

Losing Ground

Income Inequality in Ontario, 2000–15

Sheila Block





CCPA

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ISBN 978-1-77125-352-9

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ACKNOWLEDGMENTS

This report was prepared relying on Statistics Canada data runs designed by Richard Shillington, principal, Tristat Resources (www.shillington.ca).

Thanks to David Green, Zohra Jamasi and David Macdonald who provided comments on an earlier version of this paper, and to Robin Shaban for data support.

The Canadian Centre for Policy Alternatives' Ontario office would like to thank the Atkinson Foundation for supporting this project.

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Executive summary

THIS PAPER EXAMINES 15 years of income inequality for families raising children in Ontario (2000 to 2015), comparing it with national data for context, and finds several disturbing trends.

The data reveal that the top half of Ontario families take home 81 per cent of earnings; the bottom half of families take home only 19 per cent. What's more, the richest families in Ontario earned almost 200 per cent of the average family's earnings in 2013–15.

It is a story of sustained labour market income inequality that is being driven by slow economic growth and increases in precarious work. Simply put, lower–middle class and working poor families are losing ground.

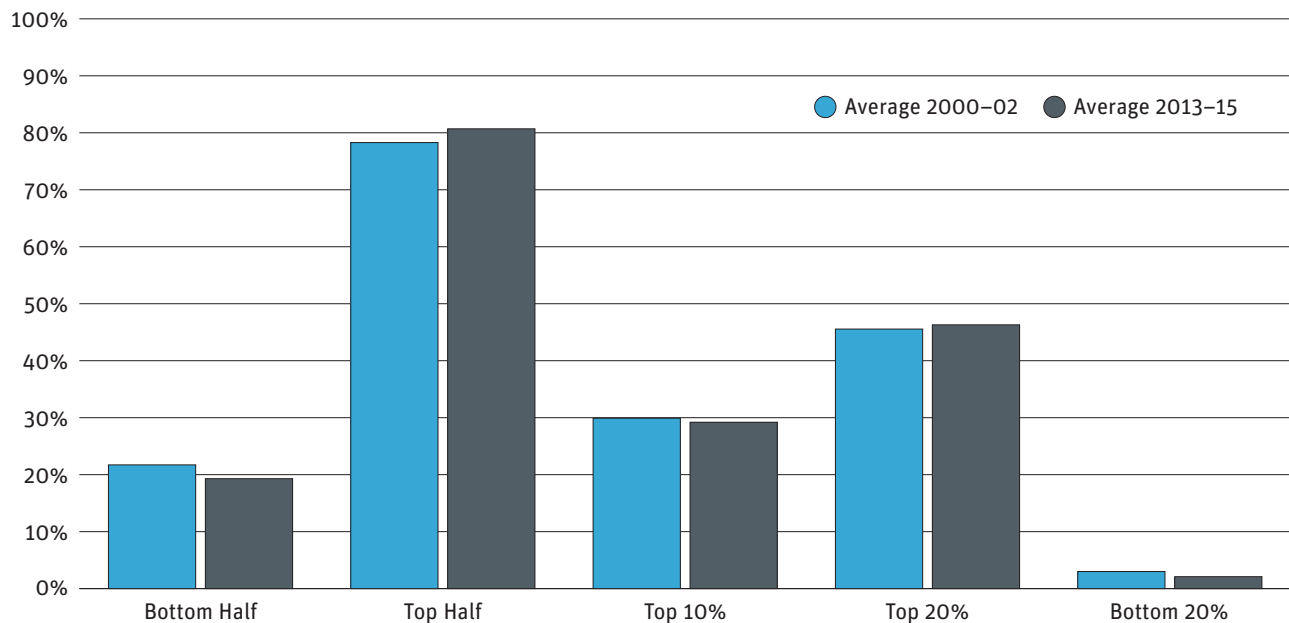
The Ontario data show a drop in the share of earnings for families in the bottom half, falling from 22 per cent in 2000–02 to 19 per cent in 2013–15. That income shifted from the bottom half to the top half of the income distribution: the top half's share of earnings rose from 78 per cent in 2000–02 to 81 per cent in 2013–15.

On a national level, the story of income inequality among Canadian families hasn't changed much since 2000. The lion's share of earnings goes to the richest families, at the expense of the rest. Nationally, families in the bottom half of the earnings distribution saw their share of earnings flatline at 21 per cent between 2000–02 and 2013–15.

Dynamics within the labour market are at issue.

At the national level, average family earnings derived from the labour market grew consistently between 2000–02 and 2013–15 for 90 per cent of

Earnings of families with children by decile: Ontario



Source: Statistics Canada, special tabulations based on CIS and SLID

families — likely bolstered by the resource boom that only turned to bust around 2014-15.

Nationally, the richest 10 per cent of families in Canada earned 181 per cent of the average family's earnings, indicating the intractable, stubborn nature of labour market income inequality in this country.

For most of the 2000s, the trends in Ontario's labour market income inequality were dramatically worse than in the national picture. The lower half of Ontario families bottomed out: between 2000-02 and 2013-15, real average family earnings dropped in the bottom half of the income spectrum. There was a 42 per cent earnings drop for families in the bottom decile (\$1,536), a 24 per cent drop in the second decile, a 13 per cent drop in the third decile, a six per cent drop in the fourth decile, easing to a one per cent drop in the fifth decile (the middle class).

The top half of Ontario families fared better: families in the next four deciles experienced average real earnings growth while average real earnings for the richest 10 per cent of families held steady. Earnings grew by four per cent for decile six, by nine per cent for decile seven, by 11 per cent for decile eight, and by 12 per cent for decile nine, and were flat for decile 10.

Despite the fact that their earnings growth was at a standstill, the richest 10 per cent of Ontario families still earned 190 per cent of the average family's earnings in 2013–15. That income gap is slightly wider than the national gap of 181 per cent.

The pain of Ontario's earnings stagnation has not been shared equally across all income groups. The decline in manufacturing jobs, slower economic growth, and the rise of more precarious work has had a differential impact on families. Earnings deteriorated sharply for the bottom half of families in Ontario.

In 2014 and 2015, Ontario average family earnings began to recover, but the longer-term trend makes it impossible to ignore the need for government intervention to require employers to become partners in reducing labour market inequality — because it is not going to happen by itself.

