MIR had no hours of paid work in 2000. Note from Table 3a that only 42% (4.9/11.8) of those who were working poor in 2000 and experienced low income at least one year during this period also experienced persistent low income, compared to 77%

When doing longitudinal analysis it is necessary to fix the status of the group being analyzed at the beginning of the period and then follow them for the remainder of the period even though their status may change in the later years of the period. For example when we follow what happened to persons who worked for pay 910 hours or more in 2000 and were the MIR in a specific economic family in that year it must be kept in mind that in subsequent years they may work for pay for less than 910 hours or may cease to be the MIR in their economic family.

(50.6/65.6) of those who had 0 paid hours of work in 2000. The contrast was even sharper for children living in these families (See Table 3b).

The incidence of persistent low income between 2000 and 2002 was not significantly different statistically for those families where the MIR was a full-time student in 2000 or worked for pay between 1-909 hours in that year. This was also true for children living in these families.

Table 3a Incidence of Persistent Low Income 2000-2002: MBM MIRs in 2000 By Full-Time Student Status / Annual Hours of Paid Work			
MIRs by work status	Low Income At least 1 Yr	Low Income All Years	Persistent Low Income
All MIRs 18-62	21.9	7.6	12.0
MIR Full-Time Student	57.3	19.7	31.6
MIR 0 Paid Hours	65.6	38.2	50.6
MIR 1-909 Paid Hours	50.3	17.0	25.2
MIR 910+ Paid Hours	11.8	2.3	4.9

Table 3b Incidence of Persistent Low Income 2000-2002: MBM Children <16 in 2000 by Full-Time Student Status / Annual Hours of Paid Work by MIR in 2000			
Children <16 in 2000 by MIRs' paid work status	Low Income At least 1 Yr	Low Income All Years	Persistent Low Income
All MIRs 18-62	22.8	7.8	12.5
MIR Full-Time Student	58.5	24.0	39.8
MIR 0 Paid Hours	90.6	57.2	78.7
MIR 1-909 Paid Hours	57.6	23.2	35.6
MIR 910+ Paid Hours	14.4	2.8	5.3

### V. A Focus on Other High-Risk Groups

Despite large numbers of low income, working-age families with a significant attachment to paid work, the previous section has identified the importance of having the MIR in a family attain significant annual hours of paid work in order to reduce the risk of experiencing both annual and persistent low income. In this section we examine a number of socio-demographic groups also identified by research using the LICOs-IAT as being particularly likely to experience persistent low income. <sup>18</sup>

These groups are lone parents with at least one child under age 18; unattached individuals aged 45-64; persons with work-limiting physical or mental disabilities; recent immigrants (those who came to Canada within the past 10 years); and Aboriginal Canadians living off-reserve. An economic family where the MIR is a member of any of these groups is said to be a high-risk family. 20

#### 1. Incidence

In 2002 of all working-age economic families the incidence of low income using the MBM was 18.3%. However, as Table 4a shows, for families whose MIR belonged to one or more of the high-risk groups the incidence of low income averaged 32.1%. This was over three times as high as the 10.6% rate for economic families where the MIR was not a member of a high-risk group.

Table 4a Incidence of Low Income: MBM Working-Age Families By High-Risk Group Status of MIR			
MIR by risk group status	2000	2001	2002
All MIRs 18-64	19.8	18.7	18.3
Lone Parents	38.4	37.3	41.1
Unattached 45-64	42.2	39.1	35.0
Work-Limited Disabled	42.5	41.9	36.5
Recent Immigrants	31.2	30.8	30.3
Aboriginals Off-Reserve	31.3	30.4	28.1
High-risk Group Member	35.9	34.4	32.1
Not High-risk Group Member	12.0	11.4	10.6

See Michael Hatfield, "Vulnerability to Persistent Low Income" in <u>Horizons</u>, Volume 7, Number 2 (December 2004) pp. 19-26.
 Aboriginal Canadians living on-reserve are even more likely than those living off-reserve to experience low income

Aboriginal Canadians living on-reserve are even more likely than those living off-reserve to experience low income in any given year or over a period of years. However, low income thresholds are not calculated for reserves, nor are they included in the sample frame of the Survey of Labour and Income Dynamics.

Recall that families include unattached individuals as well as families of two persons or more.

Table 4b
Incidence of Low Income: MBM
<b>Children in Working-Age Families</b>
By High-Risk Group Status of MIR

Children <18 by risk group status of MIR	2000	2001	2002
All Children (in families where MIR is 18-64)	18.2	16.8	16.7
Lone Parents	42.0	39.6	44.4
Work-limited Disabled	33.3	32.7	28.7
Recent Immigrants	42.0	39.7	30.5
Aboriginals Off-Reserve	32.8	29.5	31.7
High-risk Group Member	36.4	34.9	32.8
Not High-risk Group Member	10.2	9.0	8.7

Between 2000 and 2002, the incidence of low income, using the MBM, for economic families where the MIR was not a member of a high-risk group fell from 12.0% to 10.6%. For families where the main income recipient was a member of at least one high-risk group the incidence of low income fell from 35.9% to 32.1%.

There was a significant decline in the incidence of low income over this period for two of the five groups of high-risk economic families — unattached individuals aged 45-64 and persons with work-limiting disabilities. Changes in the incidence of low income between 2000 and 2002 for the other high-risk groups were not statistically significant.

In 2002, 35.9% of all working-age families were headed by a member of a high risk group<sup>21</sup>. But 62.8% of all low income, working-age families were headed by a high-risk group member. Similarly, the MIR in 35.0% of families headed by a person aged 18-64 with at least one child under age 18 was a member of a high-risk group. But a full 67.0% of low-income children were in such families.

#### 2. Depth

There was little variation in the depth of low income between families headed by high-risk and non-high risk group members or between children in these families (see Tables 5a and 5b). Among the five high-risk groups, the depth of low income was smallest for lone-parent families and largest for families where the MIR was a recent immigrant. There was little variation between the depths of low income experienced by children living in families where the MIR belonged to any of the four high-risk groups which could have children.

 $<sup>^{21}</sup>$  The term "head" refers to the MIR.

Table 5a Depth of Low Income (%) MBM MIRs 18-64 by High-risk Group							
MIRs 18-64 by risk group status 2000 2001 2002							
All MIRs 18-64	37.7	36.9	37.0				
Lone Parents	27.6	27.9	27.9				
Unattached 45-64	42.9	38.7	37.2				
Work-Limited Disabled	35.8	33.1	33.6				
Recent Immigrants	32.1	34.7	40.8				
Aboriginals Off-Reserve	35.1	35.3	36.6				
High-risk Group Member	35.9	34.3	35.0				
Not High-risk Group Member	38.9	40.3	39.6				

Table 5b  Depth of Low Income (%) MBM  Children in Families where MIR is 18-64 by High-risk Group							
Children <18 by risk group status of MIR 2000 2001 2002							
All Children <18 - MIR 18-64	25.9	26.9	25.4				
Lone Parents	26.2	27.7	27.8				
Work-limited Disabled	27.4	27.6	25.6				
Recent Immigrants	27.7	31.9	28.8				
Aboriginals Off-Reserve	25.5	29.6	27.4				
High-risk Group Member	27.0	28.6	27.2				
Not High-risk Group Member 24.5 26.9 23.0							

#### 3. Persistence

As Table 6a shows, over the period from 2000 to 2002, the incidence of persistent low income for all persons 18-62 who were the MIR in their family in 2000 was 12.0%. If they were not a member of a high risk group in 2000, the incidence of persistent low income was only 6.4%. However, it was 24.5%, or almost four times as high if they were a member of at least one high-risk group. Thus, the MIRs in high-risk groups were even more likely to experience persistent low income than they were to experience low income in 2002 compared to MIRs who were not members of a high-risk group. The incidence of persistent low income among the high-risk groups ranged from 16.7% for Aboriginals living off reserve to 30.2% for persons with a work-limiting disability.

As revealed in Table 6b similar patterns held over the period from 2000 to 2002 for children under age 16 in 2000 in economic families depending on the risk group status of their MIR in that year. Children living in lone-parent families in 2000 were those most likely to experience persistent low income.

#### Table 6a Incidence of Persistent Low Income 2000-2002: MBM MIRs in 2000 by High-risk Group Status

MIRs by risk group status in 2000	Low Income at least 1 Year	Low Income every Year	Persistent Low Income
All MIRs 18-62	21.9	7.6	12.0
Lone Parents	48.5	18.5	28.9
Unattached 45-64	41.2	21.9	29.8
Work-limited Disabled	46.2	22.7	30.2
Recent Immigrants	32.6	12.9	20.1
Aboriginals Off-Reserve	32.4	13.5	16.7
High-risk Group Member	39.0	17.0	24.5
Not High-risk Group Member	13.3	3.5	6.4

## Table 6b Incidence of Persistent Low Income 2000-2002: MBM Children <16 in 2000 by MIR's High-risk Group Status

	,		
Children <16 in 2000 by MIRs' Risk group status	Low Income at least 1 Year	Low Income every Year	Persistent Low Income
All Children <16 - MIR 18-62	22.8	7.8	12.5
Lone Parents	50.9	21.7	30.6
Work-limited Disabled	38.3	15.3	22.8
Recent Immigrants	39.8	16.5	24.4
Aboriginals Off-Reserve	33.6	14.9	16.3
High-risk Group Member	41.9	17.4	25.0
Not High-risk Group Member	14.3	3.9	7.0

## VI. Summing Up

- With this report, trend data are now available for three years using the MBM. This enables both time series analysis and analysis of low income persistence using the MBM.
- Two groups among the working age population those commonly referred to as the "working poor" and five socio-demographic groups at disproportionate risk of persistent low income are featured in this report.
- The risk of experiencing annual and persistent low income for "working" families (those where the Major Income Recipient (MIR) works 910 hours or more for pay annually) is much lower than for families with weaker attachment to paid work. However, "working poor" families still accounted for almost 30% of all working-age low income families in 2002 and for just over 40% of low income children living in such families in that year.
- Regardless of the low income measure used, five socio-demographic groups have a disproportionate risk of persistent low income. Two out of the five high-risk groups unattached individuals aged 45-64 and persons with work-limiting disabilities significantly improved their incidence of low income between 2000 and 2002. Changes in the incidence of low income for the other three groups lone parents with at least one child under 18, recent immigrants and Aboriginal Canadians living off-reserve during this period were not statistically significant.
- Between 2000 and 2002, the Market Basket Measure identified a somewhat larger low income population than is calculated using Statistics Canada's post-income tax Low Income Cut-offs (LICOs-IAT).
- This difference is more than accounted for by the more stringent definition of economic family disposable income which is compared to the MBM low income thresholds. Several more items are deducted from gross income using the MBM than the LICOs-IAT.
- These additional deductions from gross income are particularly important in increasing the incidence of low income for children (as deductions include out-of-pocket child care costs) and for working-age families with a strong attachment to paid work (as deductions include payroll taxes and other mandatory payroll deductions).
- Because of its more geographically-sensitive shelter and transportation components, the MBM also yields a significantly different geographical distribution of the low income population than does the LICOs-IAT. A much higher share of the low income population is found in rural areas and a much lower share is found in large urban centres.
- Trends in the incidence of low income for all persons and for the main age groups between 2000 and 2002 were similar regardless of whether the MBM or the LICOs–IAT was used as the measure of low income.

#### Introduction to Tables 7-10

#### Incidence of Low Income Statistics<sup>22</sup>

The incidence of low income for individuals is the percentage of individuals living in families whose disposable income falls below the relevant low income threshold. That is, the income of the whole family (using the appropriate income definition) is compared to the relevant threshold for the family. If it is below the threshold, the family and each of its members are considered to be in low income.

#### **Depth of Low Income Statistics**

The depth of low income in Tables 7-10 is the decimal fraction by which the income (using the appropriate low-income definition) of persons in low income families falls short of the relevant low income threshold. For example, a family whose MBM threshold was \$25,000 with a disposable income of \$20,000 would have a depth of low income of \$5,000/\$25,000 or 0.20 or 20%.

The depth of low income is expressed as a decimal fraction of the threshold rather than as a dollar amount to ensure comparability among families of different sizes and configurations.<sup>23</sup> For example, an unattached person with an MBM threshold of \$12,000 and a disposable income of \$7,000 would have more difficulty purchasing the goods and services in the Market Basket than a two-adult, two-child family with an MBM threshold of \$25,000 and a disposable income of \$20,000. In both cases the income gap is \$5,000. But in the first case, the depth of low income is .417 or 41.7% while in the second it is 0.20 or 20%.

#### **Definition of Terms**

Economic family: An economic family is defined as a group of two or more persons who live in the same dwelling and are related to each other by blood, marriage, a common-law union or adoption.

Unattached individual: An unattached individual is a person living either alone or with others to whom he or she is unrelated, such as roommates or a lodger.

In this report, the term family refers to both economic families and to unattached individuals.

Elderly family: a family where the main income recipient is aged 65 or over.

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<sup>&</sup>lt;sup>22</sup> Where the sample size in the Survey of Labour and Income Dynamics (SLID) was too small to make a reliable estimate for a specific group either nationally or within a province the letter F appears in the tables.

There are a small number of cases in the SLID where an economic family reports a negative post-income tax income mainly because of business losses by unincorporated self-employed individuals. In such cases, the depth of low income is calculated after adjusting the family's income to zero, producing a depth of low income of 100% for such families.

