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EQUALIZATION: NEITHER WELFARE TRAP NOR HELPING HAND

ANNETTE RYAN

Equalization: Welfare Trap or
Helping Hand? (PAPER #7)

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Previous to joining the province, Ms. Ryan conducted research on labour markets and innovation policy at the Institute for Fiscal Studies in London, England. She holds a Masters degree in Economics from Oxford University, which she attended as a Rhodes Scholar, and an honours degree in Mathematics from Acadia University in Nova Scotia.

SECTION 1

INTRODUCTION

This series of papers addresses the question of whether Canada's Equalization program serves as a welfare trap or a helping hand.

It is neither.

Instead Equalization is simply a reasonable approach to delivering public services in a widely dispersed country.

Equalization is not an economic development program. More particularly, it is not a relative economic development program. It is not meant to eliminate differences in economic production or opportunity across provinces. It is a program that has been put in place to deliver reasonably comparable services at comparable levels of taxation. Lack of public services and competitive tax rates will hinder economic progress, but their availability at a standard level will not drive convergence of regions which have different endowments of capital, be it financial, physical or human.

There is a long-standing academic and policy debate as to the ways that the Equalization program influences the economic efficiency of the provinces that receive it, and the nation as a whole. This discussion highlights many of the economic benefits of having a level playing field for public services and taxes across the country, such as developing a properly trained workforce and allowing production to take place where the economic signals make sense, rather than where the governments have the deepest pockets. The efficiency debate also examines whether the current program sets the right incentives for governments to deliver the most appropriate tax and policy mix to its residents.

But the terms “welfare trap” and “helping hand” go much farther than these policy discussions. In particular, “welfare trap” suggests that receiving, or “have-not” provinces, have the capacity to become a “have” province, enjoying the same fiscal capacity and standard of living as richer provinces, but they choose to not exercise this option. Presumably, the “have-not” provinces could, at any time, simply pull up their fiscal and economic bootstraps, but they choose not to because the Equalization program will keep their hospitals open.

There is a related, but slightly different criticism that stems from the “welfare trap” portrayal of Equalization—that the program should somehow be self-correcting, so that, if it were properly designed, it would have led to its own demise by now. Put another way, because recipient provinces have

not caught up to non-recipients economically after four decades, the program is not working and should be scrapped or over-hauled.

This view has been expressed by the Atlantic Institute for Market Studies (AIMS). In the AIMS publication, “Equalization: Millstone or Milestone”, the author, Roland Martin, chronicles economic growth in the Atlantic provinces that has outpaced the nation for most of the duration of the Equalization program. Martin, however, considers the program to be flawed because it has not eliminated economic disparities between the region and the rest of the country.

It is helpful to consider how taxes are levied and services delivered within provinces as an alternate way to cast the debate on transfer payments, public services, taxation levels and economic progress across provinces. If Equalization, which targets *relatively comparable* taxes and services, is expected to close the economic gap among provinces, then the same forces of convergence should be evident within provinces where *equal* taxes and services are the standard.

Within a province, access to equal services and tax treatment is considered to be an obvious and shared right of provincial residency and a boom to prosperity across the province. It is not expected to deliver blanket economic convergence across the province.

In the same way, the on-going receipt of Equalization payments by seven of our ten provinces, does not display some inherent weakness of the program or a lack of incentives or efforts on behalf of these provinces. Access to reasonably comparable services and taxation levels will allow economies to grow from their economic strengths, in the same way as less prosperous regions do within wealthy provinces.

But access to comparable public services and taxes alone will not drive complete convergence between regions with different economic endowments and industrial mixes. Indeed the Canadian Constitution recognizes this in a separate section, 36.1, where it commits the federal government to work with provinces to develop regional economies. It reads:

36.(1) without altering the legislative authority of Parliament or of the provincial legislatures, or the rights of any of them with respect to the exercise of their legislative authority, Parliament and the legislatures, together with the government of Canada and the provincial governments, are committed to

- (a) promoting equal opportunities for the well-being of Canadians;*
- (b) furthering economic development to reduce disparity in opportunities; and*
- (c) providing essential public services of reasonable quality to all Canadians.*

Section 36.1 of the Constitution is clear that alternate programs and approaches, additional to Equalization, are needed to achieve both regional and national economic development objectives.

To say that Equalization is a “welfare trap” because it does not do what a separate section of the Constitution is mandated to do, is a very demanding evaluation criterion indeed. “Helping hand” is a somewhat less troublesome term. Equalization has clear benefits in terms of the ability for provinces to keep tax rates competitive while investing in the physical, social, legal and human capital that are required as inputs in a competitive economy. However, this term downplays the signal importance of citizens’ rights, as enshrined in the Constitution, in that it gives the sense that public services are the discretionary benefaction of non-receiving provinces. The “helping hand” reference also seems to concentrate solely on any economic benefits in receiving provinces, to the exclusion of whether Equalization can improve the productive outcome of the whole country. National economic growth is enhanced in that Equalization allows all Canadians access to appropriate education, health and social programs so as to be productive in provinces that they move to.

