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PUBLIC JUSTICE 

# POVERTY TRENDS 2022 UPDATE

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Canada's relationship with people living in poverty remains a contentious one. Despite much-needed investments and commitments to reduce poverty in Canada, and even notable progress in poverty rates, we still have a long way to go in ensuring all people living in this country enjoy an adequate standard of living.

Each year, CPJ's Poverty Trends report explores the latest available data on income, core housing need<sup>1</sup>, and food insecurity<sup>2</sup>, as well as other experiences of poverty in Canada. Grounded in the conviction that all people are born with inherent dignity and rights, our reports highlight the disparities between Canada's human rights obligations and people's actual lived experiences. Year after year, our reports highlight findings that people who are Indigenous, Black, People of Colour, disabled, 2SLGBTQQA+<sup>3</sup>, women and gender non-conforming, and/or those with precarious immigration status experience poverty at disproportionately high rates.

Our [2021 Poverty Trends report](#)<sup>4</sup> explored how these trends came to be, why they continue today, and how this should inform our responses. Additionally, a [policy supplement and discussion guides](#)<sup>5</sup> were developed to cultivate engagement, reflection, understanding, and action. This 2022 Poverty Trends Update builds on last year's report with the most recent available data, in hopes of continuing these conversations. We all share a collective responsibility to continue working for a just society. We carry this collective commitment from those who came before us and will pass it forward to those who come after. The journey to collective liberation is meant to be walked together. Thank you for joining us.

