

Section 6

Summary of Findings and Recommendations

This first look at income inequality among Saskatchewan families from 1976 to 2006 uncovers a new and troubling phenomenon in Saskatchewan. The report draws on Statistics Canada data to examine the earnings and after-tax incomes of Saskatchewan families with children 18 years and under over the past generation. Its main finding is that the gap between the richest and poorest families in Saskatchewan has increased dramatically over the past generation and has mushroomed since 2000 — during the best of economic times. In 2006, Saskatchewan's after-tax income gap was the third worst in all of Canada.

Mirroring trends in all Canadian provinces, inequality of earnings increased among Saskatchewan families over the thirty years from 1976 to 2006. Over this period, the richest 10 per cent of Saskatchewan families took home the lion's share of the province's economic growth, increasing its share of earnings from twenty-three to twenty-eight per cent. The bottom half of Saskatchewan families found themselves shut out from economic gains and their share of earnings dropped from twenty-six to twenty per cent. There is a growing divide between the top half of Saskatchewan families and those in the bottom half: in the 2003-2006 period, the share of earnings going to the top half was four times greater than earnings going to the bottom half.

A growing gap in after-tax income is also evident; the bottom half of families received only twenty-eight per cent of after-tax income in 2003-2006, down from thirty per cent in 1976-1979. Over the thirty years, the share for the richest ten per cent increased to twenty-four per cent, up from twenty-two per cent. Government redistribution of income through transfers and taxes lessens the inequality that emerges from market earnings. But over the past generation, redistribution was insufficient to address the growing inequality of earnings, with the result that after-tax income was more unequally distributed in 2006 than in 1976.

More sobering thoughts: By 2005 the income gap associated with being Aboriginal was very large, with Aboriginal individuals averaging less than sixty per cent of their non-Aboriginal counterparts. Since Statistics Canada's income surveys exclude the Aboriginal population living on reserves, the findings of this report likely understate overall income inequality in Saskatchewan.

And now Canada and the global economy have stumbled into the worst recession since the Great Depression. Saskatchewan is not exempt; the bottom half of Saskatchewan families, shut out from past income gains, will face even steeper economic challenges in coming years.

Specific findings are described on the next three pages.

Employment and Population

- Employment in Saskatchewan grew slowly from 1976 to 2006, with a decline in the number of jobs between the late-1980s and the 1990s. Only since 2001 has stagnation in Saskatchewan's labour force growth been reversed.
- Labour force participation expanded in the 1970s and again since 2001, primarily because of greater participation by women. From 1976 to 2006, employment of women increased by seventy-one per cent while men's employment expanded by only six per cent.
- Diversification of the Saskatchewan economy away from agriculture has failed to result in much expansion of manufacturing and mining employment. While the value accounted for by mineral production grew dramatically since 1976, this sector accounts for less than five per cent of employment, with limited job creation. Since 1976, to the extent that there has been job growth in the province, it has primarily been in the service sector.
- Since 2006, Saskatchewan's population has grown by three and one-half per cent, although it has not yet reached the level of the late-1980s. Each of net migration from other provinces, immigration, and natural increase has accounted for approximately one-third of this growth. But at this rate it will take many years to gain back the large loss of more than one hundred thousand out-migrants since 1990.

Earnings and Income

- From 2002 to 2006, median earnings of Saskatchewan families with children were no greater than they were from 1976 to 1980. Incomes across Canada recovered from their low point during the recession of the early

1990s, but in Saskatchewan the recovery was limited and slow. Median earnings in Saskatchewan have trailed those of Canada by ten per cent for many years.

- Median after-tax income of Saskatchewan families with children is in the middle among provinces and has trailed that for Canada as a whole by ten to fifteen per cent since the late 1980s.
- In 2006, almost twenty per cent of Saskatchewan families with children age 18 and under had after-tax incomes below a minimally adequate level. And most of these poorest twenty per cent had after-tax income less than what two adults working full-year, full-time at minimum wage could earn.
- The richest twenty per cent of families had forty per cent of after-tax income in 2006, as contrasted with only six per cent for the poorest twenty per cent.
- During the period 2003-2006, Saskatchewan experienced the third greatest after-tax income inequality among provinces, after British Columbia and Ontario. In 2006, the ratio of the after-tax income of the richest tenth to the poorest tenth was greater than in any other province.

