

Canadian Income Survey, 2021

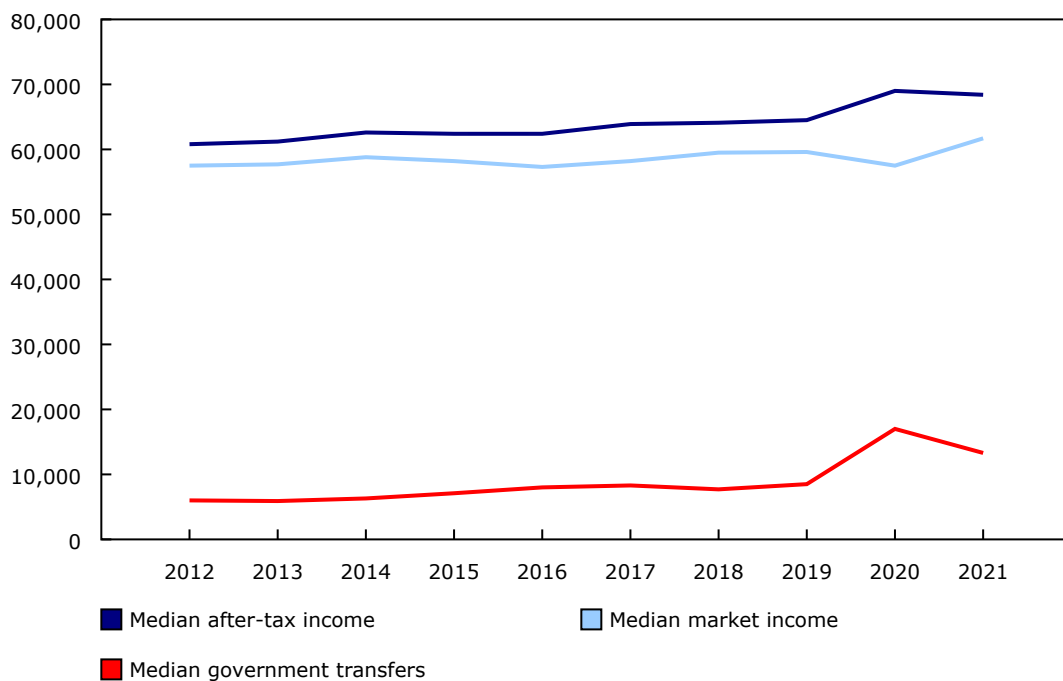
Released at 8:30 a.m. Eastern time in *The Daily*, Tuesday, May 2, 2023

The median after-tax income of Canadian families and unattached individuals was \$68,400 in 2021— little change from 2020. With the easing of economic shutdowns related to the COVID-19 pandemic, market income increased in 2021, led by a rebound in employment income and a reduced reliance on COVID-19 relief programs. Despite relatively stable after-tax income, Canada's official poverty rate increased by 1.0 percentage point to 7.4% in 2021, but remained well below the pre-pandemic poverty rate (10.3% in 2019).

Chart 1

Median after-tax income, median market income and median government transfers for families and unattached individuals, Canada, 2012 to 2021

2021 constant dollars



Source(s): Table 11-10-0190-01.

