

Canadian Income Survey, 2019

Released at 8:30 a.m. Eastern time in *The Daily*, Tuesday, March 23, 2021

The median after-tax income of Canadian families and unattached individuals was \$62,900 in 2019. This was virtually unchanged from the previous year. Canada's official poverty rate fell to 10.1% in 2019, down 0.9 percentage points. While these estimates are for 2019, emerging evidence for 2020 suggests that COVID-related pandemic benefits may have offset increases in low income for many Canadian families.

Median family income is steady in 2019

The median after-tax income of Canadian families and unattached individuals was \$62,900 in 2019, up 0.5%, which was not a statistically significant change over 2018.

For non-senior families, where the highest-income earner was under 65 years of age, the median after-tax income was \$93,800 in 2019. Couples with children's median after-tax income was \$105,500, while the median after-tax income of female lone parent families was \$52,500.

The median after-tax income of senior families, where the highest-income earner was 65 years of age or older, was \$64,300 in 2019.

Unattached individuals under 65 years of age had a median after-tax income of \$33,800, whereas unattached individuals aged 65 years and older had a median after-tax income of \$29,500.

Nationally, median after-tax income did not change significantly from 2018 to 2019 for any family types examined.

While there was no significant increase in median after-tax income of Canadian families and unattached individuals from 2018 to 2019, the past two decades have represented a period of growth in family incomes. Since 2000, the median after-tax income of Canadian families and unattached individuals has risen at an average rate of 1.2% per year above inflation, increasing by about \$12,000.

Families in Canada are currently experiencing a profound disruption in their lives as a result of the COVID-19 pandemic, with many facing job loss and financial uncertainty. While the estimates from the 2019 Canadian Income Survey do not reflect the impacts of the COVID-19 pandemic, they do provide a reliable and standard baseline for assessing developments during the pandemic, provide useful insights on groups that were most at risk prior to the pandemic and for measuring the impacts of the COVID-19 outbreak on the various aspects of income and poverty in the future.

Provincial incomes remain relatively unchanged

The median after-tax income for families and unattached individuals remained relatively unchanged across Canada in 2019. Canada was again recovering from oil price shocks that began in the fourth quarter of 2018. Families and unattached individuals in Alberta continued to have the highest median after-tax income of the provinces (\$72,500), while those in Nova Scotia had the lowest (\$53,300). These income differences between provinces do not take into account factors such as the cost of living and the age of the population unique to each province.



Completing the transition to the 2018-base market basket measure

In September 2020, Statistics Canada officially released the 2018-base market basket measure (MBM) poverty estimates and 2018-base MBM thresholds for reference years 2015 to 2018, marking the end of the second comprehensive review of the MBM. Accordingly, all poverty estimates reported in this release use these new 2018-base thresholds.

In addition, 2019 is the last year for which Statistics Canada intends to release 2008-base MBM poverty estimates and 2008-base MBM thresholds.

Poverty rate continued to decline in 2019

The market basket measure (MBM) was adopted as Canada's Official Poverty Line in June 2019. According to the MBM, a family lives in poverty if it does not have enough income to purchase a specific basket of goods and services in its community. About 3.7 million Canadians, or 10.1% of the population, lived below Canada's Official Poverty Line in 2019, down from 11.0% in 2018.

The decline in the national poverty rate from 2018 to 2019 represents a continuation of a general downward trend in the poverty rate observed in recent years. Except for an increase in 2015 associated with the oil price shock in that year, the poverty rate has fallen by a statistically significant margin in each year since 2012.

In 2019, 2.7 million adults aged 18 to 64 lived below the poverty line. The poverty rate in this age group was 11.6%, down 0.9 percentage points from 2018.

For children under 18 years of age, the poverty rate was 9.7% in 2019, which did not represent a statistically significant drop from 2018. In 2019, about 680,000 children lived below the poverty line in Canada, compared with 1.1 million in 2015.

About 349,000 persons aged 65 and older, or 5.4% of the senior population, lived in poverty in 2019, little changed from 2018. The poverty rate was 2.8% for seniors living in families and 11.7% for unattached seniors. Compared with 2015, 45,000 fewer seniors lived in poverty in 2019, with unattached seniors (-41,000) accounting for most of the drop.

Unattached individuals and lone-parent families are more vulnerable to poverty

Individuals in certain groups are often more vulnerable to being in poverty. For example, in 2019, persons not in an economic family or unattached (26.2%) or those living in lone-parent families (23.1%) were more likely to be below the poverty line than persons in other family types.