Trends in Earnings and Income – 1976 to 2006

- The share of earnings of the bottom half of families with children fell to less than twenty per cent in the middle of this decade, declining from twenty-six per cent in the late 1970s. Over the same period, the richest ten per cent increased its share from twenty-three to twenty-eight per cent of all earnings. By 2003 to 2006, the share of earnings going to the top half of families was four times that of the bottom half. The richest ten per cent took

home the lion's share of Saskatchewan's economic growth.

- During the 1990s and through 2006, the share of earnings for the bottom half declined, as employment conditions were slow to improve. Renewed expansion of the Saskatchewan economy has been good for the richest ten per cent so that the gap in shares of earnings between the very well-off and the bottom half continued to widen.
- The bottom half of families with children age 18 and under earned less in the middle of this decade than their counterparts of a generation ago. The poorest families (deciles 1 and 2) experienced severe declines in earnings, and even those at low to middle levels (deciles 3 and 4) experienced declines of fifteen to twenty-five per cent in the real value of their earnings.
- Median earnings of families with children in 2003-2006 were essentially unchanged from their level in the late-1970s. For families at middle earnings level (deciles 6 and 7), there was little improvement in earnings over the thirty year period. In contrast, median earnings for the richest twenty per cent swelled by twenty-five per cent.
- Over the thirty years, family members worked more at their places of employment just to keep incomes from declining — in many cases though, even this was insufficient to stop the decline in earnings. For some at middle and upper levels, increases in weeks or hours of employment produced gains in total earnings. For others, increased employment time did not result in increased real earnings, compared to a generation ago. And for those at the bottom end of the earnings distribution, not only were earnings low and falling through much of the thirty year period, additional employment was difficult to find. Members of families with these lower earnings were poorly served by a Saskatchewan economy that did not create enough jobs, and certainly not enough good paying jobs.
- After-tax income, that is, income from all sources — earnings, investments, government transfers — less income taxes paid, is less unequally distributed than earnings. In 2003-2006, the bottom half of families received only twenty-eight per cent of all after-tax income. The richest ten per cent had almost as much — twenty-four per cent.
- The growing gap is also evident in after-tax income. The bottom sixty per cent (deciles 1 to 6) all had lower shares of after-tax income in the middle of this decade than in the late 1970s. Only the top forty per cent had larger shares, with only the richest ten per cent having made substantial gains.
- Incomes in Saskatchewan reached a low point in the recession of the early-1990s and since then families across the income spectrum have experienced gains. But for the bottom half, by 2006 after-tax income was lower, or not substantially greater, than it was a generation ago. Since the low point of the early- to mid-1990s, median after-tax income rose by over thirty per cent for each of the upper four deciles. For the top decile, the increase in median after-tax income between 1996 and 2006 was forty per cent, the greatest increase of all deciles.
- Over the thirty year period, only in British Columbia and Saskatchewan did poorer families have lower after-tax income at the end of the thirty year period than at the start. And the bottom forty per cent of families in Saskatchewan had lower incomes than in the other three western provinces, from ten to twenty per cent below the after-tax income for Canada as a whole.

Taxes and Transfers

- Government redistribution of income through transfers and taxes lessens the inequality that emerges from market earnings. But over the past generation, redistribution was insufficient to address the growing inequality of earnings, with the result that after-tax income was more unequally distributed in 2006 than in 1976. In Saskatchewan, the growing gap in earnings was accompanied by a growing gap in after-tax income.
- Without redistribution, the dramatic increase in inequality of earnings would have meant skyrocketing overall income inequality. While the share of earnings for the bottom half of earners was twenty per cent in 2003-2006, the share of after-tax income for the bottom half was greater, at twenty-eight per cent. Transfers in the form of the Canada Child Tax Benefit, Employment Insurance benefits, workers compensation, and social assistance were especially important for those with the least earnings. But redistribution was insufficient to prevent the after-tax income gap between the rich and poor from widening.
- Among the factors that might explain the reduced impact of redistribution are cutbacks in employment insurance, reduced social assistance, and flatter taxation rates. Given the growing earnings gap produced by limited job growth, unemployment, and low wages, an even greater redistribution would have been required to reduce income inequality.