Non-elderly family: a family where the main income recipient is under age 65.

Working-age family: a family where the main income recipient is aged 18-64.

Married couples/Spouses: married couples, including legally married, common-law and same-sex relationships, where one of the spouses is the major income earner.

Children: a child or children (by birth, adopted, step or foster) of the main income recipient under age 18.

Lone-parent family: A family including at least one child as defined above where only one parent is present. The rare lone-parent families where the parent is 65 years of age or older are included under elderly families.

Relative: a person related to the main income recipient by blood, marriage, adoption or a common-law relationship.

Other relative: a person in the economic family who is neither the main income recipient nor his/her spouse or a child under age 18.

# Table 7 Incidence of Low Income: Various Groups, Canada Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002
All persons	14.8	13.6	13.7	11.6
Under 18 years of age	18.4	16.8	16.9	12.2
18-64	15.2	14.0	14.1	12.1
65 and over	5.8	5.5	5.6	7.6
Males	14.0	13.0	13.2	10.7
Under 18 years of age	18.2	16.9	17.7	12.7
18 to 64	13.9	12.9	13.0	11.0
65 and over	5.0	5.1	5.3	4.9
Females	15.6	14.2	14.1	12.4
Under 18 years of age	18.7	16.6	15.9	11.8
18 to 64	16.5	15.1	15.2	13.1
65 and over	6.5	5.8	5.9	9.7
All families	17.7	16.7	16.3	15.5
Economic families 2+	12.0	10.8	11.2	8.6
Elderly families	4.7	3.9	4.5	2.9
Elderly married couples	2.5	2.8	3.1	1.9
Other elderly families	12.9	8.2	10.0	6.9
Non-elderly families	13.2	11.9	12.3	9.5
Married couples	9.7	8.7	9.0	7.1
Two-parent families with children	11.9	10.6	9.8	6.5
Married couples with other relatives	5.8	6.3	7.1	5.0
Lone-parent families	38.4	37.3	41.1	34.2
Male lone-parent families	18.6	17.8	21.8	12.2
Female lone-parent families	42.5	41.4	45.6	39.4
Other non-elderly families	13.2	9.8	12.0	10.8
Unattached individuals	29.5	28.7	26.5	29.5
Male	28.6	28.4	26.2	27.1
Female	30.4	29.1	26.7	32.0
All Elderly	12.0	11.6	10.0	19.4
Elderly Male	14.2	13.9	11.8	15.9
Elderly Female	11.2	10.7	9.4	20.7
All Non-Elderly	35.8	34.8	32.5	33.2
Non-Elderly Male	31.0	30.8	28.7	29.0
Non-Elderly Female	42.3	40.3	37.6	39.0

Table 8a
Incidence of Low Income: Various Groups, Newfoundland and Labrador
Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002
All persons	23.9	20.3	21.3	11.4
Under 18 years of age	31.8	25.3	30.5	14.0
18-64	22.5	19.8	20.6	12.2
65 and over	16.3	14.1	9.5	2.2
Males	23.4	20.7	21.5	11.2
Under 18 years of age	35.3	29.0	33.3	15.2
18 to 64	21.3	19.4	19.9	11.5
65 and over	F	11.2	7.5	1.7
Females	24.3	20.0	21.2	11.6
Under 18 years of age	28.3	21.5	27.5	12.8
18 to 64	23.8	20.2	21.2	13.0
65 and over	20.6	16.5	11.1	2.6
All families	26.9	23.8	24.1	15.2
Economic families 2+	20.7	17.6	17.0	8.5
Elderly families	F	15.3	7.7	1.3
Elderly married couples	F	9.7	6.3	1.8
Other elderly families	F	29.7	F	F
Non-elderly families	21.8	17.9	18.6	9.8
Married couples	17.2	14.5	13.6	8.9
Two-parent families with children	20.4	18.1	21.0	7.3
Married couples with other relatives	F	8.1	8.9	4.3
Lone-parent families	61.6	46.8	49.6	38.0
Male lone-parent families	F	F	F	F
Female lone-parent families	63.9	48.8	53.1	40.7
Other non-elderly families	F	19.1	13.4	F
Unattached individuals	47.8	44.7	47.0	38.4
Male	43.0	43.8	44.8	39.4
Female	52.7	45.6	48.8	37.6
All Elderly	42.9	31.7	24.4	6.8
Elderly Male	F	F	F	F
Elderly Female	50.6	36.5	28.8	9.3
All Non-Elderly	50.1	50.8	55.4	50.1
Non-Elderly Male	47.3	48.9	51.1	47.0
Non-Elderly Female	54.7	53.6	60.0	53.5
Note: F: Too few observations to allow reliable estimates				

Note: F: Too few observations to allow reliable estimates

Table 8b
Incidence of Low Income: Various Groups, Prince Edward Island
Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002
All persons	16.1	15.4	13.0	7.3
Under 18 years of age	19.5	17.8	14.9	7.1
18-64	15.9	15.7	12.8	7.8
65 and over	10.3	9.4	10.7	5.8
Males	15.1	14.2	12.8	6.7
Under 18 years of age	21.1	17.7	17.4	7.2
18 to 64	14.6	14.6	11.3	6.6
65 and over	F	4.7	10.6	6.0
Females	17.0	16.5	13.2	8.0
Under 18 years of age	18.0	17.8	12.1	6.9
18 to 64	17.1	16.8	14.1	8.9
65 and over	F	13.1	10.7	5.6
All families	19.3	19.0	16.4	F
Economic families 2+	13.1	13.3	10.2	5.0
Elderly families	F	8.9	9.3	F
Elderly married couples	F	F	F	F
Other elderly families	F	27.3	F	F
Non-elderly families	13.7	14.2	10.4	5.2
Married couples	F	12.2	7.6	5.4
Two-parent families with children	14.1	12.6	9.9	4.2
Married couples with other relatives	F	F	F	F
Lone-parent families	F	46.1	28.3	17.6
Male lone-parent families	F	F	F	F
Female lone-parent families	F	47.7	31.0	18.2
Other non-elderly families	F	F	F	F
Unattached individuals	35.2	33.5	32.0	27.2
Male	29.1	30.8	31.6	28.8
Female	40.7	35.8	32.2	26.1
All Elderly	F	20.0	23.2	14.2
Elderly Male	F	F	29.0	F
Elderly Female	F	22.8	21.1	13.3
All Non-Elderly	41.2	39.7	37.0	34.7
Non-Elderly Male	33.0	34.6	32.5	32.5
Non-Elderly Female	53.4	46.2	41.7	36.9

Note: F: Too few observations to allow reliable estimates

Table 8c
Incidence of Low Income: Various Groups, Nova Scotia
Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002	
All persons	17.4	17.4	16.4	9.9	
Under 18 years of age	21.5	23.8	24.5	12.7	
18-64	17.1	16.9	15.6	10.2	
65 and over	11.5	9.8	7.3	4.1	
Males	16.3	16.7	16.0	9.9	
Under 18 years of age	22.7	23.8	23.8	13.8	
18 to 64	15.3	15.9	15.0	10.0	
65 and over	8.9	7.7	6.7	2.2	
Females	18.4	18.1	16.8	9.9	
Under 18 years of age	20.2	23.8	25.3	11.4	
18 to 64	18.9	17.8	16.2	10.5	
65 and over	13.6	11.5	7.8	5.6	
All families	20.8	20.9	19.2	13.6	
Economic families 2+	14.2	13.9	13.8	7.5	
Elderly families	10.7	8.0	6.7	2.3	
Elderly married couples	F	5.5	3.0	0.5	
Other elderly families	F	15.0	17.0	F	
Non-elderly families	14.8	15.0	15.1	8.5	
Married couples	13.3	12.3	8.1	4.1	
Two-parent families with children	13.4	14.9	12.7	5.5	
Married couples with other relatives	F	3.2	2.9	1.0	
Lone-parent families	46.1	47.8	58.0	38.6	
Male lone-parent families	F	F	F	F	
Female lone-parent families	50.1	50.4	58.0	35.0	
Other non-elderly families	F	11.1	21.4	16.0	
Unattached individuals	35.5	35.8	30.5	26.4	
Male	32.3	36.0	33.4	28.1	
Female	37.8	35.7	28.0	24.8	
All Elderly	21.1	20.0	14.9	9.9	
Elderly Male	F	14.3	16.8	F	
Elderly Female	23.8	21.8	14.2	10.5	
All Non-Elderly	42.0	43.1	37.5	33.7	
Non-Elderly Male	36.9	40.6	37.0	32.3	
Non-Elderly Female	46.9	45.9	38.3	35.6	
Note: F: Too few observations to allow reliable estimates					

Table 8d Incidence of Low Income: Various Groups, New Brunswick Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002
All persons	15.1	13.8	15.5	9.7
Under 18 years of age	18.9	15.6	18.8	10.3
18-64	14.9	14.3	15.8	10.9
65 and over	9.6	8.2	8.5	2.9
Males	14.6	13.1	14.9	9.4
Under 18 years of age	20.4	16.2	20.0	10.6
18 to 64	14.2	13.4	14.8	10.3
65 and over	F	4.9	5.7	1.3
Females	15.6	14.5	16.1	10.1
Under 18 years of age	17.2	14.9	17.5	10.0
18 to 64	15.6	15.3	16.9	11.4
65 and over	13.0	10.7	10.6	4.1
All families	19.3	18.8	19.6	13.0
Economic families 2+	12.2	12.0	13.2	7.9
Elderly families	F	4.2	3.0	1.0
Elderly married couples	F	3.7	1.4	F
Other elderly families	F	F	F	F
Non-elderly families	13.5	13.3	14.9	9.1
Married couples	9.3	10.5	13.7	8.1
Two-parent families with children	12.6	7.8	10.5	5.8
Married couples with other relatives	F	4.7	3.2	0.9
Lone-parent families	48.7	56.2	53.1	34.1
Male lone-parent families	F	F	F	F
Female lone-parent families	55.4	60.1	59.6	38.2
Other non-elderly families	F	17.9	21.0	16.3
Unattached individuals	37.0	35.6	35.1	26.1
Male	37.2	37.7	35.9	28.9
Female	36.8	33.6	34.3	23.2
All Elderly	25.2	19.1	22.0	7.9
Elderly Male	F	F	18.9	F
Elderly Female	26.5	21.5	23.2	8.5
All Non-Elderly	42.8	43.8	42.2	35.9
Non-Elderly Male	40.1	42.5	40.1	34.6
Non-Elderly Female	46.9	46.0	45.5	38.0

Table 8e Incidence of Low Income: Various Groups, Quebec Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002
All persons	13.1	12.5	11.0	12.3
Under 18 years of age	16.0	15.2	11.6	11.3
18-64	14.0	13.3	12.3	12.6
65 and over	2.8	3.2	3.6	11.8
Males	12.0	11.5	10.2	10.3
Under 18 years of age	15.4	14.6	12.4	12.2
18 to 64	12.4	11.8	10.5	10.3
65 and over	F	3.2	3.9	6.6
Females	14.1	13.4	11.9	14.2
Under 18 years of age	16.6	15.7	10.6	10.3
18 to 64	15.7	14.8	14.1	15.0
65 and over	2.9	3.2	3.3	15.7
All families	16.3	15.9	14.1	17.1
Economic families 2+	10.4	9.4	9.2	9.0
Elderly families	F	1.6	4.7	4.9
Elderly married couples	F	1.4	1.9	2.5
Other elderly families	F	2.1	12.4	11.5
Non-elderly families	11.8	10.7	9.9	9.7
Married couples	8.7	9.0	9.3	8.3
Two-parent families with children	8.8	9.3	6.0	5.3
Married couples with other relatives	F	3.6	3.5	3.2
Lone-parent families	37.9	32.1	32.7	33.5
Male lone-parent families	F	11.9	15.6	10.0
Female lone-parent families	41.7	36.9	37.6	40.2
Other non-elderly families	12.4	8.0	10.2	12.1
Unattached individuals	27.2	27.5	22.7	31.3
Male	26.6	26.7	21.8	24.7
Female	27.7	28.3	23.6	37.4
All Elderly	5.7	8.0	4.0	28.5
Elderly Male	F	11.1	6.0	17.4
Elderly Female	5.2	6.8	3.3	32.7
All Non-Elderly	34.1	33.7	29.2	32.3
Non-Elderly Male	29.4	29.1	24.5	25.9
Non-Elderly Female	39.9	39.6	34.9	40.0

Table 8f
Incidence of Low Income: Various Groups, Ontario
Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002	
All persons	12.6	11.5	12.3	10.7	
Under 18 years of age	16.0	14.4	15.1	11.7	
18-64	12.8	11.7	12.8	11.2	
65 and over	5.2	4.9	4.3	5.6	
Males	11.7	11.1	11.9	10.1	
Under 18 years of age	14.6	14.3	15.8	11.9	
18 to 64	11.8	11.0	11.9	10.5	
65 and over	4.4	4.9	3.4	3.8	
Females	13.5	11.9	12.7	11.2	
Under 18 years of age	17.3	14.5	14.4	11.5	
18 to 64	13.8	12.5	13.7	12.0	
65 and over	5.8	5.0	5.0	7.1	
All families	15.5	14.5	14.8	14.1	
Economic families 2+	10.0	9.2	10.1	8.1	
Elderly families	4.8	3.4	2.6	1.9	
Elderly married couples	F	3.1	2.3	1.6	
Other elderly families	F	4.5	3.8	3.1	
Non-elderly families	10.9	10.1	11.3	9.1	
Married couples	7.3	6.9	6.4	5.3	
Two-parent families with children	10.1	9.0	8.7	6.6	
Married couples with other relatives	F	6.9	9.0	6.7	
Lone-parent families	33.3	34.1	41.6	34.9	
Male lone-parent families	F	15.5	22.0	11.3	
Female lone-parent families	37.0	37.7	45.6	39.7	
Other non-elderly families	10.4	6.9	12.6	11.2	
Unattached individuals	28.0	26.5	25.4	27.7	
Male	27.7	26.9	25.2	26.7	
Female	28.3	26.2	25.7	28.7	
All Elderly	10.9	10.8	9.5	15.7	
Elderly Male	F	14.7	11.4	16.0	
Elderly Female	9.5	9.4	8.8	15.5	
All Non-Elderly	34.4	32.1	31.5	32.3	
Non-Elderly Male	29.9	28.9	27.7	28.7	
Non-Elderly Female	40.1	36.4	36.6	37.2	
Note: F: Too few observations to allow reliable estimates					

# Table 8g Incidence of Low Income: Various Groups, Manitoba Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002	
All persons	14.0	12.2	13.7	12.2	
Under 18 years of age	21.6	19.9	21.5	16.2	
18-64	13.4	11.1	12.8	11.3	
65 and over	3.1	3.2	3.8	9.1	
Males	14.2	11.7	13.5	11.1	
Under 18 years of age	24.2	21.0	24.0	16.4	
18 to 64	12.2	9.7	11.1	10.1	
65 and over	F	2.6	4.3	5.7	
Females	13.8	12.7	13.9	13.2	
Under 18 years of age	18.9	18.7	19.0	15.9	
18 to 64	14.5	12.6	14.5	12.6	
65 and over	F	3.7	3.3	11.8	
All families	14.8	13.4	14.3	15.4	
Economic families 2+	11.3	9.4	10.5	8.5	
Elderly families	F	2.7	3.6	2.4	
Elderly married couples	F	2.4	1.9	1.6	
Other elderly families	F	F	12.4	F	
Non-elderly families	12.9	10.6	11.8	9.7	
Married couples	6.9	6.9	7.2	6.8	
Two-parent families with children	11.1	8.0	12.3	8.8	
Married couples with other relatives	F	0.2	3.8	0.5	
Lone-parent families	44.3	43.8	38.0	35.7	
Male lone-parent families	F	F	21.1	18.6	
Female lone-parent families	46.5	44.9	41.2	39.0	
Other non-elderly families	F	6.2	4.3	4.1	
Unattached individuals	21.5	21.1	21.5	28.2	
Male	23.5	21.8	22.3	26.0	
Female	19.5	20.4	20.7	30.1	
All Elderly	F	5.6	4.2	22.9	
Elderly Male	F	F	F	17.7	
Elderly Female	F	6.4	4.0	24.6	
All Non-Elderly	30.1	29.2	28.9	30.4	
Non-Elderly Male	27.6	26.2	25.5	27.6	
Non-Elderly Female	34.2	34.1	33.6	34.4	
Note: F: Too fow observations to allow reliable estimates					

Table 8h Incidence of Low Income: Various Groups, Saskatchewan Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002	
All persons	15.9	14.2	13.2	8.6	
Under 18 years of age	21.6	19.5	18.8	8.9	
18-64	16.4	14.8	13.2	9.9	
65 and over	3.9	2.7	3.8	3.0	
Males	15.4	13.4	13.1	8.1	
Under 18 years of age	20.6	18.8	19.5	7.8	
18 to 64	15.9	13.7	12.2	9.6	
65 and over	F	1.4	4.9	1.9	
Females	16.3	15.0	13.3	9.2	
Under 18 years of age	22.6	20.2	18.1	10.0	
18 to 64	16.9	15.9	14.2	10.2	
65 and over	F	3.7	3.0	3.9	
All families	18.3	16.3	14.9	12.3	
Economic families 2+	13.5	11.2	10.5	5.8	
Elderly families	F	2.4	3.2	0.7	
Elderly married couples	F	1.2	1.0	0.5	
Other elderly families	F	F	15.2	F	
Non-elderly families	15.7	13.2	12.2	6.9	
Married couples	12.2	7.7	9.6	6.2	
Two-parent families with children	11.8	11.2	7.2	3.0	
Married couples with other relatives	F	4.7	5.9	2.9	
Lone-parent families	49.6	39.3	47.9	28.3	
Male lone-parent families	F	F	F	F	
Female lone-parent families	52.1	41.6	54.4	32.4	
Other non-elderly families	F	17.7	11.6	9.5	
Unattached individuals	27.9	26.3	23.2	25.3	
Male	33.1	27.3	26.3	26.9	
Female	22.4	25.3	19.8	23.5	
All Elderly	F	4.5	4.9	7.1	
Elderly Male	F	F	5.6	F	
Elderly Female	F	5.3	4.7	8.4	
All Non-Elderly	40.2	37.7	32.4	34.3	
Non-Elderly Male	39.2	33.0	30.3	31.3	
Non-Elderly Female	42.0	45.8	36.7	40.3	
Note: F: Too few observations to allow reliable estimates					

Table 8i Incidence of Low Income: Various Groups, Alberta Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002	
All persons	13.0	12.4	11.3	9.3	
Under 18 years of age	16.2	14.9	12.7	9.2	
18-64	13.4	12.9	12.0	10.3	
65 and over	F	2.8	3.0	2.3	
Males	12.2	12.0	10.9	8.7	
Under 18 years of age	16.1	15.6	12.5	8.8	
18 to 64	12.2	11.9	11.4	9.8	
65 and over	F	2.5	2.1	0.2	
Females	13.9	12.9	11.8	9.9	
Under 18 years of age	16.3	14.2	13.0	9.7	
18 to 64	14.8	14.1	12.7	10.9	
65 and over	F	3.1	3.8	4.1	
All families	15.7	15.2	14.9	13.4	
Economic families 2+	9.8	9.1	8.3	5.8	
Elderly families	F	1.2	3.1	0.7	
Elderly married couples	F	0.4	2.3	0.9	
Other elderly families	F	F	F	F	
Non-elderly families	10.9	10.2	9.0	6.5	
Married couples	7.6	7.4	8.5	6.0	
Two-parent families with children	10.8	10.3	8.1	5.6	
Married couples with other relatives	F	3.0	2.8	1.8	
Lone-parent families	30.8	30.5	29.7	22.9	
Male lone-parent families	F	F	F	F	
Female lone-parent families	35.6	36.5	37.6	28.5	
Other non-elderly families	F	9.9	3.4	3.2	
Unattached individuals	27.6	27.4	27.8	28.5	
Male	23.8	25.2	27.4	26.8	
Female	31.9	29.9	28.3	30.3	
All Elderly	F	4.6	6.6	7.2	
Elderly Male	F	F	F	F	
Elderly Female	F	5.5	7.0	9.1	
All Non-Elderly	34.0	33.5	33.0	33.6	
Non-Elderly Male	26.2	27.8	29.6	29.3	
Non-Elderly Female	45.7	42.1	38.2	40.1	
Note: F: Too few observations to allow reliable estimates					

Table 8j Incidence of Low Income: Various Groups, British Columbia Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002	
All persons	23.7	21.1	22.5	16.0	
Under 18 years of age	28.0	24.7	30.1	18.3	
18-64	24.3	21.9	21.8	16.1	
65 and over	13.1	11.2	13.7	11.7	
Males	22.9	20.5	22.5	15.8	
Under 18 years of age	29.1	25.6	31.9	19.8	
18 to 64	22.6	20.5	20.9	15.5	
65 and over	12.1	10.5	13.7	9.8	
Females	24.5	21.7	22.5	16.2	
Under 18 years of age	26.8	23.8	28.0	16.6	
18 to 64	26.1	23.2	22.7	16.7	
65 and over	13.8	11.8	13.6	13.4	
All families	26.5	24.4	24.4	19.9	
Economic families 2+	20.5	17.9	19.5	12.5	
Elderly families	F	9.2	10.8	5.7	
Elderly married couples	F	4.7	8.7	3.6	
Other elderly families	F	29.2	21.1	16.1	
Non-elderly families	22.3	19.4	20.8	13.6	
Married couples	17.1	12.3	14.0	10.9	
Two-parent families with children	22.2	18.0	19.8	10.1	
Married couples with other relatives	F	14.8	13.0	8.5	
Lone-parent families	47.3	50.6	55.7	41.2	
Male lone-parent families	F	28.8	45.2	15.1	
Female lone-parent families	52.3	55.3	57.9	46.6	
Other non-elderly families	F	19.1	18.7	12.5	
Unattached individuals	37.0	35.8	33.0	32.9	
Male	34.3	34.6	32.2	31.2	
Female	40.2	37.1	33.9	34.9	
All Elderly	26.6	22.1	21.5	25.6	
Elderly Male	F	28.1	24.5	25.6	
Elderly Female	24.5	19.2	20.2	25.6	
All Non-Elderly	40.6	40.4	37.4	35.7	
Non-Elderly Male	35.0	35.8	33.6	32.2	
Non-Elderly Female	49.1	47.6	43.4	41.3	
Note: F: Too few observations to allow reliable estimates					

# Table 9 Depth of Low Income: Various Groups, Canada Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002
All persons	0.319	0.321	0.319	0.330
Under 18 years of age	0.261	0.272	0.259	0.282
18-64	0.354	0.350	0.352	0.367
65 and over	0.182	0.219	0.202	0.165
Males	0.324	0.326	0.322	0.339
Under 18 years of age	0.261	0.267	0.262	0.287
18 to 64	0.361	0.358	0.358	0.373
65 and over	0.196	0.262	0.214	0.186
Females	0.316	0.317	0.316	0.322
Under 18 years of age	0.262	0.278	0.256	0.275
18 to 64	0.349	0.342	0.346	0.362
65 and over	0.174	0.189	0.193	0.156
All families	0.362	0.357	0.356	0.355
Economic families 2+	0.299	0.298	0.301	0.309
Elderly families	0.223	0.241	0.211	0.237
Elderly married couples	0.227	0.257	0.242	0.275
Other elderly families	0.220	0.220	0.175	0.199
Non-elderly families	0.303	0.301	0.306	0.313
Married couples	0.368	0.339	0.376	0.374
Two-parent families with children	0.266	0.269	0.257	0.289
Married couples with other relatives	0.346	0.381	0.352	0.368
Lone-parent families	0.277	0.279	0.279	0.273
Male lone-parent families	0.289	0.359	0.306	0.330
Female lone-parent families	0.276	0.272	0.276	0.269
Other non-elderly families	0.370	0.357	0.375	0.342
Unattached individuals	0.414	0.403	0.403	0.382
Male	0.421	0.415	0.409	0.402
Female	0.407	0.391	0.397	0.365
All Elderly	0.154	0.199	0.164	0.136
Elderly Male	0.173	0.257	0.182	0.145
Elderly Female	0.145	0.170	0.155	0.133
All Non-Elderly	0.445	0.427	0.430	0.434
Non-Elderly Male	0.440	0.427	0.425	0.426
Non-Elderly Female	0.450	0.427	0.435	0.442

Table 10a

Depth of Low Income: Various Groups, Newfoundland and Labrador
Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002	
All persons	0.285	0.269	0.270	0.300	
Under 18 years of age	0.267	0.251	0.253	0.272	
18-64	0.312	0.294	0.291	0.317	
65 and over	0.137	0.127	0.114	0.126	
Males	0.282	0.280	0.259	0.290	
Under 18 years of age	0.268	0.247	0.213	0.215	
18 to 64	0.301	0.307	0.290	0.326	
65 and over	F	0.165	0.154	0.135	
Females	0.288	0.258	0.281	0.310	
Under 18 years of age	0.265	0.257	0.303	0.337	
18 to 64	0.322	0.281	0.292	0.309	
65 and over	0.129	0.105	0.092	0.120	
All families	0.306	0.293	0.319	0.354	
Economic families 2+	0.282	0.275	0.262	0.265	
Elderly families	F	0.141	0.155	0.076	
Elderly married couples	F	0.133	0.160	0.076	
Other elderly families	F	0.149	F	F	
Non-elderly families	0.293	0.293	0.269	0.270	
Married couples	0.357	0.356	0.357	0.382	
Two-parent families with children	0.267	0.239	0.213	0.232	
Married couples with other relatives	F	0.336	0.224	0.108	
Lone-parent families	0.284	0.329	0.312	0.239	
Male lone-parent families	F	F	F	F	
Female lone-parent families	0.282	0.329	0.322	0.243	
Other non-elderly families	F	0.279	0.271	F	
Unattached individuals	0.342	0.316	0.386	0.419	
Male	0.325	0.369	0.402	0.414	
Female	0.356	0.265	0.374	0.422	
All Elderly	0.119	0.115	0.090	0.120	
Elderly Male	F	F	F	F	
Elderly Female	0.126	0.106	0.099	0.120	
All Non-Elderly	0.429	0.374	0.434	0.434	
Non-Elderly Male	0.345	0.383	0.419	0.414	
Non-Elderly Female	0.545	0.362	0.448	0.452	
Note: F: Too few observations to allow reliable estimates					

