LOW INCOME IN CANADA

BY ROGER LOVE AND GAIL OJA

Statistics Canada

This paper is divided into two sections—the first section discusses the history and development of Canadian low income cut-offs developed by Statistics Canada and the second examines problems relating to the adequacy of one year's income and the treatment of wealth in the low income data.

The first section summarizes the conceptual basis of the Statistics Canada low income cut-offs that were first introduced for an analysis of 1961 Census data; a description of the data sources for specifying the cut-offs and examining the low income population is presented; a recently incorporated revision is described; and uses and abuses of the Canadian low income cut-offs are described.

The second section discusses two main issues. The first issue relates to the adequacy of one year's income as a poverty criterion. Between years there is a significant amount of movement in and out of low income status which varies by socio-demographic characteristics.

The second issue relates to the effect of ignoring wealth in the derivation of the low income population.

The two concerns are examined empirically with data from the Canadian Survey of Consumer Finances.

SECTION 1

History and Development of Low Income Statistics Produced by Statistics Canada

The 1960s experience of a low correlation between growth and the elimination of poverty revived public interest in the poor, disadvantaged and those not benefiting from growth. This interest generated two common data demands:

(1) data to describe the characteristics of the poor;

(2) data for analytic purposes (i.e., causes and correlates of poverty).

These types of demands presupposed the existence of poverty or low income cut-offs for separating the population into poor and non-poor groups.[1] The first Canadian low income cut-offs were determined from an analysis of the 1959 expenditure patterns of Canadian families which indicated that the average Canadian family spent approximately 50 percent of its income on food, shelter and clothing. Consequently, a family which spent 70 percent of its income on these items had little discretionary income and was considered "poor". The low income cut-offs for a given family size that corresponded roughly to those incomes where the expenditure income ratio was 70 percent are given in Table 1 as used for the analysis of 1961 Census data and updated by the Consumer Price Index to 1974.

These cut-offs were not determined by any complex analytic technique but were a judgement based on some knowledge of expenditure patterns in Canada (this will be discussed shortly). In fact, at that time it was unnecessary to have the lines pinpointed more precisely since the major purposes were to describe and demonstrate the existence of the low income population. Most everybody would

[1]Analysts fall roughly into two groups—those interested in analyzing low income correlates but with little interest in the cut-offs and others wanting cut-offs to have relevance for a particular program which may have some target population.

TABLE 1

UPDATED LOW INCOME CUT-OFFS, CANADA, 1961 CENSUS AND 1974

Family Size	Low Income Cut-Offs 1961 ($)	1974 ($)
1	1,500	2,518
2	2,500	4,196
3	3,000	5,034
4	3,500	5,872
5+	4,000	6,713

have agreed that these cut-offs were "low" and if Canada had a significant proportion of the population with income levels less than these cut-offs, then "poverty" was a problem (in fact, the United States, in its initial examination of poverty, utilized only two income cut-offs, one for unattached individuals and another for families regardless of size).

Note that these cut-offs are referred to as *low income* cut-offs and not *poverty* lines (although the terms are used interchangeably). These lines can be considered one set of roughly equivalent incomes for families of different sizes at the low end of the income spectrum. They are not necessarily points of minimum (relative or absolute) subsistence levels of income in general and even less so in specific circumstances, e.g., for a family of four consisting of a mother and three children living in a large metropolitan area, renting accommodation, etc. Clearly, these lines are not designed to be used as support levels by policy makers; they lack specificity and are not designed to guarantee adequacy.

Data Sources

In Canada, there are two main sources of data for poverty related statistics: one is the data on family expenditures (FAMEX) and the other source is income data collected by the Survey of Consumer Finances (SCF). The FAMEX survey, which is taken only intermittently on a comprehensive national scale (at best only every 10 years), collects detailed information on the expenditure patterns of Canadian families along with information on family characteristics and income.

The Survey of Consumer Finances, a much more regular survey (it is now taken annually; during the period 1961 to 1971 it was roughly biennial), is dedicated to collecting detailed sources of income information from Canadians as well as their socio-demographic and geographic characteristics. The data output is similar to that of the March supplement of the Current Population Survey taken by the Bureau of the Census in the United States.

It is important to understand that the FAMEX data are used to set the low income cut-offs while the SCF, because of its greater regularity, provides the data for examining the low income population. At present, annual tabulations are being produced on the low income incidence and characteristics of the low income population from the SCF (see Statistics Canada, Catalogue No. 13-207, Income Distributions by Size in Canada).

Revision of Low Income Cut-Offs[2]

At the outset, it should be emphasized that the revision was intended to be only statistical in nature and not a re-examination of the low income concept—consequently, alternatives were not considered.

The main problem in the revision was how to reflect in the low income criterion a change in the ratio of expenditure on food, shelter, and clothing to income (FSC ratio) from 50 percent in 1959 to 42 percent in 1969. (The significance of the 50 percent ratio is described above). After some discussion, it was decided to lower the criterion to 62 percent and to maintain the original 20 percent difference between the FSC ratio and the criterion.

Another objective in revising the low income cut-offs was to examine whether regional differentials should be incorporated. This was felt to be necessary in a country as geographically diversified as Canada. For that reason, two geographic variables were considered: (a) region of residence; and (b) size of place of residence in which the family resided. Politically, Canada is divided into provinces; for statistical purposes, the 10 provinces are often grouped into 5 regions.[3]

The basis for the determination of the low income cut-offs was an Engel curve regression of FSC expenditure on income, family size, region and size of place of residence.

Linear and logarithmic regressions were run; the two functional forms yielded similar results. As a result, only the linear model was utilized. The general conclusion from the regression was that, besides income and family size, the most important variable explaining variations in expenditures on FSC was size of place of residence. Region, although statistically significant, was not deemed important enough to warrant separate consideration in determining the low income cut-offs.

Before the low income cut-offs by size of place of residence were determined, it had to be decided whether the same criterion should have been used for each area. This involved price and quantity problems which could not be solved without special data that were not available. In fact, the low income cut-offs were estimated so that the FSC income ratio was the same in each size of place of residence. The 1969 cut-offs derived from the analysis and 1974 updated low income cut-offs are presented in Table 2.

Uses and Abuses of Canadian Low Income Cut-Offs

The low income statistics that are now published annually have a wide audience. They are regarded as a measuring stick for the progress that Canadian society is making towards guaranteeing a minimum income to each family unit. The statistics are also used as a basis for criticizing the government for what it does or does not do. Prior to the revision of the low income lines, there was criticism voiced about the fact that the old updated lines did not take into account generally rising levels of living and for that reason the statistics were overstating the drop in

[2]A more detailed description of the revision process is available in an unpublished paper, "Revision of Low Income Cut-Offs", available from the Consumer Income and Expenditure Division, Statistics Canada.

[3]Regions and size of place of residence categories are defined in the Appendix.

