# Canadian Income Survey: Territorial estimates, 2020

Released at 8:30 a.m. Eastern time in The Daily, Thursday, November 3, 2022

In 2020, families and unattached individuals living in the Northwest Territories had a median after-tax income of \$95,500, compared with \$92,200 in Nunavut and \$82,300 in Yukon. Territorial after-tax income remained relatively unchanged from 2019. The median after-tax income in each of the three territories was higher than in any of the Canadian provinces in 2020.

The median after-tax income of families and unattached individuals in Yellowknife (\$104,600) and Iqaluit (\$104,200) was similar, while it was \$84,500 in Whitehorse.

The median after-tax income for Indigenous families and unattached individuals (First Nations, Métis and Inuit) for all three territories was \$74,800. The median after-tax income was \$77,900 in the Northwest Territories, \$74,900 in Nunavut and \$62,500 in Yukon.

The Canadian Income Survey estimates are based on probability samples and are therefore subject to sampling variability. As sample sizes in the three territories are relatively small, territorial estimates tend to have a high sampling variability. For this reason, please use caution when comparing territorial estimates year over year.

Data on the income of Canadians in 2020 are also available from the 2021 Census of Population. For tables with similar concepts that allow for lower levels of geographical and demographic disaggregation in the territories, please see Data tables, 2021 Census of Population.

# The economic shutdown in response to the COVID-19 pandemic resulted in significant increases in government transfers

In 2020, in response to the economic shutdowns and restrictions put in place to limit the spread of COVID-19, the Government of Canada introduced various income support programs to assist Canadians affected by the pandemic. It is therefore important to consider the 2020 Canadian Income Survey territorial estimates in light of the events during the first year of the pandemic. The Canada Emergency Response Benefit and the Canada Recovery Benefit were the COVID-19 relief programs that provided the largest aggregate amounts in 2020.

Median government transfers for families and unattached individuals in the territories more than doubled, from \$5,400 in 2019 to \$12,400 in 2020. This increase was largely the result of the COVID-19 relief programs. Families and unattached individuals in Nunavut (\$14,800) had the largest median government transfers in 2020, followed by Yukon (\$12,300) and the Northwest Territories (\$11,900).

#### Fewer than 1 in 10 residents in the territories lived in low income in 2020

According to the Canadian Low-income measure after tax (LIM-AT), 8.3% of the population in the territories, or 9,800 people, lived in low income in 2020. By comparison, the low-income rate for the provinces was 9.3%. The LIM-AT does not take into account differences in cost of living.

According to the Northern Market Basket Measure thresholds for Yukon and the Northwest Territories, the poverty rate was 9.5% (about 7,800 people) in these two territories combined in 2020. The poverty rate for Yukon was 8.8% (about 3,500 people), while it was 10.2% (about 4,300 people) for the Northwest Territories. In comparison, according to the 2018-base Market Basket Measure, it was estimated that 6.4% of the population in the provinces would be in poverty in 2020.





## Northern Market Basket Measure of poverty for the territories

The Technical paper for the Northern Market Basket Measure of poverty for Yukon and the Northwest Territories marks the end of the review period for the Northern Market Basket Measure (MBM-N) for Yukon and the Northwest Territories by presenting the latest poverty estimates for the 2020 reference year.

The upcoming discussion paper "Construction of a Northern Market Basket Measure for Nunavut" will detail the proposed MBM-N methodology for Nunavut. It will provide and compare provisional Nunavut MBM-N thresholds and poverty rates for reference years 2018 to 2020, which were the result of collaboration between Statistics Canada, Employment and Social Development Canada, and representatives of the Government of Nunavut.

For more information on the Government of Canada's commitments to closing gaps in the North, please refer to Opportunity for All: Canada's First Poverty Reduction Strategy.

## Individuals living alone in the territories have lower incomes

In 2020, unattached individuals living in the territories (\$50,400), as in the rest of Canada, reported the lowest median after-tax income among all family types, followed by lone-parent families (\$79,100). Families of two people or more had a median after-tax income of \$107,300. Within this group, couples with children had the highest median after-tax income (\$132,400).

Senior families (those whose major income earner was 65 years and older) had a median after-tax income of \$91,400, compared with \$112,900 for non-senior families.

## Nearly 3 in 10 residents in the territories were food insecure in 2020

In 2020, 29.6% of people in the territories lived in households that experienced marginal, moderate or severe food insecurity. Nunavut (49.5%) had the highest proportion of people experiencing food insecurity, followed by Yukon (21.2%) and the Northwest Territories (20.4%).

Lone-parent families (51.6%) and couples with children (34.8%) experienced the highest rates of food insecurity in the territories in 2020.

First Nations people, Métis and Inuit were more likely to experience food insecurity than non-Indigenous people in the territories. In 2020, the food insecurity rate was 46.8% for Indigenous people aged 16 years and over in the territories, compared with 12.6% for non-Indigenous people.

