

## Northern Market Basket Measure Northwest Territories, 2019

Today Statistics Canada released preliminary 2018 and 2019 poverty estimates for Yukon and Northwest Territories (NWT) using a proposed Northern Market Basket Measure (MBM-N). As part of the *Poverty Reduction Act*, Canada has adopted the Market Basket Measure (MBM) as their official measure of poverty. Conceptually, these first poverty estimates for the NWT and Yukon are similar to what is produced for the provinces, however adjustments were made to address various aspects of Northern living. The MBM is based on the cost of a basket of goods (threshold) that represents a modest, basic standard of living. Anyone with a disposable income below this threshold is considered to be in poverty.

Both the MBM and the MBM-N use the Canadian Income Survey (CIS) to assess the income levels needed to calculate poverty estimates. Figure 1 shows the NWT poverty estimates for 2018 & 2019. To demonstrate the variability of the survey data, upper and lower bounds are also provided. Preliminary results for 2019 indicate 12.5% of the NWT population, or approximately 5,300 people, were in poverty. However, this estimate could be anywhere between 8.4% (lower bound) and 16.7% (upper bound).

Although the results show a decline in the poverty estimate between 2018 and 2019 the decrease was not statistically significant, meaning that the upper and lower bounds overlap.

Poverty estimates for the provinces based on the Market Basket Measure (MBM) were released earlier in the year. In 2019, provincial estimates ranged from 8.2% in Alberta to 12.4% in Saskatchewan. Data for Nunavut is not available at this time.

Figure 1  
% of NWT Population in Poverty  
2018 & 2019

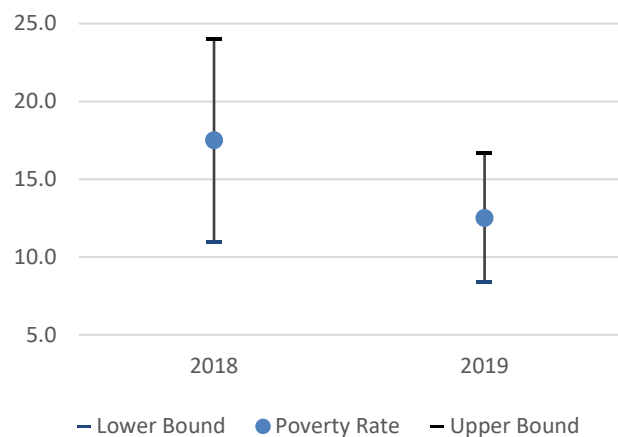
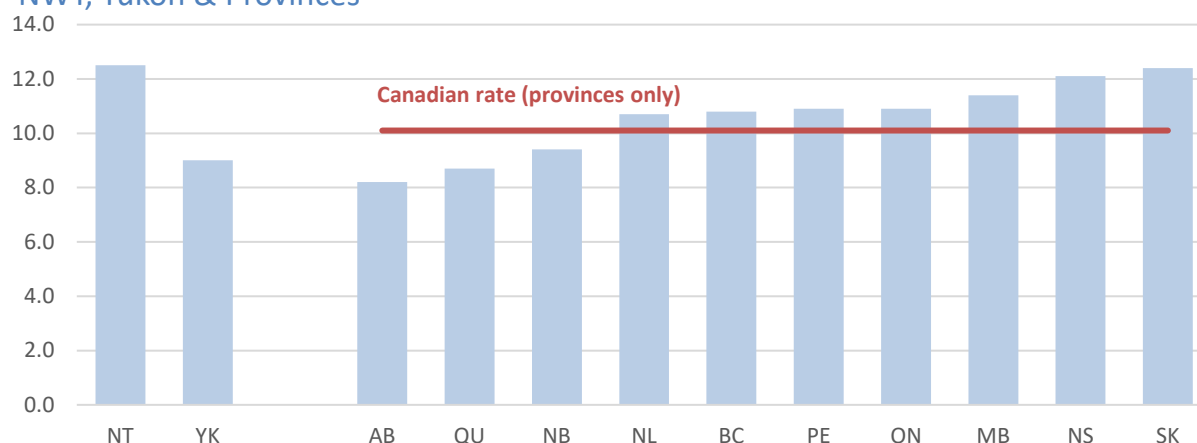


Figure 2  
2019 Poverty Rates  
NWT, Yukon & Provinces



To determine the number of people in poverty, income levels are compared to the threshold value. Table 1 shows the threshold values for each of the NWT regions. These thresholds represent the cost to meet the basic needs of a family of 2 adults and 2 children, and include five broad categories: clothing, food, shelter, transportation and other. The thresholds were highest for the northern regions of Sahtu and Beaufort Delta and lowest in the Tłı̄chq̄. Yellowknife tended to have the lowest costs for many of the categories, apart from shelter. Shelter, which is based on the cost of a 3-bedroom apartment, was highest in Yellowknife. For comparison, the highest 2019 threshold among provincial cities was Vancouver with \$50,055.

Table 1  
2019 Thresholds by NWT Region and Category, 2019  
Dollars

	Total	Clothing	Food	Shelter	Transportation	Other
Beaufort Delta	72,902	4,270	20,709	21,556	5,953	20,414
Sahtu	73,848	4,026	22,682	19,163	6,274	21,704
Tłı̄chq̄	60,021	3,629	16,716	17,340	5,397	16,939
Dehcho	63,406	4,014	17,558	18,338	5,635	17,862
South Slave	60,059	3,763	16,144	18,360	5,177	16,614
Yellowknife	60,971	3,435	12,755	25,728	5,223	13,830

Note: data may not sum due to rounding

While the NWT tends to have high costs, income levels are also high. Information from the Canadian Income Survey shows median after-tax income for families and unattached individuals was \$93,200 in the NWT for 2019. This was higher than any of the provinces.

While thresholds are available at the sub-territorial level, poverty estimates are only available at the territorial level largely due to limitations of the CIS data.

For a full description of the MBM-N methodology, please refer to Statistics Canada's [discussion paper](#); comments can be provided by emailing: [statcan.market.basket.measure-mesure.du.panier.de.consommation.statcan@statcan.gc.ca](mailto:statcan.market.basket.measure-mesure.du.panier.de.consommation.statcan@statcan.gc.ca)