The experience since the turn of the century clearly indicates that Ontario needs a raise. And that proposed changes to labour market rules in the province's Bill 148 (Fair Workplaces, Better Jobs Act, 2017) — which among other crucial reforms would raise the minimum wage to \$15 an hour by January 2019 — are long overdue.

It's about fairness. It's about changing labour laws to reflect a seismic shift in Ontario's labour market. It's about requiring employers to do their part to reduce labour market inequality.

Introduction

THIS PAPER LOOKS at what has happened to labour market earnings of Ontario families with children between 2000 and 2015. It compares these data to trends in the national data. It builds on Armine Yalnizyan's work on income inequality.¹

Much has changed in the economic environment since 2000. While the economy survived the Great Recession in 2008-09, Ontario has not returned to GDP growth rates of the early to mid-2000s.

It has also been a period of enormous technological change. Nobody was using a flip phone, let alone a smart phone, in 2000.

The manufacturing industry has endured a roller coaster ride, with the Canadian dollar rising from 67 U.S. cents in 2000 to over \$1.01 U.S. in 2010-11, and dropping back down to 78 U.S. cents in 2015.

Over the same period, oil prices rose from the low-\$40s per barrel to triple digits. The data for this analysis end in 2015, when resource prices had started their fall, which has had a negative impact on employment and earnings in resource-reliant provinces.

We consider the following questions in this paper:

1. What has happened to labour market earnings for families with children since the turn of this century?
2. How has that experience differed along the income spectrum? (examined by dividing the population into 10 equal groups [deciles])

3. Have the experiences differed between Ontario and Canada?
4. What has been the impact of government policy on income inequality?

This paper relies on data from Statistics Canada's Canadian Income Survey (CIS) from 2012 to 2015 and the Survey of Labour and Income Dynamics (SLID) from 2000 to 2011. The unit of analysis is families with children under the age of 18.

The main income concept in this paper is earnings, including wages, salaries, and self-employment income. We also use total income and after-tax income. Total income is the sum of earnings, net investment income, private retirement income, and items included in other income (including government transfers). Total income does not include capital gains. Total income after taxes takes into account the impact of government policies through taxes and transfers, and does include after-tax capital gains income. All income figures are inflation-adjusted to 2015 dollars. Only families with non-negative income are included in the analysis.

Because there can be a lot of variability in incomes from year-to-year, particularly for low-income families, when we are doing point-to-point comparisons in this paper we use a three-year average to smooth out the data. In particular, this paper compares average incomes in 2000–02, 2006–08, and 2013–15.

Average and median family earnings since 2000

FIGURE 1 SHOWS the very different trends in real earnings in Ontario and Canada since 2000.

Overall this century, until 2014, Canadian average and median family earnings have been trending upward. In concert with the drop in resource prices, we saw a slight drop in average earnings in 2015. Prior to that, there were only two pauses in earnings growth: a drop in earnings in 2005 and a smaller drop in 2009 following the 2008-09 global financial collapse.

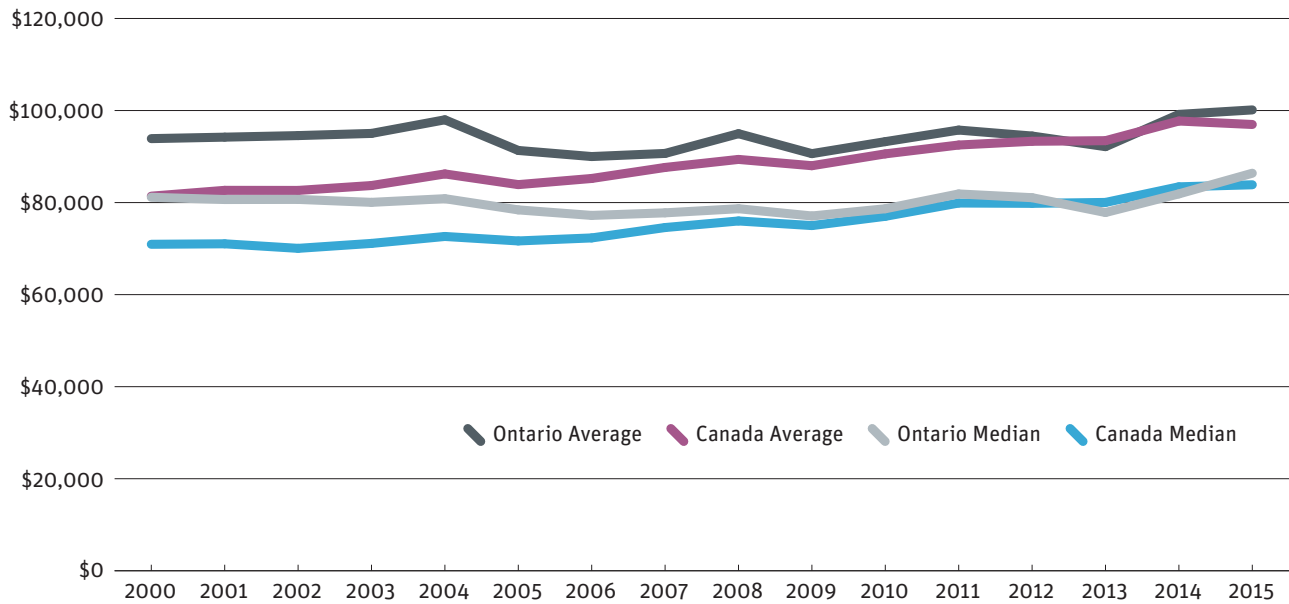
Real average earnings for Canadian families with children grew by 17 per cent between 2000-02 and 2013-15. More than half of that growth happened post-recession, at 10 per cent average earnings growth between 2006-08 and 2013-15.

Median earnings for families grew at a similar pace.

Figure 1 paints a very different picture for Ontario. Rather than a period of earnings growth, 2000 to 2013 was a period of earnings stagnation for Ontario families; then, 2014 and 2015 registered a slow recovery. It was 10 years before Ontario average earnings returned to the peak reached in 2004.

Real average family earnings in Ontario grew by only three per cent between 2000-02 and 2013-15. However, the trend between 2006-08 and 2013-15 is more encouraging: real average family earnings in Ontario grew by six

FIGURE 1 Real earnings of families with children: Ontario and Canada 2000–15



Source: Statistics Canada, special tabulations based on CIS and SLID

per cent. The last two years have seen a return to higher growth rates in Ontario families' average earnings.