Equalization goes beyond common service provision within provinces in a significant way. Funds are transferred to provincial governments that have control over a wider set of taxation and spending responsibilities than do municipalities and counties within a province. In order to assess how this might differ from the internal province problem, this paper proceeds in four sections. The first section examines whether fiscal equity does in fact deliver economic convergence within provinces; the second section provides a short description of the Equalization program, followed by a deeper consideration of how and whether Equalization might serve as either a “welfare trap or a helping hand”; the final section then reviews the consensus position of Canada’s Premiers who endorse the current program and call for it to be strengthened rather than dismantled.

SECTION 2

SNOWPLOWS IN TILLSONBURG: WELFARE TRAP OR HELPING HAND?

To consider the internal province link between fiscal and economic equality, it is helpful to examine a specific municipality. Take Tillsonburg as an example.

Tillsonburg is just off the 401 via exit 218, in southwestern Ontario, about halfway between Hamilton and London. According to the 1996 Census, Tillsonburg is home to 13,211 people. The local Chamber of Commerce promotes the town's merits—a four-star hospital, a hockey rink, an Olympic-sized swimming pool, an airport, a library, ten schools and an active community theatre.¹ A wide range of social services, civic infrastructure, road maintenance and cultural programs are delivered by the County of Oxford, in which the town is situated.

Despite these very good public services, the average income of Tillsonburg, at \$24,452, is considerably lower than the provincial average, in fact 12 percent lower.² In fiscal transfer terms, this would make Tillsonburg a “have-not” town.

The County of Oxford receives more than 40 percent of its budgetary revenue as grants from other governments, principally the Province of Ontario.³ Ontario's tax rates for businesses and individuals are competitive with the neighbouring mid-eastern US states. The Oxford Small Business Centre Inc., supported by Industry Canada and HRDC, provides loans, guarantees and consulting services to encourage businesses to create jobs in Tillsonburg.

But still, local incomes lag the nation, the province and the neighbouring cities of Hamilton, London and Toronto.

Why haven't the public service transfers closed this gap? The individual taxpayers and business managers in Tillsonburg pay the same provincial tax as their counterparts elsewhere in the province, for which they receive the public services comparable to other Ontarians, such as schools, hospitals, nurs-

¹ See www.ocl.net/tpl/chamber/profile.html.

² 1996 Census figures. All municipal income and population figures are on the basis of Statistics Canada's Census Agglomeration areas, as available in the appendix to this paper.

³ County of Oxford 2001 Budget, May 2001

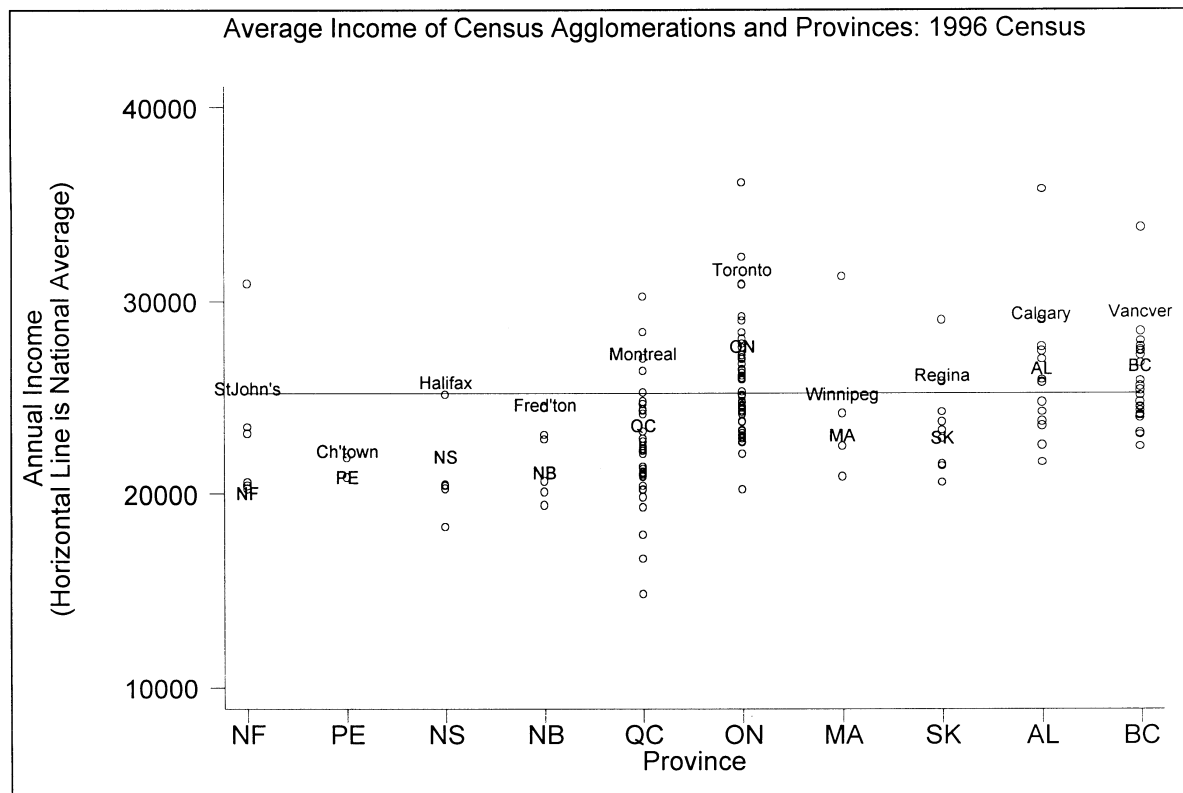
ing homes, courts and road maintenance. Or rather, why should they? There is no reason to expect that uniformity of government activity will re-order economic rankings. Plowing snow from the streets of Tillsonburg is not likely to leapfrog them past their neighbours economically, particularly when they also plow their streets in Hamilton and London.