Aboriginal and Non-Aboriginal incomes — The Greatest Gap

- In the 2006 Census of Canada, fifteen per cent of the Saskatchewan population identified themselves as Aboriginal. Aboriginal employment and income trails that of non-Aboriginal people. In 2006, the unemployment rate for

Aboriginal adults in Saskatchewan was 18.2 per cent; for non-Aboriginal adults it was 4.2 per cent.

- Statistics Canada surveys, from which the data for this report were obtained, do not include Aboriginal people living on reserves. As a result, the findings of this report very likely understate the extent of income inequality in Saskatchewan. In order to provide some idea of how incomes of Aboriginal families compare with those of non-Aboriginal families, data from the Census of Canada were examined. Census data is also incomplete but attempts to include all Aboriginal people.
- Between 1995 and 2000, incomes of Aboriginal families increased and the gap between Aboriginal and non-Aboriginal families was reduced. However, by 2000 the gap was still very large, with Aboriginal families averaging only two-thirds the income of non-Aboriginal families. Families who identified themselves as Métis improved the most, but in 2000 their average income was still only eighty-two per cent that of non-Aboriginal families. The gap for North American Indian families actually increased, especially for those living on reserves. In 2000, families living on reserves had only one-half the average income of non-Aboriginal families and with those not living on reserves were just over sixty per cent that of non-Aboriginal families.
- The period from 2000 to 2005 appears to present a similar set of changes to what occurred in the previous five years, although data for Aboriginal families from the 2006 Census of Canada were not available when this report was written. Individual incomes for Aboriginal people aged 25 to 64 improved relative to their non-Aboriginal counterparts between 2000 and 2005. Again, it was those who identified themselves as Métis who made the greatest gains, with median incomes increasing to eighty to eighty-five per cent

that of non-Aboriginal individuals. However, median incomes of those who identified themselves as North American Indian were under half those of non-Aboriginal individuals. Those living on reserves are among the poorest people in Saskatchewan.

Recommendations for Closing the Gap

The growing gap in earnings has been driven by the functioning of the labour market as well as markets in the farm and business sectors. The result has been that the richest ten to twenty per cent of earners enjoyed the bulk of the gains while earnings of the majority of families stagnated or declined. Redistribution through government transfers and taxes lessened the gap somewhat, especially for those at the lowest income levels, but this was insufficient to prevent the gap in after-tax incomes from growing. While this report has not investigated the causes of the growing gap, the findings point in two directions:

- The need to improve markets, especially Saskatchewan's job market, creating more higher paying jobs as well as making the labour force more inclusive so all can benefit by improving earnings.
- The need to strengthen and expand government taxation and social policy to moderate the effect of market inequalities.

Moderating Markets and Expanding Social Inclusion

Earnings inequality emerging from labour and other markets expanded dramatically from the 1970s through the middle of this decade. This means that reducing the earnings gap requires improved job opportunities for those with lower earnings so that earnings inequalities

are reduced. Creating more full-time and well paying jobs would be a step in the right direction. If economic expansion is to be meaningful to provincial residents, given the recent boom in commodity prices now is an opportune time for employers to move in this direction.

Establishing a minimum wage that does not leave workers at poverty level is a key aspect of improving opportunities for those with low earnings. The provincial minimum wage has recently increased but prospects for future increases are uncertain. Since unionized jobs generally pay more than non-unionized, it is important to renew efforts to expand the number of jobs covered by union agreements. And for those who suffer from job loss, the system of Employment Insurance could be vastly improved by reducing the number of hours required for eligibility, increasing the length of time a recipient is eligible, and increasing the dollar amount of benefits.

Over the medium to longer term, improved education and training are central to creating a more inclusive labour force policy. This involves expanding early childhood learning programs and literacy programming, especially family literacy and English as a Second Language. Adult literacy programs at postsecondary education institutions will be an important aspect of attempts to bring into these institutions those who found it difficult to participate in the past. For those with low incomes, access to jobs can be improved through employment programs that aim to secure long-term employment, as well as targeting training programs for jobless workers. In order to make workers and employers aware of the contribution all can make to the labour force, expanded community-based education and cultural programs can address issues of racism and discrimination.

