

Catalogue no. 89-654-X2023002
ISBN 978-0-660-48801-1

Reports on Disability and Accessibility in Canada

Earnings pay gap among persons with and without disabilities, 2019

by Carrly McDiarmid

Release date: June 27, 2023



Statistics
Canada

Statistique
Canada

Canada

How to obtain more information

For information about this product or the wide range of services and data available from Statistics Canada, visit our website, www.statcan.gc.ca.

You can also contact us by

Email at infostats@statcan.gc.ca

Telephone, from Monday to Friday, 8:30 a.m. to 4:30 p.m., at the following numbers:

- | | |
|---------------------------------------------------------------|----------------|
| • Statistical Information Service | 1-800-263-1136 |
| • National telecommunications device for the hearing impaired | 1-800-363-7629 |
| • Fax line | 1-514-283-9350 |

Standards of service to the public

Statistics Canada is committed to serving its clients in a prompt, reliable and courteous manner. To this end, Statistics Canada has developed standards of service that its employees observe. To obtain a copy of these service standards, please contact Statistics Canada toll-free at 1-800-263-1136. The service standards are also published on www.statcan.gc.ca under “Contact us” > “[Standards of service to the public](#)”.

Note of appreciation

Canada owes the success of its statistical system to a long-standing partnership between Statistics Canada, the citizens of Canada, its businesses, governments and other institutions. Accurate and timely statistical information could not be produced without their continued co-operation and goodwill.

Published by authority of the Minister responsible for Statistics Canada

© His Majesty the King in Right of Canada as represented by the Minister of Industry, 2023

All rights reserved. Use of this publication is governed by the Statistics Canada [Open Licence Agreement](#).

An [HTML version](#) is also available.

Cette publication est aussi disponible en français.

Table of contents

Introduction	4
Key findings.....	4
Persons with disabilities earn less on average than persons without disabilities.....	5
The disability pay gap persists among both women and men	7
Persons with disabilities are more likely to work part-time, but have similar annual earnings to part-time workers without disabilities.....	8
In both permanent and temporary positions, persons with disabilities earn less than their counterparts without disabilities	10
The disability pay gap among the working-age population is similar to that of the total population	10
Conclusion	11
Data source, methods and definitions	11

Earnings pay gap among persons with and without disabilities, 2019

by Carrly McDiarmid

Key findings

- Among those aged 16 years and older, persons with disabilities earn 21.4% less than persons without disabilities.
- Looking by disability type, the pay gap was greatest between persons with cognitive disabilities and persons without disabilities (46.4%).
- Differences in earnings were also seen by sex, as both men and women with disabilities earned less than their counterparts without disabilities.
- Earnings differed between full-time workers with and without disabilities, but were similar among part-time workers with and without disabilities.
- Among the working-age population (aged 25 to 64 years), the disability pay gap was similar to that of the total population (22.2%).

Introduction

Employment and earnings can be a key part of an individual's overall economic well-being. Persons with disabilities often face barriers around employment, resulting in lower rates of employment, lower earnings, a decreased capacity to work full-time or higher rates of involuntary part-time work.^{1,2,3} One priority area of the [Accessible Canada Act](#) is to identify, remove and prevent barriers within employment. As barriers within employment are removed and prevented, the disparity in income and earnings between persons with and without disabilities is expected to lessen.

The difference in annual earnings between different population groups, for example men and women or persons with and without disabilities, is part of understanding economic inequities. Economic inequities have implications for health and well-being, as income is often considered to be the most important social determinant of health.⁴

Pay gap analysis is a commonly used technique which summarizes differences in earnings between populations into a single statistic. The gender pay gap is commonly used to represent pay inequity between men and women, which contributes to the overall understanding of gender inequality.⁵ There have been some studies on the disability pay gap, which have highlighted a variety of contributing factors, including job requirements and characteristics, disability type, severity or time of onset, discrimination and sociodemographic characteristics of workers.^{6,7}

