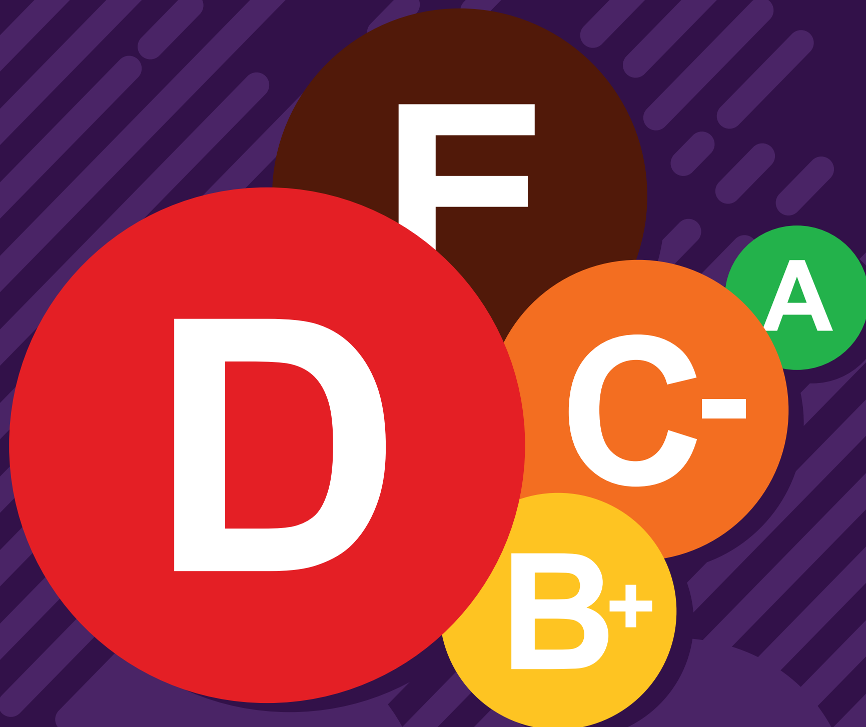
Food Banks Canada

Banques alimentaires Canada



2026

POVERTY REPORT CARDS

This year's Poverty Report Cards show that the situation is urgent — but change is possible.

A strong and resilient Canada can only exist when everyone can afford the food and essentials they need to achieve their full potential.

The data outlined in this report highlights Canada's most urgent challenges, such as unaffordable housing and incomes that no longer cover the cost of living whether they're from social supports or a job.

Most importantly, this report provides an ambitious and practical roadmap for governments to address the most important systemic issues contributing to poverty levels and help reduce it over both the short and long terms. It begins by recognizing that Canada is not experiencing a temporary squeeze; it is in the midst of a lasting shift that calls for fundamental reforms in the labour market, the housing market, the social safety net, and how food insecurity is addressed in northern regions.

At its most basic – Canada's food insecurity crisis has become a national issue that needs urgent attention.

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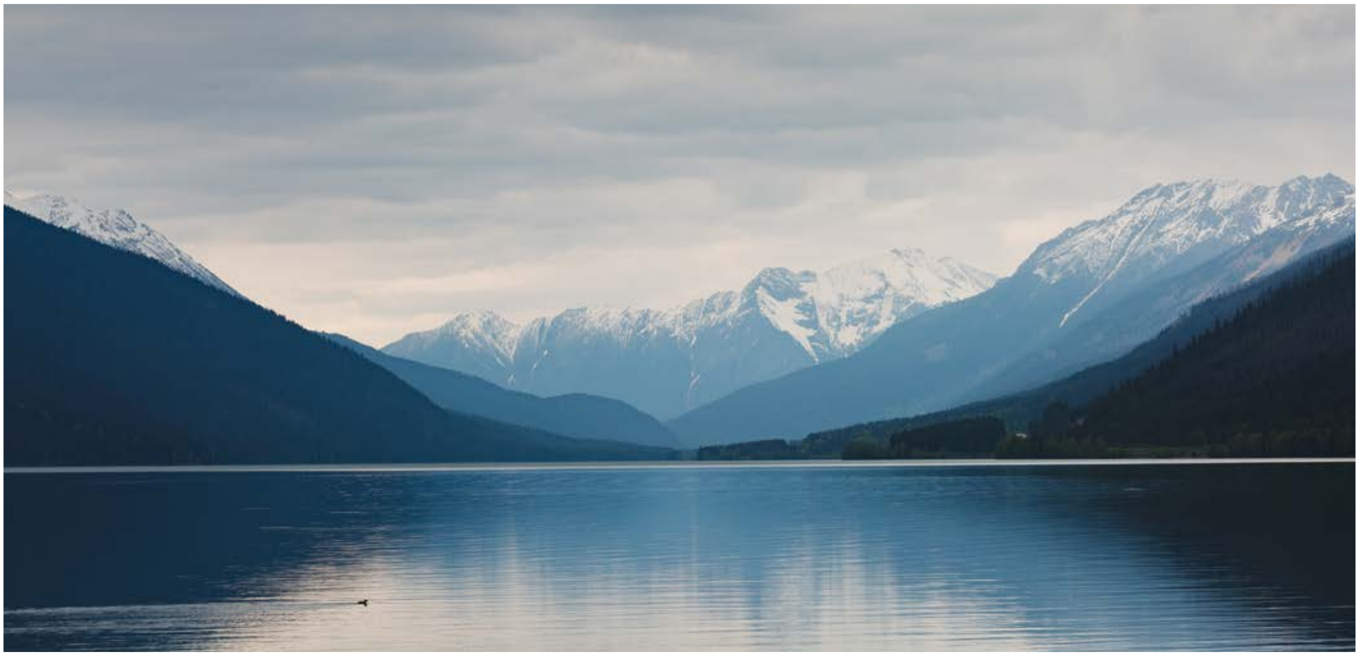
LAND ACKNOWLEDGMENT

Food Banks Canada, which supports a network of food banks and community organizations spanning coast-to-coast-to-coast, recognizes that our work takes place on the traditional territories of Indigenous Peoples who have cared for this land that we now call Canada since time immemorial.

We acknowledge that many of us are settlers and that these lands that we live, work, meet, and travel on are subject to First Nations self-government under modern treaty, unceded and un-surrendered territories, or traditional territories from which First Nations, Métis, and Inuit Peoples have been displaced.

We are committed to decolonization and to dismantling the systems of oppression that have dispossessed Indigenous Peoples of their lands, including the land on which we operate, and denied their rights to self-determination.



INTRODUCTION

A Structural Shift

We are in a period of significant economic uncertainty shaped by global instability, rising inflation, shifting trade dynamics, and a changing labour market.

These pressures are not only creating new challenges; they are exposing and intensifying long-standing structural weaknesses in how we support people to meet their basic needs.

To build a strong Canada, we must recognize that food insecurity and poverty are not simply temporary responses to turbulent times; they are the failures of a social support foundation that is no longer capable of underpinning a strong and resilient country. It has broken, and a bold structural rebuild is required.

Something fundamental has shifted in Canada. One quarter of people are food insecure. That's one in four people who struggle to access the food they need to be at their best. This sharp rise in food insecurity is not a surprise to the food bank network, which has seen demand increase year over year, with visits doubling across the country since 2020. A country cannot be strong and resilient when so many of its people are struggling to meet their essential needs.

Working Hard. Hardly Eating.

The data in this report shows a clear pattern across the country: Too many people have incomes that do not meet the cost of living. For one thing, a job is no longer enough to ensure a reliable pathway to stability. Keeping up with rising costs has become more difficult even for those who are employed, who now make up one in five food bank clients.

In addition, there are fewer jobs to go around — there are nearly three unemployed workers for every job vacancy. Overall unemployment has stabilized above 6% nationally following a sustained increase over the past two years, with no return to earlier conditions. Youth unemployment reached 13.8% in March 2026, among the highest levels in decades.

Canada's income support systems are not keeping up with these realities. Employment Insurance is meant to act as a stabilizer during periods of job loss, but too many workers cannot access it, particularly young people and those in precarious work. Governments have repeatedly introduced temporary measures in response to economic shocks, but the underlying system has not been fully modernized for decades. As a result, EI is not consistently providing timely or adequate support when people need it most.

INTRODUCTION

For those who cannot access work or EI, provincial social assistance is meant to provide a last line of defence. Instead, it has fallen dramatically behind. The share of recipients reporting that benefits are inadequate has risen from 45.9% in 2023 to 66% in 2026, with even higher rates in provinces such as Ontario and New Brunswick. Despite modest increases, no province has kept pace with the rising cost of essentials, leaving recipients well below the poverty line. This is not a marginal gap, but a system that is no longer providing a basic level of security.

Struggling to Make Ends Meet

Households are now spending an average of 56% of their income on fixed costs outside of housing. When housing is included, lower-income households are spending more than 100% of their income on essentials. Since 2021, the cost of food and shelter has risen by approximately 30%. Incomes and benefits have not kept pace with that increase. Governments have introduced a range of affordability measures, but these have not increased incomes at the scale required to close the gap.

Housing sits at the centre of this crisis. Four in 10 Canadians are now spending more than 30% of their income on housing. While prices are no longer rising as quickly, they have not come down – instead stabilizing at a deeply unaffordable level. In British Columbia, half of residents are living in unaffordable housing. Even in provinces where there has been some improvement, such as Manitoba, housing continues to place significant strain on household budgets. For many, the combination of housing and other essentials leaves little room to absorb any financial shock.

INTRODUCTION

Cautious Optimism

Despite the profound challenges, Food Banks Canada's 2026 Poverty Report Cards also highlight reasons for cautious optimism. We are encouraged to see that policies we called for in our 2024 and 2025 reports have become reality, helping to slow deepening poverty in Canada.

Highlights include progress toward automatic tax filing, the introduction of the Groceries and Essentials Benefit, expanded dental care, investments in childcare, and continued strengthening of the Canada Child Benefit.

Significant investments in the North also present a generational opportunity to address deep and persistent inequities—if they are implemented in true partnership and centred on the priorities of Northern communities.

We have also seen positive signs in provinces such as Manitoba, Newfoundland and Labrador and others that have implemented many of our recommendations over the last few years, leading to improvements in people's experience of poverty. We urge these provinces to double down on that momentum and for other provinces to follow suit.

Building Together

All levels of government must do their part to build a stronger, more resilient Canada. A Canada where no one goes hungry, where we support and care for our most vulnerable, and where everyone has the essentials they need to live with dignity and participate fully in their communities.

The data in this report provides a roadmap for governments to tackle systemic issues that can help in both the short and long terms. Workers need a system that supports them in today's labour market. People in Canada need housing options that leave them with enough money at the end of the month to build a life in which they can thrive. People who are unable to work need supports that allow them to cover their most basic needs. These policies, and others, can turn the tide on the grades in this report, and on the resilience of our country as a whole.

There is no single silver bullet policy solution, but this report provides a roadmap to a stronger and more resilient Canada in the future.

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D+

2026

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D+

D EXPERIENCE OF POVERTY

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
People feeling worse off compared to last year	39%	C+	C	D+	C-
People spending more than 30% of income on housing	42%	F	F	F	D-
People having trouble accessing health care	24%	F	F	F	D
Government support recipients who say rates are insufficient to keep up with cost of living	66%	F	F	F	D
Percent of income spent on fixed costs beyond housing	55.9%	C	D+	C-	C-

F POVERTY MEASURES

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Poverty rate (Market Basket Measure; MBM)	11.1%	F	F	F	D+
Unemployment rate	6.7%	F	F	D-	D+
Food insecurity rate	24.0%	F	F	F	C

B- MATERIAL DEPRIVATION INDEX

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Severely inadequate standard of living	19%	B-	C+	D-	–
Inadequate standard of living	28%	B-	B-	D+	–

C LEGISLATIVE PROGRESS

INDICATOR	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Legislative progress	C	C	D	–

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D+

2026

EXPERIENCE OF POVERTY

Canada received a D grade in 2026, driven primarily by a sharp deterioration in perceptions about the adequacy of government support combined with sustained affordability pressures.