Reducing barriers to employment and making employment more inclusive will also require economic development programs for Aboriginal

people, both on and off reserve. Organizations and advocacy groups for low income and disadvantaged people can assist in strengthening social inclusion but need to be encouraged and strengthened with financial and organizational assistance. This can be helped by improving community infrastructure and recreational programming in low income neighbourhoods and expanding inclusiveness programs.

Strengthening and Expanding Government Social Policies and Programs

Government redistribution of incomes through transfers and taxes have been a central aspect of social policy in Canada for the last century, and have been especially important for maintaining a minimum level of income for the poorest Canadians. These programs have expanded and contracted as political, economic, and ideological changes have taken place. Over the last twenty years there has been a weakening resolve to have social policy perform this redistribution, with the result that large numbers of individuals and families have been left out of Canadian and Saskatchewan economic growth. But social programs benefit all Canadians — medical care and government pensions assist everyone and programs aimed at the less fortunate not only help poorer Canadians but improve the workings of the economy and make Canada a more democratic society.

For families in the bottom half of the income distribution — those with low and moderate incomes — social policy and programs could help improve their economic position and begin to close the gap with the top half. Among the programs that could assist are, as noted above, improved Employment Insurance, minimum wage, and Canada Child Tax Benefit, and establishing a comprehensive early childhood learning and child care program. Policies and programs

that accomplish this will reduce the number of those who require social assistance.

For those unable to maintain employment because of insufficient or poorly paying jobs, personal and family circumstances, or disability, can be helped by increasing social assistance benefits, housing allowances, and disability benefits. For those with irregular employment, there could be increased government earnings supplements so that more can receive supplements.

In Saskatchewan, housing was traditionally inexpensive in comparison with other provinces, a situation that has changed in the last few years. Helping low income families build new assets through increased construction of affordable housing could be a key part of assisting families in getting established in both urban and rural areas of the province.

Increased budgets will be required for many of these programs, improving the delivery of services to low income families will also be an important aspect of social inclusion. This means improved services for mentally ill and homeless, strengthening early learning programs with special efforts to focus on children and families experiencing at-risk categories, improve services to disabled populations, and improving delivery of community health services especially home visiting programs for young, single poor mothers and mothers to be, and expanded alcohol and drug prevention programs. Improving government funding and professional development opportunities for community-based organizations, the delivery agents of many social programs, will facilitate these types of improved services.

The taxation system in Canada has become less progressive over the last twenty years and changes could be made to restore more of the progressivity. Since those at the upper end have benefited disproportionately from the economic expansion that all working Canadians have

helped create, these upper levels could pay taxes at an increased rate. Surely any proposal to institute a flat tax would do nothing to lessen the gap between rich and poor, and might very well create a larger income gap. As a resource based economy Saskatchewan government must eventually face up to the necessity of increasing taxes on depleting resources, especially oil and natural gas.

The Road Ahead

Income inequality resulting from unequal earnings threatens to undermine Canadian society. As Benjamin R. Barber argues, "Inequality is built into the market system, which too often becomes a race to the top for those who are wealthy, and a race to the bottom for everyone else ... The result is two levels of service — two societies — hostile, divided, and deeply unequal" (Barber, p. 157). A democratic society depends on all being able to participate and feeling able to participate — increased inequality threatens these perceptions and reduces participation.

Reducing the gap between rich and poor in Canada will require a renewed effort on the part of the great majority of Canadian citizens. In the past, governments on occasion responded to the concerns of the poor and those left behind by society, but only after concerted effort and widespread pressure. Alvin Finkel, in his history of social policy in Canada argues:

The successful campaign for medicare in the 1960s and the campaign to prevent its erosion in the 1990s point to the importance of progressive groups working together toward a common cause. In most provinces, trade unions, the women's movement, and a variety of community groups worked together to defend medicare, forcing politicians who wanted to be re-elected to provide a minimal degree of support for its egalitarian principles. (Finkel, p. 336).

A similar public campaign could help to expand incomes and social inclusion through innovative social and economic policy.