Children in female lone-parent families also remain more vulnerable to poverty. In 2019, close to one-third (29.8%) of those living in female lone-parent families were in poverty, compared with less than one-tenth (7.2%) of those living in couple families.

Historically, marginalized groups such as Indigenous peoples, recent immigrants and persons with a disability were more likely to live below the poverty line.

In 2019, about 127,000, or 18.0% of Indigenous peoples aged 16 and older living off-reserve were below the poverty line. Among Indigenous peoples, 22.1% of First Nations peoples and 13.0% of Métis lived in poverty in 2019.

Among recent immigrants aged 16 and older, that is those who arrived in Canada within the last 10 years, approximately 411,000 or 17.4% lived below the poverty line in 2019.

Approximately 1.1 million, or 13.5%, of persons with a disability lived below the poverty line in 2019.

As with the national poverty rate, the poverty rate among many of these groups has also declined in recent years.

Statistics Canada also reports low income based on the Low Income Measure (LIM). According to the LIM, which is a relative measure, individuals are considered to be living in low income if their household after-tax income falls below half of the median after-tax income, adjusting for household size.

The overall low-income rate based on the LIM was 12.1% in 2019, virtually unchanged from 12.3% in 2018. Like the MBM, the LIM has also improved in recent years, although to a lesser degree, falling by 2.1 percentage points since 2015.

Income equality improving in Canada

One of the United Nations' Sustainable Development Goals is to reduce inequality, including income inequality. One target is sustained income growth for the lowest four deciles (the bottom 40% of the population).

When measuring income inequality, it is common practice to use income measures based on after-tax household income that has been adjusted for household size (adjusted after-tax income). Based on adjusted after-tax income, incomes of Canadians in the bottom four deciles have been rising quite steadily for more than two decades, increasing by an average of 1.6% per year above inflation since 2000.

Tracking the shares of income held by the different income deciles provides some insight on income inequality in Canada. Based on the adjusted after-tax income, Canadians in the highest decile accounted for 22.7% of all after-tax income in Canada in 2019, while the lowest four deciles combined had 21.0% of all after-tax income. However, the share for the lowest four deciles has been slightly increasing since the beginning of the decade, while the share of the highest decile has been edging down, suggesting a decrease in inequality.

Another popular measure of inequality, the Gini coefficient, has also shown improvements in recent years.

The Gini coefficient is an index that takes a value ranging from 0, which indicates a state of perfect equality, to 1 which indicates a state of perfect inequality. Historically, the Gini coefficient was below 0.296 in most years from 1976 to 1995, then rose from 1996 to 2000, reaching levels above 0.315 in most years from 2000 to 2013, before starting to trend downwards. The level of 0.299 reached in 2019 was the lowest Gini coefficient measured for Canada since 1995.

Pandemic benefits mitigate the impact of declines in employment income in early 2020

The pandemic has led to considerable work interruptions in Canada and around the world since mid-March 2020. However, emerging evidence on 2020 trends suggests that COVID-related pandemic benefits may have mitigated the impact of declines in employment and earnings for many Canadian families. For more information please see, [Household economic well-being during the COVID-19 pandemic, experimental estimates, first quarter to third quarter of 2020](#).