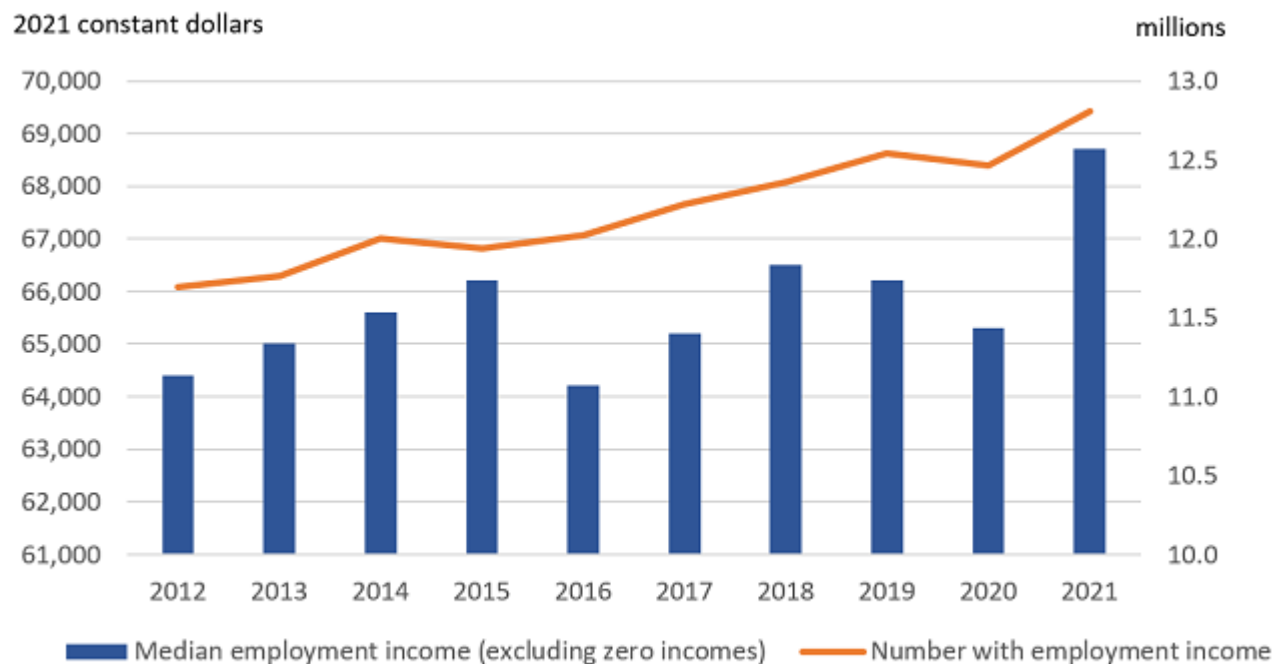
Market income growth in 2021 led by employment income

Although many sectors of the economy continued to be impacted by the pandemic in 2021, the median market income of families and unattached individuals grew by 7.3% to \$61,700. This growth more than offset the decline observed in 2020 and brought the median market income 3.5% higher than its 2019 level.

The largest component of market income is employment income, which represents about 80% of the overall amount of market income received by Canadians. Among families and unattached individuals who received employment income, the median amount increased by 5.2% to \$68,700 in 2021. This increase in employment income erased losses experienced in 2020 and left the median 3.8% above the pre-pandemic level in 2019.



Infographic 1 – Median employment income and number of families and unattached individuals receiving employment income, 2012 to 2021



Source: Table 11-10-0191-01.

Government transfers decrease in 2021

As pandemic-related labour market disruptions eased and employment incomes recovered from the drop in 2020, median government transfers received by families and unattached individuals decreased from a high of \$17,000 in 2020 to \$13,300 in 2021. However, this amount remains well above the 2019 pre-pandemic level of \$8,500.

Total COVID-19 benefits received by Canadians dropped by 68% in 2021, and while these benefits represented 28% of all government transfers in 2020, this share decreased to 11% in 2021. On the other hand, both the amounts and number of recipients of Employment Insurance (EI) benefits increased in 2021, as many of those affected by COVID-19 measures in 2021 were supported through EI, rather than through COVID-19 benefits, as in 2020. However, increases in EI benefits only offset a portion of the decreases in COVID-19 benefits, which led to an overall decline in government transfers.

Median after-tax income holds steady in 2021

The median after-tax income for Canadian families and unattached individuals was virtually unchanged in 2021, at \$68,400.

Among family types, the median after-tax income increased to \$39,600 (+6.7%) in 2021 from the previous year for unattached persons aged younger than 65, and to \$92,200 (+2.7%) for non-senior couples. Median after-tax income was relatively unchanged for all other family types.

Improvements to the Canadian Income Survey for the 2021 reference year

With the release of its 2021 estimates, the Canadian Income Survey (CIS) is introducing improvements to the methods and systems used to produce income estimates. Beginning with the 2021 reference year, CIS income data are produced from the Administrative Personal Income Masterfile, a comprehensive source of personal income data generated not only from T1 tax returns, but also from associated tax slips. Estimates for previous reference years were produced using T1 tax returns only. Other changes to income processing were introduced at the same time, and estimates for 2021 also incorporated updates to the weighting methodology. These changes to the data source, processing system and weighting improve the quality of the data, while having minimal impact on key estimates and trends.

