EM9807: The Globe and Mail, May 13, 1998, page A4

Windsor families richer, buck national trend

BY HENRY HESS
The Globe and Mail

Windsor, once an economic basket case, is rebounding with a vengeance, figures released yesterday by Statistics Canada show.

The gritty, southwestern Ontario industrial centre, known for automobiles and gambling, was the only major city in Canada where the average family had significantly more money to spend in 1995 than in 1990.

"We're an overnight success – after 10 years of brutally hard work," Roman Dzus, deputy development commissioner for Windsor-Essex, said in an interview.

According to the census, family income in Windsor grew by almost 5 per cent from 1990 to 1995.

Of Canada's 25 biggest cities, only Windsor and Victoria, where the increase was 0.8 per cent, showed any increase in family incomes.

In Victoria, family incomes were maintained by the city's main employer, the provincial government.

David Baxter, of the Vancouver-based Urban Futures Institute, said yesterday that from 1991 to 1996, provincial employees' income increased 21 per cent – 50 per cent more than public-sector wages.

The growth in Windsor, spurred by $7-billion in capital investments by the Big Three automakers and the 1994 opening of the Windsor Casino, left the city with Canada's fourth-highest earnings in 1995 – at $62,244 and closing on the leaders: Ottawa-Hull ($64,243), Toronto ($64,044) and Calgary ($63,586).

That is a far cry from 1990, when Windsor languished far down in the pack, with little reason for optimism. The auto industry, long the foundation of its economy, was in the doldrums. Parts plants were closing almost daily, pushing unemployment to almost record levels. The average family income of slightly more than $59,000 (measured in 1995 dollars) lagged far behind other cities.

Statscan analyst John Gartley said part of the explanation for Windsor's recent advance is historical.

Elsewhere, 1990 marked the rebound from the recession of the early 1980s, but Windsor's recovery was slow. While other Ontario cities posted double-digit increases in family income, Windsor lagged at 4 per cent. Its rank among Canadian cities slipped to 11th in 1990, from 8th in 1985.

Then things turned around, Mr. Gartley said. "While everybody else was losing these last five years, [Windsor] managed to move up."

The improvement has been reflected in a dramatic reduction in the city's welfare rolls. The case load – which peaked at 6,854 cases in 1993 – declined by 12 per cent in 1994 and a further 17.5 per cent in 1995 and now sits at slightly more than 3,900 cases, said Susan Ellis of Windsor's social services department.

City administrator Chuck Wills said signs are ripe for continued prosperity. "Basically, what you're seeing now is people have got jobs, paid off their bills" and are starting to spread their money around, he said

With a report from Craig McInnes in Victoria.

Windsor, Victoria bucked the trend

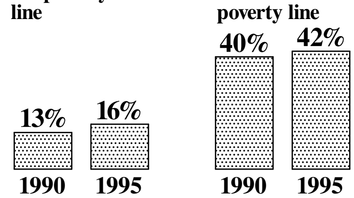
Average income in constant 1995 dollars for 1990 and 1995

	Average Income ($) 1990	1995	% change
St. John's	56,140	52,054	–7.3
Halifax	57,937	54,241	–6.4
Saint John	52,215	49,138	–5.9
Chicoutimi-Jonquière	50,787	46,656	–8.1
Quebec City	54,953	52,570	–4.3
Sherbrooke	48,462	47,198	–2.6
Trois-Rivières	48,800	47,242	–3.2
Montreal	56,418	52,795	–6.4
Ottawa-Hull	68,726	64,243	–6.5
Oshawa	65,639	62,101	–5.4
Toronto	71,180	64,044	–10.0
Hamilton	62,945	60,899	–3.3
St. Catherines-Niagara	55,838	53,674	–3.9
Kitchener	61,244	59,658	–2.6
London	61,362	58,671	–4.4
Windsor	59,321	62,244	4.9
Sudbury	60,901	57,109	–6.2
Thunder Bay	61,486	58,731	–4.5
Winnipeg	55,414	53,759	–3.0
Regina	58,688	56,844	–3.1
Saskatoon	54,424	53,196	–2.3
Calgary	65,430	63,586	–2.8
Edmonton	59,154	56,090	–5.2
Vancouver	63,769	60,438	–5.2
Victoria	59,086	59,585	0.8

Life below the poverty line

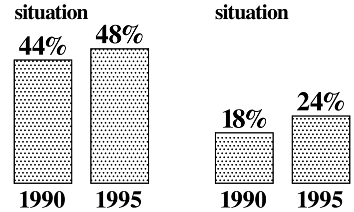
The general decline in incomes between 1990 and 1995 resulted in an increase in the incidence of low income.

Economic family below the poverty line **Unattached individuals below the poverty line**



While the number of all families increased 6% during 1990-1995, the number of low-income families increased 32%. In 1995, 12% of husban-and-wife families were below the poverty line, up 9% over 1990.

Lone-parent families headed by women in low-income situation **Lone-parent families headed by men in low-income situation**



Education makes the difference

Average earnings by age and education in constant 1995 dollars

	15-24	25-34	35-44	45-54	55-64	65+	TOTAL
Total – 1990	**10,212**	**26,519**	**33,855**	**35,816**	**31,249**	**21,742**	**27,170**
Less than grade 9	9,005	17,273	21,661	24,138	23,092	15,547	21,100
Grades 9-13*	7,175	21,936	26,015	28,173	26,047	19,086	19,933
Grades 9-13**	11,136	24,055	28,627	31,347	29,102	21,406	23,655
Less than university degree	11,776	26,683	33,021	35,527	32,571	21,936	27,257
University degree	13,045	34,462	51,100	60,640	60,067	40,960	44,658
Total – 1995	**8,199**	**24,689**	**32,155**	**35,317**	**30,448**	**20,446**	**26,474**
Less than grade 9	8,178	16,197	19,416	22,412	21,442	13,696	19,377
Grades 9-13*	5,498	20,001	24,662	26,705	24,301	17,089	18,639
Grades 9-13**	8,938	22,163	27,006	29,434	26,978	19,199	22,846
Less than university degree	9,318	24,258	31,039	33,827	30,706	19,936	25,838
University degree	10,851	31,002	48,140	55,614	54,519	39,334	42,054

*without degree **with degree *Source: Statistics Canada* *The Globe and Mail*

The article EM9807 reprinted above is the thind of six articles used in Figure 2.2f of the STAT 332 Course Materials.