Table 10b
Depth of Low Income: Various Groups, Prince Edward Island
Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002	
All persons	0.294	0.284	0.274	0.260	
Under 18 years of age	0.234	0.240	0.261	0.238	
18-64	0.344	0.310	0.307	0.290	
65 and over	0.131	0.225	0.118	0.113	
Males	0.307	0.273	0.258	0.241	
Under 18 years of age	0.226	0.203	0.230	0.216	
18 to 64	0.359	0.296	0.298	0.277	
65 and over	F	0.458	0.127	0.090	
Females	0.284	0.292	0.289	0.275	
Under 18 years of age	0.244	0.278	0.310	0.263	
18 to 64	0.333	0.321	0.314	0.299	
65 and over	F	0.160	0.110	0.132	
All families	0.325	0.290	0.281	0.269	
Economic families 2+	0.301	0.280	0.283	0.264	
Elderly families	F	0.311	0.162	F	
Elderly married couples	F	F	F	F	
Other elderly families	F	0.231	F	F	
Non-elderly families	0.311	0.276	0.302	0.287	
Married couples	F	0.297	0.429	0.418	
Two-parent families with children	0.252	0.252	0.256	0.240	
Married couples with other relatives	F	F	F	F	
Lone-parent families	F	0.270	0.286	0.223	
Male lone-parent families	F	F	F	F	
Female lone-parent families	F	0.254	0.253	0.181	
Other non-elderly families	F	F	F	F	
Unattached individuals	0.348	0.300	0.280	0.271	
Male	0.434	0.319	0.249	0.221	
Female	0.292	0.286	0.301	0.312	
All Elderly	F	0.122	0.099	0.122	
Elderly Male	F	F	0.076	F	
Elderly Female	F	0.088	0.111	0.132	
All Non-Elderly	0.416	0.341	0.344	0.306	
Non-Elderly Male	0.447	0.318	0.295	0.239	
Non-Elderly Female	0.387	0.364	0.383	0.367	
Note: F: Too fow observations to allow reliable estimates					

Table 10c
Depth of Low Income: Various Groups, Nova Scotia
Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002		
All persons	0.291	0.284	0.293	0.328		
Under 18 years of age	0.246	0.236	0.261	0.307		
18-64	0.329	0.322	0.321	0.353		
65 and over	0.161	0.151	0.172	0.126		
Males	0.286	0.293	0.311	0.348		
Under 18 years of age	0.244	0.214	0.299	0.330		
18 to 64	0.318	0.341	0.326	0.368		
65 and over	0.192	0.219	0.208	0.068		
Females	0.296	0.275	0.276	0.308		
Under 18 years of age	0.249	0.260	0.222	0.277		
18 to 64	0.337	0.306	0.316	0.339		
65 and over	0.145	0.117	0.147	0.144		
All families	0.334	0.326	0.337	0.362		
Economic families 2+	0.265	0.262	0.271	0.290		
Elderly families	0.159	0.247	0.172	0.141		
Elderly married couples	F	0.391	0.199	0.515		
Other elderly families	F	0.101	0.159	F		
Non-elderly families	0.279	0.263	0.280	0.298		
Married couples	0.327	0.341	0.305	0.332		
Two-parent families with children	0.239	0.221	0.206	0.241		
Married couples with other relatives	F	0.176	0.219	0.280		
Lone-parent families	0.252	0.260	0.349	0.353		
Male lone-parent families	F	F	F	F		
Female lone-parent families	0.244	0.232	0.311	0.314		
Other non-elderly families	F	0.279	0.253	0.210		
Unattached individuals	0.395	0.381	0.400	0.404		
Male	0.414	0.441	0.421	0.429		
Female	0.383	0.332	0.378	0.379		
All Elderly	0.167	0.085	0.165	0.112		
Elderly Male	F	0.109	0.273	F		
Elderly Female	0.146	0.079	0.119	0.141		
All Non-Elderly	0.447	0.443	0.442	0.442		
Non-Elderly Male	0.427	0.465	0.435	0.452		
Non-Elderly Female	0.462	0.421	0.450	0.431		
Note: F: Too few observations to allow reliable estimates						

# Table 10d Depth of Low Income: Various Groups, New Brunswick Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002
All persons	0.313	0.315	0.291	0.294
Under 18 years of age	0.267	0.295	0.206	0.184
18-64	0.357	0.343	0.341	0.336
65 and over	0.119	0.129	0.126	F
Males	0.324	0.324	0.310	0.315
Under 18 years of age	0.266	0.280	0.216	0.193
18 to 64	0.364	0.353	0.364	0.359
65 and over	F	0.147	0.117	0.173
Females	0.303	0.307	0.275	0.276
Under 18 years of age	0.269	0.312	0.195	0.173
18 to 64	0.351	0.334	0.321	0.316
65 and over	0.110	0.123	0.130	0.138
All families	0.340	0.333	0.329	0.349
Economic families 2+	0.306	0.296	0.280	0.246
Elderly families	F	0.115	0.136	0.020
Elderly married couples	F	0.118	0.091	F
Other elderly families	F	F	F	F
Non-elderly families	0.312	0.306	0.285	0.250
Married couples	0.417	0.366	0.355	0.366
Two-parent families with children	0.292	0.292	0.240	0.232
Married couples with other relatives	F	0.301	0.247	0.238
Lone-parent families	0.259	0.296	0.219	0.157
Male lone-parent families	F	F	F	F
Female lone-parent families	0.249	0.269	0.211	0.154
Other non-elderly families	F	0.236	0.392	0.249
Unattached individuals	0.368	0.363	0.374	0.425
Male	0.402	0.372	0.418	0.432
Female	0.336	0.353	0.328	0.417
All Elderly	0.103	0.120	0.123	0.160
Elderly Male	F	F	0.121	F
Elderly Female	0.101	0.119	0.124	0.156
All Non-Elderly	0.445	0.416	0.444	0.456
Non-Elderly Male	0.429	0.383	0.453	0.443
Non-Elderly Female	0.467	0.466	0.432	0.475
Note: F: Too few observations to allow reliable	e estimates	L		

Table 10e
Depth of Low Income: Various Groups, Quebec
Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002
All persons	0.304	0.287	0.293	0.316
Under 18 years of age	0.235	0.228	0.214	0.256
18-64	0.334	0.314	0.322	0.361
65 and over	0.178	0.182	0.196	0.156
Males	0.308	0.288	0.299	0.334
Under 18 years of age	0.231	0.223	0.198	0.238
18 to 64	0.343	0.317	0.345	0.387
65 and over	F	0.198	0.193	0.175
Females	0.301	0.287	0.287	0.304
Under 18 years of age	0.239	0.233	0.234	0.278
18 to 64	0.327	0.311	0.304	0.344
65 and over	0.178	0.169	0.198	0.150
All families	0.347	0.325	0.323	0.331
Economic families 2+	0.276	0.248	0.259	0.293
Elderly families	F	0.233	0.180	0.210
Elderly married couples	F	0.288	0.255	0.196
Other elderly families	F	0.104	0.149	0.218
Non-elderly families	0.278	0.249	0.265	0.300
Married couples	0.343	0.262	0.312	0.355
Two-parent families with children	0.233	0.221	0.222	0.279
Married couples with other relatives	F	0.323	0.508	0.540
Lone-parent families	0.255	0.232	0.219	0.247
Male lone-parent families	F	0.355	0.281	0.265
Female lone-parent families	0.246	0.223	0.211	0.246
Other non-elderly families	0.346	0.338	0.290	0.301
Unattached individuals	0.397	0.371	0.369	0.350
Male	0.401	0.375	0.392	0.405
Female	0.394	0.368	0.349	0.316
All Elderly	0.145	0.157	0.171	0.134
Elderly Male	F	0.168	0.167	0.144
Elderly Female	0.148	0.150	0.173	0.132
All Non-Elderly	0.411	0.388	0.378	0.415
Non-Elderly Male	0.410	0.388	0.402	0.436
Non-Elderly Female	0.412	0.388	0.359	0.400
Note: E: Too fow observations to allow reliable		L	ı	ı

Table 10f
Depth of Low Income: Various Groups, Ontario
Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002
All persons	0.323	0.340	0.332	0.330
Under 18 years of age	0.272	0.302	0.267	0.272
18-64	0.352	0.359	0.367	0.366
65 and over	0.245	0.303	0.215	0.175
Males	0.322	0.343	0.330	0.329
Under 18 years of age	0.280	0.290	0.286	0.299
18 to 64	0.346	0.365	0.357	0.350
65 and over	0.256	0.398	0.234	0.186
Females	0.323	0.336	0.333	0.330
Under 18 years of age	0.266	0.314	0.245	0.243
18 to 64	0.357	0.354	0.375	0.379
65 and over	0.238	0.229	0.204	0.170
All families	0.371	0.374	0.373	0.363
Economic families 2+	0.295	0.313	0.319	0.313
Elderly families	0.306	0.247	0.235	0.274
Elderly married couples	F	0.291	0.275	0.351
Other elderly families	F	0.128	0.144	0.125
Non-elderly families	0.298	0.316	0.322	0.315
Married couples	0.334	0.337	0.406	0.400
Two-parent families with children	0.285	0.313	0.287	0.291
Married couples with other relatives	F	0.351	0.329	0.333
Lone-parent families	0.284	0.299	0.282	0.271
Male lone-parent families	F	0.373	0.273	0.326
Female lone-parent families	0.292	0.294	0.283	0.268
Other non-elderly families	0.347	0.306	0.407	0.365
Unattached individuals	0.430	0.422	0.422	0.397
Male	0.415	0.402	0.398	0.379
Female	0.443	0.440	0.438	0.414
All Elderly	0.198	0.304	0.181	0.143
Elderly Male	F	0.469	0.252	0.168
Elderly Female	0.201	0.211	0.145	0.133
All Non-Elderly	0.457	0.436	0.449	0.444
Non-Elderly Male	0.434	0.427	0.414	0.400
Non-Elderly Female	0.479	0.445	0.486	0.490
Note: E: Too fow observations to allow reliable	o ootimataa			1

# Table 10g Depth of Low Income: Various Groups, Manitoba Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002
All persons	0.313	0.318	0.317	0.353
Under 18 years of age	0.276	0.287	0.252	0.319
18-64	0.341	0.343	0.361	0.407
65 and over	0.235	0.277	0.285	0.147
Males	0.315	0.321	0.351	0.400
Under 18 years of age	0.266	0.287	0.276	0.361
18 to 64	0.355	0.350	0.417	0.445
65 and over	F	0.356	0.309	0.222
Females	0.312	0.315	0.285	0.313
Under 18 years of age	0.289	0.287	0.220	0.273
18 to 64	0.330	0.337	0.319	0.377
65 and over	F	0.234	0.261	0.119
All families	0.340	0.352	0.388	0.382
Economic families 2+	0.308	0.301	0.290	0.330
Elderly families	F	0.436	0.263	0.296
Elderly married couples	F	0.493	0.390	0.321
Other elderly families	F	F	0.166	F
Non-elderly families	0.311	0.295	0.291	0.332
Married couples	0.395	0.386	0.423	0.381
Two-parent families with children	0.296	0.252	0.229	0.292
Married couples with other relatives	F	0.318	0.311	0.218
Lone-parent families	0.272	0.287	0.294	0.344
Male lone-parent families	F	F	0.537	0.488
Female lone-parent families	0.260	0.281	0.270	0.331
Other non-elderly families	F	0.309	0.413	0.404
Unattached individuals	0.373	0.396	0.480	0.412
Male	0.390	0.404	0.564	0.509
Female	0.352	0.388	0.396	0.334
All Elderly	F	0.211	0.286	0.111
Elderly Male	F	F	F	0.152
Elderly Female	F	0.229	0.306	0.102
All Non-Elderly	0.386	0.415	0.492	0.508
Non-Elderly Male	0.390	0.412	0.575	0.551
Non-Elderly Female	0.382	0.417	0.404	0.461
Note: E: Too fow observations to allow reliable		ı	ı	

Table 10h
Depth of Low Income, Various Groups, Saskatchewan
Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002
All persons	0.327	0.300	0.296	0.335
Under 18 years of age	0.250	0.237	0.213	0.262
18-64	0.382	0.334	0.346	0.377
65 and over	0.102	0.281	0.266	0.112
Males	0.345	0.311	0.312	0.371
Under 18 years of age	0.238	0.242	0.214	0.283
18 to 64	0.411	0.352	0.378	0.410
65 and over	F	0.175	0.273	0.159
Females	0.310	0.290	0.281	0.303
Under 18 years of age	0.261	0.232	0.211	0.244
18 to 64	0.355	0.319	0.318	0.346
65 and over	F	0.312	0.257	0.093
All families	0.388	0.359	0.359	0.366
Economic families 2+	0.314	0.283	0.283	0.312
Elderly families	F	0.112	0.273	0.066
Elderly married couples	F	0.086	0.633	0.083
Other elderly families	F	F	0.140	F
Non-elderly families	0.325	0.284	0.283	0.317
Married couples	0.447	0.483	0.401	0.436
Two-parent families with children	0.225	0.253	0.210	0.269
Married couples with other relatives	F	0.191	0.449	0.455
Lone-parent families	0.349	0.271	0.239	0.265
Male lone-parent families	F	F	F	F
Female lone-parent families	0.354	0.280	0.237	0.259
Other non-elderly families	F	0.169	0.280	0.217
Unattached individuals	0.460	0.425	0.425	0.390
Male	0.502	0.436	0.442	0.425
Female	0.394	0.415	0.401	0.346
All Elderly	F	0.326	0.193	0.094
Elderly Male	F	F	0.164	F
Elderly Female	F	0.322	0.204	0.095
All Non-Elderly	0.490	0.435	0.443	0.421
Non-Elderly Male	0.516	0.444	0.451	0.432
Non-Elderly Female	0.446	0.424	0.430	0.404