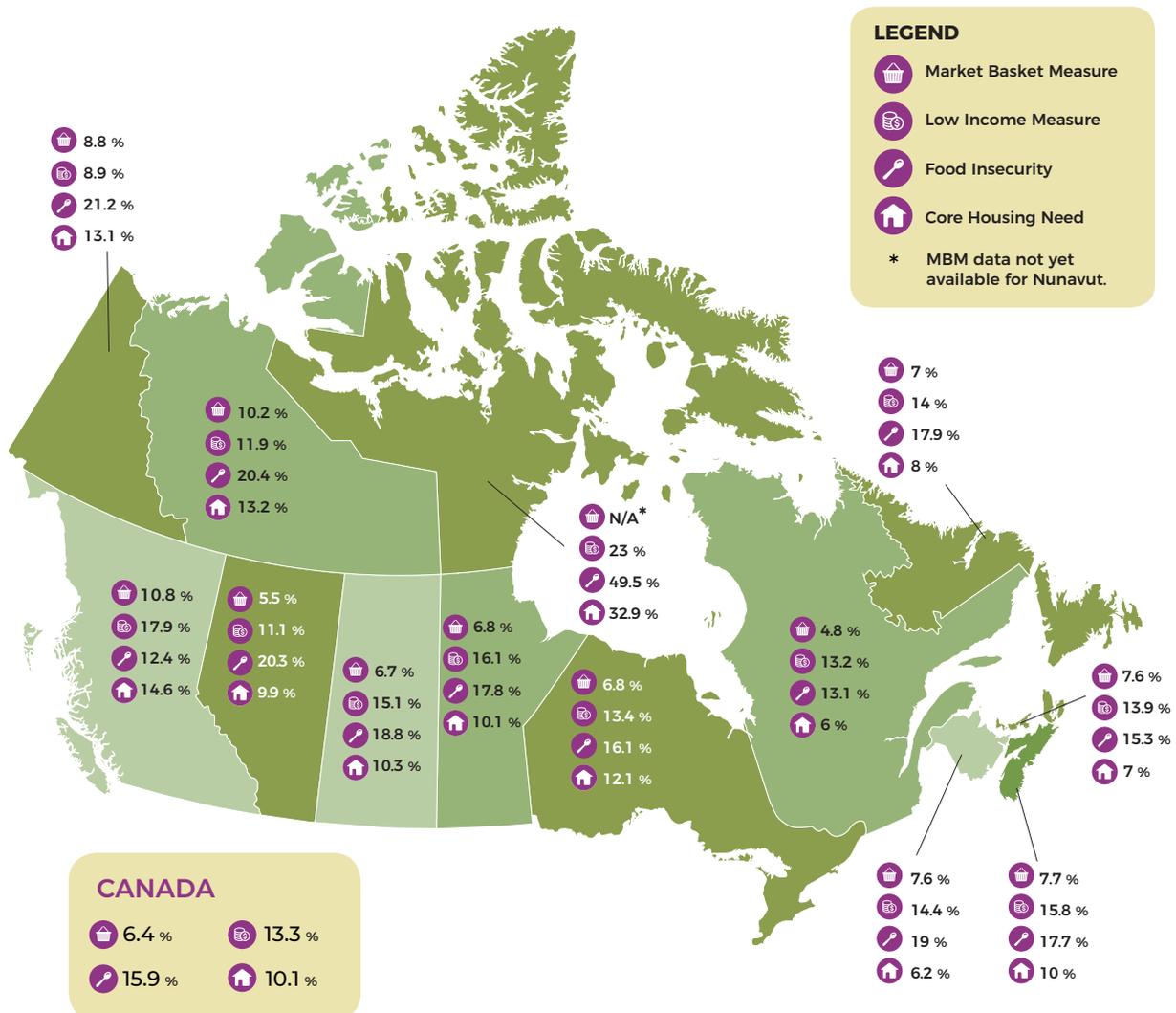
# Key Highlights in the Update

This update provides a snapshot of poverty in Canada using 2020 tax filer data and Canada Income Survey data, as well as 2021 Census data, all released in 2022. Notably, the Canada Income Survey includes new data from the territories, including food insecurity estimates and MBM rates for Yukon and the North West Territories. MBM rates for Nunavut are still unavailable. Additionally, this year's report has the unique opportunity to examine data provided by Statistics Canada related to pandemic benefits and their impacts on poverty.

While data can be extremely valuable in tracking and informing responses to poverty, current measures have significant limitations. Data for people living in the territories, on reserve, or in remote communities is often unavailable or minimal. More culturally appropriate means of data collection and use, and more disaggregated data are needed to better track how various communities are impacted by poverty and policy decisions.<sup>6</sup>

## About the Map

This report provides an update on four specific measures of poverty in Canada. The Market Basket Measure (MBM)<sup>7</sup> and Census Family Low Income Measure - After Tax (CFLIM-AT)<sup>8</sup> estimate the percentage of households living in poverty according to household income. Measures of food insecurity and core housing need are also included to provide a better picture of people's lived experiences. Given the limitations of these data sources, we offer these rates as a way to look at overall trends, as opposed to a definitive representation of the prevalence of poverty, food insecurity, or core housing need in Canada.



## Key Takeaways from the map

When looking at MBM and CFLIM-AT measures, it would appear that poverty rates have decreased significantly across Canada in recent years. It is critical to note that many who received pandemic benefits saw their incomes increased above low-income cut-offs, and therefore were no longer counted as living in poverty<sup>9</sup>. However, these pandemic benefits were temporary and have since had adverse consequences on people's eligibility for other longstanding income supports. This will be discussed in greater detail further on this report.

Even while measures of income suggested a decrease in poverty rates, both food insecurity and core housing need have increased across the country. High rates of food insecurity show that even those considered above the poverty line are still struggling to meet their basic needs – and Canada is still struggling to hold up its human rights obligations, including the right to food and the right to adequate housing.

## What the map does not tell us: disproportionate impacts

Hidden in these provincial, territorial, and national measures are the consistently disproportionate rates of low income, food insecurity, core housing need, and other health and socio-economic inequities among people and communities who are First Nations, Inuit, Métis, Black, People of Colour, women, gender non-conforming, disabled, and/or those who have precarious immigration status.

Even with the noted limitations, existing data supports what many people who are marginalized by Canadian policies and procedures have been saying for generations: our current poverty reduction efforts are not effectively addressing the underlying inequities in our society. The Canadian Income Survey report states that 8% of the population of visible minorities live in poverty, as opposed to 5.8% of non-visible minorities<sup>10</sup> (see Table 1).

**Table 1:**  
**Persons living below the poverty line, by selected visible minority group, Canada, 2020**

	Persons living below the poverty line	Persons living below the poverty line
	thousands	% of population
<b>All persons</b>	<b>2,357</b>	<b>6.4</b>
Visible minority	802	8.0
South Asian	192	7.5
Chinese	185	9.6
Black	111	7.5
Filipino	37	3.6
Arab	79	10.0
Other visible minority	197	8.8
Not a visible minority	1,555	5.8

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

The largest discrepancy exists amongst Indigenous populations and non-Indigenous populations<sup>11</sup>. In 2020, the Canadian Income Survey estimated that 6.4% of the total population was living in poverty; the poverty rate for Indigenous populations specifically was 11.8%<sup>12</sup> (see Table 2). These discrepancies indicate that poverty is not an individual problem, but a larger systemic issue pointing to discriminatory policies and treatment of people who are First Nations, Inuit, Métis, Black, and/or People of Colour. In our 2021 and 2020 reports, we also reported similar trends among people based on (dis)ability, gender identity, sexual orientation, and immigrations status.