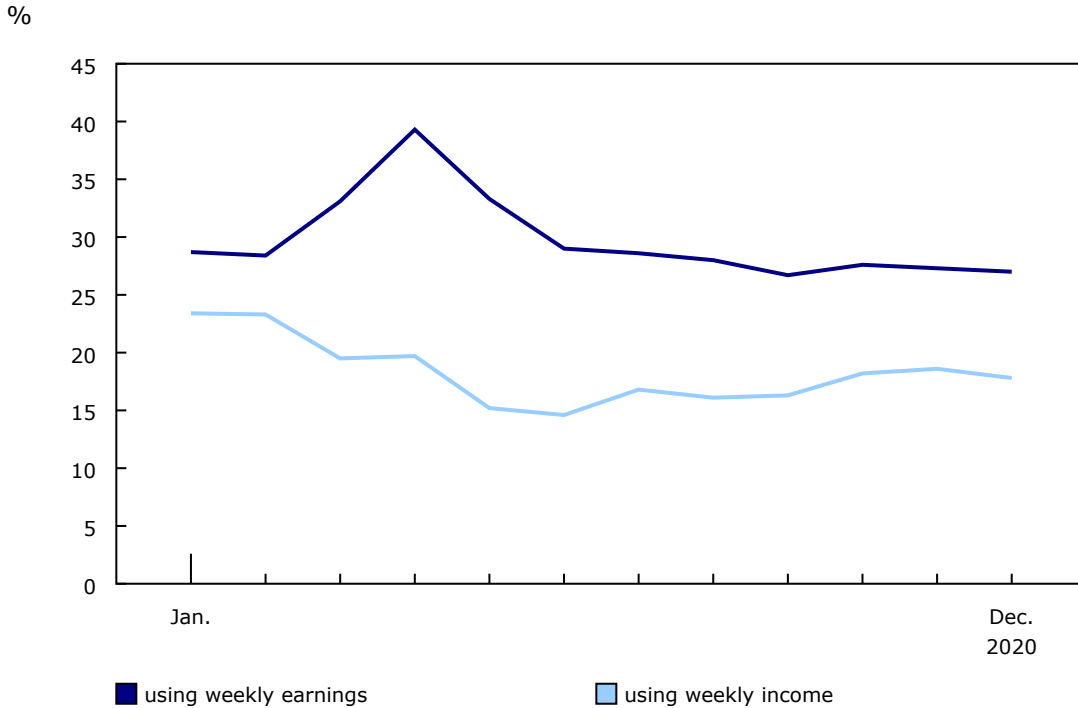
According to the Labour Force Survey, in June 2020, more than one-quarter (28.3%) of Canadians aged 15 to 69 reported having received some kind of federal income assistance payment since the beginning of the pandemic (the Canadian Emergency Response Benefit [CERB]), the Canadian Emergency Student Benefit, regular Employment Insurance benefits, or new benefits for which they were unsure of the source). A new experimental method designed to track weekly family incomes in 2020, [updated today](#), suggests that the government pandemic relief benefits offset a potential surge in low income in March and April 2020 for a large portion of Canadian families.

These results show that while median weekly family earnings (wages, salaries and self-employment income) fell strongly from February to April 2020 (-21.9%), median weekly family income, including income from CERB and other pandemic relief programs, was relatively unchanged, reflecting the offsetting effect of the pandemic relief programs.

Likewise, from February to June 2020, a surge in the share of families with low-weekly earnings was more than offset by government pandemic relief benefits, such that there was a decline in the experimental low-weekly income rate from February (23.3%) to June 2020 (14.6%).

The experimental low-weekly income rate then climbed during the second half of 2020, but remained below its pre-pandemic level in December 2020 (17.8%).

Chart 1
Share of persons in families with family income below provincial low-income threshold, by selected income definition, Canada, 2020



Note(s): Families with persons age 65 and over are excluded. Weekly earnings includes income from paid employment and self-employment. Weekly income includes weekly earnings plus selected government transfers: GST/HST credits, child benefits, Employment Insurance, and emergency and recovery benefits.
Source(s): Experimental weekly income estimates, March 2021.

Results for different family types suggest that the drops in median weekly earnings observed from February to April 2020 were larger for lone-parent families (-40.9%), and unattached individuals (-69.1%), but these were also offset by government transfers for these groups. The surge in low-weekly earnings was similar for men and women, reflecting the fact that the family earnings measure would mask gender differences in the pandemic-related economic shock.

Black Canadians, other population groups designated as visible minorities, and Indigenous people also faced more difficult labour market situations over the pandemic (for more information please see, [Study: A labour market snapshot of Black Canadians during the pandemic](#)). The experimental low-weekly income rate was also higher for Black Canadians (24.2% in December 2020) and other visible minority groups as well as Indigenous people (28.4%) than for non-visible minorities (16.4%) over the last three months of the year.

These experimental estimates of median weekly family income and low-weekly income currently exclude families with persons aged 65 and older, as well as income sources such as provincial social assistance, and do not include taxes. They also do not reflect possible repayments of pandemic benefits. These statistics cannot be directly compared with the official poverty rate (MBM) or low-income rates based on the low-income measure (LIM). Continued development of the experimental weekly family income estimates is underway.

Sustainable Development Goals

On January 1, 2016, the world officially began implementing the [2030 Agenda for Sustainable Development](#)—the United Nations' transformative plan of action that addresses urgent global challenges over the next 15 years. The plan is based on 17 specific Sustainable Development Goals, 169 targets and 244 indicators.

Data from the Canadian Income Survey are an example of how Statistics Canada supports the reporting on the global Sustainable Development Goals. This release will be used to calculate indicators such as the market basket measure and the low-income measure, which are part of the following goals:



Note to readers

This release only covers the 10 provinces. The release of 2018 results for the territories from the Canadian Income Survey is scheduled for April 1, 2021. Results for 2019 will follow this summer.

The Canadian Income Survey estimates are based on probability samples and are therefore subject to sampling variability, especially for smaller groups and geographies. As a result, year-to-year estimates will show more variability than trends observed over longer time periods.

