More than One Half of Canadian Households Better Off than their American Counterparts

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The Centre for the Study of Living Standards (CSLS) today released a report entitled “Household Incomes in Canada and the United States: Who is Better Off?”. The report shows that 56 per cent of Canadian households are better off than their American counterparts at the same point of the income distribution.

Source: CSLS Research Report 2019-01
While it is commonly noted that Americans are on average richer than Canadians, this report illustrates how the usual comparison of incomes between Canada and the United States using GDP per capita or average household income hides a critical part of the story.

“Income inequality is higher in the United States. American households at the very top of the income distribution have much larger incomes than their Canadian counterparts, but that difference levels off quickly, and reverses at the 56th percentile,” CSLS Executive Director Andrew Sharpe explains.

The income measure used in this report does not include in-kind benefits provided by governments, such as publicly-funded health care. Had they been taken into account, the report notes that the difference would likely tip even more in favour of Canadian households.


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The Centre for the Study of Living Standards (CSLS) is a national, independent, Ottawa-based not-for-profit research organization. Its primary objective is to contribute to a better understanding of trends and determinants of productivity, living standards, and economic wellbeing in Canada through research.