INSTITUTE OF URBAN STUDIES
UNIVERSITY OF WINNIPEG
Suite103-520 Portage Avenue
Winnipeg, MB R3C 0G2
Phone: (204) 982-1140
Fax: (204) 943-4695
www.uwinnipeg.ca/~ius

Research Highlights

Brian Lorch, Senior Research Associate
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The Geography of Income within Manitoba's Capital Region

Introduction

The City of Winnipeg and 15 surrounding urban and rural municipalities form the Capital Region of Manitoba (see Figure 1). Between 1996 and 2001, these surrounding municipalities captured a large majority of the region's population growth.[1] Much of this growth has been bedroom community development. The most recent census data shows that some 16,700 people in outlying municipalities commute to jobs located within Winnipeg.[2] Population growth has also been characterized by the creation of ex-urban residential landscapes consisting of large homes on large lots. Examples of such development are readily conspicuous in both the Henderson Highway and Main Street corridors running north out of Winnipeg and in villages such as La Salle to the south of the city.

This report examines the imprint ex-urban population growth is making on the spatial distribution of income within the Capital Region. Using data from the 1991 and 2001 Census of Canada, the analysis focuses on both current geographic patterns of average household income and how those patterns changed over time. A comparison with metropolitan centres of Saskatchewan and Alberta is also included.

Regional Overview

The Capital Region is home to 284,000 households. In 2000, they earned an average income of $54,443.[3]

Table 1 and Figure 2 reveal a large degree of variability in income levels within the region. Headingley, with an average income of $96,000 leads all municipalities but is followed closely by East and West St. Paul. All three of these municipalities have income levels that are approximately 1.7 times the Capital Region average.

A second tier consisting of eight rural municipalities are clustered in the $60,000 – $70,000 household income range. This represents a 10 – 25% increment over the Capital regional average.

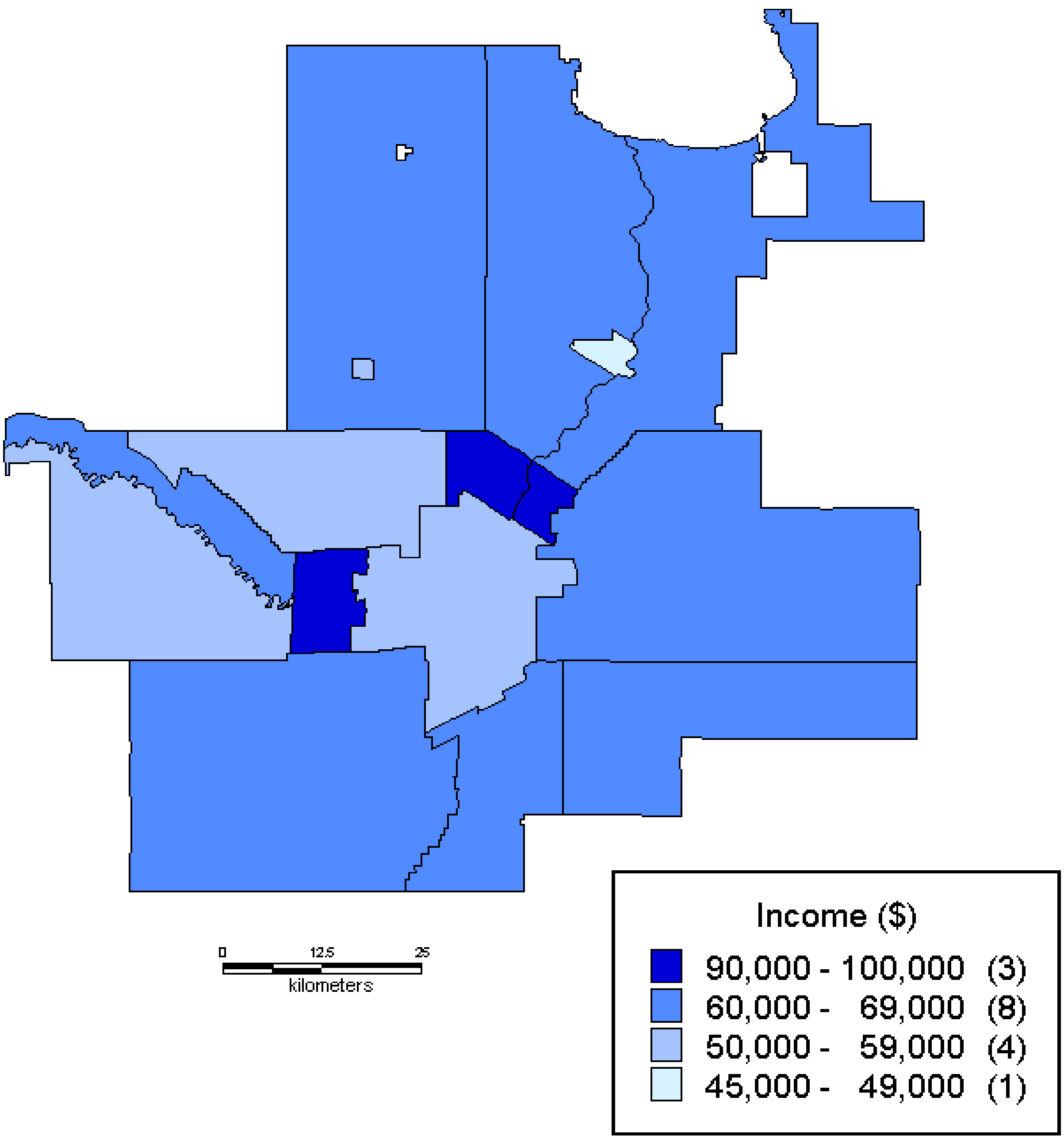
Figure 1
Municipalities of Manitoba's Capital Region