Table 1 Income statistics for families and persons not in an economic family, by territory, 2019 and 2020

	Market income		Government transfers		Total income		Income tax		After-tax income	
	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
	median (2020 constant dollars)									
All territories Yukon Northwest Territories	<b>88,200</b> 80,200 102,000	<b>87,900</b> 71,800 98,800	<b>5,400</b> 3,300 6,100	<b>12,400</b> 12,300 11,900	<b>97,700</b> 89,900 111,900	<b>100,100</b> 90,900 113,400	<b>11,300</b> 9,100 14,500	<b>11,300</b> 8,800 15,500	<b>87,300</b> 78,400 93,900	<b>87,700</b> 82,300 95,500
Nunavut	86,900	80,400	7,700	14,800	107,100	103,900	10,600	11,300	94,500	92,200

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

Table 2 After-tax income for selected family types, by territory, 2019 and 2020

	After-tax income			
	2019	2020		
	median (2020 constant dolla	median (2020 constant dollars)		
All territories				
Economic families	109,300	107,300		
Senior families	78,700	91,400		
Non-senior families	113,300	112,900		
Couples	103,700	113,500		
Couples with children	136,300	132,400		
Lone-parent families	63,900	79,100		
Persons not in an economic family	50,200	50,400		
Yukon				
Economic families	101,000	100,500		
Senior families	88,800	91,400		
Non-senior families	101,600	101,800		
Couples	101,600	93,200		
Couples with children	119,100	118,700		
Lone-parent families	65,700	F		
Persons not in an economic family	47,800	43,900		
Northwest Territories				
Economic families	128,700	118,200		
Senior families	78,700	91,900		
Non-senior families	131,600	129,100		
Couples	128,000	115,700		
Couples with children	147,400	139,900		
Lone-parent families	59,100	, F		
Persons not in an economic family	52,400	54,900		
Nunavut	•	,		
Economic families	104,000	112,900		
Senior families	F	, F		
Non-senior families	108,000	120,800		
Couples	122,400	136,700		
Couples with children	116,300	127,000		
Lone-parent families	F	F		
Persons not in an economic family	50,200	F		

F too unreliable to be published **Source(s):** Canadian Income Survey (5200), custom tabulation.

#### Note to readers

This is the third year that data were collected in the Canadian Income Survey (CIS) for the territories. This time, data are for income year 2020. 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.

The CIS estimates are based on probability samples and are therefore subject to sampling variability. Because sample sizes in the three territories are relatively small, territorial estimates tend to have a high sampling variability. For this reason, users are recommended to use caution when comparing territorial estimates between 2019 and 2020. Very few estimates at the territorial level have been found to present statistically significant differences between the two years.

Data on the income of Canadians in 2020 are also available from the 2021 Census of Population data tables. Those tables with similar concepts allow for lower levels of geographical and demographic disaggregation. For more information, please see Data tables, 2021 Census of Population.

#### Definitions

An **economic family** refers to a group of two or more people 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 sub-provincial data in the Annual Income Estimates for Census Families and Individuals.

This release analyzes income based on **medians**. The median is the level of income at which one half of the population has higher income and the other half has lower income.

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, child benefits, employment insurance, social assistance, the goods and services tax or harmonized sales tax credit, and provincial tax credits.

For 2020, government transfers include emergency response and recovery benefits in response to the COVID-19 pandemic. COVID-19 benefit estimates include federal emergency and recovery benefit programs (e.g., Canada Emergency Response Benefit, Canada Emergency Student Benefit, Canada Recovery Benefit, Canada Recovery Caregiving Benefit and Canada Recovery Sickness Benefit) and programs administered by provincial governments, as well as a special one-time payment to disabled Canadians. Enhancements to existing federal programs are not included in COVID-19 benefit estimates but are included in total government transfers

Low income in this release is calculated using the Low-income measure after tax (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 individuals in the household. The median observed in the 10 provinces was used to establish the LIM-AT threshold for estimates in the three territories.

The term "Indigenous people" refers to individuals aged 16 years and older who self-identified as being an Indigenous person: First Nations (North American Indian), Métis or Inuk (Inuit).

Indigenous families are economic families whose major income earner is Indigenous.

**Food insecurity** in this release refers to people living in households that experienced marginal, moderate or severe food insecurity. For more information, please refer to Canadian Income Survey: Food insecurity and unmet health care needs, 2018 and 2019.

#### Definitions, data sources and methods: survey number 5200.

The publication "Technical paper for the Northern Market Basket Measure of poverty for Yukon and the Northwest Territories", which is part of the *Income Research Paper Series* (75F0002M), 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; infostats@statcan.gc.ca) or Media Relations (statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca).