

# GRADE 11-12: ECONOMICS

#### CANADIAN INCOME DISTRIBUTION: LESSON 1 OF 2

**Purpose:** There are two lessons in this small unit. In the first lesson students will develop an understanding of income. They will also explore income distribution realities in Canada. In the second lesson, students will use this knowledge to compare income distribution amongst the Canadian population as a whole and income distribution within First Nations, Métis and Inuit People of Canada.

Estimated time: 60 minutes

#### **Activity:**

- Write on the board:
  - o Income: What is it?
  - o Statistics Canada and the census
- 2. Introduce the topic of income and income distribution by brainstorming with the class. Ask students: What is income? As students answer, print key point on the board to create a list.
- 3. Provide students with a definition of "income":
  - Income: money received in a given period as a wages, interest, etc.
- Ask students: Where does income come from? Record key points of answers on the board to create a list.
  - Income comes from work (wage or salary received from a job, can be part time or full time or contract work) and investments (e.g., stocks, bonds, etc.). Provide examples of each.
- 5. Tell students that income distribution examines how income is dispersed among a population within a specific region. It depicts how the amount people are making and who is earning it. The information is categorized by specific characteristics (e.g., gender, education, identification). In Canada, the information is gathered through the census: the collection of demographic data from Canadian citizens every five years. The information is analyzed by Statistics Canada and is used to plan services such as health care, education and representation in government.
- Using Statistics Canada data tables, students will explore how income is distributed in Canada. The following data tables will be used:
  - Average total income by economic family type statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/ famil05a-eng.htm
  - Average earnings by sex and work pattern statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/ labor01a-eng.htm

- Average earnings by education (focus on data under "Canada")
  statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/ labor50a-eng.htm
- Median earnings by education, immigrants vs. Canadian born www12.statcan.ca/census-recensement/2006/dp-pd/ hlt/97-563/T802-eng.cfm?Lang=E&T=802&GH=4&SC=1 3&SO=99&O=A
- Average economic family income
   www12.statcan.gc.ca/english/census01/products/
   standard/themes/Rp-eng.cfm?LANG=E&APA
   TH=3&DETAIL=1&DIM=0&FL=A&FREE=0&GC=0&GI
   D=0&GK=0&GRP=1&PID=60957&PRID=0&PTYPE=55
   430,53293,55440,55496,71090&S=0&SHOW
   ALL=0&SUB=0&Temporal=2001&THEME=54&VID=0
   &VNAMEE=&VNAMEF=
- Median income, by Aboriginal identity statcan.gc.ca/pub/89-645-x/2010001/c-g/c-g011-eng. htm
- Median income by individuals (at the bottom of chart) statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/ famil105a-eng.htm
- Demographic-based incomes http://www12.statcan.gc.ca/english/census01/ products/standard/themes/Rp-eng.cfm?LANG=E&AP ATH=3&DETAIL=1&DIM=0&FL=A&FREE=0&GC=0&G ID=0&GK=0&GRP=1&PID=60979&PRID=0&PTYPE=55 430,53293,55440,55496,71090&S=0&SHOW ALL=0&SUB=0&Temporal=2001&THEME=54&VID =0&VNAMEE=&VNAMEF=

Note: Use the data from the most current year available.

- a. For each of the tables, ask the following questions and discuss as a class. Is there a difference between earnings between men and women? If so, what is the difference and who earns more?
- b. How are the different family-types income distribution measured? What are the differences? Which family type makes the most? Which one makes the least? How does income distribution for First Nations, Métis and Inuit families compare to other demographics in Canada?
- c. How does education affect income earnings? How does education amongst First Nations, Métis and Inuit compare to other demographics in Canada?
- d. Compare earnings between citizens who have immigrated to Canada and those who were born here. Are there differences? Who earns more?
- e. Compare the median income for Aboriginal groups vs. non-Aboriginals Canadians. Who earns more? What is the difference?







#### **KEY TERMS AND CONCEPTS**

**Aboriginal:** The term used to refer to First Nations, Métis and Inuit People.

**First Nations:** Although the term First Nations is widely used, no legal definition of it exists. "First Nations People" refers to both status and non-status people of Canada.

**Métis:** A term that traditionally refers to an Aboriginal person who has a First Nations mother and French father. This term is currently used by those who self-declare as Métis.

Inuit: People who live in Northern Canada, including Nunavut, Northern Quebec, Labrador and Northwest Territories.

Canadian census: An official survey of all Canadians conducted by Statistics Canada every five years to gather information

**Median income:** The "middle" income. Half of the population's (all households in Canada) income level is lower while the other half's income is higher.

**Average income/earnings:** This is calculated by adding all income ranges reported in a census and by dividing it by the number of respondent households.

**How to read data tables:** Read across, along rows, and match the appropriate row heading to the column heading to find the data piece you are looking for. Rows run horizontally and columns run vertically.