The poverty rate increases in 2021, while remaining lower than the pre-pandemic level

According to the Market Basket Measure, Canada's Official Poverty Line, 7.4% of the population, or approximately 2.8 million Canadians lived below the poverty line in 2021, up from 6.4% in 2020. The increase in the poverty rate is partially attributable to a reduction in the number of people who received government transfers and the amount they received. However, despite the increase, the poverty rate in 2021 remained lower than the pre-pandemic level of 10.3% in 2019.

The poverty rate for seniors increased by 2.5 percentage points to 5.6% in 2021, close to the 2019 poverty rate (5.7%), mainly because of the decrease in COVID-19 benefits. Similarly, after a decrease from 12.0% in 2019 to 7.4% in 2020, the poverty rate for unattached seniors increased to 13.0% in 2021. The poverty rate for children increased by 1.7 percentage points, from 4.7% in 2020 to 6.4% in 2021.

Lone-parent families and unattached individuals are more vulnerable to poverty

The poverty rate for unattached individuals was 21.9% in 2021, almost five times the rate for persons in families (4.4%). In 2019, prior to the pandemic, the poverty rate was 26.9% for unattached individuals, while it was 7.0% for persons in families.

In 2021, 16.1% of persons living in lone-parent families experienced poverty, and those in female lone-parent families (17.2%) were more likely to experience poverty than those in male lone-parent families (11.6%). In 2019, 22.0% of persons living in lone-parent families were living under the poverty line.

Indigenous people and racialized groups are more likely to experience poverty

Among Indigenous people aged 16 and older, 13.9% were below the poverty line in 2021, which was nearly double that of the corresponding non-Indigenous population (7.4%).

In 2021, the poverty rate of those who belonged to racialized groups increased to 9.5%, up 1.5 percentage points from 2020. The 2021 poverty rates for the three largest racialized groups in Canada were 7.0% for South Asian Canadians, 11.7% for Chinese Canadians and 11.5% for Black Canadians.

Persons with a disability are also at a higher risk of poverty

Historically, persons with a disability have been more likely to live below the poverty line. In 2021, approximately 979,000 (10.6%) of persons aged 16 and older with a disability lived below the poverty line. This was a 2.1 percentage point increase from the 2020 poverty rate of 8.5%, but 3.1 percentage points less than the 2019 pre-pandemic rate of 13.7%.

Low-income measure increases in 2021, while remaining lower than the pre-pandemic level

Statistics Canada also reports low income based on the low-income measure. The low-income rate in Canada increased from 9.3% in 2020 to 10.6% in 2021. Although the low-income rate increased in 2021, it was still the second-lowest rate in Canada since 1989.

Food insecurity increases

The impacts of the COVID-19 pandemic are still being felt today and expand further than income. In 2021, 18.4% of Canadians, or 6.9 million people lived in households that experienced marginal, moderate or severe food insecurity, up from 15.7%, or 5.8 million people in 2020.

Families with children were more likely to experience food insecurity. Specifically, 42.6% of people living in female lone-parent families and 21.1% of people living in couple families with children experienced food insecurity in 2021. Likewise, increases in food insecurity in 2021 mainly affected families with children. Of the 1.1 million more people in food insecurity in 2021, 802,000 were in families with children.

Looking at 2022

In 2022, Canadians were faced with rapidly increasing costs of living, driven by increased shelter and food costs. At the same time, disposable income grew at a slower-than-average pace for the lowest quintile in 2022, according to [National accounts estimates](#). Rising costs combined with a slow growth rate in income suggests that some families could fall behind.

As described in [Market Basket Measure poverty thresholds and provisional poverty trends for 2021 and 2022](#), the changes observed in the annual Consumer Price Index and disposable income suggest that the poverty rate will increase in 2022 to a level approaching the pre-pandemic mark of 10.3%. The official poverty rate for 2022 will be available in early 2024.