Appendix

Data and Methods

Data. The data set for this report comes from two of the major surveys that Statistics Canada has conducted since the 1970s, the Survey of Consumer Finances (SCF) and the Survey of Labour and Income Dynamics (SLID). From these surveys, Statistics Canada prepared a custom-tabulation for the CCPA, allowing analysis of yearly earnings, incomes, and of weeks and hours employed for each province and for Canada from 1976 to 2006. Unless specified otherwise, all data presented in the text, tables, or figures come from this custom tabulation.

Survey coverage. The surveys on which the data in this report are based use the sampling frame of Statistics Canada's Labour Force Survey. Since the latter does not include persons living on reserves, in institutions, or in military barracks, families with these characteristics are excluded from the data set (Statistics Canada, 2008a, p. 131). From Table A11, later in this appendix, close to fifty thousand individuals, or approximately five per cent of the Saskatchewan population, who live on reserves are excluded. As demonstrated in Section 5, these individuals and families generally have much lower income than do the rest of the province's population. In this report, incomes may thus be slightly over-estimated since some at low incomes are excluded. The estimates of incomes of Aboriginal people in Section 5 come from the Census of Canada, so do not suffer from this lack of coverage. However, coverage by the Census may also be incomplete and some respondents of Aboriginal ancestry may not identify themselves as such, so data from the Census data also have errors.

Families. Families with children age 18 and under are the subject of this study. In the report, these are sometimes referred to merely as families, or families with children — in all cases, this means families with children age 18 and under.

More specifically, the families examined in this report are what Statistics Canada terms *economic families* — “a group of two or more persons who live in the same dwelling and are related to each other by blood, marriage, common law or adoption” (Statistics Canada, 2008a, p. 121). These families are usually two-parent or lone-parent families. While information about other groups (eg. elderly, unattached individuals) could be made available from the custom tabulation, there are several reasons why the Growing Gap project focuses on families with children:

- Families with children constitute a core group since they support not only adults but also a future generation of Canadians. All children and youth age 18 and under are included in this group of families.
- These families account for almost one-half of the population — forty-six per cent of the Saskatchewan population and forty-four per cent of Canada's population (Table A1).
- Families with children are a less disparate group than the population as a whole — the latter also includes single and elderly individuals. While incomes of the latter are important, analyzing income trends across diverse groups (families with children, families without children, unattached individuals, elderly families, and individuals) presents difficulties. Families with children age 18 and under “tend to have more stable and less polarized incomes than unattached individuals” (Ivanova, p. 12).

From these considerations, the Growing Gap project focuses on families with children.

Income. The two types of income analyzed in this report are earnings and after-tax income.

- Earnings refer to all the earnings of family members from wages and salaries or from self-employment. The major income sources not included in earnings are income from investments, pensions, or government transfers.
- After-tax income is the family's total income from earnings, investments, government transfers, and other income sources, minus the amount of income tax paid by the family.

In Saskatchewan in 2006, earnings were the major source of income, accounting for eighty-seven per cent of the total income (before income taxes) of families with two persons or more aged 25-64. For these families, government transfers in the form of employment insurance, pensions, tax benefits, etc. accounted for six per cent of total income, and investment and other income accounted for seven per cent of total income (Table A2).

Adding transfers and other income to earnings, and deducting income tax, gives after-tax income. In 2006, for Saskatchewan families with two or more people, income tax amounted to seventeen per cent of total income (Table A4). It is this after-tax income that families have available to spend or save, and which provides a measure of a family's standard of living. Earnings and after-tax incomes in the report are those for all members of the family.

Zero incomes. For individuals and families with self-employment, from unincorporated business and farming operations, net income may be negative. This can occur if the individual or family spends more on the business or farm than the operation's gross income during the year. In this data set, negative incomes are set to zero. Given the relatively large farming sector in

Saskatchewan and given the high variability of farm income from year to year, this could bias the results. However, Saskatchewan net farm income has not been large in any recent year, so the effect of negative incomes may not be all that great.

Measures. Working with different concepts of income over time can be confusing and difficult. In this report, the following measures and methods were used.

