



## Northern Market Basket Measure Northwest Territories, 2021

Yesterday Statistics Canada released 2021 poverty estimates for Yukon and Northwest Territories (NWT) using the Northern Market Basket Measure (MBM-N). As part of the *Poverty Reduction Act*, Canada adopted the Market Basket Measure (MBM) as their official measure of poverty. Conceptually, 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. Due to the relatively small sample size in the NWT, poverty estimates tend to have high variability from one year to the next. To demonstrate the variability of the CIS data, upper and lower bounds are shown in Figure 1. Estimates for 2021 indicate 15.0% of the NWT population, or approximately 6,400 people, were in poverty. However, this estimate could be anywhere between 7.7% (lower bound) and 22.3% (upper bound).

Although the results show poverty rates increased in 2021, the change was not statistically significant, meaning the upper and lower bounds overlap.

Comparable poverty estimates for the provinces based on the CIS were released earlier in the year. In 2021, provincial estimates ranged from 5.2% in Quebec to 9.1% in Saskatchewan. Most provinces experienced an increase in rates during 2021, with only Prince Edward Island and New Brunswick declining over the period.

For the first time, Statistics Canada released poverty estimates for Nunavut, indicating that 39.7% of the population lived in poverty in 2021. These are preliminary estimates based on proposed methodology that is highlighted in a discussion paper.

Figure 1. Percent of Population in Poverty  
NWT, 2018 to 2021

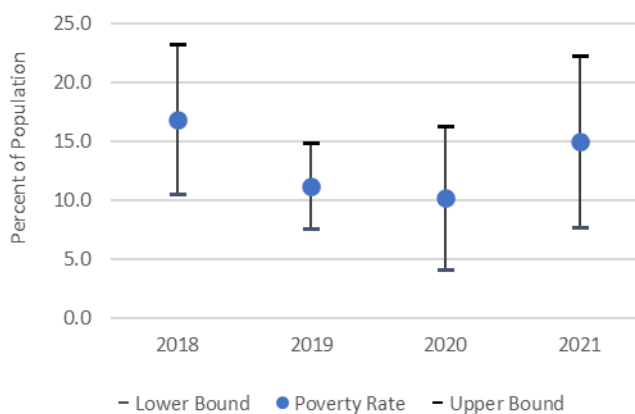
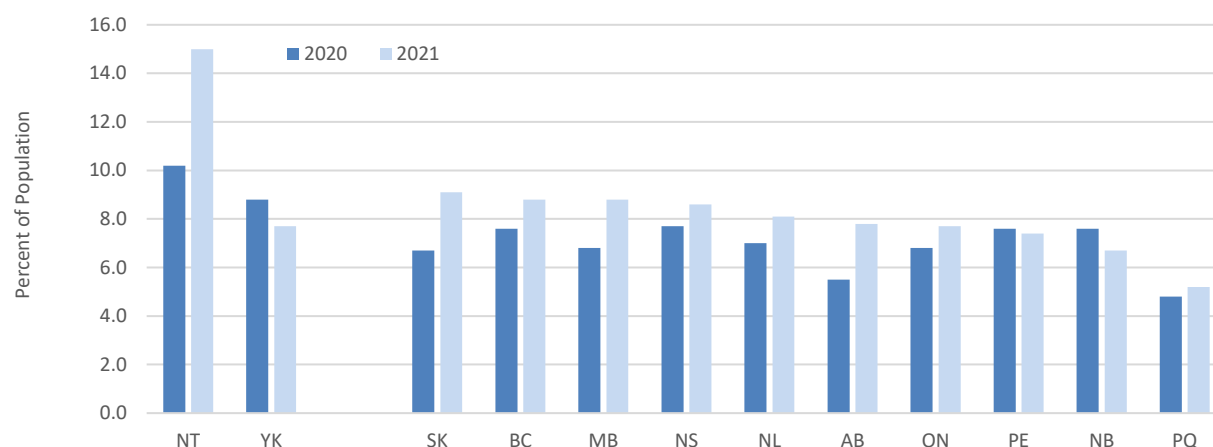


Figure 2. Poverty Rates  
2020 & 2021 Provinces, NWT & Yukon



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 Tłı̄chǫ. Yellowknife tended to have the lowest costs for many of the categories, however, it had the highest shelter cost among the regions. For comparison, the highest 2021 threshold among provincial cities was Vancouver with \$51,884.

Table 1  
2021 Thresholds by NWT Region and Category

	Total	Clothing	Food	Shelter	Transportation	Other
Dollars (\$)						
Beaufort Delta	74,305	4,227	20,709	22,053	6,432	20,884
Sahtu	75,255	3,985	22,682	19,605	6,779	22,204
Tłı̄chǫ	61,209	3,592	16,716	17,740	5,832	17,330
Dehcho	64,654	3,973	17,558	18,760	6,089	18,274
South Slave	61,243	3,725	16,144	18,783	5,594	16,997
Yellowknife	62,268	3,400	12,755	26,321	5,643	14,149

Note: data may not sum due to rounding

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.