

Low-income statistics for the population living on reserve and in the North using the 2016 Census

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People living in First Nations communities and the territories have historically been absent from most research and statistics concerning low-income measures. Today, Statistics Canada is releasing a study entitled "Low-income statistics for the population living on reserve and in the North using the 2016 Census," which empirically investigates the production of low-income statistics for the North and Indigenous communities.

The study released today explored the use of 2015 income data collected in the 2016 Census to provide an initial descriptive analysis of low income in the territories, in Inuit Nunangat (the traditional Inuit homeland) and on reserves. This includes analysis by Indigenous identity and other sociodemographic characteristics, such as education and family status. Plans are in place to integrate 2021 Census data for the areas covered in this study as they become available.

This study uses the low-income measure (LIM) methodology, which deems a person to have low income if their household income is less than half the median household income for Canada, accounting for household size. For example, the LIM threshold calculated in this study was \$44,080 for a four-person family, and \$31,169 for a two-person family. It is important to note that the LIM is not Canada's Official Poverty Line, and that statistics based on this methodology should not be interpreted as poverty rates.

Low-income rates are higher among the Indigenous population

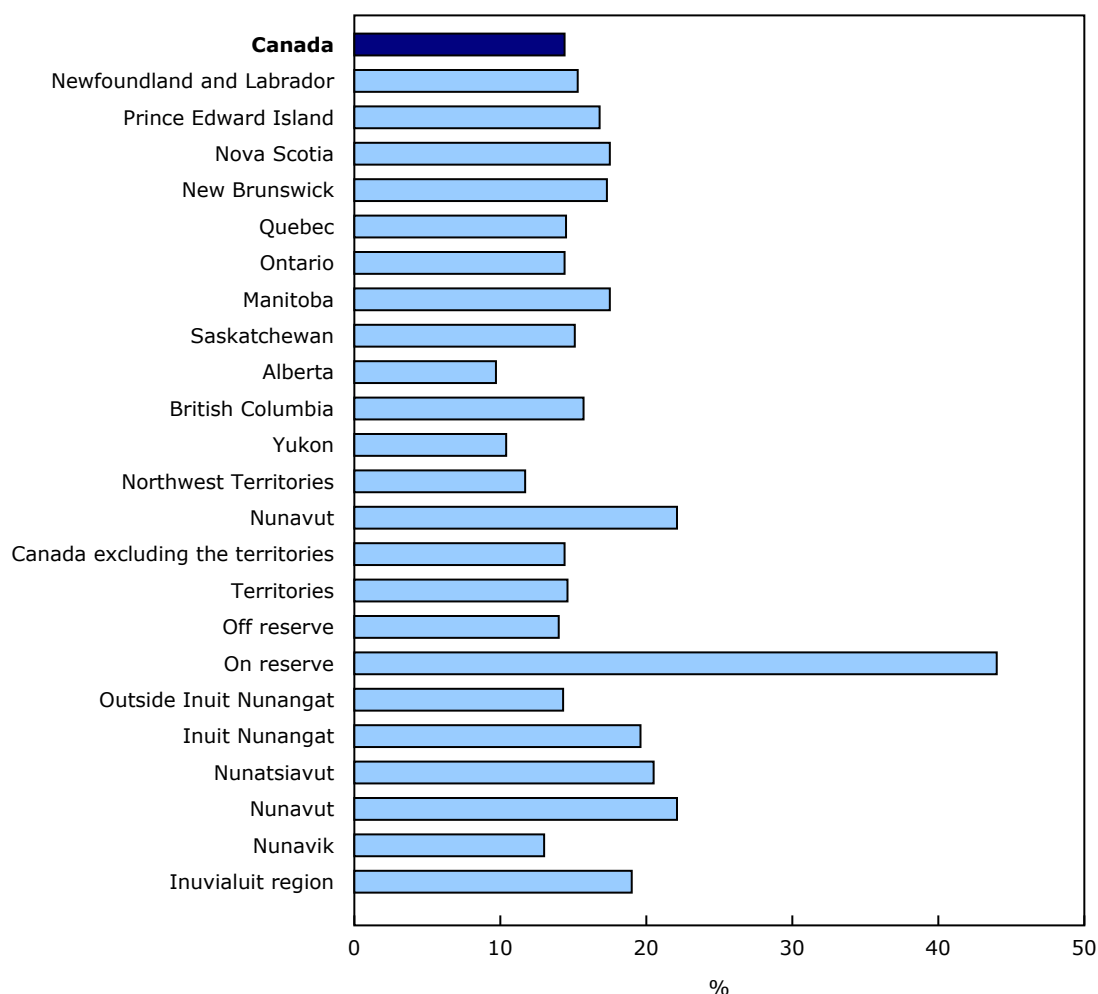
Results from this exploratory study show that 14.6% of people in the territories were living in low-income households in 2015 (Chart 1). In Inuit Nunangat, 19.6% of individuals had low income. Within this region, Nunavut had the highest rate, at 22.1%, compared with 13.0% in Nunavik at the lower end.