But is Tillsonburg an exception? How prevalent are the economic differences within provinces? How do these compare to differences across provinces?

The 1996 Census records average and median incomes for Census Agglomerations. The following two graphs show how different jurisdictions fared in terms of annual income as reported in the 1996 Census. Figure 1 shows the average annual incomes for Canada, the provinces and Census Agglomerations. Figure 2 presents the median annual incomes for the same jurisdictions.

In both graphs, the horizontal line shows the Canadian result. Provincial averages and medians are shown, as are major cities within provinces. Each circle represents a different Census Agglomeration. The values for all jurisdictions are included in a data appendix.

Figure 1



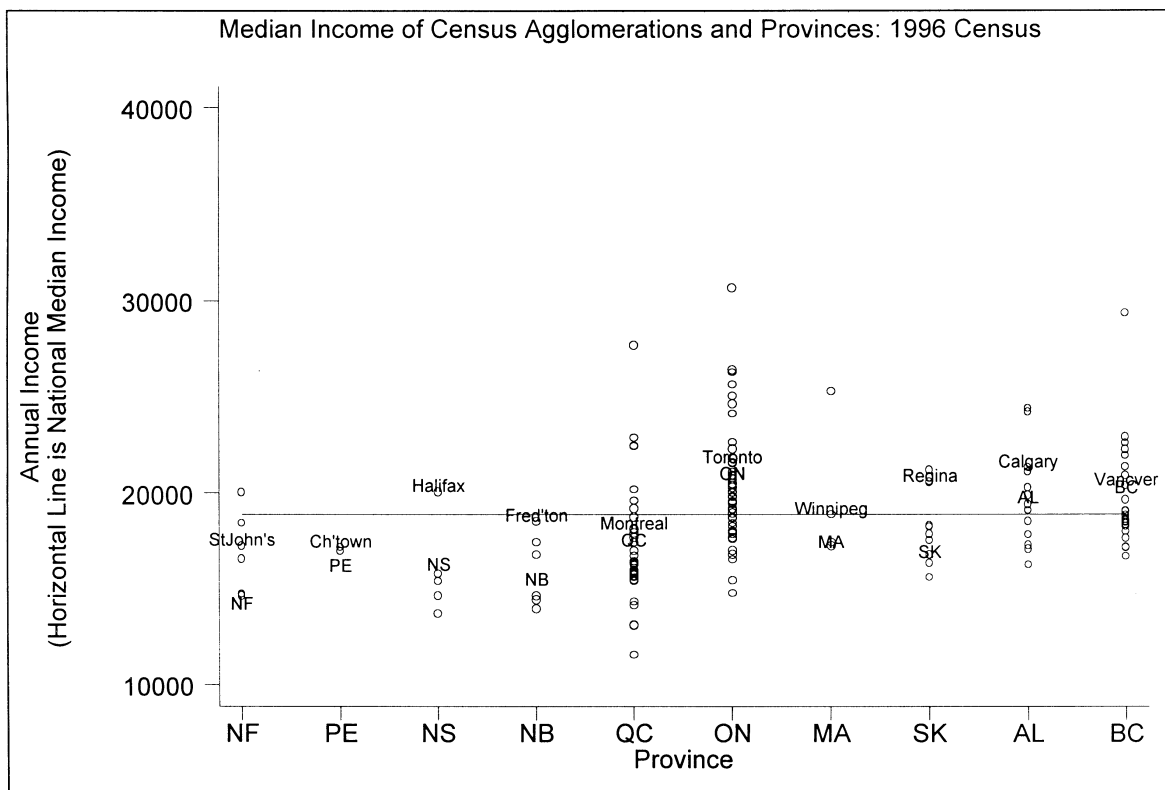
The difference between the highest (Ontario) and lowest (Newfoundland) provincial average annual income is \$7,599. Every province had a greater divergence in average annual income among its own Census Agglomerations, with the exception of the three Maritime provinces. Within Quebec, Ontario and Alberta, the divergence between the high and low average incomes was twice as great as the spread between provincial averages.

It is clear that equal services and taxes within provinces do not ensure economic convergence, so why this is expected across provinces is unclear.