Table 1 Average Household Income within Capital Region Municipalities as Compared to Manitoba and Canadian Averages, 2000

Municipality	$ Average Household Income	% of Capital Region Average Income
Tier 1		
Headingley [RM]	96,173	176.6
East St. Paul [RM]	92,299	169.5
West St. Paul [RM]	91,414	167.9
Tier 2		
St. François Xavier [RM]	69,751	128.1
Macdonald [RM]	69,475	127.6
St. Andrews [RM]	65,480	120.3
Ritchot [RM]	62,835	115.4
Springfield [RM]	62,589	115.0
Taché [RM]	61,714	113.4
St. Clements [RM]	61,459	112.9
Rockwood [RM]	60,149	110.5
Tier 3		
Rosser [RM]	58,756	107.9
Cartier [RM]	58,719	107.9
Stonewall [T]	55,953	102.8
Winnipeg [C]	53,176	97.7
Tier 4		
Selkirk [C]	46,487	85.4
Capital Region	54,443	
Manitoba	50,756	
Canada	58,360	

Source: Census of Canada, 2001

Figure 2
Average Household Income, 2000



A third but smaller tier of municipalities are found in the $50,000 – $60,000 range, a level that falls within 10% of the regional average. The lower end of this range is occupied by two urban municipalities, the Town of Stonewall and the City of Winnipeg.

A fourth and final tier is formed by the Town of Selkirk. With an average income of approximately $46,500, it has the distinction of having the lowest income level within the region and one that is more than 10% below the regional average. That Selkirk along with Winnipeg and Stonewall form the lower end of the region's income distribution is not surprising. Urban centres, especially a larger one like Winnipeg, generally provide a much wider array of social services and offer a greater choice of more affordable housing for those in need of social support. As well, there is a greater demand for low paid, service sector workers in a large urban centre which serves to counterbalance and reduce overall average income levels. This point is further demonstrated by Figure 3 which shows the percentage of households in each municipality earning an income of at least $100,000. One-third of East St. Paul households and more than one-fifth of West St. Paul and Headingley households fall into this category. For the City of Winnipeg, the comparable proportion is one in ten.

Lastly, Table 1 provides an indication of where income levels within the Capital Region stand relative to provincial and national averages. On the whole, Capital Region households enjoy incomes that are about seven percent higher than the Manitoba provincial average but also seven percent less than the average Canadian household.