- **Housing affordability:** In 2026, 42% of Canadians spent 30% or more of their income on housing. In 2023, this figure was 36%. It jumped to 43.6% in 2024 and has remained in the low 40s ever since. The data suggest an affordability shock followed by entrenchment.
- **Income spent on fixed costs outside of housing:** Canadians devoted just under 56% of their income to fixed costs in 2026. This figure has been essentially the same since 2023. Year to year movement has been minimal, indicating persistently high pressure from essential costs.
- **Access to health care:** The share of people reporting difficulty in accessing care rose steadily from about 19% in 2023 to 24% in 2026.
- **Worse off than last year:** Nationally, the share of people who feel worse off than they did last year increased from about 43% in 2023 to 44% in 2024, before falling to 39% by 2026. This indicates some easing in perceived hardship, but levels remain high.

- **Adequacy of government support:** This is the clearest and most concerning shift. The share of people who receive government support and say it is inadequate rose sharply from 45.9% in 2023 to 65% in 2025, and increased again to 66% in 2026. This represents a sustained and substantial deterioration, pointing to rapidly growing unmet need and declining confidence in income support systems nationally.

POVERTY MEASURES

Canada received an overall grade of F in the poverty measures section. Quebec received the highest provincial grade (C), while the national picture reflects broadly weak performance across all indicators with little sign of meaningful improvement in recent years.

- **Poverty rate:** The most recent available data (from 2024) show the national poverty rate is 11.1%, reflecting a significant increase from the 2023 baseline of 7.4%. Quebec reports the lowest poverty rate among provinces at 7%, while Nunavut records the highest rate in the country at 31.7%.
- **Social assistance as a percentage of the poverty line:** Nationally, data on social assistance as a percentage of the poverty line are not available as a single comparable figure. Among provinces, Prince Edward Island performs strongest on this measure, with benefits covering 64.4% of the poverty line, while Nova Scotia performs weakest at just 30.9%.
- **Disability assistance as a percentage of the poverty line:** As with social assistance, a single national figure for disability assistance as a percentage of the poverty line is not available. Among provinces, Newfoundland and Labrador leads this indicator at 74.1%, while Alberta records the lowest rate at 38.7%.
- **Unemployment rate:** Canada's national unemployment rate is 6.7%, up from 5% in 2023. Saskatchewan has the lowest provincial unemployment rate at 5%, while Newfoundland and Labrador records the highest among provinces at 9.5%.
- **Food insecurity:** The most recent available data (from 2025) show that 24% of people in Canada live in households experiencing food insecurity, a deeply troubling figure representing nearly 1 in 4 Canadians. Quebec reports the lowest provincial rate at 18%, while Nunavut records an alarming rate of 56.4%.

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D+

2026

MATERIAL DEPRIVATION INDEX

Canada received a B- grade for material deprivation in 2026.

This grade represents an improvement from a C+ in 2025 and reflects an ongoing positive national trend.

Severe deprivation declined slightly to 19%, and moderate deprivation stabilized at 28%. The data suggest that the most severe hardship has eased and broader deprivation is not becoming worse. Across the country, material deprivation levels stabilized in 2026, albeit at quite high levels. Material deprivation decreased meaningfully in Manitoba and Quebec but rose sharply in Nova Scotia.

Overall, the national material deprivation results indicate modest gains between 2024 and 2025, but little change over the last 12 months. This indicates that material deprivation persists.

LEGISLATIVE PROGRESS

Affordability and Cost of Living

- Introduced measures to ***reduce everyday financial costs***, including a $10 cap on non-sufficient funds (NSF) fees (down from as high as $50), enhancements to low- and no-cost bank accounts, and faster access to deposited funds. These changes are expected to benefit households that live paycheque to paycheque.
- Reduced the ***lowest marginal personal income tax rate*** from 15% to 14%, effective July 2025. This change is expected to benefit nearly 22 million Canadians. The largest share of tax relief is expected to go to those in lower tax brackets.
- Announced the ***Canada Groceries and Essentials Benefit***, a key Food Banks Canada policy recommendation, a five-year, $12.4 billion program that will provide up to $950 for individuals and $1,890 for families of four annually through the tax system. Twelve million Canadians living on lower incomes are expected to benefit from this program.
- Renewed funding for the ***Community Volunteer Income Tax Program*** for three years. This program supported over 1 million tax filings last year and improved access to benefits for households with low incomes.
- Announced $20 million to ***help food banks and community organizations*** deliver more nutritious food.
- Committed $216.6 million annually to make the ***National School Food Program*** permanent. An additional 400,000 children will benefit from this commitment every year.

CANADA

D+

2026

Housing Supply and Infrastructure

- Launched the ***Build Canada Homes*** agency with a $13 billion commitment to build 4 million homes by 2031. However, a significant skilled labour shortage — estimated to reach 309,000 workers by 2030 — may hinder delivery.
- Advanced a series of federal–provincial and municipal housing agreements to accelerate supply, including partnerships in ***Ontario***, ***British Columbia***, ***Nova Scotia***, ***New Brunswick***, ***Nunavut***, and ***Ottawa***. These agreements are expected to support the construction of at least 7,480 new homes, including dedicated affordable and community housing units, backed by over $1.3 billion in federal and joint funding.
- ***Eliminated the GST for first-time homebuyers*** on new homes priced at up to $1 million, with partial relief on homes costing up to $1.5 million.
- Expanded high-speed Internet access through partnerships with ***Alberta***, ***Saskatchewan***, and ***Nunavut***, reaching approximately 96,000 additional households and improving access to essential services and economic participation.
- ***Signed*** early learning and childcare partnership extensions with ***Saskatchewan*** and ***British Columbia*** through 2030–31, and one year extensions with ***Ontario*** and ***Alberta***. (***See here*** for a full list of program extensions.)

Income Security

- ***Implemented the Canada Disability Benefit (CDB)***, which will provide up to $2,400 annually for eligible low-income Canadians with disabilities aged 18–64. This is a significant new federal income support, but concerns over eligibility restrictions and the adequacy of the support remain.
- Increased the ***Canada Child Benefit*** by approximately $200 annually, with maximum benefits reaching $7,997 for children under 6 and $6,748 for those aged 6–17.
- Raised the ***federal minimum wage*** to $18.15 per hour, effective April 1, 2026, maintaining indexation to inflation.
- Began implementing ***automatic tax filing for Canadians*** with low incomes. This initiative is expected to reach 5.5 million individuals and improve uptake of benefits such as the CCB and GST/HST credit.

Labour Market and Employment Supports

- ***Extended temporary Employment Insurance (EI) measures*** and the ***Work-Sharing Program*** until October 2026, providing continued support for workers affected by economic disruptions. However, no permanent structural reforms were introduced.
- Invested in youth employment, including up to $27 million over two years for the ***Youth Employment and Skills Program (YESP)*** to support entry into the agriculture and agri-food sector, and $26.1 million for the Youth Employment and Skills Strategy (YESS) to improve job access and skills development for young people.

- Introduced targeted supports for employment sectors affected by tariffs. The supports include partnerships with ***British Columbia***, ***Saskatchewan***, ***Ontario***, and ***Quebec*** to deliver funded retraining, job retention supports for workers affected by tariffs, and a ***broader strategy to support auto workers***, including reskilling and employment assistance for up to 66,000 workers.

North and Indigenous

- ***Committed up to $480 million to build 750 homes in Nunavut***. $250 million committed by Build Canada Homes; $230 million by the Government of Nunavut. Some of those homes will be delivered through Inuit-led organizations, advancing self-determination.
- Announced nearly ***$1.4 billion to strengthen health, wellness, and social supports for Indigenous Peoples***, including funding for urban Indigenous programming and assisted living supports for individuals who live on reserve and have low incomes.
- Extended ***Jordan's Principle*** and the ***Inuit Child First Initiative*** through 2027, continuing crucial funding for essential services for First Nations and Inuit children. Although this is a positive move, the measures are not permanent.
- Announced an additional $30 million to meet the current needs of the ***Nutrition North Canada subsidy*** and an additional $6.3 million for the Northern Isolated Community Initiatives Fund.
- ***Announced major transportation and energy infrastructure investments to strengthen connectivity, energy security, and economic development in the North***, including $100 million for the Mackenzie Valley Highway connecting Yellowknife to Inuvik; the Grays Bay Road and Port and Arctic Economic and Security Corridor to link Nunavut to the national highway system and a deepwater Arctic port; the Taltson Hydro Expansion, which will double hydro capacity in the Northwest Territories; and the Iqaluit Nukkiksautiit Hydro Project, Nunavut's first Inuit-owned hydro project delivering reliable, emissions-free power.
- Announced over $1.75 million through the ***Canadian Northern Economic Development Agency*** to support community-led food-security projects in the Northwest Territories.

Canada received a C for legislative progress this year. The federal government introduced a range of affordability and income-support measures, including the Canada Groceries and Essentials Benefit, enhancements to the Canada Child Benefit, the introduction of the Canada Disability Benefit, and the permanence of the National School Food Program. Additional changes, such as automatic tax filing for low-income households and expanded access to low-cost banking, also aim to reduce everyday financial barriers.

However, these actions remain insufficient relative to the scale of need. While the Canada Groceries and Essentials Benefit represents a significant new transfer, its overall design and scale are more limited than earlier policy intent, constraining its ability to materially reduce food insecurity. Similarly, the Canada Disability Benefit is a meaningful policy development but is restricted by eligibility rules tied to the Disability Tax Credit, excluding many low-income people with disabilities who are among those most at risk of poverty.

Labour market supports remain a critical gap. Temporary Employment Insurance measures have been extended, but no structural reforms were introduced to address persistent gaps in coverage and eligibility, particularly for younger and non-standard workers. Gaps in EI access not only limit income stability but also restrict pathways into further employment and training supports.

Housing affordability pressures also remain acute. Federal investments in housing supply, including through Build Canada Homes represent a significant commitment to long-term expansion – but housing takes time to build. Uncertainty surrounding time-limited affordability measures, including the Canada Housing Benefit, raises concerns for households currently facing high rental costs.

The most significant area of promise is in the North. Federal investments in housing, infrastructure, and connectivity represent a potentially important shift in long-term support. These investments have the potential to improve living standards if designed and implemented in partnership with Indigenous and community leadership.

At the same time, key federal programs addressing food insecurity remain uncertain and in transition. We are still awaiting on reforms to Nutrition North Canada, while recent changes to the Inuit Child First Initiative have created uncertainty and reduced access to food supports. This uncertainty makes it difficult for communities to plan and highlights the limitations of temporary and piecemeal approaches in addressing systemic challenges.

Overall, the federal government has made important progress, but gaps remain. Opportunities exist to strengthen the adequacy and accessibility of income supports, implement meaningful Employment Insurance reform, and ensure that major investments translate into lasting reductions in poverty.

POLICY AND POLITICAL LANDSCAPE

Canada is at an inflection point. The pressures shaping today's affordability crisis are no longer episodic or confined to specific shocks. They are a result of deeper structural shifts in how income, housing, and work interact in the Canadian economy. Global disruptions have intensified the pressures, but they have not created them. Long before inflationary shocks and supply chain volatility, core elements of Canada's social and economic systems were already showing signs of decline. The recent volatility has exposed just how far those systems have fallen behind current needs.

Since 2021, food and shelter costs have increased by 30%, far outpacing wage growth. At the same time, the nature of work itself has become less stable. Overall unemployment has stabilized above 6% nationally, following a sustained increase over the past two years. Youth unemployment reached 13.8% in March 2026, the highest levels since the Great Recession. There are now nearly three unemployed workers for every job vacancy — a clear indication that the current labour market is increasingly difficult to enter and navigate.

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Stability is eroding even for those with jobs: 1 in 5 food bank clients are employed, and many of them work full-time. Work is no longer a reliable guarantee of economic security or even protection against food insecurity.