# RESOURCES

Statistics Canada website statcan.gc.ca/

- Average total income by economic family type: statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/famil05a-eng.htm
- Average earnings by sex and work pattern: statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/labor01a-eng.htm
- Average earnings by education (focus on data under "Canada"): statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/labor50a-eng.
- Median earnings by education, immigrants vs. Canadian born: statcan.ca/census-recensement/2006/as-sa/97-563/table/t8-eng.
- Average economic family income: www12.statcan.gc.ca/english/census01/products/standard/themes/Rp-eng. cfm?LANG=E&APATH=3&DETAIL=1&DIM=0&FL=A&FREE=0&GC=0&GID=0&GK=0&GRP=1&PID=60957&PRID=0&PTYPE=55 430,53293,55440,55496,71090&S=0&SHOWALL=0&SUB=0&Temporal=2001&THEME=54&VID=0&VNAMEE=&VNAMEF=
- Median income, by Aboriginal identity: statcan.gc.ca/pub/89-645-x/2010001/c-g/c-g011-eng.htm
- Median income by individuals (at the bottom of chart): statcan.qc.ca/tables-tableaux/sum-som/l01/cst01/famil105a-eng.htm
- Demographic based incomes: www12.statcan.gc.ca/english/census01/products/standard/themes/Rp-eng. cfm?LANG=E&APATH=3&DETAIL=1&DIM=0&FL=A&FREE=0&GC=0&GID=0&GK=0&GRP=1&PID=60979&PRID=0&PTYPE=55 430,53293,55440,55496,71090&S=0&SHOWALL=0&SUB=0&Temporal=2001&THEME=54&VID=0&VNAMEE=&VNAMEF=







# GRADE 11-12: FCONOMICS

#### CANADIAN INCOME DISTRIBUTION: LESSON 2 OF 2

Purpose: In this lesson, students will use knowledge from previous lesson as a lens through which they understand income inequality and why it exists in Canada. Through research, they will investigate Aboriginal income inequality in Canada and develop an understanding of all the complex factors and circumstances that contribute to the income inequalities that they face.

Estimated time: 60 minutes

#### **Activity:**

- Review the previous lesson. Ask students to sum up what they learned from the income data tables from last class.
- Now that students are aware of the income disparities across Canada, ask why the disparities might exist. Have students consider the following list of causes and think of other examples:
  - Risk: the level of uncertainty Risk can take many forms. For example, some occupations provide unstable incomes, or some people have not job security, etc. Unsuccessful risk-takers face debt and possibly bankruptcy. But those who are successful are usually rewarded with high profits.
  - Accessibility:

In addition, access and level of education has an effect on income level. Those who have the resources to afford education often have access to higher income levels, as higher income levels generally require a higher educational background/training.

- Other sources of wealth
  - Income doesn't just come from working; it can come from investments such as rent and interest. Money can also come from inheritance or lottery winnings. These types of wealth are especially unequally distributed.
- Discuss these causes that contribute to income inequality. Ask students: What are other possible causes? Can there be more than one contributing factor?
- Inform students they will research and create a brief report on Aboriginal income inequality in Canada, as well as share their findings in class with a three-to-five-minute presentations to small groups. The report should identify what the student believes are the main causes and what some solutions might be. Students must answer the following five W's:
  - Who Who are the main players? Who is affected? Who are the key people involved?
  - What What is the key issue?
  - When Are there relevant timelines or dates?

- Where What are the geographic details and considerations? Where are the main centres of action?
- Why —Why is it important to look into this topic? Why is this happening? Why should all Canadians, especially those who are not Aboriginal, be aware of this issue?
- 5. Allow students a week to complete their presentations. On the due date, divide students into groups of five. In these groups, instruct students to take turns sharing and discussing their findings. Once finished, ask students to hand in their reports.
- Hold a class discussion to conclude the conversation. Print key points on the board so students can visually track the complexities of the issues. Ask students:
  - What surprised you the most in your findings and why?
  - How would the daily lives of Aboriginal People affected by income inequality?
  - How are the greater effects of income inequality for Aboriginal People different than for other demographics in Canada? Please be specific in your answers.
  - What can Canada do to address these issues?







# RESOURCES

Statistics Canada website statcan.gc.ca/

- Average total income by economic family type: statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/famil05a-eng.htm
- Average earnings by sex and work pattern: statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/labor01a-eng.htm
- Average earnings by education (focus on data under "Canada"): statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/labor50a-eng.
- Median earnings by education, immigrants vs. Canadian born: statcan.ca/census-recensement/2006/as-sa/97-563/table/t8-eng.
- Average economic family income: www12.statcan.gc.ca/english/census01/products/standard/themes/Rp-eng. cfm?LANG=E&APATH=3&DETAIL=1&DIM=0&FL=A&FREE=0&GC=0&GID=0&GK=0&GRP=1&PID=60957&PRID=0&PTYPE=55 430,53293,55440,55496,71090&S=0&SHOWALL=0&SUB=0&Temporal=2001&THEME=54&VID=0&VNAMEE=&VNAMEF=
- Median income, by Aboriginal identity: statcan.gc.ca/pub/89-645-x/2010001/c-g/c-g011-eng.htm
- Median income by Individuals (at the bottom of chart): statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/famil105a-eng.htm
- Demographic based incomes: www12.statcan.gc.ca/english/census01/products/standard/themes/Rp-eng. cfm?LANG=E&APATH=3&DETAIL=1&DIM=0&FL=A&FREE=0&GC=0&GID=0&GK=0&GRP=1&PID=60979&PRID=0&PTYPE=55 430,53293,55440,55496,71090&S=0&SHOWALL=0&SUB=0&Temporal=2001&THEME=54&VID=0&VNAMEE=&VNAMEF=







# **BLACKLINE MASTER**

Have students track their answers in this table.

DATA TABLE	NOTES
Average total income by economic family type	
Average earnings by gender and work pattern	
Average earnings by education (focus on data under "Canada")	
Median earnings by education, immigrants vs. Canadian born	
Median income, by First Nations, Metis and Inuit People vs. median income by individuals (at the bottom of chart)	