

Beyond snapshots: The patterns of long-term poverty in Canada

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About the authors

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About Maytree

Maytree is a Toronto-based human rights organization committed to advancing systemic solutions to poverty and strengthening civic communities. We believe the most enduring way to fix the systems that create poverty is to ensure that economic and social rights are respected, protected, and fulfilled for all people living in Canada. Through our work, we support non-profit organizations, their leaders, and people they work with.

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Introduction

Living in poverty in Canada is not a single experience. For some, poverty may be temporary; for others, it can last a lifetime. Depending on an individual or family's income, poverty can be deeper or shallower, leading to very different lived experiences. Demographic characteristics, such as age, race, and family size, can significantly impact trajectories into and out of poverty, as can socio-economic characteristics such as education and employment history.

Despite these varying experiences, the way we talk about poverty in Canada often defaults to treating people as a single, homogeneous mass. This is because the complexity of poverty is easily lost in the typical cross-sectional snapshots of annual survey data that show the number and percentage of people with income below Canada's Official Poverty Line, the Market Basket Measure (MBM). While useful, these snapshots by themselves do not provide all the answers that policymakers need to end poverty. Many critical questions – why people fall into poverty, whether and when they will exit, whether they will return, and what factors tend to shorten or lengthen a poverty spell – can only be answered through a thorough understanding of the longitudinal experience of poverty.

There was a time when the dynamics of poverty were easier to explore thanks to a longitudinal dataset of incomes and personal characteristics: Statistics Canada's Survey of Labour and Income Dynamics (SLID). SLID used a panel survey method that tracked the same group of individuals over multiple points in time. Discontinued in 2011, the SLID was a rich dataset that combined income information from the discontinued Survey of Consumer Finances with more detailed labour market and demographic information that enabled researchers to determine whether a respondent fell below a measure of low income.¹

Its successor, the Canadian Income Survey, does not allow for comparisons of the same group of people across multiple years. While Statistics Canada's Longitudinal Administrative Databank (LAD) does allow us to track overall persistent low income, it only captures tax filers and lacks the demographic and socio-economic data needed to understand disaggregated trends.

Recently, Maytree approached Statistics Canada's Centre for Social Data Insights and Innovation (CSDII) with the hope of filling this information gap. Using a linked dataset containing information from the LAD from 2016 to 2022 and the long-form census from 2016, CSDII was able to track the longitudinal experiences

1 Fang, T. & Gunderson, M. (2019). Poverty Dynamics among Vulnerable Groups in Canada. In *Income Inequality: The Canadian Story*. Institute for Research on Public Policy. <https://irpp.org/research-studies/poverty-dynamics-among-vulnerable-groups-in-canada/>

of tax filers who were in low income in 2016 as defined by the low-income measure. Importantly, thanks to the richness of census data, it was also able to isolate how demographic and socio-economic characteristics in 2016 impacted the longitudinal experience of low income in subsequent years.

The resulting data was the subject of a recent Statistics Canada research paper.² The data contains detailed information on demographics, employment involvement, occupation category, and education level, offering the opportunity to observe how these aspects interact and overlap to shape the longitudinal experience of low income in Canada.

This brief builds on Statistics Canada's analysis by placing it in the context of previous research into longitudinal low income and poverty in Canada. Moving beyond the trends in the data, the brief also offers specific recommendations aimed at improving our knowledge of longitudinal low income and poverty and developing appropriate policy interventions.

A note on terminology

In this policy brief, we use the term poverty to describe a general experience of deprivation in line with the common use of the term. Occasionally, we also use poverty to refer to people whose incomes fall below Canada's Office Poverty Line, the Market Basket Measure.

When referring to studies or surveys that use the Low-Income Measure or Low-Income Cut-Off, we refer to people experiencing low income, as this is the more accurate technical term.

2 Uppal, S. & Facette, T. (2026). *Who experiences persistent low income? A study of various demographic groups from 2016 to 2022*. Statistics Canada. <https://www150.statcan.gc.ca/n1/pub/75-006-x/2026001/article/00001-eng.htm>.

The current state of poverty in Canada

Before turning to longitudinal poverty trends, it is worth remembering the growing challenge that poverty and inequality pose today. Canada's affordability crisis, evident from skyrocketing rents, growing homelessness, inadequate income supports, and the rising cost of food, is making it increasingly difficult for people to get by. The turmoil of US politics has fuelled economic uncertainty, disrupted the labour market, and shifted government priorities to areas such as higher military spending. Meanwhile, the National Advisory Council on Poverty has warned that Canada is falling behind in meeting its poverty reduction targets and risks missing its 2030 goal of cutting poverty by half relative to 2015 levels.³

The most recent analysis of poverty from the 2023 Canadian Income Survey shows that Canada's official poverty rate, defined as the proportion of the population with incomes below Canada's MBM increased for the third consecutive year. The poverty rate has now exceeded pre-pandemic levels, rising to 10.9 per cent in 2023 compared with 10.3 per cent in 2019, with children, single working-age adults, people with disabilities, Indigenous people, and racialized people experiencing larger increases in recent years. Not only are more people in poverty, but they are in deeper poverty. In 2023, people experiencing poverty had average incomes that were equal to roughly two-thirds of the poverty line. In 2022 and prior to the pandemic, incomes were closer, on average, to the poverty line.^{4,5}