Table 10i
Depth of Low Income: Various Groups, Alberta
Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002
All persons	0.345	0.343	0.375	0.372
Under 18 years of age	0.300	0.297	0.338	0.338
18-64	0.368	0.368	0.397	0.388
65 and over	F	0.220	0.180	0.219
Males	0.359	0.366	0.369	0.374
Under 18 years of age	0.310	0.323	0.333	0.355
18 to 64	0.387	0.393	0.388	0.380
65 and over	F	0.171	0.185	0.396
Females	0.332	0.322	0.381	0.370
Under 18 years of age	0.291	0.266	0.344	0.322
18 to 64	0.351	0.345	0.404	0.396
65 and over	F	0.254	0.178	0.213
All families	0.389	0.376	0.406	0.397
Economic families 2+	0.334	0.331	0.353	0.333
Elderly families	F	0.328	0.134	0.239
Elderly married couples	F	0.710	0.160	0.239
Other elderly families	F	F	F	F
Non-elderly families	0.337	0.331	0.363	0.334
Married couples	0.386	0.442	0.427	0.362
Two-parent families with children	0.298	0.307	0.310	0.313
Married couples with other relatives	F	0.527	0.403	0.466
Lone-parent families	0.353	0.293	0.381	0.335
Male lone-parent families	F	F	F	F
Female lone-parent families	0.328	0.276	0.383	0.340
Other non-elderly families	F	0.226	0.259	0.227
Unattached individuals	0.429	0.406	0.437	0.423
Male	0.454	0.435	0.412	0.407
Female	0.408	0.379	0.465	0.438
All Elderly	F	0.242	0.215	0.217
Elderly Male	F	F	F	F
Elderly Female	F	0.268	0.182	0.210
All Non-Elderly	0.432	0.412	0.448	0.433
Non-Elderly Male	0.454	0.438	0.413	0.407
Non-Elderly Female	0.413	0.386	0.489	0.462
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Table 10j
Depth of Low Income: Various Groups, British Columbia
Market Basket Measure 2000, 2001, 2002 and LICOs-IAT 2002

	MBM-2000	MBM-2001	MBM-2002	LICOs-IAT 2002
All persons	0.330	0.338	0.316	0.335
Under 18 years of age	0.250	0.266	0.265	0.304
18-64	0.382	0.383	0.352	0.369
65 and over	0.134	0.166	0.206	0.174
Males	0.337	0.337	0.318	0.344
Under 18 years of age	0.243	0.256	0.254	0.283
18 to 64	0.398	0.388	0.364	0.387
65 and over	0.149	0.158	0.213	F
Females	0.324	0.340	0.314	0.326
Under 18 years of age	0.260	0.277	0.278	0.331
18 to 64	0.368	0.378	0.342	0.353
65 and over	0.124	0.171	0.200	0.157
All families	0.367	0.381	0.348	0.350
Economic families 2+	0.313	0.323	0.310	0.325
Elderly families	F	0.252	0.240	0.271
Elderly married couples	F	0.138	0.219	0.286
Other elderly families	F	0.335	0.284	0.252
Non-elderly families	0.324	0.329	0.316	0.328
Married couples	0.408	0.366	0.406	0.370
Two-parent families with children	0.253	0.241	0.237	0.303
Married couples with other relatives	F	0.477	0.347	0.348
Lone-parent families	0.259	0.291	0.300	0.283
Male lone-parent families	F	0.290	0.277	0.328
Female lone-parent families	0.264	0.291	0.303	0.280
Other non-elderly families	F	0.547	0.451	0.439
Unattached individuals	0.418	0.431	0.387	0.367
Male	0.441	0.438	0.407	0.406
Female	0.396	0.423	0.366	0.328
All Elderly	0.113	0.139	0.143	0.128
Elderly Male	F	0.121	0.106	0.120
Elderly Female	0.092	0.151	0.163	0.131
All Non-Elderly	0.486	0.485	0.440	0.432
Non-Elderly Male	0.490	0.482	0.447	0.447
Non-Elderly Female	0.482	0.488	0.431	0.413
Note: F: Too few observations to allow reliable	e estimates	•	•	•

### Appendix A

#### **Methodological Annex**

The value added by the MBM to other low-income measures can best be understood by comparing and contrasting it with those measures.

#### The Low Income Cut-Offs (LICOS) - Pre And Post-Income Tax

The pre-income tax version of the LICOs represents a level of total income before the payment of income taxes at which, for a family of a given size and living in a rural or urban community of a given population level, the share of that income it would spend on food, clothing and footwear and shelter is twenty percentage points above that spent by the average family on these three categories of expenditure.

The income levels at which this occurs are calculated using econometric regressions for five different community sizes and for economic families ranging from one person to seven or more persons, producing thirty-five different low income cut-offs in all.<sup>24</sup>

The post-income tax LICOs are explained in footnote twenty-four. The current LICOs (both pre and post-income tax) are based on 1992 expenditure patterns. They are updated each year to take into account changes in the Consumer Price Index for Canada.

The LICOs thus answer the question: How many Canadians live in families spending a share of their total pre or post-tax income on food, clothing and shelter twenty percentage points higher than average families of the same size living in the same broad community size in 1992?<sup>25</sup>

#### Post-Income Tax Low Income Measure (LIM-IAT)

The post-income tax Low Income Measure is 50% of median adjusted family income using a post-income tax definition of income.

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The calculation of thresholds for five community sizes is in recognition of the fact that, generally speaking, shelter costs rise with the size of the community, being lowest in rural areas and highest in the largest urban centres. The five community sizes are census metropolitan areas (CMAs) with a population of 500,000 or more, CMAs with a population of 100,000-499,999, urban census agglomerations (CAs) with a population between 30,000 and 99,999, CAs and small urban centres with a population under 30,000 and rural areas (including communities with populations under 1,000 not contained in a CMA or CA).

In 1992, the average family spent 34.7% of its total pre-tax income on food, clothing and footwear and shelter. Thus the Low Income Cut-offs were set at the point in the income distribution where a family would spend 54.7% or more of its income on these three categories of expenditure. In 1992 the average family spent 43% of its *post-income tax income* on food, clothing and footwear and shelter. Thus, the post-income tax Low Income Cut-offs (LICOs-IAT) were set at the point in the income distribution where a family would spend 63% or more of its post- income tax income on these three categories of expenditure. This measure is the one highlighted by Statistics Canada in its annual reports on Income in Canada.

The word "adjusted" means that median family post-income tax income is calculated in such a way as to take into account the fact that families of different sizes and compositions have different needs.

The way in which this is done is as follows: First, factors are assigned to each family member using an equivalence scale. In this scale the oldest person in the family receives a factor of one, the second oldest person in the family and all other family members aged 16 and over each receive a factor of 0.4 and all other family members under the age of 16 receive a factor of 0.3.

The values for each person in the family are added to determine the adjusted family size. The income of the family after the payment of income taxes is then divided by this sum. For example a couple with two children under age 16 would have an "adjusted family size" of 2 (1+0.4+0.3+0.3) and its total income would be divided by two. Single adults living alone would have an "adjusted family size" of one.

This equivalence scale thus assumes that the family of four requires twice as much post-income tax income to meet its household needs as an unattached adult living alone.

The median adjusted post-income tax family income is then determined. This is the level of adjusted post-income tax family income such that half of all families will be above and half below it.

The post-income tax LIM for an unattached individual is 50% of this amount. The LIMs for all other family configurations are equal to this amount multiplied by their "adjusted family size." Thus a couple with two children would have a low-income cut-off twice that of a single adult living alone.

The LIM-IAT cut-offs are not adjusted for differences in community size. The threshold for a family of any given configuration is exactly the same regardless of the size of the community in which they live.

The LIM-IAT thus answers the question: How many Canadians have an after-tax income lower than 50% of the adjusted median income for all Canadian families in a given year?

It is a pure measure of relative low income and is automatically adjusted each year for changes in median family post-income tax income levels, adjusted using its equivalence scale.

#### The Market Basket Measure (MBM)

Unlike either the LICOs or the LIM-IAT, the MBM is based on a specific basket of goods and services.

The cost of the goods and services in the MBM is calculated for a reference family of one male and one female adult aged 25-49 with two children, a girl aged 9 and a boy aged 13. Despite recent trends showing an increasing share of persons living in alternative household configurations (such as childless couples, lone parent families and unattached individuals), the two-parent, two-child household is still the household type containing the largest share of Canada's population.

The cost of the goods and services in the "Market Basket" for all other household configurations is then calculated using the Low Income Measure equivalence scale (See the section on the LIM-IAT for a description of this scale).

For household sizes up to four, this equivalence scale is almost identical to that used to calculate the relative measure of disposable income poverty used by the United Nations and the Luxembourg Income Study (LIS). Their equivalence scale is simply the square root of household size.

The British poverty analyst, Anthony Atkinson, after an extensive study of the many equivalence scales used in developed countries, has concluded that they tend to converge around the value of the square root of household size.

The choice of the LIM equivalence scale is thus consistent with international practice, while reflecting judgements made by Statistics Canada in the Canadian context.

#### Distinctive Features of the MBM

The MBM is thus a "goods and services" measure whose cost is calculated for a number of specific urban communities and community sizes across Canada. As such, it can be used to answer a question not addressed by either the LICOs or the LIM-IAT: How many people in Canada live in families which lack the disposable income to purchase the goods and services in the "Market Basket" within their community or community size?

A second feature of the MBM is that it is more sensitive than either the LICOs or the LIM-IAT to differences in living costs among different communities and community sizes across Canada. This is because the thresholds based on the measure vary with the cost of the goods and services in the basket, not only between community sizes, but between communities of similar size in different provinces.

This sensitivity to geographical differences in living costs and the specific nature of the goods and services in the Market Basket were the features sought by the Ministers responsible for Social Services in commissioning the development of this new low-income measure.

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The ages of the family members must be specified to calculate the cost of their expenditures on food and clothing and footwear which vary with the age and gender of the household members.

Finally, the basic concept of low income underlying the MBM is being unable to purchase the goods and services in the Market Basket. This implies that the income to be compared to the thresholds should not be gross income, but a measure of the disposable income actually available to purchase these goods and services.

Thus, the following deductions are made from total family money income before comparing it to the cost of the basket:

- out-of-pocket spending on child care<sup>27</sup>
- out-of-pocket spending on non-insured health care costs recommended by a health professional such as prescription drugs, health insurance premiums, aids for persons with disabilities and dental and vision care
- personal income taxes and the personal portion of all payroll taxes such as Canada/Quebec Pension Plan contributions and Employment Insurance premiums
- alimony and child support payments made to another family
- all *mandatory* payroll deductions for employer-sponsored pension plans, union dues and employer-sponsored supplementary health care plans.

Expenditures on support payments, out-of-pocket child care expenses and mandatory payroll deductions other than EI premiums and C/QPP contributions are derived from responses to questions on Statistics Canada's Survey of Labour and Income Dynamics (SLID).

C/QPP contributions and EI premiums were calculated based on earnings and published contribution rates. Public health insurance premiums were based on provincial contribution schedules and net income.

For those who reported positive direct out-of-pocket medical expenses on line 330 of the income tax form this amount was used.<sup>28</sup> Otherwise they were imputed for each province from data from the Survey of Household Spending (SHS).

All these deductions represent income that is not available to purchase the goods and services in the basket. This is a much more stringent concept of disposable income than that used for either the pre-income tax LICOs (which make no deductions from total money income before comparing that income to the LICO thresholds) or the LICOs-IAT and LIM-IAT (which deduct only income taxes paid before comparing adjusted post-income tax family income to the LIM-IAT and LICOs-IAT thresholds).

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Out- of- pocket spending on child care and non-insured health care spending recommended by a health professional are not included in the cost of the basket because spending on these items varies so widely from family to family depending on the availability of free or subsidized child care and the health needs of family members. No "standard" basket component for either category of expenditure could be reasonably set. However, families that must spend significant amounts of money on such items obviously experience more difficulty purchasing goods and services to meet their household needs than those who do not have to bear such costs. This is accounted for by deducting the amount spent on these items from each family's total money income before comparing it to the MBM thresholds.

<sup>&</sup>lt;sup>28</sup> About 75% of those interviewed for the SLID gave permission to extract data from their income tax returns. All those who did so but did not report a positive amount on line 330 had the amount imputed in the same way as those who did not give access to their tax returns.

Thus even where the MBM threshold for a given family in a given community is lower than that calculated using the LICOs or the LIM-IAT, that family's MBM disposable income may fall under the MBM threshold even though its total or post-income tax income may exceed the thresholds for the other two measures. Such a family would be counted as part of the low income population using the MBM but not as low income using the other two measures.