Median family earnings in Ontario followed a similar path, dropping in 2004, hitting a low in 2009—at the bottom of the recession—and only returning to their 2000 level in 2011.

In *Figure 1* we can see a shift in the trends between the Ontario and national real earnings, with Ontario pulling ahead in 2015 and Canadian incomes beginning to dip.

Average family earnings by decile

THIS SECTION BREAKS down average family earnings in Canada and in Ontario by decile. Imagine the entire population of families divided into 10 per cent bands along the earnings spectrum, from the poorest 10 per cent of families (decile one) to the richest 10 per cent of families (decile 10).

For context, *Table 1* shows average family earnings by decile in 2015 for Canada and Ontario. Families in decile one had average earnings of \$3,677 in Canada and \$3,077 in Ontario, rising in decile 10 to an average of \$269,371 in Canada and \$283,153 in Ontario.

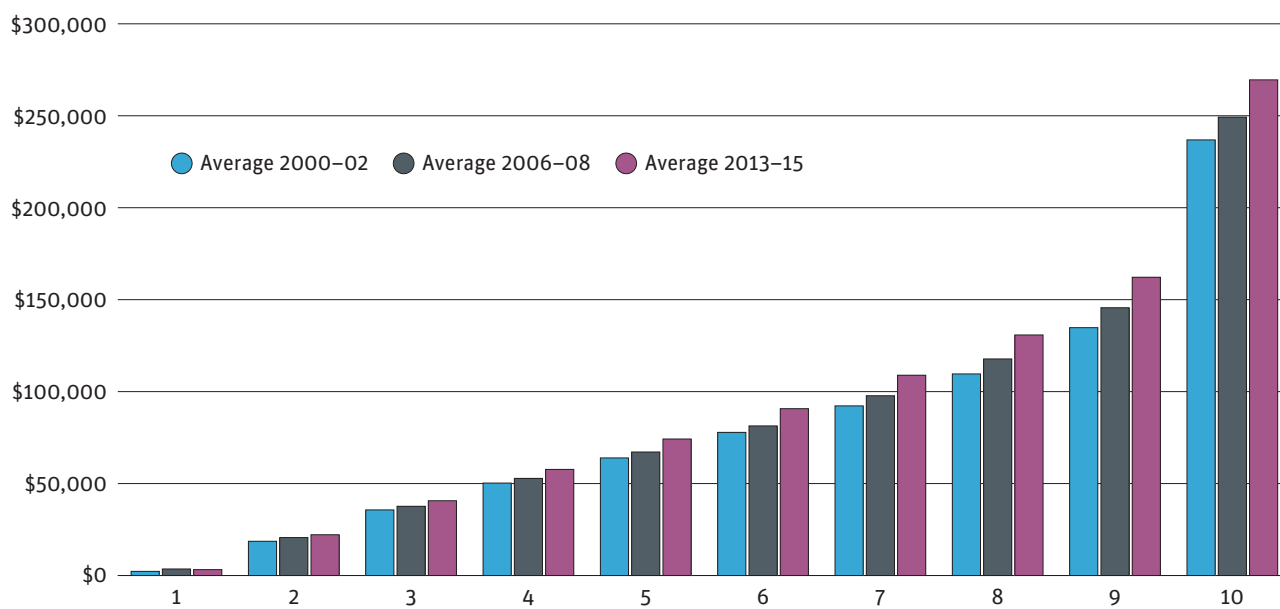
Earnings in the first decile (the poorest 10 per cent) typically show a great deal of volatility from one year to the next, both nationally and in Ontario. This is both because of the low level of earnings in the bottom decile and because of the composition of incomes in that decile. In this decile, families are likely to derive much of their income from government transfers, such as social assistance. And at this low level of earnings, year-to-year changes of even \$1,000 can result in a large percentage change. So, results for the bottom decile should be treated with caution.

Figure 2 shows Canadian average earnings by decile in 2000–02, just before the recession in 2006–08, and in 2013–15. It shows that average earnings grew consistently over the period for families in deciles two to 10, that is, 90 per cent of families.

TABLE 1 Average family earnings by decile: 2015

Decile	Canada	Ontario
1	\$3,677	\$3,077
2	\$23,142	\$21,316
3	\$41,901	\$41,168
4	\$59,189	\$59,154
5	\$75,535	\$77,264
6	\$92,352	\$95,310
7	\$110,551	\$114,762
8	\$131,512	\$136,003
9	\$162,153	\$169,105
10	\$269,371	\$283,153
Average	\$96,968	\$100,133

Source: Statistics Canada, special tabulations based on CIS and SLID

FIGURE 2 Real earnings of families with children, by decile: Canada

Source: Statistics Canada, special tabulations based on CIS and SLID

Comparing average family earnings growth rates by decile between 2000–02 and 2013–15, we see a steep rise in earnings for the first decile of 42 per cent, but that was equal to less than \$1,000. The rest of the deciles have real growth rates of between 14 and 20 per cent. While the growth rate for decile 10 was slower, the graph also illustrates the large average earnings gap between families in the richest 10 per cent and the rest. In 2013–15, the gap between average earnings for the richest 10 per cent of families and all earners was \$173,482. In other words, the richest 10 per cent of families in Canada earned 181 per cent of the average family’s earnings.

Comparing Canadian average family earnings in 2006–08 with 2013–15 average earnings provides a snapshot of the post-recession experience. It shows a steep drop in earnings for the first decile, but that is a very volatile decile. It shows a growth rate of seven per cent in decile two, with growth rates accelerating in the next three deciles, up to 11 per cent earnings growth in decile five. Deciles six through nine all experienced an average earnings growth rate of 11 and 12 per cent, and decile 10 had moderately slower average earnings growth of 8 per cent.