In 2015, 44.0% of the on-reserve population in Canada lived in low-income households. In comparison, about 14.4% of the total population in Canada was considered to be living in low income in 2015.

The low-income rates were lower for the non-Indigenous population than for all Indigenous identity groups in all geographic areas. The highest low-income rates were found for First Nations living on reserve.



Chart 1
Percentage of low-income households, by selected level of geography, 2015



Source(s): Statistics Canada, Census of Population, 2016 (3901).

Gaps in low-income rates are smaller among those with a university certificate or higher

People in Canada with a high level of education were consistently less likely to have low income. In Canada overall, as well as on reserve, in the territories, and in Inuit Nunangat, disparities in low-income rates between the Indigenous and non-Indigenous populations were smaller among those with a university degree or higher. In Inuit Nunangat, for example, the low-income rate for Inuit with a university degree or higher was 2.8%, and for non-Indigenous people with the same educational attainment, the low-income rate was 1.9%.

Mothers in lone-parent families are more likely to be living in low income

In the territories, on reserve, and in Inuit Nunangat, the percentage of people living in low-income households was similar between men and women. However, mothers in lone-parent families had higher low-income rates than fathers in lone-parent families across all the geographic areas examined. For example, in the territories, 27.3% of mothers in lone-parent families were living in low income, compared with 19.1% of fathers in lone-parent families.

Low-income rates were higher for single-person households and lone-parent families than for couple families with or without children across all geographic areas in the study. However, the disparity between these household types was greater among the on-reserve population.

Note to readers

Low-income measure

The low-income measure (LIM) methodology requires only information on household income and household size and can therefore be applied to reserves and the territories using income data from the census. Although the LIM is a computationally straightforward measure, it does not take into consideration regional variations in prices, as well as other dimensions of poverty (e.g., food insecurity). It also does not take into account the importance of economic activities based on sharing and consumption from own production (e.g., hunting and farming) within Indigenous communities. For more information on the methodology used and its limitations, see [Interpreting low-income statistics for the on-reserve and Territorial populations using Census and National Household Survey data](#).

Results in the study are presented for all provinces and territories, for the on-reserve and off-reserve population, as well as for Inuit Nunangat and its four Inuit regions. Inuit Nunangat is the homeland of Inuit in Canada and includes four Inuit regions: Nunatsiavut (northern coastal Labrador), Nunavik (Northern Quebec), the territory of Nunavut, and the Inuvialuit region (in the Northwest Territories).

Canada's Official Poverty Line

Following the Canadian government's release of Opportunity for All: Canada's First Poverty Reduction Strategy in August 2018 and the passing of Bill C-97, the Market Basket Measure (MBM) was set as Canada's first Official Poverty Line. However, the MBM relies on the pricing of a basket of goods and services. This has not been done in the territories and on reserve, and concerns about the contents of the basket and its appropriateness in such locations need to be resolved.

Opportunity for All includes a proposition to improve poverty measurement in Canada. In line with such efforts, Statistics Canada is working to establish the MBM for the territories by defining and pricing baskets of goods and services that reflect the unique costs of living in Canada's northern and remote communities. For more information, see [Proposals for a Northern Market Basket Measure and its disposable income](#).

Definitions, data sources and methods: survey number 3901.

The product "[Low-income statistics for the population living on reserve and in the North using the 2016 Census](#)" 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).