TABLE 2

REVISED LOW INCOME CUT-OFFS BY FAMILY SIZE AND SIZE OF PLACE OF RESIDENCE, 1969 AND 1974

Family Size	Size of Area of Residence				
	500,000 or more	100,000 –499,999	30,000 –99,999	Small Urban	Rural (Farm and Non-Farm)
			1969[1]		
1	2,599	2,434	2,363	2,174	1,890
2	3,769	3,529	3,426	3,152	2,741
3	4,809	4,503	4,372	4,022	3,498
4	5,719	5,355	5,199	4,783	4,159
5	6,393	5,986	5,812	5,347	4,650
6	7,018	6,571	6,380	5,870	5,104
7 or more	7,695	7,205	6,995	6.435	5,596
			1974[2]		
1	3,456	3,235	3,142	2,890	2,512
2	5,008	4,690	4,554	4,189	3,644
3	6,391	5,986	5,810	5,347	4,648
4	7,601	7,117	6,909	6,357	5,527
5	8,496	7,955	7,724	7,108	6,181
6	9,328	8,734	8,480	7,801	6,783
7 or more	10,228	9,574	9,297	8,552	7,437

[1]Derived from regression analysis of 1969 FAMEX data.
[2]The cut-offs for successive years are determined by

$$Y_t = \frac{Y_{t-1} * CPI_t}{CPI_{t-1}}.$$

the low income population. In order to respond to this criticism, the revision of the low income lines was undertaken when the Family Expenditure data for 1969 became available. Since the mid-sixties, a considerable amount of public debate has taken place around the low income statistics. In 1971, a Special Senate Committee published a report, "Poverty in Canada"; the research for the report was based largely on the low income data published by Statistics Canada. The Senate report recommended a universal guaranteed annual income structured along the lines of the low income cut-offs. Although this recommendation has as yet not been implemented, it has been influential in raising the question of the desirability and feasibility of a guaranteed income program in Canada. In fact, in several cases, social security programs provide a floor below which incomes cannot fall—the elderly currently receive from the government a payment of $210 a month if single and $400 a month for a married couple (rates for June 1975) if they have no income from other sources. These are universal rates guaranteed by the federal government; some provinces pay supplements on top of these rates.

At present, a major social security review is in progress in which the federal and provincial governments are cooperating. In one of the provinces, a Guaranteed Income Experiment has been mounted with federal government support.

Low income statistics have provided a major input into these programs. It must be emphasized that the low income lines have no official status in Canada as poverty lines. However, their fairly wide use has made them a sensitive issue as was found out when the revision was undertaken.

The data generated on the basis of the low income lines serve their proper purpose when they are used as a general monitoring device and a tool for setting some of the broad parameters for policy planning and evaluation. We also like to think of the statistics as social data of some consequence and importance.

On the other hand, we feel very strongly, and have never stopped emphasizing, about the unsuitability of the low income lines as adequacy criteria or support levels. From the above description of the methodology, it is clear that no such connotation can be attributed to the lines. However, because no generally applicable and recognized standard budgets are available in Canada, the low income lines are substituted for them. In the absence of more suitable normative measures, it is very difficult to oppose such uses; however, we consider such applications to be abuses of the lines.

SECTION 2

Introduction

This section discusses the problems and presents some data in respect to two dimensions of the low income or poverty problem that are generally recognized but for which a data base seldom exists to examine the empirical parameters.

The first of these problems relates to the inadequacy of a one year time frame for measuring income. One year's income may not represent a true picture of economic status; for example, a farmer with a poor crop this year or facing unfavourable market conditions or a university student with a low income but with higher income expectations is considered poor. More generally, in any year there will be persons whose incomes are exceptionally high (non-poor) or low (poor). Some data (although it may be of suspect quality)[3] exist on the income of family units for two consecutive years with which it is possible to examine the characteristics of those families who move in and out of low income status over a period of two years.

The second problem relates to the extent to which an *income* based poverty criterion is an adequate discriminator between the "poor" and the "non-poor". Of most relevance is the omission of the consideration of wealth (or perhaps the unawareness of the implicit assumption made about wealth in present statistics) in determining one's overall economic position. This analysis examines the wealth position of family units who are classified as "poor" or "non-poor" on the basis of the income based criterion.

These problems are examined with data from the 1970 Survey of Consumer Finances and to a lesser degree with information from an earlier survey taken in 1964. In addition to income, demographic and labour force information, these

[3]SCF data suggests that the 1968 income is somewhat out of line with the 1967 and 1969 incomes. Two reasons for this would be the greater recall period required for the 1968 income and the fact that the question was a global income estimate (not detailed components)—this may have resulted in some income sources being forgotten.

surveys collected fairly detailed information on the asset and debt situation of Canadian families in the spring of the respective years. The nature of the wealth information is described in the Appendix.

As well, the two surveys asked questions concerning the respondent's income in the previous year. In 1964, questions were asked concerning the 1962 income in relation to the 1963 income (much higher (+20 per cent), etc.), whereas in 1970 the respondents were asked to state their incomes for the previous year in actual dollars. These data provide a pseudo-longitudinal sample for two years from which one can examine the movements in and out of low income status.

Inadequacy of One Year Income Classification

Income information relating to the same families for the two years (1968 and 1969) permits an examination of the characteristics of families that change income status.[4] Of additional interest is the extent to which continuing low income status (in terms of the two years' income) is related to socio-demographic characteristics and whether or not these characteristics are more or less strongly related to continuing low income status (defined as *persistent* low income) than to low income status in a particular year. Whether poverty is a long term phenomenon affecting the same families year after year or a transitory event affecting a continually changing group is clearly an important question for policy makers. Table A1 (Tables A1 through A5 are in the Appendix) examines the distribution of the low income population for two years, 1968 and 1969, and presents for comparison purposes the distribution of the total population (all unattached individuals or families). Statistics are presented separately for unattached individuals and families (a group of persons sharing a common dwelling related by blood, marriage, or adoption). The characteristics are measured at the time of the survey (Spring 1970) except for work experience which is based on 1969 work patterns. Characteristics in the previous year may or may not have been different (e.g., work experience may have been different in 1968; age changes in a predictable way but no allowance has been made here for this; sex would not change; educational attainment for adults is a fairly stable characteristic).

Table A2, presenting the data in a more interesting analytic fashion, allows one to visualize directly the relationship between each demographic variable and aspects of low income status. For example, column 1 gives the percentage of unattached individuals who have low income status in 1968 and 1969 (this is the persistent group); and column 5 expresses the persistent group as a proportion of the reference group. Columns 6 and 10 give similar information for families. The persistence ratio is useful to relate continuing low income status to the socio-demographic variables.