The pressures are exposing long-standing weaknesses in Canada's income support architecture. Employment Insurance was designed for a labour market that no longer exists. Too many workers — particularly younger workers and those in non-standard or precarious employment — are unable to access benefits when they lose all or part of their income.

Government responses have been insufficient to address the underlying dynamics. The Federal Government has introduced a range of affordability measures aimed at reducing immediate financial pressure on households, but these interventions remain limited relative to the scale of need. The Canada Disability Benefit, while an important policy development, is constrained by eligibility rules tied to the Disability Tax Credit, excluding a substantial share of people with disabilities who have low incomes and experience poverty cannot access it. Similarly, while the Groceries and Essentials Benefit provides meaningful short-term relief, its overall impact is insufficient to close the gap between income and basic living costs for households under sustained affordability pressure.

Housing policy remains a central pillar of the federal response, anchored by Build Canada Homes and associated investments that signal a shift toward direct supply expansion through large-scale construction targets. These efforts are supported by bilateral agreements with provinces, municipalities, and Indigenous partners, alongside measures such as GST relief for first-time homebuyers purchasing new builds. However, delivery constraints — particularly a well-documented shortage of skilled labour in construction — limit the pace at which these commitments can be realized, creating a gap between supply ambitions and near-term affordability outcomes.

At the same time, Canada's broader economic and political environment is being reshaped by significant geopolitical and structural shifts. The renegotiation of CUSMA, for example, reflects a broader recalibration of Canada's trade relationship with the United States. This is being done alongside deliberate efforts to diversify international trade partnerships. These strategies are aimed at reducing economic vulnerability, but they also introduce uncertainty in the short term.

Defence and security policy have become increasingly central to federal planning. Canada is significantly expanding its defence investment in response to a more unstable global security environment, with a growing proportion of funding directed toward Northern infrastructure and sovereignty and Arctic presence. These investments are often framed as dual use, intended to support both national security and economic development in remote regions. Northern infrastructure projects are increasingly being positioned as strategic assets that link sovereignty objectives with long-term improvements in living standards for Northern communities, which experience the highest rates of food insecurity in the country. If the Government is to achieve its desired outcomes, it will need to develop meaningful partnerships and work in co-development with Indigenous and community leadership.

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These decisions and circumstances are unfolding in a global context marked by persistent instability in energy, fertilizer, and food markets. Conflict-driven disruptions continue to affect global supply chains and contribute to volatility in Canadian food and energy prices. These external pressures are interacting with already constrained domestic systems and amplifying affordability challenges. As a result, Canada's policy environment is increasingly defined by the need to manage overlapping domestic structural weaknesses and external volatility simultaneously.

The impact of all this is most acutely felt at the household level, particularly among those who have lived for many years with constrained budgets and limited financial buffers. The volatility is most visible in food insecurity, where rising costs have pushed a growing number of households into crisis, with one in four now experiencing food insecurity. Food bank usage has more than doubled since 2019, reflecting not only acute hardship but also the existence of a widening pool of households that are one shock away from instability to collapse.

Overall, Canada's policy and political landscape is defined less by system transformation than by incremental adaptation within existing structures. There is clear recognition of affordability pressures and meaningful expansion of targeted supports, but the support measures remain insufficiently aligned with the scale and persistence of need. Without structural reform of income security, housing affordability, and labour market protection systems, current interventions are unlikely to meaningfully reduce food insecurity or offset the pressure households are experiencing.

POLICY RECOMMENDATIONS

SUPPORTING WORKERS

- **Permanent Reform to Employment Insurance for a Modern Workforce:** The nature of work has become less stable. Global uncertainty, tariffs, and persistently high unemployment are exposing long-standing weaknesses in Canada's income support system. Even before these recent pressures, Employment Insurance (EI) was not working for a growing share of workers.

  Canada's EI program was built for a postwar labour market defined by stable, full-time employment with a single employer. That model no longer reflects how work is organized. Over time, the labour market has shifted toward part-time, temporary, and contract work, yet EI's core design has remained largely unchanged. As a result, the program now covers a shrinking share of workers and is increasingly out of reach for those in more precarious forms of employment, disproportionately impacting youth, those with disabilities and racialized Canadians.

  At the centre of this misalignment is the eligibility system. Access is tied to accumulating a set number of insurable hours within a fixed period, with thresholds that vary by region. This approach no longer maps onto how many people work. Irregular hours, multiple jobs, contract work, and frequent transitions in and out of employment make it difficult to qualify, even for those with consistent labour force attachment. The result is a system that works well for a narrow segment of workers, while excluding many others who face the greatest income instability.

Canada needs a modern EI for a modern workforce, reforms should include:

1. **Expand access** by establishing a uniform national eligibility threshold of 420 hours and introducing a hybrid hours-and-weeks model to better capture part-time, seasonal, and irregular work patterns.
2. **Include non-standard workers** through a two-track approach: strengthen enforcement to address worker misclassification so more workers are correctly treated as employees, and create a clear contribution-based pathway for genuinely self-employed and gig workers to access EI.
3. **Improve adequacy** by introducing a minimum weekly benefit floor of at least $450 and increasing the replacement rate above the current 55%, ensuring benefits better reflect the cost of living and prevent income shocks from leading to poverty.
4. **Protect access across life events** by creating a separate EI stream for caregiving and illness, ensuring that accessing these supports does not reduce eligibility or duration of unemployment benefits.
5. **Strengthen employment transitions**
   - By introducing a second EI support stream for individuals who exhaust benefits without securing employment, extending access to income and employment supports for up to an additional year. This stream should be paired with enhanced training and job-matching services.
   - In parallel, expand eligibility pathways for younger workers by counting time spent in recognized education, training, apprenticeships, and national service programs toward EI qualification, ensuring smoother transitions from education into the labour market.

- **Double the Canada Workers Benefit:** Nearly 1 in 5 (19%) of food bank clients are employed, supporting a growing body of evidence showing that employment is no longer a protection against food insecurity. The Canada Workers Benefit is designed to incentivize entry into the workforce by increasing the amount of the benefit with each dollar earned, to a maximum amount. However, both the tax credit amount and the eligibility threshold limit the impact of the benefit. The CWB is phased out at a rate of 15% of each dollar of adjusted net income above thresholds of $26,855 for single individuals without dependants and $30,639 for families in 2025 – below the poverty line in every jurisdiction. The refundable credit is equal to 27% of each dollar of earned income in excess of $3,000 to a maximum credit of $1,633 for single individuals without dependants and $2,813 for families (couples and single parents) in 2025.

  Food Banks Canada recommends doubling the maximum amount of the benefit and increasing the income threshold to at least the poverty line to further incentivize workforce participation while enhancing people's income.

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INCOME POLICY

- **Remove Barriers and Simplify Access to the Disability Tax Credit (DTC):** The Disability Tax Credit (DTC) is a requirement to access the Canada Disability Benefit (CDB) and at least a dozen other programs, making it the primary gateway to federal disability supports. However, this reflects a fundamental design issue: the DTC is a non-refundable tax credit created for tax equity purposes, not income support, yet it now sits at the centre of Canada's disability poverty reduction system.

  As a result, access to supports is constrained at the outset— Stats Can estimates that just 14.6% of persons with disabilities are eligible to claim the Disability Tax Credit, leaving the majority without access to the benefits it unlocks. Researchers, advocates and members of the disability community have long raised concerns about the complexity and inaccessibility of the DTC, within a broader support system that remains fragmented across federal and provincial/territorial programs. The Spring Economic Update 2026 signals federal acknowledgment of the need for DTC reform; however, the reforms do not go far enough. While the CDB is an important step, its adequacy remains limited, making equitable access to the DTC a critical first barrier to address.

  Reforms should include:

  1. **Modernize the definition of disability and enable automatic access**
     – Replace the restrictive DTC definition of disability with a broader definition aligned with provincial and territorial disability frameworks.
     – Grant automatic DTC eligibility to individuals receiving disability-related social assistance.
     – Establish federal–provincial/territorial data-sharing mechanisms to enable automatic qualification and enrolment in federal disability benefits once eligibility is established through provincial or territorial systems.
  2. **Overhaul access, processes, and supports**
     – Replace the current application with a simplified, plain-language form co-designed with persons with disabilities, reducing reliance on clinician-completed paperwork.
     – Fully reimburse medical practitioners for completing DTC applications to eliminate financial barriers.
     – Reduce unnecessary reassessments for individuals with permanent or long-term disabilities through clearer and more consistent criteria.
     – Strengthen navigation supports to ensure equitable access across federal and provincial/territorial programs.

- **Undertake a Federal Parliamentary Study on the Adequacy of Social Assistance in Canada:** Social assistance is a provincial and territorial responsibility, but its inadequacy has become a national policy concern. Across all jurisdictions, social assistance incomes have not kept pace with the cost of living, making it impossible for recipients to meet basic needs in any part of the country. The share of respondents reporting that social assistance is insufficient to meet the cost of living has risen from 45.9% in 2023 to 66% in 2026—the largest worsening across all indicators. In the context of ongoing affordability pressures, this gap increases the risk of deep poverty, housing instability, and homelessness.

While delivery is provincial/territorial, the consequences are national. Inadequate social assistance is a major driver of food insecurity and entrenched poverty across Canada. Without meaningful improvements, national reductions in poverty and food insecurity will not be achievable.

We recommend that the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities (HUMA), together with the Senate Committee on Social Affairs, Science and Technology (SOCI), undertake a federal study on provincial, territorial social assistance and on-reserve income support systems. This study should assess adequacy relative to cost of living, identify gaps in support, and examine the role of federal transfers — including the Canada Health and Social Transfer—in enabling adequate income support across jurisdictions.

AFFORDABILITY

- **Establish a National Housing Accord:** With the upcoming expiry of transfers under the National Housing Strategy, the federal government must renew and expand its investments in affordable housing. These should be anchored in the creation of a National Housing Accord which provides a shared vision for coordinated federal and provincial investments to combat chronic homelessness, introduces portable housing benefits for Canadians who are waitlisted for affordable housing, reduces taxes on new housing construction and accelerates the Build Canada Homes platform to help scale affordable housing construction.

- **Establish Explicit Build Canada Homes Geographic Tiers with Defined Criteria:** The current framework mentions rural, northern, remote, and Indigenous communities but has vague language like "project sizes will be tailored to community need." Portfolio sizes are described as being tailored to community need, with projects potentially being smaller in rural, northern, or Indigenous communities — but there are no published thresholds, definitions, or specific parameters for what that means in practice.

  We recommend that Build Canada Homes define at least three distinct policy tracks with published eligibility criteria. Without these distinctions, communities that most need tailored support have no reliable basis on which to apply.

  - An Urban/Suburban track (populations of 30,000 and above) would apply the standard framework as written — density targets, market-rate mixing, factory-built modules, and transit-oriented design.

- A Small Town/Rural track (populations of 1,000 to 30,000) would feature relaxed density requirements, explicit eligibility for ownership models (the framework allows this but buries it), local supply chain sourcing credits, and longer project readiness timelines.
- A Remote/Northern/Indigenous track would operate as a dedicated intake stream with fundamentally different benchmarks: no shovel-ready within 12 months requirement, infrastructure bundling covering roads, water and power, recognition of fly-in logistics costs, and explicit Nation-to-Nation co-design processes. Critically, this track should be explicitly designed to align with and leverage federal northern and Arctic defence infrastructure commitments. Canada's renewed investment in continental defence — including NORAD modernization, northern surveillance installations, and Arctic resupply corridors — creates a generational infrastructure window in precisely the communities this track is meant to serve. BCH should establish formal coordination mechanisms with the Department of National Defence and Infrastructure Canada to co-locate or sequence housing and community infrastructure investments alongside defence spending, avoiding the pattern of military buildout without complementary civilian amenity.

Fix the "Shovel-Ready in 12 Months" Requirement for Remote Communities: Build Canada Homes prioritizes projects that are construction-ready to begin within 12 months. This is reasonable for urban areas with existing serviced lots and permitting infrastructure — but it structurally excludes remote and northern communities where land assembly, infrastructure servicing, environmental assessments, and community consultation processes routinely take 2 to 5 years.