Regional Income Dynamics

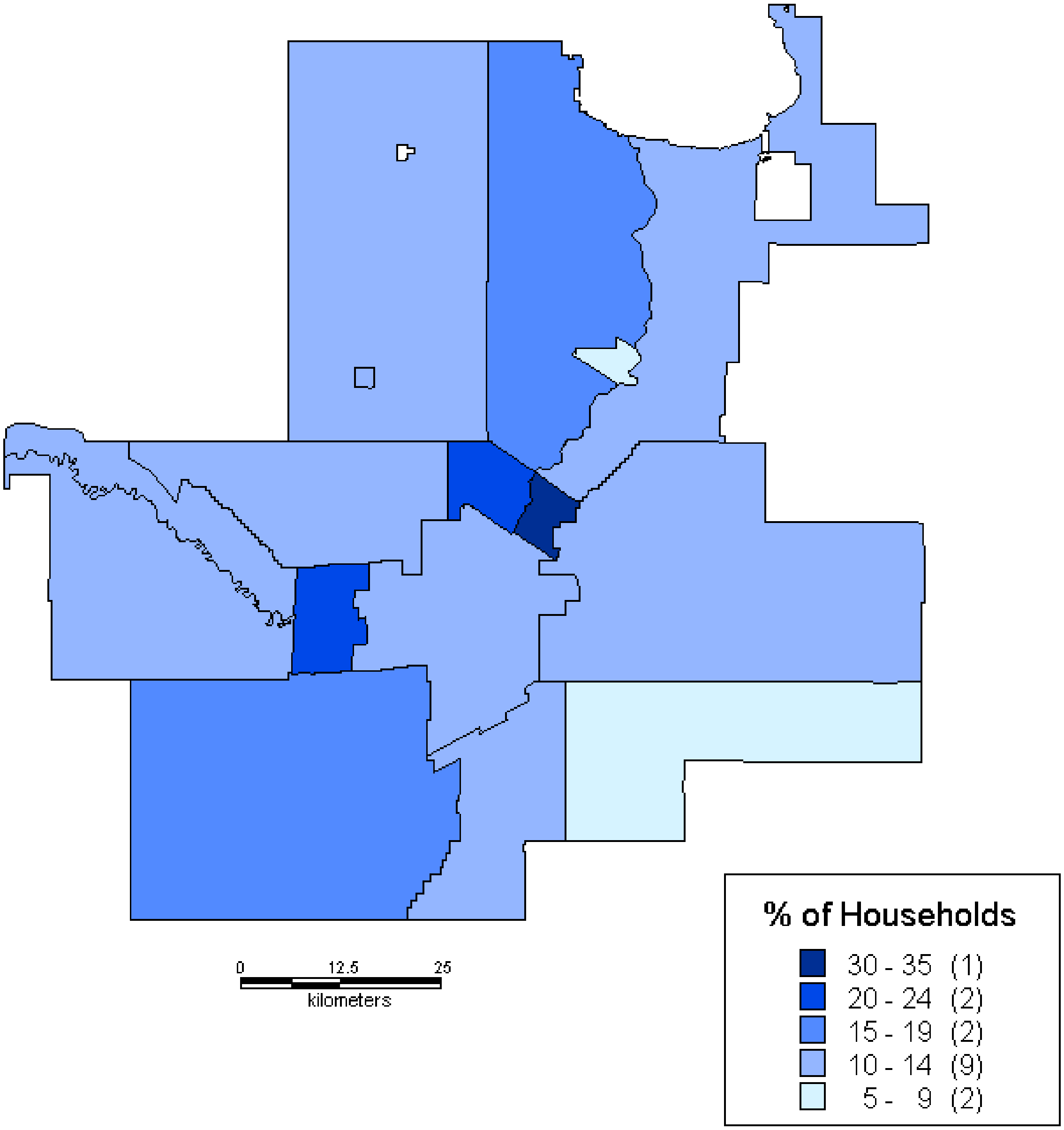
Between 1990 and 2000, average household income in the Capital Region rose by nearly $12,000 or just over 27%. As Table 2 indicates, this pace of growth was comparable to that experienced by both Manitoba and Canada as a whole. When adjusted for inflation, however, increases in income barely reach one percent meaning that the real purchasing power of household earnings changed very little during the 1990s.