Considering families and unattached individuals separately there is a reasonable difference in the make-up of the low income population between the two years—about 42 percent of low income families and 30 percent of low income

[4]The analysis requires some simplifying assumptions about the data. For example, we assume that the families as structured in the spring of 1970 and for whom income was reported remained the same during 1968 and 1969. Obviously this is not true – some family units in 1968 would have been smaller (births), others would have been larger (deaths), some family units would have existed in 1968 but not in 1969 (deaths, family breakup, emigration and immigration) and vice versa.

unattached individuals were low income in only one of the years. These aggregate figures suggest that a significant proportion of the "poor" are experiencing a temporary period of low income.

Table A2 indicates a great deal of variation in the persistence ratio for some of the characteristics—low income is more persistent for the elderly, the less educated, and those families where the head did not work in 1969. Variations in the persistence ratio do not appear to be as large as variations in the incidence of low income. This suggests that, although some groups may have a very low incidence, once families are poor they experience problems escaping from poverty (at least over the two year period).

Table A3 examines Canadian low income families and unattached individuals according to whether they "moved" in or out of low income status. We identify two groups of movers and non-movers.

(1) low income in 1968—not low income in 1969 } movers
(2) not low income in 1968—low income in 1969 }
(3) low income in both years } non-movers
(4) not-low income in both years }

Group 1, in respect to low income status, consists of *out-movers* and group 2 of *in-movers*. Groups 3 and 4 experience no change as far as their income status is concerned.

These comments relate to families proper but similar conclusions are applicable to unattached individuals as well.

(1) by *sex of head*—The proportion of families with male heads in the in-move and out-move populations are almost the same (91.8 vs. 89.3 percent).

(2) by *age of head*—Out-moving families tend to be headed by younger persons than in-moving families. 11.9 percent of in-movers are 70 years of age and over whereas only 5.4 percent of out-movers are in the same age group.

(3) by *education of head*—Movers are more concentrated in the upper educational categories than families who were of low income status both years. 11.8 percent of movers had at least some university compared with only 3.9 percent of families with low income in both years.

(4) by *work experience of head (1969)*—Families with working heads are more prevalent in the moving group than in the persistent low income group. Full-time workers were more prevalent in the out-mover group than in the in-mover group.

The appendix contains 5 regressions that examine variations in low income incidences in relation to 7 sets of socio-demographic variables. The regressions have 4 goals:

(1) to avoid erroneous conclusions from simple tabular analysis (one variable at a time),

(2) to examine the extent to which these variables are useful in explaining variations in the dependent variables and their statistical significance,

(3) to examine the "relative importance" of each group of variables as indicated by the RSQ. INC. Statistic (R^2 increment),

(4) to compare ranking of variables in the various regressions, in particular where there is any difference in ranking of variables between *reference regression* and *persistence ratio* regression.

The independent variables which relate to geographic variables and characteristics of the family and the head are specified in the Appendix. All independent variables are in dummy variable format.[5]

The four dependent variables relating to different low income states are:

(i) Whether or not a family unit had low income in 1969 (Regression 1, dependent variable = Prop. Low).

(ii) Whether or not a family unit had low income in both years (Regression 2, dependent variable = Persist).

(iii) Whether or not a family unit had low income in 1968 or 1969 (Regression 3, dependent variable = Reference).

(iv) Given a family unit had low income in 1968 or 1969, whether or not it had low income in both years (Regression 4, dependent variable = Ratio).

In addition Regression 1 was duplicated excluding the elderly families with heads 65 years or more since a large proportion of the elderly fall into the "did not work" category (Regression 5).

The regressions are interesting as they are a convenient way to summarize the relationship between the dependent variables and the independent variables (assuming the formulated model has some validity—a topic which has been avoided completely).

Most independent variables behave in the fashion one would expect, i.e., low income status is negatively related to education, work experience and number of additional family earners (see Regression 1).

Of particular interest in Regression 1 is the negative relationship between age and poverty status as the reverse appears to be the case when the simple relationship between age and incidence of low income is examined. This pattern also exists when the families with heads 65 plus are excluded from the regression. (See Regression 5).

Table 3 summarizes the ranking of the variables for each of the regressions.

TABLE 3

RANK OF REGRESSION VARIABLES

Variable	Variable Ranks (a)			
	Regression 1 (1969 Low Income)	Regression 2 (Persist)	Regression 3 (Reference)	Regression 4 (Persist Ratio)
Region of residence	7	7	7	6
Size of place of residence	3	4	2	5
Sex of head	5	5	6	4
Education of head	4	3	5	3
Age of head	6	6	4	7
Work experience of head	1	1	1	1
Additional earners	2	2	3	2

Source: Regressions 1–4, Appendix

(a) Variable rank determined by size of the R^2 increment.

[5]In each case, the independent variable is "one" if the family belongs in the category and "zero" otherwise.

The results of the above table do not suggest any striking differences in terms of the importance of different variables. Work experience of head and additional earners in the family are consistently near the top and region of residence is least important in 3 cases out of 4, and next to last in the fourth.

Regressions 3 and 4 compare the importance of the independent variables in explaining variations in the probability of being in the reference group and the probability of remaining in poverty given that one is in the reference group. Work experience of head is the most important explanatory variable for both these regressions, size of place or residence is second most important for the reference group regression but only 5th in rank for the persistence regression. This suggests that size of place of residence is important in determining whether or not one may fall into low income status but of lesser importance as far as staying poor goes.

Wealth and Low Income

It is an understatement to say that accounting for wealth in an adequate fashion is a problem when dealing with poverty statistics. There are problems both of a conceptual and practical nature; one suggested approach, not without its opponents, has been to annuitize wealth into income; from a practical point of view wealth data are available at very infrequent intervals (wealth surveys have been taking place every six or seven years in Canada since 1955). Some authors (for example, Weisbrod and Hanson, AER, Dec. 1968) have attempted to annuitize wealth and then examine the extent and nature of the poor population on the basis of money income and on an income-net worth concept with *the same low-income cut-off in both cases.* There is a fundamental objection to this approach: if poverty lines are set by observing the expenditure–income relationship (as is the case in Canada) it would be necessary to reset the cut-offs. With reference to the Canadian framework this would require an examination of the overall Canadian expenditure of FSC in relation to income-net worth, a respecification of the poverty criterion, and finally the determination of a new set of cut-offs. Using $3,000 as the low income cut-off for two different "income" concepts is not valid. Even in other cases where poverty lines are set differently it seems close to a tautology to present findings that the poverty incidence declines when wealth is converted to an annuity and added to money income. There may be a little more justification in comparing the characteristics of the families found to be in the poverty group under the two procedures. It seems preferable to utilize as qualifying data the asset-debt information that is available and not to incorporate this information into the classification procedure mainly for the two reasons mentioned above:

(1) new lines would have to be developed,

(2) asset-debt information is not available on an annual basis and low income statistics are published annually.