**Table 2:**  
**Persons living below the poverty line, by selected demographic group, Canada, 2019 and 2020**

	2019	2020	2019	2020
	thousands	thousands	% of population	% of population
<b>All persons</b>	<b>3,793</b>	<b>2,357</b>	<b>10.3</b>	<b>6.4</b>
Persons under 18 years in economic families	654	324	9.2	4.6
Persons under 18 years in female lone-parent families	204	124	28.6	16.9
Persons 16 years and over	3,177	2,054	10.4	6.7
Indigenous people	133	89	18.6	11.8
First Nations living off-reserve	81	60	22.8	15.2
Métis	47	33	13.7	9.4
Inuit	F	F	F	F
Recent immigrants <i>(who arrived in Canada in the last 10 years)</i>	412	219	17.2	8.6
Persons with a disability <i>(Disability-related estimates are produced using a different weighting methodology. Comparisons with estimates produced from the entire survey should be made with caution.)</i>	1,165	761	13.7	8.5
<i>F: too unreliable to be published</i>				

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

In the 2021 Federal Budget, Statistics Canada was allocated funding to establish the Disaggregated Data Action Plan (DDAC)<sup>13</sup>. The intention is to focus efforts on intersectional analysis of data<sup>14</sup> within official statistical reporting. As this is a new framework, the results and effectiveness of this plan are yet to be seen, but the Government's recognition of this need and the provided funding are important steps forward. At the same time, the Government does not need to wait for more or new data to enact policies and processes that could effectively and equitably address health and socio-economic inequities; additional data will provide better accountability, but the issues – and solutions proposed by people most directly impacted – are already well documented.

## Pandemic Benefits - The Good

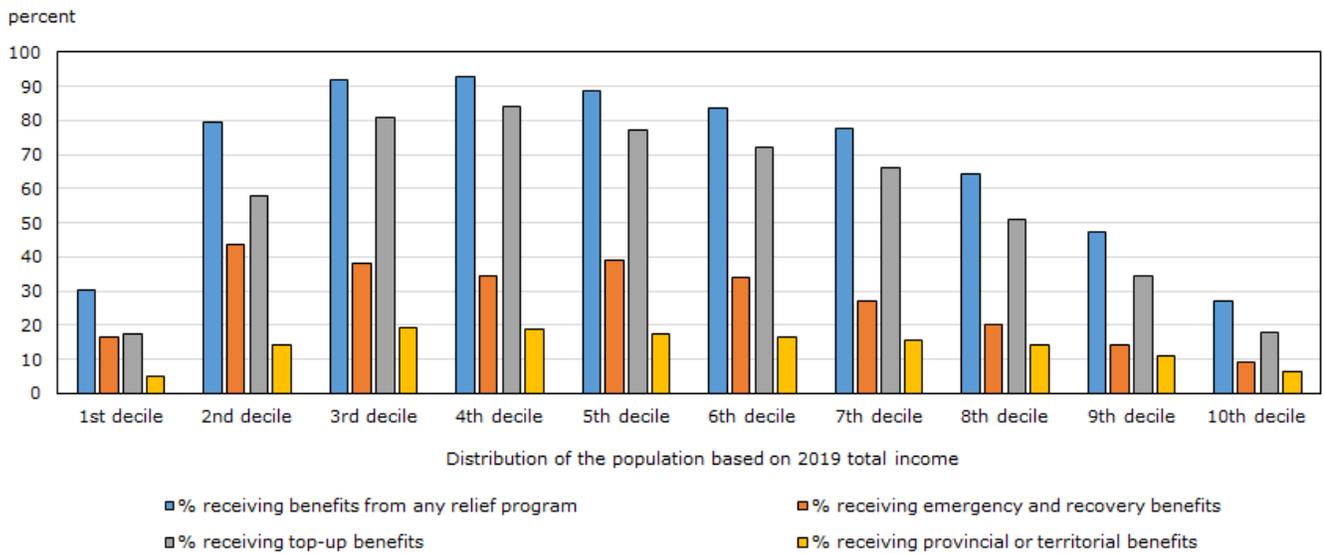
The global COVID-19 pandemic had both predictable and unforeseen consequences for everyone, but here, too, impacts were disproportionately borne by those already marginalized in Canadian society. As policies intended to prevent the spread of the virus were enacted, policymakers, businesses, and individuals alike were contending with how to mitigate the effects of the looming economic repercussions. Government-issued pandemic benefits were administered to assist people while they were unable to work their usual hours or jobs.