Table 1
Income statistics by selected family type, 2019 to 2021

	After-tax income			Market income			Government transfers		
	2019	2020	2021	2019	2020	2021	2019	2020	2021
median (2021 constant dollars)									
Economic families and persons not in an economic family	64,500	69,000	68,400	59,600	57,500	61,700	8,500	17,000	13,300
Economic families	90,400	95,500	95,200	89,500	87,100	92,100	10,200	21,300	16,700
Senior families	66,300	70,800	69,900	39,900	41,800	43,900	31,200	34,400	32,400
Non-senior families	97,800	102,900	103,100	103,400	100,400	104,600	6,400	16,200	10,700
Couples without children or other relatives	84,300	89,800	92,200	93,600	94,900	102,100	800	8,300	2,100
Two-parent families with children	109,300	114,400	113,700	115,700	113,600	116,000	8,300	17,100	13,400
Lone-parent families	60,800	63,300	61,300	46,500	39,300	46,000	14,000	24,400	17,000
Persons not in an economic family	33,200	35,700	36,100	27,700	24,700	30,300	2,900	11,600	7,500
Seniors	30,500	32,500	31,400	12,800	12,800	13,200	19,900	21,200	19,800
Non-seniors	34,900	37,100	39,600	36,000	33,000	41,000	1,000	3,900	1,000

Source(s): Table 11-10-0190-01.

Table 2
Median after-tax income, Canada and the provinces, 2017 to 2021

	2017	2018	2019	2020	2021
2021 constant dollars					
Canada	63,900	64,100	64,500	69,000	68,400
Newfoundland and Labrador	58,900	61,000	57,800	61,300	62,100
Prince Edward Island	54,000	58,100	59,100	61,400	62,500
Nova Scotia	54,400	54,600	55,100	59,400	60,200
New Brunswick	56,000	56,600	56,700	58,800	60,000
Quebec	55,600	55,500	57,200	61,700	61,400
Ontario	66,600	68,400	67,300	72,500	73,000
Manitoba	63,900	63,400	62,700	65,100	64,700
Saskatchewan	67,900	66,700	66,600	70,000	68,200
Alberta	77,800	78,900	76,900	80,300	77,000
British Columbia	65,100	63,000	65,100	69,700	68,500

Source(s): Table 11-10-0190-01.

Table 3
Persons living below the poverty line¹, Canada, 2017 to 2021

	Persons living below the poverty line									
	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021
	thousands					% of population				
All persons	4,260	4,065	3,793	2,357	2,762	11.9	11.2	10.3	6.4	7.4
Persons under 18 years ²	818	744	665	333	462	11.7	10.6	9.4	4.7	6.4
In two-parent families	502	459	408	178	248	8.8	7.8	7.0	3.0	4.2
In female lone-parent families	242	226	204	124	142	33.1	31.0	28.6	16.9	18.4
Persons 18 to 64 years	3,077	2,952	2,760	1,817	1,917	13.4	12.8	11.8	7.8	8.2
In economic families	1,613	1,460	1,355	672	821	8.6	7.7	7.1	3.5	4.3
Not in an economic family	1,464	1,492	1,405	1,145	1,096	35.3	35.6	33.6	27.1	25.8
Persons 65 years and over	365	369	369	207	383	6.1	6.0	5.7	3.1	5.6
In economic families	136	118	135	59	115	3.3	2.7	3.0	1.3	2.4
Not in an economic family	228	251	234	148	268	13.0	13.7	12.0	7.4	13.0

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

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

Source(s): Table 11-10-0135-01.

Table 4
Persons living below the poverty line¹, by selected demographic groups, Canada, 2019 to 2021

	2019	2020	2021	2019	2020	2021
	thousands			% of population		
All persons	3,793	2,357	2,762	10.3	6.4	7.4
Visible minority population	..	802	1,033	..	8.0	9.5
South Asian	..	192	194	..	7.5	7.0
Chinese	..	185	247	..	9.6	11.7
Black	..	111	179	..	7.5	11.5
Filipino	..	37	33	..	3.6	2.9
Arab	..	79	114	..	10.0	12.8
Latin American	..	57	41	..	8.7	6.8
Southeast Asian	..	56	54	..	10.3	9.1
Other visible minority	..	84	173	..	8.0	14.4
Not a visible minority	..	1,555	1,728	..	5.8	6.5
Persons 16 years and over	3,177	2,054	2,363	10.4	6.7	7.6
Indigenous people	133	89	102	18.6	11.8	13.9
First Nations living off-reserve ²	80	54	55	22.8	14.2	17.2
Métis ³	47	28	42	13.6	8.1	10.5
Inuit	F	F	F	F	F	F
Recent immigrants ⁴	412	219	279	17.2	8.6	10.3
Persons with a disability ⁵	1,165	761	979	13.7	8.5	10.6

.. not available for a specific reference period

F too unreliable to be published

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

2. Persons who identified as First Nations only (those who reported multiple identities are excluded).

3. Persons who identified as Métis only (those who reported multiple identities are excluded).

4. Who arrived in Canada in the last 10 years.

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

Source(s): Tables 11-10-0093-01 and 11-10-0090-01.

