2025 Report Card on Child and Family Poverty in Canada

Investing in Tomorrow: A Future Without Poverty

Land Acknowledgement

Campaign 2000 acknowledges the traditional and ancestral territories we work on and commit to actions of reconciliation in our work. We acknowledge the inherent rights of First Nations, Inuit and Métis Peoples and the treaty rights, title and jurisdiction of all First Nations, Inuit and Métis Peoples across the country. We will continue to join with First Nations, Inuit and Métis Peoples in the work of decolonization and to advocate for the changes needed to uphold rights, and to build a society based on equity, justice, respect and self-determination where all communities can thrive.

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Campaign 2000: End Child and Family Poverty in Canada is a non-partisan, pan-Canada coalition of over 120 national, provincial, territorial and community organizations committed to working together to end child and family poverty. Please visit https://www.campaign2000.ca for more information, to download our publications and to become a member. For hard copies of publications, call 416-595-9230 x250.

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Table of Contents

Executive Summary

Twenty-five years after Canada's goal to eliminate child poverty, progress is not only stalling but also reversing. Drawing on the most recent publicly available data, the annual 2025 Child and Family Poverty Report Card found that poverty rose for the **third consecutive year**, with nearly 30,000 additional children falling into poverty. Rates are now approaching levels last seen in 2017, signalling an erosion of the gains made after the introduction of the Canada Child Benefit in 2016. **At the current pace of progress, ending child poverty would take nearly 400 years.**

Key national trends

- According to the official poverty measure (MBM), child poverty has more than doubled since 2020 to 10.7% (802,000 children).
- Using the broader Census Family Low Income Measure, After Tax (CFLIM-AT), 18.3% of children, nearly 1.4 million, lived in poverty.
- 2.5 million children in the provinces lived in food-insecure households. The number of children in severely food-insecure households doubled between 2019 and 2023.

Poverty is unevenly distributed and disproportionately experienced by marginalized groups

- Nearly 1 in 5 children under six live in poverty.
- Poverty rates were highest in Nunavut, followed by Saskatchewan and Manitoba.
- 45.2% of children in lone-parent families live in poverty, compared to 10.1% of children in couple families.
- Nearly all children under 18 years of age who do not live in families live in poverty (99%).
- More than half of children living on reserve were in poverty in 2023.

Poverty is deepening while income increases for the richest families

- Depth of poverty surged in 2023. Families with children were $15,182 below the low income threshold on average, with the gap widest for lone-parent families with two children at $16,859.
- More than 1.2 million adults (6.8%) were living in working poverty, meaning their wages alone were not enough to lift them above the low income threshold. Without government supports, nearly one third of children would be living in poverty based market income alone.
- At the same time, income inequality among families with children widened. The top 10% of families with children had an after tax income of nearly 19 times more than the bottom 10% of families with children, larger than in previous years.

Supports are failing children and families in low income

- The Canada Child Benefit remained a cornerstone of poverty reduction, protecting more than 580,000 of children from falling into poverty in 2023.
- However, the poverty reduction effect of the CCB has weakened since it's implementation, with 2023 posting the lowest poverty reduction protection since the first full year of implementation in 2017.
- Inflation and high costs of housing and food further eroded the purchasing power for families in low income.
- Although an estimated 900,000 parents are benefiting from the new Canada Wide Early Learning and Child Care system, low income families facing barriers are being left out.
- Youth exiting the child welfare system with few or no transition supports and are more likely to experience homelessness, poverty, social isolation and mental health challenges.

A path forward is achievable by investing in tomorrow

The evidence is clear: child poverty is not inevitable. It does not need to remain a persistent hallmark of society. Pandemic-era income supports demonstrated that poverty can be reduced quickly and at scale when governments act decisively. Variations across jurisdictions illustrate that policy choices matter. Reversing current trends will require moving beyond incremental change toward a coordinated, rights-based approach. The recommendations in this report card set out a clear and viable path to reducing child poverty in Canada by investing in our future.

National recommendations

- Strengthen the federal poverty reduction plan with a detailed action plan describing new and expanded programs, timelines and budgets to reduce, and eventually eliminate, poverty.
- Restore the effectiveness of the Canada Child Benefit with the new CCB End Poverty Supplement.
- Protect families from market failures by investing in public expansion of childcare, housing, health and mental health care.
- Ensure wages and benefits work together to lift all families above the low income threshold.
- Address systemic discrimination in poverty reduction initiatives. Ensure income benefits and public services are available, accessible, and meeting the needs of diverse and systemically marginalized families.
- Reduce income and wealth inequalities by ensuring the tax system is sufficiently progressive to support income adequacy and equity.

Introduction

Child and family poverty remains one of the most pressing challenges in Canada. Despite the country's economic capacity, too many children continue to grow up without the resources required for healthy development, stable housing and full participation in their communities. Poverty in childhood is linked to poorer physical and mental health outcomes, lower educational attainment and reduced economic security over the life course, making it both a social injustice and a long term societal cost.

Using the most recent data available, the 2025 Child and Family Poverty Report Card, Investing in Tomorrow: A Future Without Poverty, found that 6.5 million people in Canada live in poverty, nearly 1.4 million who are children under the age of 18 in 2023. This marked the third consecutive increase in the national child poverty rate and a return to pre-pandemic levels. Not only were more children falling into poverty, but they were falling into deeper poverty. This means their families had less income to meet daily basic needs.

At the same time, income inequality rose. Families with children in the top 10% had an average after tax income that was 19 times higher than that those in the bottom 10%. This gap has been widening steadily since the pandemic.

In 1989, the federal government unanimously resolved to end child poverty by the year 2000. It is now twenty-five years past that goal and still child poverty persists in large numbers across the country, with families from marginalized groups facing much higher poverty rates.

Important investments have been made into the Canada Child Benefit, the Canada Wide Early Learning and Child Care system, pharmacare, dental care and housing. However, these have not been sufficient in scale or scope to meet the level of need. Continued underinvestment in social infrastructure is compromising our ability to protect children, support families and build a resilient economy, particularly in an era of economic and social uncertainty.

The 56 recommendations in this report card provide a clear plan of action for federal policy makers to advance equity, dignity and inclusion, grounded in the principle that every child has the right to an adequate standard of living and equal opportunity. It is accompanied by provincial and territorial report cards, as ending child and family poverty requires coordinated action.

Reducing child and family poverty is both possible and necessary. Policy choices made today will shape children's futures for decades to come.

Poverty measurement

This report card primarily presents poverty data using the Census Family Low Income Measure, After Tax (CFLIM-AT). Data for this measure are derived from annual income tax returns using the T1 Family File (T1FF), a comprehensive source that is updated annually. Poverty thresholds are calculated at the median (50%) income and adjusted for family size (see Table 1). Using the after-tax component accounts for taxes paid and income benefits received. Individuals or families whose income falls below the median for their family size are considered to be living in poverty.

The CFLIM-AT is a relative measure of poverty, comparing the circumstances of those living in poverty to the rest of society. It considers not only whether individuals can meet basic needs but also whether they have resources to participate fully in society. Low-income measures are transparent, clearly defined and widely recognized as an international standard for poverty measurement.

The Market Basket Measure (MBM) is Canada's Official Poverty Line and is a consumption-based measure. Poverty thresholds are determined by the cost of a basket of goods and services that a reference family of four needs for a "modest" or "basic" standard of living.[1] The basket includes five components: shelter, food, clothing, transportation, and "other" essentials such as cell and internet services, reading materials, personal care products and children's toys. Costs vary by geography and population size, and thresholds are adjusted for family size. Families whose disposable income cannot cover the cost of their regional basket are considered to be living in poverty under this measure. Fifty-three baskets have been costed across the provinces.

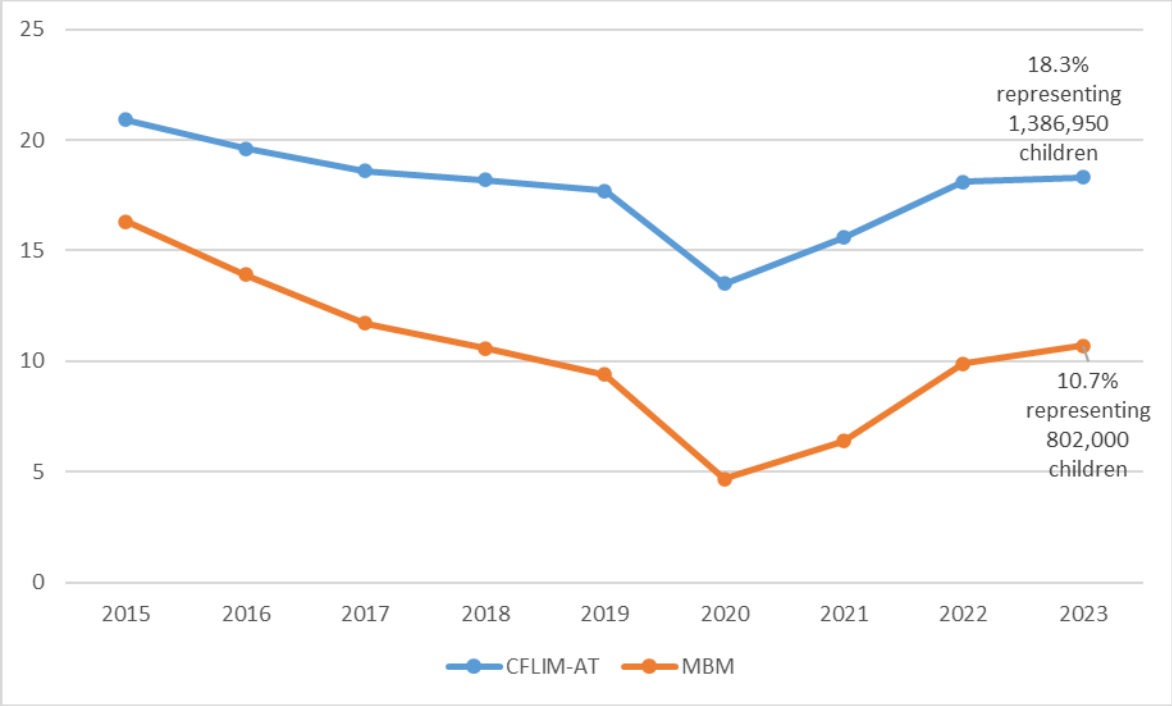
The Market Basket Measure-North (MBM-N) adapts the MBM for the Yukon, Northwest Territories and Nunavut where living costs are significantly higher. The MBM-N for Nunavut includes the Inuusiqattiarniq component, which estimates costs associated with preserving Inuit knowledge, culture, traditions, and ways of life and is based on a reference family of five. Thirteen baskets have been costed across the territories.

Child poverty rates are not available for the territories using MBM-N. National MBM rates are calculated using provincial data only, which is one reason Campaign 2000 relies on CFLIM-AT.

It is important to note that **child poverty has more than doubled according to Canada's Official Poverty Line (MBM)**. According to MBM, 10.7% of children across the provinces lived in poverty, representing 802,000 children, an increase of 128% from 2020 when the child poverty rate was 4.7%.

A more inclusive and relative measure, CFLIM-AT reports higher numbers and rates. In 2023, 18.3% of children lived in poverty, representing 1,386,950 children.

Figure 1. Number and percent of children in poverty, MBM and CFLIM-AT, Canada, 2015 to 2023



Source: CFLIM-AT data: Statistics Canada. Table 11-10-0018-01 After-tax low income status of tax filers and dependants based on Census Family Low Income Measure (CFLIM-AT), by family type and family type composition.

MBM data: Statistics Canada. Table 11-10-0093-01 Poverty and low-income statistics by selected demographic characteristics.

Table 1. Census Family Low Income Measure, After Tax (CFLIM-AT) thresholds by family size, 2023

Number of family members	Dollar amount
1	26,442
2	37,395
3	45,799
4	52,884
5	59,126
6	64,769
7	69,959
8	74,789
9	79,326
10	83,617

Source: Statistics Canada. (2025). Technical Reference Guide for the Annual Income Estimates for Census Families, Individuals and Seniors. T1 Family File, Final Estimates, 2023, Table F.

Child and family poverty by the numbers

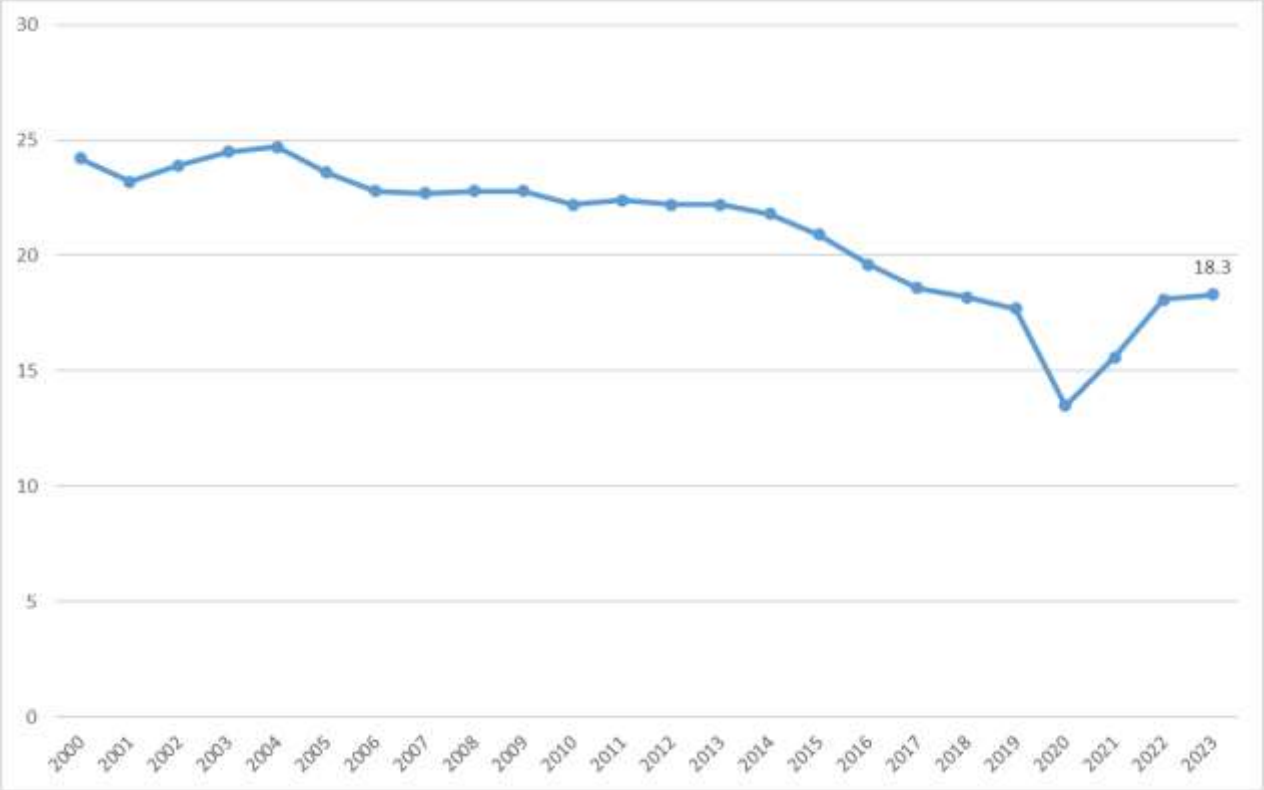
Child poverty rose for the third consecutive year

Child poverty continued to rise in 2023, with 18.3% of children in Canada living in poverty, a small but significant increase of 0.2 percentage points from 2022. Although the annual change appears minimal, it represents nearly 30,000 more children pushed into poverty, bringing the total number of children living in poverty to 1,386,950.

This marks the third consecutive year of increases, following sharp rises in 2021 and 2022. These increases stand in contrast to 2020, when expanded federal pandemic benefits temporarily reduced child poverty to 13.5%, the lowest level on record and the first time the number of children in poverty fell below one million.

Despite brief progress, child poverty has now climbed well above pre-pandemic levels. In 2019, 17.7% of children (1,313,400 children) lived in poverty. The current rate is also approaching levels last seen in 2017, signalling an erosion of the gains made after the introduction of the Canada Child Benefit in 2016.

Figure 2. Percent of children in low income, Canada, under 18, 2000 to 2023



Source: Statistics Canada. (2025). T1 Family File. Table 11-10-0018-01 After-tax low income status of tax filers and dependants based on Census Family Low Income Measure (CFLIM-AT), by family type and family type composition.

Figure 3. Number of children in low income, Canada, under 18, 2000 to 2023

Source: Statistics Canada. (2025). T1 Family File. Table 11-10-0018-01 After-tax low income status of tax filers and dependants based on Census Family Low Income Measure (CFLIM-AT), by family type and family type composition.

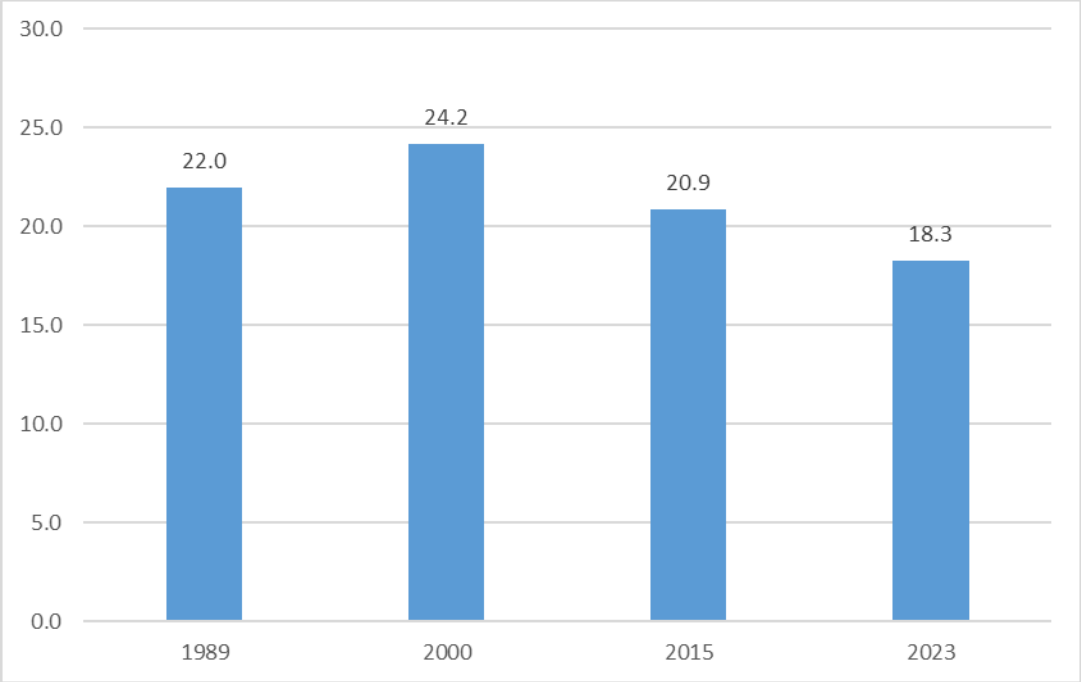
Incremental progress insufficient to meet the needs of children

After more than three decades of national commitments, Canada has made only limited progress in reducing child poverty. When Parliament pledged in 1989 to eliminate child poverty by the year 2000, 22% of children lived in poverty. By 2000, the rate had instead risen to 24.2%.

Some improvement has occurred since then. By 2015, the baseline year for the Federal Poverty Reduction Strategy, the child poverty rate had declined to 20.9%. In 2023, 18.3% of children were living in low income, demonstrating that poverty remains widespread and persistent.

It would take nearly 400 years to eliminate child poverty in Canada at this rate of change. This trajectory underscores a substantial gap between federal commitments and actual outcomes. **Incremental change is not sufficient to achieve the goals of the Federal Poverty Reduction Strategy or to ensure that children and families have the income supports they need today.** Rather, robust, sustained and structural action is required if governments are to reverse current trends and make meaningful progress towards ending child and family poverty.

Figure 4. Percent of children living in low income, Canada, 1989 to 2023



Source: Statistics Canada. (2025). T1 Family File. Table 11-10-0018-01 After-tax low income status of tax filers and dependants based on Census Family Low Income Measure (CFLIM-AT), by family type and family type composition.

Child poverty by province and territory

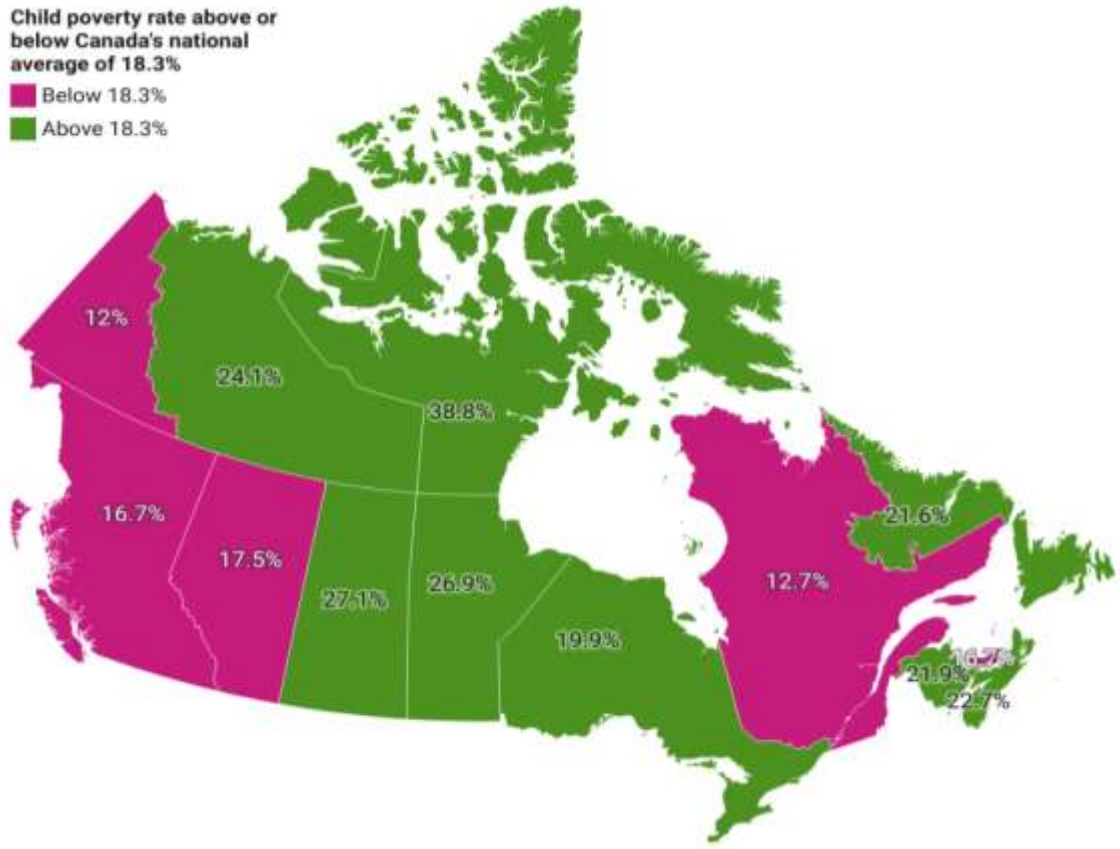
Provincial and territorial governments play essential roles in poverty eradication and realizing the right to social and economic security. Variation of child poverty rates can be attributed to differences in provincial and territorial programming and policies. The federal government sets national targets and implements major programs such as the Canada Child Benefit, while provinces have jurisdiction over crucial areas including social assistance, minimum wage, child care, housing and health care. Compendium Campaign 2000 report cards are available for most provinces and territories.[1]

Nunavut continued to have the highest child poverty rate in the country, with 38.8% of children under 18 living in poverty. Northwest Territories (24.1%) also had a significantly higher rate than the national average. Among the provinces, Saskatchewan (27.1%) and Manitoba (26.9%) recorded the highest child poverty rates. Nova Scotia (22.7%), New Brunswick (21.9%), and Newfoundland and Labrador (21.6%) all exceeded the national rate. Ontario (19.9%), home to the largest number of children, remained above the national average.

[1] See www.campaign2000.ca for the suite of provincial, territorial and regional report cards.

Quebec (12.7%) had the lowest child poverty rate among the provinces, well below the national average. Yukon (12.0%) reported the lowest rate of all the provinces and territories. Prince Edward Island (16.7%), British Columbia (16.7%), and Alberta (17.5%) were below the national average, but still had nearly 1 in 6 children living in poverty.

Figure 5. Child poverty rates by province and territory, under 18, 2023



Source: Statistics Canada. (2025). T1 Family File. Table 11-10-0018-01 After-tax low income status of tax filers and dependants based on Census Family Low Income Measure (CFLIM-AT), by family type and family type composition.

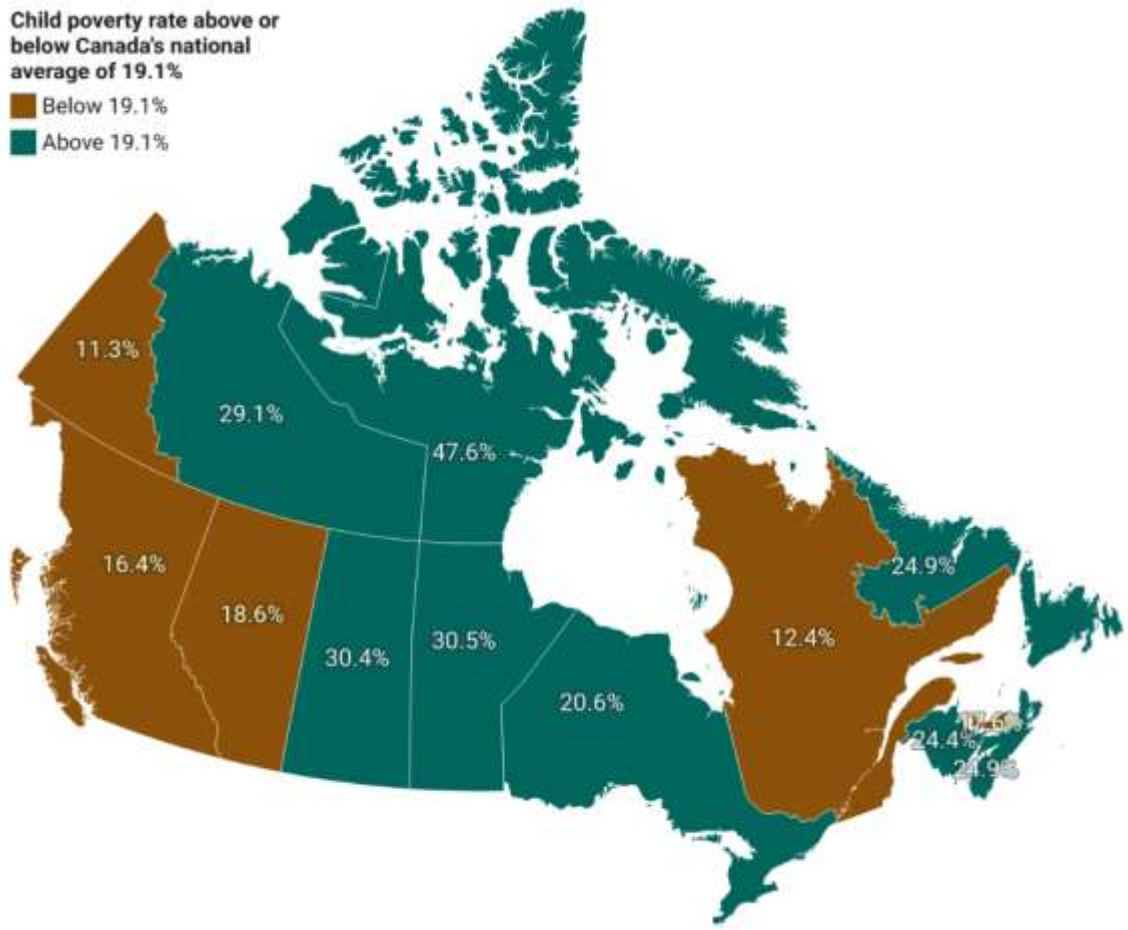
Rates of child poverty tend to be higher for children under 6 years of age. This is a significant concern as poverty for this younger demographic is strongly correlated with significant negative health outcomes that can persist throughout a child's life.[2] Research indicates that the first few years of life are a critical period of rapid development, making young children uniquely vulnerable to the effects of poverty and deprivation.[3] In 2023, **19.1% of all children under 6 lived in poverty, or 1 in 5 nationwide**, representing 431,740 children. This was a slight increase

of 0.2 of a percentage point, the same trend as the national under 18 rates, and representing an increase of 3,000 more children under 6 being pushed into poverty.

Nunavut had the highest rate by far, with 47.6% or nearly 1 in 2 children under 6 living in poverty, which was two and a half times the national average. Child poverty rates were well above the national rate in Manitoba (30.4%), Saskatchewan (30.3%), and the Northwest Territories (29.1%). Several provinces also recorded rates above the national average, including Newfoundland and Labrador (24.9%), Nova Scotia (24.9%), New Brunswick (24.4%), Ontario (20.6%).

Yukon (11.3%), Quebec (12.4%), Alberta (18.6%), Prince Edward Island (17.6%), British Columbia (16.4%) all had lower rates below the national average for children under 6.

Figure 6. Child poverty rates by province and territory, under 6, 2023



Source: Statistics Canada. (2025). Centre of Income and Socioeconomic Well-Being Statistics, Annual Income Estimates for Census Families and Individuals (T1 Family File), Custom Tabulation.

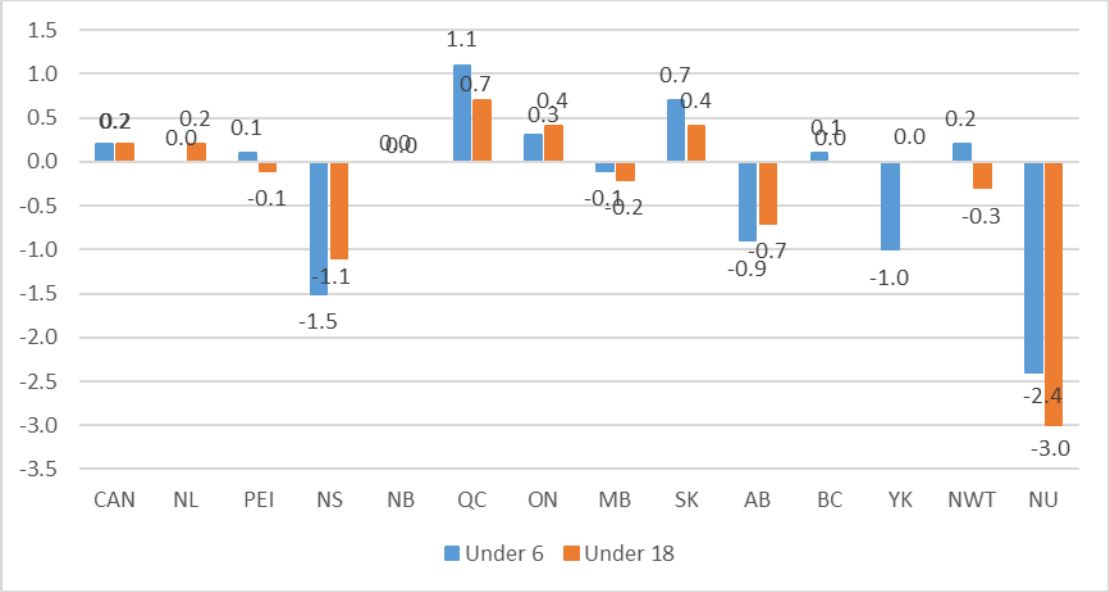
Percentage point change in child poverty rates, 2022 to 2023

The slight increase in the national child poverty rate masks variation and larger movements in the provinces and territories. Quebec recorded the largest annual increase in child poverty rates for both age groups, with rates rising by 1.1 percentage points for children under 6 and 0.7 percentage points for children under 18. Saskatchewan and Ontario also experienced increases above the national average for both age groups.

Nunavut saw the largest decreases, with child poverty declining by 2.4 percentage points among children under 6 and 3 percentage points among children under 18. Despite this improvement, rates in Nunavut remained the highest in the country due to its very high baseline. Reductions were also recorded in Nova Scotia, Yukon (under 6 only), Alberta and Manitoba. In several jurisdictions (Nova Scotia, Quebec, Saskatchewan, Alberta, British Columbia and Yukon) the movements were more pronounced for children under 6.

Overall, the mixed pattern of increases and decreases showed that progress on reducing poverty for children was uneven and fragile, with gains in some regions offset by setbacks in others.

Figure 7. Percentage point change in child poverty rates, Canada, Provinces and Territories under 18 and under 6, 2022 to 2023



Source: Statistics Canada. (2025). T1 Family File. Table 11-10-0018-01 After-tax low income status of tax filers and dependants based on Census Family Low Income Measure (CFLIM-AT), by family type and family type composition.

Source: Statistics Canada. (2025). Centre of Income and Socioeconomic Well-Being Statistics, Annual Income Estimates for Census Families and Individuals (T1 Family File), Custom Tabulation.

Aggregate Yukon rates mask high poverty in rural and First Nations communities

While territorial-level data show that child poverty rates are relatively lower in the Yukon than compared to the rest of Canada, available disaggregated data highlight the substantially higher rates of poverty experienced by those in communities outside of Whitehorse. This is largely due to the fact that more than 70% of Yukoners reside in Whitehorse, where there are higher average incomes, more stable labour markets and greater access to health and social services contribute to a much lower poverty rate in the community. However, disaggregated data and recent poverty assessments consistently show that poverty in the Yukon is unevenly distributed, with the most acute effects being experienced by those living in rural and remote communities, Indigenous Peoples, and lone-parent households with children.

The Yukon Child and Family Poverty Report Cards[4] emphasize that Indigenous Peoples in the territory's 14 First Nations, 11 of which are self-governing, experience disproportionately higher levels of poverty driven by persistent challenges related to effects of historic and ongoing colonialism that manifest structurally in housing shortages, overcrowding, food insecurity, limited employment opportunities, wage discrimination[5] and inequal access to health and social services. When poverty statistics are aggregated at the territorial or federal riding scale, the comparatively stronger socioeconomic conditions in Whitehorse dilute the breadth of poverty experienced in communities such as Old Crow, Pelly Crossing, Carmacks and Burwash Landing, where high living costs, inadequate housing, constrained service access, and a lack of government transfers to individuals that reflect regional differences in the cost of living intensify economic hardship.[6]

The Yukon Poverty Report Card highlights that the consequences of poverty are "disproportionately experienced by Indigenous Peoples and children and youth, particularly those living in lone-parent households" noting that income insecurity, food insecurity, and housing precarity remain most severe outside the territory's urban centre.[7] Recent federal consultations in the Yukon similarly highlight that rural and First Nations families face the greatest barriers to accessing benefits and social services, further widening disparities that are not visible in high-level indicators.[8]

As a result, Yukon-level and riding-level indicators can give the false impression of comparatively low child poverty and fail to reflect persistent, structurally driven inequities experienced by Indigenous Peoples and those living in rural and remote communities. More granular, community-level data and additional indicators of poverty and well-being that are co-developed with Indigenous Peoples are therefore essential to accurately assess child poverty and well-being and enable the targeting of poverty-reduction resources to where they are most urgently needed.

Child Poverty in Large Urban Centres and Federal Electoral Districts

Large urban centres[2] tend to have high concentrations of poverty. The top ten large urban centres each had child poverty rates of 20% or more. Among these, Windsor (23.7%), Saint John (22.3%), Saskatoon (22.3%), St. Catharines - Niagara (22.1%) and Regina (22.1%) had the highest rates of child poverty. Quebec (8.7%), Saguenay (8.8%), Sherbrooke (12.1%), Victoria (12.4%) and Drummondville (12.4%) had the lowest rates of child poverty.

Table 2. Child poverty rates in large urban centres, 2023

[2] Large urban centres are defined as those with a population of 100,000 or more, also known as Census Metropolitan Areas (CMAs).

Census Metropolitan Area (CMA)	Number	Rate
Windsor	20,690	23.7
Saint John	5,830	22.3
Saskatoon	17,750	22.3
St. Catharines - Niagara	18,050	22.1
Regina	13,480	22.1
London	25,350	22
Winnipeg	38,080	22
Toronto	259,700	21.7
Thunder Bay	4,550	21.4
Moncton	6,910	20.6
Brantford	7,090	20.1
Belleville - Quinte West	4,330	19.9
Fredericton	4,320	19.6
Halifax	16,770	18.9
St. John'S	7,400	18.7
Hamilton	28,630	18.3
Peterborough	4,170	18.1
Barrie	8,500	18
Edmonton	62,310	17.9
Chilliwack	4,710	17.7
Red Deer	4,110	17.6
Greater Sudbury	5,500	17.4
Oshawa	17,660	17.3
Nanaimo	3,470	17.3
Kitchener - Cambridge - Waterloo	21,430	17.2
Lethbridge	5,070	16.8
Kingston	4,880	16.6
Abbotsford - Mission	7,360	16.6
Vancouver	75,590	16.5
Ottawa - Gatineau (Ontario)	38,390	16.1
Calgary	58,380	15.9
Kelowna	5,990	15.6
Ottawa - Gatineau (Combined)	48,270	15.3
Guelph	4,700	13.9
Kamloops	2,880	13.6
Montréal	115,820	13.5
Trois-Rivières	3,950	13.3
Ottawa - Gatineau (Quebec)	9,880	12.7
Drummondville	2,830	12.6
Victoria	7,610	12.4
Sherbrooke	5,350	12.1
Saguenay	2,650	8.8
Québec	14,320	8.7

Source: Statistics Canada. (2025). After-tax low income status of tax filers and dependants based on Census Family Low Income Measure (CFLIM-AT), by family type and family type composition, 2022. Web Table 11-10-0018-01.

Disparities become even more pronounced when looking at smaller geographic scales. Desnethé-Missinippi-Churchill River (62.4%) in northern Saskatchewan remains the federal electoral district with the highest rate of child poverty, with two out of three children living in poverty. The rate of child poverty increased in this riding by 5.4 percentage points between 2022 and 2023.

Churchill-Keewatinook Aski, in northern Manitoba, had the second highest rate with 55.6% of children living in poverty. Winnipeg Centre recorded the third highest child poverty rate of 45.2%, underscoring the extent of deprivation concentrated in some urban and northern communities.

All three ridings have large First Nations populations. Their persistently high poverty rates are shaped by structural factors including a lack of essential infrastructure, limited employment opportunities and high cost of living. Systemic conditions and continued discrimination drive and sustain extremely high poverty levels across these regions for these populations.

Table 3. Federal electoral districts with the highest and lowest rates of child poverty, 2023

Ridings with the highest child poverty	Child poverty rate	Ridings with the lowest child poverty	Child poverty rate
Desnethé-Missinippi-Churchill River	62.4	Lévis-Lotbinière	5.2
Churchill-Keewatinook Aski	55.6	Montmorency-Charlevoix	5.6
Winnipeg Centre	45.2	Mont-Saint-Bruno-L'Acadie	5.8
Nunavut	38.8	Pierre-Boucher-Les Patriotes-Verchères	5.9
Battlefords-Lloydminster-Meadow Lake	38.2	Portneuf-Jacques-Cartier	6
Prince Albert	36.6	Beloeil-Chambly	6.9
Toronto Centre	35.7	Louis-Saint-Laurent-Akiawenhrahk	7.5
Humber River-Black Creek	35	Charlesbourg-Haute-Saint-Charlies	7.8
Windsor West	35	Beauce	8.1
Riding Mountain	34.9	Jonquière	8.1
Edmonton Griesbach	34.3	Marc-Aurèle-Fortin	8.3
Scarborough-Woburn	34.2	Repentigny	8.3
Saskatoon West	33.5	Terrebonne	8.4
Etobicoke North	33	Bellechasse-Les Etchemins-Lévis	8.7
Don Valley West	32.5	Thérèse-De Blainville	8.7
York South-Weston-Etobicoke	32.2	Carleton	8.7
Regina-Qu'Appelle	32	Vaudreuil	8.8
Edmonton Centre	31.9	Compton-Stanstead	8.9
Kenora-Kiiwetinoong	31.4	Mirabel	9
Sydney-Glace Bay	30.6	Côte-Du-Sud-Rivière-Du-Loup-Kataskomiq-Témiscouata	9.1

Source: Statistics Canada. (2025). After-tax low income status of tax filers and dependants based on Census Family Low Income Measure (CFLIM-AT), by family type and family type composition, 2022. Web Table 11-10-0018-01 (formerly CANSIM Table 111-0046).

Depth of poverty surged, families fell further behind

Depth of poverty provides critical insight into the severity of financial hardship experienced by families living below the low-income threshold. It measures how far below the poverty line families fall, expressed as the dollar gap between median after-tax income and the Census Family Low Income Measure (CFLIM-AT) poverty line. This after-tax measure accounts for all government transfers, including the Canada Child Benefit, making it a key indicator of income adequacy for families with the lowest incomes. The measure uses the median income of families in low income, representing the midpoint of the distribution. This means that half of all families living in poverty have incomes below this level, indicating that many experience poverty that is significantly deeper than what the median figure captures.

Similar to the child poverty rate, the share of families living in low income increased slightly to 14% in 2023, representing 853,900 families, an increase of 24,030 families (+0.1 percentage points) compared with 2022. However, the depth of poverty rose more substantially, increasing by $907 over that same period.

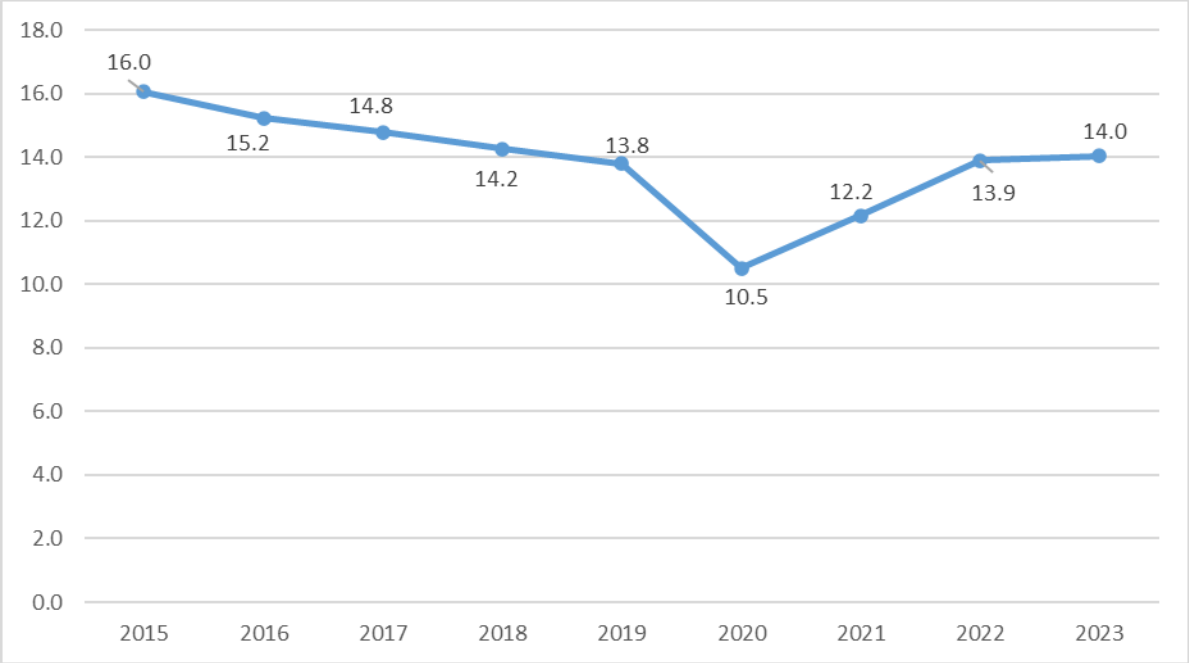
Since the pandemic, the depth of poverty has surged by nearly $4,500 .

Between 2015 and 2019, the average depth of poverty rose gradually from $10,050 to $11,709, indicating that even as child poverty rates declined modestly due to the introduction and uptake of the Canada Child Benefit in 2016 and 2017, families who remained in poverty were experiencing deeper economic hardship.

In 2020, the depth of poverty temporarily declined to $10,759, reflecting positive effects of pandemic-era income supports. After 2020, the depth of poverty rose sharply three years in a row, reaching $12,335 in 2021, $14,276 in 2022, and $15,182 in 2023.

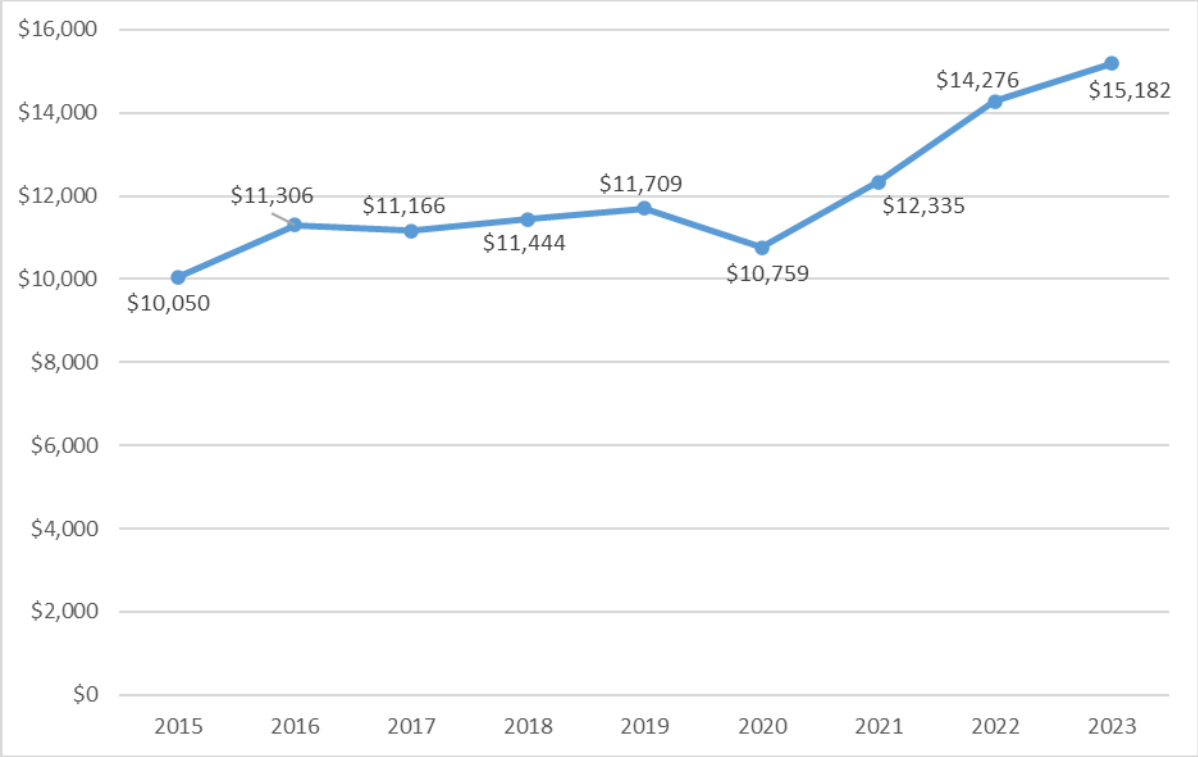
By 2023, the depth of poverty had reached the highest level, with families falling more than $15,000 below the poverty line on average, a sharp increase from earlier years, a clear sign that the federal poverty reduction strategy and programs are not meeting the needs of children.

Figure 8. Percent of families with children in low income, Canada, 2015 to 2023



Source: Statistics Canada. (2025). T1 Family File. Table: 11-10-0020-01 After-tax low income status of census families based on Census Family Low Income Measure (CFLIM-AT), by family type and family composition.

Figure 9. Average depth of poverty for all family types, Canada, 2015 to 2023



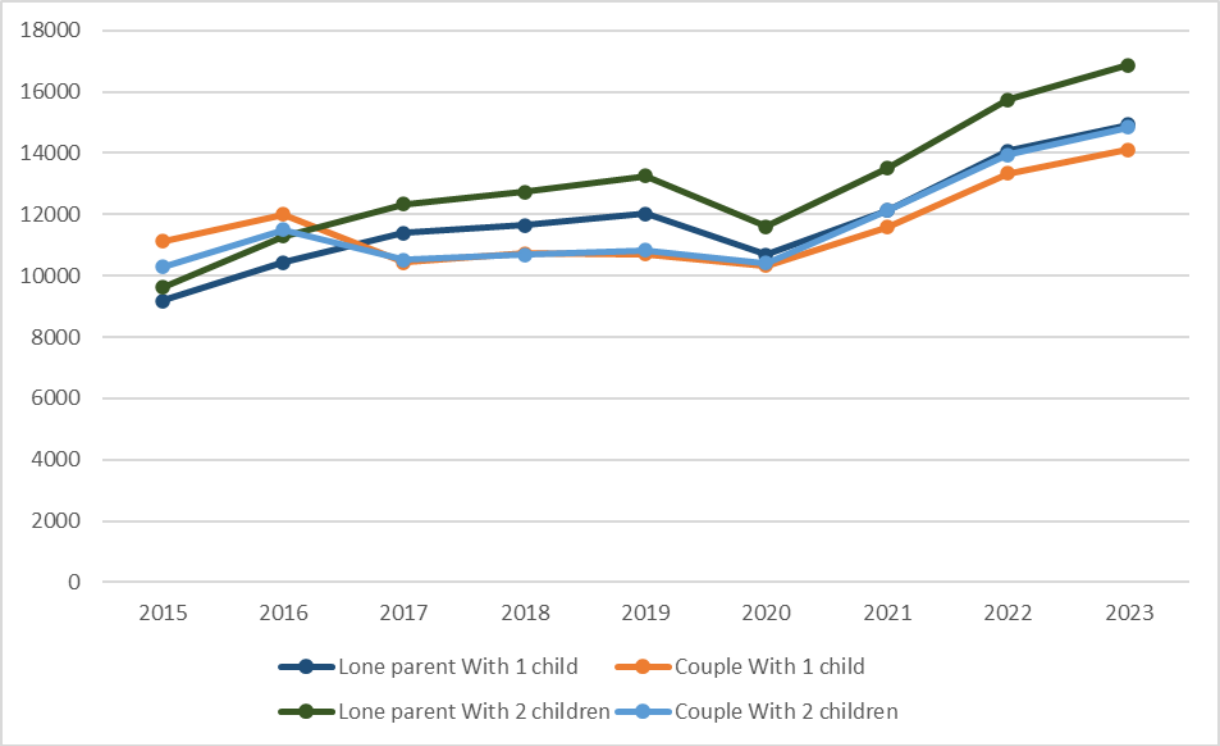
Sources: Statistics Canada. (2025). T1 Family File. Table: 11-10-0020-01 After-tax low income status of census families based on Census Family Low Income Measure (CFLIM-AT), by family type and family composition.

The depth of poverty has risen consistently across all family types since 2020, with particularly pronounced increases between 2021 and 2023. Lone-parent families with two children faced the most severe shortfall, with incomes falling nearly $17,000 below the poverty line. Lone-parent families with one child and couple families with children also experienced substantial deterioration, with poverty gaps reaching approximately $14,100 to $15,000 by 2023.

Although all family types saw a brief improvement in 2020 associated with temporary pandemic-related supports, these gains were short-lived. By 2023, every family type was confronting significantly deeper poverty than in the pre-pandemic period, with the most pronounced widening among families with two children.

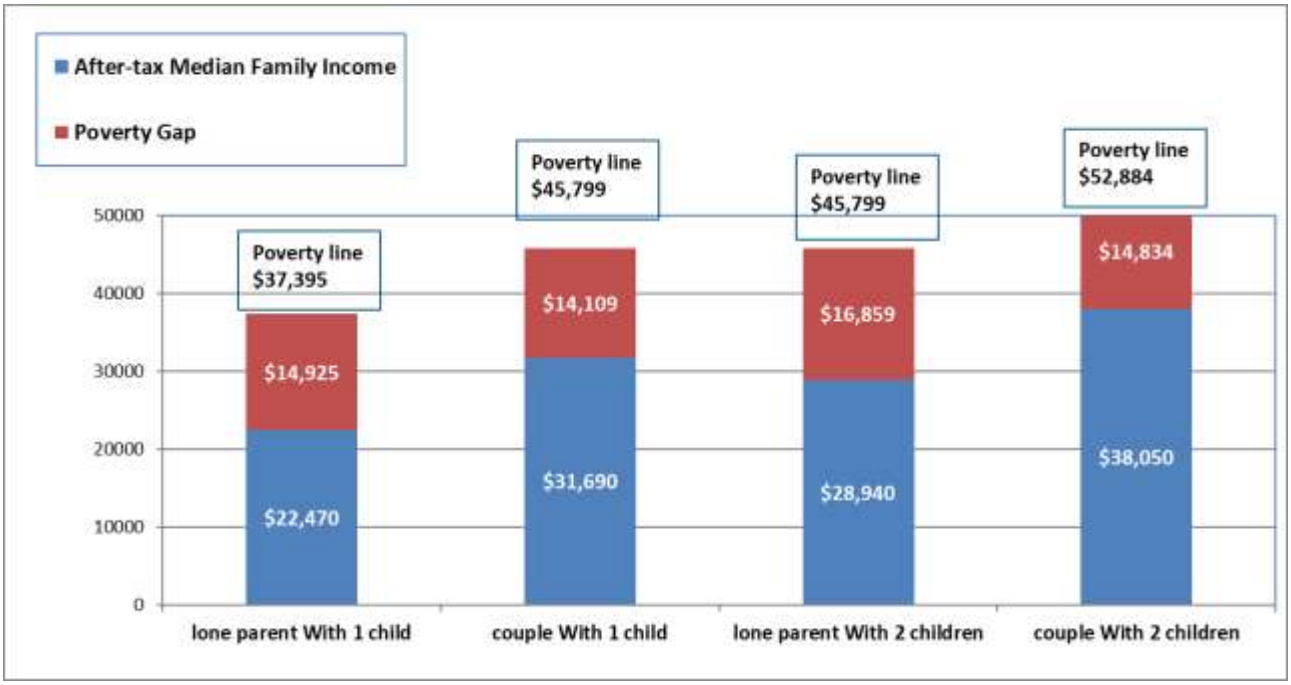
In April 2023, the federal minimum wage rose to $16.65 per hour. To close the poverty gap at this hourly wage, families in low income would need to work an additional 847 to 1,013 additional hours at, assuming no payroll deductions, to reach the low income thresholds for their family type.

Figure 10. Depth of poverty by family type, Canada, 2015 to 2023



Source: Statistics Canada. (2025). T1 Family File. Table: 11-10-0020-01 After-tax low income status of census families based on Census Family Low Income Measure (CFLIM-AT), by family type and family composition.

Figure 11. Depth of poverty by family type, Canada, 2023



Sources: Statistics Canada. (2025). T1 Family File. Table: 11-10-0020-01 After-tax low income status of census families based on Census Family Low Income Measure (CFLIM-AT), by family type and family composition.

Children without families face severe hardship

Children under 18 who do not live with families represent a highly vulnerable and marginalized group who are falling through the gaps in Canada's social safety net. Although they account for a relatively small number, approximately 52,000 children, or less than 4% of all children living in poverty, they experience disproportionately severe hardship. **Nearly 99% of children who are not part of a family unit live in poverty, with incomes more than 70% below the low-income gap ratio.** This level of deprivation constitutes a profound breach of Canada's obligations under the Convention on the Rights of the Child. Meeting these obligations requires urgent and substantial investment to ensure that children and youth without family care receive robust, publicly funded wraparound supports and services.

Lone-parent families face the next highest risk of child poverty. In 2023, 45.2% of children in lone-parent families lived in low income, representing 736,580 children, an increase of 4,980

more children in poverty compared to the previous year. Poverty in these households is also deeper than average, with a low-income gap ratio of 42%.

Children in couple families have the lowest rate of poverty (10.1%) but represent a large number of children. In 2023, 598,620 children in couple families lived in low income and had an average low income gap ratio of 33%.

Table 4. Children in low income by family type, Canada, 2023

	Number of persons in low income	Percentage of persons in low income	Average low-income gap ratio
All families	1,386,950	18.3	39.2
Couple families	598,620	10.1	33
Lone-parent families	736,580	45.2	42
Persons not in census families	51,750	98.7	71.2

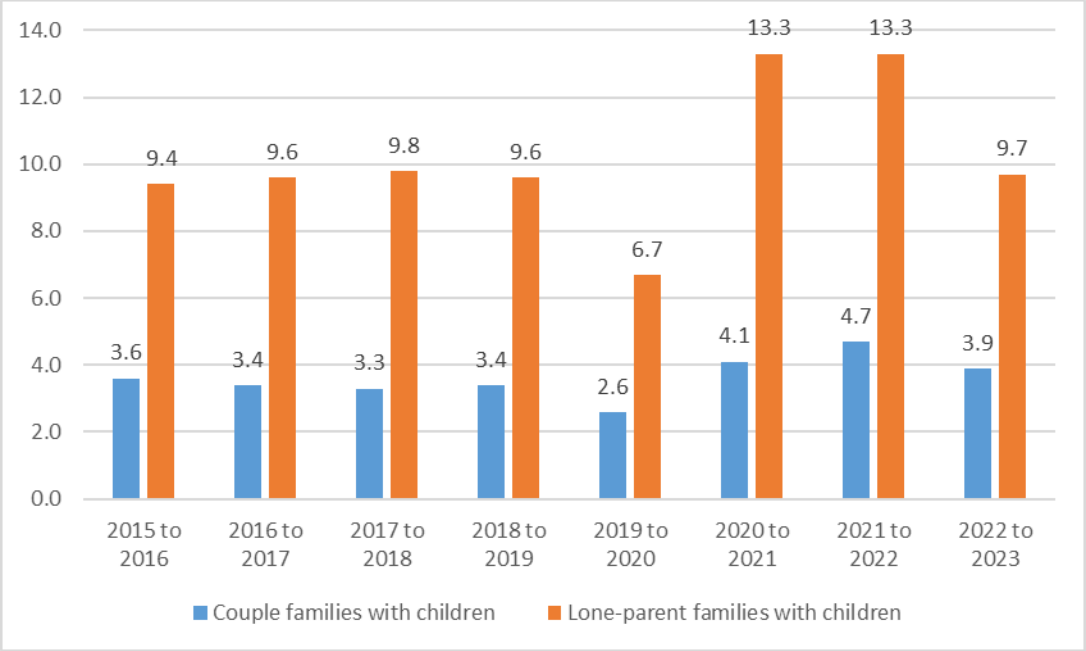
Source: Statistics Canada. (2025). T1 Family File. Table 11-10-0018-01 After-tax low income status of tax filers and dependants based on Census Family Low Income Measure (CFLIM-AT), by family type and family type composition.

Family types with children experience very different chances of both entering and exiting low income. From 2022 to 2023, **lone-parent families were two and a half times more likely to fall into poverty than couple families** (9.7% and 3.9% respectively). This disparity was even more pronounced in the two years following the pandemic, when lone parents were about three times more like to fall into poverty. Gains on protecting both family types from falling into poverty prior to the pandemic are eroding, with entry rates climbing higher than they were in 2019-2020.

Lone-parent families were less likely than couple families with children to exit low income. From 2022 to 2023, 40.5% of couple families moved out of low income compared to 24.2% of lone parent families.

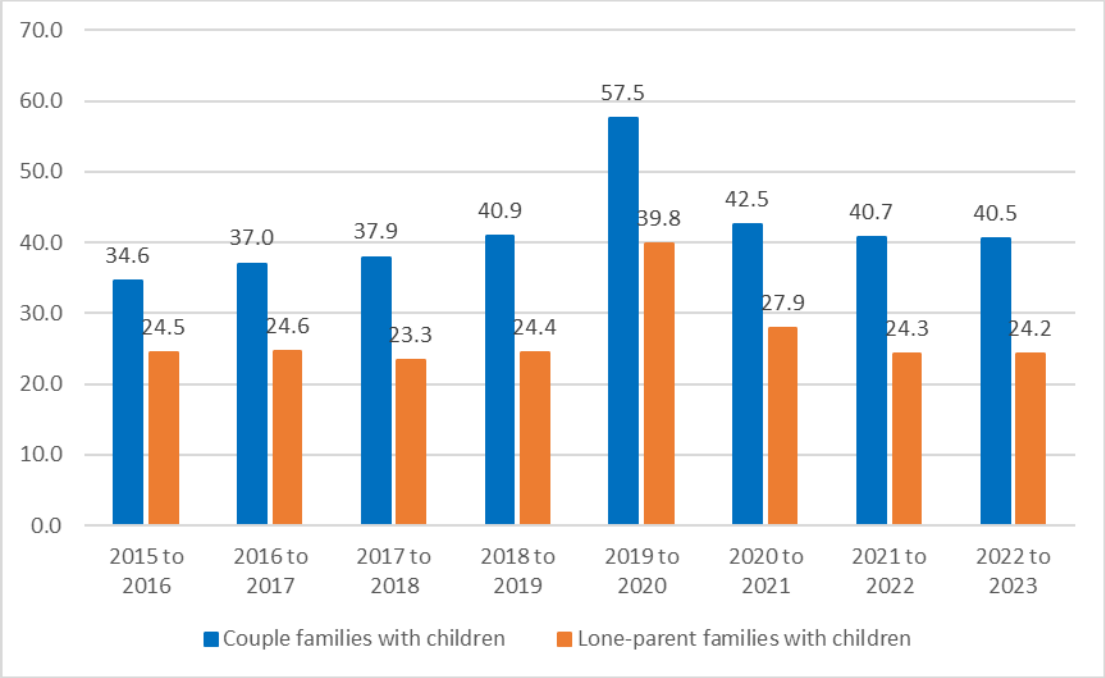
Temporary pandemic supports likely reduced both entry and exit pressures during the pandemic. Between 2019 to 2020, exit rates peaked (57.5% for couple families; 39.8% for lone-parent families), indicating that strong public supports can prevent families from falling into poverty and help them move out.

Figure 12. Low income entry rates of tax filers living in couple and lone-parent families with children, Canada, 2015-2023



Source: Statistics Canada. (2025). T1 Family File. Table: 11-10-0024-01 (formerly CANSIM 204-0101) Low income entry and exit rates of tax filers in Canada.

Figure 13. Low income exit rates of tax filers living in couple and lone-parent families with children, Canada, 2015-2023



Source: Statistics Canada. (2025). T1 Family File. Table: 11-10-0024-01 (formerly CANSIM 204-0101) Low income entry and exit rates of tax filers in Canada.

Children remain the age group most likely to live in poverty

Among age groups, children had the highest poverty rate at 18.3%, followed closely by working-age adults at 17.8%, while seniors had the lowest rate at 13.4%. In absolute terms, the number of working-age adults living in poverty is staggering, more than 4.2 million reflecting an increase of 327,000 individuals from 2022. Poverty among seniors declined for the second consecutive year. However, the fact that nearly one million seniors remain in poverty is a significant concern despite their comparatively lower rate.

Table 5. Number and percent of individuals in poverty by age group, Canada, 2023

Persons aged 0-17	Persons aged 18-64	Persons aged 65+
18.3	17.8	13.4
1,386,950	4,266,850	997,590

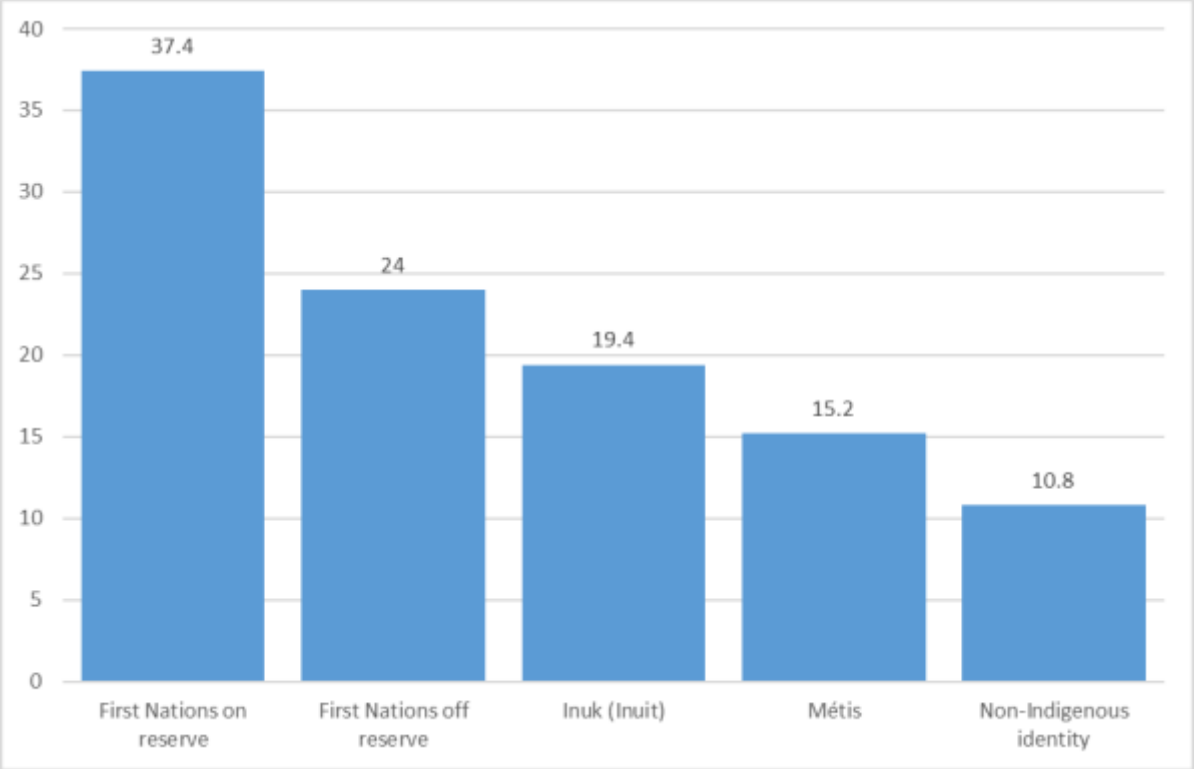
Source: Statistics Canada. (2025). T1 Family File. Table 11-10-0018-01 After-tax low income status of tax filers and dependants based on Census Family Low Income Measure (CFLIM-AT), by family type and family type composition.

Ending child poverty in First Nations, Inuit and Métis communities

The historic and ongoing harms of colonialism and systemic discrimination continue to negatively affect First Nations, Inuit and Métis children and their families. These harms are reflected in significantly disproportionate child poverty rates. In 2020, Census data showed that 23.7% of Indigenous children lived in poverty. This rate was likely temporarily reduced by emergency pandemic benefits, which had a historic poverty-reduction effect across the country. Since those benefits expired, poverty has been rising sharply. The next Census update will be in 2026, but interim data from the Canadian Income Survey shows poverty among Indigenous people aged 15 and older increased by 5 percentage points between 2020 and 2023.[9]

Census data highlights stark disparities: 37.4% of First Nations children living on reserve, 24% of First Nations children living off reserve, 19.4% of Inuit children and 15.2% of Métis children lived in poverty, compared to 10.8% of non-Indigenous children.

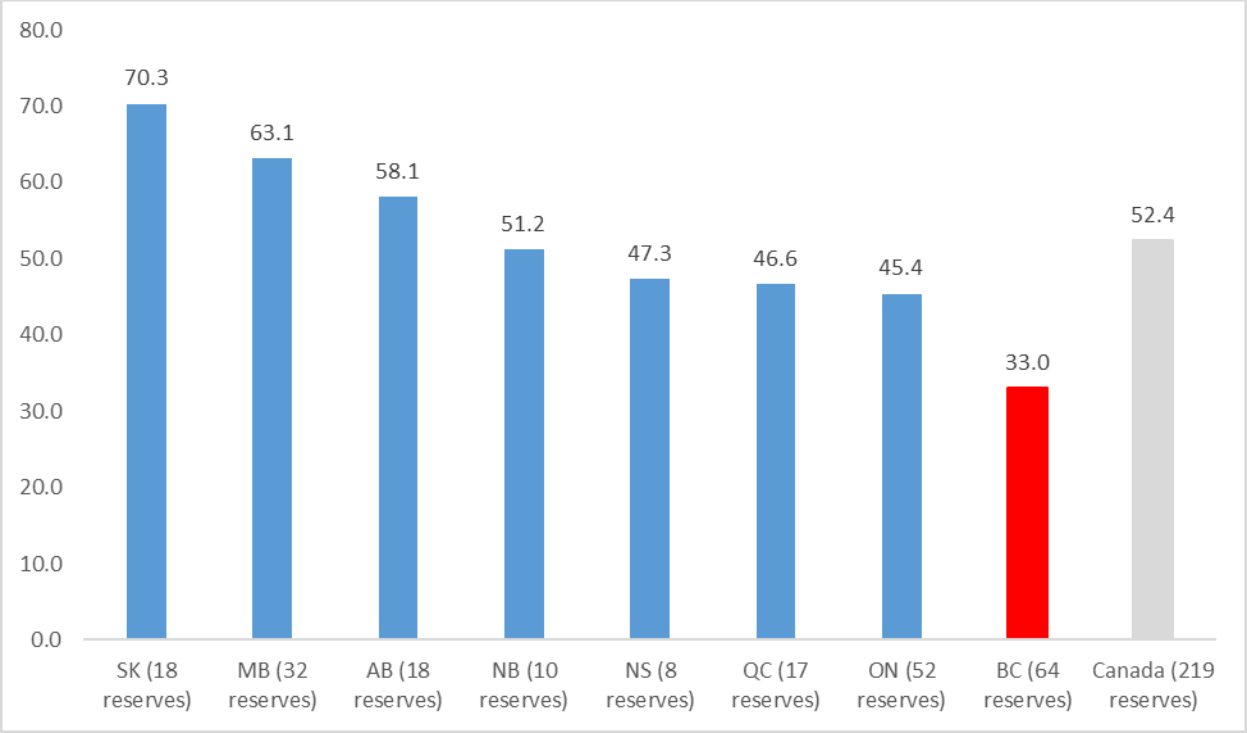
Figure 14. Child poverty in First Nations, Inuit and Métis communities, Canada, 2020



Source: Statistics Canada. (2022.) Census 2021. Table 98-10-0283-01 Individual low-income status by Indigenous identity and residence by Indigenous geography.

Systemic and discriminatory underfunding of on-reserve infrastructure, programming and services and disregard for Treaty agreements contribute to vastly high poverty rates for children who live on reserves. In 2023, 52.4% of children in 219 reserves lived in poverty. Rates were highest in Saskatchewan (70.1%), followed by Manitoba (63.1%), Alberta (58.1%) and New Brunswick (51.2%). The lowest on reserve child poverty rates were found in British Columbia (33%), followed by Ontario (45.4%), Quebec (46.6%) and Nova Scotia (47.3%).

Figure 15. On-reserve child poverty rates, for reserves with available data, Canada and Provinces with 5+ reserves, 2023



Source: Statistics Canada. (2025). T1 Family File. Table I-13 - Individual data - After-tax low income status of tax filers and dependants (census family low income measure, CFLIM-AT) for couple and lone parent families by family composition, 2023.

Notes: Chart only includes provinces and territories with 5+ reserves with data available that are listed separately (to protect confidentiality of reserves). This is a snapshot of on-reserve data and is not comprehensive. Canada data also includes 3 reserves with data from other provinces/territories of Canada.

Ending Poverty for Racialized and Immigrant Children

Ongoing systemic marginalization, discrimination and structural inequities result in disproportionately higher poverty rates for racialized and immigrant children. Data disaggregated by race and immigration status are available through the national Census, conducted once every five years. The data presented reflect poverty rates in 2020, when emergency pandemic benefits reduced rates to historic lows. The next Census is expected to be released in May 2026. Given that poverty increased sharply since 2020, and in the absence of meaningful interventions to address growing inequality and systemic discrimination, it is likely that the 2026 Census will show higher poverty rates for marginalized groups.

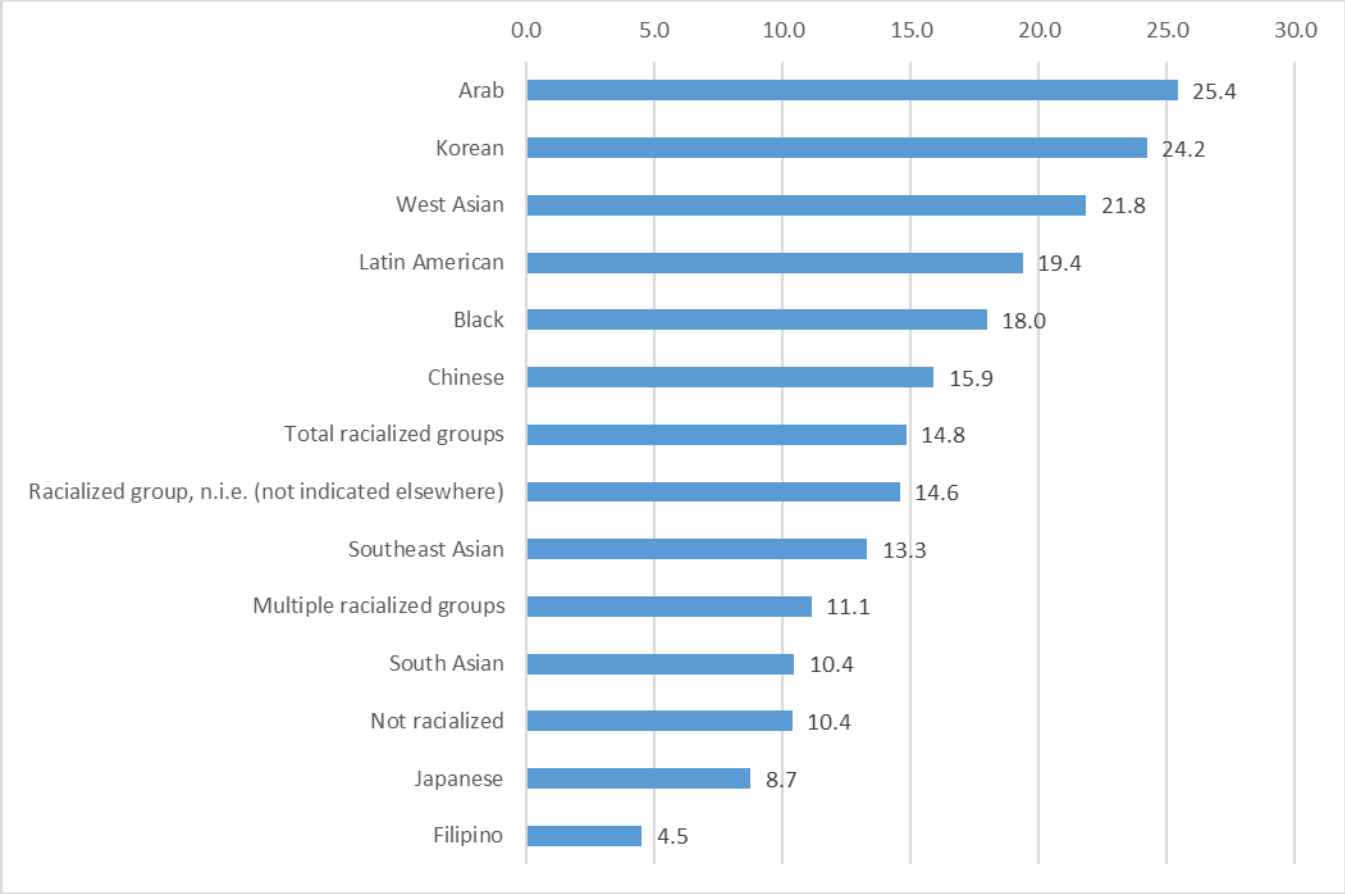
In 2020, the poverty rate for racialized children under 18 years of age was 14.8% compared to 10.4% for non-racialized children. Arab children had the highest poverty rate (25.4%), followed by Korean (24.2%), West Asian (21.8%), Latin American (19.4%) and Black children (18%).

Immigrant children had a disproportionately higher poverty rate (18.8%) compared to non-immigrant children (10.7%). Children who had arrived within the previous five years had the highest poverty rate, at 21.8%.

Data on core housing need reveal similarly disproportionate outcomes for racialized children, newly arrived children and children without permanent immigration status. The intersection of being racialized and without permanent immigration status amplify rates of core housing need.[3] More than one third (35.1%) of racialized children without permanent immigration status lived in core housing need, almost twice as high as for non-racialized non-permanent children, almost three times as high as for racialized children born in Canada, and almost six times as high as for non-racialized children born in Canada.

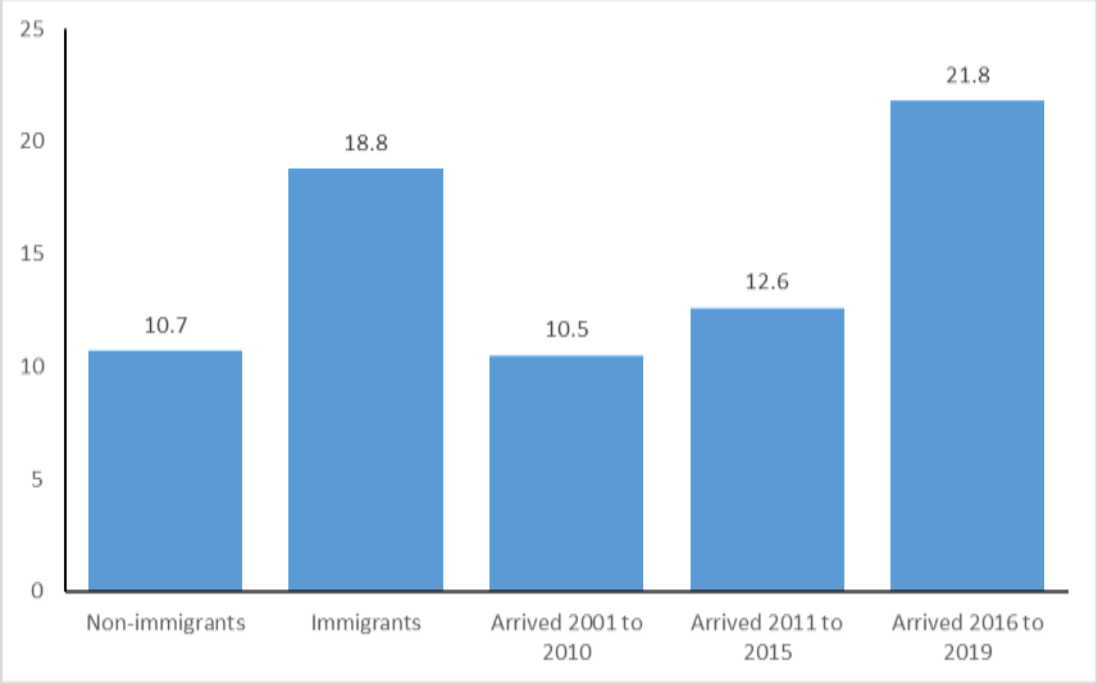
Figure 16. Child poverty rates, selected racialized groups, Canada, under 18, 2020

[3] Core housing need refers to households living in housing that is inadequate (requires major repairs), unsuitable (too small or crowded), or unaffordable (costing more than 30% of income), and that cannot access suitable alternative housing in their community without exceeding the 30% affordability threshold.



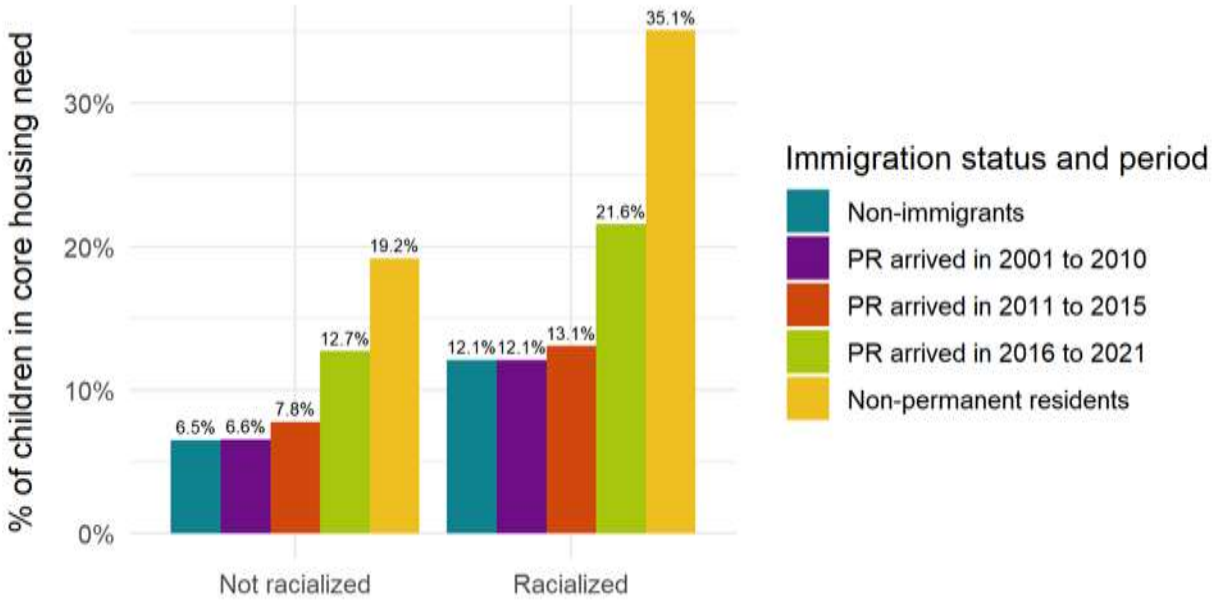
Source: Statistics Canada. (2023). Census 2021, Custom Tabulation.

Figure 17. Child poverty rates by immigration period, Canada, 2020



Source: Statistics Canada. (2022.) Census 2021. Table 98-10-0314-01 Individual low-income status by immigrant status and period of immigration.

Figure 18. Percent of children in core housing need for racialized and not racialized, by immigration status and period, Canada, ages 0 to 14, 2020



Source: Statistics Canada. (2022). Table 98-10-0328-01: Shelter-cost-to-income ratio by racialized, non-racialized, immigrant status and period of immigration.

Ending poverty for children with disabilities

In 2023, 1.5 million people with disabilities live in poverty. This number does not include children under the age of 15.[10] In fact, there is no available data on the number of children living poverty who have disabilities. Estimates show that upwards of 30% of children and youth with disabilities live in poverty.[11]

The Child Disability Benefit (CDB) is a tax-free payment made to families caring for children with disabilities under the age of 18. To be eligible for the CDB, the family must be eligible for the CCB and the child must be Eligible for the Disability Tax Credit (DTC). In 2023, the maximum annual amount of the benefit was $3,173 or $264.42 per month.

In recognition of the inadequacy of the CDB amount, the former Minister Inclusion was given a mandate to "[d]ouble the Child Disabiltiy Benefit and work with families and experts to ensure the Benefit is effective in providing help as most needed".[12] To date, there has been no movement on this urgent initiative.

Excluding children with disabilities excludes them from the solutions intended to address poverty. When they are not counted, their needs are erased from data collection, policy design and funding decisions. Children with disabilities, their families and caregivers, are excluded from participation in the development of solutions to eradicate poverty. This invisibility obscures the costs faced by families raising children with disabilities and results in poverty reduction strategies that systematically exclude them, reinforcing, rather than eliminating, inequities. The rights of children with disabilities are protected in the Convention on the Rights of the Child and the Convention on the Rights of Persons with Disabilities, and Canada has binding obligations under these conventions to uphold and realize those rights.

Food Insecurity: A Critical Measure of Family Financial Hardship

In 2024, an estimated 25.5% of people living in the ten provinces, almost 10 million Canadians, lived in a food-insecure household.[13] Half of the 10 million were families with children, reflecting inadequacies in jobs and social supports required to enable working-age families to afford basic needs.[14]

Food insecurity affected 31.2% of people in families with children. Female lone-parent families were very likely to be food-insecure, with over half (52.1%) of individuals in these families affected.[15]

Food insecurity, the insecure or inadequate access to food due to financial constraints, continues to be a serious problem in Canada. Households are classified as food insecure if one or more members report experiencing some form of food deprivation over the past 12 months, ranging in severity from worrying about running out of food before having money to buy more, to skipping meals or even going whole days without eating.

What it means for a family to be food insecure

While income-based poverty measures provide important information about how families' incomes compare to certain thresholds, food insecurity offers a direct measure of lived experience. It captures what families actually endure as they navigate financial precarity and it reflects the complex reality of households' overall financial circumstances beyond their income levels.

These circumstances include income stability, access to assets, savings or credit, debt burdens, the pressures high and rising cost of living, and other budget shocks which can be difficult to account for or are unaccounted for by income-poverty measures alone.

Household food insecurity is fundamentally about more than just food; families living with food insecurity have unmet basic needs because their incomes are inadequate. When households

struggle to afford food, they are very likely struggling with other necessities, including housing, utilities, transportation, and clothing.

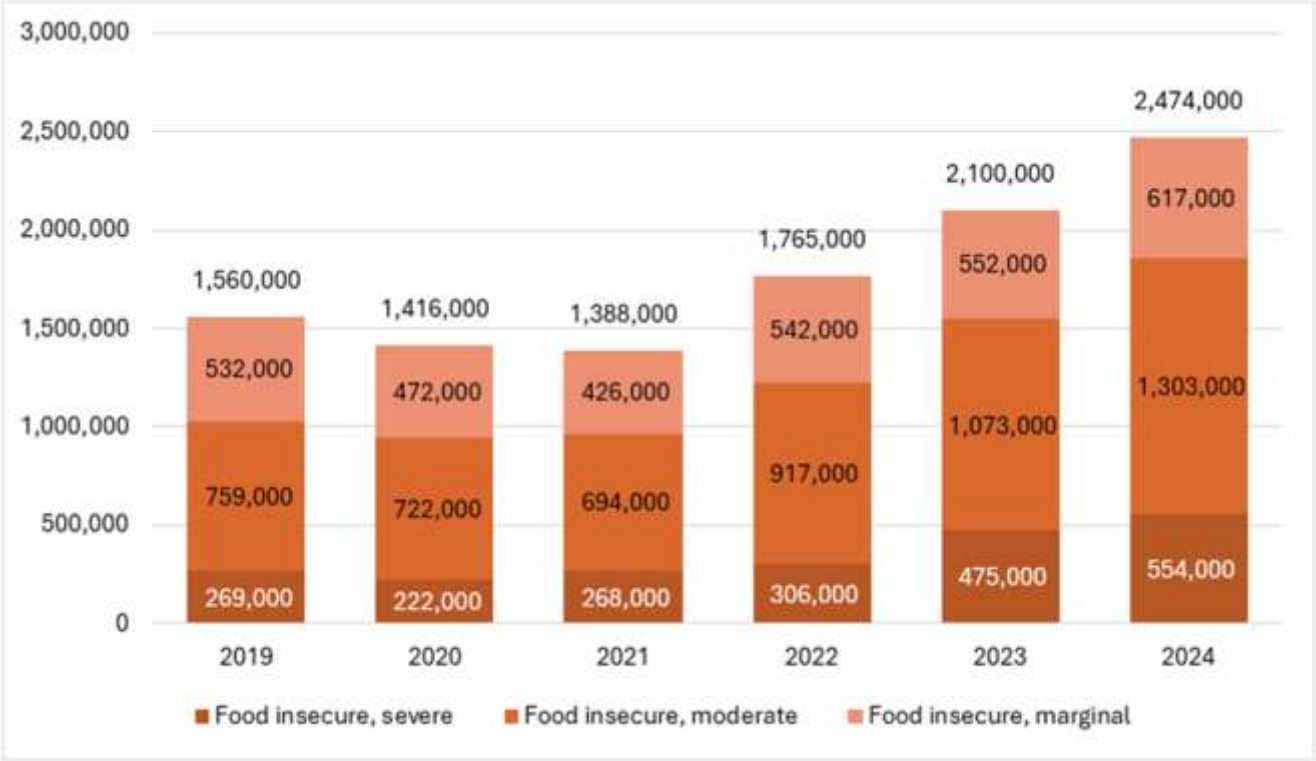
The experiences captured by food insecurity indicate broader material deprivation and serve as a powerful indicator of insufficient and unreliable financial resources to meet basic costs of living and manage unexpected shocks like job loss or emergency expenses. That is why households with inadequate, insecure incomes who face structural barriers to financial well-being, like racism and colonialism, are most likely to be food insecure.

The implications for the health of children and their families are profound. Adults and children living in food-insecure households are more likely to have poorer health and require more healthcare services.[16] [17] Parents will do their best to protect children from the experience of food insecurity, but the strain of living in a financially insecure household can affect children, nonetheless.[18] Children in households where only adults report food deprivation are still at heightened risk of anxiety disorders and poorer mental health outcomes.[19] Even infants born to parents in food-insecure households face elevated risks of being more likely to require emergency care.[20]

How many children live in food-insecure households?

A third of children under 18 in the ten provinces lived in a food-insecure household. That amounts to 2.5 million children, increasing from 1.6 million in 2019 and setting a record high. **Most concerning is the almost doubling in the number of children living in severely food-insecure households from 269,000 to 554,000.**[21] People living in these households face the greatest likelihood of poor health.

Figure 19. Number of children under 18 living in food-insecure households in the ten provinces, 2019 to 2024

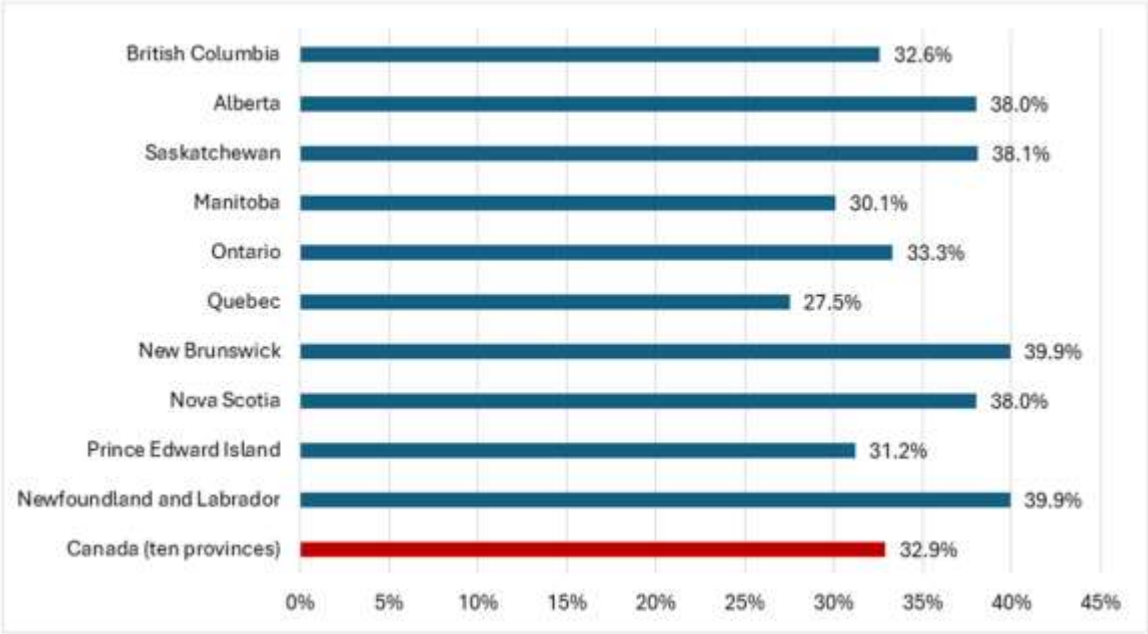


Source: Canadian Income Survey (CIS) 2023. Statistics Canada Table 13-10-0835-01. Data on food insecurity for CIS are collected in the year following the survey reference year. We've chosen to label the data using the year of data collection to better reflect the timing of experiences captured. Statistics Canada publishes territorial data from CIS separately from the provincial and ten-province data due to differences in survey collection.

Family food insecurity across Canada

The percentage of children living in food-insecure households ranged from 27.5% in Quebec to 39.9% in Newfoundland and Labrador.

Figure 20. Percentage of children under 18 living in food-insecure households by province, 2024



Source: Canadian Income Survey (CIS) 2023. Statistics Canada Table 13-10-0835-01. Data on food insecurity for CIS are collected in the year following the survey reference year. Note: the data is labeled using the year of data collection to better reflect the timing of experiences captured. Statistics Canada publishes territorial data from CIS separately from the provincial and ten-province data due to differences in survey collection.

While estimates for the percentage of children living in food-insecure households in the territories from the Canadian Income Survey are not currently available, the rates of food insecurity in the territories remain exceedingly high.

Data on the percentage of Inuit children in food-insecure households in Nunavut from other sources provide a glimpse at how high the rate of children in food insecurity is in the territory, where 92.7% of children aged 1 to 14 identify as Inuit.[22] Based on data from the 2022 Indigenous Peoples Survey, 78.7% of children aged 1 to 14 lived in a food-insecure household, including almost 50% in a severely food-insecure household.[23]

Food insecurity in Indigenous communities

In 2022, 40.6% of Indigenous children aged 1 to 14 living off reserve lived in food-insecure households.[24] Considering different Indigenous identities, 42.5% of First Nations, 34.5% of Métis and 62.6% of Inuit children were food insecure. It is especially concerning that 28.3% of Inuit children lived in severely food-insecure households. These estimates do not include families living in First Nations reserves, but previous research in those communities demonstrates exceptionally high rates of food insecurity.[25]

Table 6. Food insecurity by Indigenous identity for children aged 1 to 14, 2022.

	Food insecure	Marginally food insecure	Moderately food insecure	Severely food insecure
Indigenous	40.6%	8.7%	18.1%	13.8%
First Nations (living off reserve)	42.5%	8.7%	19.8%	14.0%
Métis	34.5%	8.6%	14.4%	11.4%
Inuk (Inuit)	62.6%	7.6%	26.7%	28.3%

Source: Indigenous Peoples Survey 2022. Table: 41-10-0063-01 Food security status of First Nations people living off reserve, Métis and Inuit by age group

Strengthening income security through effective government transfers

Government transfers are a foundational component of Canada's poverty-reduction architecture. They play a critical role in reducing income insecurity, rapidly lowering poverty rates and narrowing inequality by raising the minimum income floor. Yet, Canada's current income security system remains inadequate.

Market income comprises of employment income and includes income generated from investments and pensions. Nearly one-third of children would have lived in poverty based on market income alone (31.5% for children under 6 and 29.6% for children under 18).

Without government income transfers, child poverty rates would have climbed to 34.4% for children under 6 and 32% for children under 18. After accounting for all transfers, these rates fell to 19.1%, 18.3% respectively, representing reductions of 15.3 and 13.7 percentage points. In 2023, the federal government introduced a range of affordability measures intended to help families manage the rising cost of living. These included:

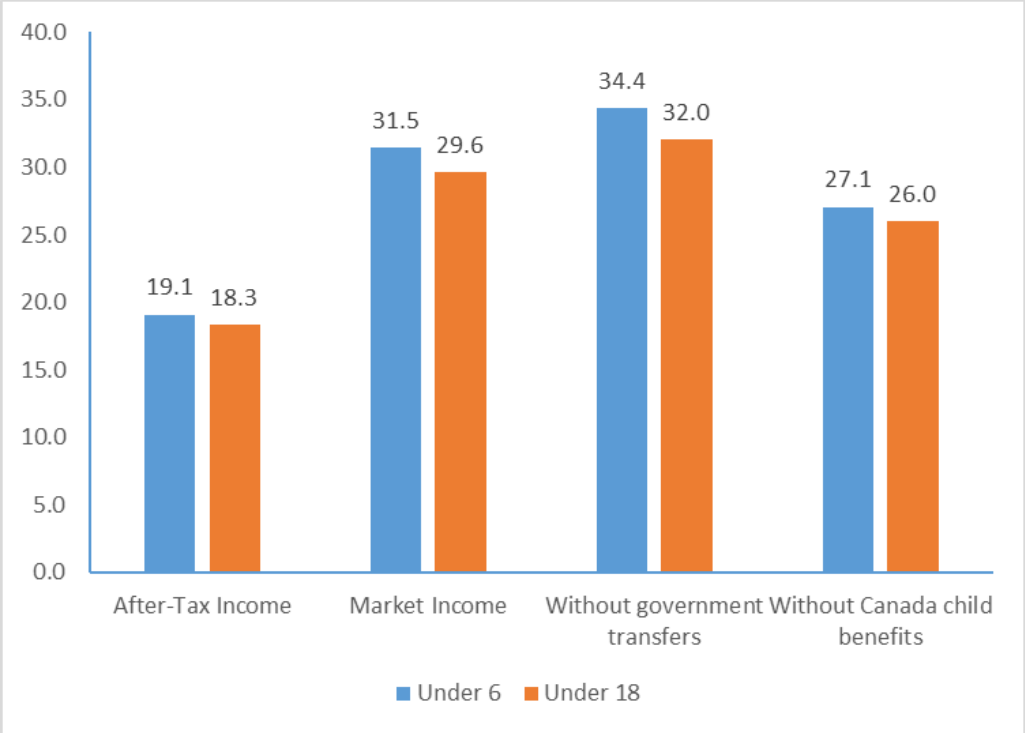
- a one-time grocery rebate through the GST/HST credit system (up to $234 for eligible couples with two children);
- the Enhanced Canada Workers Benefit, providing quarterly advance payments (maximum $2,461 for eligible families);
- the Canada Dental Benefit, delivering tax-free payments up to $650 per child under 12 for eligible uninsured families; and
- the Canada Housing Benefit One-Time Top-Up, offering $500 to low-income renters spending at least 30% of their income on rent.[26]

Several provinces and territories also delivered targeted measures, including temporary affordability payments in Alberta, a short-term increase followed by a permanent enhancement

to the BC Family Benefit, and a $200 annual increase to the Nova Scotia Child Benefit.[27] Despite these investments, child poverty remained stubbornly high and increased in several jurisdictions.

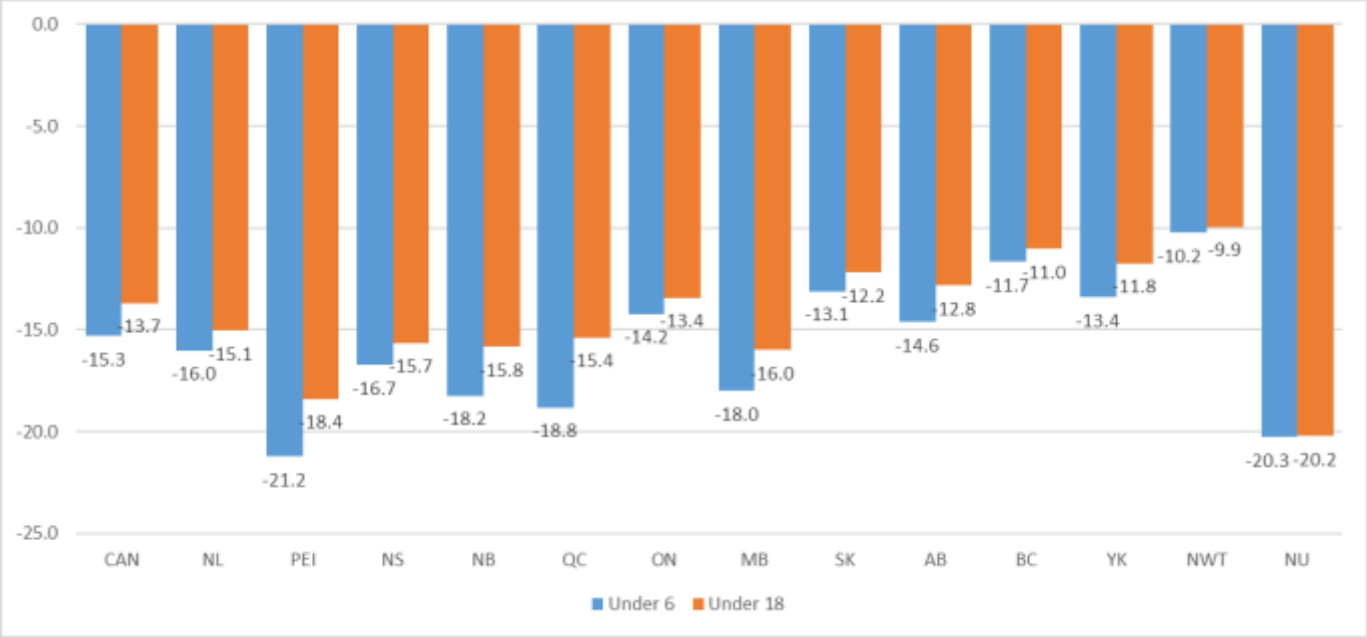
The largest reductions were seen in Prince Edward Island (-21.2) followed by Nunavut (-20.3) for children under 6 years of age, with both jurisdictions also posting the largest reduction for children under 18 years of age (-18.4 and -20.2 respectively). The smallest reductions were seen in the Northwest Territories (-10.2 percentage points for children under 6 and -9.9 for children under 18) and British Columbia (-11.7 and -11, respectively).

Figure 21. Child poverty rates with and without government transfers, Canada Child Benefit and by market income, Canada, under 18 and under 6, 2023



Source: Statistics Canada. (2025). Centre of Income and Socioeconomic Well-Being Statistics, Annual Income Estimates for Census Families and Individuals (T1 Family File), Custom Tabulation.

Figure 22. Effect of all government transfers on child poverty rates, Canada, Provinces and Territories, 2023



Source: Statistics Canada. (2025). T1 Family File. Table 11-10-0018-01 After-tax low income status of tax filers and dependants based on Census Family Low Income Measure (CFLIM-AT), by family type and family type composition.

Statistics Canada. (2025). T1 Family File, Custom Tabulation.

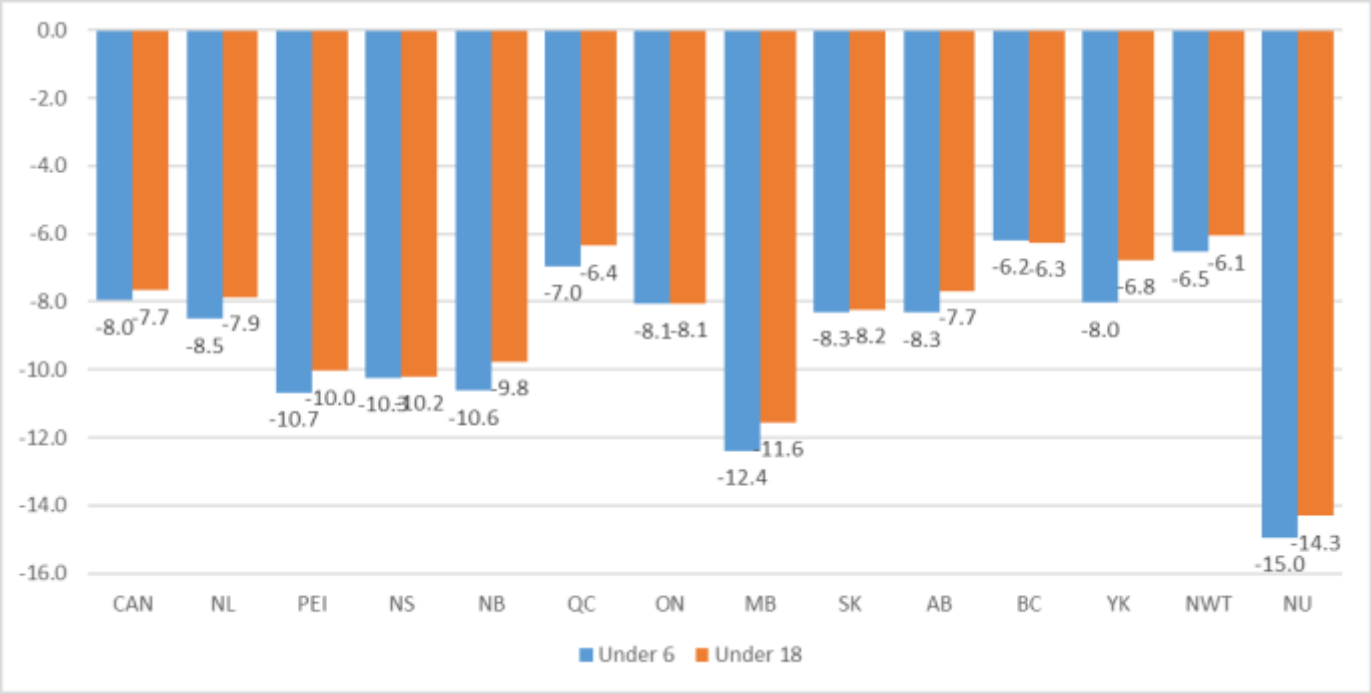
Canada Child Benefit

The Canada Child Benefit (CCB) remains one of Canada's most powerful poverty-reduction tools. As a quasi-universal benefit, it reaches the vast majority of families across the country. In 2023, the CCB reduced poverty among children under 18 by 7.7 percentage points, protecting 581,080 children from falling into poverty. Without the CCB, child poverty rates would have reached 27.1% for children under 6 and 26% for children under 18.

Although these effects are substantial, **the CCB's effectiveness has weakened over time, with the 2023 reduction representing the smallest impact since the benefit was introduced.** In 2023, the maximum annual CCB amounts were $7,437 per child under age 6 and $6,275 per child aged 6 to 17. The CCB has been indexed to inflation since July 2018, increasing benefit amounts and income thresholds each year to help families keep pace with rising living costs. However, these adjustments have not been sufficient to maintain the benefit's original poverty-reduction power, particularly for families living in deep poverty where the gap between benefit adequacy and poverty thresholds has continued to widen.

In 2017, the first full year of implementation, the CCB lifted 684,340 children out of poverty, reducing the child poverty rate by 9.3 percentage points. The benefit's impact peaked in 2019, when a 9.3-point reduction lifted approximately 692,060 children above the low-income threshold. Beginning in 2020, its effect began to diminish. The increase in 2021 was likely driven by the temporary CCB Young Child Supplement (CCBYCS), which provided quarterly tax-free payments to families with children under the age of 6 to help pay for expenses during the pandemic, rather than expansions to the core benefit itself.

Figure 23. Effect of the Child Benefit on child poverty rates, Canada, Provinces and Territories, 2023



Source: Statistics Canada. (2025). T1 Family File. Table 11-10-0018-01 After-tax low income status of tax filers and dependants based on Census Family Low Income Measure (CFLIM-AT), by family type and family type composition. Statistics Canada. (2025). T1 Family File, Custom Tabulation.

Table 7. Effect of CCB on number and rate of children in low income, Canada, under 18, 2017 to 2023

	Poverty rate			Numbers		
Year	Poverty rate of persons, under 18, without Canada child benefits	Poverty rate of children under 18	Difference in percentage points	Persons under 18 in poverty, without Canada child benefits	Children under 18 in low-income	Difference
2017	27.9	18.6	- 9.3	2,041,320	1,356,980	- 684,340
2018	27.4	18.2	- 9.2	2,019,060	1,337,570	- 681,490
2019	27.0	17.7	- 9.3	2,005,460	1,313,400	- 692,060
2020	21.4	13.5	- 7.9	1,588,670	999,110	- 589,560
2021	24.8	15.6	- 9.2	1,842,910	1,162,460	- 680,450
2022	25.9	18.1	- 7.8	1,946,690	1,357,630	- 589,060
2023	26.0	18.3	- 7.7	1,968,030	1,386,950	- 581,080

Source: Statistics Canada. (2025). T1 Family File. Table 11-10-0018-01 After-tax low income status of tax filers and dependants based on Census Family Low Income Measure (CFLIM-AT), by family type and family type composition.

Statistics Canada. (2025). Centre of Income and Socioeconomic Well-Being Statistics, Annual Income Estimates for Census Families and Individuals (T1 Family File), Custom Tabulation.

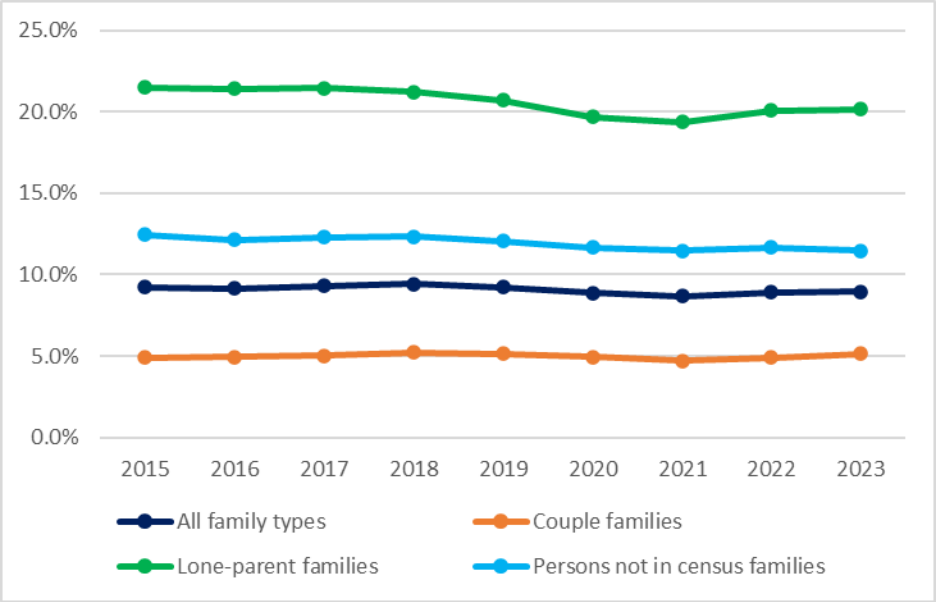
Social and disability assistance programs

The Canada Social Transfer (CST) is a major federal block transfer provided to provinces and territories to support social programs, including post-secondary education, social assistance, social services and early childhood development and child care. As a block transfer, provinces and territories receive these funds with very few conditions attached and no requirements to demonstrate how funds are spent. Unlike the Canadian Health Transfer, the CST lacks an accountability framework or national standards to ensure the quality and adequacy of programs across the country.

The federal investment in the CST is legislated to grow by 3% annually. However, inflation has outpaced this growth rate between 2021 and 2025, eroding the purchasing power of the transfer and its ability to meet rising costs in social services.

Provincial and territorial social and disability assistance programs remain grossly inadequate and unnecessarily punitive. Yet, the number of families reporting at least some amount of social assistance on their annual tax file increased by 13% between 2015 and 2023, with more than 1.6 million families reporting social assistance as an income source in 2023. **Lone-parent families rely on social assistance programs the most: 1 in 5 lone-parent families (20.2%) received social assistance in 2023, compared to 1 in 20 couple families (5.1%) and more than 1 in 10 unattached individuals (11.5%).**

Figure 24. Percent of families receiving social assistance, by family type, Canada, 2023



Source: Statistics Canada. (2025). T1 Family File. Table 11-10-0014-01 Sources of income by census family type.

Tax fairness needed to address growing income inequality

Uneven distribution of income, income inequality or the gap between the rich and the poor, grew among families with children. In 2023, families in the top 10% of the income distribution earned an average of $286,965 after tax, compared to $14,916 for families in the 10%. **Families in the top decile had an average incomes more than 19 time that of those in the lowest decile.**

From 2019 to 2023 average income of the top decile of families grew by $55,996 while average income of the bottom decile declined by $840. Over the same period, the middle (fifth) decile grew by $18,601.

The income inequality ratio measures the gap between the highest and lowest income families, showing how many more times the top decile earns more than the bottom decile. In 2019, the inequality ratio was 16.4 and fell dramatically to 11.9 in the pandemic as a result of emergency benefits that increased the incomes of the bottom decile. The gap has since risen sharply to a high of 19.2 in 2023. Overall, the highest decile received more than a quarter of total after-tax income (25.2%) compared to an average share of 1.3% for the lowest decile.

Female-led lone parent families had lower average incomes compared to male-led lone parent families across all deciles. Lone parent families also had a substantially lower average incomes than couple families. In the lowest decile, couple families earned an average of $31,470,

compared to $6,117 for male-led lone-parent families and $3,984 for female-led lone-parent families, a difference of $25,353 and $27,486, respectively.

In 2023, the Consumer Price Index (CPI) rose by 3.9%, following a 40-year high increase of 6.8% in 2022. Aside from 2022, this was the largest annual increase since 1991.[28] The price of transportation rose by 10.6%, food by 7.8%, shelter by 6.9%, and health and personal care by 4.1%, which were some of the categories outpacing average increase.[29]

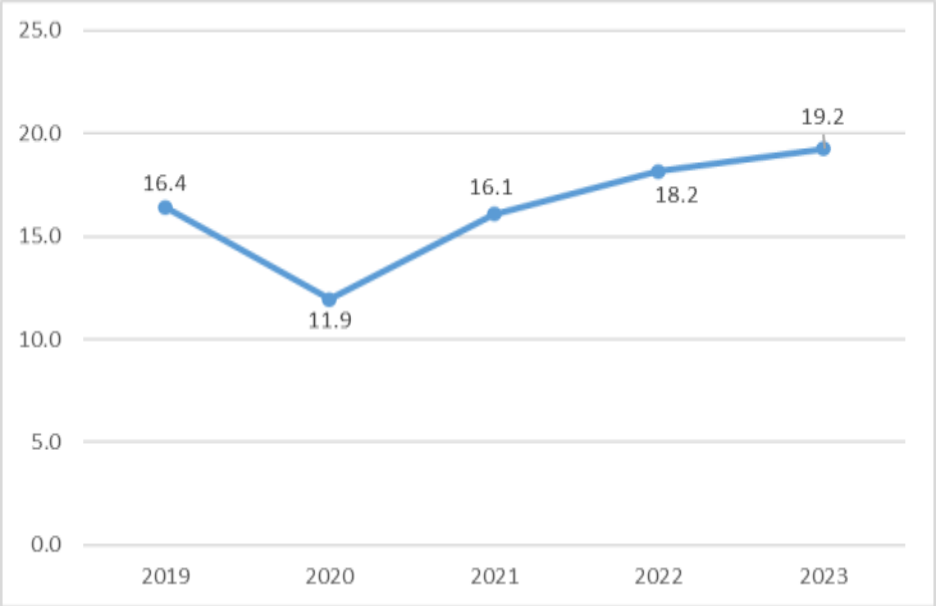
Inflation does not affect all households equally. Low income families are harder hit as they spend a larger share of their income on essentials. In 2023, households in the lowest quintile spent a greater share of income on shelter (33% compared to 18%), food (17% compared to 8%), transportation (13% compared to 9%) and healthcare (4% compared to 2%) than households in the highest quintile.[30]

Table 8. After-tax average income for families with children under 18, highest, median and lowest decile by family type, 2023

Families with children under 18	First decile	5th decile	10th decile	Ratio of highest to lowest decile
All census families	$14,916	$92,806	$286,965	19.2
Couple families	$31,470	$111,433	$310,463	9.9
All lone-parent families	$4,255	$46,513	$131,902	31.0
Male lone-parent families	$6,117	$56,660	$159,003	26.0
Female lone-parent families	$3,984	$44,832	$125,394	31.5

Source: Statistics Canada. (2025). Centre of Income and Socioeconomic Well-Being Statistics, Annual Income Estimates for Census Families and Individuals (T1 Family File), Custom Tabulation.

Figure 25. Ratio of highest to lowest decile, all census families, Canada, 2019 to 2023



Source: Statistics Canada. (2025). Centre of Income and Socioeconomic Well-Being Statistics, Annual Income Estimates for Census Families and Individuals (T1 Family File), Custom Tabulation.

Figure 26. Share of income for census families with children under 18 across all deciles, Canada, 2023

Decile	Share of Income	
1st decile	1.3	
2nd decile	3.9	
3rd decile	5.4	
4th decile	6.8	
5th decile	8.2	
6th decile	9.6	
7th decile	11.1	
8th decile	13.0	
9th decile	15.5	
10th decile	25.2	

Source: Statistics Canada. (2025). Centre of Income and Socioeconomic Well-Being Statistics, Annual Income Estimates for Census Families and Individuals (T1 Family File), Custom Tabulation.

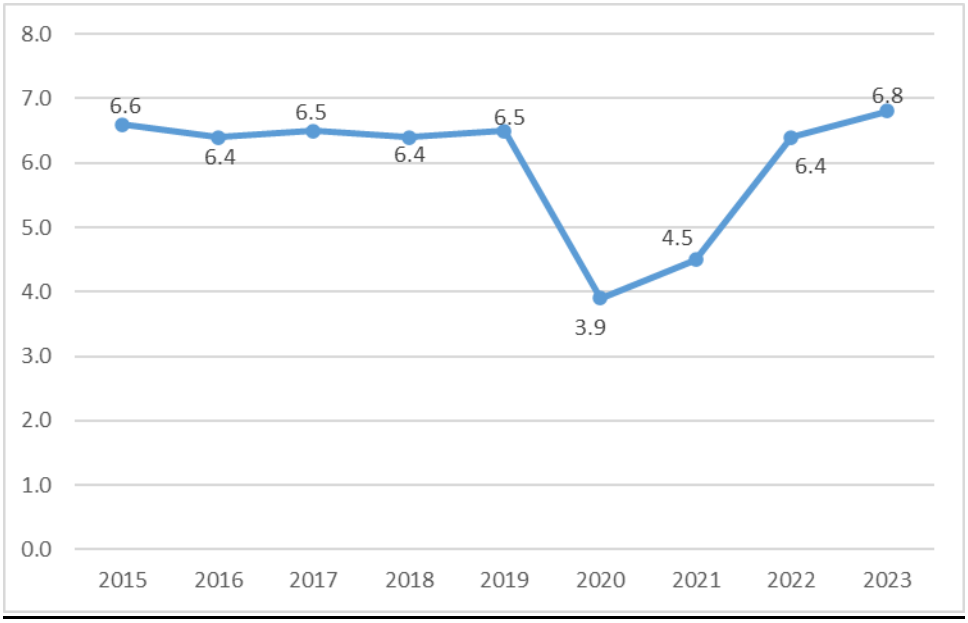
Work must be a pathway out of poverty

The growth of precarious employment and minimum wages that do not bring incomes up to the low income threshold means that having a job no longer guarantees financial stability or an adequate standard of living. Working poverty has been on the rise since the pandemic. "Working poverty" is defined as individuals between the ages of 18 and 64 (excluding students) who live in census families and whose earned income is at least $3,000 but below the CFLIM-AT.

In 2023, the number of people considered to be in working poverty was 1,263,260 representing 6.8% of the working aged population. That was an increase of 0.4 percentage points, or nearly 108,000 people.

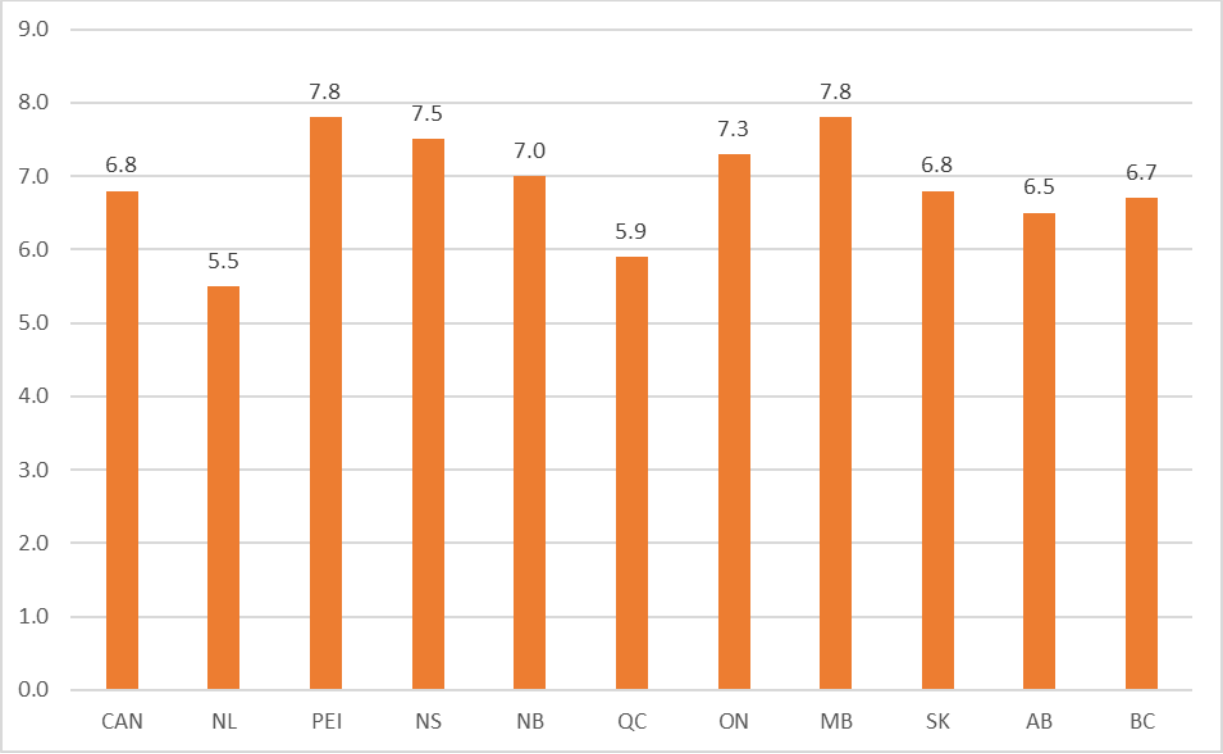
Working poverty rates varied across provinces and territories. Prince Edward Island (7.8%), Manitoba, (7.8%), Nova Scotia (7.5%), Ontario (7.3%) and New Brunswick all had rates of working poverty above the national average. Newfoundland and Labrador (5.5%) had the lowest rate, followed by (Quebec), Alberta (6.5%) and British Columbia (6.7%). Saskatchewan had the same working poverty rate as the national average.

Figure 27. Working poverty rate, Canada, 2015 to 2023



Source: Statistics Canada. (2025). T1 Family File Reference 25055 - 1194245. Centre for Income and Socioeconomic Well-being Statistics. Custom tabulation.

Figure 28. Working poverty rate, Canada and Provinces, 2023



Source: Statistics Canada. (2025). T1 Family File Reference 25055 - 1194245. Centre for Income and Socioeconomic Well-being Statistics. Custom tabulation.

Universal childcare

BUILDING UNIVERSAL CHILDCARE IN CANADA MUST CONTINUE AND STRENGTHEN.

IT MUST ALSO ENSURE THAT LOW INCOME FAMILIES ARE FULLY INCLUDED

Universal childcare is a key pillar of anti-poverty policy

Universal childcare has long been a key pillar of Campaign 2000's mission to eradicate child and family policy. For decades, Campaign 2000's advocacy has envisioned universal, equitable, inclusive childcare for all that would include all children and families regardless of income.

Fifty years of advocacy by the childcare movement including social justice partners such as Campaign 2000 and its 120+ member organizations was finally successful. The Canada-wide Early Learning and Child Care plan (CWELCC, or "$10aDay childcare") and financial resources to develop it were announced in the April 2021 federal budget, envisioning a publicly funded, high quality, and primarily not-for-profit system "for all" to be built over time.

Since 2021, the federal government, provinces/territories, and Indigenous governing bodies have been collaborating to build a Canada-wide childcare system based on the agreed-upon

principles of affordability, accessibility, quality, and inclusivity. The first phase – now ending – saw many successes but left considerable work still to do to achieve the ambitious goals.

April 1, 2026 will mark the transition from CWELCC's first to its second phase; all provinces and territories have agreed to continue building the system, with the parallel Indigenous Early Learning and Child Care framework[31] ongoing beyond 2026. However, although previously committed funding has been promised, additional funds necessary to continue building access to affordable, high quality, inclusive early learning and childcare for all were not allocated in the November 2025 federal budget.

Access to affordable childcare is essential if low income families are to escape poverty

Campaign 2000's data show that poverty in Canada has increased for the third consecutive year, and the depth of poverty continues to grow. Families with children live in deeper poverty, with lone parents experiencing the largest gaps. Inequality is widening between the lowest and highest income families with children, with the top 10% earning 19X more than the bottom 10% of families.

Although an estimated 900,000 parents[32] are benefitting from dramatic reduction of childcare fees. These range from $10 a day (or less) in six[4] provinces/territories; to higher capped fees in three[5] more jurisdictions, and to market-based fee reductions in the remaining four[6]. Many families, however, are not benefitting, and low income families are likely to lose out. Without adequate concrete public planning for childcare expansion, there is simply still not enough licensed childcare supply in low income neighbourhoods. Or the right kinds of childcare may not be available: low income families are more likely to be precarious or non-standard hours or casual workers, or may not be employed, with childcare to accommodate them in short supply. Or they may not meet provincial/territorial social criteria (such as employment) for admission.

Additionally, the reduced fees, which have facilitated childcare access for modest and middle-income families, may be beyond reach for low income families, especially those with more than one child. Even the individual low income fee subsidy schemes that Campaign 2000's 2024 Report Card[33] recommended replacing with more equitable, more effectual, less stigmatizing sliding fees are fragile. Although fee subsidies are still in place in most jurisdictions, Alberta and Saskatchewan have eliminated them, joining Quebec in failing to address the affordability gap that acts as a barrier for many low income families.

Canadian research supports the contention that low income families are less likely to access child care. Analysis[34] of Statistics Canada's 2019 Survey of Early Learning and Child Care

[4] NL, PE, QC, MB, SK, NU
[5] NB, ON, AB
[6] NS, BC, YT, NT

(SELCCA) found low-income families were 20% less likely than higher income families to use non-parental child care (all types). A detailed Quebec study[35] of accessibility found that children in low income, less educated, more recently arrived families were less likely to be in regulated child care. Recent Alberta research[36] on the elimination of fee subsidies used data from the 2023 Statistics Canada Canadian Survey on Early Learning and Child Care (CSELCC), interviews with families, and a survey of child care providers. It concluded that "Under the new affordability funding approach, regulated child care in Alberta is effectively unaffordable for all lower-income families with two or more children".

All in all, low income, and other vulnerable families, appear more likely to be excluded[37] from the benefits of the evolving publicly funded childcare system.

Universal childcare and inequalities of access

The idea that providing childcare universally is best policy practice, shown to be more effective for all children and families than targeted, siloed approaches, is supported by research evidence[38] and international comparisons. Nevertheless, research[39] shows that inequalities in access can persist even in established universal childcare systems if they are not addressed with focused policy levers; "it is a well-established fact that socioeconomically disadvantaged children participate less often in universal ECEC than more privileged children in most countries".

Early childhood policy experts[7] have explored how to address this inequity. Vandenbroeck & Lazzari note that unequal access is often studied as a matter of parental choice, which is "embedded in a neoliberal policy context" that treats social issues as matters of individual responsibility, while "public goods are commodified". Their framework of policy levers effective for this issue considers multiple factors: characteristics of policy, of service provision and of families. It sums up "13 good practices", childcare-specific, that contribute to more inclusive access for lower income, vulnerable families, for example, public supply-side funding, regulation of fees by income and population-based entitlement within a universal system; outreach to families, and others.

This work reinforces the view that ensuring equity requires focused policy levers including expansion of childcare provision, as shortage of provision is certainly a barrier to equitable access.

Recommendations

[7] Vandenbroeck, M. & Lazzari, A. (2014) Accessibility of early childhood education and care: A state of affairs, European Early Childhood Education Research Journal, 22:3, 327-335, DOI: 10.1080/1350293X.2014.912895

As CWELCC ($10/day plan) moves into the next phase, adequate funding to ensure completion of the program will be key and will go hand-in-hand with the high level policy framework that will shape childcare access and provision. Thus, the next five years will be critical for determining whether Canada will be successful in designing the universal, equitable, affordable, accessible, quality and inclusive early learning and child care vision promised in 2021— one that will provide the essential social infrastructure needed to under pin other nation-building endeavors.

Support for youth exiting the child welfare system

While youth in Canada struggle with the cost of living and increasingly continue to live with family well into their 20s[40] many youth in Canada's child welfare system 'age out' of the system at the age of majority or soon thereafter due to legislated age cut-offs, leaving them with few to no supports in this transition process[41]. While most provinces and territories offer varying post-majority supports and services, they are not all obliged to do so by law and are not guaranteed to all youth who exit care due to restrictive eligibility thresholds; this can result in youth not accessing the transition supports they need to succeed[42]. Consequently, youth exiting care are at a much higher risk to experience homelessness, under-education, unemployment, poverty, mental health issues, suicide ideation and social isolation than their peers in the general population[43].

"Increased supports to youth in care are not a financial 'expense' but rather an investment with infinite lifelong returns for our whole society. (i.e., decreased long-term expenses in social, health, and justice systems and increased contributions in taxes, economy, academia, innovation, and more). […] And so, the decision to deny them anything that they need to succeed is not just lacking in compassion but lacking in logic as well […] and is simply antithetical to the idea of child protection services." – Youth in Care Canada Board of Directors Member, Equitable Standards for Transitions to Adulthood for Youth in Care report, p.9

"I aged out so… that was probably the worst time of my life. It was like being re-traumatized and thrown back into abandonment."- New Brunswick Youth in Care Network Leader, Equitable Standards report, p.28

Unlike many other Western countries, Canada has no nationally legislated entitlements for youth exiting care[44]. The *Equitable Standards for Transitions to Adulthood for Youth in Care* developed by Dr. Melanie Doucet and the National Council of Youth in Care Advocates (NCYICA), outlines actions that need to be implemented by federal, provincial and territorial governments, as well as community and private organizations, in supporting more equitable transitions for youth in care across the country[45]. The NCYICA has created a map illustrating the provincial and

territorial post-majority supports that exist across the country for youth in care, which is regularly updated[46]. Currently, the Equitable Standards for Transitions to Adulthood for Youth in Care are being implemented in 9 community-based organizations across the country and 3 government jurisdictions (N.B., P.E.I. and NWT) as a result of their engagement in piloting the Equitable Standards Evaluation Model in 2023-2025[47]. In 2022, Indigenous Services Canada (ISC) extended post-majority services up to the age of 25 for eligible First Nations youth in care, and cites the *Equitable Standards* as one of the reports informing their eligible funded activities for the Post-majority support services for First Nations youth and young adults program[48]. In addition, a 2025 report by the Standing Senate Committee on Human Rights on youth aging out of care in Canada calls for a National Summit and action plan guided by the *Equitable Standards* and wraparound supports for youth 'aging out' of care based on the 8 Transition to Adulthood Pillars of the *Equitable Standards*[49].

Figure 29. Transition to Adulthood Pillars

Source: Equitable Standards for Transitions to Adulthood for Youth in Care, National Council of Youth in Care Advocates.

Recommendations

Poverty Reduction Strategy

- Entrench in the Poverty Reduction Act (PRA) the right to an adequate standard of living for children, families and adults in line with Canada's international human rights obligations. Entrench fully resourced and independent mechanisms to realize those rights within this legislation, similar to those in the National Housing Strategy Act.
- Replace the Market Basket Measure (MBM) with the Census Family Low Income Measure After Tax (CFLIM-AT), calculated with annual tax filer data. The CFLIM-AT is a broad, comprehensive and relative measure of poverty. It is designed to measure what the Poverty Reduction Strategy (PRS) seeks to achieve by way of its three pillars: dignity, opportunity and resilience.
- Update the PRS and PRA to commit to expedited targets of reducing poverty rates by 50% by 2028 and to eliminate poverty by 2031 based on the CFLIM-AT. New targets should be set to reduce the number of people living in deep poverty, defined as 50% below their respective family size poverty line, by one third by 2028, measured by the CFLIM-AT.
- Targets and programs must explicitly aim to reduce poverty by 50%, deep poverty by one third by 2028 and eliminate poverty by 2031 for marginalized children, families and adults who experience higher rates of poverty including First Nations, Inuit and Métis Peoples, urban and rural Indigenous Peoples, Black and racialized people, people with disabilities, immigrants and migrants, 2SLGBTQQI+ and female-led lone parent families, and for youth living alone.
- Develop a detailed poverty elimination action plan describing new and expanded trauma-informed[8] policies, programs, timelines, annual targets, evaluation methods and budgets. These elements are currently missing from the PRS and must be articulated across program areas including income security, housing, healthcare, childcare and decent work.
- Enhance the Disaggregated Data Action Plan so that it consistently disaggregates by First Nation, Inuit and Métis identity, ability, race, gender, migrant status and 2SLGBTQI+[9] identity, age including for children under the age of 15 years, among other sociodemographic identities. Disaggregated data are critical for poverty reduction planning, monitoring, evaluation and budgeting and must align with Indigenous data collection principles. Ongoing community conversations to gather qualitative data must

[8] Trauma-informed approaches of policy development rely on the principle of doing no harm. Specifically, policies must prioritize safety, empowerment, transparency and intersectionality and be developed collaboratively.
[9] 2SLGBTQI+ represents Two Spirit, lesbian, gay, bisexual, trans, queer, intersex peoples. Often a "+" symbol follows to include all other sexual orientations, identities and fluidities.

inform planning, decision-making and evaluation and further human rights and GBA+ commitments and analysis.

- Adopt Campaign 2000's *National Community-Based Indicator Framework for SDG: 1 No Poverty* and report annually on poverty reduction in the dimensions and indicators identified.
- Pass Bill S-212, A National Strategy for Children and Youth Act and develop a national strategy for children and youth that complements the Poverty Reduction Strategy and reflects new ambitious targets to end child poverty and advance the right for all children to an adequate standard of living.

Government Transfers

- Invest $5.2B to create a non-taxable Canada Child Benefit End Child Poverty Supplement (CCB ECPS) targeted to families in deep poverty, which would provide a maximum additional $8,500 per year to a family with an earned income of less than $19,000 with scaled reductions for additional children irrespective of age.[50]
- Broaden access to the CCB for families with precarious status by repealing section 122.6(e) of the Income Tax Act tying eligibility to immigration status.
- Enable different government agencies and departments to share information required for caregivers to access benefits for children, such as birth certificates. Expand the circle of people able to attest to residency to include charities so that low income families with children too young for school can meet the requirements to access federal benefits and ensure that kinship, customary care and families caring for children outside a formal care arrangement have access to any CCB top up.
- Retire Canada Emergency Response Benefit (CERB) and Canada Recovery Benefit (CRB) debt and immediately cease repayment collections implement anyone living below or near the CFLIM-AT.
- Remove the 3% growth cap and invest an additional $2 billion into the Canada Social Transfer (CST) to support social and disability assistance adequacy. Remove arbitrary growth restrictions as a first step towards ensuring social and disability assistance programs bring incomes up to the CFLIM-AT. Require the development of minimum standards for income benefits and social services funded through the CST. These minimum standards must include binding conditions stipulating that income supplements – including the CCB, Child Disability Benefit, child support payments and child-related Employment Insurance benefits – are not deducted from social assistance.
- Immediately double the amount of the Child Disability Benefit as the first step to enhancing its adequacy. Create a caregiver benefit modelled on the COVID-19 Canada Recovery Caregiving Benefit. Work with families and caregivers of children with

disabilities to ensure the benefit is providing the help needed. Ensure the benefits reach those with low incomes, have expanded criteria, are refundable, allow workers to keep earned income and work towards ending disability poverty.

- Implement a Canadian Livable Income for working age individuals to replace the Canada Worker's Benefit, untying income security eligibility from earned income for adults as modeled in the 2026 Alternative Federal Budget.
- Research and develop a parallel community-based benefit eligibility and delivery system for low-income, marginalized non-tax filers. The federal government must look to international jurisdictions for best practices on financial inclusion, while building on informal practices developed by community organizations locally. Delivery methods can include prepaid reloadable credit or debit card systems or mobile and digital transfers. Any cash transfer system must be co-created and co-led by locally trusted organizations that can help to mitigate barriers to government systems faced by marginalized groups.

First Nations, Inuit and Métis Children

- Collaborate with First Nations, Inuit and Métis governments and organizations, including women's and 2SLGBTQI+ organizations, to develop plans to prevent and eradicate child and family poverty.
- Entrench Nation to Nation, government to government and Inuit-Crown relationships by ensuring respect for inherent rights, treaties, title and jurisdiction; full participation in economic growth; sufficient, predictable, long-term funding to achieve well-being; and evidence-based closure of socio-economic outcome gaps by collecting data in ways that align with Indigenous data sovereignty principles to support measurement and reconciliation.
- All levels of government should fully and properly implement Jordan's Principle, in accordance with Canadian Human Rights Tribunal orders, to ensure that First Nations children and youth have timely access to the services and supports they need to thrive. Fully implement The Spirit Bear Plan to end inequities across public services.
- Implement post-care financial and social services to First Nations, Inuit and Métis youth who were in child welfare and extend Jordan's Principle past the age of 18. Reduce inflows into homelessness by implementing a targeted housing strategy and establishing a national framework for extended care and support for youth in child welfare, in collaboration with First Voice Advocates, territories and provinces.
- Accelerate the implementation of compensation to First Nations children, parents and grandparents who were harmed by inequitable funding for child welfare services on reserve and lack of adherence to Jordan's Principle as approved by the Canadian Human Rights Tribunal in July 2023 and the Federal Court in October 2023. Campaign 2000 echoes First Nations Child and Family Caring Society's calls that supports, including

mental health, wellbeing and financial literacy supports, be made available to children, young people and families who will be accessing the compensation, recognizing that compensation alone is insufficient without sustained, Indigenous-led systems of care and healing.[51]

- Take immediate action to implement the Truth and Reconciliation Commission of Canada's (TRC) 94 calls to action and the National Inquiry into Missing and Murdered Indigenous Women and Girls (MMIWG) 231 Calls for Justice. The federal government must release clear timelines and budgets for the implementations of the Calls to Action and Calls for Justice.

Racialized and Immigrant Children

- Establish an Anti-Racism Act for Canada to create a legislative foundation for an independent Anti-Racism Secretariat and a fully resourced National Action Plan Against Racism. The Act should include clear targets, timelines, and accountability mechanisms to drive systemic and structural change and eliminate all forms of racism. Current and future Anti-Racism Strategies must be developed, implemented, and evaluated within this legislated framework.[52]

- Accelerate implementation of the recommendations from the 2017 United Nations Report of the Working Group of Experts on People of African Descent on its Mission to Canada so Black communities and families can fully and equally participate in all aspects of society, and the recommendations of the 2018 United Nations Committee in the Elimination of Racial Discrimination.[53]

- Establish an independent, comprehensive racial equity review of Canada's immigration and refugee system, including legislation, regulations, policies and priorities, to fully understand and address its differential impacts on racialized peoples, including children and families.[54]

- Ensure access to income supports to individuals and families regardless of 1) lack of identification like social insurance number (SIN), 2) immigration or citizenship status, 3) a Canada Revenue Agency (CRA) account or a fixed address, or 4) work status (standard versus precarious, casual or home-based work).

- End use of the discriminatory and offensive term 'visible minority' in the Employment Equity Act in reference to racialized peoples, as recommended by racialized people and the United Nations.

Youth

- Ensure youth mental health and wellbeing supports are delivered as part of broader wraparound systems, including stable income, housing education, and navigation

supports, recognizing that mental health outcomes are shaped by social and economic conditions, not clinical services alone.

- Immediately expand and regularize Pathways to Permanent Residence for international students and other young people with precarious status, including implementing the federal government's commitments to permanent status on arrival and eliminating reliance on temporary and conditional pathways.

- Implement and sustain holistic post-care supports to all First Nations, Inuit and Métis youth who were placed in the child welfare system both on and off reserve and fully extend Jordan's Principle past the age of majority.
- Reduce inflows of youth exiting care into homelessness by implementing a targeted national housing first strategy.
- Establish a national framework and action plan for extended post-majority care and support, guided by the *Equitable Standards for Transitions to Adulthood for Youth in Care* and in collaboration with First Voice Advocates, provinces and territories.
- Endorse, adopt and implement the *Equitable Standards* in every government jurisdiction.
- Make the *Equitable Standards* the basis of financial incentives for provincial and territorial jurisdictions to offer post-majority supports and transition to adulthood resources that meet the Equitable Standards.

Income Inequality and Fair Taxation

- Close costly and regressive tax loopholes that disproportionately benefit high income individuals, including strengthening the taxation of capital gains to better align tax treatment of wealth with tax treatment of work.
- Require large profitable corporations to pay their fair share by increasing the corporate tax rate.
- Curb corporate tax avoidance by limiting the use of tax havens, including requiring greater corporate transparency, introducing a minimum tax on foreign profits and strengthening CRA enforcement.
- Tax extreme wealth by introducing a wealth tax on net wealth over $10 million,
- Invest revenue generated through these measures into achieving commitments to end child poverty and obligations to advance social and economic rights in Canada.

Pharmacare and public health

- Build on Bill C-64 by committing to the full implementation of universal pharmacare, expanding beyond the initial coverage of diabetes and contraceptives medications to include all essential medications, consistent with the principles of the Canada Health Act.

- Ensure that the Expert Committee established by the Minister of Health is independent, transparent, and free from conflict of interest, and comprised of members who have demonstrated expertise in pharmacare design, essential medicines, public financing and health equity with no ties to pharmaceutical, insurance or retail pharmacy industries.
- Implement a universal, single-payer pharmacare system with a coherent national formulary. Develop a standardized list of covered medications based on clinical effectiveness and cost-efficiency to replace the current fragmented system. The formulary should be based on clinical effectiveness, public health need and cost efficiency, enabling bulk purchasing and reducing administrative inefficiencies.
- Ensure pharmacare addresses health inequities by prioritizing the needs of low-income families, marginalized communities and children who are disproportionately affected by the lack of coverage and out-of-pocket costs. For instance, the OHIP+ program in Ontario which covers the cost of most essential medications in youth under 24 could be expanded to other provinces and special groups. Ensure that all families residing in Canada have access regardless of citizenship status.
- Enhance the Canadian medicare program to include dentistry, vision and physical rehabilitation services.
- Expand funding for community-based mental health and wellness programs for children and youth and families, with dedicated, long-term funding streams for culturally grounded, trauma-informed supports led by and accessible for First Nations, Inuit and Métis Peoples, Black, racialized, migrant, women and gender diverse people, 2SLGBTQI+, among others.

Housing

- Adapt the National Housing Strategy to fully meet Canada's obligations to realizing children's rights to housing as outlined in the UN Convention on the Rights of the Child and the National Housing Strategy Act.
- Fully implement the recommendations from the 2025 Neha Review panel on the Right to Safe, Adequate and Affordable Housing for Women, Two Spirit, Trans and Gender-Diverse People, which call for "a decisive shift away from colonial, institutional, and market-driven approaches toward community-led, rights-based housing systems rooted in equity, inclusion, and self-determination".[55]
- Take immediate action on the commitment to ending homelessness as part of Canada's international human rights obligations. Reassess the definition of 'chronic homelessness' to capture the experiences of women and gender diverse people fleeing violence, immigrants, refugees, First Nations, Inuit and Métis Peoples, families and youth, whose experiences are excluded from the current definition.
- Ensure federally financed housing is deeply affordable for low-income families and reflects the diverse needs of families with children. Change affordability requirements

across federal rental housing financing and co-investment funding so that supported developments includes a sufficient number of units and a range of unit types that are affordable for, and meet the adequacy needs of, diverse low-income families with children, defining affordability as no more than 30% of gross household income.

- Accelerate the co-development of the three distinctions-based Indigenous housing strategies and substantially invest in the complementary Urban, Rural and Northern Indigenous Housing Strategy based on the National Housing Council's recommendation of $56 billion over ten years to effectively address the needs of off-reserve Indigenous Peoples, ensuring that women, children and gender diverse people benefit equitably.
- Integrate sustainability and climate resilience into all new housing builds and retrofits, prioritizing energy-efficient, low-carbon construction, deep retrofits of existing social housing and climate-resilient design to reduce long-term costs, improve health outcomes, and support environmental justice for low-income households.
- Address the financialization of purpose-built rental housing and ensure the progressive realization of the right to adequate housing, including targeted action for low-income and marginalized children and families who experience disproportionate rates of poverty and housing insecurity.
- Set affordability targets for low income and systemically marginalized children and families and publicly report on progress in relation to the National Housing Strategy. Continued ongoing engagement with these populations must designed into the evaluation and monitoring processes.

Decent Work

- Ensure federal minimum wages and labor standards support income adequacy, and at minimum, bring employment incomes up to the Census Family Low Income Measure (CFLIM-AT). Attach standards to federal/provincial/territorial transfer agreements to legislate and enforce compliance of equal pay for equal value and access to benefits for all workers regardless of employment status (part-time, temporary), gender, racialization, or immigration status.
- Introduce a pan-Canadian workforce development strategy for the Care Economy including jobs in health care, child care and long-term care, with targeted investments to rebuild from the bottom up. The strategy should prioritize workers most affected by precarity disproportionately women, racialized workers, migrants, and newcomers and be embedded federal/provincial/territorial transfer agreements.
- Attach community benefit agreements to all federal infrastructure investments. Implement disaggregated data collection strategy to inform, monitor and evaluate these expenditures and ensure marginalized and underrepresented groups have equitable access to jobs and extended health benefits.
- Provide clear pathways to permanent resident status for migrant workers, ensuring access to labour protections, income supports, health benefits and workplace benefits.

This includes ending employer-tied permits and addressing exploitation lined to precarious immigration status.

- Immediately implement long-awaited Employment Insurance reform with measures including: expanding access for premium payers currently excluded; extending access to new enrollees; reducing qualifying hours to 360 hours or 12 weeks Canada-wide; significantly boosting the 55% benefit rate and the 33% benefit rate for extended parental benefits; and introducing a permanent minimum weekly benefit.
- Strengthen labour standards and their enforcement, including the Canada Labour Code and the federal Employment Equity Act. Strengthen all measures to eradicate misclassifications, including gig workers. Ensure access to maternal and parental benefits for all new parents including adoptive, student, trainee, self-employed, part-time and casual workers.

Childcare

- Federal, provincial and territorial governments must adequately fund the next five-year phase of child care expansion (operational and capital funding). They must also ensure that the program is built according to the principles set out, with the high-level considerations set out in the 2021 budget, and with Bill C-35. Specifically, this means expansion must be through public and non-profit services; a universal approach to affordable parent fees is taken; supply-side operational funding is put in place; childcare workforce issues are addressed; commitments to ensuring that childcare is high quality are fulfilled.
- All governments must commit to develop and operationalize multi-faceted plans with measurable outcomes to ensure that low income and other vulnerable families gain fair and equitable access to universal early learning and child care. This should be based on the best available evidence and on the rights-based approach cited in the preamble to Bill C-35.

Conclusion

The 2025 Child and Family Poverty Report Card, *Investing in Tomorrow: A Future Without Poverty*, makes clear that child and family poverty in Canada is not inevitable. The evidence shows that recent policy choices have allowed poverty rates to rise, deepen material deprivation and widen income gaps for families with children. At the same time, past successes, most notably during the pandemic, demonstrate that when governments act with urgency and sufficient scale, poverty can be significantly reduced.

Ending child and family poverty is ultimately a matter of political will. Children have a right to an adequate standard of living, and ensuring that right requires sustained public investment in income supports, affordable housing, early learning and child care, and accessible health and

social services. Failure to act carries long-term consequences: higher public costs, lost economic potential, and avoidable harm to children's health and wellbeing.

The recommendations set out in this report card, alongside the compendium provincial and territorial report cards, provide a practical and achievable roadmap for federal, provincial and territorial governments. Implemented together, they would reduce poverty, narrow inequality and strengthen the social infrastructure families rely on. Canada has both the resources and the policy tools needed to ensure that all children can grow up with dignity and opportunity.

The question is no longer whether child and family poverty can be reduced, but whether governments will choose to make it a lasting priority.

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