Table 2 Change in Average Household Income, 1990-2000

Geographical Unit	Income 1990	Income 2000	% change
Capital Region	42,779	54,443	27.3
Manitoba	40,179	50,756	26.3
Canada	46,137	58,360	26.5

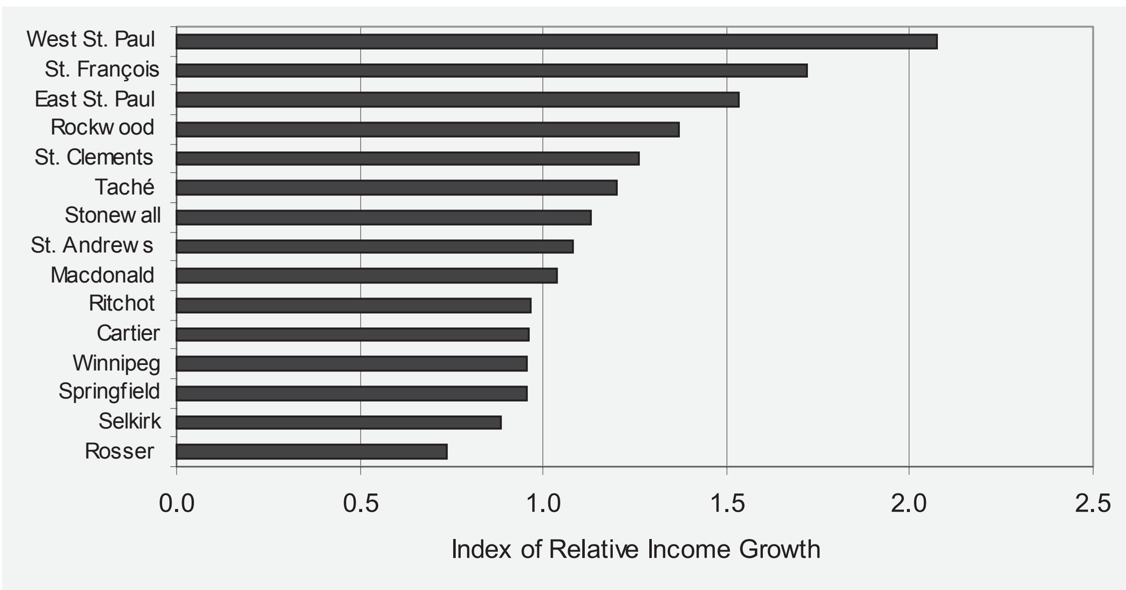
Source: 1991 and 2001 Census of Canada

Figure 3
Percentage of Households Earning $100,000 or more, 2000



Just as income levels vary across the Capital Region, so too has the rate at which incomes have increased. Figure 4 provides a glimpse of how each municipality's status within the region changed between 1990 and 2000 based on an index of relative income growth. The index was tabulated by expressing the average household income in each municipality as a percentage of the regional average income for both 1990 and 2000 and then dividing the 2000 percentage by the 1990 percentage.[4] An index value of more than one indicates income growth at the municipal level outpaced growth at the regional level. An index value less than one reflects the opposite scenario.

Figure 4 Relative Rate of Growth in Average Household Incomes, 1990-2000[1]



Results of the income index calculations reveal a strong positive association between income levels and the pace of relative income growth. In six municipalities income growth lagged behind the regional average (i.e., index values < 1). Two of these, Winnipeg and Selkirk, had the lowest average household income of any Capital Region municipality in 1990. At the opposite end of the growth rate spectrum, a similar pattern emerges. East and West St Paul, two of the highest income municipalities in the region in 1990, saw their average incomes increase at rates 1.5 to 2 times the regional average. To confirm the trend suggested by these cases, growth index values were regressed against 1990 income levels. The result was a strong positive linear relationship with an R^2 value of .96.

Average Household Income within Winnipeg

For the purposes of tabulating census data with large metropolitan centres, Statistics Canada divides such centres into smaller geographical units called census tracts. For the 2001 census, Winnipeg was partitioned into 154 tracts.

In 2000, Winnipeg households earned an average income of $53,176. At the census tract level, income varied from a low of just under $20,000 to a high of just over $142,000. This range of $120,000 is double the range found amongst the 16 municipalities of the Capital Region.

The spatial pattern of average household income in Winnipeg is best described as a series of concentric rings roughly centred on the downtown core (see Figure 5).[5] Thirteen tracts recorded average incomes of less than $30,000. Spatially, these tracts are clustered in the downtown core and in a wedge extending north along Main Street and then west along Logan. Surrounding this inner core is a band of tracts, most of which have below average income levels. The shape of the band is somewhat distorted, being much broader in the northern half of the city. In general, its location corresponds with the city's major industrial belts associated with the airport, the CP rail corridor and CN's Symington Yards in Transcona. In the southern portion of the city, the band is more ribbon shaped. It follows the Pembina Highway corridor and encompasses the Fort Garry industrial park.

The final ring of tracts is comprised of those with average incomes greater than $60,000. Except for a couple of breaks, it completely encircles the city. Within this ring are some notable enclaves denoted by much higher average income levels. Notably, all of these enclaves are located in the southwest quadrant of the city. The Wellington Crescent, Tuxedo and River Park West/Southboine neighbourhoods are favoured by proximity to the Assiniboine River and/or large tracts of green space. Located further to the south of Tuxedo along the Route 90 corridor are the Lindenwoods and Whyte Ridge subdivisions.

Income Dynamics within Winnipeg

When corrected for inflation, the increase in overall average household income in Winnipeg between 1990 and 2000 is almost imperceptible. The same cannot be said for individual census tracts (see Figure 6).

More than one half of the tracts recorded a decrease in real income with 17 posting declines in excess of 10%. Such tracts can be found in almost every corner of the city but generally are most prevalent in the core, north end, St. James and in the Pembina Highway corridor. Two interesting cases are the Wellington Crescent and River Park West/Southboine tracts. These neighbourhoods are amongst the wealthiest in the city yet real income levels declined in both. This possibly can be explained by the presence of an aging population whose income has been reduced by retirement and/or by the competition of estate-sized lots found in outlying municipalities.

About one-third of the tracts recorded increases in real income with 12 posting gains greater than 10%. Tracts with real gains tend to be located on the outer edges of the north, east, southeast and southwest sides of the city and hence, are associated with newer subdivision developments. Prominent examples are the Island Lakes and Whyte Ridge residential areas. Important to note also are the gains recorded by some inner-city neighbourhoods in old St. Boniface and on the north side of the downtown core. Increases here, albeit built upon a low 1990 income level, are perhaps reflective of re-investment in the older housing stock of the inner city.