In this release, differences between estimates are statistically significant at the 95% confidence level unless otherwise noted.

Experimental median weekly family income and experimental low-weekly income statistics presented in this release are based on weekly income and include selected income sources only. They also use an experimental low-weekly income threshold. Therefore, these statistics cannot be directly compared with annual statistics on median income or annual statistics on the official poverty rate (MBM) or the low-income rate based on the low-income measure (LIM). Measurement for population groups designated as visible minorities started in July 2020, meaning it is not possible to answer whether the situation was different for this group during the early months of the pandemic.

Definitions

An economic family refers to a group of two or more persons who live in the same dwelling and are related to each other by blood, marriage, common-law union, adoption or a foster relationship. This concept differs from the census family concept used for subprovincial data in the Annual Income Estimates for Census Families and Individuals.

Senior families refer to families where the highest income earner is aged 65 or over.

Non-senior families refer to families where the highest income earner is under 65 years old.

Indigenous peoples refers to persons, aged 16 and over, who self-identified as being an Aboriginal person; that is, First Nations (North American Indian), Métis or Inuk (Inuit).

Persons with a disability refers to a person, aged 16 and over, who met the disability screening questions criteria.

This release analyzes income on the basis of medians. The **median** is the level of income at which half the population had higher income and half had lower. Income estimates are expressed in 2018 constant dollars to factor in inflation and enable comparisons across time in real terms.

After-tax income is the total of market income and government transfers, less income tax.

Market income consists of employment income and private pensions, as well as income from investments and other market sources.

Government transfers include benefits such as Old Age Security, the Guaranteed Income Supplement, the Canada Pension Plan and the Quebec Pension Plan, Employment Insurance, social assistance, the goods and services tax or harmonized sales tax credit, provincial tax credits, and child benefits.

Income inequality refers to the extent that income is distributed unequally among members of a population. While there are different ways to describe income inequality, this analysis reports on the share of adjusted after-tax income held by various segments of the income distribution. For more information on Sustainable Development Goal 10.1, please refer to [The Sustainable Development Goals Report](#).

For statistics on income inequality, it is common practice to use income measures based on after-tax household income that has been adjusted for household size (**adjusted after-tax income**). Adjusting for household size allows users to compare the income of households of different sizes. The adjustment is made by dividing household income by the square root of the household size and assigning this value to all persons in the household. This adjustment distributes income among the members of the household, and takes into account the economies of scale present in larger households, the increasing number of individuals living on their own and the decline in family size over time. Adjusted after-tax income is also used in the calculation of the low-income measure.

The **low-income measure (LIM)** defines an individual as having low income if their adjusted after-tax income falls below 50% of the median adjusted after-tax income.

The **market basket measure (MBM)** is based on the cost of a specific basket of goods and services representing a modest, basic standard of living. It includes the costs of food, clothing, footwear, transportation, shelter and other expenses for a reference family. These costs are compared with the disposable income of families to determine whether or not they fall below the poverty line. For more information please see, [Report on the second comprehensive review of the Market Basket Measure](#).

Today, Statistics Canada is updating the [Dimensions of Poverty Hub](#). The Hub, sponsored by Employment and Social Development Canada, enables Canadians to track progress on poverty reduction. The Hub features data, analysis, infographics and 13 performance indicators, and will continue to be updated regularly as new data becomes available. Today, the Hub includes updates for: Canada's official poverty line, deep income poverty, relative low income, bottom 40% income share, average poverty gap, low income entry and exit rates, median hourly wage and asset resilience. The Hub also includes information on other aspects of poverty such as food insecurity, core housing need, and the share of youth not in employment, education or training. While this information does not yet reflect the impacts of the COVID-19 pandemic, it does provide useful insights on groups that were most at risk prior to the pandemic and will serve as a baseline for measuring the impact of the COVID-19 outbreak on the various aspects of poverty in the future.

Table 1
Income statistics by selected family type, 2018 and 2019

	2018				2019			
	After-tax income	Market income	Government transfers	Income tax	After-tax income	Market income	Government transfers	Income tax
median (2019 constant dollars)								
Economic families and persons not in an economic family	62,600	58,200	7,600	7,700	62,900	58,300	8,200	7,600
Economic families	86,500	85,500	9,400	12,300	86,700	85,600	9,900	12,200
Senior families	64,800	41,200	29,800	5,300	64,300	39,600	30,000	4,800
Non-senior families	93,400	98,400	5,300	14,300	93,800	99,100	6,000	14,400
Two-parent families with children	103,900	110,800	7,500	16,900	105,500	111,000	8,000	17,100
Lone-parent families	53,000	38,000	14,900	1,300	56,100	43,100	13,600	1,500
Persons not in an economic family	31,300	26,300	2,100	2,700	32,200	27,200	2,800	2,800
Seniors	29,000	12,400	18,900	800	29,500	12,600	19,100	900
Non-seniors	32,700	33,300	800	3,700	33,800	35,000	900	3,900

Source(s): Table [11-10-0190-01](#) (formerly CANSIM table 206-0011).