We recommend that BCH create a Pathways to Shovel-Ready stream for remote, northern, and Indigenous applicants that funds pre-development work — site servicing, permitting, and design — as a distinct eligible expense, not just construction. The Nunavut tripartite agreement is a good model to build from. BCH has already secured a tripartite agreement with Nunavut and Nunavut Tunngavik Incorporated, representing part of a growing pipeline of over 7,500 new homes — that partnership model should be formalized as a replicable template. Treating pre-development funding as a separate eligible stream would allow communities to enter the BCH pipeline years before they could otherwise qualify, and would align program timelines with the actual pace of development in Canada's north.

ADDRESSING SYSTEMIC INEQUALITIES

Closing the Cost-of-Living Gap in the Canada Groceries and Essentials Benefit (CGEB) for Northern Canada: Food Banks Canada applauds the introduction of the CGEB which will help support Canadians through the current affordability crisis. Recognizing that the cost of food and necessities are significantly more expensive in the north, CGEB's income eligibility thresholds and amounts should be expanded to reflect the economic realities of households living in northern communities. To support this work, Budget 2026 should initiate options for design in collaboration with regional stakeholders and territorial governments.

CANADA

D+

- **Strengthening Nutrition North Through Community-Led Reform:** Food Banks Canada thanks Northern Affairs Canada for convening the Spring 2026 summit, From Subsidy to Sovereignty: Building a Northern Food Economy, to review the Nutrition North program. Building on feedback from northern partners and communities, we emphasize that reform must be community-led, with northern Indigenous and remote communities guiding program design, priorities, and delivery.

  First, Nutrition North must be adequately funded and indexed to inflation to ensure subsidies keep pace with the rising cost of food and transportation in remote regions. Without cost-of-living alignment, the program cannot achieve its core objective of improving food access.

  Second, the program requires stronger transparency and accountability mechanisms to ensure funds are reaching intended beneficiaries—households experiencing food insecurity—rather than being diluted within supply chains. Clear reporting on pricing, distribution, and subsidy pass-through is essential to strengthen community confidence.

  Finally, we recommend expanding Nutrition North's scope to support a broader northern food system, including investments in local food production, community-led food initiatives such as food banks, and strengthening and expanding the Hunters and Trappers Support Program. This should include exploration of additional supports such as compensated harvesting roles and formal recognition of harvesting expertise, where defined and governed by communities themselves.

- **Advance significant investments in affordable community infrastructure as part of Canada's commitment to reach 5% of GDP on defence and dual use capabilities:** The federal government has announced significant initial investments in Canada's arctic defence capabilities and the federal government is helping to advance a number of major projects across the Territories, such as the Mackenzie Valley Highway and the Grays Bay trade corridor. These are potentially significant and transformative opportunities for the region – but their success and the ability of Canada to properly assert its own sovereignty will depend on the ability to build strong local communities and workforces that have access to high quality of life and housing that is affordable and meets their needs. Both the federal and territorial governments must develop a long-term affordable housing plan that recognizes access to social infrastructure such as affordable power, heat, internet and most importantly housing are the basic elements of dual use infrastructure that will enable both strong northern defences and responsible resource development. This will require working with Indigenous government partners to develop a comprehensive infrastructure plan with clear priorities, timelines, and delivery mechanisms.

Food Banks Canada

Banques alimentaires Canada

D

2026

BRITISH COLUMBIA

BRITISH COLUMBIA

D

D- EXPERIENCE OF POVERTY

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
People feeling worse off compared to last year	42%	C-	C-	C-	D-
People spending more than 30% of income on housing	49%	F	D-	F	F
People having trouble accessing health care	24%	F	F	F	C-
Government support recipients who say rates are insufficient to keep up with cost of living	68%	F	F	C	F
Percent of income spent on fixed costs beyond housing	54.9%	C+	F	D-	B-

D- POVERTY MEASURES

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Poverty rate (MBM)	13.0%	F	F	F	F
Social assistance as a percent of the poverty line (single adult)	46.1%	D	D	D-	D-
Disability assistance as a percent of the poverty line	65.1%	C-	C-	D+	D+
Unemployment rate	6.7%	F	D-	D	C-
Food insecurity rate	23.2%	F	F	F	B-

C MATERIAL DEPRIVATION INDEX

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Severely inadequate standard of living	21%	C	B-	D	–
Inadequate standard of living	30%	C	B+	D+	–

D LEGISLATIVE PROGRESS

INDICATOR	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Legislative progress	D	B	B	C

BRITISH COLUMBIA

D

EXPERIENCE OF POVERTY

British Columbia received a D- grade in 2026, reflecting a persistently weak performance across affordability, access, and income pressure indicators.

- **Housing affordability:** With 49% of residents spending 30% or more of their income on housing — the highest share in the country — BC received a failing grade for this indicator. Housing stress increased steadily from 2023 to 2026, which indicates worsening affordability over time.
- **Income spent on fixed costs outside of housing:** BC earned a C+, with people spending 54.9% of their income on fixed costs. This is lower than the national average and slightly lower than in Ontario, but higher than in Quebec. Fixed cost pressure has been consistently high across all years.
- **Access to health care:** BC received a failing grade for this indicator, with 24% of people reporting difficulty accessing care. Conditions worsened sharply after 2023 and have only partially improved.
- **Worse off than last year:** The share of residents who feel worse off than they did last year was 42%. Earlier declines suggested hardship was easing slightly, but the 2026 increase signals renewed strain.
- **Adequacy of government support:** BC received an F for this indicator, with 68% of people who receive government support saying it is inadequate. This is one of the highest rates nationally. The upward trend since 2023 points to growing unmet need.

BRITISH COLUMBIA

D

2026

POVERTY MEASURES

British Columbia received an overall grade of D- in the poverty measures section. Quebec received the highest grade (C), while most other provinces received a D- or F, indicating that poverty remains widespread and that progress has been limited across the country.

- **Poverty rate:** The most recent available data (from 2024) show the poverty rate in BC is 13%, the highest rate among the provinces. Quebec reports the lowest poverty rate among provinces at 7%.
- **Social assistance as a percentage of the poverty line:** In BC, social assistance provides just 46.1% of the income needed to reach the poverty line. Prince Edward Island performs strongest on this measure among the provinces, with benefits covering 64.4% of the poverty line.
- **Disability assistance as a percentage of the poverty line:** Disability assistance in BC reaches 65.1% of the poverty line, falling short of what is required. Newfoundland and Labrador provides the most support at 74.1% of the poverty line.
- **Unemployment rate:** BC's unemployment rate is 6.7%, the same as the national rate. Saskatchewan has the lowest provincial unemployment rate at 5%.
- **Food insecurity:** The most recent available data (from 2025) show that 23.2% of people in BC live in households experiencing food insecurity. This is slightly below the national average of 24%, yet remains high when compared with Quebec, where approximately 1 in 5 people experience food insecurity.

MATERIAL DEPRIVATION INDEX

British Columbia received a C grade for material deprivation in 2026, placing it in the middle of all the provinces on this indicator.

This grade represents a decline from the B it received in 2025 and contrasts with the national trend of overall improvement.

Material deprivation remains widespread in the province: 21% of residents are severely deprived, lacking several basic items, and 30% experience inadequate living standards. After falling sharply between 2024 and 2025, both forms of deprivation increased in 2026.

BRITISH COLUMBIA

D

2026

The rise in moderate deprivation is particularly notable, suggesting that while the rate of the most severe hardship is lower than in earlier years, more households are experiencing moderate deprivation. This pattern aligns with BC's worsening results on housing affordability and income pressure indicators.

Overall, BC's material deprivation results suggest that earlier improvements have stalled, leaving a significant share of residents unable to afford a basic standard of living in 2026.

LEGISLATIVE PROGRESS

Housing and Affordability

- Passed the ***Housing Statutes Amendment Act***, 2024, to accelerate housing supply, including measures to restrict local zoning barriers, increase density, and amend regulation to better enable the addition of secondary suites.
- Continued the ***Speculation and Vacancy Tax*** to discourage people from leaving properties unoccupied and increase housing availability.

Income Security

- ***Amended social assistance regulations*** so that if both members of a couple receive disability assistance, they each receive the same support allowance as a single person. However, social assistance rates have not increased since 2023 and rates are not indexed to inflation.
- Committed $121 million over three years in ***Budget 2026*** to income, disability, and supplementary assistance.
- Raised the ***annual earnings exemption*** for families with one person on disability assistance from $19,440 to $23,400.
- Continued the implementation of the ***10-year poverty reduction strategy***, with targets to reduce overall poverty by 60% and child poverty by 75% by 2034.

Labour Market Supports

- Launched a $70.4 million ***retraining fund for workers affected by tariffs*** in key sectors, including softwood lumber and steel.
- Partnered with the Federal Government to invest over $ 6 million in ***targeted training programs for people who are facing barriers to employment***. These included programs in construction, health care, hospitality, education support, and skilled trades across multiple regions.

BRITISH COLUMBIA

D

2026

BC received a D for legislative progress this year. The province has continued to advance structural housing reforms, including measures to increase density and strengthen renter protections, and made targeted adjustments to income supports, such as raising the annual earnings exemption and effectively increasing payments for couples on disability assistance. However, these changes are incremental. Social assistance rates have not increased since 2023 and remain unindexed to inflation, so their value has eroded over time.

Despite maintaining its ambitious poverty reduction strategy, it adapted few new actions to support its targets. Budget 2026 included no significant new investments, and the Government did not follow through on its commitment to introduce a groceries benefit. With fiscal constraints limiting new spending, current measures are unlikely to meaningfully reduce poverty.

POLICY AND POLITICAL LANDSCAPE

During the most recent 2024 provincial election, the BC NDP narrowly won a second consecutive majority, but with fewer seats.

The Provincial government has ambitious poverty reduction targets. Its 2024 Poverty Reduction Strategy states that it aims to reduce overall poverty by 60%, child poverty by 75%, and senior poverty by 50%.

However, spending on health care and education over past years has led to concern about BC's fiscal position. RBC noted that the province has large deficits, an increasing debt-to-GDP ratio, and no path to balance. Two major rating agencies downgraded BC's credit rating after the 2025 Budget.

The latest budget included no significant new spending announcements despite new tax increases but referenced aims to cut 15,000 public service jobs and freeze the number of new providers for its $10/day childcare program. Several 2024 campaign commitments have apparently gone by the wayside.

Shannon Salter, Deputy Minister to the Premier, David Eby, described the current fiscal trajectory as "unsustainable."

The Eby administration has not honoured its campaign commitment to introduce a groceries benefit. It previously described this proposed benefit as "an immediate $1,000 cheque for most families to help address cost-of-living challenges, specifically the cost of groceries. After the first year, the rebate would have become an income tax cut."

Neither has it honoured its commitment to increase income, disability, and supplementary assistance spending. Budget 2026 adds only $121 million over three years — which translates to a negligible increase — rather than the $3 billion over three years mentioned previously.

BRITISH COLUMBIA

D

2026

Premier Eby defended the changes by pointing to a more challenging economic outlook because of the U.S. tariffs and associated uncertainty. However, critics say the government should have responded to low economic growth projections prior to the introduction of tariffs by establishing a sustainable fiscal position from the outset of its tenure.

POLICY RECOMMENDATIONS

AFFORDABILITY

- **Fulfill the BC NDP's commitment to introduce a groceries rebate:** The BC NDP's primary campaign commitment was a "grocery rebate"—an immediate $1,000 payment for most families (or $500 for most individuals) to help address cost-of-living pressures, particularly rising food costs. After the first year, the rebate would transition into an income tax reduction. Implementing this commitment would provide timely relief to households struggling to cope with rising grocery prices.
- **Maintain BC Housing's capital budget at a minimum of $1.2 billion per year:** While BC has increased investments in affordable housing, a significant share has gone toward subsidies and operating funding rather than capital construction. With housing construction lagging behind population growth, the province cannot afford to reduce its investment in new builds. Food Banks Canada recommends maintaining a capital plan of at least $1.2 billion per year, indexed to inflation, through 2030. This level of investment would support the construction of approximately 750 additional units annually.