- **Median and average.** Those who have taken an introductory statistics course know that averages can be misleading, especially in the case of income. Adding a few very high income families can increase the average, making it unrepresentative of the population. And as incomes of the very well off increased in Canada, average income increased while the income of the majority of families remained unchanged or declined. Median earnings and incomes provide summary measures of income that are more representative of a population than an average. The median is the value such that one-half of families have less and one-half have more than this value. Median earnings and incomes are generally used in this report. Where shares of income are examined, averages are used, since the income of even very large income recipients must be included in order to properly determine shares of the total.
- **Rounding.** Given that the data come from surveys with many sampling and non-sampling errors associated with them, medians or averages are not accurate to the nearest dollar. While the actual dollar value is reported in some tables, earnings and incomes are often rounded to the nearest one hundred dollars in the text.
- **Changes in prices.** In the Statistics Canada surveys, earnings and incomes were originally measured in the dollars of the year families

obtained them. But as prices change from year to year, generally increasing, the real value of income, or what can be purchased with this income, changes. In order to compare incomes of different years, earnings and incomes have been converted into constant or real dollars of 2006, using the Consumer Price Index for Canada. In the text and tables, unless stated otherwise, incomes are in constant 2006 dollars, meaning that incomes for different years represent what they would have bought in 2006 had prices remained unchanged from 1976 to 2006.

- **Deciles and quintiles.** In order to compare earnings and incomes, families were ranked from those with the lowest earnings or incomes to those with the highest, then divided into ten equal parts, or deciles. The first decile, or decile 1, represents the one-tenth of families with the lowest earnings or incomes. The second decile represents the families with the second lowest ten per cent of earnings or incomes; these are the families with ten per cent below them and eighty per cent above them. Decile 10, or the top decile, represents the best off ten per cent of earners or income recipients — ninety per cent of families have lower earnings or incomes. Since ten deciles is

a lot to consider, quintiles are sometimes used — these represent the poorest twenty per cent of families, the second poorest twenty per cent, and so on. The bottom two deciles are equivalent to the bottom quintile.

The data in this report are not longitudinal. That is, particular families are not tracked over time to indicate how the family's income changed. Rather, the data for each year represent a snapshot of families and incomes in that year only. When it is reported that income inequality has increased over time, this means that the gap in incomes between the better off and less well off families at the end of the period is greater than the gap at the start of the period. But the particular families at the two time periods are not the same families.

The data in this report are special tabulations and are derived from the surveys and data sets Statistics Canada uses to analyze changes in incomes over time in the publications *Income in Canada 2006* (2008a) and *Income Trends in Canada 1976 to 2006* (2008b). These Statistics Canada publications, with detailed tables, show how Canadian incomes have changed over the thirty year period and provide summary data on many more aspects of income than can be provided here.

Appendix Tables

Table A1. Population and families by family type, in thousands, Saskatchewan and Canada, 2006

Family type	Saskatchewan		Canada	
	No. of persons	No. of families	No. of persons	No. of families
Total – families and unattached individuals	916	400	31,853	13,652
Unattached individuals	140	140	4,670	4,670
Economic families, 2 or more persons	776	260	27,183	8,983
Elderly families	92	43	3,002	1,363
Non-elderly families	684	217	24,181	7,619
Economic families with children	421	106	14,088	3,640
Two-parent with children	344	81	12,039	2,935
Lone-parent families	77	25	2,049	705
Number in economic families with children as per cent of total	46.0%	26.5%	44.2%	26.7%

Source: Statistics Canada. 2008b, Table 202901

Table A2. Total income by source and family type, millions of dollars, Saskatchewan, 2006

Income source	Total income in millions of dollars	
	Families, two persons or more, age 25-64	All families and unattached individuals
Total income	16,859	23,890
Market income	15,839	21,020
Earnings	14,675	18,136
Wages and salaries	13,601	16,621
Self-employment	1,075	1,516
Investment	316	781
Other and retirement	848	2,103
Government transfers	1,021	2,871
Number of families	205,000	400,000

Source: Statistics Canada, 2008b, Table 2020404

Table A3. Total and average income and government transfer payments, and number of recipients, Saskatchewan, 2006