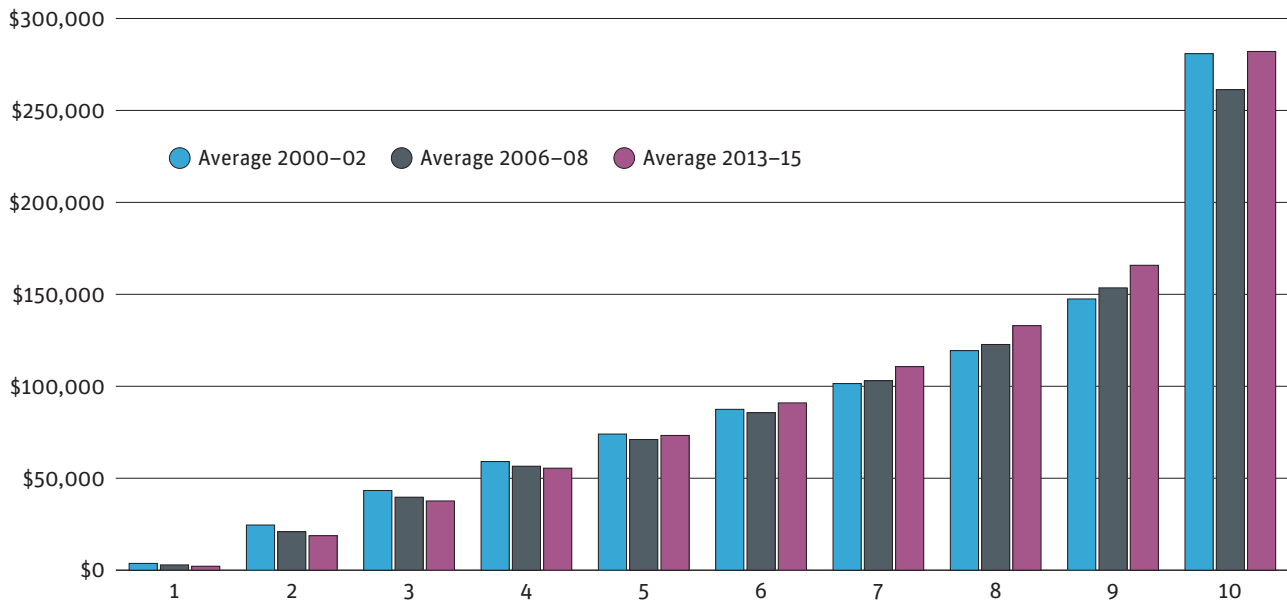
The Ontario data in *Figure 3* show a very different pattern.

Between 2000–02 and 2013–15, real average family earnings dropped in the bottom half of the income spectrum: a 42 per cent drop in the first decile (equal to \$1,536), a 24 per cent drop in the second decile, a 13 per cent drop in the third decile, a six per cent drop in the fourth decile, easing to a one per cent drop in the fifth decile.

Ontario families in deciles six to nine experienced a growth in their average earnings during this time period. Earnings grew by four per cent for decile six, by nine per cent for decile seven, by 11 per cent for decile eight, and by 12 per cent for decile nine, and then they were flat for decile 10. Despite that stagnation in earnings, the richest 10 per cent of families earned \$184,919 more than the average family in 2015. In other words, the richest 10 per cent of Ontario families earned 190 per cent of the average family’s earnings in 2015. That income gap is slightly wider than the national gap, which is 181 per cent.

Examining the post-recession experience for families in Ontario, average earnings for families in the bottom four deciles fell between 2006–08 and 2013–15. Average earnings rose by three per cent for families in the fifth decile. Earnings began to climb for the top half of Ontario families: average earnings grew by six per cent for families in decile six, by seven per cent for families in decile seven, by eight per cent for families in deciles eight through ten.

FIGURE 3 Real earnings of families with children by decile: Ontario



Source: Statistics Canada, special tabulations based on CIS and SLID

These numbers illustrate the impact of the hollowing out of Ontario's labour market on families on the bottom half of the income ladder. In other CCPA research, we have documented the rise of low-wage, precarious work in Ontario², the precarious landscape of the on-demand service economy in the Greater Toronto Area³, and the shift of employment out of manufacturing and into services⁴. These findings make concrete the impact of these shifts in employment patterns on family earnings — declining real family earnings in the bottom half of the income distribution in Ontario. The growth in average real incomes for families in deciles six through nine between 2000–02 and 2013–15 shows that the pain of that economic restructuring was not evenly distributed.

In trying to understand the flat earnings growth in decile 10, the shifting composition of total income for that decile provides some clues. There has been a rise in investment income as a share of total income. This results from a sharp increase, particularly in Ontario, in investment income in 2012 that coincides with the shift from SLID to CIS. This raises the question of how much of the rise in investment income or the shift from earnings stem from changes in the structure of income versus the change in surveys.

Changes in the relationship between after-tax and total income also shed some light on income inequality trends. Nationally, after-tax income as a share of total income has been trending up for the richest 10 percent between 2000 and 2015. It rose from 71 per cent in 2000 to 75 per cent since 2006. Because of what is included in these variables, this could be the result of an increase in capital gains income, a decrease in taxes payable, or both.

In Ontario, it shows a slightly different pattern. After-tax income as a share of total income rose from 69 per cent in 2000 to over 75 per cent from in 2013. In 2014 and 2015, it dropped by about a percentage point. This could be because of the increase in income tax rates for high-income earners in Ontario. Given the difference in the pattern in Ontario, as compared to nationally, it seems likely that this might be the case.

Share of family earnings by decile

THIS SECTION EXAMINES changes in how total earnings in Canada and in Ontario were divided among income groups between 2000–02 and 2013–15.