1. Morris, Stuart, Gail Fawcett, Laurent Brisebois and Jeffrey Hughes. 2018. "A demographic, employment and income profile of Canadians with disabilities aged 15 years and over, 2017." *Canadian Survey on Disability Reports*. November. Statistics Canada Catalogue no. 89-654-X.
2. WHO/World Bank. 2011. *World Report on Disability*. Geneva, Switzerland: World Health Organization and World Bank.
3. Acharya, Yubraj and Di Yang. 2022. "The effect of disability on educational, labor market, and marital outcomes in a low-income context." *SSM - Population Health*, 19(12), 101155.
4. Mikkonen, Juha and Dennis Raphael. 2010. *Social Determinants of Health: The Canadian Facts*. Toronto, ON: York University School of Health Policy and Management.
5. Moyser, Melissa. 2019. "Measuring and Analyzing the Gender Pay Gap: A Conceptual and Methodological Overview." *Studies on Gender and Intersecting Identities*. Statistics Canada Catalogue no. 45-20-0002.
6. Longhi, Simonetta. 2017. "The disability pay gap." *Institute for Social and Economic Research*, University of Essex, vol. 10, 2019.
7. Kruse, Douglas, Lisa Schur, Sean Rogers and Mason Ameri. 2018. "Why Do Workers with Disabilities Earn Less? Occupational Job Requirements and Disability Discrimination." *British journal of industrial relations*, 56(4), 798-834.

Using data from the 2019 Canadian Income Survey (CIS),⁸ this report examines the pay gap between persons with and without disabilities by looking at different sociodemographic factors and employment characteristics.

Persons with disabilities earn less on average than persons without disabilities

In 2019, mean annual earnings among Canadians aged 16 years and older were lower for persons with disabilities (\$43,400) compared with persons without disabilities (\$55,200; Table 1). This results in a 21.4% pay gap between the two groups, meaning persons with disabilities earn about 21.4% less than their counterparts without disabilities.

Table 1
Mean annual earnings and pay gap, persons with and without disabilities, by select characteristics, Canada, 2019

	Mean annual earnings	Pay gap
	dollars	percent
Disability status		
Persons with disabilities	43,400*	21.4
Persons without disabilities (reference category)	55,200	...
Sex		
Men		
Persons with disabilities	48,700*	24.3
Persons without disabilities (reference category)	64,300	...
Women		
Persons with disabilities	38,900*	13.7
Persons without disabilities (reference category)	45,100	...
Age group		
16 to 24 years		
Persons with disabilities	15,300*	8.9
Persons without disabilities (reference category)	16,800	...
25 to 34 years		
Persons with disabilities	43,100*	14.0
Persons without disabilities (reference category)	50,100	...
35 to 44 years		
Persons with disabilities	52,100*	23.7
Persons without disabilities (reference category)	68,300	...
45 to 64 years		
Persons with disabilities	51,700*	27.1
Persons without disabilities (reference category)	70,900	...
65 years and older		
Persons with disabilities	29,700*	27.2
Persons without disabilities (reference category)	40,800	...
Educational attainment		
High school graduation		
Persons with disabilities	32,000*	10.9
Persons without disabilities (reference category)	35,900	...
Some postsecondary education		
Persons with disabilities	44,300*	20.9
Persons without disabilities (reference category)	56,000	...
Bachelor's degree or higher		
Persons with disabilities	59,900*	16.0
Persons without disabilities (reference category)	71,300	...

