

The Marriage Gap Between Rich and Poor Canadians

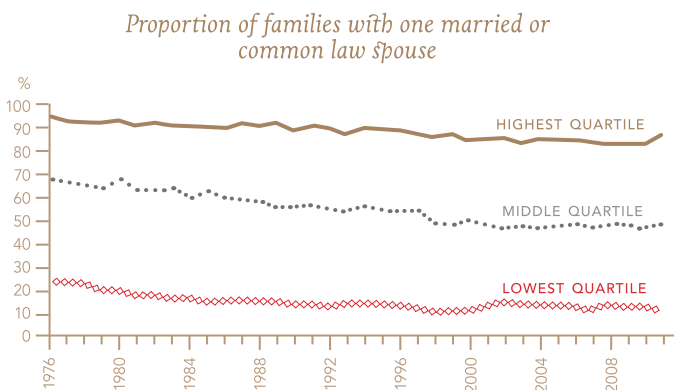
RESEARCH & POLICY BRIEFING

Our analysis shows that marriage in Canada, to an astonishing degree, is linked to income. Top income earners are very likely to be married, while their low income peers are very likely to be unmarried. This “marriage gap” is a concern since marriage itself is a powerful wealth creator and poverty protector.

Marriage has been in decline for decades. The census shows this clearly. However, by studying 35 years of data from the Survey of Labour and Income Dynamics (SLID), we see a pattern. Marriage declined more amongst mid and low income earners, causing the “marriage gap” to widen. However, a small resurgence in the marriage share was found in the last 13 years among some income / age groups.

HIGHEST INCOME EARNERS

The very high share of married families in the upper income quartile (across all age groups) is striking. The gap between those with income 25 percent above the median and the rest of society has increased over time.



MIDDLE INCOME EARNERS

The share of married families fell steadily in the middle income earners. In 1976, 68 percent of these families had a married couple. In 1990 that number was down to 57 percent. It declined through the 1990s but has since leveled off at just below 50 percent.

Policymakers who feel more comfortable talking about metrics than marriages need to understand that marriage could be one of the most important metrics

SOCIOLOGIST BRAD WILCOX

LOWEST INCOME EARNERS

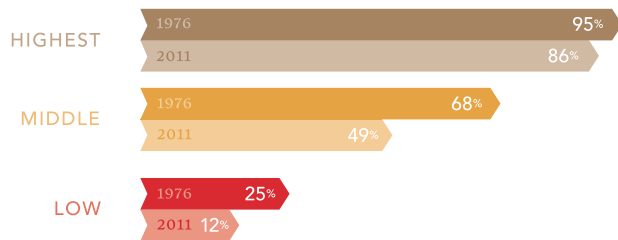
The share of married families dropped from 25 percent in 1976 to a low of only 11 percent in 1998. However, over the last 13 years, it increased slightly to 12 percent. This increase was most pronounced for those aged 35 to 54 years. (Their married share rose from 14 percent in 1998 to over 20 percent by the mid-2000s.)

WHY IT MATTERS

A diverse group of scholars have highlighted how marriage protects against poverty. “Divorce and unmarried childbearing increase poverty for both children and mothers, and married couples seem to build more wealth on average than singles or cohabiting couples.”¹ Canadian policymakers should be concerned about the health of marriage because of its contribution to economic stability and human flourishing.

1. Why marriage matters: Twenty-six conclusions from the social sciences. (2003). Center for Marriage and Families at the Institute for American Values. Retrieved from <http://www.familyscholars.org/assets/Why-Marriage-Matters-summary.pdf>

Proportion of families with one married or common law spouse by class, all ages



POLICY CONSIDERATIONS

Marriage is not a silver bullet for social problems. Yet, healthy marriages do promote economic and social goods – both privately and publicly. Government has a modest role in what it should and can do in the lives of Canadian families. The following policy considerations are currently being debated around the globe.

PUBLIC AWARENESS CAMPAIGNS

Sociologists Andrew Cherlin and Brad Wilcox differ in their approaches to family structure. Still, they jointly argue for greater economic support for families. They agree that existing tax credits for families and low-income workers should be expanded. Cherlin and Wilcox also propose a public education campaign, similar to anti-smoking initiatives. It would encourage young people to pursue education and postpone childbearing.

MAKING MARRIAGE COUNSELING MORE ACCESSIBLE

Australian Social Services Minister Kevin Andrews has announced a plan to offer \$200 vouchers for marriage and relationship counselling. Topics could include personal finance, parenting and conflict resolution. The one year trial is set to begin in July 2014. Similarly, Professor Alan Hawkins of Brigham Young University supports the federally funded Healthy Marriage Initiative in the United States. The program was created to encourage married couples and educate young people about the benefits of marriage. Hawkins suggests results are modest but have shown some success, particularly in Oklahoma.

TAX CREDITS FOR MARRIED FAMILIES

Matt Krzepkowski and Jack Mintz of the School of Public Policy, University of Calgary, have proposed a specific model of family income splitting. It makes the basic personal tax exemption non-transferable for income splitting couples where there is a single income earner. This would require some workforce participation from both spouses to claim the credit while also reducing lost government revenue. Income splitting is extremely valuable. It grants families greater choice in how they structure their labour force participation and domestic commitments.

POLICY RESOURCES

Cherlin, A. & Wilcox, W. B. (2011). The marginalization of marriage in Middle America. CCF Brief #46. Washington D.C: Center on Children and Families at the Brookings Institution. http://www.brookings.edu/~media/research/files/papers/2011/8/10%20strengthen%20marriage%20wilcox%20cherlin/0810_strengthen_marriage_wilcox_cherlin.pdf

Hawkins, A. (2013). The forever initiative: a feasible public policy agenda to help couples form and sustain healthy marriages and relationships. A presentation to the Heritage Foundation, November 22, 2013, Washington, D.C. <http://www.heritage.org/events/2013/11/forever-initiative>

Chalmers, L. (2014, Jan 23) Federal government offers newlyweds \$200 voucher to attend marriage counselling. *The Courier-Mail*. <http://www.couriermail.com.au/news/queensland/federal-government-offers-newlyweds-200-voucher-to-attend-marriage-counselling/story-fnihs-rf2-1226808063646>

Krzepkowski, M. & Mintz, J. (2013) No more second-class taxpayers <http://policyschool.ucalgary.ca/?q=content/no-more-second-class-taxpayers-how-income-splitting-can-bring-fairness-canadas-single-income>