It is also worth noting that income inequality in Canada reached a record high in the second quarter of 2025 at 49 percentage points. The gap is defined as the difference in the share of disposable income between households in the top 40 per cent of the income distribution and the bottom 40 per cent.⁶ Rising income inequality has concerning social and economic consequences. It affects long-term

3 Government of Canada. (2025). *We can do better: it is not a safety net if the holes are this big*. National Advisory Council on Poverty. <https://www.canada.ca/en/employment-social-development/programs/poverty-reduction/national-advisory-council/reports/2025-annual.html#>

4 DiBellonia, S. & Oliveira, T. (2025). *No progress, no plan: What the latest poverty numbers tell us*. Maytree. <https://maytree.com/publications/no-progress-no-plan-what-the-latest-poverty-numbers-tell-us/>

5 Although a 2023-base MBM is now available, the 2023 poverty data in this report uses the 2018-base MBM for consistency with Maytree's other publications on poverty in 2023.

6 Statistics Canada. (October 9, 2026). *Distributions of household economic accounts for income, consumption, saving and wealth of Canadian households, second quarter 2025*. The Daily. <https://www150.statcan.gc.ca/n1/daily-quotidien/250716/dq250716a-eng.htm>

economic mobility and opportunities, being associated with poorer health, reduced social cohesion, and lower civic engagement.⁷

What past studies tell us about longitudinal poverty in Canada

Before turning to the latest data, this section reviews what past research has revealed about longitudinal poverty to help us put the new findings in the context of past trends.

As noted above, when assessing longitudinal poverty, researchers in Canada have been using the LAD as the best alternative to the now defunct SLID. However, some have argued that the LAD is not as robust as its predecessor.⁸ While the LAD sample is built on tax filer data, the SLID sample was drawn from the Labour Force Survey. As a result, the SLID contained several variables that the LAD does not, including information on a person's labour market and educational experiences, and any activity limitations they may face and their impact on work. The SLID's labour market variables included a person's spells of employment and unemployment, spells of holding multiple jobs, job characteristics, and more. The SLID's educational variables included details on a person's enrolment, type of institution attended, full- or part-time status, and annually updated records of completed education, including years of schooling, degrees, and diplomas, and major fields of study.⁹

Importantly, the SLID offered the ability to track family formation over time. While the LAD has variables for family composition, the SLID allowed researchers to follow changes to family structure in the same sample, which is not available in the LAD.

7 Yassin, S. (2024). *The troubling rise of income and wealth inequality in Canada*. Policy Options. <https://policyoptions.irpp.org/2024/07/income-wealth-inequality/>

8 Curtis, L. J. & Rybczynski, K. (2013). *Exiting Poverty: Does Sex Matter?* Canadian Public Policy. https://uwaterloo.ca/economics/sites/default/files/uploads/files/curtis_rybczynski_exiting_poverty_does_sex_matter.pdf

9 Dibbs, R., Fournier, É., & Webber, M. (1995). *Family and work: What will the Survey of Labour and Income Dynamics have to offer?* Statistics Canada. <https://publications.gc.ca/Collection/Statcan/75F0002MIE/75F0002MIE1995013.pdf>

Summary of findings from the literature

Overall, the literature shows that, while many individuals and families experience temporary poverty spells, poverty dynamics are much more complex below the surface. While a small proportion of the population as a whole experience persistent poverty, some individuals and communities are disproportionately stuck in this situation. Persistence is strongly linked to certain personal characteristics, suggesting that different and sometimes overlapping structural barriers are at play for various groups.

1. Prior analyses show that poverty spells are temporary for many, but stubbornly persistent for some specific groups. These patterns display recognizable trends over time.

SLID data from the 1990s indicated that nearly 1 in 5 people experienced low income for at least one year over a four-year period, while 1 in 4 experienced low income for at least one year over a six-year period. The number of those in persistent low income was significantly lower. Only 5 per cent of people experienced low income for a four-year duration, and that figure dropped to just 3 per cent when looking at a full six-year period.^{10,11}

Moving to the 2000s, an analysis based on SLID data between 1999 and 2007 found that low-income persistence worsened slightly, but this was not true for everyone. Persistence improved over time for several groups, such as women and lone parents, demonstrating the value of disaggregated analysis to further analyze trends.¹²

LAD data used to analyze low-income persistence revealed a peak in persistence between 1998 and 2005, followed by a notable decrease after the mid-2010s. The author attributed these trends to changes in the labour market, with low-income persistence decreasing when employment grew. From 2015 to 2018, declines in both low-income persistence and cross-sectional poverty corresponded with a

10 Morissette, R. & Zhang, X. (2001). Experiencing low income for several years. *Perspectives on Labour and Income*, 5–15. <https://www150.statcan.gc.ca/n1/en/pub/75-001-x/00301/article/5726-eng.pdf>.