... not applicable

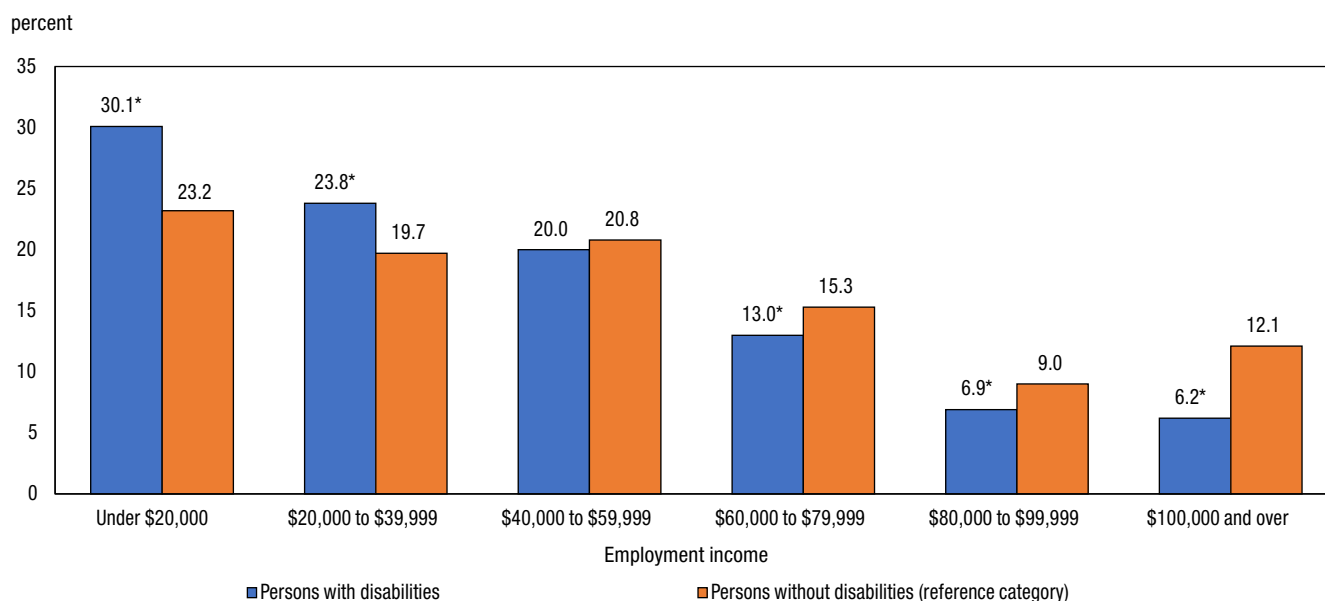
* significantly different from reference category ($p < 0.05$)

Source: Statistics Canada, Canadian Income Survey, 2019.

8. Given the complexities of the COVID-19 pandemic, the 2019 data file was chosen for this analysis to provide a baseline number for the disability pay gap. The most recent CIS file was not available in time for this report, further analysis can be done once multiple years of data are available and can be compared to see change over time.

While average earnings and the pay gap are important measures of differences in earnings, it is also valuable to examine the distribution of earnings. Analysis of the distribution of income can highlight inequalities that may be less obvious with other measures. The difference in earnings between persons with and without disabilities persists across most of the earnings distribution (Chart 1). A higher proportion of persons with disabilities (30.1%) had employment income that fell under \$20,000 than persons without disabilities (23.2%). Conversely, persons without disabilities (12.1%) were almost twice as likely to have earnings of \$100,000 and over, compared with their counterparts with disabilities (6.2%). These findings are consistent with past research that has found that persons with disabilities are often underrepresented in the higher income levels and more likely to live below the poverty line.⁹

Chart 1
Distribution of earnings of individuals, by disability status, Canada, 2019



* significantly different from reference category ($p < 0.05$)

Source: Statistics Canada, Canadian Income Survey, 2019.

A closer look at disability types¹⁰ revealed more differences in terms of earnings and the pay gap. While each disability type had lower average annual earnings when compared to persons without disabilities (Table 2), persons with certain disability types fared worst. Persons with cognitive disabilities earned over 46% less and those with mental health-related disabilities earned 31% less than persons without disabilities. The gap with persons without disabilities narrowed for those with physical (20.7%), hearing (12.3%) or seeing disabilities (12.3%).

9. Wall, Katherine. 2017. "Low income among persons with a disability in Canada" *Insights on Canadian Society*. Statistics Canada Catalogue no. 75-006-X.

10. Individuals can have more than one disability type, therefore no comparisons between disability types can be conducted.

Table 2
Mean annual earnings and pay gap, persons with and without disabilities, by disability type, Canada, 2019

	Mean annual earnings	Pay gap
	dollars	percent
Persons without disabilities (reference category)	55,200	...
Disability type		
Seeing	48,400*	12.3
Hearing	48,400*	12.3
Physical	43,800*	20.7
Cognitive	29,600*	46.4
Mental health-related	38,100*	31.0
Unknown	51,200	7.2

... not applicable

* significantly different from reference category ($p < 0.05$)

Source: Statistics Canada, Canadian Income Survey, 2019.

The disability pay gap persists among both women and men

Differences in annual earnings existed between persons with and without disabilities when analyzed among men and women.¹¹ Men with disabilities were more likely to have lower mean annual earnings than men without disabilities (\$48,700 as compared to \$64,300), as were women with disabilities as compared to women without disabilities (\$38,900; \$45,100, respectively; Table 1). Among men, the resulting pay gap between persons with and without disabilities was 24.3%, while among women, it was 13.7% between the two populations.

Conversely, when the gender pay gap was examined by disability status (Table 3), women with disabilities earn approximately 20% less than men with disabilities. Among persons without disabilities, women earn almost 30% less than men.

Table 3
Mean annual earnings and gender pay gap, persons with and without disabilities, Canada, 2019

	Mean annual earnings	Pay gap
	dollars	percent
Disability status		
Persons with disabilities		
Men (reference category)	48,700	...
Women	38,900*	20.1
Persons without disabilities		
Men (reference category)	64,300	...
Women	45,100*	29.9

... not applicable

* significantly different from reference category ($p < 0.05$)

Note: Data quality indicators are based on the coefficient of variation (CV) and number of observations.

Source: Statistics Canada, Canadian Income Survey, 2019.

The pay gap differed when examined by age group, as the gap was wider among older age groups compared to younger age groups (Table 1). Among the younger workers (25 to 34 years), persons with disabilities earned 14% less than persons without disabilities. Whereas, among the older workers (45 to 64 years), persons with disabilities earned about 27% less than their counterparts without disabilities.

Higher levels of education are often associated with higher employment rates and earnings. Among both persons with and without disabilities, average earnings increased as educational attainment increased (Table 1). In addition, among those with similar levels of education, persons with disabilities had lower earnings than persons without disabilities. The pay gap between persons with and without disabilities was greater among those with some postsecondary education (20.9%) and those with a bachelor's degree or higher (16.0%), compared to those with a high school education or less (10.9%).

11. In 2019, the CIS only collected information on sex of respondent (male or female).

Persons with disabilities are more likely to work part-time, but have similar annual earnings to part-time workers without disabilities

In terms of work schedule, persons with disabilities were less likely to work full-time and more likely to work part-time when compared to persons without disabilities (Table 4). In addition, full-time workers with disabilities earned less (\$56,100) on average than their counterparts without disabilities (\$67,300; Table 5).

In contrast, among part-time workers, there was no difference in average annual earnings between persons with and without disabilities. The pay gap between persons with and without disabilities was wider among full-time workers, compared to part-time workers. Full-time workers with disabilities earned 16.6% less than full-time workers without disabilities.

Table 4
Employment characteristics, persons with and without disabilities, Canada, 2019

	percent
Work schedule	
Full-time	
Persons with disabilities	76.9*
Persons without disabilities (reference category)	84.5
Part-time	
Persons with disabilities	23.1*
Persons without disabilities (reference category)	15.5
Wants full-time	
Persons with disabilities	41.5*
Persons without disabilities (reference category)	31.0
Does not want full-time	
Persons with disabilities	58.5*
Persons without disabilities (reference category)	69.0
Average usual hours worked per week	
Less than 20 hours	
Persons with disabilities	8.8*
Persons without disabilities (reference category)	6.5
20 hours to less than 30 hours	
Persons with disabilities	9.6*
Persons without disabilities (reference category)	6.7
30 hours to less than 40 hours	
Persons with disabilities	28.1
Persons without disabilities (reference category)	28.8
40 hours or more	
Persons with disabilities	53.4*
Persons without disabilities (reference category)	59.1
Tenure of current job	
Less than 5 years	
Persons with disabilities	42.1
Persons without disabilities (reference category)	43.3
5 years to less than 10 years	
Persons with disabilities	12.8
Persons without disabilities (reference category)	14.5
10 years to less than 20 years	
Persons with disabilities	14.4*
Persons without disabilities (reference category)	16.6
20 years or more	
Persons with disabilities	30.7*
Persons without disabilities (reference category)	25.7
Union status	
Member of a union or covered by a collective agreement	
Persons with disabilities	33.0
Persons without disabilities (reference category)	31.6
Not a union member, not covered by collective agreement	
Persons with disabilities	67.0
Persons without disabilities (reference category)	68.4
Permanent or temporary status	
Permanent	
Persons with disabilities	87.3
Persons without disabilities (reference category)	88.7
Not permanent	
Persons with disabilities	12.7*
Persons without disabilities (reference category)	11.3