INCOME SECURITY

- **Restore BC's social assistance commitment: index all benefits and increase rates for single adults:** Budget 2026 includes $121 million over three years for income, disability, and supplementary assistance – far below the previously announced $3 billion commitment. The province should restore this investment level, beginning with immediate CPI indexation for all benefit rates. Single adults, who represent a high proportion of people living in poverty, have been largely overlooked by poverty reduction efforts focused on children and families. The province should provide a targeted rate increase of at least 10% for single individuals to prevent further erosion of benefit adequacy and align with broader poverty reduction goals.

BRITISH COLUMBIA

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2026

LABOUR MARKET REFORM

- **Reduce clawbacks for workers who have low incomes and introduce a provincial earnings supplement:** Despite recent increases to earnings exemptions for people who receive income assistance, workers with low incomes continue to face high clawback rates. BC should analyze the feasibility of creating a provincial earnings supplement modelled on Ontario's Low-Income Individuals and Families Tax Credit (LIFT) or the federal Canada Workers Benefit (CWB), both of which support workers with low incomes and strengthen work incentives.

ADDRESSING INEQUITIES

- **Ensure that BC is on track to meet the Poverty Reduction Strategy targets:** The province is in the third year of its 2024 Poverty Reduction Strategy, which aims for a 60% reduction in overall poverty and a 75% reduction in child poverty by 2034. Annual progress reports are needed to help provide ongoing accountability for the plan, and the government should move to adopt interim targets to help better measure progress over the decade.

Food Banks Canada

Banques alimentaires Canada

D-

2026

ALBERTA

ALBERTA

D-

D- EXPERIENCE OF POVERTY

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
People feeling worse off compared to last year	41%	C	D	D-	F
People spending more than 30% of income on housing	43%	F	F	F	D+
People having trouble accessing health care	26%	F	F	F	C-
Government support recipients who say rates are insufficient to keep up with cost of living	68%	F	F	D-	D-
Percent of income spent on fixed costs beyond housing	59.1%	D-	D	D-	C+

F POVERTY MEASURES

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Poverty rate (MBM)	11.0%	F	F	F	D
Social assistance as a percent of the poverty line (single adult)	33.2%	F	F	F	F
Disability assistance as a percent of the poverty line	38.7%	F	F	F	F
Unemployment rate	6.5%	F	F	D-	D
Food insecurity rate	28.4%	F	F	F	F

C MATERIAL DEPRIVATION INDEX

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Severely inadequate standard of living	22%	C	C+	D+	–
Inadequate standard of living	31%	C	C	D	–

D LEGISLATIVE PROGRESS

INDICATOR	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Legislative progress	D	F	F	C

ALBERTA

D-

2026

EXPERIENCE OF POVERTY

Alberta received a D- grade in 2026, reflecting persistent cost pressures despite some improvement in perceived financial well being.

- **Housing affordability:** Alberta received a failing grade for this indicator — 43% of people are spending 30% or more of their income on housing. While not the worst nationally, Alberta performs worse than the other Prairie provinces. Housing stress jumped sharply after 2023 and remains elevated, suggesting sustained affordability pressure.
- **Income spent on fixed costs outside of housing:** Alberta earned a D, with people spending 59.1% of their income on fixed costs. This is higher than the national average and the second highest among the Prairie provinces, behind Saskatchewan. Fixed costs rose substantially after 2023 and remain persistently high.
- **Access to health care:** Alberta received a failing grade, with 26% of people reporting difficulty accessing. Access challenges increased over time, which indicates growing strain on care services.
- **Worse off than last year:** 41% of people reported feeling worse off than they did last year. This rate is lower than Saskatchewan's but higher than Manitoba's. The steady decline since 2023 suggests some easing of hardship.

ALBERTA

D-

2026

- **Adequacy of government support:** Alberta received an F for this indicator, with 68% of people who receive government support reporting that it is inadequate. This is higher than the national rate. The sharp rise since 2024 points to worsening unmet need.

POVERTY MEASURES

Alberta received an overall grade of F in the poverty measures section. Quebec received the highest grade (C), while Alberta was among the weakest performers nationally, alongside Nova Scotia and New Brunswick. Most other provinces received a D- or F, indicating that poverty remains widespread across the country.

- **Poverty rate:** The most recent available data (from 2024) show the poverty rate in Alberta is 11%, slightly below the national average of 11.1%. Quebec reports the lowest poverty rate among provinces at 7%.
- **Social assistance as a percentage of the poverty line:** In Alberta, social assistance provides just 33.2% of the income needed to reach the poverty line, among the lowest in the country. Prince Edward Island performs strongest on this measure, with benefits covering 64.4% of the poverty line.
- **Disability assistance as a percentage of the poverty line:** Disability assistance in Alberta reaches just 38.7% of the poverty line — the lowest rate among provinces and barely more than one third of what is required. Newfoundland and Labrador leads this indicator at 74.1%.
- **Unemployment rate:** Alberta's unemployment rate is 6.5%, below the national average of 6.7%. Saskatchewan has the lowest provincial unemployment rate at 5%.
- **Food insecurity:** The most recent available data (from 2025) show that 28.4% of people in Alberta live in households experiencing food insecurity, well above the national average of 24% and significantly higher than Quebec, where approximately 1 in 5 people experience food insecurity.

ALBERTA

D-

2026

MATERIAL DEPRIVATION INDEX

Alberta received a C grade for material deprivation in 2026, reflecting a modest performance relative to other provinces.

This grade is unchanged from 2025, indicating limited progress year over year, and contrasting with the national trend of overall improvement.

In 2026, 22% of Albertans experienced severe deprivation, and 31% faced inadequate living standards. Both measures improved substantially between 2024 and 2025 but edged upward again in 2026, suggesting some erosion of earlier gains.

Although Alberta's severe deprivation remains below its 2024 level, the persistence of high deprivation indicates that many residents continue to struggle with day to day affordability.

Overall, Alberta's material deprivation results point to stabilization rather than recovery, with a large minority of residents still unable to afford a decent standard of living.

LEGISLATIVE PROGRESS

- Committed $768 million over three years through the ***Affordable Housing Partnership Program*** to support the goal of creating 13,000 affordable housing units and invested over $200 million to build and upgrade seniors housing across the province.
- Invested $217.5 million to ***support homeless shelters***, Navigation and Support Centres, and housing support programs.
- Maintained funding to ***support $15/day childcare***.
- Invested $405 million through the ***Alberta Child and Family Benefit*** (ACFB) program to support lower- and middle-income families with children under 18.
- Invested $586.6 million through the ***Alberta Seniors Benefit***, grants, and low-interest home equity loans to support seniors with low incomes, and committed $64 million to seniors lodges through the Lodge Assistance program.
- Introduced the ***Alberta Disability Assistance Program*** (ADAP), launching July 2026, to streamline access to disability supports, improve employment opportunities, and introduce flexible earnings exemptions and higher income thresholds so people can work without losing benefits, it also removed from legislation the requirement for annual cost-of-living increases, meaning the value of Assured Income for the Severely Handicapped (AISH) and Alberta Disability Assistance Program (ADAP) benefits could erode over time.

ALBERTA

D-

2026

- Alberta remains an outlier among the provinces in ***not allowing AISH recipients to keep the $200 Canada Disability Benefit***.
- Introduced the ***new Alberta Caregiver Credit***, consolidating the existing caregiver credit and infirm dependent credit into a single non-refundable credit available to Albertans who are caring for an eligible adult with a mental or physical infirmity, effective for the 2027 and subsequent taxation years.
- Invested $105 million through Family and Community Support Services to ***support municipalities and Métis settlements*** in designing and delivering preventive social programs (Government of Alberta, 2026a).
- Invested $22 million to build and $53 million to ***operate recovery community facilities*** across the province.

Alberta received a D for legislative progress this year. The province has taken steps to improve poverty outcomes across several key domains in 2025–26. The $768 million Affordable Housing Partnership Program, combined with over $200 million for seniors housing and $217.5 million for homeless shelters and housing support, represents a substantive investment in housing security. Sustained funding for $15/day childcare, the $405 million Alberta Child and Family Benefit, and the $586.6 million in seniors income supports demonstrate a commitment to income adequacy for low- and middle-income families.

However, the removal from legislation of the requirement for annual cost-of-living increases to AISH and ADAP benefits means that the real value of disability supports are expected to erode over time — a serious regression for one of Alberta's most vulnerable populations. Alberta also remains the only province that does not allow AISH recipients to keep the federal $200 Canada Disability Benefit. In addition, there is a notable absence of action on rental regulation and tenant protections.

POLICY AND POLITICAL LANDSCAPE

Alberta enters 2026 without the surpluses that characterized 2023–25.

Budget 2026, tabled on February 26, 2026, projects a deficit of $9.4 billion for 2026/27, driven primarily by a sustained drop in global oil prices. Despite this shift, the government has maintained its commitment to no new taxes and no "drastic" cuts to social services, while signalling that income-testing and spending restraint will increasingly shape program eligibility going forward.

ALBERTA

D-

2026

The government has moved ahead with a new Alberta Disability Assistance Program (ADAP) which will come into effect in July 2026. All 77,000 recipients of the Assured Income for the Severely Handicapped (AISH) will be moved onto the new program at $200 less per month than the 2025 AISH rate, and employment earning exemptions will fall from $1,000 to $350 per month. The government has also removed the legislative requirement for annual cost-of-living increases, so future benefit levels are no longer protected from inflation. Disability advocates and community organizations have characterized this as one of the largest single cuts to supports for people with disabilities in Alberta's history. Alberta is the only jurisdiction in Canada that claws back the federal Canada Disability Benefit.

Alberta still has no formal poverty reduction strategy. The government's preferred framing — that economic growth and employment are the primary routes out of poverty — continued to define its approach, even as the province's unemployment rate climbed to 7.1% and food insecurity reached 30.9%, the highest of any province in the country.

On affordability, Budget 2026 maintains the commitment to $15/day childcare and allocates $405 million to the Alberta Child and Family Benefit and $586.6 million to the Alberta Seniors Benefit. However, single adults without children remain largely excluded from direct income top-up programs. A new Alberta Caregiver Credit will replace existing caregiver tax credits from 2027, offering modest savings for people who are caring for eligible adult relatives.

The government's Affordable Housing Partnership Program receives $768 million over three years with plans to build 13,000 new units. However, demand continues to outstrip supply, particularly in Calgary, where rents for one-bedroom accommodations reached $1,800–$2,100/month in late 2024. This was one of the highest year-over-year increases in Canada. Alberta still has no rent control or vacancy control.

Alberta's minimum wage remains frozen at $15.00/hour. This rate is unchanged since 2018 — although in real terms it is worth less now after years of inflation — and is the lowest in Canada. BC's minimum wage will reach $18.25/hour in June 2026, and Ontario's is currently $17.60/hour. There is therefore a 22% gap between Alberta and BC that affects workforce quality and depth of poverty among people who earn low wages.

On the federal–provincial front, Alberta ratified the Canada-Alberta National School Food Program Agreement in March 2025, unlocking $43 million in federal funding over three years. However, Alberta has not signed a pharmacare agreement under the federal Pharmacare Act. It argues that its existing Blue Cross program adequately covers gaps. The Canada-Wide Early Learning and Child Care agreement expired in March 2026 and has not been renewed, creating uncertainty about future childcare funding levels.

ALBERTA

D-

2026

POLICY RECOMMENDATIONS

AFFORDABILITY

- **Establish a permanent rent control guideline and dedicate new oil and gas revenues to rapidly building affordable housing:** Alberta has not revisited rent control since the defeat of Bill 205 in April 2024, and it remains the only province without any form of rent increase cap. With inflation still high and rental markets under pressure because of rapid population growth, households that rent continue to face significant affordability risks. Implementing a permanent rent guideline would provide much-needed stability for tenants. Efforts to protect tenants should be paired with continued investments in new housing supply, as these approaches are complementary, not interchangeable. At the same time, the provincial government is expected to see a significant near-term influx of revenues as a result of recent global commodity prices. A minimum of $2 billion should be dedicated over the next year toward helping stimulate a significant expansion of affordable housing, followed by a 0.5% annual budget commitment going forward.