Income source	Total income in millions of dollars	Number of recipients, in thousands	Average income in dollars
Total income	23,890	400	59,700
Income from government transfers	2,871	327	8,800
OAS, GIS, SPA benefits	948	100	9,500
Canada Pension Plan (CPP) benefits	918	121	7,600
Child tax benefits	317	104	3,100
Employment Insurance (EI) benefits	286	49	5,900
Workers' compensation benefits	87	16	5,600
Goods and Services Tax (GST) credits	108	230	500
Provincial and territorial tax credits	9	12	800
Social assistance	197	34	5,800

Source: Statistics Canada, 2008b, Table 2020404

Table A4. Average income by source and number of recipients, Saskatchewan, 2006

Income source	Families of two or more persons		Families and unattached individuals	
	Average income in dollars	No. in thousands	Average income in dollars	No. in thousands
Total income	76,000	260	59,700	400
Market income	70,300	252	55,600	378
Earnings	68,400	229	57,300	317
Wages and salaries	67,800	212	57,700	288
Self-employment	14,900	85	14,700	103
Investment	4,700	122	4,400	177
Transfers	9,700	209	8,800	327
Income tax	12,800	260	9,900	400
Average after-tax income	63,200	260	49,900	400
Median after-tax income	55,900	260	41,000	400

Source: Statistics Canada, 2008b, Tables 2020501 and 2020601

Table A5. Changes in industrial and employment structure, Saskatchewan, 1976 to 2002

Sector	Per cent of GDP		Per cent of labour force	
	1976	2002	1976	2002
Agriculture	24	6	25	10
Forestry, fishing, mining	6	15	2	4
Construction	6	4	6	5
Manufacturing	6	7	6	6
Transportation, storage, communication, utilities	10	12	8	6
Wholesale and retail trade	10	12	17	16
Finance, insurance, real estate	14	16	4	6
Community, business, personal service	18	21	24	43
Public administration	7	6	8	6
Total	\$7.3 billion	\$28.1 billion	385,000	487,000

Source: Phillips, 2006, Table 2.

Table A6. Gross domestic product (GDP), 2002 dollars, Saskatchewan and Canada, 1976 to 2008

Year	GDP in millions of 2002 dollars		GDP per capita in 2002 dollars	
	Saskatchewan	Canada	Saskatchewan	Canada
1976	19,795	548,344	21,247	23,384
1981	22,813	647,323	23,380	26,081
1986	26,519	733,468	25,779	28,102
1991	29,066	808,051	28,988	28,820
1996	32,067	913,364	31,471	30,846
2001	34,621	1,120,146	34,614	36,112
2006	39,386	1,284,819	39,641	39,845
2007	40,098	1,319,681	40,416	40,511
2008	41,646	1,325,718	41,977	40,696

Source: Saskatchewan Bureau of Statistics, 2009, Table 2

Table A7. Population aged 15 plus, labour force, total and full-time employed, thousands of persons, Saskatchewan, 1976 to 2006

Characteristic	1976	1986	1996	2006	Increase, 1976-2006
Population, aged 15 or more	657	750	749	746	89
Male	330	374	369	368	38
Female	326	377	379	378	52
Labour force	398	499	491	516	118
Male	256	288	271	276	20
Female	142	211	219	240	98
Employed	382	460	458	492	110
Male	248	265	251	262	14
Female	134	195	206	229	95
Full-time employed	324	363	359	400	76
Male	229	236	223	234	5
Female	95	127	137	166	71

Source: Statistics Canada, 2009, Labour force estimates by detailed age groups, sex, Canada, province, annual average

Table A8. Median and average earnings and after-tax income for families with children, dollars, Canadian provinces and Canada, 2006

Province	Earnings		After-tax income	
	Median	Average	Median	Average
BC	\$60,667	\$69,823	\$60,075	\$68,168
AB	\$72,695	\$86,959	\$71,251	\$81,736
SK	\$54,479	\$67,200	\$56,025	\$64,504
MB	\$58,096	\$64,832	\$53,809	\$61,251
ON	\$66,819	\$78,599	\$65,341	\$73,793
QC	\$54,255	\$65,798	\$56,686	\$64,320
NB	\$47,662	\$56,988	\$51,428	\$57,096
NS	\$57,419	\$64,402	\$56,012	\$62,150
PEI	\$49,000	\$55,850	\$50,371	\$57,101
NL	\$43,139	\$54,515	\$48,590	\$56,180
Canada	\$61,738	\$73,341	\$61,749	\$70,051

Table A9. Low income levels, dollars, Saskatchewan and Canada, 2006

Region of residence	Measure	
	Saskatchewan market basket measure (MBM)	Canada low income cut-off (LICO)
Rural	26,216	21,278
Urban under 30,000	27,224	24,867
Urban 30,000 to 99,999	24,794	27,741
Urban 100,000 plus	26,269	28,091

Source: MBM measures from HRSDC, 2008, Appendix G. LICO measures from Statistics Canada, 2008a, Table 14-1.

