

# Canadian Income Survey: Territorial estimates, 2018

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Today, Statistics Canada is releasing, for the first time, new data from the Canadian Income Survey for the three territories in Canada.

Median after-tax income of Canadian families and unattached individuals living in the territories was \$83,100 in 2018.

The median market income for the three territories was \$86,700 in 2018, while median government transfers reached \$5,700.

Families and individuals 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 these estimates from the Canadian Income Survey do not reflect the impacts of the pandemic, they do provide a baseline for assessing developments during the pandemic and shine light on which Canadian families may be most vulnerable financially.

## Income highest in the Northwest Territories

Families and unattached individuals living in the Northwest Territories had the highest median after-tax income, at \$93,500 in 2018, followed by those living in Nunavut (\$89,300) and Yukon (\$73,200). All three territories had median after-tax income higher than any of the Canadian provinces.

Alberta had the highest after-tax income for Canadian families and unattached individuals among the provinces in 2018, at \$72,700, followed by Ontario (\$66,200) and British Columbia (\$62,000).

Among the three territorial capitals, the median after-tax income of families and unattached individuals was similar in Iqaluit (\$107,300) and Yellowknife (\$106,300), but just over one-quarter lower in Whitehorse (\$74,500).

On a pre-tax basis, and excluding government transfers, the Northwest Territories also had the highest median market income at \$102,900, followed by Nunavut (\$87,300) and Yukon (\$74,400).

## Nunavut receives higher government transfers

The median government transfer payments were highest in Nunavut at \$9,000 in 2018. Families and unattached individuals in the Northwest Territories received \$5,400 in median government transfers, while those in the Yukon received \$3,300.

Couples with children living in Nunavut received median government transfer payments of \$14,100 in 2018. This was more than double the amount for the same family type in the Northwest Territories (\$6,200) or Yukon (\$5,100).

## Those living alone and lone parents have lower incomes

Families of two persons or more living in the territories had a median after-tax income of \$102,900 in 2018, while unattached individuals had a median after-tax income of \$48,600.

Among non-senior families—those where the major income earner was aged under 65—couples with children had a median after-tax income of \$125,900 in 2018, while couples without children had a median after-tax income of \$125,200, and lone-parent families had a median after-tax income of \$65,500.



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## Highest income quintile accounts for over one-third of all after-tax income in the territories

When looking at income inequality, it is common practice to track the shares of income held by different income quintiles and 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, Canadians within the highest quintile (20% of people) accounted for 37.2% of all after-tax income in the three territories in 2018, almost double the share of the lowest two quintiles (the bottom 40% of the population), which represented 19.2%.

These shares of incomes held by the different income quintiles were similar to those for the rest of Canada. Based on adjusted after-tax income, Canadians in the highest quintile among the provinces accounted for 38.0% of total income in 2018, while the lowest two quintiles held 20.8%.

Among the three territories, those in the highest quintile in Nunavut held the largest share of adjusted after-tax income, at 41.2%, compared with approximately 35.5% for those in Yukon and the Northwest Territories. Nunavut also had the lowest share of adjusted after-tax income in the lowest two quintiles (16.9%) compared with the other two territories (22.2% in Yukon and 19.7% in the Northwest Territories).

### Northern Market Basket Measure

The Market Basket Measure, Canada's official poverty line, is not currently available for the territories. However, over the last several months, Statistics Canada, along with Employment and Social Development Canada, has been working toward filling this data gap through the creation of the first Northern Market Basket Measure (MBM-N). The MBM-N is intended to be an adaptation of the Market Basket Measure (MBM) that reflects life and conditions in Yukon and the Northwest Territories.

Statistics Canada released the first of two MBM-N discussion papers, "[Proposals for a Northern Market Basket Measure and its disposable income](#)," on January 5, 2021. The proposed MBM-N methodology was co-developed with the Yukon Bureau of Statistics and the Northwest Territories Bureau of Statistics.

The next paper is planned for mid-2021 and will describe any adjustments to the proposed MBM-N methodology. It will also present the preliminary thresholds and poverty estimates based on these thresholds.

A Northern MBM approach applicable to Nunavut is also underway to create an MBM basket appropriate to that territory. Future Canadian Income Survey releases will include updates on the progress made toward completing this work for Nunavut.