An even more telling picture of economic convergence comes from looking at median, rather than average, incomes. The median represents the income of the individual who is both richer and poorer than 50 percent of that area's residents. A very simple way to assess the dispersion of income levels within a jurisdiction is to compare the average income to the median. The degree by which the average exceeds the median indicates that city's high-income residents are indeed very high-income residents.

The median is also useful in comparing across cities and provinces, as it is more reflective of the income situation of the typical resident. Whereas Figure 1 compared average incomes in different places, Figure 2 compares typical incomes in different places by plotting median annual incomes for the same jurisdictions.

Figure 2



Source: Statistics Canada Census Profile Series 95F0268XCB96000

Compared to the average income figures, median incomes are more similar between provinces, although the relative patterns are preserved. By this measure, the median provincial incomes of Ontario, Alberta and British Columbia remain the highest in the country, but are closer to the national median income of \$18,891, than when using the average measure. For example, the typical Albertan had an annual income of \$19,444, which was just \$553 higher than the typical Canadian.

However, the divergence in median income of cities across Canada was much less pronounced than provincial medians. Halifax, with a median income of \$20,054, did not differ markedly from Vancouver, where the median income was \$20,380. The typical resident of Regina posted a higher income, at \$20,583, than both of these cities. Winnipeg, Fredericton and Montreal displayed median incomes effectively equal to the national figures.

This perspective would suggest that typical Canadians in different regions have surprisingly similar economic situations. However, their provincial fiscal experience is much more strongly influenced by who their neighbours are, which has been the motivation for Canada's Equalization program, as well as the systems of ad hoc arrangements that preceded it.

SECTION 3

EQUALIZATION...

The Equalization program has been in place since 1957, evolving over time to the current formula that we have today. Along the way, the program has enjoyed a very high level of support from Canadians across the country, and was enshrined as a Constitutional responsibility of the federal government in the Canada Act of 1982. Section 36.2 reads:

36. (2) Parliament and the government of Canada are committed to the principle of making equalization payments to ensure that provincial governments have sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation.

That section provides the federal government with a broad mandate and direction. The actual payments to provinces that support this reasonable comparability are based on the use of a Representative Tax System (RTS) formula for determining their relative fiscal capacities. For each type of provincial revenue source, the RTS compares what provinces could raise from their own tax bases, if they levied a national average tax rate, against the amount that could be raised from applying the same rate to the base of a standard set of provinces. The revenue sources are summed and provinces that have fiscal means less than the national standard receive Equalization payments.

In the present formula, the key determinant of payments is the five-province standard which was adopted in the early 1980's largely to restrain revenue volatility associated with oil and gas revenues in Alberta. The set of provinces that currently form this standard base under the Equalization formula are Quebec, Ontario, Manitoba, Saskatchewan and British Columbia.

The Equalization formula undergoes legislative review every five years to ensure that it reflects the most current tax practices of provinces and the best available statistical data. Although the design of the program is a fully federal decision, provinces participate in this review to provide input into proposed revisions. Equalization legislation was most recently amended in 1999.

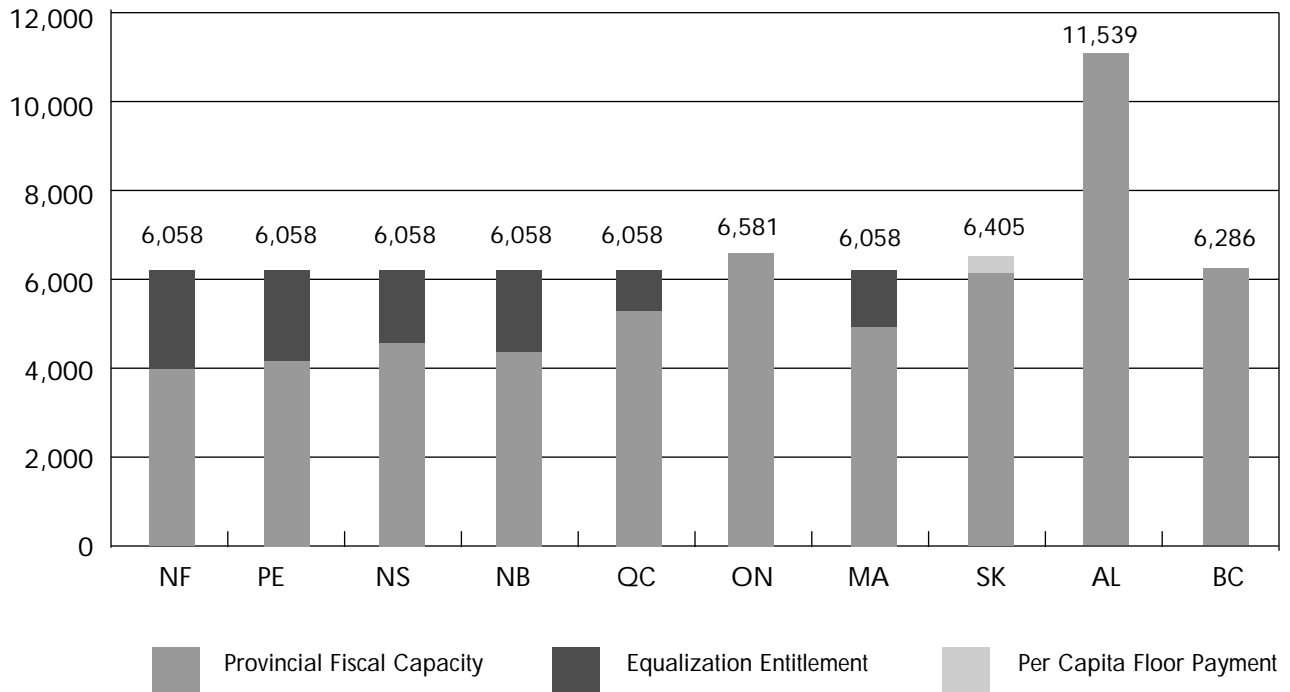
That is the basic structure of the program. There are several "add-ons" to this approach that work to further adjust payments.⁴ For example, the ceiling sets a maximum payment on total entitlements, while the floor limits the amount of Equalization that any one province can lose on a year-to-year basis.