Some financial characteristics of low income families on the income based criterion are examined and compared with those of the non-low income population. The data can be summarized very briefly by saying that there are a substantial number of low income families with significant wealth and also a large number of non-low income families of little wealth. This would suggest that a

criterion of financial inadequacy using both income and wealth would result in some "poor" and "non-poor" families changing positions. This is evidenced by Table A4 which indicates the distribution of "poor" and "non-poor" families by a number of financial characteristics. It should be noted that the majority of families with low income and high net worth own mortgage-free homes.

If low income status is to some extent a transitory short term phenomenon, then the extent to which poor families can cover their income deficit (the amount by which the family income is short of the poverty line) is an indicator of ability to withstand temporary income deficiency. Table 4 examines this deficiency in relation to liquid assets and net worth. These ratios can be interpreted as the length of time the particular type of wealth could compensate for the income deficits. Thus, a family with a liquid asset/income deficit ratio of 2 can cover its present deficit for two years. The use of the net worth/income deficit criterion results in a much larger proportion of family units able to cover their deficit for five years or more compared to the liquid asset/income deficit criterion. To achieve this would, however, require the selling of the family home in the majority of cases.

TABE 4

DISTRIBUTION OF UNATTACHED INDIVIDUALS AND FAMILIES BY (1) THE LIQUID ASSETS/INCOME DEFICIT AND (2) THE NET WORTH/INCOME DEFICIT RATIOS, 1969

Ratio	Unattached Individuals		Families	
	Liquid Assets[1]	Net Worth[1]	Liquid Assets	Net Worth
			per cent	
One or less	64.4	50.7	68.2	37.9
1–2	7.5	5.3	7.4	6.5
2–3	9.1	4.0	4.9	4.6
3–4	5.8	2.9	2.3	3.9
4–5	2.2	2.5	1.5	3.0
5 or more	16.1	34.6	15.1	44.1
Total	100.0	100.0	100.0	100.0

[1]See Appendix for liquid assets and net worth definitions.

A somewhat different analysis was done from 1964 data when a 6 percent return was imputed to the net equity in owner–occupied homes and added to regular money income.

Table 5 shows that 10 percent of all poor non-farm families and unattached individuals have an imputed income from home ownership which is sufficient to carry their income deficit indefinitely. However, 44 percent of families and 50 percent of unattached individuals below the poverty line had neither an adjusted income nor any financial assets to cover their income deficit. Of the remaining group the majority of families and unattached individuals had just enough financial assets to close the gap between adjusted income and the poverty lines for less than two years.

The final part of the wealth analysis is based on Table A5 which examines some of the main financial characteristics of moving and non-moving families. The

TABLE 5

PERCENTAGE DISTRIBUTION OF LOW INCOME NON-FARM FAMILIES AND UNATTACHED INDIVIDUALS BY ADEQUACY OF ASSETS IN RELATION TO INCOME DEFICIENCY,[1] SPRING 1964

	Unattached Individuals	All Families	Size of Family 2	3	4	5 or more	All Units
Units below income cut-off	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Deficiency compensated:							
By allowance for home equity[2]	8.6	10.6	12.8	11.3	11.2	8.2	9.9
By allowance for home equity plus financial assets[3]							
Sufficient for:							
5 years or more	8.8	7.1	14.2	6.9	4.3	2.3	7.7
4–5 years	2.7	1.0	1.6	0.7	0.4	1.0	1.6
3–4 years	1.3	1.7	3.6	—	3.0	0.3	1.6
2–3 years	2.7	2.9	3.9	4.5	2.3	1.6	2.8
1–2 years	6.5	5.4	8.6	7.7	5.8	1.5	5.8
1/2–1 year	5.8	5.2	6.0	1.7	5.1	6.1	5.4
Less than 1/2 year	13.6	22.0	15.2	25.1	22.0	26.5	18.9
Deficiency not compensated—no financial assets available	50.1	44.0	34.0	41.9	45.9	52.6	46.2

[1]Income deficiency is the gap between the annual income received and the income line that was used as the income criterion for a unit of a given size.

[2]Calculated at 6 percent on equity (estimated market value less mortgage debt).

[3]Financial assets consist of all deposits, bonds, mortgage holdings and loans to other individuals.

Source: Dominion Bureau of Statistics, "Survey of Consumer Finances 1964".

results are discussed solely for families although the same characteristics are available in the table for unattached individuals.

Variability of home ownership appears to be surprisingly small between the mover and non-mover categories. Home ownership is the lowest among outmovers (54 percent) and the highest among the group who were poor neither in 1968 nor in 1969 (64.7 percent). The lowest proportion of mortgaged homes is found among home owning families who were poor in both years (this is derived from Table A5 by dividing proportion with mortgage outstanding by the proportion who own a home). This reflects the concentration of the elderly in the persistently poor group (average age 52 compared to 44 for the persistently non-poor). On the other hand, the average value of the homes for movers and the persistently poor is considerably below that of non-poor families.

Debt (whether total or consumer) is lowest among the persistently poor. In terms of their indebtedness movers rank consistently between the persistently poor and the non-poor. Whereas the proportion of debtors in the persistently poor group is always lower than in the other groups, the same differential does not show up on the asset side—a higher proportion of the persistently poor had assets than some of the other groups.

There is a large difference between the persistently poor and movers in respect to automobile ownership. Movers rank between the persistently poor and

the non-poor in terms of value and ownership incidence. In part the lower incidence of auto ownership among the persistently poor reflects the greater proportion of elderly families among them.

The final observation from the table concerns the extent to which wealth of the persistently poor is more highly concentrated in home ownership equity compared to the other groups. The home ownership equity-net worth ratios for the 4 groups are:

not low income both years	54.9%
low income both years	71.0%
1968 low—1969 non-low	59.8%
1968 non-low—1968 low	59.0%

Summary

This deeper probing into the permanency of low income status and wealth position of the poor was based on special data that are available only at infrequent intervals. The main findings—that among the poor as defined for any one year there is a group of transitory "poor" and that their characteristics differ somewhat from the "hard core poor" as well as the fact that many of the "income-poor" hold substantial amounts of assets—would be of some interest to policy makers. From the point of view of data collectors such data are very expensive to collect. For better analysis of the permanency question true longitudinal data would be much better; the cost and other related problems of collecting such data are well known. Asset and debt surveys should be more frequent, particularly in present circumstances where inflation may be motivating families to change their portfolio compositions. Again the cost and response burden problems make it unlikely that wealth information will be more frequently available in the future.

Under these circumstances there is no practical nor feasible alternative but to continue with an income based criterion that is supplemented from time to time with analysis in greater depth.

Bibliography

Economic Council of Canada, *The Challenge of Growth and Change: Fifth Annual Review*, Queen's Printer, 1968.

Economic Council of Canada, *Perspective 1975: Sixth Annual Review*, Queen's Printer, 1969.

Podoluk, Jenny R., *Incomes of Canadians*, 1961 Census Monograph.