## More than one-fifth of residents of Nunavut live in low income

According to the after-tax low income measure, 15,300 people or 13.3% of the population in the territories lived in low income in 2018. Over one-fifth of Nunavut residents (21.3%) lived in low income, almost double the rate in the Northwest Territories (12.2%) and triple the rate in Yukon (6.9%). By way of comparison, the low-income rate for Canadian provinces was 12.3% in 2018.

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### Note to readers

The Canadian Income Survey collected data for the territories for the first time in 2019, for reference year 2018. Households in remote areas with very low population density are excluded from the survey. Survey coverage of the population is about 96% for the Northwest Territories, 93% for Nunavut and 92% for Yukon.

This new coverage of the territories in the Canadian Income Survey will allow annual estimates of income, low income and income distributions to be computed from that survey, going forward. Estimates for 2019 are planned for summer 2021.

The Canadian Income Survey estimates are based on probability samples and are therefore subject to sampling variability.

### 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.

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.

**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.

**Low income** in this release is calculated using the after-tax Low Income Measure (LIM-AT). Individuals are defined as having low income if their adjusted after-tax income falls below 50% of the median adjusted after-tax income. Adjusted after-tax income is derived by dividing household income by the square root of the household size and assigning this value to all persons in the household. The median observed in the ten provinces was used to establish the LIM-AT threshold for estimates in the three territories.

**Table 1**  
**Income statistics by territory for families and unattached individuals, 2018**

	Market income	Government transfers	Total income	Income tax	After-tax income
	median (dollars)				
All territories	86,700	5,700	96,500	11,600	83,100
Yukon	74,400	3,300	81,700	9,800	73,200
Northwest Territories	102,900	5,400	107,500	14,900	93,500
Nunavut	87,300	9,000	100,600	11,100	89,300

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

**Table 2**  
**Income statistics by territory and selected economic family type, 2018**

	Market income	Government transfers	Total income	Income tax	After-tax income
	median (dollars)				
<b>All territories</b>					
Economic families	108,700	8,400	117,800	14,800	102,900
Non-senior families	113,600	6,900	123,800	15,600	108,400
Couples	144,500	1,900	147,600	20,000	125,200
Couples with children	133,000	7,900	144,700	20,300	125,900
Lone parent families	60,100	9,800	70,900	F	65,500
Persons not in an economic family	50,300	1,200	56,200	6,000	48,600
<b>Yukon</b>					
Economic families	99,600	6,200	109,100	14,300	95,700
Non-senior families	107,800	5,000	113,200	14,400	97,400
Couples	119,000	F	120,500	17,000	103,900
Couples with children	127,300	5,100	138,100	19,600	116,300
Lone parent families	61,100	6,900	70,900	F	65,000
Persons not in an economic family	47,900	400	51,200	5,200	45,700
<b>Northwest Territories</b>					
Economic families	136,100	6,200	145,800	19,700	124,300
Non-senior families	144,300	5,200	153,300	21,600	126,600
Couples	170,600	1,900	172,300	23,500	145,900
Couples with children	172,700	6,200	176,300	25,600	141,700
Lone parent families	71,600	10,200	92,200	F	81,000
Persons not in an economic family	48,000	F	49,600	5,400	45,300
<b>Nunavut</b>					
Economic families	84,200	13,800	100,900	8,700	93,500
Non-senior families	90,200	12,400	102,200	9,300	95,400
Couples	155,700	F	162,100	25,300	138,100
Couples with children	82,000	14,100	102,100	F	93,500
Lone parent families	F	18,100	58,500	F	56,600
Persons not in an economic family	93,000	1,200	94,200	15,600	78,900

F too unreliable to be published

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

**Table 3**  
**Share of adjusted after-tax income by quintile and territory, 2018**

	Lowest quintile	Second quintile	Third quintile	Fourth quintile	Highest quintile
	%				
All territories	6.4	12.8	18.3	25.3	37.2
Yukon	8.0	14.2	18.5	23.9	35.4
Northwest Territories	6.3	13.4	19.2	25.6	35.5
Nunavut	6.0	10.9	17.2	24.7	41.2

**Source(s):** Canadian Income Survey, custom tabulation.

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

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](mailto:STATCAN.infostats-infostats.STATCAN@canada.ca)) or Media Relations (613-951-4636; [STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca](mailto:STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca)).