INCOME SECURITY

- **Transform the $600 affordability payment into a comprehensive Alberta family benefit:** The one time affordability payments have not been converted into a permanent earnings supplement. Budget 2026 provides $405 million in 2026/27 for the Alberta Child and Family Benefit, but adults without children, including single workers with low incomes, remain excluded from meaningful income top ups. A permanent, refundable Alberta family benefit would support all working households, including single adults, with low incomes and provide more income security.

- **Reverse the Government's position on the Canada Disability Benefit and commit to no clawbacks:** Alberta remains the only province to claw back the $200/month Canada Disability Benefit from AISH recipients. This practice will continue under the new Alberta Disability Assistance Program (ADAP). Beginning July 2026, all 77,000 AISH recipients will move to ADAP, which provides $200 less per month than the 2025 AISH rate, and reduces employment earnings exemptions from $1,000 to $350 per month. The Government should reverse these clawbacks and restore the legislated requirement for annual cost of living adjustments.

ALBERTA

D-

2026

LABOUR MARKET REFORM

- **Introduce an Alberta Opportunities Award for residents with low incomes who are moving into pre apprenticeship training:** Skilled trades remain one of the most reliable pathways out of poverty for Albertans who do not have post secondary credentials. Although Budget 2026 prioritizes workforce development, targeted supports for individuals with low incomes who are undertaking trades training remain limited. An Alberta Opportunities Award — up to six months of social assistance income, paid in two installments — for participants in pre apprenticeship or classroom based apprenticeship programs would create a meaningful financial bridge and reward continued participation. The program could leverage the existing Canada Alberta Job Grant framework for partial funding.

ADDRESSING INEQUITIES

- **Develop a new provincial poverty reduction strategy with measurable targets, annual reporting, and legislative accountability:** Without a shared framework, government ministries, municipalities, non-profits, and community organizations cannot align their efforts or hold governments to account. This creates a patchwork of programs that overlap in some areas, leave critical gaps in others, and cannot be evaluated against any common standard of progress. A shared framework should include legally binding or publicly committed poverty reduction targets (e.g., a 50% reduction in the poverty rate within 10 years); annual reporting on a standardized suite of indicators covering income, food security, housing, health, and employment; and cross-ministerial governance structures that integrate the work of Social Services, Housing, Labour, Health, and Education.

Food Banks Canada

Banques alimentaires Canada

D+

2026

SASKATCHEWAN

SASKATCHEWAN

D+

D- EXPERIENCE OF POVERTY

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
People feeling worse off compared to last year	42%	C-	D+	F	F
People spending more than 30% of income on housing	36%	D-	F	F	D-
People having trouble accessing health care	16%	D+	D-	D	F
Government support recipients who say rates are insufficient to keep up with cost of living	59%	F	F	D-	F
Percent of income spent on fixed costs beyond housing	61%	F	D-	F	D+

D- POVERTY MEASURES

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Poverty rate (MBM)	11.6%	F	F	F	F
Social assistance as a percent of the poverty line (single adult)	44.8%	D	D	D	D
Disability assistance as a percent of the poverty line	55.9%	D	D	D+	D+
Unemployment rate	5.0%	C+	C-	D+	C-
Food insecurity rate	26.7%	F	F	F	D

B- MATERIAL DEPRIVATION INDEX

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Severely inadequate standard of living	19%	B-	B-	D	–
Inadequate standard of living	29%	C+	C	D-	–

C LEGISLATIVE PROGRESS

INDICATOR	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Legislative progress	C	D	F	D

SASKATCHEWAN

D+

2026

EXPERIENCE OF POVERTY

Saskatchewan received a D- grade in 2026, with high fixed costs and inadequate supports driving poor overall performance.

- **Housing affordability:** Saskatchewan received a D–, with 36% of people spending 30% or more of their income on housing. This is the lowest proportion among the Prairie provinces and below the national average. Housing pressure eased slightly after 2024, suggesting modest improvement.
- **Income spent on fixed costs outside of housing:** Saskatchewan received an F for this indicator. People are spending 61% of their income on essentials — the highest rate in the Prairie region and among the worst nationally. Fixed cost pressure worsened in 2026 after a period of temporary relief.
- **Access to health care:** Saskatchewan earned a D+, with 16% of people reporting difficulty accessing health care. This is the best result for this indicator among the Prairie provinces. Gradual improvements in this area since 2023 suggest access challenges are easing.
- **Worse off than last year:** 42% of people in Saskatchewan felt worse off than they did last year. However, this figure has been declining since it peaked in 2024, which suggests an easing of hardship.
- **Adequacy of government support:** Saskatchewan received an F for this indicator, with 59% of people who receive government support saying it is inadequate. Persistently high figures in this area point to ongoing unmet need.

SASKATCHEWAN

D+

2026

POVERTY MEASURES

Saskatchewan received an overall grade of D- in the poverty measures section. Quebec received the highest grade (C), while most other provinces received a D- or F, indicating broadly weak performance across the country.

- **Poverty rate:** The most recent available data (from 2024) show the poverty rate in Saskatchewan is 11.6%, above the national average of 11.1%. Quebec reports the lowest poverty rate among provinces at 7%.
- **Social assistance as a percentage of the poverty line:** In Saskatchewan, social assistance provides just 44.8% of the income needed to reach the poverty line. Prince Edward Island performs strongest on this measure, with benefits covering 64.4% of the poverty line.
- **Disability assistance as a percentage of the poverty line:** Disability assistance in Saskatchewan reaches 55.9% of the poverty line, falling well short of what is required. Newfoundland and Labrador leads this indicator at 74.1%.
- **Unemployment rate:** Saskatchewan's unemployment rate is 5%, the lowest among provinces, making it the strongest performer on this indicator nationally.
- **Food insecurity:** The most recent available data (from 2025) show that 26.7% of people in Saskatchewan live in households experiencing food insecurity, above the national average of 24% and significantly higher than Quebec, where approximately 1 in 5 people experience food insecurity.

MATERIAL DEPRIVATION INDEX

Saskatchewan received a B- grade in 2026, placing it among the stronger performing provinces on material deprivation.

This grade represents an improvement from the C+ it earned in 2025 and indicates progress. Saskatchewan's gains outpaced the national average improvement over the same period.

In 2026, 19% of residents were severely deprived (the same figure recorded in 2025), and 29% experienced inadequate living standards, which was a modest improvement on 2025. The stability in severe deprivation rates combined with an improvement in moderate deprivation suggests some easing of pressure at the margins.

While material deprivation remains significant, Saskatchewan's results show more consistency than many provinces, with gains achieved and maintained rather than reversed.

SASKATCHEWAN

D+ 2026

Overall, Saskatchewan's material deprivation performance suggests relative protection for households with lower incomes in 2026 compared to the national average, although a substantial share of residents still lack access to essential items.

LEGISLATIVE PROGRESS

- Invested $17.6 million to ***support repairs in provincially owned housing units*** to make them rent-ready and in new affordable housing units through the Rental Development Program, building on prior investments.
- Continued initiatives to make home construction more affordable, including $15 million for the ***Home Renovation Tax Credit*** and $17 million for the ***Saskatchewan Secondary Suite Incentive***. The program has been extended to March 31, 2027.
- Allocated $9 million to ***enhance school food programs***, continuing the multi-year federal-provincial agreement.
- Invested $11.7 million to ***raise core income assistance benefits by 2%***, starting in May 2026 — the fifth consecutive year of increases for people who receive Saskatchewan Income Support and the fourth for people who receive Saskatchewan Assured Income for Disability (SAID). ***The Saskatchewan Low-Income Tax Credit*** will increase by another 5%, over and above annual indexation, delivering approximately $200 million in tax savings this year.
- Invested $8 million to ***support over 500 more seniors*** who are already accessing the Personal Care Home Benefit, helping make the cost of licensed personal care homes more affordable.
- ***SAID core monthly benefits will increase by 20%***, with renters in the Supportive Housing stream receiving a 40% increase and monthly support for individuals fleeing interpersonal violence doubling through the Seeking Safety stream. SAID residential support benefits for families who are caring for loved ones at home will receive a 30% increase over three years.
- Introduced a ***new $1,000 one-time utility arrears recoverable benefit*** for people who receive Saskatchewan Income Support to prevent evictions and maintain housing stability (Government of Saskatchewan, 2026).
- Implemented year 2 of the ***Saskatchewan Affordability Act***'s four-year plan to lower provincial income taxes — personal, spousal, equivalent-to-spouse, child exemptions, and the seniors' supplement each increase by $500 this year. As a result, a family of four will pay no provincial income tax on their first $65,000 of income (McLeod, 2026).
- ***Doubled the Active Families Benefit*** from $4 million to $8 million, doubling the income threshold to $120,000/year and the benefit amount to $300 per child (or $400 for children with disabilities)

SASKATCHEWAN

D+

2026

Saskatchewan received a C for legislative progress this year. Its most significant action was the suite of disability and income assistance improvements: SAID core monthly benefits rose 20%, renters in the Supportive Housing stream saw a 40% increase in SAID, and support for individuals fleeing interpersonal violence doubled. The fifth consecutive year of income assistance increases, the new $1,000 utility benefit to prevent evictions, the Saskatchewan Low-Income Tax Credit expansion, and the 40% rise in the Personal Care Home Benefit income threshold further reinforce a pattern of sustained, albeit modest, investment in supports for people with low incomes. Affordable housing investments — while relatively modest in scale at $17.6 million — build on prior years, and the Secondary Suite Incentive has produced nearly 1,000 new units since 2023.

POLICY AND POLITICAL LANDSCAPE

Saskatchewan's fiscal position changed significantly through 2025. This change was driven by higher health care costs, wildfire response expenses, and lower SaskPower revenues following the removal of the federal carbon levy. The 2026/27 budget, tabled on March 18, 2026, confirmed a projected deficit of $819 million. Saskatchewan maintains the second-lowest net debt-to-GDP ratio among the provinces.

In October 2024, the Saskatchewan Party was elected for a fifth consecutive term with Premier Scott Moe at the helm. The loss of several urban cabinet ministers — particularly in Regina — was interpreted as a mandate for the government to attend more carefully to urban affordability, crime, and social services.

The 2025/26 budget increases the Saskatchewan Income Support (SIS) and Saskatchewan Assured Income for Disability (SAID) by 2%. This increase is below the rate of food inflation, which ran at approximately 4% nationally, and represents a decline in purchasing power for the most vulnerable recipients. The 2026/27 budget maintained this pattern with another 2% increase to monthly SIS and SAID benefits. Programs have yet to be indexed to inflation. A notable addition in the 2026/27 budget is a new $1,000 one-time per household utility arrears recoverable benefit for SIS clients. This is intended to prevent evictions because of unpaid utility bills. SAID residential support benefits received a more substantial commitment: a 10% annual increase for each of the next three years, and a 30% increase over the next three years for families who are caring for loved ones at home.

The provincial government has framed affordability primarily through tax credits across both the 2025/26 and 2026/27 budgets. The 2026/27 budget continues Year 2 of a four-year plan to increase personal, spousal, equivalent-to-spouse, dependent child, and seniors' supplement exemptions by $500 annually — over and above indexation. Tax cuts combined with indexation are providing approximately $200 million in savings in 2026. A family of four pays no provincial income tax on their first $65,000 of income, the highest threshold in Canada. The Saskatchewan Low-Income Tax Credit has been increased by another 5% on top of indexation. A qualifying family of four can now receive up to $1,282 annually, up from $1,196 in 2025.