The Canada Emergency Response Benefit (CERB) was one of the most widely utilized programs by Canadians during pandemic shutdowns. CERB provided \$2,000 a month in the form of immediate cash transfers directly to the individual<sup>15</sup>. The quick rollout of emergency income transfers like the CERB showed that with sufficient political will, low-barrier cash transfers can be delivered quickly to individuals across the country, and that they can effectively protect people from food and housing insecurity in the event of a sudden loss of income.

Reports that the CERB improved many people's ability to pay for rent and food (beyond their typical employment incomes) also demonstrated just how many working people are living with inadequate incomes, struggling

to make ends meet. These kinds of programs and their popularity amongst the middle class reinvigorated discussions about the possibilities of more permanent basic income programs, and the importance of providing adequate levels of income support.

**Chart: Middle income Canadians were more likely to receive pandemic related benefits**



**Note:** The 1st decile includes those with the lowest incomes (i.e., the bottom 10% of the income distribution). The 10th decile represents those with the highest incomes (i.e., the top 10%).

Source: Statistics Canada, Census of Population, 2021.<sup>16</sup>

## Pandemic Benefits – The Bad

At the same time, issues both during the administration of the CERB and in its aftermath have highlighted and exacerbated existing inequities.

The CERB indicated that \$2000 a month was deemed an adequate basic income in order to live. However, no other social assistance program or disability benefit in this country provides recipients anywhere near this amount. This reveals an outrageous double standard in who governments (and we as a society) deem deserving or trustworthy of such support.

Another major issue with pandemic benefits such as CERB and other existing programs were the eligibility criteria. CERB eligibility criteria excluded people with precarious immigration status (a disproportionate number of whom were providing frontline, essential services), those already accessing social assistance or disability supports (despite the gross inadequacies of these amounts), as well as many others who were unable to provide the required documentation to prove their eligibility<sup>17</sup>.

While the quick roll-out of CERB was critical to support people as soon as possible, it also meant there was significant confusion about eligibility<sup>18</sup>. Now, many low-income individuals who were told to apply by case workers, received CERB, and used it for its intended purposes are contending with having to pay it back<sup>19</sup>. This is money people simply do not have, and will push people further into poverty. Additionally, because CERB significantly increased some people's incomes, many recipients who require income assistance from other, more long-term sources no longer qualify or saw their benefits reduced. The federal government has since reinstated many seniors' Guaranteed Income Supplement<sup>20</sup>, but similar measures have not yet been extended to other income support programs.

## Final Takeaways

Persistent poverty and inequity are not inevitable. While overall trends in who is most likely to be impacted by poverty persist from previous Poverty Trends reports to this one, recent initiatives have demonstrated that we have the tools and resources available to tackle these issues. To do so effectively, however, requires that we allocate funds and programs equitably. Canada must stop prioritizing the middle class (and those wealthier) over people's basic human rights.

These human rights obligations and the inherent dignity of all people must be the foundations on which we build our systems and institutions. Our goals should target equitable health and socio-economic outcomes for all people living in Canada. And our policies and processes must be informed by the lived experiences and expertise of those most directly and disproportionately impacted.

As noted in the 2021 Poverty Trends report and discussion guides, to do so will require changes at the societal, institutional, and individual level – we all have a role to play. CPJ remains committed to working with governments, institutions, community groups, churches, and individuals across the country to create the conditions in which all people and all of creation can flourish together. We invite you to revisit the full 2021 report, policy recommendations, and discussion guides to explore what your role might look like in building a more just society.

## Endnotes

1 A household is considered to be in core housing need if (a) their housing is unacceptable in terms of adequacy (i.e., major repairs needed), suitability (i.e., insufficient rooms for the size and make-up of the household), or affordability (i.e., shelter costs are more than 30% of total before-tax income); and/or (b) acceptable alternative housing in the community would cost 30% or more of their before-tax income.