Figure 5
Average Household Income in Winnipeg, 2000

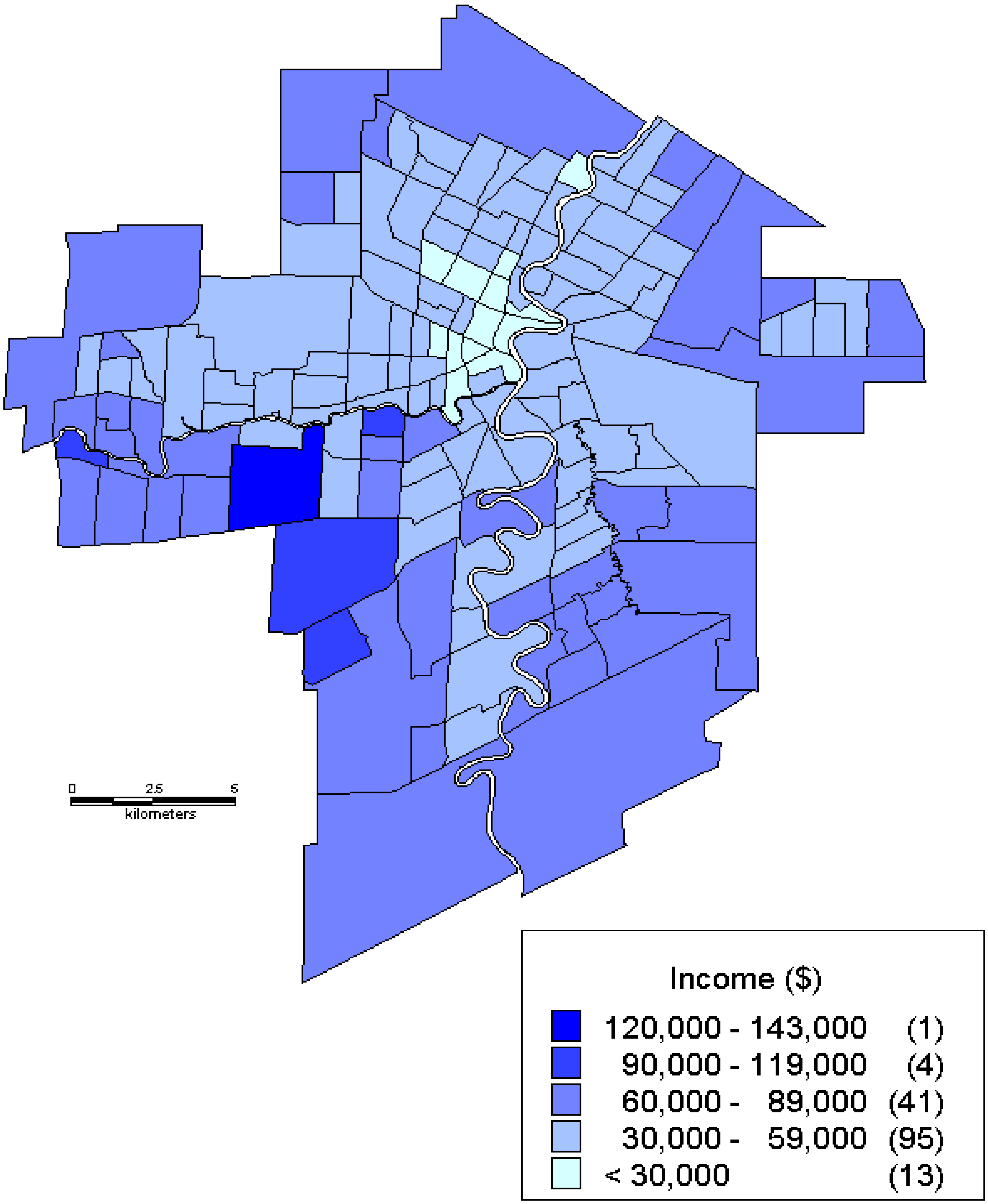
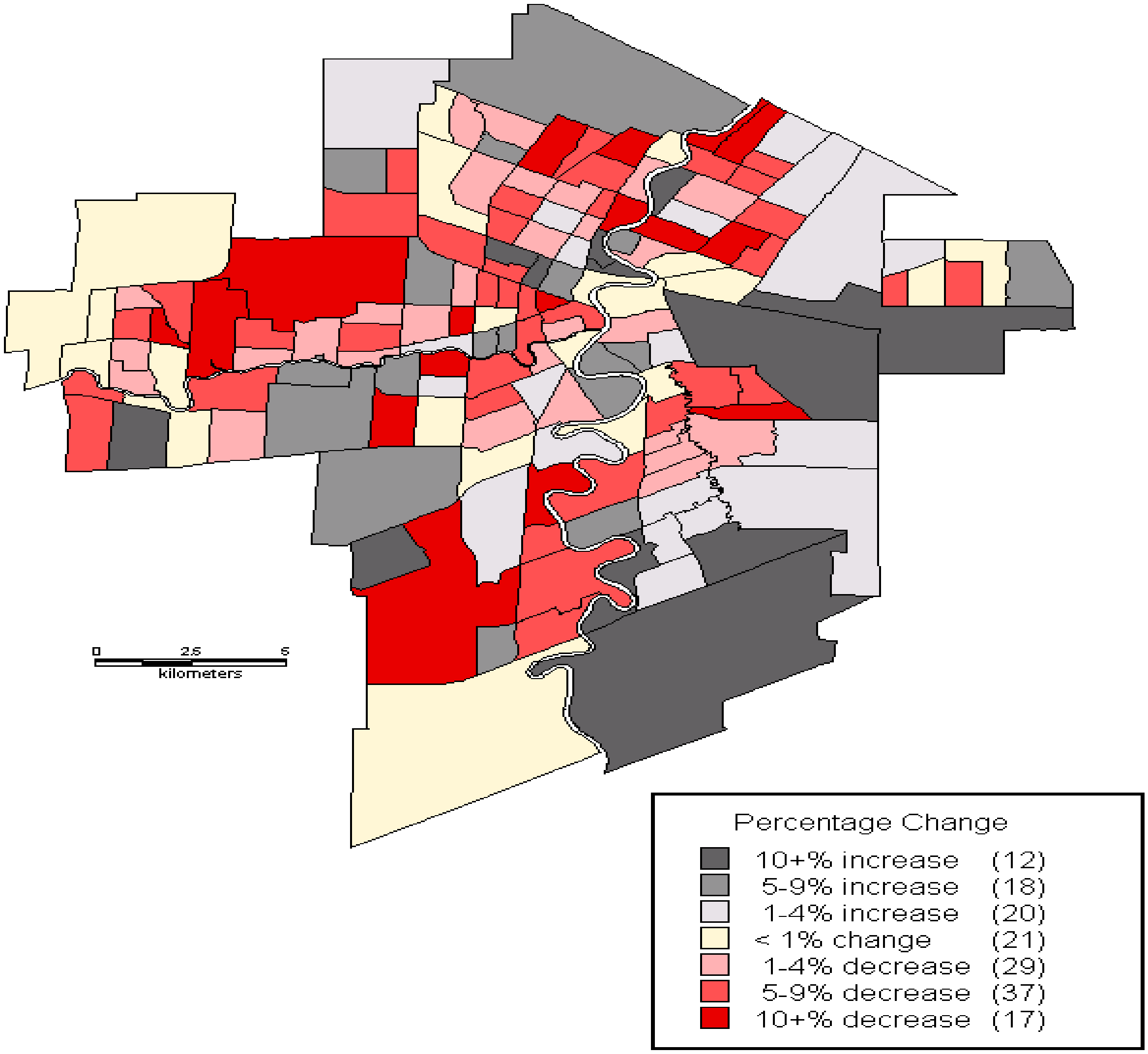