#### The Composition of the MBM Basket

#### a) Food

The content of the food component of the MBM basket is as described in the Health Canada publication, National Nutritious Food Basket 1998, written by Judith Lawn.<sup>29</sup> The basket represents community standards of food expenditure in Canada as derived from Statistics Canada's Survey of Family Food Expenditure in Canada 1996 adjusted to be consistent with Health Canada's Nutrition Recommendations and current guidelines for fat and saturated fat intake for adults.

It is neither "an ideal diet" nor the cheapest diet which meets nutritional requirements. Instead, it represents a nutritious diet which is consistent with the food purchases of ordinary Canadian households. It contains healthy foods that "people like to eat." It is designed to be "socially acceptable and contain sufficient variety to be nutritionally adequate and palatable over the long term." It includes more costly "basic processed foods such as yogurt or bread...since a family would not normally prepare those foods from raw ingredients."

The publication lists the amount of each type of food that would be purchased each week and the suggested purchase unit for the reference family. From these tables Statistics Canada was able to determine the annual cost of the food basket in the forty urban centres where it collects food price data.<sup>30</sup>

For example, in Ottawa in January of 2000 the average price for the standard quantity of 2% milk (a four litre bag) for the reference family was \$3.49. Since the Nutritious Food Basket recommended an average weekly purchase of 10.45 litres, the weekly cost of milk for the family was  $(10.45 \text{ litres}/4.0 \text{ litres}) \times \$3.49 = \$9.12$ . This same procedure is followed for all the items in the food basket each month and the total average weekly cost for the twelve months is multiplied by fifty-two to obtain the annual cost.

The content of the food component of the MBM is provided in Appendix B, including the suggested purchase unit and the weekly quantities of food purchased.

It is assumed that in each province the cost of the food basket in rural areas is the same as in the smallest urban centre for which food price data are collected.

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See Judith Lawn, National Nutritious Food Basket 1998, Health Canada (Ottawa, 1998). This publication was compiled under contract with the Nutrition and Healthy Eating Unit of the Health Promotion and Programs Branch of Health Canada. It reflected input from Federal, Provincial and Territorial nutritionists.

The annual cost of each of the five components of the MBM basket for the nineteen urban areas and twenty-nine community sizes where a threshold for the reference family was calculated is provided in Appendix G.

The cost of the food component for the reference family in 2002 ranged from \$5,856 in Hamilton, Ontario to \$7,453 in the Corner Brook and Grand Falls areas of Newfoundland and Labrador. The median expenditure on food by the reference family in 2002 (including food purchased in restaurants) was \$7,900. Thus, the cost of the MBM food component ranged from 74.5% to 94.3% of this national median level.

#### b) Clothing and Footwear

In 1997, Winnipeg Harvest and the Winnipeg Social Planning Council developed a budget guide for families in the Winnipeg Census Metropolitan Area which they named the Acceptable Level of Living (A.L.L). In 1999, the Federal-Provincial-Territorial Working Group on Social Development Research and Information chose the clothing and footwear component of the A.L.L. for the MBM because it:

- was the most recent clothing and footwear "basket" developed in Canada;
- reflected an effort to provide clothing and footwear for common work, school and social occasions, a standard similar to that aimed for by the MBM; and
- had significant input from low-income persons.

For the 2000, 2001 and 2002 income years the A.L.L. clothing and footwear items serve as an interim specification for this component of the MBM.

For the income year 2000, it was calculated as follows: First the cost of the clothing and footwear component of the A.L.L. basket for the reference family was determined by Winnipeg Harvest and the Winnipeg Social Planning Council. The content of the items of clothing and footwear comprising this component of the basket and their replacement schedule are provided in Appendix C.

Next, to determine the cost of this component of the basket in other urban centres the Prices Division of Statistics Canada used the relative spatial indices for clothing and footwear in October 1999 as published in Table 12 of Statistics Canada's monthly publication, The Consumer Price Index. These indices calculate the relative costs of various components of expenditure in at least one urban centre in each province.

Using the cost of the clothing and footwear component of the A.L.L. in Winnipeg as the base, the approximate cost of that component was determined in the other urban centres across Canada. The assumption was that the cost of clothing and footwear in the urban centres in each province for which the relative spatial price indices were available approximated that in other communities and community sizes within the same jurisdiction.

The reasons why the A.L.L. clothing and footwear component can serve only as an interim specification are as follows:

- 1. The quality of the items of clothing and footwear listed in the A.L.L. are not specified in sufficient detail for Statistics Canada to collect pricing data on a consistent basis across the country.
- 2. Just over half of all families of two adults and two children in Winnipeg spent more on clothing and footwear than did the reference family purchasing only the items in the A.L.L. clothing and footwear basket. This represents a standard of consumption somewhat above that aimed for by the MBM.

An alternative clothing and footwear component has been developed that is based on the A.L.L. clothing and footwear component, but is more specific in describing the quantity and quality of the items listed and uses a different replacement schedule. Statistics Canada began to collect data on the cost of this revised clothing and footwear component in 2004.

The cost of the interim clothing and footwear component in 2002 ranged from \$2,162 in Edmonton, Alberta to \$2,307 in Montreal. The median expenditure nationally on all items of clothing and footwear for reference families of two adults and two children was \$2,520. Thus, the cost of the MBM clothing and footwear component ranged from 85.8% to 91.5% of the overall median level of expenditure.

#### c) Shelter

The shelter component of the MBM reflects the average of the median rents for two-bedroom and three-bedroom rental units for each community and community size in each province where the number of observations permitted a statistically reliable calculation. Households whose rents were subsidised were included in the sample, but those paying no rent were excluded as were rental units requiring major repairs.

The choice of the average of the median rents for two and three-bedroom units was made because approximately half of two-adult, two-child renting families live in each of these two types of units.

The median rent was chosen to ensure a decent quality of housing even in areas where there is a limited supply of available low-cost housing. Of course many low-income households will pay less than this amount for shelter, either because their rent is subsidised or because they are homeowners who have paid off the mortgage on their home. <sup>31</sup>

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Homeowners with no mortgage still must pay shelter costs such as property taxes, utilities and home insurance, but these are usually less than rents, which take these costs into account. However, at present there is no data source available which calculates, for each household, the value of rent subsidies paid in the form of rent-geared-to-income rents or the actual shelter costs of homeowners who have paid off their mortgages. This lack of data affects all low-income measures since the lower shelter costs faced by such households should be considered a form of imputed income. Its impact for the MBM is to **overestimate** the number of persons in families who lack the disposable income to purchase the standard of consumption represented by the MBM basket of goods and services. This overestimate is likely to be particularly important for persons over age 65 and for residents of the rural portions of the Atlantic Provinces, Manitoba and Saskatchewan where the proportion of households who own their residence without a mortgage is well above the average for Canada.

The rent component includes utilities (water, heat and electricity) as well as the following amenities: a stove, a refrigerator and the use of a clothes washer and clothes dryer. In cases where some or all of these items were not included in the rent, Statistics Canada adjusted costs as described below.

Three sources of data were used by Statistics Canada to calculate median rent levels adjusted for the cost of utilities and amenities. These were housing data from the 2001 Census long form, the rental supplement to the Labour Force Survey and the annual Survey of Household Spending.<sup>32</sup>

Median rent levels (including utilities) in 2000 for the two types of units were calculated from the 2001 Census for each community and community size in each province. The census provides information on whether electricity, heat and water costs are included in the rent and, if not, the costs of these utilities. These amounts were then updated to 2001 and 2002 levels for each province using the provincial Consumer Price Index for rental accommodation.

Inclusion of amenities was determined using the rental supplement to the Labour Force Survey. This varied widely between provinces. For example, in 2000, 91% of two-bedroom units in British Columbia included a refrigerator in the rent compared to only 12% in Quebec. Therefore, Statistics Canada made a further adjustment to median monthly rent levels. This was done by adding the products of the percentage of rental units without each amenity in each province times the monthly amortised cost of purchasing that amenity in the second decile of the reference family. These amounts were derived from the 1999-2001 average expenditures on these amenities in the second decile of the reference family as calculated from the annual Survey of Household Spending.

There were sufficient observations in the Census to calculate the average of the median adjusted rental levels for two and three-bedroom units for nineteen distinct urban areas and twenty-nine community sizes in the ten provinces. These were then averaged and multiplied by twelve to generate the cost of the shelter component for each of these forty-eight geographical areas.

Variations in the cost of the shelter component were much wider than those for clothing and footwear. The range was from \$5,366 in rural Manitoba to \$12,497 in Toronto. The actual median shelter cost for all two-adult, two-child Canadian families (including homeowners) from the 2002 Survey of Household Spending was \$13,256. MBM shelter costs in rural Manitoba represented 40.5% of this level, while those in Toronto were 94.3% of the national median.

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Shelter costs in the 2003 MBM report for 2000 were based on actual data for 1995 derived from the 1996 census updated to 2000 using the Consumer Price Index for rental housing in each province. Had this process been carried forward to 2001, shelter cost estimates would have been lower in thirty-five of the forty-eight geographical areas for which thresholds are calculated. The effect of changing to the 2001 census as the basis for calculating shelter costs was to increase the overall incidence of low income for Canada by 0.2 percentage points and to increase the depth of low income by 0.1 percentage point. At the provincial level, changes in the incidence ranged from a decline of 0.3 percentage points in Newfoundland and Labrador to an increase of 0.7 percentage points in Alberta. The changes in the depth of low income ranged from a decline of 0.4 percentage points in New Brunswick and Quebec to an increase of 0.4 percentage points in Ontario, Manitoba and Saskatchewan.

#### d) Transportation

The transportation component of the MBM largely follows the recommendations of the National Council of Welfare in its publication, <u>A New Poverty Line: Yes, No or Maybe?</u> These recommendations are based on the insight that in contrast to the cost of shelter, the cost of basic transportation is generally less expensive in large urban areas than in smaller communities or rural Canada.

This is because in large urban centres public transit passes can provide access to a wide range of shopping outlets, professional services and employment and learning opportunities that can be matched in areas not served by public transit systems only by purchasing and maintaining an automobile.<sup>34</sup>

Thus, in urban centres served by a public transit system, the transportation component of the basket consists of the annual cost of two adult monthly transit passes plus one round trip taxi ride a month costing \$16 in 2000 to accommodate a shopping expedition where large items, which cannot be carried by hand, are purchased. The \$16 amount has been adjusted annually to reflect changes in the Consumer Price Index for taxi rides for the province as a whole.

Statistics Canada determined that all but 3 of 49 urban centres with a population of 30,000 or more had public transit systems. Thus, in all centres of this size, the transportation component described in the preceding paragraph was used.

In all other areas, including Charlottetown which has a population of over 30,000 but no public transit system, the transportation component of the basket consisted of the cost of paying for and operating a five-year old four-door, four-cylinder Chevrolet Cavalier. This consists of the following items

- 1. 20% of the cost of a 2000 model of this vehicle including interest charges on a 36 month loan for the vehicle's purchase price
- 2. the annual cost of an adult driver's license fee
- 3. the annual cost of registering the vehicle
- 4. the cost of annual mandatory insurance for the vehicle
- 5. the cost of 1,500 litres of regular unleaded gasoline for the vehicle
- 6. the cost of two oil changes and one tune-up annually

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<sup>33</sup> See National Council of Welfare, <u>A New Poverty Line: Yes, No or Maybe?</u> (Ottawa: Winter 1998-99), p.24

The National Council of Welfare did not include the cost of purchasing the car in its recommendations.

The cost of this component of the basket is highly sensitive to the age of the car. If a six-year old car were purchased every six years instead of a five-year old car every five years, the cost of transportation in areas outside those served by public transit systems would be reduced by \$900. This particular model was chosen because it is widely available in used car outlets across Canada.

These costs were estimated separately for each province. The insurance cost assumes that the vehicle is driven to and from work and that the adult driver has not had an accident in the past six years.

In urban centres served by public transit the cost of the transportation component ranged from \$1,269 in Moncton, New Brunswick to \$2,441 in Toronto.

In areas not served by public transit systems the cost of the transportation component ranged from \$3,484 in Alberta to \$4,127 in Manitoba.

The median amount spent by all two-adult, two-child families on all forms of transportation in 2002 was \$6,710. <sup>36</sup> Thus, the cost of the MBM transportation component in areas not served by public transit ranged from 51.9% to 61.5% of this level.

For a list of the cities in which transportation costs are collected by Statistics Canada according to community size and the type of data collected for the MBM see Appendix E.

Because it costs more to purchase and maintain a used car than it does to purchase adult transit passes, the transportation component of the MBM basket costs more in rural areas and urban centres not served by public transit than it does in urban centres where comprehensive public transit systems are available. Thus, the overall low income thresholds for rural areas using the MBM are closer to those for large urban centres than they are for the LICOs-IAT.

#### e) Other Goods and Services

There are several other goods and services that are encompassed by the MBM standard of consumption. The category "Other Goods and Services" includes expenditures on personal care, household needs, furniture (excluding the items included under shelter), basic telephone service, postage stamps, religious and charitable donations, school supplies and modest levels of reading material, recreation and entertainment. The reading, recreation and entertainment component includes a newspaper subscription, video rentals, YM/YWCA memberships, magazines, books and tickets for movies and local sports events. The items in the Other Goods and Services category are detailed in Appendix F.

Separately these goods and services comprise much smaller percentages of overall spending than food, clothing and footwear, shelter and transportation. Moreover, as with out-of-pocket spending for child care it is difficult to compile a standard basket component for these items.