11 Morissette, R. & Drolet, M. (2000). *To What Extent Are Canadians Exposed to Low-income?* Statistics Canada. <http://www.statcan.gc.ca/pub/11f0019m/11f0019m2000146-eng.pdf>.

12 Ren, Z. (Jerry) & Xu, K. (2011). *Low-income Dynamics and Determinants under Different Thresholds: New Findings for Canada in 2000 and Beyond*. <https://faculty.economics.dal.ca/kxu/RenXu2011.pdf>

period of record-low unemployment that lasted several consecutive years prior to the onset of the COVID-19 pandemic.¹³

2. Demographic factors are important predictors, and this has not changed over time.

Family composition: This is a strong factor in predicting low-income persistence, regardless of the period studied. LAD and SLID data – from the early 1990s until 2007 – showed that single adults, and especially those in lone-parent families, were far more likely to be in low income and to experience repeated or persistent low-income spells. In contrast, couples and young adults living with their parents were unlikely to experience low income, and, when they did, it was usually brief.^{14,15}

Age: Research based on SLID data highlighted how analyzing low-income experiences by age group provides insight into the life-cycle stages that can lead to temporary or persistent spells. Analysis of data from the 1993–1998 period revealed a significant disparity between the frequency of low-income episodes and their duration across age groups. The findings suggest that for young adults, low income was largely a temporary phase associated with human capital investment, whereas for early childhood demographics, it represented a more entrenched systemic challenge showing that children under six living in families that had low income were more likely to experience persistent low income than seniors.¹⁶ These patterns may reflect limited child benefits (prior to the introduction of the Canada Child Benefit) and the protective effect of senior income support programs like the Canada Pension Plan, Old Age Security, and the Guaranteed Income Supplement.

Sex: Previous research based on SLID and LAD data showed that women were more likely than men to experience both low income and persistent low income. Between 1992 and 1996, over 60 per cent of those who remained in low income for three or more years were women. Moreover, 29 per cent of all women and 67 per cent of lone mothers were in low income at least once in the period, in contrast to 24 per cent of all men and 40 per cent of male lone parents.^{17,18} Studies also highlight that senior women were more likely than senior men to experience

13 Zhang, X. (2021). Low-income persistence in Canada and the provinces. *Income Research Paper Series*. <https://www150.statcan.gc.ca/n1/pub/75f0002m/75f0002m2021004-eng.htm>

14 Finnie, R. & Sweetman, A. (2003). Poverty dynamics: empirical evidence for Canada. *Canadian Journal of Economics*, 291–325. <https://doi.org/10.1111/1540-5982.t01-1-00002>

15 Ren, Z. (Jerry) & Xu, K. (2011).

16 Morissette, R. & Zhang, X. (2001).

17 Curtis, L. J. & Rybczynski, K. (2013).

18 Finnie, R. & Sweetman, A. (2003).

low income, emphasizing the need for intersectional analysis of characteristics.¹⁹ Women are overrepresented in one-parent families, disadvantaged by the gender wage gap, underrepresented in senior management roles, and often spending more time than men in unpaid care work.²⁰

Equity-deserving individuals and communities: Previous research using both SLID and LAD data all came to a similar finding: While a small percentage of the total population experiences persistent low income, it was worse for some groups, including lone mothers, recent immigrants, members of visible minorities,²¹ people with less education, and people with activity limitations.²² As for the factors that affect low-income exit, an analysis of SLID data from 1993 to 2010 found that immigration status, reliance on social assistance, and the presence of young children were associated with lower probabilities of exiting poverty. Longer duration spells in low income were likewise linked to a reduced likelihood of moving out, particularly into higher income brackets.²³

3. Previous studies on low-income persistence also highlight the connection between depth and duration.

Several studies about low-income persistence using both LAD and SLID data found a relationship between the depth – how low their income is relative to the low-income threshold – and the amount of time spent in low income.

An analysis of SLID data from 1993 to 2010 observed that nearly one-quarter of low-income spells that lasted up to four years ended with individuals moving to only 10 per cent above the low-income cut-off. People whose low-income spells end with a move into near the cut-off tend to stay in low income longer than those who move directly into middle or higher income.²⁴

Longer spells of low income are also more common among households who move in and out of poverty multiple times over a six-year period. In other words,

19 Ren, Z. (Jerry) & Xu, K. (2011).

20 Government of Canada. (2025). *Facts, stats, and impact: Gender equality*. <https://www.canada.ca/en/women-gender-equality/gender-equality/facts-stats-impact.html>

21 The term “visible minorities” appears in this brief primarily when citing earlier literature; otherwise, “racialized” is used throughout to align with current terminology.