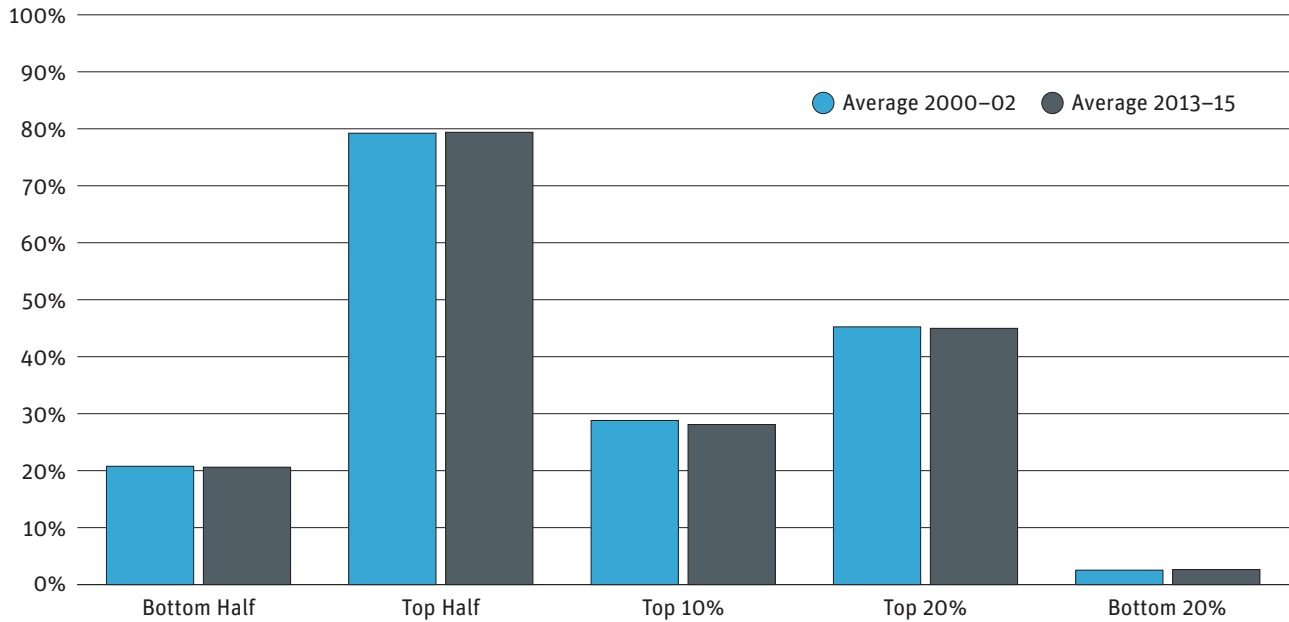
Figure 4 shows that the high national level of inequality in earnings remained stubbornly unchanged over this period. Nationally, families in the bottom half of the earnings distribution saw their share of earnings flatline at 21 per cent when comparing 2000–02 to 2013–15.

Focusing in on family earnings by decile, there was a one per cent drop in the share of earnings going to families in the top 10 per cent, while the earnings share for families in the top 20 per cent remained virtually unchanged. There were slight increases in the share of earnings going to deciles seven through nine. Essentially, the labour market income inequality story in 2000–02 is remarkably similar to the labour market income inequality story in 2013–15.

The Ontario data (*Figure 5*) show a sharper drop in the share of earnings of families in the bottom half, falling from 22 per cent in 2000–02 to 19 per cent in 2013–15. That income shifted from the bottom half to the top half of the income distribution: the top half's share of earnings rose from 78 per cent in 2000–02 to 81 per cent in 2013–15.

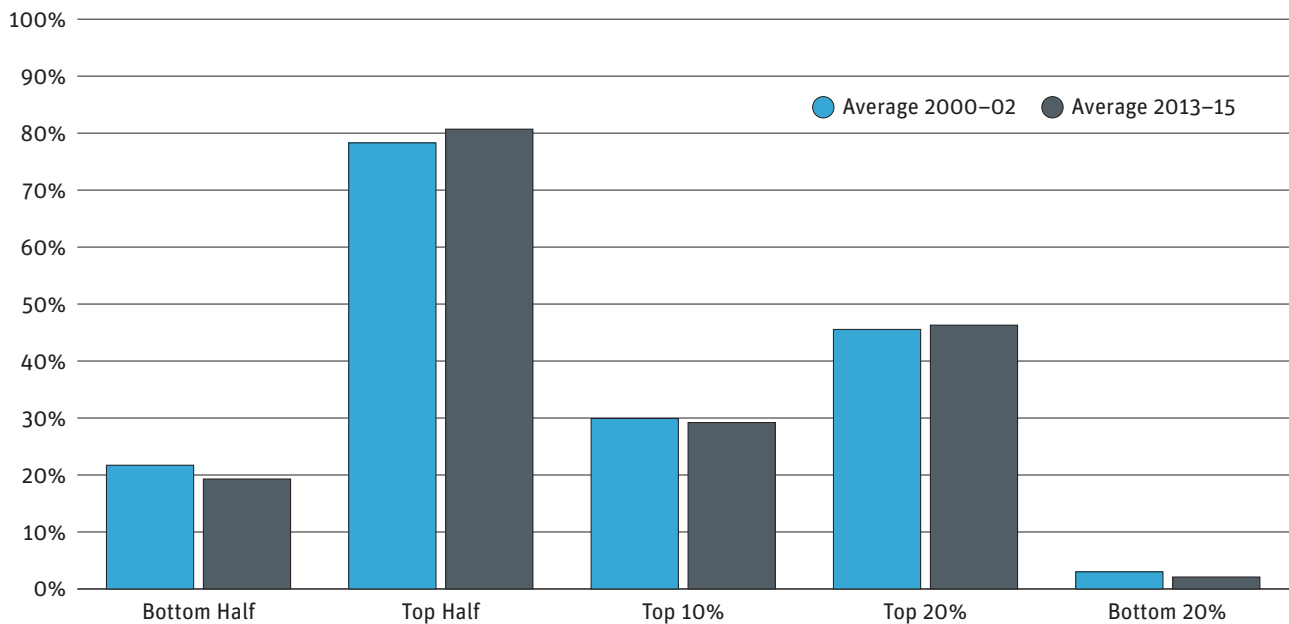
The Ontario data show the share of earnings for families in deciles one through five dropped: the share going to decile two dropped from 2.6 per cent to 1.9 per cent; the share going to decile three dropped from 4.6 per cent to

FIGURE 4 Shares of total family earnings: Canada



Source: Statistics Canada, special tabulations based on CIS and SLID

FIGURE 5 Shares of total earnings, families with children: Ontario



Source: Statistics Canada, special tabulations based on CIS and SLID

3.9 per cent; the share going to decile four dropped from 6.3 to 5.7 per cent; and the share going to decile five dropped from 7.9 to 7.6 per cent. There was an accompanying rise in the share of earnings for families in deciles six through nine. Ontario families in decile nine experienced the largest increase in the share of earnings over that period, rising from 15.6 per cent in 2000–02 to 17.1 per cent in 2013–15.

The richest half of Ontario families now take home 81 per cent of earnings; the bottom half of Ontario families take home 19 per cent. It's a story of sustained labour market income inequality that is being driven by slow economic growth and increases in precarious work.

What has the impact of taxes and transfers been on income inequality?

SO FAR, THE analysis has focused on labour market earnings. But, as we know, the tax and transfer system has a big impact on income inequality. Transfers delivered directly through programs, such as social assistance, or delivered through the tax system, such as the Canada Child Tax Benefit and the National Child Benefit, increase incomes for low-income families. And a progressive tax system dampens the impact of income inequality by taxing higher-income families more heavily.