SASKATCHEWAN

D+

2026

The Disability Tax Credit, supplement for children under 18, Caregiver Tax Credit, Infirm Dependent Tax Credit, and senior supplementary amount all rose by 25%. The Low-Income Tax Credit was enhanced by 5% per year for four years beginning July 1, 2025. The Active Families Benefit, which supports children's sport and recreation costs, was doubled from $150 to up to $300 per child (from $200 to up to $400 for children with disabilities), and the income threshold doubled to $120,000. This doubling continued in the 2026/27 budget, with total program funding growing from $4 million to $8 million.

On housing supply, the secondary suite incentive grant continues, with a $9 million increase in the 2025 budget, though it carries no affordability controls. Saskatchewan still has no rent control or vacancy control mechanism. Corporate landlord concentration remains high. Saskatchewan has 70 times more REIT-owned units than Manitoba, despite having half the rental housing stock.

The 2026/27 budget continued capital investments with $17.6 million in new and continuing projects to support repairs in provincially owned housing units and new affordable housing units through the Rental Development Program. The Saskatchewan Housing Benefit received a $3.2 million investment that increased core monthly benefits by 20%, with a 40% increase through the Supportive Housing stream and a doubling of benefits through the Seeking Safety stream for individuals fleeing interpersonal violence.

In November 2025, Saskatchewan and the Federal government announced a five-year extension to the Canada-Wide Early Learning and Child Care (CWELCC) agreement. It will now run until March 31, 2031, with more than $1.6 billion in federal funding during that time. Saskatchewan was one of the last provinces to sign the extension. The province also signed a $15.8 million, three-year agreement under the National School Food Program in March 2025 to expand school food programs, building on a $2.7 million investment in the Child Nutrition Program in 2024.

Saskatchewan had not signed a bilateral pharmacare agreement as of late 2025. The government has generally been critical of the federal pharmacare framework and has not indicated any willingness to sign. The Canadian Dental Care Plan is available to Saskatchewan residents as a direct federal benefit.

Despite the province's resource wealth and low unemployment rate (4.9% as of March 2025, the lowest in Canada), poverty is rising. Child poverty stands at 27.1%, the highest of any province, and food insecurity has reached 30.6%, the second-highest level in Canada. The province's 2025 deadline to reduce enduring poverty by 50% has passed with the promise largely unmet, and it is unclear if there is a political commitment to take the sustained legislative action that lifts people out of poverty.

SASKATCHEWAN

D+

2026

Despite the province's resource wealth and low unemployment rate (4.9% as of March 2025, the lowest in Canada), poverty is rising. Child poverty stands at 27.1%, the highest of any province, and food insecurity has reached 30.6%, the second-highest level in Canada. The province's 2025 deadline to reduce enduring poverty by 50% has passed with the promise largely unmet, and it is unclear if there is a political commitment to take the sustained legislative action that lifts people out of poverty.

POLICY RECOMMENDATIONS

AFFORDABILITY

- **Close the repair backlog for affordable housing:** The 2025/26 budget introduced new funding to begin multi year repair and renovation projects for 285 Saskatchewan Housing Corporation (SHC) units in Saskatoon, Regina, and Prince Albert. While this is a positive start, it must increase to at least 500 units per year. Saskatchewan should scale up its social housing repair commitment to this level and sustain it until the full repair backlog is addressed.

- **Introduce basic rent increase guidelines, capping annual increases at CPI + 2% for existing tenants:** Saskatchewan is one of the few provinces with no form of rent stabilization, guidelines, or control for residential tenancies. Establishing a predictable rent guideline tied to inflation would help protect tenants from sharp and unpredictable rent increases.

INCOME SECURITY

- **Improve and index Saskatchewan's income support programs:** Over the last year Saskatchewan has taken steps to raise the generosity of several tax credits and provincial social assistance, however they remain unindexed. To prevent further erosion of benefit adequacy, the province should immediately index SIS and SAID to the Consumer Price Index.

- **Introduce a Saskatchewan Child Benefit:** SDespite high child poverty rates the province has not introduced a dedicated child benefit to supplement the Canada Child Benefit as other provinces like Alberta have successfully done. Saskatchewan should introduce a refundable Saskatchewan Child Benefit for families below the poverty line, phasing out gradually as income rises. The benefit could be delivered monthly, coordinated with the federal Canada Child Benefit, and indexed to inflation from the outset.

SASKATCHEWAN

D+

2026

LABOUR MARKET REFORM

- **Raise the provincial minimum wage toward $17.00 per hour by 2027, paired with annual CPI indexation:** The reindexation of the minimum wage in October 2024 was a positive development. However, the current base wage of $15.00 per hour is insufficient. A full time worker earns approximately $31,200 annually before taxes on this rate. Moving the minimum wage toward $17.00 by 2027 would improve income security for workers who earn low wages.

ADDRESSING INEQUITIES

- **Update and modernize the 2016 Poverty Reduction Strategy:** Saskatchewan now has the highest provincial poverty rate in Canada. The government's 2025 deadline to reduce enduring poverty by 50% has passed with the promise largely forgotten, and poverty in Saskatchewan — particularly child poverty — is not only growing but deepening. A strategy would provide the accountability infrastructure — targets, timelines, measurement frameworks, and public reporting — needed to assess whether individual budget measures are collectively making a difference.

Food Banks Canada

Banques alimentaires Canada

C-

2026

MANITOBA

MANITOBA

C-

C- EXPERIENCE OF POVERTY

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
People feeling worse off compared to last year	37%	B-	C	C+	C-
People spending more than 30% of income on housing	33%	C-	D-	F	B+
People having trouble accessing health care	56%	F	F	F	F
Government support recipients who say rates are insufficient to keep up with cost of living	51%	F	F	C	D+
Percent of income spent on fixed costs beyond housing	53.2%	B-	F	C+	D

D- POVERTY MEASURES

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Poverty rate (MBM)	12.3%	F	F	F	F
Social assistance as a percent of the poverty line (single adult)	39.0%	D-	D-	F	F
Disability assistance as a percent of the poverty line	59.6%	D+	D-	F	F
Unemployment rate	5.6%	D	D-	D+	C-
Food insecurity rate	27.9%	F	F	F	D+

B- MATERIAL DEPRIVATION INDEX

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Severely inadequate standard of living	18%	B-	C	C-	–
Inadequate standard of living	26%	B	D	C-	–

B LEGISLATIVE PROGRESS

INDICATOR	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Legislative progress	B	C	F	C

MANITOBA

C-

2026

EXPERIENCE OF POVERTY

Manitoba received a C-grade in 2026. It performed better than its Prairie peers despite serious gaps in health care access and supports.

- **Housing affordability:** Manitoba received a C–, with 33% of people spending 30% or more of their income on housing — the best result nationally. After a sharp increase in 2024, housing stress has eased more in Manitoba than anywhere in the country.
- **Income spent on fixed costs outside of housing:** Manitoba earned a B–, with 53.2% of people's income going to fixed costs. This is the lowest among the Prairie provinces and well below the national average. It is also a significant improvement on the 2025 figure of 62.12% and suggests cost pressure is easing.
- **Access to health care:** Manitoba received a failing grade for this indicator, with 56% of people reporting difficulty accessing health care. This is the worst rate for this indicator in the country. The sharp increase in 2026 signals a major, concerning deterioration.
- **Worse off than last year:** 37% of people felt worse off than they did last year. This was the lowest proportion in the Prairie region for this indicator. In 2025, 41% of people felt worse off, so the decline in 2026 suggests improving financial perceptions.
- **Adequacy of government support:** Manitoba received an F, with 51% of people who receive government support reporting that it is inadequate. Manitoba performs best in the country on this indicator, suggesting the inadequacy of social supports is a national and worsening issue.

MANITOBA

C-

2026

POVERTY MEASURES

Manitoba received an overall grade of D- in the poverty measures section. Quebec received the highest grade (C), while most other provinces received a D- or F, indicating broadly weak performance across the country.

- **Poverty rate:** The most recent available data (from 2024) show the poverty rate in Manitoba is 12.3%, above the national average of 11.1%. Quebec reports the lowest poverty rate among provinces at 7%.
- **Social assistance as a percentage of the poverty line:** In Manitoba, social assistance provides just 39% of the income needed to reach the poverty line. Prince Edward Island performs strongest on this measure, with benefits covering 64.4% of the poverty line.
- **Disability assistance as a percentage of the poverty line:** Disability assistance in Manitoba reaches 59.6% of the poverty line, falling short of what is required. Newfoundland and Labrador leads this indicator at 74.1%.
- **Unemployment rate:** Manitoba's unemployment rate is 5.6%, below the national average of 6.7%. Saskatchewan has the lowest provincial unemployment rate at 5%.
- **Food insecurity:** The most recent available data (from 2025) show that 27.9% of people in Manitoba live in households experiencing food insecurity, above the national average of 24% and significantly higher than Quebec, where approximately 1 in 5 people experience food insecurity.

MATERIAL DEPRIVATION INDEX

Manitoba received a B- grade for material deprivation in 2026, reflecting a strong improvement relative to recent years.

This grade places it among the stronger performing provinces and marks a notable upgrade from the C- it received in 2025. The improvement exceeds the national trend, indicating accelerated progress.

Severe deprivation fell to 18% in 2026, the lowest level since 2024 and the second lowest among the provinces after Quebec. Moderate deprivation also dropped sharply to 26% from 34% in 2025 — the sharpest drop in the country. Only Quebec has a lower rate of deprivation. These decreases suggest tangible improvements in living standards for the materially least well off.

MANITOBA

C-

2026

Manitoba stands out for translating improvements into reductions in both severe and moderate deprivation, rather than seeing gains confined to one group.

Overall, Manitoba's material deprivation results indicate meaningful reductions in hardship and improved capacity for residents to afford basic necessities.

LEGISLATIVE PROGRESS

- Invested $12.8 million in ***new grant funding to create 215 units of social and affordable housing***, along with wraparound supports including mental health and addictions treatment for Manitobans transitioning from encampments to supportive housing. Housing advocates have noted that the 2025 budget committed to 760 units.
- ***Increased the Homeowners Affordability Tax Credit*** to $1,700 (up from $1,600), effective for the 2027 property tax year — with some restrictions.
- ***Increased the Renters Affordability Tax Credit*** to $675 (up from $625), with the seniors' top-up rising to $386 (from $357) for people with net household income below $40,000. The government is also exploring options to deliver rent relief sooner rather than having people wait until April each year.
- ***Eliminated childcare fees for families with low incomes***. This affects approximately 3,500 families and 5,000 children and marks the first time any Canadian government has made childcare free for people who need the most help. The budget also committed to 2,000 new childcare spaces and an increase in wages for childcare workers.
- ***Removed the provincial sales tax (PST) from all food sold in grocery stores***, effective July 1, 2026, building on legislation introduced to address predatory and differential pricing by large grocery companies (Government of Manitoba, 2026b).
- Proposed $10 million to make ***public transit free for children and youth***.
- Invested $2.5 million in ***adult literacy programs***, including $1 million for First Nations and Northern communities.
- ***Froze Employment and Income Assistance rates for a fourth consecutive year***. Critics noted that food costs have risen 20% over that period and that the 30,000 households that rely on provincial social assistance did not see increases in their basic needs budgets.

Manitoba earned a B for legislative progress this year. On one hand, the province took genuinely notable steps: Eliminating childcare fees for families with low incomes — the first such measure by any Canadian government — is a landmark poverty-reduction action that will meaningfully improve affordability for approximately 3,500 families and 5,000 children. Removing PST from groceries effective July 1, 2026, will provide real relief for households with low incomes, as they spend a disproportionate share of their income on food.

MANITOBA

C-

2026

Free transit for children and youth, expanded adult literacy funding with dedicated First Nations and Northern community investment, and the Renters Affordability Tax Credit increase round out a set of measures that individually show progressive intent.