Thus, it was decided to approximate the cost of these goods and services using a multiplier representing expenditures on them as a proportion of average spending on food and clothing and footwear by the second decile of the reference family.<sup>37</sup> The multiplier

<sup>&</sup>lt;sup>36</sup> This includes spending on inter-city train, bus and airline tickets not included in the MBM transportation component in either areas served by public transit or those with no public transit locally available.

The multiplier was calculated using the expenditure patterns of the second decile because, since 1980, the low income rate for families of 4 persons using Statistics Canada's 1992 base pre-income tax Low Income Cut-offs has never exceeded 15%, the mid-point of the second decile.

is calculated each year using detailed micro data from the main file of the Survey of Household Spending.

The spatial price indices calculated by Statistics Canada for these other goods and services for eleven urban centres across Canada vary in a range closer to those for food and clothing and footwear than to those for shelter and transportation. Thus expenditures for shelter and for transportation were not taken into account when calculating the multiplier. These vary much more widely between communities and community types (depending on whether they are served by public transit systems). <sup>38</sup>

This is the one component of the MBM basket whose cost is calculated using a "relative" methodology rather than being based on actual prices of specific goods and services.

The multiplier for 2002, for example, calculated as a three-year moving average (1999-2001) of the ratio of spending on these items to spending on food and clothing and footwear in the second decile of the reference family was 65.5%. Thus, in each community and community size the combined expenditure on food and clothing and footwear in 2002 was multiplied by 0.655 to determine the cost of all the other goods and services listed in Appendix F.

Since the estimated cost of the Other Goods and Services is linked to the estimated costs for food and clothing and footwear, if the latter are out of line with the standard of consumption aimed at by the MBM the error will be compounded through the multiplier. This is another reason why a revision to the clothing and footwear component of the basket has been undertaken.

The cost of these other items for reference families in 2002 was estimated to range from \$5,468 in Hamilton, Ontario to \$6,561 in rural and small urban centres in Newfoundland and Labrador.

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For the eleven cities surveyed to compile the relative spatial price indices in October 2003, the cost of shelter in the cheapest city was 60% below that in the most expensive city, for public transportation it was 18% lower. However, for clothing and footwear the differential was 8%, for food it was 9% and for household operations and furnishings it was 11%.

## Appendix B

#### **Health Canada's National Nutritious Food Basket – 1998**

Suggested Purchase Units and Approximate Weekly As-Purchased Quantities, National Nutritious Food Basket – 1998

Food	Suggested Purchase Unit	Approximate Weekly As Purchased Quantities
Milk Products		
2% Milk	4 L	10.45 L
Yoghurt, fruit, 2% BF	500 g	230 g
Cheddar cheese, medium	227 g	245 g
Processed cheese slices	500 g	275 g
Mozzarella cheese, 16.5% BF	227 g	365 g
Vanilla ice cream, 10% BF	2 L	930 mL
Eggs		
Grade A large	12 (1 doz)	12
Meats, Poultry, Fish		
Round steak	-	500 g
Boneless stewing beef	-	210 g
Ground beef, medium	-	655 g
Pork chops, loin	-	400 g
Chicken legs, no back	-	1.34 kg
Wieners, beef & pork	450 g	165 g
Sliced ham, 11% fat	175 g	335 g
Frozen fish fillets	400 g	200 g
Pink salmon, canned	213 g	115 g
Tuna, canned, in water	170 g	65 g
Meat Alternatives		
Baked beans, tomato sauce, canned	398 mL	330 mL
White beans, dry	454 g	80 g
Peanut butter	500 g	365 g
Grain Products		
Bread, enriched, white	675 g	1.4 kg
Bread, whole wheat	675 g	1.4 kg
Hot dog/hamburger rolls	8 pack	18 rolls
Flour, all purpose	2.5 kg	655 g
Flour, whole wheat	2.5 kg	165 g
Spaghetti/macaroni, enriched	900 g	755 g
Rice, long-grained, white, parboiled	900 g	550 g
Macaroni/cheese dinner, dry	225 g	155 g
Oatmeal, regular/quick-cooking	1 kg	55 g
Corn flakes	675 g	345 g

Health Canada's National Nutritious Food Basket – 1998 (concluded)						
Food	Suggested Purchase Unit	Approximate Weekly As Purchased Quantities				
Shreddies™	800 g	345 g				
Soda crackers	450 g	205 g				
Social teas	400 g	455 g				
Citrus Fruits and Tomatoes						
Oranges	-	710 g				
Apple juice, canned, vitamin C added	1.36 L can	1 L				
Orange juice, frozen concentrate	355 mL	330 mL				
Tomatoes	-	560 g				
Whole tomatoes, canned	796 mL	240 mL				
Tomato juice	1.36 L can	165 mL				
Other Fruit						
Apples	_	1.8 kg				
Bananas	_	2.3 kg				
Grapes	_	480 g				
Pears	_	755 g				
Raisins, seedless	750 g	100 g				
Fruit cocktail, canned in juice	398 mL	335 mL				
Potatoes	4.54.1.0	5.51				
Potatoes, fresh	4.54 kg	5.5 kg				
French-fried potatoes, frozen	1 kg	615 g				
Other Vegetables						
Broccoli	-	585 g				
Cabbage	-	255 g				
Carrots, fresh	1.1 kg bag	885 g				
Celery	-	345 g				
Cucumber	-	455 g				
Lettuce, iceberg	-	450 g				
Lettuce, romaine	-	595 g				
Onions	-	740 g				
Green peppers	-	305 g				
Turnips (rutabaga)	4 140	360 g				
Mixed vegetables, frozen	1 kg	330 g				
Kernel corn, canned Green peas, canned	341 mL 540 mL	565 mL 215 mL				
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Fats and Oils						
Margarine, tub, non-hydrogenated	454 g	365 g				
Butter	454 g	190 g				
Canola oil	1 L	230 mL				
Salad dressing (mayo type, <35% oil)	500 mL	195 mL				
Sugar and Other Sweets						
Sugar, white	2 kg	845 g				
Strawberry jam	500 mL	155 mL				

### Appendix C

## Social Planning Council of Winnipeg and Winnipeg Harvest – January 2001 Acceptable Level of Living (A.L.L.) 2000 for Clothing and Footwear

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Item	A.L.L. Quantity and Unit Cost	A.L.L. Yearly Estimated Cost
Runners (child 1)	3 @ \$12	36.00
Runners (child 2)	3 @ \$12	36.00
Runners (adult 1)	1 @ \$40	40.00
Runners (adult 2)	1 @ \$40	40.00
Dress shoes (child 1)	1 @ \$20	20.00
Dress shoes (child 2)	1 @ \$20	20.00
Dress shoes (adult 1)	1 @ \$60	60.00
Dress shoes (adult 2)	1 @ \$60	60.00
Sandals (child 1)	1 @ \$15	15.00
Sandals (child 2)	1 @ \$15	15.00
Sandals (adult 1)	1 @ \$20	20.00
Sandals (adult 2)	1 @ \$20	20.00
Winter boots (child 1)	1 @ \$40	40.00
Winter boots (child 2)	1 @ \$40	40.00
Winter boots (adult 1)	1 @ \$90	30.00 (for 3 years)
Winter boots (adult 2)	1 @ \$90	30.00 (for 3 years)
Rubber boots (child 1)	1 @ \$12	12.00
Rubber boots (child 2)	1 @ \$12	12.00
Rubber boots (adult 1)	1 @ \$25	6.25 (for 4 years)
Rubber boots (adult 2)	1 @ \$25	6.25 (for 4 years)
Socks (child 1)	8 @ \$2.38	19.04
Socks (child 2)	8 @ \$2.38	19.04
Socks (adult 1)	5 @ \$2.20	11.00
Socks (adult 2)	5 @ \$2.20	11.00
Underwear (child 1)	6 @ \$2	12.00
Underwear (child 2)	6 @ \$2	12.00
Underwear (adult 1)	4 @ \$9	36.00
Underwear (adult 2)	4 @ \$9	36.00
Bra (adult 2)	3 @ \$26	78.00
Long underwear (child 1)	5 @ \$3.46	17.30
Long underwear (child 2)	5 @ \$3.46	17.30
Long underwear (adult 1)	1 @ \$40	20.00 (for 2 years)
Long underwear (adult 2)	1 @ \$40	20.00 (for 2 years)
Pants (child 1)	6 @ \$12	72.00
Pants (child 2)	6 @ \$12	72.00
Pants (adult 1)	2 @ \$40	80.00
Pants (adult 2)	2 @ \$40	80.00

# Social Planning Council of Winnipeg and Winnipeg Harvest – January 2001 Acceptable Level of Living (A.L.L.) 2000 (concluded)

Item	A.L.L. Quantity and Unit Cost	A.L.L. Yearly Estimated Cost
Shorts (child 1)	3 @ \$13	39.00
Shorts (child 2)	3 @ \$13	39.00
Shorts (adult 1)	1 @ \$20	20.00
Shorts (adult 2)	1 @ \$20	20.00
T-shirts (child 1)	3 @ \$10	30.00
T-shirts (child 2)	3 @ \$10	30.00
T-shirts (adult 1)	3 @ \$15	45.00
T-shirts (adult 2)	3 @ \$15	45.00
Sweater/Sweatshirt (child 1)	2 @ \$20	40.00
Sweater/Sweatshirt (child 2)	2 @ \$20	40.00
Sweater/Sweatshirt (adult 1)	2 @ \$30	60.00
Sweater/Sweatshirt (adult 2)	2 @ \$30	60.00
Pyjamas (child 1)	2 @ \$15	30.00
Pyjamas (child 2)	2 @ \$15	30.00
Pyjamas (adult 1)	1 @ \$40	40.00
Pyjamas (adult 2)	1 @ \$40	40.00
Bathing suit (child 1)	1 @ \$15	15.00
Bathing suit (child 2)	1 @ \$15	15.00
Bathing suit (adult 1)	1 @ \$40	20.00 (for 2 years)
Bathing suit (adult 2)	1 @ \$40	20.00 (for 2 years)
Jacket (child 1)	1 @ \$60	60.00
Jacket (child 2)	1 @ \$60	60.00
Jacket (adult 1)	1 @ \$150	75.00 (for 2 years)
Jacket (adult 2)	1 @ \$150	75.00 (for 2 years)
Rain gear (child 1)	1 @ \$25	25.00
Rain gear (child 2)	1 @ \$25	25.00
Rain gear (adult 1)	1 @ \$40	20.00 (for 2 years)
Rain gear (adult 2)	1 @ \$40	20.00 (for 2 years)
Miscellaneous (child 1)	n/a	15.00
Miscellaneous (child 2)	n/a	15.00
Miscellaneous (adult 1)	n/a	15.00
Miscellaneous (adult 2)	n/a	15.00

#### Legend:

Adult 1= man Adult 2= woman Child 1= boy Child 2= girl

Source: Statistics Canada

### Appendix D

# Percentage of rental units in which various appliances are included in the rent, Labour Force Survey (LFS) rent supplement, average of June to December 2000

Province	NF	PE	NS	NB	QC	ON	МВ	SK	AB	ВС
			2 be	drooms	rental ι	ınits				
Fridge	82	91	87	81	12	84	90	85	91	91
Stove	81	92	89	80	13	85	89	88	91	92
Washer	13	12	9	8	3	9	27	36	18	31
Dryer	13	11	7	6	2	8	27	32	18	28
			3 be	drooms	rental u	ınits				
Fridge	85	81	69	70	8	63	76	73	82	82
Stove	84	79	71	69	8	63	76	73	83	84
Washer	11	8	15	11	2	18	34	38	36	38
Dryer	9	8	14	10	2	18	38	37	37	36

Source: Statistics Canada

## Appendix E

Cities in which transportation items are collected <sup>1</sup>						
Urban Centre	Urban Size <sup>2</sup>	Bus Fares	Insurance	Gasoline	Tune-ups	
St. John's Cornerbrook Grand Falls	2 4 4	x (x)	(x) x	(x) x x	х	
Charlottetown	3		х	х	х	
Halifax Sydney Truro	2 2 3	x x	(x) x	(x) (x) x	х	
Moncton Saint John Fredericton Bathurst	2 2 3 4	x x x	(x) (x) (x) x	(x) (x) (x) x	X X	
Montreal Quebec City Hull Chicoutimi/Jonquière Sherbrooke Trois-Rivières Drummondville Shawinigan/Shawinigan Sud St. Jean Granby Baie-Comeau Rouyn-Noranda Sorel Saint-Hyacinthe Valleyfield Victoriaville Thetford Mines	1 1 2 2 2 2 3 3 3 3 3 3 3 3 3 3 4	x <sup>3</sup> x x x x x x x x	(x) <sup>3</sup> (x) (x) (x) (x) (x) (x) x x x x x x x	(x) (x) x x x	X X	
Toronto Ottawa Hamilton London Kitchener St.Catharines/Niagara Windsor	1 1 1 2 2 2 2 2	x x x x x x x	(x) (x) (x) (x) (x) (x) (x)	(x) (x) (x) (x)	(x) (x)	