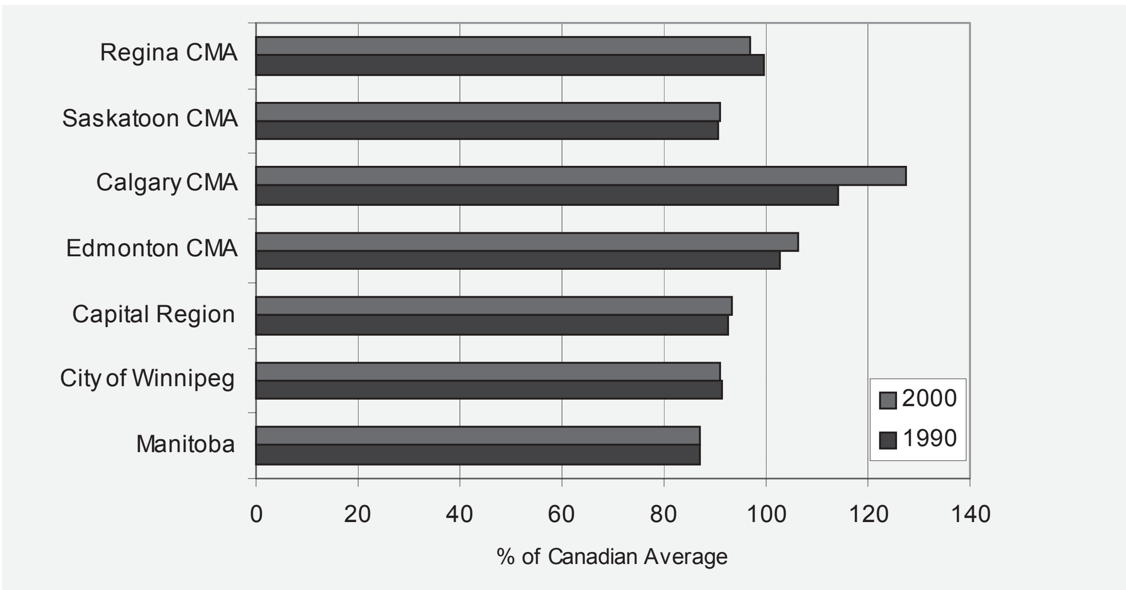
Figure 6
Percentage Change in Real Average Household Income, 1990-2000



The Prairie Context

Figure 7 shows how income in various Prairie constituencies compares with that earned by the average Canadian household. Manitoba households earn about 90% of the Canadian average, a position that has not changed since 1990. Incomes in Winnipeg and the Capital Region fare slightly better against the national average but again, their relative position moved very little over the 1990s.