Special Senate Committee on Poverty, *Poverty in Canada.*

Statistics Canada, *Statistics on Low Income in Canada*, 1967, Catalogue Number 13-536.

Statistics Canada, *Statistics on Low Income in Canada*, 1969, Catalogue Number 13-553.

Statistics Canada, *Income Distributions by Size in Canada*, 1973, Catalogue Number 13-207.

Weisbrod, B. A. and Hansen, W. L., "An Income-Net Worth Approach to Measuring Economic Welfare", *American Economic Review*, December, 1968.

Appendix

Definitions

All our terms are defined in the relevant Statistics Canada publications; however, we repeat a few of our main definitions here:

1. Family—a group of individuals sharing a common dwelling unit and related by blood, marriage or adoption.

2. Total income—money income received during the previous year from the following sources: wages and salaries, net income from self-employment, investment income, government transfer payments and other miscellaneous income. Money income is reported gross of taxes. Income in kind is excluded as are receipts of gifts, lump sum settlements from insurance policies, income tax or pension refund, capital gains and losses and receipts from the sale of assets.

3. Total assets—the following 13 items constitute total assets: (a) cash on hand, (b) bank deposits, (c) other deposits, (d) Government of Canada bonds, (e) other bonds, (f) publicly traded stock, (g) shares in investment clubs, (h) other financial assets—mortgage holdings and other, (i) miscellaneous assets—loans to other persons and other, (j) market value of home, (k) market value of vacation house, (l) investment in other real estate, (m) value of automobiles.

4. Liquid asset holdings are the sum of (a) to (c) above.

5. Total debt consists of the following items:
   (a) charge account and installment debt;
   (b) secured bank loans;
   (c) other collateral bank loans;
   (d) home improvement loans;
   (e) other bank loans;
   (f) loans from consumer loan companies;
   (g) loans from Credit Unions and Caisses populaires;
   (h) other institutional loans;
   (i) miscellaneous debts and loans;
   (j) mortgage debt on homes;
   (k) mortgage debt on vacation homes.

6. Consumer debt—sum of items (a), (c), (e), (f), (g) above.

7. Net worth is the difference between total assets and total debt.

Regressions

Independent variables in regressions:

1. Region of Residence
   ATL—Atlantic Provinces
   QUE—Quebec
   ONT—Ontario
   PRA—Prairie Provinces
   BC—British Columbia.

2. Size of place of residence
   500+—cities with population 500,000 or more
   100+—cities with population 100,000–499,999
   30+—cities with population 30,000–99,999
   OTHCITY—cities with population 15,000–29,999
   URBAN—urban area 1,000-14,999
   RURAL—all other areas.

3. Sex of head
   M—male head
   F—female head.
4. Education of head
   ED1—no schooling
   ED2—some elementary
   ED3—elementary complete
   ED4—some high school
   ED5—high school complete
   ED6—some university
   ED7—degree.
5. Age of head
   AGE 1—24 years and less
   AGE 2—25–34 years
   AGE 3—35–44 years
   AGE 4—45–54 years
   AGE 5—55–64 years
   AGE 6—65–69 years
   AGE 7—70 years and over.
6. Work experience of head (1969)
   FT—full time (50–52 weeks mainly full-time)
   PT—worked but not FT
   DNW—did not work in 1969.
7. Earners in addition to head
   ZERO—no other earner
   ONE—one other earner
   TWO+—2 or more other earners.

Dependent variables in regression:

REGRESSION 1

Prop. Low—whether or not the family unit had low income in 1969.

REGRESSION 2

Persist—whether or not the family unit had low income in 1968 *and* 1969.

REGRESSION 3

Reference—whether or not the family unit had low income in 1968 *or* 1969.

REGRESSION 4

Ratio—whether or not a family unit had low income in both years.

REGRESSION 5

Pov—whether or not a family unit had low income in 1969.

Technical notes about regressions

1. Since the sample is not simple random, a weight is attached to each observation as determined by the sample design. These weights were utilized in the regressions.
2. Regressions were run excluding the first category in each group of dummies as the reference category. The resulting coefficients were then adjusted so that the constant represents the overall proportion and each coefficient represents a deviation from the overall average.

3. The RSQ. INC. is the increment to the R^2 which would result if the group of dummies being considered were included in the regression. The partial R^2 is:

$$\frac{\text{RSQ. INC.}}{1-(R^2-\text{RSQ. INC.})}$$

4. The F-statistic is derived on the basis of the simple random assumptions.
5. Sample size for regressions 1–3 is 9444
   Sample size for regression 4 is 2938
   Sample size for regression 5 is 8094.
6. Partial F's can be calculated from RSQ. INC. and sample sizes in (5).
7. Unless noted by asterisk, coefficients are statistically significantly different (95 percent level) from reference group (the first category in each case except for education where ED 7 is reference group).

	Region of Residence	Size of Place of Residence	Sex of Head	Education of Head	Age of Head	Work Experience of Head (1969)	Earners in Addition to Head
REGRESSION 1							
Prop. Low = 0.2197	+0.0427 ATL	−0.0388 500+	−0.0196 M	+0.1799 ED1	+0.0944 AGE 1	−0.1148 FT	+0.0561 ZERO
	−0.0033 QUE	−0.0469 100+*	0.0862 F	+0.1020 ED2	+0.0086 AGE 2	+0.0124 PT	−0.0700 ONE
	−0.0238 ONT	−0.0421 30+*		+0.0299 ED3	+0.0080 AGE 3	+0.3288 DNW	−0.1317 TWO+
	+0.0569 PRA*	−0.0007 OTHCITY		−0.0111 ED4	+0.0093 AGE 4		
	−0.0327 BC	−0.0048 URBAN		−0.0594 ED5*	−0.0236 AGE 5		
		+0.1367 RURAL		−0.0558 ED6*	−0.0808 AGE 6		
				−0.0789 ED7	−0.0485 AGE 7		
RSQ. INC	0.0056	0.0241	0.0081	0.0175	0.0069	0.0822	0.0264
$\bar{R} = 0.333$							
F-Statistic = 189.17							
REGRESSION 2							
Persist = 0.1881	+0.0511 ATL	−0.0298 500+	−0.0206 M	+0.2246 ED1	+0.1034 AGE 1	−0.0997 FT	+0.0493 ZERO
	+0.0004 QUE	−0.0355 100+*	+0.0900 F	+0.1097 ED2	+0.0128 AGE 2	−0.0034 PT	−0.0655 ONE
	−0.0199 ONT	−0.0353 30+*		+0.0243 ED3	+0.0040 AGE 3	+0.3065 DNW	−0.1078 TWO+
	+0.0420 PRA*	−0.0017 OTHCITY*		−0.0151 ED4	+0.0007 AGE 4		
	−0.0367 BC	+0.0031 URBAN		−0.0586 ED5*	−0.0317 AGE 5		
		+0.1037 RURAL		−0.0559 ED6*	−0.0689 AGE 6		
				−0.0735 ED7	−0.0386 AGE 7		
RSQ. INC	0.0048	0.0155	0.0099	0.0216	0.0083	0.0758	0.0226
$\bar{R}^2 = 0.324$							
F-Statistic = 175.01							
REGRESSION 3							
Reference = 0.2989	+0.0481 ATL	−0.0367 500+	−0.0220 M	+0.2082 ED1	+0.2136 AGE 1	−0.1334 FT	+0.0570 ZERO
	+0.0003 QUE	−0.0591 100+	+0.0962 F	+0.1033 ED2	+0.0128 AGE 2	+0.0528 PT	−0.0746 ONE
	−0.0248 ONT	−0.0439 30+*		+0.0340 ED3	−0.0105 AGE 3	+0.3322 DNW	−0.1279 TWO+
	+0.0642 PRA*	−0.0100 OTHCITY*		−0.0151 ED4	+0.0003 AGE 4		
	−0.0516 BC	−0.0092 URBAN		−0.0563 ED5*	−0.0405 AGE 5		
		+0.1569 RURAL		−0.0689 ED6*	−0.0630 AGE 6		
				−0.0734 ED7	−0.0946 AGE 7		
RSQ. INC	0.0062	0.0255	0.0083	0.0151	0.0215	0.0809	0.0221
$\bar{R}^2 = 0.3148$							
F-Statistic = 167.8							