Table 2
Median after-tax income, Canada and provinces, 2015 to 2019

	2015	2016	2017	2018	2019
2019 constant dollars					
Canada	60,200	60,400	62,100	62,600	62,900
Newfoundland and Labrador	57,800	59,100	56,600	58,800	56,500
Prince Edward Island	56,000	54,600	55,700	58,200	60,300
Nova Scotia	51,000	52,600	52,400	53,200	53,300
New Brunswick	54,600	53,900	55,300	56,000	56,400
Quebec	51,800	52,500	53,700	54,200	55,600
Ontario	63,400	62,900	65,400	67,400	66,600
Manitoba	59,900	60,400	61,500	61,600	61,300
Saskatchewan	63,900	63,200	63,900	63,100	62,700
Alberta	76,600	74,300	73,300	74,100	72,500
British Columbia	59,800	60,200	64,800	63,200	65,700

Source(s): Table [11-10-0190-01](#) (formerly CANSIM table 206-0011).

Table 3
Persons living below the poverty line (Market Basket Measure, 2018 base), Canada, 2015 to 2019

	2015	2016	2017	2018	2019	2015	2016	2017	2018	2019
	thousands					% of population				
All persons	5,074	4,543	4,188	3,983	3,730	14.5	12.8	11.7	11.0	10.1
Persons under 18 years ¹	1,115	958	803	748	680	16.4	14.0	11.6	10.8	9.7
In two-parent families	763	575	505	463	417	13.4	10.2	8.9	8.0	7.2
In female lone-parent families	272	324	228	230	214	39.4	41.9	33.5	31.7	29.8
Persons 18 to 64 years	3,565	3,180	3,026	2,883	2,702	15.7	14.0	13.2	12.5	11.6
In economic families	2,016	1,723	1,629	1,456	1,393	10.8	9.2	8.6	7.6	7.2
Not in an economic family	1,549	1,457	1,397	1,428	1,308	38.8	36.2	35.1	35.6	32.7
Persons 65 years and over	394	405	360	352	349	7.0	7.0	6.0	5.6	5.4
In economic families	136	149	141	120	132	3.3	3.5	3.3	2.7	2.8
Not in an economic family	258	256	218	232	217	17.0	16.4	13.0	13.4	11.7

1. Data do not add up to the total, as some components have been excluded.

Source(s): Table 11-10-0135-01 (formerly CANSIM 206-0041).

Table 4
Persons living below the poverty line¹, by selected demographic group, Canada, 2015 and 2019

	thousands		% of population	
	2015	2019	2015	2019
All persons	5,074	3,730	14.5	10.1
Persons under 18 years in economic families	1,106	671	16.3	9.6
Persons under 18 years in female lone-parent families	272	214	39.4	29.8
Persons 16 years and over	4,059	3,099	14.0	10.1
Indigenous peoples living off-reserve	204	127	26.1	18.0
First Nations	126	76	34.9	22.1
Métis	75	46	18.3	13.0
Inuk (Inuit)	F	F	F	F
Recent immigrants ²	652	411	27.9	17.4
Persons with a disability ³	1,552	1,142	20.7	13.5

F too unreliable to be published

1. Based on the Market Basket Measure (2018 base).

2. Who arrived in Canada in the last ten years.

3. Disability-related estimates are produced using a different weighting methodology. Comparisons with estimates produced from the entire survey should be made with caution.

Source(s): Statistics Canada, Canadian Income Survey (5200), custom tabulation.

Available tables: [11-10-0066-01](#), [11-10-0080-01](#), [11-10-0134-01](#) to [11-10-0136-01](#) , [11-10-0190-01](#) to [11-10-0193-01](#) , [11-10-0195-01](#), [11-10-0232-01](#), [11-10-0237-01](#) to [11-10-0241-01](#) and [14-10-0324-01](#).

Definitions, data sources and methods: survey number [5200](#).

The infographics "[Income of Canadians, 2019](#)" and "[Canada's Official Poverty Dashboard of Indicators: Trends, March 2021](#)" are now available.

The article "[Experimental estimates of family weekly income, update](#)" is now available.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).