While the period under consideration included increases in transfers to low-income families, it also included a proliferation of measures that reduced personal income taxes across the income spectrum.⁵ As well, the introduction and increase of boutique tax credits over this time period, along with the drop in the capital gains inclusion rate, have benefited higher-income earners. As a result, the answer to the question of the impact of government policies on income inequality since 2000 is — it depends. And, there is a very clear difference between the experience in Ontario and nationally.

Figure 6 compares the growth of earnings, total income, and after-tax income for families in Canada. The first decile shows the largest growth in

FIGURE 6 Real family income growth, 2000–02 to 2013–15: Canada

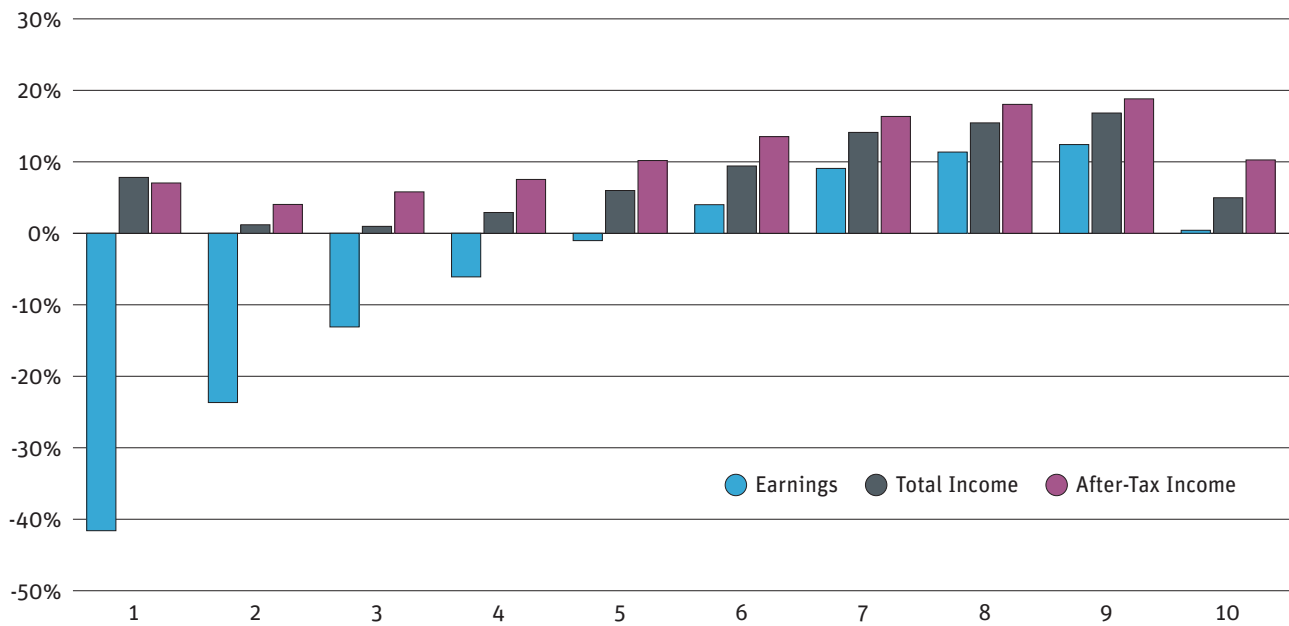


Source: Statistics Canada, special tabulations based on CIS and SLID

earnings, but it is a very small base and represents an increase of just under \$1,000. Total income grew more quickly than earnings for families in deciles two through 10. For families in the bottom of the income distribution, much of that faster growth was because of the increase in transfers. For families in the top decile, the increase in their total income flows largely from an increase in market income, which includes investment earnings. After-tax income grew faster than earnings and total income. Growth rates in all of these measures of income slowed from decile 9 to decile 10. The faster growth in after-tax income compared to total income in decile 10 could have resulted from growth in capital gains income, which is concentrated in that decile, and from more favourable tax treatment.⁶

Figure 7 illustrates the positive impact that the tax and transfer system has on income inequality in Ontario. Earnings fell for Ontario families in the bottom five deciles but taxes and government transfers played a crucial role in mitigating the harsh impact of the labour market on family income. Increases in government transfers for these families mitigated some of the worst aspects of the labour market in Ontario, raising after-tax income for families in these deciles. The shift in the first decile shows the positive impact of Ontario's first poverty reduction strategy, which was explicitly fo-

FIGURE 7 Real family income growth, 2000–02 to 2013–15: Ontario



Source: Statistics Canada, special tabulations based on CIS and SLID

cused on families with children — especially during the worst of the recession. The gap between flat earnings in decile 10 and the rise in after-tax income is likely due to an increased share of investment income and capital gains.

Conclusion

FROM 2000 TO 2013, Ontario families endured stagnation in their average earnings, in sharp contrast to the national trend. Since 2014, average earnings in Ontario have started to climb, just as national earnings trends have started to decline.

But the pain of Ontario's earnings stagnation has not been shared equally across all income groups. The decline in manufacturing jobs, slower economic growth, and the rise of more precarious work has had a differential impact on families. Earnings during this period deteriorated sharply for the bottom half of families in Ontario.

Despite the growth in earnings nationally, looking by decile at the distribution of family earnings tells a disconcerting story: the distribution shows stubborn levels of inequality nationally and worsening income inequality in Ontario between 2000 and 2015.

While earnings stagnated for the richest 10 per cent of Ontario families over this time period, total incomes and after-tax incomes grew. These findings suggest that the forms of income for these families have been changing over time. That said, the earnings gap between the richest 10 per cent and the rest of Ontario families remains large: they earn 190 per cent of the average family's earnings.

Labour market conditions have had a real impact on many Ontario families' bottom line. Government policies played a crucial role in mitigating the impact of inequality in Ontario's labour market. However, government

policies have only been effective in improving post-market incomes — not at decreasing labour market inequality.

In 2014 and 2015, Ontario average family earnings began to recover, but the longer-term trend makes it impossible to ignore the need for government intervention to require employers to become partners in reducing labour market inequality — because it is not going to happen by itself.

The experience since the turn of the century clearly indicates that Ontario needs a raise. And that proposed changes to labour market rules in the province's Bill 148 (Fair Workplaces, Better Jobs Act, 2017) — which among other crucial reforms would raise the minimum wage to \$15 an hour by January 2019 — are long overdue.