22 Ren, Z. (Jerry) & Xu, K. (2011).

23 Curtis, L. J. & Rybczynski, K. (2013).

24 Curtis, L. J. & Rybczynski, K. (2013).

households in this group tend to remain in low income longer and, once they exit, often fall back into low income relatively quickly.²⁵

In summary, the analyses from previous studies reinforce the idea that people living in low income are not a homogeneous group, and that their experiences vary widely. This has implications for policies aimed at preventing and reducing poverty. Policies addressing persistent low income must be tailored to the diverse needs and risk factors of different vulnerable groups, as a “one-size-fits-all” approach could be inefficient or ineffective.²⁶

New findings from Statistics Canada: Longitudinal low income from 2016 to 2022

Building off an analysis of LAD and census data commissioned by Maytree, a new paper by Sharanjit Uppal and Travis Facette at Statistics Canada examines low-income persistence among tax filers from 2016 to 2022, as measured by the low-income measure, after tax (LIM-AT).²⁷ Persistent low income is defined as spending more than half of the study period (four to seven years) below the low-income threshold.

Before discussing the findings, it is worth noting several limitations:

- Sources of income are not analyzed in the paper. This limits our ability to isolate the impact or experiences of accessing income support, such as social assistance.
- The linked data forms a large sample, but it is not necessarily reflective of the full population. First, only tax filers are included in the LAD, and we know that while most people file taxes, many marginalized people in our society have lower rates of tax filing. Second, the LAD contains 20 per cent of tax filers, and the census long-form questionnaire targets one in four of all households. Approximately 16.5 per cent of census records were found on the LAD. Lastly, only those individuals who filed taxes for all seven years were included in the analysis.

²⁵ Morissette, R. & Zhang, X. (2001).

²⁶ Fang, T. & Gunderson, M. (2019).

²⁷ Uppal, S. & Facette, T. (2026).

- The end of the study period overlaps with the COVID-19 pandemic, which saw large increases in government benefits and other supports and a similarly large decrease in the low-income rate. It is likely that more people would have persisted in low income in these years if not for these interventions.
- The depth of low income – how far someone’s income is from the low-income threshold – is not analyzed in the study sample. As mentioned above, some past research on longitudinal poverty included this kind of analysis.

The remainder of this section summarizes some of the key findings of the Statistics Canada study, expands on these findings through Maytree’s own analysis of the underlying data, and compares these findings with those of past research into longitudinal poverty.

A deeper look at low-income rates in 2016

A longitudinal low-income study requires a base year from which to track changes over time. For our base year, 2016, Uppal and Facette found that 13 per cent of tax filers in the study lived below the LIM-AT – the same percentage Statistics Canada reported for the Canadian population in 2016.²⁸

Consistent with other analyses of poverty dynamics, certain demographic groups within the tax filers in the study sample were found to be more likely to live in low income in 2016 (Table 1, cells in blue): women, young adults (especially those aged 18-24), people in female lone-parent families, related individuals living together who do not have a spouse or children present (“Other” category within family type), non-permanent residents,²⁹ people without a high school diploma, unemployed individuals, sales and service workers, racialized people (particularly Arab, West Asian, and Korean populations), Indigenous people (particularly First Nations), and people with activity limitations.

Groups with the highest rates of low income are often those who experience one or more forms of systemic discrimination and the ongoing effects of colonialism. These factors create substantial barriers to entering or re-entering the labour force.

28 Statistics Canada. Table 11-10-0135-01 Low income statistics by age, sex and economic family type. <https://doi.org/10.25318/1110013501-eng>

29 According to Statistics Canada, a non-permanent resident refers to a person from another country with a usual place of residence in Canada and who has a work or study permit or who has claimed refugee status (asylum claimant). Family members living with work or study permit holders are also included, unless these family members are already Canadian citizens or landed immigrants or permanent residents.

Even when employed, these groups are more likely to work in low-wage jobs, face precarious or unstable employment, or depend on gig-economy work.

In contrast, couples without children, seniors, university graduates, and employed individuals had the lowest rates of low income.

Because these groups are not discrete, all tax filers fall into multiple categories. To get a clearer picture, Maytree analyzed some of these intersections more closely, revealing that certain intersectional identities were associated with higher rates of low income in 2016. For example, Uppal and Facette found that individuals in female-led lone-parent families, those in certain occupations, and those with activity limitations all faced a higher likelihood of experiencing low income in 2016. Maytree's analysis shows that this likelihood is further increased for those in certain age groups and education levels (see Appendix, Tables 3 to 5). For example, children under 18 in female-led lone-parent families had a low-income rate of about 47 per cent, compared with a rate of about 32 per cent for children under 18 in male-led lone-parent families (Table 3).


Low-income persistence remains more prominent among several equity-deserving individuals and communities


Between 2016 and 2022, Uppal and Facette found that 9 per cent of the tax filer sample experienced persistent low income, defined as spending a cumulative 4 to 7 years below the LIM-AT (Table 1). Several groups were more likely to experience persistent low income (Table 1, cells in red), including women, those 75 years and older, people without a high school diploma, individuals not in the labour force, tax filers working on sales and service, people living in female lone-parent families, related individuals living together who do not have a spouse or children present (“Other” category within family type), recent immigrants (from 2012 to 2026), racialized people (especially those who identify as Arab, West Asian, and Chinese populations), Indigenous people (especially First Nations), and individuals who reported activity limitations.