⁴ And confuse the casual observer of the program.

Also the “generic solution” or 70-30 rule provides special protection in cases where a single province controls more than 70 percent of any given base, nationally.

Figure 3 presents the per capita fiscal figures that underlie the calculation of Equalization payments for the 2000-2001 period, according to the most recent official estimates.

Figure 3 - Fiscal Capacities By Province: 2000 - 2001



Source: Federal Department of Finance Official Equalization Estimate, October 2001

For 2000-2001, the Equalization program raises the fiscal capacity of receiving provinces to \$6,058 per person. In its absence, the Province of Manitoba, for example, would be able to provide \$4,981 in services to its residents, if they levied the same taxes as other Canadian provinces. The per capita difference of \$1,076 multiplied by the provincial population of 1.1 million yields a total Equalization payment to Manitoba of \$1.3 billion.

The current five-province standard of \$6,058 represents 94.9 percent of the national average fiscal capacity of all ten provinces at \$6,384. The Equalization standard allows receiving provinces to deliver 86.3 percent of the Ontario service bundle at \$6,581 and 52.5 percent of the provincial fiscal capacity in Alberta, where the provincial government could provide \$11,539 in public services to residents if it levied national average tax rates on its tax bases.

In 2000-2001 both the floor and the ceiling apply to alter payments from what the formula would otherwise determine. Floor payments are calculated before ceiling payments, which can lead to some odd results indeed. We have an extremely topical example of this problem. The official estimates for 2000-2001 show that Saskatchewan essentially left Equalization status on the basis of strong natural gas and oil prices and royalties to the province. The resultant drop in Equalization was abrupt enough to trigger a floor payment to Saskatchewan of \$270 million. This floor payment in turn triggered the program ceiling, so that \$224 million was clawed-back from all recipient provinces on a per capita basis. So the fiscal capacity was lowered for six provinces, so that Saskatchewan's fiscal capacity could be higher than the program standard.

Not only is this payment to Saskatchewan funded by other recipient provinces, it also pushes its fiscal capacity to be higher than a non-recipient province. The floor adjustment delivers a fiscal capacity to Saskatchewan of \$6,405, which exceeds that of British Columbia at \$6,286.

SECTION 4

WELFARE TRAP OR HELPING HAND?

In assessing whether the Equalization program hinders or enhances economic efficiency, we can look to the existing academic and policy debate.

For many years, Equalization was cast within the standard public finance analysis as a trade-off between equity and efficiency. The ground-breaking work of Boadway and Flatters (1982) made the point that, in addition to the standard equity reasons, if there are differences in fiscal capacities in different regions, then a system of Equalization payments could improve the economic efficiency of the country as a whole. Such payments allow people make the most appropriate location decisions based on economic signals, rather than on a consideration of where the local fiscal basket is richest. In this way, economic migration, moving to follow opportunity, is encouraged, but fiscal migration, moving to find a government with deeper fiscal pockets, is not.

The work of Dahlby and Wilson (1994) and more recently Smart (1998) recast the efficiency argument to examine whether provincial governments have incentives to adjust their tax policies to enhance their transfer revenues. These models suggest that governments that receive transfer payments may choose tax rates that are higher than they otherwise would, because transfers offset revenue losses that would occur as tax bases shrink.

These models advance our knowledge of the Equalization program, but require further understanding before they can be turned into policy recommendations. In particular, these theoretical models have not been tested against data to determine whether these predictions are borne out in observed policy choices and what magnitude the effect might be. There are a number of reasons to believe that the disincentive effects do not match the actual policy choices taken by governments. Principally, these models do not incorporate the argument that governments are elected based on their ability to enhance the standard of living and employment opportunities for residents. Casual inspection of economic growth and taxation policy suggests that disincentive effects are in fact small or dominated by other factors.

During the 1990's, analysis of various economic series—be it production, income or fiscal capacity—shows that production or prosperity in receiving provinces basically remained constant relative to the national figures. This does not mean that these provincial economies were stagnant through the 90's, but rather that they grew at the same rate as the rest of the country, following three decades during which they grew faster than the nation.