It's about fairness. It's about changing labour laws to reflect a seismic shift in Ontario's labour market. It's about requiring employers to do their part to reduce labour market inequality.

Appendix

Data Tables

TABLE 1 Real average earnings by decile, families with children: Ontario

	2000	2001	2002	2003	2004	2005	2006	2007
Decile 1	\$3,701	\$3,570	\$3,803	\$3,603	\$3,806	\$2,866	\$2,446	\$3,275
Decile 2	\$24,647	\$25,152	\$23,889	\$23,183	\$22,121	\$23,236	\$21,019	\$20,636
Decile 3	\$43,610	\$43,055	\$43,327	\$42,548	\$40,945	\$41,269	\$40,253	\$38,849
Decile 4	\$59,348	\$58,768	\$59,103	\$57,520	\$58,924	\$56,284	\$56,155	\$56,606
Decile 5	\$74,522	\$73,599	\$73,956	\$73,040	\$74,275	\$71,139	\$70,070	\$71,290
Decile 6	\$87,991	\$86,907	\$87,504	\$87,654	\$88,316	\$86,019	\$85,269	\$85,597
Decile 7	\$101,847	\$100,788	\$101,788	\$102,661	\$103,181	\$103,550	\$102,239	\$102,004
Decile 8	\$118,446	\$118,776	\$120,928	\$120,576	\$121,576	\$121,664	\$120,657	\$121,132
Decile 9	\$145,417	\$147,315	\$149,724	\$149,996	\$152,124	\$150,215	\$149,102	\$151,445
Decile 10	\$278,705	\$283,361	\$280,543	\$288,555	\$312,812	\$256,290	\$251,230	\$254,268
Average	\$93,895	\$94,215	\$94,554	\$95,027	\$97,986	\$91,324	\$90,001	\$90,679
	2008	2009	2010	2011	2012	2013	2014	2015
Decile 1	\$2,915	\$2,049	\$2,248	\$1,398	\$1,625	\$560	\$2,830	\$3,077
Decile 2	\$21,107	\$18,798	\$17,243	\$16,867	\$16,610	\$15,190	\$19,740	\$21,316
Decile 3	\$39,998	\$36,471	\$35,554	\$38,642	\$36,769	\$32,511	\$39,289	\$41,168
Decile 4	\$56,836	\$53,719	\$52,467	\$57,136	\$53,716	\$50,613	\$56,650	\$59,154
Decile 5	\$71,849	\$69,197	\$69,954	\$74,553	\$71,716	\$68,510	\$74,037	\$77,264
Decile 6	\$86,067	\$84,229	\$87,431	\$91,334	\$90,673	\$86,281	\$91,327	\$95,310
Decile 7	\$104,817	\$102,048	\$105,362	\$109,686	\$109,328	\$105,253	\$112,047	\$114,762
Decile 8	\$126,409	\$126,022	\$126,194	\$132,980	\$130,784	\$126,655	\$136,208	\$136,003
Decile 9	\$160,031	\$158,694	\$157,641	\$163,642	\$165,258	\$162,151	\$166,128	\$169,105
Decile 10	\$278,413	\$253,633	\$277,141	\$270,287	\$266,471	\$272,376	\$290,672	\$283,153
Average	\$94,969	\$90,633	\$93,239	\$95,753	\$94,458	\$92,150	\$99,160	\$100,133

TABLE 2 Real average earnings by decile, families with children: Canada

	2000	2001	2002	2003	2004	2005	2006	2007
Decile 1	\$2,237	\$2,378	\$2,164	\$2,574	\$2,986	\$2,910	\$3,038	\$3,965
Decile 2	\$18,333	\$18,898	\$18,636	\$19,215	\$19,798	\$20,297	\$20,333	\$21,220
Decile 3	\$35,943	\$35,796	\$35,316	\$35,755	\$35,544	\$36,900	\$37,266	\$38,087
Decile 4	\$50,552	\$50,321	\$49,951	\$50,152	\$50,807	\$50,158	\$51,626	\$53,012
Decile 5	\$64,208	\$64,233	\$63,392	\$64,043	\$65,665	\$64,379	\$65,233	\$67,348
Decile 6	\$77,866	\$78,354	\$77,290	\$78,229	\$79,185	\$78,636	\$79,730	\$81,614
Decile 7	\$92,152	\$92,474	\$92,126	\$93,180	\$94,676	\$94,712	\$95,868	\$98,084
Decile 8	\$109,063	\$109,957	\$109,826	\$111,168	\$112,426	\$113,877	\$115,024	\$117,910
Decile 9	\$133,382	\$135,392	\$135,578	\$136,072	\$139,625	\$140,272	\$142,364	\$145,950
Decile 10	\$230,053	\$238,688	\$241,910	\$246,465	\$261,375	\$236,539	\$241,487	\$248,739
Average	\$81,395	\$82,660	\$82,642	\$83,704	\$86,224	\$83,902	\$85,239	\$87,632
	2008	2009	2010	2011	2012	2013	2014	2015
Decile 1	\$3,677	\$2,555	\$3,093	\$2,841	\$2,676	\$1,970	\$4,009	\$3,677
Decile 2	\$20,393	\$18,991	\$19,891	\$19,908	\$20,833	\$19,356	\$24,050	\$23,142
Decile 3	\$37,567	\$35,841	\$36,375	\$38,019	\$39,716	\$37,122	\$42,995	\$41,901
Decile 4	\$53,814	\$52,223	\$52,534	\$55,334	\$55,952	\$54,009	\$59,889	\$59,189
Decile 5	\$68,903	\$67,571	\$68,848	\$71,545	\$72,046	\$71,880	\$75,286	\$75,535
Decile 6	\$82,723	\$82,846	\$84,596	\$88,390	\$88,163	\$88,012	\$91,848	\$92,352
Decile 7	\$99,367	\$100,215	\$101,945	\$106,250	\$106,131	\$105,955	\$110,230	\$110,551
Decile 8	\$120,375	\$121,267	\$122,009	\$127,308	\$125,954	\$127,831	\$133,089	\$131,512
Decile 9	\$148,591	\$151,523	\$151,509	\$155,863	\$156,986	\$162,202	\$162,214	\$162,153
Decile 10	\$257,546	\$246,812	\$264,509	\$259,422	\$264,266	\$265,760	\$273,456	\$269,371
Average	\$89,378	\$88,010	\$90,584	\$92,506	\$93,317	\$93,451	\$97,721	\$96,968

TABLE 3 Real, after-tax income by decile, families with children: Canada

	Average 2000–02	Average 2013–15
Decile 1	\$19,672	\$24,011
Decile 2	\$34,360	\$42,522
Decile 3	\$44,493	\$55,159
Decile 4	\$53,713	\$66,757
Decile 5	\$62,795	\$78,292
Decile 6	\$72,067	\$90,354
Decile 7	\$82,363	\$103,737
Decile 8	\$94,991	\$120,256
Decile 9	\$113,211	\$143,590
Decile 10	\$184,005	\$226,841
Average	\$76,181	\$95,172

TABLE 4 Real income by decile, families with children: Canada

	Average 2000–02	Average 2013–2015
Decile 1	\$19,840	\$24,400
Decile 2	\$35,799	\$43,948
Decile 3	\$48,586	\$59,012
Decile 4	\$60,729	\$74,118
Decile 5	\$73,220	\$89,188
Decile 6	\$85,920	\$104,996
Decile 7	\$99,835	\$122,853
Decile 8	\$116,710	\$144,775
Decile 9	\$142,164	\$176,938
Decile 10	\$252,936	\$302,166
Average	\$93,588	\$114,287

TABLE 5 Real earnings by decile, families with children: Canada

	Average 2000–02	Average 2013–15
Decile 1	\$2,260	\$3,219
Decile 2	\$18,622	\$22,183
Decile 3	\$35,685	\$40,673
Decile 4	\$50,275	\$57,696
Decile 5	\$63,944	\$74,234
Decile 6	\$77,837	\$90,737
Decile 7	\$92,251	\$108,912
Decile 8	\$109,615	\$130,811
Decile 9	\$134,784	\$162,190
Decile 10	\$236,884	\$269,529
Average	\$82,232	\$96,047

TABLE 6 Real, after-tax income by decile, families with children: Ontario

	Average 2000–02	Average 2013–15
Decile 1	\$21,283	\$22,782
Decile 2	\$38,523	\$40,079
Decile 3	\$49,762	\$52,648
Decile 4	\$60,353	\$64,902
Decile 5	\$70,453	\$77,625
Decile 6	\$79,932	\$90,744
Decile 7	\$90,808	\$105,656
Decile 8	\$104,251	\$123,058
Decile 9	\$124,569	\$148,002
Decile 10	\$214,841	\$236,897
Average	\$85,523	\$96,316

TABLE 7 Real income by decile, families with children: Ontario

	Average 2000–02	Average 2013–15
Decile 1	\$21,509	\$23,191
Decile 2	\$40,592	\$41,078
Decile 3	\$54,972	\$55,507
Decile 4	\$69,086	\$71,099
Decile 5	\$82,559	\$87,504
Decile 6	\$95,547	\$104,547
Decile 7	\$109,112	\$124,515
Decile 8	\$127,316	\$146,989
Decile 9	\$155,504	\$181,673
Decile 10	\$302,816	\$317,893
Average	\$105,964	\$115,516

TABLE 8 Real earnings by decile, families with children: Ontario

	Average 2000–02	Average 2013–15
Decile 1	\$3,692	\$2,156
Decile 2	\$24,563	\$18,748
Decile 3	\$43,331	\$37,656
Decile 4	\$59,073	\$55,472
Decile 5	\$74,026	\$73,270
Decile 6	\$87,468	\$90,973
Decile 7	\$101,474	\$110,687
Decile 8	\$119,383	\$132,955
Decile 9	\$147,485	\$165,795
Decile 10	\$280,870	\$282,067
Average	\$94,221	\$97,148

TABLE 9 Distribution of real earnings by decile, families with children: Ontario

	Average 2000–02	Average 2006–08	Average 2013–15
Decile 1	0.4%	0.3%	0.2%
Decile 2	2.6%	2.3%	1.9%
Decile 3	4.6%	4.3%	3.9%
Decile 4	6.3%	6.1%	5.7%
Decile 5	7.9%	7.8%	7.6%
Decile 6	9.3%	9.3%	9.3%
Decile 7	10.8%	11.2%	11.4%
Decile 8	12.7%	13.3%	13.6%
Decile 9	15.6%	16.7%	17.1%
Decile 10	29.9%	28.6%	29.2%
Total	100.0%	100.0%	100.0%
Bottom Half	21.7%	20.9%	19.3%
Top Half	78.3%	79.1%	80.7%
Top 10%	29.9%	28.6%	29.2%
Top 20%	45.6%	45.3%	46.3%
Bottom 20%	3.0%	2.6%	2.1%

TABLE 10 Distribution of real earnings by decile, families with children: Canada

	Average 2000–02	Average 2006–08	Average 2013–15
Decile 1	0.3%	0.4%	0.3%
Decile 2	2.3%	2.4%	2.3%
Decile 3	4.3%	4.3%	4.2%
Decile 4	6.1%	6.0%	6.0%
Decile 5	7.8%	7.7%	7.7%
Decile 6	9.5%	9.3%	9.4%
Decile 7	11.2%	11.2%	11.4%
Decile 8	13.3%	13.4%	13.6%
Decile 9	16.4%	16.7%	16.9%
Decile 10	28.8%	28.6%	28.1%
Total	100.0%	100.0%	100.0%
Bottom Half	20.8%	20.8%	20.6%
Top Half	79.2%	79.2%	79.4%
Top 10%	28.8%	28.6%	28.1%
Top 20%	45.2%	45.3%	45.0%
Bottom 20%	2.5%	2.8%	2.6%

Notes

- 1** Yalnizyan, Armine. *Ontario's Growing Gap: Time for leadership*. (2007). Canadian Centre for Policy Alternatives.
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- 3** Block, Sheila and Hennessy, Trish. "Sharing economy" or on-demand service economy? (2017). Canadian Centre for Policy Alternatives.
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- 5** Office of the Parliamentary Budget Officer. *Revenue and Distribution Analysis of Federal Tax Changes: 2005–2013*. (2014). Parliamentary Budget Office.
- 6** Macdonald, David. *Out of the Shadows: Shining a light on the unequal distribution of federal tax expenditures*. (2016). Canadian Centre for Policy Alternatives.



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