	Region of Residence	Size of Place of Residence	Sex of Head	Education of Head	Age of Head	Work Experience of Head (1969)	Earners in Addition to Head
REGRESSION 4							
Ratio = 0.6292	+0.0570 ATL	−0.0608 500+	−0.0404 M	+0.1137 ED1	+0.0275 AGE 1	−0.1508 FT	+0.0448 ZERO
	+0.0145 QUE*	−0.0409 100+*	+0.0814 F	+0.0972 ED2	−0.0027 AGE 2*	−0.0630 PT	−0.1558 ONE
	−0.0409 ONT	−0.0625 30+*		+0.0302 ED3	+0.0285 AGE 3*	+0.1422 DNW	−0.2722 TWO+
	+0.0207 PRA*	−0.0139 OTHCITY*		−0.0343 ED4	−0.0134 AGE 4*		
	−0.0300 BC	+0.0305 URBAN		−0.1228 ED5*	−0.0415 AGE 5*		
		+0.0729 RURAL		−0.0767 ED6	−0.0580 AGE 6		
				−0.1880 ED7	+0.0267 AGE 7*		
RSQ. INC	0.0043	0.0108	0.0116	0.0231	0.0039	0.0371	0.0320
$R^2 = 0.219$							
F-Statistic = 32.59							
REGRESSION 5							
Pov = 0.1649	+0.0550 ATL	−0.0365 500+	−0.0161 M	+0.2880 ED1	+0.0805 AGE 1	−0.0714 FT	+0.0500 ZERO
	−0.0002 QUE	−0.0477 100+*	+0.0931 F	+0.0779 ED2	−0.0033 AGE 2	+0.0606 PT	−0.0496 ONE
	−0.0280 ONT	−0.0319 30+*		+0.0402 ED3	−0.0016 AGE 3	+0.4118 DNW	−0.1058 TWO+
	+0.0586 PRA*	−0.0139 OTHCITY*		−0.0077 ED4	−0.0048 AGE 4		
	−0.0353 BC	−0.0019 URBAN		−0.0387 ED5*	−0.0384 AGE 5		
		+0.1429 RURAL		−0.0410 ED6*			
				−0.0607 ED7			
RSQ. INC	0.0083	0.0307	0.0090	0.0148	0.0064	0.1008	0.0227
$\bar{R}^2 = 0.2911$							
F-Statistic = 139.4							

TABLE A1

PERCENTAGE DISTRIBUTION OF UNATTACHED INDIVIDUALS AND FAMILIES BY INCOME STATUS, CANADA 1968–69

Selected Characteristics	Unattached Individuals					Families				
	All	Unit with Low Income Status in				All	Units with Low Income Status in			
		Both years[1]	1968	1969	Either year[2]		Both years[1]	1968	1969	Either year[2]
All Units	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Sex of Head										
Male	48.3	34.4	39.6	35.0	39.7	92.5	80.0	83.1	82.0	84.1
Female	51.7	65.6	60.4	65.0	60.3	7.5	20.0	16.9	18.0	15.9
Age of Head										
Under 24 years	20.3	19.7	27.5	19.3	26.7	5.5	5.2	6.8	5.0	6.5
25–34 years	14.8	5.5	8.4	5.5	8.3	22.8	15.7	17.7	16.2	17.7
35–44 years	9.1	2.2	2.2	2.2	2.2	24.2	19.0	19.6	19.8	20.1
45–54 years	11.4	6.8	6.8	7.6	7.4	20.1	15.7	17.3	16.2	17.4
55–64 years	14.6	13.8	11.9	15.0	13.0	14.5	12.4	13.2	12.8	13.4
65–69 years	9.5	13.9	12.8	13.2	12.4	5.0	9.0	8.4	9.0	8.5
70 years and over	20.4	38.0	30.4	37.1	30.2	8.0	23.0	17.0	21.1	16.4
Education of Head										
No schooling	1.3	3.5	2.8	3.2	2.6	1.1	4.0	3.2	3.4	2.9
Some elementary	16.7	31.4	24.8	29.6	23.9	17.7	38.6	32.9	36.3	32.0
Completed elementary	16.3	21.0	18.5	20.4	18.2	19.4	23.9	23.4	24.5	23.8
Some high school	21.2	18.2	18.4	20.6	20.3	28.9	23.2	24.8	23.6	24.8
Completed high school	23.7	16.5	21.7	16.8	21.6	18.1	6.4	9.0	7.2	9.3
Some university	8.9	5.4	6.8	5.5	6.8	6.8	2.6	3.6	3.1	3.8
Degree	12.0	4.2	6.9	3.9	6.5	7.9	1.3	3.1	2.0	3.4
Work Experience of Head										
Full-time	39.2	10.5	14.9	10.6	14.7	62.0	25.0	33.2	27.1	33.8
Part-time	29.2	24.6	32.4	25.6	32.7	23.9	27.3	30.2	29.1	31.0
Did not work	31.7	64.9	52.7	63.7	52.6	14.1	47.7	36.6	43.8	35.2

[1]Persistent group
[2]Reference group.

TABLE A2

INCIDENCE OF LOW INCOME AND PERSISTENCE OF LOW INCOME STATUS FOR UNATTACHED INDIVIDUALS AND FAMILIES IN CANADA, 1968–69

Selected Characteristics	Unattached Individuals					Families				
	Incidence of Low Income				Persistence Ratio[1]	Incidence of Low Income				Persistence Ratio[1]
	Both Years	1968	1969	Either Year		Both Years	1968	1969	Either Year	
All Unattached Individuals	32.4	43.1	35.5	46.2	70.2	14.2	21.5	17.2	24.4	58.3
Sex of Head										
Male	23.1	35.3	25.7	37.9	60.9	12.3	19.3	15.2	22.2	55.4
Female	41.1	50.3	44.7	53.9	76.4	38.3	48.7	41.5	51.9	73.7
Age of Head										
Under 24 years	31.5	58.3	33.9	60.7	51.9	13.6	26.7	15.8	28.8	47.1
25–34 years	12.1	24.6	13.3	25.8	46.9	9.8	16.6	12.2	19.0	51.7
35–44 years	8.0	10.4	8.6	10.9	73.1	11.2	17.3	14.1	20.3	55.0
45-54 years	19.3	25.6	23.8	30.1	64.2	11.1	18.5	13.9	21.2	52.4
55–64 years	30.7	35.2	36.5	41.0	74.7	12.2	19.6	15.1	22.5	54.0
65–69 years	47.2	58.0	49.1	59.8	78.9	25.7	36.2	30.8	41.3	62.2
70 years and over	60.6	64.2	64.7	68.9	88.5	41.8	46.0	45.5	50.4	81.5
Education of Head										
No schooling	84.2	91.5	84.2	91.5	92.0	52.1	62.7	54.1	64.6	80.6
Some elementary	61.0	64.1	63.0	66.2	92.2	31.0	39.9	35.3	44.1	70.3
Completed elementary	41.7	49.0	44.5	51.7	80.7	17.6	25.9	21.7	30.0	58.5
Some high school	27.9	37.4	34.6	44.2	63.1	11.4	18.3	14.0	20.9	54.7
Completed high school	22.5	39.4	25.2	42.1	53.6	5.0	10.7	6.8	12.6	39.7
Some university	19.6	33.3	22.0	35.7	54.9	5.5	11.3	7.8	13.5	40.8
Degree	11.2	24.6	11.7	25.0	44.9	2.3	8.4	4.3	10.5	21.5
Work Experience of Head										
Full-time	8.7	16.3	9.6	17.3	50.2	5.7	11.5	7.5	13.3	43.1
Part-time	27.4	47.9	31.2	51.8	52.8	16.3	27.1	20.9	31.7	51.3
Did not work	66.4	71.6	71.4	76.7	86.6	48.0	55.5	53.2	60.7	79.0

[1] Persistence Ratio = $\frac{\text{units with low income in both years}}{\text{units with low income in either year}}$

TABLE A3

PERCENTAGE DISTRIBUTION OF UNATTACHED INDIVIDUALS AND FAMILIES WHO ARE "MOVERS" AND "NON-MOVERS" BY SELECTED CHARACTERISTICS, 1969

Selected Characteristics	Unattached Individuals					Families				
		Movers		Non-Movers			Movers		Non-Movers	
	All	1968—Low, 1969—Not Low	1968—Not Low, 1969—Low	Low Both Years	Not Low Both Years	All	1968—Low, 1969—Not Low	1968—Not Low, 1969—Low	Low Both Years	Not Low Both Years
All Units	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Sex of Head										
Male	52.1	55.3	41.2	34.4	55.7	90.0	89.3	91.8	79.9	95.3
Female	47.9	44.7	58.8	65.6	44.3	10.0	10.7	8.2	20.1	4.7
Age of Head										
Under 24 years	43.0	51.1	15.5	19.7	14.8	8.2	9.9	4.0	5.2	5.2
25–34 years	14.7	17.3	5.8	5.5	20.4	20.5	21.5	18.3	15.7	24.4
35-44 years	2.0	2.0	1.6	2.2	15.1	21.7	20.7	24.0	19.0	25.5
45–54 years	8.9	6.7	16.5	6.8	14.8	19.9	20.4	18.6	15.7	20.9
55–64 years	11.0	6.2	27.5	13.8	15.9	14.7	14.8	14.5	12.4	14.9
65–69 years	8.8	9.7	5.8	13.9	7.1	7.7	7.3	8.7	9.0	3.9
70 years and over	11.6	7.0	27.4	38.0	11.9	7.3	5.4	11.9	23.0	5.2
Education of Head										
No schooling	0.7	0.9	0.0	3.5	0.2	1.3	1.6	0.7	4.0	0.5
Some elementary	6.3	4.9	10.9	31.4	10.5	22.8	21.8	25.2	38.6	13.1
Completed elementary	11.8	11.1	14.3	21.0	14.6	23.7	22.3	27.1	23.9	17.9
Some high school	25.1	19.0	46.0	18.2	22.0	26.9	27.7	25.0	23.2	30.3
Completed hign school	33.7	37.6	20.3	16.5	25.5	13.5	14.3	11.4	6.4	21.0
Some university	10.4	11.4	6.9	5.4	10.6	5.4	5.5	5.2	2.6	7.8
Degree	12.1	15.1	1.6	4.2	16.7	6.4	6.8	5.5	1.3	9.4
Work Experience of Head (1969)										
Full-time	24.5	28.2	12.1	10.5	60.2	46.1	49.6	37.5	25.0	71.1
Part-time	51.7	56.3	36.1	24.6	26.1	36.2	35.7	37.4	27.3	21.6
Did not work	23.7	15.6	51.8	64.9	13.7	17.7	14.7	25.0	47.7	7.4

TABLE A4

PERCENTAGE DISTRIBUTION OF LOW INCOME AND OTHER UNATTACHED INDIVIDUALS AND FAMILIES BY SELECTED FINANCIAL CHARACTERISTICS, 1969