Similarly, analysis of the taxes levied compared to the tax bases in the Equalization formula indicates that, in aggregate, four Equalization-receiving provinces have higher tax rates than the national average while the three Maritime provinces have lower. On a base-by-base comparison, there is no clear pattern of high or low tax rates among recipient and non-recipient provinces.

Another paper released by AIMS last year takes the incentive argument much further than the standard debate. Boessenkool argues that including non-renewable resource revenues in the Equalization formula will prevent Atlantic provinces from developing their natural resources. He points out that Alberta developed its oil and gas industry after it left the Equalization program and thus did not see its transfer revenues decline as resource royalties increased. Based on this analysis he recommends that natural resources be removed from the Equalization formula.

This work does not comment on the development of Saskatchewan's oil and gas industry which has also developed to the point that royalties contribute some \$1.3 billion to the provincial treasury, as compared to total revenues of \$6.8 billion in fiscal year 2000-2001. Royalties alone provided 19 per cent of the province's annual budget, without considering the additional corporate and other taxes related to production. The industry employs thousands of people and has developed to this level of maturity despite Saskatchewan's receipt of Equalization payments throughout most of the period.

Saskatchewan's resource revenues are so lucrative in fact that removing them from the Equalization formula would deliver an increase in transfers to that province of \$400 million to more than \$1 billion, depending on the year in question and whether a 10-province standard was adopted at the same time. In 2000-2001 Saskatchewan's per capita fiscal capacity would exceed that of Ontario by more than \$800 under the Boessenkool proposal.

This example shows the necessity first to document whether receipt of Equalization does hinder industry development, and second that we must consider the cross-province equity implications of introducing new "add-ons" to the Equalization formula in addressing perceived problems.

SECTION 5

PROVINCIAL CONSENSUS

For many years, Premiers have been developing shared policy positions regarding Canada's fiscal arrangements, including the Equalization program. A recent series of consensus reports from Provincial Finance Ministers express clear support for the program as outlined in the Constitution. They also highlight benefits of improved economic efficiency and the equity importance of the citizenship rights that flow from a properly functioning program. Their December 1999 common position document on competitiveness made the efficiency and equity case very clearly:

“Producers and employees in less affluent regions of the country cannot maintain their presence in international markets if they face a heavier tax burden than similar firms or individuals in provinces with deeper fiscal pockets. Alternately, all Canadians must receive a comparable standard of public services, health and education included.”

At this year's Premiers' Conference in Victoria, BC, Premiers showed strong support for the Equalization program and made recommendations that it be improved on a priority basis. Specifically, premiers called for “the immediate removal of the Equalization ceiling”, and “immediate work on the development of a strengthened and fairer Equalization program formula, including as one possible alternative, a ten-province standard that recognizes the volatility around resource revenues and comprehensive revenue coverage.” These measures speak to the inadequacy of the current Equalization program and the inappropriateness of arbitrary restrictions to it.

This consensus position follows decisions by the federal government in 1999 that served to restrict Equalization payments. In 1999, the federal government reduced the Equalization ceiling by more than \$1 billion to an annual figure of \$10 billion. The ceiling had been lowered before, in times of fiscal pressure on the federal government, however, the 1999 reduction imposed the largest reduction, in both level and relative terms, in the history of the program. Furthermore, the \$12 billion federal surplus in that year was higher than total Equalization entitlements of all provinces. The federal government also took steps in 1999 to reduce revenue coverage under the program. Premiers would like both measures re-visited, as well as the on-going use of a restricted five-province standard, as part of a strengthened Equalization program.

From the Premiers joint consensus position, we have a view of what's wrong with Equalization—that the program needs to be freed from the ceiling and that it must be strengthened so that it can meet its Constitutional mandate.

From the consensus reports of Finance Ministers, we have a view of what's right with Equalization—that it enhances the competitive potential of the full country and that it delivers important equity results for Canadians' access to provincial services that include health, education, transportation and social programs.

Statements by the Prime Minister and federal Ministers Martin and Dion indicate that the present program works well and provides the proper incentives for provinces to develop their economies. It is the specific features of the program, the balance of the ceiling, floor and standard, which are at issue instead.

Both levels of government hold the view that the Equalization program accomplishes important national, fiscal, equity and economic objectives with the appropriate structure. This degree of consensus is rare among federal-provincial programs. This level of support, coupled with the evidence of economic convergence across provinces, suggests that Equalization is neither a welfare trap nor a helping hand, but rather a very functional and rational way to deliver comparable provincial public services to Canadians in all parts of the country.