* significantly different from reference category ($p < 0.05$)

Source: Statistics Canada, Canadian Income Survey, 2019.

Table 5
Mean annual earnings and pay gap, persons with and without disabilities, by select employment characteristics, Canada, 2019

	Mean annual earnings	Pay gap
	dollars	percent
Work schedule		
Full-time		
Persons with disabilities	56,100*	16.6
Persons without disabilities (reference category)	67,300	...
Part-time		
Persons with disabilities	20,700	6.3
Persons without disabilities (reference category)	22,100	...
Wants full-time		
Persons with disabilities	24,400	4.3
Persons without disabilities (reference category)	25,500	...
Does not want full-time		
Persons with disabilities	18,000	12.2
Persons without disabilities (reference category)	20,500	...
Average usual hours worked per week		
Less than 20 hours		
Persons with disabilities	16,200	5.3
Persons without disabilities (reference category)	17,100	...
20 hours to less than 30 hours		
Persons with disabilities	24,800	7.8
Persons without disabilities (reference category)	26,900	...
30 hours to less than 40 hours		
Persons with disabilities	51,000*	17.1
Persons without disabilities (reference category)	61,500	...
40 hours or more		
Persons with disabilities	47,200*	20.9
Persons without disabilities (reference category)	59,700	...
Tenure of current job		
Less than 5 years		
Persons with disabilities	36,900*	20.6
Persons without disabilities (reference category)	46,500	...
5 years to less than 10 years		
Persons with disabilities	51,700	25.4
Persons without disabilities (reference category)	69,300	...
10 years to less than 20 years		
Persons with disabilities	62,800	17.7
Persons without disabilities (reference category)	76,300	...
20 years or more		
Persons with disabilities	39,800	18.1
Persons without disabilities (reference category)	48,600	...
Union status		
Member of a union, covered by a collective agreement		
Persons with disabilities	56,600*	11.6
Persons without disabilities (reference category)	64,000	...
Not a union member, covered by collective agreement		
Persons with disabilities	57,400*	8.6
Persons without disabilities (reference category)	62,800	...
Permanent or temporary status		
Permanent		
Persons with disabilities	50,900*	20.5
Persons without disabilities (reference category)	64,000	...
Not permanent		
Persons with disabilities	28,400*	17.0
Persons without disabilities (reference category)	34,200	...

... not applicable

* significantly different from reference category ($p < 0.05$)

Source: Statistics Canada, Canadian Income Survey, 2019.

While persons with disabilities working part-time were more likely to report wanting full-time work¹² than persons without disabilities, there was no difference in average earnings between persons with and without disabilities who wanted full-time work.

A similar pattern exists when annual earnings and the pay gap are examined in terms of the usual number of hours worked per week. There were no differences in mean earnings between persons with and without disabilities who worked less than 30 hours per week; however, there were differences among those that worked 30 hours or more. Among those who worked 30 hours to less than 40 hours a week, persons with disabilities earned about 17% less than persons without disabilities. The gap was even larger among those working 40 hours or more a week, as persons with disabilities made almost 21% less than their counterparts without disabilities.

In both permanent and temporary positions, persons with disabilities earn less than their counterparts without disabilities

Tenure, that is the time spent at one's current job, can affect earnings. When looking at job tenure, there were once again differences between persons with and without disabilities. Regardless of tenure, persons with disabilities earned less on average than their counterparts without disabilities. The largest pay gap between persons with and without disabilities was among those who had been at their current job for five to less than ten years (25.4%).