Table 5
Persons living in a household that experienced food insecurity¹, by selected family types and demographic groups, Canada, 2019 to 2021

	2019	2020	2021	2019	2020	2021
	thousands			% of population		
All persons	5,844	5,839	6,906	15.9	15.7	18.4
Persons in economic families	4,630	4,666	5,629	15.1	15.1	18.1
Persons in senior families	335	359	398	7.6	7.8	8.3
Persons in non-senior families	4,295	4,308	5,232	16.3	16.4	19.8
Persons in couples without children	492	485	527	10.9	10.8	11.9
Persons in couple families with children	2,122	2,117	2,800	16.4	16.4	21.1
Persons in lone-parent families	649	576	695	38.7	33.7	38.8
Persons in male lone-parent families	114	69	86	32.1	21.0	23.9
Persons in female lone-parent families	535	507	609	40.5	36.7	42.6
Persons not in an economic family	1,214	1,173	1,277	19.8	18.9	20.2
Seniors	194	223	253	10.0	11.2	12.3
Non-seniors	1,020	950	1,023	24.3	22.4	24.0
Visible minority population	..	2,081	2,657	..	20.7	24.5
South Asian	..	405	580	..	15.7	21.0
Chinese	..	289	376	..	14.9	17.9
Black	..	329	610	..	22.4	39.2
Filipino	..	294	336	..	28.1	29.2
Arab	..	211	241	..	26.6	27.0
Latin American	..	190	119	..	29.0	20.0
Southeast Asian	..	124	131	..	22.8	22.0
Other visible minority	..	238	266	..	22.7	22.1
Not a visible minority	..	3,759	4,249	..	13.9	16.0
Persons aged 16 years and over	4,568	4,592	5,365	15.0	14.9	17.2
Indigenous people (living off reserve)	204	210	228	28.5	27.9	30.9
Recent immigrants ²	598	616	710	24.9	24.3	26.2

.. not available for a specific reference period

1. Marginal, moderate and severe food insecurity are included.

2. Who arrived in Canada in the last 10 years.

Source(s): Tables [13-10-0834-01](#) and [13-10-0835-01](#).

Note to readers

This release covers only the 10 provinces. The release of 2021 results for the territories from the Canadian Income Survey (CIS) is scheduled for June 2023.

The CIS 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 periods.

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

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 in the Annual Income Estimates for Census Families and Individuals.

Senior families refer to families in which the highest income earner is aged 65 years or over.

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

Couples without children refer to non-senior couples without children.

Indigenous people refers to persons aged 16 years and over who self-identified as First Nations (North American Indian), Métis or Inuk (Inuit).

Racialized group is derived directly from the concept of **visible minority**. A **visible minority** refers to whether a person is a visible minority or not, as defined by the Employment Equity Act. This act defines visible minorities as "persons, other than Indigenous peoples, who are non-Caucasian in race or non-white in colour." The visible minority population consists mainly of the following groups: South Asian, Chinese, Black, Filipino, Arab, Latin American, Southeast Asian, West Asian, Korean and Japanese. Measurement for population groups designated as visible minorities started in 2020.

Persons with a disability refers to persons aged 16 years 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. Income estimates are expressed in 2021 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 credit, provincial tax credits, and child benefits.

For 2020 and 2021, government transfers include emergency response and recovery benefits in response to the COVID-19 pandemic. In this release, 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.

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

The **market basket measure** 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 they fall below the poverty line. For more information please see, [Report on the second comprehensive review of the Market Basket Measure](#).

Food insecurity is the inadequate or insecure access to food due to financial constraints. Food insecurity in this release refers to people living in households that experienced marginal, moderate or severe food insecurity.

Available tables: [11-10-0066-01](#), [11-10-0080-01](#), [11-10-0087-01](#) to [11-10-0091-01](#) , [11-10-0093-01](#), [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](#) , [13-10-0834-01](#) to [13-10-0836-01](#) and [14-10-0324-01](#).

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

Two new tables including data by visible minority group, Indigenous group and immigration status are now available: [Average and median market, total and after-tax income of individuals by selected demographic characteristics](#) and [Poverty and low-income statistics by selected demographic characteristics](#).

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).