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APPENDIX

Census Income Information: Canada, Provinces and Census Agglomerations

**Table A.1: Population, Average Income and Median Income
Canada and Provinces, 1996 Census**

	Population	Average Income (\$)	Median Income (\$)
Canada	28,846,761	25,196	18,891
Newfoundland	551,792	19,710	13,972
Prince Edward Island	134,557	20,527	15,931
Nova Scotia	909,282	21,552	16,000
New Brunswick	738,133	20,755	15,211
Quebec	7,138,795	23,198	17,234
Ontario	10,753,573	27,309	20,678
Manitoba	1,113,898	22,667	17,161
Saskatchewan	990,237	22,541	16,643
Alberta	2,696,826	26,138	19,444
British Columbia	3,724,500	26,295	19,982

**Table A.2: Population, Average Income and Median Income
Census Agglomerations, 1996 Census**

Province	Census Agglomeration	Population	Average Income (\$)	Median Income (\$)
NF	Corner Brook	27,945	20,273	14,786
NF	Grand Falls-Windsor	20,378	20,424	14,691
NF	Conception Bay South (Primary)	19,265	20,566	16,589
NF	Gander	12,021	23,133	18,432
NF	St. John's (Primary)	154,786	23,445	17,298
NF	Labrador City	10,473	30,937	20,035
PE	Summerside	16,001	20,860	16,989
PE	Charlottetown	57,224	21,860	17,172
NS	Cape Breton	117,849	18,304	13,749
NS	New Glasgow	38,055	20,282	14,691
NS	Truro	44,102	20,407	15,817
NS	Kentville	25,090	20,481	15,412
NS	Halifax	332,518	25,135	20,054
NB	Campbellton (N.B. part)	13,964	19,434	14,019
NB	Edmundston	22,624	20,089	14,698
NB	Bathurst	25,415	20,647	14,496
NB	Moncton	113,491	22,771	17,457
NB	Saint John	125,705	23,012	16,819
NB	Fredericton	78,950	24,432	18,534
QC	Campbellton (Quebec part)	2,903	14,861	11,553
QC	Hawkesbury (Quebec part)	1,443	16,684	13,136
QC	Pembroke (Quebec part)	590	17,905	13,160
QC	Lachute	11,493	19,279	14,208
QC	Shawinigan	59,851	19,842	14,196
QC	Thetford Mines	27,760	20,166	15,623
QC	Matane	17,118	20,189	14,349
QC	Victoriaville	40,438	20,366	15,913
QC	Drummondville	65,119	20,876	16,255
QC	Riviere-du-Loup	22,378	20,916	15,875

Province	Census Agglomeration	Population	Average Income (\$)	Median Income (\$)
QC	Saint-Jerome (Primary)	56,533	20,948	15,916
QC	Cowansville	12,051	20,951	16,016
QC	Dolbeau	15,214	21,091	15,561
QC	Salaberry-de-Valleyfield	39,563	21,115	15,406
QC	Magog	21,334	21,129	16,442
QC	Saint-Georges	26,584	21,244	17,449
QC	Joliette	34,391	21,253	15,446
QC	Saint-Hyacinthe	50,027	21,357	16,449
QC	Sherbrooke	147,384	22,063	16,319
QC	Saint-Jean-sur-Richelieu	76,461	22,157	17,957
QC	Trois-Rivieres	139,956	22,307	15,771
QC	La Tuque	13,165	22,347	16,276
QC	Granby	58,872	22,358	17,021
QC	Sorel	43,009	22,444	15,828
QC	Chicoutimi - Jonquiere (Primary)	139,397	22,672	16,314
QC	La Baie (Primary)	21,057	22,699	16,748
QC	Alma	30,383	22,817	16,469
QC	Rimouski	48,104	23,200	17,727
QC	Chateauguay (Primary)	64,419	24,130	20,161
QC	Rouyn-Noranda	39,096	24,291	18,790
QC	Quebec	671,889	24,382	19,225
QC	Montreal (Primary)	3,143,225	24,620	18,147
QC	Val-d'Or	32,648	24,797	18,189
QC	Sept-Iles	28,005	25,233	19,580
QC	Ottawa - Hull (Quebec part)	247,072	26,340	22,408
QC	Baie-Comeau	31,795	27,028	22,375
QC	Beloeil (Primary)	43,491	28,372	22,832
QC	Varenes (Primary)	18,842	30,221	27,711
ON	Hawkesbury (Ontario part)	10,162	20,195	14,802
ON	Elliot Lake	13,588	22,035	15,501
ON	Fort Erie (Primary)	27,183	22,614	18,039
ON	Pembroke (Ontario part)	23,155	22,695	16,549
ON	Lindsay	21,949	22,720	17,030
ON	Cornwall	62,183	22,827	16,858
ON	Strathroy	11,852	22,951	18,993