The likelihood of being in a union or covered by a collective agreement did not differ by disability status. In other words, workers with disabilities were equally likely to be in unionized jobs or covered by a collective agreement than their counterparts without disabilities. However, average earnings were lower for persons with disabilities than persons without disabilities in both situations. The pay gap was greater among those who were not a union member or not covered by a collective agreement, as persons with disabilities earned 25.7% less than persons without disabilities.

In terms of permanent or temporary job status,¹³ persons with and without disabilities were equally likely to be permanently or temporarily employed. However, once again there were differences in mean earnings between the two populations among those with permanent jobs and non-permanent jobs. Persons with disabilities in permanent positions had lower average earnings (\$50,900), compared with those without disabilities (\$64,000), resulting in persons with disabilities earning 20.5% less than persons without disabilities. A similar earnings gap was observed for those in non-permanent positions, as persons with disabilities earned less on average and had a pay gap of 17%, when compared to persons without disabilities.

The disability pay gap among the working-age population is similar to that of the total population

The disability pay gap was examined among the core working age population, as this is another common way to analyze the pay gap. Past research on the gender pay gap has demonstrated that it is similar for both for the total population and working-age population.¹⁴

Among those aged 25 to 64 years, persons with disabilities (\$49,700) earned less on average than persons without disabilities (\$63,900), resulting in 22.2% pay gap between the two populations. These findings are similar to those of the total population in terms of differences in both average annual earnings and the pay gap between persons with and without disabilities.

12. This category includes those who wanted full-time work and indicated an economic or non-economic reason for part-time status. It also includes both those who looked for full-time work and those who did not.

13. The category of non-permanent jobs includes seasonal, temporary, term, contract or casual job.

14. Moyser, Melissa. 2019. "Measuring and Analyzing the Gender Pay Gap: A Conceptual and Methodological Overview." *Studies on Gender and Intersecting Identities*. Statistics Canada Catalogue no. 45-20-0002.

Conclusion

Identifying and understanding inequalities in income is key to tracking progress to a more inclusive Canada. The findings from this report demonstrate that there is a notable difference in earnings between persons with and without disabilities. In addition, this disability pay gap persisted when examined by sex, age group and educational attainment.

The findings also highlight differences in the disability pay gap by several employment characteristics. Differences in earnings existed between persons with and without disabilities among full-time workers but not among part-time workers. Persons with disabilities earned less than persons without disabilities when examined by duration at current job, union status and permanent or temporary job status.

Future work could examine the disability pay gap trend over time, particularly to examine the impacts of the COVID-19 pandemic and to measure the impact of the *Accessible Canada Act* implementation. In addition, more detailed analysis could be done examine the “adjusted” pay gap and explore how much of the gap is explained by various sociodemographic and occupational characteristics.

Data source, methods and definitions

This report used the Canadian Income Survey (CIS), which is a national cross-sectional survey developed to provide a portrait of the income and income sources of Canadians, with their individual and household characteristics. It is an annual survey, usually collected from January to June. The reference period is the calendar year prior to collection. The CIS is administered to a sub-sample of Labour Force Survey respondents. The resulting sample size for the CIS is about 72,000 households.

The 2019 CIS identifies persons with disabilities using the short version of Disability Screening Questions (DSQ), which are based on the social model of disability, and were asked of one randomly selected household member aged 16 years and older. The DSQ first measure the degree to which difficulties are experienced across 10 domains of functioning, then ask how often daily activities are limited by these difficulties. Only persons who report a limitation in their day-to-day activities are identified as having a disability.

This report applies the same methodology as is used for the gender pay gap to analyze the disability pay gap. There are several approaches that can be used for this measure, which can differ depending on who the estimates are based on, the type of earnings included and how earnings are calculated. This analysis takes the more inclusive approach of considering mean annual earnings of all workers (regardless of full or part-time status).

Within this report, the disability pay gap is based on the persons with disabilities – persons without disabilities earnings ratio, which is calculated by dividing average annual earnings of persons with disabilities by the average annual earnings of persons without disabilities. This ratio is then subtracted from 1 and multiplied by 100, resulting in the pay gap presented as the percentage of how much less persons with disabilities earn compared to persons without disabilities. The analysis includes only paid employees during the reference year, therefore self-employed individuals are excluded.