Note: (1) For MBM, urban 100,000 plus is an average of the Saskatoon and Regina values. (2) Minimum wage of 2006 with a job of 36 hours per week for 52 weeks. Two workers in a family at minimum wage would have earned $14134 \times 2 = \$28,268$ during 2006. (3) From Table A8, one-half of the median earnings for families with children was \$27,240 in 2006.

Table A10. Average income and estimated transfers and taxes by decile, families with children, dollars and percentages, Saskatchewan, 2006

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Income decile	Average earnings in dollars	Average market income in dollars	Average total income in dollars	Average after-tax income in dollars	Average transfers in dollars (4) – (3)	Average taxes in dollars (4) – (5)	Average transfer rate (%) (6) / (4)	Average tax rate (%) (7) / (4)
1	340	1,328	14,881	13,949	13,552	931	91.1	6.3
2	12,102	14,409	26,775	25,936	12,366	839	46.2	3.1
3	24,718	27,385	37,927	35,574	10,542	2,353	27.8	6.2
4	37,176	40,655	47,726	43,673	7,071	4,053	14.8	8.5
5	48,466	52,023	58,310	51,807	6,287	6,503	10.8	11.2
6	61,892	66,510	70,609	60,492	4,099	10,117	5.8	14.3
7	76,891	80,280	84,563	71,509	4,284	13,054	5.1	15.4
8	95,069	97,309	100,540	82,827	3,231	17,714	3.2	17.6
9	119,127	122,909	125,276	100,344	2,367	24,931	1.9	19.9
10	195,291	205,479	206,100	157,927	622	48,174	0.3	23.4
Average	67,200	71,008	77,401	64,504	6,393	12,897	8.3	16.7

Note: The decile distributions for each of average earnings, market income, total income, and after-tax income were obtained from the special Statistics Canada tabulation obtained by CCPA. Average income taxes were obtained by subtracting the decile averages of after-tax income from the decile averages of total income. Average transfers were obtained by subtracting the decile averages of market income from the decile averages of total income. These estimates of income tax and transfers are only approximate since the families in each of the decile distributions may be different. However, these estimates generally come close to matching the quintile values of transfers and taxes in Statistics Canada, 2008a, Tables 2-9 and 5-9. Keeping in mind that the latter refer to families of two persons or more and the above table refers to economic families with children, differences between the two would be expected.

Table A11. Aboriginal and non-Aboriginal population, Saskatchewan, 2006

Population group	On-reserve	Non-reserve	Total
Aboriginal	49,015	92,875	141,890
North American Indian	47,765	43,635	91,400
Métis	735	47,380	48,115
Other Aboriginal	520	1,850	2,370
Non-Aboriginal	1,065	810,895	811,960
Total	50,085	903,760	953,845

Source: Statistics Canada, 2008d

Table A12. Labour force characteristics, Aboriginal and non-Aboriginal population, Saskatchewan, 2006

Population group	Population and labour force characteristic in number of persons				Labour force participation rate (per cent)	Unemployment rate (per cent)
	Population aged 15 plus	Employed	Unemployed	Labour force		
Aboriginal	91,295	42,095	9,390	51,485	56.4	18.2
Indian	55,610	20,490	6,790	27,275	49.0	24.9
Métis	34,215	20,865	2,475	23,340	68.2	10.6
Other	1,465	735	115	870	59.0	13.8
On-Reserve	31,455	10,025	3,880	13,905	44.2	27.9
Non-Aboriginal	674,935	452,810	20,015	472,820	70.1	4.2
Total	766,235	494,900	29,405	524,305	68.4	5.6

Source: Statistics Canada, 2008e

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