Province	Census Agglomeration	Population	Average Income (\$)	Median Income (\$)
ON	Collingwood	15,596	22,986	17,597
ON	Orillia	38,103	23,113	18,270
ON	Owen Sound	30,319	23,214	17,928
ON	Midland	33,291	23,243	18,271
ON	Smiths Falls	16,507	23,706	19,479
ON	Haileybury	13,712	23,770	17,725
ON	Peterborough	100,193	24,143	18,255
ON	Wallaceburg (Primary)	11,772	24,209	18,761
ON	Tillsonburg	13,211	24,333	20,013
ON	Brantford	100,238	24,340	19,231
ON	Brockville	42,709	24,414	19,768
ON	North Bay	64,785	24,530	18,669
ON	Sault Ste. Marie	83,619	24,549	18,273
ON	Belleville	93,442	24,592	19,531
ON	Buckingham (Primary)	19,667	24,682	21,512
ON	St. Catharines-Niagara (Primary)	345,223	24,718	18,427
ON	Woodstock	32,086	24,779	20,400
ON	Simcoe	15,380	24,794	18,012
ON	St. Thomas (Primary)	41,922	25,033	20,316
ON	Leamington	40,687	25,109	19,827
ON	Chatham (Primary)	55,296	25,110	19,840
ON	Stratford	28,987	25,261	21,527
ON	Timmins	47,499	25,871	19,556
ON	Port Hope	11,698	25,951	21,553
ON	Cobourg	16,027	25,981	20,494
ON	Sudbury (Primary)	136,951	25,996	19,117
ON	Kingston	143,416	26,069	20,293
ON	Kenora	16,365	26,242	21,519
ON	Barrie	118,695	26,391	21,048
ON	Georgina (Primary)	34,978	26,419	21,813
ON	Thunder Bay	125,562	26,463	20,747
ON	Valley East (Primary)	23,537	26,688	22,580
ON	London (Primary)	356,694	26,956	20,844
ON	Kitchener	382,940	27,074	21,490
ON	Guelph	105,420	27,149	22,260
ON	Hamilton	624,360	27,556	21,042
ON	Sarnia	86,480	27,780	20,058

Province	Census Agglomeration	Population	Average Income (\$)	Median Income (\$)
ON	Windsor	278,685	28,053	20,910
ON	Bradford West Gwillimbury (Primary)	20,213	28,363	25,588
ON	Orangeville (Primary)	28,050	28,365	24,061
ON	Toronto (Primary)	4,106,022	28,962	21,542
ON	Oshawa	268,773	29,202	24,619
ON	Ottawa - Hull (Ontario part)	763,426	30,820	25,015
ON	Halton Hills (Primary)	42,390	30,883	26,410
ON	Milton (Primary)	32,104	32,244	26,261
ON	Kanata (Primary)	67,176	36,110	30,699
MA	Portage la Prairie	20,385	20,875	17,283
MA	Brandon	40,581	22,430	17,456
MA	Winnipeg	667,209	24,184	18,891
MA	Thompson	14,385	31,257	25,250
SK	Yorkton	17,713	20,544	15,613
SK	Lloydminster (Sask part)	7,636	21,403	17,554
SK	North Battleford	17,987	21,529	16,366
SK	Prince Albert	41,706	22,814	16,809
SK	Moose Jaw	34,829	23,262	18,220
SK	Swift Current	16,437	23,739	17,881
SK	Saskatoon	219,056	24,215	18,345
SK	Regina	193,652	25,820	20,583
SK	Estevan	12,656	29,040	21,185
AL	Wetaskiwin	10,959	21,604	16,260
AL	Camrose	13,728	22,510	17,112
AL	Medicine Hat	56,570	23,538	17,305
AL	Lethbridge	63,053	23,754	17,821
AL	Grand Centre	35,161	24,223	18,538
AL	Red Deer	60,075	24,748	19,067
AL	Edmonton (Primary)	771,245	25,719	19,891
AL	Spruce Grove (Primary)	50,815	25,763	20,269
AL	Leduc (Primary)	40,537	25,875	19,434
AL	Grande Prairie	31,140	26,947	21,055
AL	Lloydminster (Alberta part)	11,317	27,420	20,261
AL	Airdrie (Primary)	15,946	27,646	24,169

Province	Census Agglomeration	Population	Average Income (\$)	Median Income (\$)
AL	Calgary (Primary)	805,682	28,985	21,307
AL	Wood Buffalo	36,124	35,741	24,331
BC	Penticton	41,276	22,411	16,696
BC	Chilliwack	66,254	23,036	17,999
BC	Vernon	55,359	23,145	17,146
BC	Duncan	35,803	23,977	17,657
BC	Cranbrook	18,131	24,020	17,186
BC	Kelowna	136,541	24,090	18,284
BC	Nanaimo	85,585	24,289	18,654
BC	Courtenay	54,912	24,434	19,068
BC	Abbotsford	136,480	24,488	18,849
BC	Powell River	19,936	24,759	19,052
BC	Williams Lake	38,552	25,063	18,467
BC	Port Alberni	26,893	25,361	18,565
BC	Quesnel	25,279	25,569	18,406
BC	Kamloops	84,914	25,844	19,657
BC	Maple Ridge (Primary)	69,796	26,745	22,244
BC	Campbell River	35,183	27,204	20,894
BC	Victoria	304,287	27,369	21,890
BC	Vancouver (Primary)	1,761,869	27,476	20,380
BC	Prince Rupert	17,414	27,641	21,328
BC	Terrace	20,941	27,925	22,554
BC	Prince George	75,150	28,464	22,896
BC	Kitimat	11,136	33,810	29,354