2 Food insecurity means not having consistent access to both the right kind, and the right amount of food, because of a lack of money. Source: <https://proof.utoronto.ca/food-insecurity/#foodinsecurity>

3 This acronym refers to people who identify as Two Spirited, Lesbian, Gay, Bisexual, Trans, Queer, Questioning, Intersex, Asexual, and additional non-heterosexual and/or gender diverse identities.

4 Available online at <https://cpj.ca/report/poverty-trends-2021/>

5 Citizens for Public Justice wishes to thank the Catherine Donnelly Foundation for their generous support for the development of our 2021 Poverty Trends discussion guides. The policy supplement and discussion guides can be found with the report at <https://cpj.ca/report/poverty-trends-2021/>.

6 At the time of writing this report, disaggregated data from the 2021 Census had not yet been released, but is expected to be available by the end of 2022.

7 The MBM looks at whether or not you have enough income to pay for a basket of goods and services considered essential for a basic standard of living. Analysts at Statistics Canada use a set of formulas and procedures to estimate the cost of this basket of goods and services in different regions across the country to account for varying costs of living. MBM estimates for Yukon and the North West Territories were released Nov. 3, 2022. Rates for Nunavut are still unavailable. Also, due to small sample size and high sampling variability, Statistics Canada recommends using caution in comparing estimates from year to year. For details on the development of MBM-North thresholds, please see <https://www150.statcan.gc.ca/n1/en/catalogue/75F0002M2022004>.

8 The Low Income Measure (LIM) considers an individual or household to be in poverty if they have less than half of the median income in Canada. The CFLIM-AT uses census families as the unit of analysis for data calculation and looks at income after tax. Source: <https://www150.statcan.gc.ca/n1/pub/75f0002m/75f0002m2018001-eng.htm>

9 Statistics Canada. Canadian Income Survey, 2020. Retrieved October 2022 from <https://www150.statcan.gc.ca/n1/daily-quotidien/220323/dq220323a-eng.htm>

10 Statistics Canada. Table 5 Persons living below the poverty line, by selected visible minority group, Canada, 2020. Retrieved October 2022 from <https://www150.statcan.gc.ca/n1/daily-quotidien/220323/t005a-eng.htm>

11 Statistics Canada. Table 4 Persons living below the poverty line, by selected demographic group, Canada, 2019 and 2020. Retrieved October 2022 from <https://www150.statcan.gc.ca/n1/daily-quotidien/220323/t004a-eng.htm>

12 Ibid.

13 Government of Canada, Dept of Finance Budget 2022. Statement and Impacts Report on Gender, Diversity, and Quality of Life. Retrieved October 2022 from <https://budget.gc.ca/2022/report-rapport/gdql-egdqv-01-en.html>

14 A shift from a single ground perspective to an analysis based on the assumption that an individual's experiences are based on multiple identities that can be linked to more than one ground of discrimination. The second component of the two-pronged model requires the analysis to proceed to consider contextual factors, based on the facts of the case. An intersectional analysis can be informed by developments in gender equality analysis, critical race analysis, disability rights analysis and equality rights jurisprudence. Source: <https://www.ohrc.on.ca/en/intersectional-approach-discrimination-addressing-multiple-grounds-human-rights-claims/applying-intersectional-approach>

15 Government of Canada. Canada Emergency Response Benefit (CERB) with CRA. Retrieved October 2022 from <https://www.canada.ca/en/revenue-agency/services/benefits/apply-for-cerb-with-cra.html>

16 Source: <https://www12.statcan.gc.ca/census-recensement/2021/as-sa/98-200-X/2021005/98-200-X2021005-eng.cfm>

17 Employment and Social Development Canada, National Advisory Council on Poverty. Understanding Systems: The 2021 report of the National Advisory Council on Poverty. Retrieved October 2022 from <https://www.canada.ca/en/employment-social-development/programs/poverty-reduction/national-advisory-council/reports/2021-annual.html#h2.5>

18 Ibid.

19 Ibid.

20 Statistics Canada. The contribution of pandemic relief benefits to the incomes of Canadians in 2020. Retrieved October 2022 from <https://www12.statcan.gc.ca/census-recensement/2021/as-sa/98-200-X/2021005/98-200-X2021005-eng.cfm>