Cities in which transportation items are collected (continued)						
Urban Centre	Urban Size²	Bus Fares	Insurance	Gasoline	Tune-ups	
Oshawa	2	Х	(x)			
Sudbury	2	Х	(x)	(x)		
Kingston	2	Х	(x)			
Thunder Bay	2	Х	(x)	(x)	Х	
Barrie	2		(x)			
Guelph	2		(x)			
Brantford	2		(x)			
Peterborough	2		(x)			
Cornwall	3 3 3 3 3		х			
Belleville	3		х			
Chatham	3		х			
Sarnia	3	Х	х	Х		
North Bay	3		х			
Timmins	3		х			
Sault Ste. Marie	3		Х			
Winnipeg	1	x	(x)	(x)	×	
Brandon	3	Х	x	x		
Thompson	4	(x)				
Regina	2	х	(x)	(x)	х	
Saskatoon	2	х	(x)	(x)	х	
Moose Jaw	3	х	x	x		
Prince Albert	3 3	х		x		
Swift Current	4	(x)				
Yorkton	4	(x)				
Calgary	1	х	(x)	(x)	х	
Edmonton	1	X	(x)	(x)	х	
Lethbridge	3	X	x	X		
Medicine Hat	3	Х				
Red Deer	3 3 3	Х				
Fort McMurray		X				
Vancouver	1	Х	х	(x)	(x)	
Victoria	2	X	х	(x)	X	
Kelowna	2 2 3 3 3 3 3	X	(x) (x) <sup>5</sup>	(x) (x)		
Abbotsford/Matsqui/Mission	2	X	$(x)^{5}$	(x)	Х	
Chilliwack	3		x	,		
Penticton	3		x			
Nanaimo	3	х				
Kamloops	3	х	x			
Prince George	3	x	x	x		
Williams Lake	4		х			

Cities in which transportation items are collected (concluded)							
Urban Centre	Urban Size²	Bus Fares	Insurance	Gasoline	Tune-ups		
Whitehorse	4	Х	х	х	х		
Yellowknife	4	х	х	х	х		
Iqaluit	4				х		

Note: Quotes in brackets ( ) are not used in MBM Transportation calculations

Source: Prices Division, Statistics Canada
 Size of Area: 1 - 500,000 + 2 - 100,000 - 499,999 3 - 30,000 - 99,999

<sup>4 –</sup> Urban <30,000

Includes separate quote for "St. Jérôme" within the Montreal CMA

Includes separate quote for "Welland" and "Niagara Falls" within the St.Catharines/Niagara CMA

Includes separate quote for "Matsqui" and "Mission"

## Appendix F

Survey of Household Spending (SHS) items included in Other Expenses calculation: numerator				
SHS Item Number	SHS Item Description			
2200	Purchase of telephones and equipment			
2202-2204	Telephone services			
2230	Postal and other communication services			
2310	Household cleaning supplies			
2320-2330	Paper, plastic and foil household supplies			
2380	Other household supplies			
2500	Furniture			
2510	Rugs, mats and under padding			
2520	Window coverings and household textiles			
2540	Room air conditioners, portable humidifiers and dehumidifiers			
2552	Microwave and convection ovens			
2560	Small electric food preparation appliances			
2580	Vacuum cleaners and other rug cleaning equipment			
2584	Sewing machines			
2586	Other electric equipment and appliances			
2590	Attachments and parts for major appliances			
2640	Lamps and lampshades			
2650	Non-electric kitchen and cooking equipment			
2660	Tableware, flatware and knifes			
2670	Non-electric cleaning equipment			
2672	Luggage			
2674	Home security equipment			
2680	Other household equipment, parts and accessories			
2690-2710	Maintenance and repairs of furniture and equipment			
2720-2730	Services related to furnishings and equipment			
3312	Other medicines and pharmaceutical products			
3500-3580	Personal care			
3700	Sports and athletic equipment			
3720	Toys and children's vehicles			
3730	Electronic games and parts			
3830	Video game rental			
3770-3774	Photographic goods and services			
3900	Bicycles, parts and accessories			
3950	Bicycle maintenance and repairs			

#### Survey of Household Spending (SHS) items included in Other Expenses calculation: numerator (concluded) **SHS Item Number SHS Item Description** 4000-4070 Home entertainment equipment and services 4100 Movie theatres Live sports events 4110 4120 Live performing arts 4130 Admission to museums and other activities 4140 Rental of cablevision and satellite services 4150 Membership fees for sports and recreation facilities 4160 Single use fees for sports and recreation facilities 4170 Children's camps 4300-4340 Reading materials and other printed matter 4400-4410 **Education supplies** 4420-4430 Textbooks 4630 Service charges from banks

Contributions to charity

5220-5230

Source: Statistics Canada

## Appendix G

(Source: Statistics Canada)

Market Basket Measure (MBM) thresholds for reference family by component 2001 (\$)							
Community / Community Size	Food	Clothing & Footwear	Shelter	Transpor- tation	Other	Total	
Newfoundland & Labrador Rural	7,076	2,349	5,843	4,059	6,497	25,824	
Newfoundland & Labrador <30,000	7,076	2,349	6,365	4,059	6,497	26,346	
St. John's CMA	6,920	2,349	7,277	1,517	6,389	24,452	
PEI Rural	6,506	2,152	6,152	3,767	5,968	24,545	
PEI < 30,000	6,506	2,152	6,824	3,767	5,968	25,217	
Charlottetown CA	6,506	2,152	7,844	3,767	5,968	26,237	
Nova Scotia Rural	6,739	2,318	6,438	4,048	6,243	25,786	
Nova Scotia < 30,000	6,739	2,318	6,906	4,048	6,243	26,254	
Nova Scotia 30,000 - 99,999	6,739	2,318	7,176	1,503	6,243	23,979	
Halifax CMA	6,697	2,318	8,682	1,566	6,214	25,477	
Cape Breton CA	6,509	2,318	6,864	1,293	6,085	23,069	
New Brunswick Rural	6,711	2,317	5,743	4,038	6,223	25,032	
New Brunswick < 30,000	6,711	2,317	6,253	4,038	6,223	25,542	
Fredericton CA	6,591	2,317	8,215	1,448	6,140	24,711	
Saint John CMA	6,626	2,317	6,421	1,611	6,165	23,140	
Moncton CA	6,625	2,317	7,687	1,268	6,164	24,061	
Quebec Rural	6,440	2,298	5,486	3,829	6,023	24,076	
Quebec < 30,000	6,440	2,298	5,690	3,829	6,023	24,280	
Quebec 30,000 - 99,999	6,440	2,298	6,044	1,212	6,023	22,017	
Quebec 100,000 - 499,999	6,440	2,298	6,410	1,496	6,023	22,667	
Quebec CMA	6,434	2,298	6,758	1,551	6,019	23,060	
Montreal CMA	6,425	2,298	7,280	1,365	6,013	23,381	
Ontario Rural Ontario < 30,000 Ontario 30,000 - 99,999 Ontario 100,000 - 499,999 Ottawa CMA Hamilton / Burlington CMA Toronto CMA	5,818	2,283	7,771	3,990	5,584	25,446	
	5,818	2,283	7,867	3,990	5,584	25,542	
	5,818	2,283	8,323	1,516	5,584	23,524	
	6,136	2,283	9,181	1,713	5,803	25,116	
	6,606	2,283	10,789	1,609	6,127	27,414	
	5,550	2,283	9,553	1,599	5,399	24,384	
	6,102	2,283	12,193	2,379	5,780	28,737	
Manitoba Rural	6,282	2,267	5,251	4,236	5,893	23,929	
Manitoba < 30,000	6,282	2,267	6,493	4,236	5,893	25,171	
Brandon CA	6,282	2,267	6,847	1,271	5,893	22,560	
Winnipeg CMA	6,297	2,267	7,573	1,682	5,903	23,722	
Saskatchewan Rural	6,329	2,265	5,331	4,077	5,924	23,926	
Saskatchewan < 30,000	6,329	2,265	6,309	4,077	5,924	24,904	
Saskatchewan 30,000 - 99,999	6,329	2,265	6,483	1,292	5,924	22,293	
Saskatoon CMA	6,760	2,265	7,785	1,327	6,221	24,358	
Regina CMA	6,275	2,265	7,725	1,335	5,887	23,487	
Alberta Rural	6,824	2,166	6,868	3,645	6,197	25,700	
Alberta <30,000	6,824	2,166	8,038	3,645	6,197	26,870	
Alberta 30,000 - 99,999	6,824	2,166	8,746	1,341	6,197	25,274	
Edmonton CMA	6,520	2,166	8,578	1,501	5,987	24,752	
Calgary CMA	6,511	2,166	10,276	1,465	5,981	26,399	
British Columbia Rural	7,106	2,302	7,935	4,065	6,485	27,893	
British Columbia <30,000	7,106	2,302	8,007	4,065	6,485	27,965	
British Columbia 30,000 - 99,999	7,106	2,302	8,361	1,361	6,485	25,615	
British Columbia 100,000 - 499,999	7,145	2,302	9,861	1,284	6,512	27,104	
Vancouver CMA	6,912	2,302	11,289	1,713	6,351	28,567	

Market Basket Measure (MBM) thresholds
for reference family by component 2002 (\$)

ior reference family by component 2002 (\$)								
Community / Community Size	Food	Clothing & Footwear	Shelter	Transpor- tation	Other	Total		
Newfoundland & Labrador Rural	7,453	2,267	5,943	3,928	6,561	26,152		
Newfoundland & Labrador <30,000	7,453	2,267	6,475	3,928	6,561	26,684		
St. John's CMA	7,227	2,267	7,403	1,519	6,409	24,825		
PEI Rural PEI < 30,000	6,761 6,761	2,167 2,167	6,233 6,914	3,643 3,643	6,027 6,027	24,831 25,512		
Charlottetown CA	6,761	2,167	7,947	3,643	6,027	26,545		
Nova Scotia Rural	6,987	2,257	6,536	3,997	6,240	26,017		
Nova Scotia < 30,000	6,987	2,257	7,011	3,997	6,240	26,492		
Nova Scotia 30,000 - 99,999	6,987	2,257	7,286	1,505	6,240	24,275		
Halifax CMA	6,955	2,257	8,815	1,569	6,218	25,814		
Cape Breton CA	6,829	2,257	6,969	1,295	6,133	23,483		
New Brunswick Rural	7,050	2,284	5,822	4,125	6,301	25,582		
New Brunswick < 30,000 Fredericton CA	7,050 6,927	2,284 2,284	6,339 8,328	4,125 1,449	6,301 6,218	26,099 25,206		
Saint John CMA	6,896	2,284	6,510	1,641	6,197	23,528		
Moncton CA	6,771	2,284	7,793	1,269	6,112	24,229		
Quebec Rural	6,500	2,307	5,568	3,666	5,945	23,986		
Quebec < 30,000	6,500	2,307	5,775	3,666	5,945	24,193		
Quebec 30,000 - 99,999	6,500	2,307	6,133	1,282	5,945	22,167 22,731		
Quebec 100,000 - 499,999 Quebec CMA	6,500 6,538	2,307 2,307	6,503 6,855	1,476 1,607	5,945 5,971	23,278		
Montreal CMA	6,491	2,307	7,384	1,401	5,939	23,522		
Ontario Rural	6,006	2,244	7,965	3,930	5,569	25,714		
Ontario < 30,000	6,006	2,244	8,063	3,930	5,569	25,812		
Ontario 30,000 - 99,999	6,006	2,244	8,531	1,517	5,569	23,867		
Ontario 100,000 - 499,999	6,257	2,244	9,410	1,792	5,738	25,441		
Ottawa CMA Hamilton / Burlington CMA	6,719 5,856	2,244 2,244	11,058 9,791	1,637 1,661	6,050 5,468	27,708 25,020		
Toronto CMA	6,356	2,244	12,497	2,441	5,805	29,343		
Manitoba Rural	6,560	2,246	5,366	4,127	5,944	24,243		
Manitoba < 30,000	6,560	2,246	6,635	4,127	5,944	25,512		
Brandon CA	6,560	2,246	6,996	1,398	5,944	23,144		
Winnipeg CMA	6,528	2,246	7,738	1,733	5,923	24,168		
Saskatchewan Rural Saskatchewan < 30,000	6,316 6,316	2,288 2,288	5,430 6,428	3,982 3,982	5,808 5,808	23,824 24,822		
Saskatchewan 30,000 - 99,999	6,316	2,288	6,605	1,302	5,808	22,319		
Saskatoon CMA	6,805	2,288	7,933	1,385	6,138	24,549		
Regina CMA	6,457	2,288	7,872	1,385	5,903	23,905		
Alberta Rural	6,948	2,162	7,084	3,484	6,149	25,827		
Alberta <30,000	6,948	2,162	8,290	3,484	6,149	27,033		
Alberta 30,000 - 99,999	6,948	2,162	9,021	1,351	6,149 5,035	25,631		
Edmonton CMA Calgary CMA	6,630 6,740	2,162 2,162	8,847 10,599	1,530 1,560	5,935 6,009	25,104 27,070		
British Columbia Rural	7,032	2,302	8,045	3,917	6,301	27,597		
British Columbia <30,000	7,032	2,302	8,118	3,917	6,301	27,670		
British Columbia 30,000 - 99,999	7,032	2,302	8,477	1,363	6,301	25,475		
British Columbia 100,000 - 499,999	7,233	2,302	9,998	1,349	6,436	27,318		
Vancouver CMA	7,120	2,302	11,446	1,716	6,360	28,944		