Selected Characteristics	Unattached Individuals				Families			
	Incidence of Low Income	Percentage Distribution of			Incidence of Low Income	Percentage Distribution of		
		Low Income	Other	All		Low Income	Other	All
Total Assets[1] ($)								
None	67.2	19.5	5.3	10.4	65.3	6.7	0.7	1.7
1— 249	47.2	21.9	13.6	16.6	48.3	10.3	2.3	3.7
250— 499	32.7	6.6	7.6	7.3	33.0	9.0	3.9	4.8
500— 999	24.1	5.9	10.3	8.7	17.1	4.6	4.7	4.7
1,000— 1,999	25.8	7.5	12.0	10.4	17.2	6.7	6.8	6.8
2,000— 4,999	22.7	8.3	15.8	13.1	20.3	13.4	11.1	11.5
5,000— 9,999	42.3	10.2	7.7	8.6	25.5	14.8	9.1	10.1
10,000—14,999	46.8	7.6	4.8	5.8	21.8	9.8	7.4	7.8
15,000—19,999	37.2	5.7	5.4	5.5	13.6	7.2	9.6	9.2
20,000 and over	17.7	6.8	17.6	13.8	7.6	17.4	44.4	39.8
Total Debt[1] ($)								
None	45.2	79.6	53.7	63.0	28.4	45.5	24.1	27.8
1— 249	34.5	12.0	12.7	12.4	28.8	14.8	7.7	8.9
250— 999	16.5	4.1	11.5	8.9	23.1	14.0	9.8	10.5
1,000—1,999	10.1	2.0	10.0	7.2	14.0	8.2	10.6	10.2
2,000 and over	9.5	2.3	12.0	8.5	7.2	17.6	47.8	42.6
Total Net Worth[1] ($)								
Negative	25.3	9.2	15.0	12.9	22.6	17.1	12.3	13.2
None	69.4	17.0	4.2	8.8	74.0	3.0	0.2	0.7
1— 999	38.9	28.5	24.8	26.1	30.5	16.6	7.9	9.4
1,000— 1,999	28.8	7.0	9.6	8.7	20.2	5.7	4.7	4.9
2,000— 4,999	27.5	8.2	12.0	10.6	22.2	13.3	9.8	10.4
5,000— 9,999	42.7	10.6	7.9	8.9	18.3	13.7	12.8	13.0
10,000—14,999	43.7	7.2	5.2	5.9	14.1	9.2	11.7	11.3
15,000—24,999	33.2	8.6	9.6	9.3	11.4	11.2	18.2	16.9
25,000 and over	15.0	3.7	11.5	8.7	8.8	10.2	22.3	20.2

TABLE A4—(continued)

Selected Characteristics	Unattached Individuals				Families			
	Incidence of Low Income	Percentage Distribution of			Incidence of Low Income	Percentage Distribution of		
		Low Income	Other	All		Low Income	Other	All
Total Liquid Assets[1] ($)								
None	66.4	25.9	7.3	14.0	47.6	17.0	3.9	6.2
1— 249	38.9	31.7	27.7	29.1	27.3	38.0	21.3	24.2
250— 499	23.6	6.5	11.8	9.9	13.4	8.2	11.1	10.6
500— 999	28.6	8.8	12.2	11.0	11.8	9.1	14.4	13.5
1,000—1,999	31.4	9.3	11.4	10.6	8.3	6.3	14.7	13.3
2,000—4,999	28.9	8.8	12.0	10.8	11.7	11.1	17.6	16.5
5,000—9,999	31.8	6.0	7.2	6.8	12.6	5.9	8.7	8.2
10,000 and over	13.5	2.9	10.4	7.7	9.8	4.3	8.3	7.6
Consumer Debt[1]								
None	43.6	85.2	61.2	69.8	23.8	58.6	39.4	42.8
1— 249	29.2	8.4	11.4	10.4	17.9	13.2	12.7	12.8
250— 999	14.4	3.5	11.5	8.6	15.6	13.0	14.8	14.5
1,000—1,999	9.4	1.7	9.1	6.5	10.6	7.7	13.6	12.6
2,000 and over	8.9	1.2	6.7	4.7	7.4	7.4	19.4	17.3
Personal Debt[1] ($)								
None	44.0	80.3	56.9	65.3	24.0	50.7	33.6	36.6
1— 249	34.1	12.0	12.9	12.6	20.6	15.8	12.8	13.3
250— 499	19.1	2.0	4.8	3.8	19.8	6.8	5.8	5.9
500— 999	11.8	1.7	7.3	5.3	16.0	8.5	9.4	9.3
1,000—1,999	10.1	2.0	10.0	7.2	9.8	7.7	15.0	13.7
2,000 and over	13.1	1.9	8.0	5.8	8.6	10.5	23.5	21.3

[1]See p. 51 for definition of concepts.

TABLE A5

FINANCIAL CHARACTERISTICS OF MOVER AND NON-MOVER FAMILIES OF 2 OR MORE, AND UNATTACHED INDIVIDUALS: 1968–69

Financial Characteristics		Unattached Individuals					Families				
			Movers		Non-Movers			Movers		Non-Movers	
		All	1968—Low, 1969—Not Low	1968—Not Low, 1969—Low	Low Both Years	Not-Low Both Years	All	1968-Low, 1969—Not Low	1968—Not Low, 1969—Low	Low Both Years	Not-Low Both Years
Average Age of Head		48	35	55	57	46	45	44	49	52	44
Average Family Income—1968[1]	$	3,422	700	2,902	901	5,508	7,891	2,392	6,320	2,207	9,548
Average Family Income—1969[1]	$	4,017	3,645	1,268	1,101	6,004	8,953	6,631	2,964	2,629	10,600
Average Family Earnings	$	3,178	3,159	346	259	5,102	7,919	5,564	1,971	1,264	9,630
Average Family Transfer Payments	$	425	208	586	720	281	531	661	727	1,153	394
Average Family Size		1.00	1.00	1.00	1.00	1.00	3.84	4.08	3.73	3.65	3.85
Average Assets[1]	$	8,634	3,765	8,836	4,662	11,976	20,413	14,282	15,856	9,024	23,322
Proportion With Assets	%	89.4	94.4	87.4	79.2	94.7	98.2	97.8	97.3	92.3	99.4
Average Debt[1]	$	692	508	298	105	1,104	4,119	2,887	2,453	1,098	4,871
Proportion With Debt	%	36.9	45.0	31.2	18.9	46.4	72.4	70.4	66.2	51.9	76.7
Average Value of Home	$	3,523	870	4,887	3,021	4,270	12,005	8,683	9,300	6,137	13,533
Proportion Owning Home	%	24.1	7.5	36.8	29.3	23.4	62.7	54.0	60.9	56.7	64.7
Average Mortgage Outstanding	$	266	0	63	6	486	2,818	1,868	1,391	512	3,398
Proportion With Mortgage Outstanding	%	3.9	0.0	3.8	0.4	6.7	31.8	21.6	20.7	10.2	37.3
Average Value of Automobile(s)	$	380	423	240	66	568	1,051	776	732	358	1,221
Proportion With Automobile(s)	%	35.6	37.6	26.7	11.2	50.3	79.6	74.8	72.4	48.6	86.2
Average Liquid Assets[1]	$	2,847	1,677	2,760	1,202	4,074	3,377	2,031	3,699	1,489	3,849
Proportion With Liquid Assets	%	86.0	90.8	84.1	72.6	93.1	94.0	92.9	90.7	81.6	96.5
Average Consumer Debt[1]	$	287	435	147	67	399	947	854	751	435	1,060
Proportion With Consumer Debt	%	30.1	40.1	21.7	13.8	38.3	57.2	57.3	52.6	38.6	60.8
Estimated Numbers (000's)		1,618	172	50	524	871	4,832	349	143	688	3,652
Sample Size		1,661	165	59	622	815	7,783	586	234	1,272	5,691

[1]Refer to p. 51 for definitions.