Figure 7 Average Household Income as a Percentage of the Canadian Average, 1990 & 2000



In neighbouring Saskatchewan, the performance of Saskatoon closely parallels that of the Capital Region. Regina households come closer to meeting the Canadian average but have seen their position slip over time. Income levels in both Manitoba and Saskatchewan trail behind those of Alberta's two metropolitan centres. In Calgary, average household income is 27% above the national average. Moreover, Calgary's position compared to the national average improved by 13 percentage points during the 1990s. The trend in Edmonton is similar but less striking. In 1990, households there earned on average 102% of the Canadian average. By 2000, this had increased to 106%.

Conclusion

Average household income within the Capital Region ranges widely. In some Winnipeg inner city neighbourhoods such as Dufferin, Centennial, Sargent Park and Point Douglas, household income averages less than $30,000. Suburbs in the city's southwest quadrant have incomes three to four times higher. Average income levels in most outlying municipalities are at least 10% higher than Winnipeg's average. Two exceptions are the urban municipalities of Selkirk and Stonewall.

Increasing average income levels correspond strongly with suburban population growth. Within Winnipeg, neighbourhoods with concentrations of new up-market residential construction such as Whyte Ridge, Lindenwoods, and Island Lakes posted large gains in average income in the 1990s. Similar trends have occurred in a few neighbouring rural municipalities. In East St. Paul, incomes rose half again as fast as they did in the Capital Region as whole. In West St. Paul, the pace of income growth was more than twice the regional average. These increases reflect the large share of ex-urban, large lot residential development that has occurred in both municipalities. Meanwhile, in some older, well-established high-income areas where population is aging in place (e.g., the Wellington Crescent and River Park West neighbourhoods), relative income levels have actually begun to decline.

Lastly, the spatial pattern of population and income growth experienced in the 1990s corresponds closely with recent patterns of suburban retail development. During the late 1990s, the Winnipeg market witnessed an explosion of big box retail development.[6] Not surprisingly, much of this development has followed the geography of purchasing power. In southwest Winnipeg, an entire new suburban shopping node has emerged at the Kenaston/McGillivray intersection. On the city's north eastern flank, significant retail expansion at the intersection of Regent and Lagimodiere is strategically positioned to capture the growing market of East St. Paul as is the redevelopment of the Unicity site to garner market growth beyond the city's western limits. Interestingly, all of this growth in retail space has remained near the periphery but still within the Winnipeg city limits. If, however, population and income growth beyond the perimeter highway continue to outpace that of city proper over the next one or two census periods, retail development may too begin to spill into surrounding rural municipalities.

Notes

[1] See Lorch, B. 2002. "Population Growth Beyond the Perimeter" Institute of Urban Studies, Research Highlight 2002-1 (http://io.uwinnipeg.ca/~ius/Research/research_highlights.htm)

[2] See "Rural-urban commuting woes work both ways" Winnipeg Free Press, February 12, 2003, A10.

[3] As the Canadian Census is conducted at mid-year, respondents are asked to report income for the previous calendar year. Hence, the census conducted in June, 2001 records income for the year 2000.

[4] Headingley is excluded from this analysis. At the time of the 1991 Census, it formed a part of the City of Winnipeg.

[5] The concentric ring model of urban socio-economic development was first proposed by Ernest Burgess in the 1920s. Burgess' model predicted that socio-economic status would increase as distance from the downtown core increased thereby placing the wealthiest neighbourhoods on outer edge of the city.

[6] See Lorch, B. 2002. "A Comparative Analysis of Major Suburban Shopping Nodes in Winnipeg" Winnipeg: Institute of Urban Studies, Research Paper 40, 2002.