Importantly, Uppal and Facette observed that those who were most likely to be in low income in 2016 were usually those most likely to persist in low income, though there were notable exceptions. For example, while non-permanent residents were among those most likely to experience low income in 2016, they were less likely to experience persistent low income throughout the period of the analysis. In this sample of tax filers, the share of non-permanent residents experiencing persistent

low income was relatively close to that of established immigrants. A third group – recent immigrants – were more likely to experience persistent low income than both non-permanent residents and established immigrants. This finding highlights how the persistence of low income reveals important information not captured by snapshots of the low-income rate each year.

Table 1: Tax filer low-income status: 2016 snapshot vs. 2016–2022 persistence

 Tax filer groups with the highest rates of persistent low income between 2016 and 2022

 Tax filer groups with the highest low-income rates in 2016

Selected characteristics	Proportion of tax filers below the low-income measure in 2016 (per cent)	Proportion of tax filers with persistent low income from 2016 to 2022 (per cent)
Total	13.0	8.8
Sex		
Female (reference)	14.3	10.2
Male	11.7	7.1
Age group		
Younger than 18 years ¹	19.7	11.4
18 to 24 years	21.8	9.8
25 to 34 years	13.0	7.1
35 to 44 years (reference)	11.1	6.4
45 to 54 years	11.1	7.7
55 to 64 years	13.2	10.3
65 to 74 years	10.6	10.3
75 years and older	11.9	12.8
Highest level of education (18 years and older)		
No certificate, diploma or degree (reference)	24.1	21.1
High school diploma or equivalent	15.2	10.1
Post-secondary credential below university degree	9.7	6.2
University degree	7.9	4.1
Labour force status (15 years and older)		
Employed (reference)	7.3	4.0
Unemployed	27.5	15.4
Not in the labour force	21.6	17.5
Occupation category (employed)		
Management	5.6	3.2

Selected characteristics	Proportion of tax filers below the low-income measure in 2016 (per cent)	Proportion of tax filers with persistent low income from 2016 to 2022 (per cent)
Business, finance and administration	4.1	2.3
Natural and applied sciences and related	2.7	1.4
Health	3.4	1.9
Education, law and social, community and government services	5.5	3.0
Art, culture, recreation and sport	11.8	6.4
Sales and service (reference)	14.0	7.6
Trades, transport and equipment operators and related	6.7	3.7
Natural resources, agriculture and related production	10.6	6.4
Manufacturing and utilities	5.5	3.7
Family type		
Couple with children (reference)	10.4	6.1
Couple without children	6.0	4.0
One-parent family	29.0	20.9
Male parent	20.5	13.7
Female parent	31.3	22.6
Unattached	22.0	18.0
Younger than 65 years	23.5	16.7
65 years and older	18.7	21.0
Other ²	29.2	22.1
Immigrant status		
Not an immigrant (reference)	11.1	7.5
Immigrant	17.4	12.3
Immigrated before 2012	15.9	11.8
Immigrated from 2012 to 2016	29.9	16.8
Non-permanent resident	38.0	13.6
Racialized population		
Racialized	21.4	13.9
South Asian	19.5	12.9
Chinese	23.7	17.0
Black	24.3	15.1
Filipino	10.1	5.6
Latin American	18.8	11.9
Arab	31.1	19.8
Southeast Asian	20.9	13.8
West Asian	33.0	20.5

Selected characteristics	Proportion of tax filers below the low-income measure in 2016 (per cent)	Proportion of tax filers with persistent low income from 2016 to 2022 (per cent)
Korean	27.1	14.7
Japanese	9.5	4.9
Racialized, not included elsewhere	18.9	13.8
Multiple racialized groups	18.9	11.8
Non-racialized, non-Indigenous (reference)	10.1	6.9
Indigenous identity		
Indigenous	26.3	19.7
First Nations	34.1	26.6
Métis	16.8	11.7
Inuk (Inuit)	25.0	19.8
Multiple Indigenous responses	19.8	17.6
Indigenous responses, not included elsewhere	18.3	13.2
Non-Indigenous (reference)	12.5	8.4
Activity limitations³		
Yes	16.9	13.3
Yes, always	20.6	17.5
Yes, often	19.5	15.5
Yes, sometimes	13.4	9.8
No (reference)	10.8	6.5

Notes: Partial reproduction from Uppal, S. & Facette, T. (2026). *Who experiences persistent low income? A study of various demographic groups from 2016 to 2022*. Statistics Canada. Reference groups are the reference categories against which the others are compared.

¹ The majority of individuals (88 per cent) in this group were aged 15 to 17 years.

² Includes families where the reference person does not have a married spouse or common-law partner, nor a child in the family, but only other relatives (e.g., siblings or relatives living together).

³ Concept based on census questions concerning difficulties a person may have doing certain activities, like seeing or hearing, walking or using their hands, or learning or concentrating. Only difficulties or long-term conditions that have lasted or are expected to last for six months or more are considered.

The aggregate dynamics of low-income exits and re-entries generally resemble those found in past research

Uppal and Facette found that about 30 per cent of people who were in low income in 2016 exited low income in 2017. Of those who exited, roughly 20 per cent fell back into low income in 2018 (Table 2). However, 80 per cent of them managed to exit again during the study period. This means that the remaining 20 per cent of people who re-entered low income in 2018 stayed in low income for the rest of the study period.

These low income dynamics resemble the findings of past research summarized earlier in this brief. Exiting low income is relatively common in the short term, with some people returning to low income quickly, others taking longer to exit, and a small proportion remaining persistently poor.

Table 2: Tax filers with the lowest rates of exiting low income in 2017 and the highest rates of re-entering in 2018, by selected 2016 Census demographic characteristics

Selected characteristics	Proportion of tax filers in low income in 2016 who exited low income in 2017	Proportion of tax filers who exited low income in 2017 and re-entered low income in 2018
Total	29.9	20.3
Sex		
Female	28.5	21.4
Highest level of education (18 years and older)		
No certificate, diploma or degree	20.9	28.2
Labour force status (15 years and older)		
Employed	40.4	17.7
Unemployed	34.5	17
Family type		
One-parent family	26.2	23.7
Male parent	30.7	22.4
Female parent	25.5	23.9
Unattached	22	22.7
Younger than 65 years	23.8	19.6
65 years and older	16.9	34.8

Selected characteristics	Proportion of tax filers in low income in 2016 who exited low income in 2017	Proportion of tax filers who exited low income in 2017 and re-entered low income in 2018
Immigrant status		
Not an immigrant	29.8	19.8
Immigrant	29.3	21.8
Racialized population		
Racialized	30	21
Non-racialized, non-Indigenous	30.5	19.1
Indigenous identity		
Indigenous	23.9	29.6
Non-Indigenous	30.3	19.8
Activity limitations¹		
Yes	24.4	23.8
No	34.3	18.4

Note: Partial reproduction from Uppal, S. & Facette, T. (2026). *Who experiences persistent low income? A study of various demographic groups from 2016 to 2022*. Statistics Canada.

¹Concept based on census questions concerning difficulties a person may have doing certain activities, like seeing or hearing, walking or using their hands, or learning or concentrating. Only difficulties or long-term conditions that have lasted or are expected to last for six months or more are considered.

Several demographic and socio-economic factors have a significant influence on these trends. For example, the intersection of age and family structure played an important role. Among younger age groups (under 35), people in male lone-parent families had exit rates from low income that were somewhat closer to those of couples with children – a group that shows a comparatively low persistence of low income. However, starting at age 35, the exit rates for people in male lone-parent families became more like those in female lone-parent families (see Appendix, Table 6). People in female lone-parent families, unattached individuals, and couples with children were generally more likely than couples without children to fall back into low income in 2018 across almost all age groups (see Appendix, Table 7).³⁰

30 Note that in Table 7, the sample sizes for people in male-lone parent families and “Other” were too small to report estimates.

The dynamics of low-income exits and re-entries point to two different reasons a group may experience higher rates of persistent low income

Interestingly, year-over-year variation in exits and entry to and from low income appears to be the cause of persistent low income among some groups but not others. In most cases, a demographic or socio-economic group that is particularly vulnerable to persistent low income began with a higher rate of low income in 2016 and shows a lower propensity to exit low income and a higher propensity to re-enter it. These two factors combine to create a high rate of persistent low income. Groups that display this pattern include, for example, tax filers without a high school diploma, those with activity limitations, and those who are Indigenous, women, or single adults.

The reason racialized people experienced persistent low income is slightly different in that it is not explained by year-over-year dynamics. Although racialized tax filers were twice as likely as non-racialized, non-Indigenous filers to experience low income in 2016 and to experience persistent low income through the period of analysis (2016 and 2022), their short-term movements into and out of low income from 2017 to 2018 were similar to those of non-racialized filers. This suggests that the higher rate of persistent low income among racialized people can be best explained by there being a larger group living in low income at the start of the survey period. Consequently, these groups remain overrepresented in long-term trends even when their rates of entry into and exit from low income are close to those of non-racialized filers.

Conversely, single seniors showed a higher risk of persistent low income than other single adults, even though a smaller proportion of single seniors lived in low income in 2016 (Table 1 and 2). The reason for this appears to be that single seniors are less likely to exit low income and more likely to return if they do exit. For example, single seniors living in low income in 2016 were less likely to exit in 2017, and those who did were more likely to re-enter low income in 2018 (Table 2 and Appendix, Tables 6 and 7). This finding suggests that it is the year-over-year dynamics of low income among this group – not a high rate of low income in the base year – that are causing high rates of persistent low income. This is also noteworthy because studies from the 1990s found that seniors faced less persistent low income than other age groups (see above).

Maytree’s analysis of entry and existing rates revealed other notable findings, some of which were also highlighted by Uppal and Facette:

- Of those who were in low income in 2016 and exited low income in 2017, being employed in 2016 was not a good predictor of whether they would return to low income in 2018. This is consistent with evidence that a high proportion of jobs are precarious and low-wage, and do not offer durable protection from low income. Recent research from Maytree showed that the largest group of people living in poverty today are best classified as “working poor.”³¹
- A higher level of education appeared to be a protective factor against re-entry into low income. However, this protective effect was weakened for individuals with activity limitations. Notably, at any level of education, individuals with activity limitations are more likely to re-enter low income than individuals without activity limitations (see Appendix, Table 8).

The path forward: Closing Canada’s data and policy gaps

Comparing the findings from Uppal and Facette to past literature on longitudinal poverty reveals only subtle shifts over the decades. Differences in methodology, such as the source of the data and the length of time analyzed, make it difficult to say with certainty that the dynamics of longitudinal poverty have changed. Nevertheless, the few trends that do emerge are consistent with the evolution of Canada’s income security system and labour market. Furthermore, the demographic and socio-economic characteristics associated with increased persistent poverty are substantially similar: Indigenous people, female-led lone-parent families, individuals with activity limitations, and individuals without a high school diploma.

An important contribution of the longitudinal poverty literature is that it offers indispensable insights into the different ways in which poverty is experienced. While for some, poverty is a temporary experience, for the most marginalized in our communities, it is stubbornly persistent. When governments change policies or make investments to address poverty, improvements in the overall poverty rate tend to reflect an improving situation for those who have already experienced shorter spells of poverty. Addressing persistent poverty is a more difficult and expensive

31 Petit, G. (2025). *Poverty segmentation: The challenge of the “working poor.”* Maytree. <https://maytree.com/wp-content/uploads/Poverty-segmentation-The-challenge-of-the-working-poor.pdf>

public policy challenge, but it is also a moral imperative aligned with a human rights-based approach that prioritizes those experiencing the greatest denial of their right to an adequate standard of living.

Examining the persistence of poverty also reminds us that poverty is not an individual failure; it is a predictable reflection of the broken systems in our society and the consequences of our past policy choices that reflect systemic racism and discrimination. We can and must make different choices in the future.

Recommendations

1. Integrate the lessons of poverty dynamics into poverty reduction efforts

The evidence on longitudinal poverty suggests there are two different, but not mutually exclusive, dynamics that explain why a group may consistently exhibit an above-average poverty rate. First, it could be that the members of the group are more likely to experience a poverty spell. Second, it could be that members of the group are more likely to persist in poverty year after year.

This is important because it may lead policymakers to different interventions for each case. More active and earlier educational interventions, for example, may be more successful where there is a risk of long-term poverty, while temporary, targeted income supports may be a better solution when a short spell of poverty is the norm, perhaps in response to a specific life transition.

Finally, as noted by Uppal and Facette, there are protective factors that are correlated with a lower persistence of low income – higher education being the most obvious. While Canada has seen a significant growth in post-secondary participation in recent decades, comparatively little attention is being paid to closing stubborn access gaps correlated with demographic and socio-economic factors. It is time for governments in Canada to redouble their efforts at promoting educational equity from preschool to post-secondary.

2. Make longitudinal poverty analysis a permanent part of Canada's poverty analysis toolkit

Longitudinal analysis is not part of the standard poverty data toolkit in Canada, despite its clear value when used in conjunction with annual snapshot data. The linking of census and LAD data is a welcome development in the study of longitudinal low income in Canada because it restores some of what was lost with

the SLID. Nevertheless, the absence of data on those who do not file taxes annually is a critical gap. With progress on automatic tax filing moving at extremely slow pace, Employment and Social Development Canada should work with Statistics Canada to address this data gap on a priority basis and include regular reporting of longitudinal poverty metrics as part of Canada's Dimensions of Poverty Hub.

3. Further research on longitudinal poverty should examine sources of income, depth of poverty, longer time horizons, and the impact of pandemic benefits

The study by Uppal and Facette has updated our understanding of longitudinal low income in several important ways, but it leaves out important lines of inquiry that have been examined in the past and deserve another look. Two of these are the impact that a family's primary sources of income has on their experience of poverty, and the relationship between depth of poverty and persistence in poverty.

A third topic worth exploring, if the data can be obtained, is the persistence of poverty over a full lifespan. This would allow researchers to investigate, for example, the effect that experiencing poverty as a child has on a person's likelihood of experiencing poverty as an adult.

Finally, the income security investments that were made during the COVID-19 pandemic had a significant, temporary impact on poverty in Canada. To inform future poverty reduction efforts, it would be worth a deeper longitudinal analysis of this natural experiment to understand the impacts it had on poverty persistence.

Appendix

Table 3: Proportion of individuals (%) below the low-income measure by age and economic family type, 2016

Economic family type	Age							
	Below 18	18 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75 and older
Couple with children	13.2	15.2	11.2	8.0	6.8	9.5	18.0	25.2
Couple without children	F	15.8	6.2	6.7	7.1	7.1	3.7	4.5
Lone parent	43.7	39.8	33.4	26.8	21.7	23.4	22.0	20.2
Male lone parent	31.5	25.8	22.0	18.3	16.4	19.1	17.5	16.9
Female lone parent	46.8	43.5	35.8	28.7	23.2	24.9	23.4	21.0
Unattached ¹	50.3	29.7	15.7	19.3	24.9	29.4	21.1	16.1
Other ²	F	36.2	19.0	24.4	34.9	38.2	25.9	24.1

Data source: Linked data from the 2016 Census and 2016 Longitudinal Administrative Databank.

Notes: F = too unreliable to be published.

¹Unattached refers to persons who do not live in an economic family. They include persons living alone or persons living with people, none of whom are related to them by blood, marriage, common-law union, adoption or a foster relationship.

²Includes families where the reference person does not have a married spouse or common-law partner, nor a child in the family, but only other relatives (e.g., siblings or relatives living together).

Table 4: Proportion of individuals (%) below the low-income measure by highest level of education and occupation category, 2016

Occupation category	Highest level of education			
	No certificate, diploma or degree	High school diploma or equivalent	Post-secondary below university	University degree
Management	11.5	6.7	5.4	3.9
Business, finance and administration	7.6	4.7	3.7	3.5
Natural and applied sciences and related	8.3	5.2	2.5	2.4
Health	10.1	7.1	3.8	2.2
Education, law and social, community, and government services	19.6	11.1	6.1	3.6
Art, culture, recreation, and sport	21.1	15.1	10.8	10.3
Sales and service	17.9	15.0	11.8	11.3
Trades, transportation, and equipment operators and related	9.2	7.7	4.8	10.8
Natural resources, agriculture, and related production	14.6	10.8	7.5	9.0
Manufacturing and utilities	7.6	5.5	4.0	5.7

Data source: Linked data from the 2016 Census and 2016 Longitudinal Administrative Databank.

Table 5: Proportion of individuals (%) below the low-income measure by highest level of education and activity limitation status, 2016

Activity limitation status	Highest level of education			
	No certificate, diploma or degree	High school diploma or equivalent	Post-secondary below university	University degree
Yes	27.8	18.6	12.9	9.2
Yes, always	32.0	22.0	16.1	10.6
Yes, often	29.9	21.1	14.8	11.2
Yes, sometimes	22.5	15.3	10.1	7.9
No	20.3	13.3	7.9	7.4

Data source: Linked data from the 2016 Census and 2016 Longitudinal Administrative Databank.

Table 6: Proportion of individuals (%) who exited low income in 2017, by age and economic family type in 2016

Economic family type	Age							
	Below 18	18 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75 and older
Couple with children	32.5	38.8	41.3	39.5	37.4	29.7	20.1	12.1
Couple without children	F	45.1	45.6	35.9	29.1	33.5	40.9	31.0
Male lone parent family	37.7	35.9	38.2	27.3	25.4	24.8	24.5	19.8
Female lone parent family	22.9	27.4	27.5	27.6	24.5	20.8	20.5	15.7
Unattached ¹	F	40.3	38.9	24.7	16.0	16.4	19.1	12.8
Other ²	F	34.4	39.6	29.8	12.6	15.1	17.4	13.4

Data source: Linked data from the 2016 Census and 2016-2022 Longitudinal Administrative Databank.

Notes: includes only individuals for whom data were available for seven years.

F = too unreliable to be published.

¹ Unattached refers to persons who do not live in an economic family. They include persons living alone or persons living with people, none of whom are related to them by blood, marriage, common-law union, adoption or a foster relationship.

² Includes families where the reference person does not have a married spouse or common-law partner, nor a child in the family, but only other relatives (e.g., siblings or relatives living together).

Table 7: Proportion of individuals (%) who re-entered into low income in 2018 following an exit from low income in 2017, by age and economic family type in 2016

Economic family type	Age							
	Below 18	18 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75 and older
Couple with children	15.8	14.7	16.9	18.3	18.0	24.2	38.4	51.5
Couple without children	F	14.2	12.0	15.3	19.2	18.7	21.3	21.0
Male lone parent family	F	20.5	21.7	F	F	F	F	F
Female lone parent family	20.7	21.2	23.0	25.1	25.3	27.3	34.0	32.5
Unattached ¹	F	14.4	13.3	18.8	22.7	28.4	36.2	30.7
Other ²	F	F	F	F	F	F	F	F

Data source: Linked data from the 2016 Census and 2016-2022 Longitudinal Administrative Databank.

Notes: includes only individuals for whom data were available for seven years.

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¹Unattached refers to persons who do not live in an economic family. They include persons living alone or persons living with people, none of whom are related to them by blood, marriage, common-law union, adoption or a foster relationship.

²Includes families where the reference person does not have a married spouse or common-law partner, nor a child in the family, but only other relatives (e.g., siblings or relatives living together).

Table 8: Proportion of individuals (%) who re-entered into low income in 2018 following an exit from low income in 2017, by highest level of education and activity limitation status in 2016

Activity limitation status	Highest level of education			
	No certificate, diploma or degree	High school diploma or equivalent	Post-secondary below university	University degree
Yes	30.6	23.0	22.4	18.2
Yes, always	32.3	25.3	24.8	18.5
Yes, often	33.1	24.3	24.2	20.0
Yes, sometimes	27.7	20.7	19.9	17.5
No	26.1	18.9	17.3	14.0

Data source: Linked data from the 2016 Census and 2016-2022 Longitudinal Administrative Databank.



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