However, the government's fourth consecutive freeze of Employment and Income Assistance rates is a serious regression that prevents the province from improving their grade. Over the same four-year period, food costs have risen approximately 20%, meaning the 30,000 households that are the most dependent on provincial support — that is, the population the rubric identifies as the core concern of poverty legislation — have experienced a sustained and compounding decline in real purchasing power. The affordable housing investment of $12.8 million for 215 units represents a sharp drop from the 670 units the government committed to in the previous budget. The absence of any increase in core income assistance, combined with reduced housing commitments, means that Manitoba's most vulnerable residents are materially worse off than they were last year.

POLICY AND POLITICAL LANDSCAPE

Manitoba's current government has been in power since 2023. It has positioned itself around a clear narrative of rebuilding public services, stable leadership, and reconciliation. The overall political climate is stable but performance sensitive. The government's credibility in 2025–26 will hinge on visible improvements in access to health care and cost-of-living relief.

In 2026, Manitoba released a renewed five-year poverty reduction strategy, Pathways Forward: Manitoba's Poverty Reduction Strategy — Heart Medicine for Communities, under the Poverty Reduction Strategy Act, which mandates a renewed strategy every five years. The strategy prioritizes three life-stage groups — children aged zero to five (including the prenatal period), youth exiting the child-welfare system, and seniors — and was informed by more than 3,000 consultations with residents, Indigenous organizations, advocates, service providers, people with lived experience, and business stakeholders. It outlines recommended actions such as increasing Employment and Income Assistance (EIA) earning exemptions, indexing Rent Assist and Manitoba Supports for Persons with Disabilities (MSPD), doubling the prenatal benefit, and legislating universal school nutrition. A whole-of-government approach is embedded through coordinated governance structures, including the Poverty Reduction Committee of Cabinet, a deputy ministers' table, and an interdepartmental action table.

The strategy has received mixed reviews from community organizations and stakeholders:

- ***Rural organizations*** say the strategy does not adequately address the realities of living in rural areas, including access to transportation, housing costs, and reliance on volunteer-led supports.
- ***Advocacy groups*** argue the strategy lacks immediate, substantial financial measures — particularly increases to frozen EIA rates — and does not propose broader income support reforms.

- ***Labour advocates*** highlight the absence of a commitment to a living wage or a minimum wage tied to the cost of living as a key gap.
- ***Critics*** have pointed out that the focus on three life-stage groups excludes other populations — especially working-age adults and school-age children — who also face significant poverty.

Manitoba's Budget 2026, Good Jobs. Lower Costs. Better Health Care, projects a 2026–27 deficit of $498 million on $26.82 billion in revenue and $27.318 billion in expenses. This marks a notable narrowing from the previous year, driven by a 7.0% revenue increase and improved income for Manitoba Hydro. The net debt-to-GDP ratio is projected at 38.2%, and the government maintains it is on a path to balance by the end of its first term.

Despite measures that were welcomed in Budget 2026, such as new affordability and income support measures, key gaps remain. Budget 2026 does not increase core EIA benefit rates or move beyond the existing CPI-indexed minimum wage formula. Unlike tax credits and brackets, social assistance programs remain unindexed to inflation, even as tax credits and brackets are indexed. Advocacy organizations, including Make Poverty History Manitoba and the Canadian Centre for Policy Alternatives, have consistently called for meaningful increases to the EIA, noting that current rates leave recipients well below the poverty line. Neither the poverty reduction strategy nor the budget includes commitments to raise EIA rates.

Some incremental changes have been made. For example, as of August 2025, the EIA earned income exemption allows recipients to earn up to $500 per month without clawbacks, but there is a 70% clawback on additional earnings. Manitoba's minimum wage rose modestly to $16.00 from $15.80 per hour in October. The increase reflects inflation but still leaves the minimum wage below widely cited living wage thresholds.

Recent rent regulation reforms strengthen tenant protections and limit excessive increases, building on 2025 legislative changes that restrict large rent increases. While these measures may help moderate housing costs, they do not fully address affordability pressures. Similarly, while the strategy commits to indexing Rent Assist, the indexing will not close the gap between current benefit levels and actual market rents, particularly outside Winnipeg.

Overall, Manitoba's approach reflects a combination of targeted affordability measures and incremental system improvements, but stops short of structural income reforms.

MANITOBA

C-

2026

POLICY RECOMMENDATIONS

AFFORDABILITY

- **Create a comprehensive, province-wide food-security strategy:** Manitoba should develop and implement a comprehensive food-security strategy to address rising food insecurity and complement its poverty reduction strategy. This work would require full provincial leadership and collaboration with community organizations, Indigenous governments, non-profits, and private sector partners to ensure meaningful, long-term impact.

- **Enhance and expand rental assistance:** Manitoba's Rent Assist program provides flexible support in a tight housing market, but benefit levels and eligibility thresholds have not kept pace with rising housing costs. Since 2015, average rents in the province have increased by 20%, while Rent Assist eligibility has increased by only 4%. To address this gap, Manitoba should raise all eligibility thresholds by 20%, index them to inflation, and consider increasing the benefit to cover at least 80% of median rent. These changes would ensure that households with low incomes, including people who are working but struggling to make ends meet, can access adequate housing support.

INCOME SECURITY

- **Expand earnings exemptions and strengthen the Rewarding Work Allowance:** Under Manitoba's Employment and Income Assistance (EIA) Program, recipients may exempt the first $200 earned and retain 30% of their earnings beyond that amount — equivalent to a 70% clawback. This structure discourages labour force participation. Increasing the earnings exemption to 55% would allow recipients to retain more of each dollar they earn and strengthen their incentive to work. Additionally, Manitoba should consider increasing the Rewarding Work Allowance by 50%, from $100 to $150 monthly for full time workers and from $50 to $75 for part time workers, to better support individuals who are moving into stable employment.

MANITOBA

C-

2026

LABOUR MARKET REFORM

- **Develop a youth employment and training strategy to increase youth participation in work and education by 25% by 2030:** Manitoba has a relatively high proportion of youth who are not engaged in employment or education, placing many at heightened risk of long-term poverty. The provincial government should establish an expert panel to design a youth employment and training strategy within six months, with legislated objectives incorporated into the broader poverty reduction strategy. The short-term goal should be to increase youth participation in work and education by 25%, supported by targeted investments in training, supports, and pathways to employment.

ADDRESSING INEQUITIES

- **Strengthen efforts to address food insecurity in northern Manitoba:** Food-insecurity rates in northern Manitoba far exceed national averages. Addressing this will require a comprehensive, multi government approach focused on increasing local food production, improving transportation and storage infrastructure, supporting Indigenous led food sovereignty initiatives, and fostering economic development in northern communities.

Food Banks Canada

Banques alimentaires Canada

D-

2026

ONTARIO

ONTARIO

D-

D- EXPERIENCE OF POVERTY

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
People feeling worse off compared to last year	39%	C+	C	D-	D+
People spending more than 30% of income on housing	43%	F	F	F	F
People having trouble accessing health care	36%	F	D	D+	D+
Government support recipients who say rates are insufficient to keep up with cost of living	71%	F	F	F	F
Percent of income spent on fixed costs beyond housing	56.5%	C-	D	D-	C+

F POVERTY MEASURES

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Poverty rate (MBM)	12.5%	F	F	F	D
Social assistance as a percent of the poverty line (single adult)	32.7%	F	F	F	F
Disability assistance as a percent of the poverty line	54.7%	D-	F	F	F
Unemployment rate	7.6%	F	F	F	D+
Food insecurity rate	25.4%	F	F	F	C-

B- MATERIAL DEPRIVATION INDEX

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Severely inadequate standard of living	19%	B-	C+	D+	–
Inadequate standard of living	28%	B-	C	D	–

F LEGISLATIVE PROGRESS

INDICATOR	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Legislative progress	F	D	D	F

ONTARIO

D-

2026

EXPERIENCE OF POVERTY

Ontario received a D- grade in 2026, reflecting widespread cost pressures and deteriorating access to care.

- **Housing affordability:** Ontario received a failing grade for this indicator, with 43% of people spending 30% or more of their income on housing. Ontario was previously tied with BC for having the most unaffordable housing, but housing stress - which peaked in 2024 – appears to have eased slightly since.
- **Income spent on fixed costs outside of housing:** Ontario earned a C- for this indicator, with 56.5% of people's income going to fixed costs. This is higher than the national average and worse than both BC's and Quebec's figures for this indicator. Fixed costs remain persistently high.
- **Access to health care:** Ontario received an F, with 36% of people reporting difficulty in accessing health care. This makes Ontario the worst among the large provinces for this indicator. It follows two years of improvement for this indicator (16% in 2025 and 16.4% in 2024).
- **Worse off than last year:** 39% of people reported feeling worse off than they did last year — more than in Quebec but fewer than in BC. This marks a decline since 2024 and points to an easing of hardship.
- **Adequacy of government support:** Ontario received an F for this indicator, with 71% of people who receive support reporting that it is inadequate. This is the highest rate in the country, pointing to systemic failure to address inadequate social assistance rates in the province.

ONTARIO

D-

2026

POVERTY MEASURES

Ontario received an overall grade of F in the poverty measures section. Quebec received the highest grade (C), while Ontario was among the weaker performers nationally alongside Alberta and New Brunswick.

- **Poverty rate:** The most recent available data (from 2024) show the poverty rate in Ontario is 12.5%, above the national average of 11.1%. Quebec reports the lowest poverty rate among provinces at 7%.
- **Social assistance as a percentage of the poverty line:** In Ontario, social assistance provides just 32.7% of the income needed to reach the poverty line, among the lowest in the country. Prince Edward Island performs strongest on this measure, with benefits covering 64.4% of the poverty line.
- **Disability assistance as a percentage of the poverty line:** Disability assistance in Ontario reaches 54.7% of the poverty line, falling well short of what is required. Newfoundland and Labrador leads this indicator at 74.1%.
- **Unemployment rate:** Ontario's unemployment rate is 7.6%, the highest among provinces and the weakest performance on this indicator nationally. Saskatchewan has the lowest provincial unemployment rate at 5%.
- **Food insecurity:** The most recent available data (from 2025) show that 25.4% of people in Ontario live in households experiencing food insecurity, above the national average of 24% and significantly higher than Quebec, where approximately 1 in 5 people experience food insecurity.

MATERIAL DEPRIVATION INDEX

Ontario received a B- grade for material deprivation in 2026, reflecting continued improvement.

- This grade represents a gain from the province's C+ in 2025 and aligns with the national upward trend.
- In 2026, 19% of residents were severely deprived — a modest drop from 2024 but similar to 2025 — and 28% experienced inadequate living standards — unchanged from 2025. These minor changes suggest broader deprivation persists.
- Ontario's results indicate that improvements have primarily benefited people who face the greatest deprivation, while a larger group continues to struggle with affordability.
- Overall, Ontario shows incomplete progress toward reducing material deprivation.

ONTARIO

D-

2026

LEGISLATIVE PROGRESS

Housing and Affordability:

- Budget 2026 commits $53 million over three years to ***expand supportive housing initiatives*** for vulnerable populations and enhance access to critical mental health services and housing supports.
- Budget 2026 invests $186 million in 2026-27 through the Ontario Autism Program, bringing spending from $779 million in 2025-26 to $965 million next year.
- The government announced an investment of $407 million over three years to ***help community organizations manage rising costs*** and maintain essential services, including for people with developmental disabilities.
- Launched ***public consultations to inform the next Poverty Reduction Strategy***, ahead of the expiry of the 2020–2025 plan.
- ***Reduced the provincial gas tax*** by 5.7 cents per litre and diesel tax by 5.3 cents, lowering the gas tax rate to 9%.
- ***Maintained the Ontario Electricity Rebate***, providing a 23.5% reduction on electricity bills for eligible households and small businesses.
- ***Removed the provincial portion of the HST on new homes*** for first-time homebuyers.
- Invested $4 billion through the ***Municipal Housing Infrastructure Program*** and $1.3 billion through the Housing-Enabling Water Systems Fund to support housing-related infrastructure.
- Continued the ***$1.2 billion Building Faster Fund*** to incentivize municipalities to meet housing targets.
- A further $41.5 million was allotted through the ***Indigenous Supportive Housing Program*** in 2025–2026.
- Invested $83 million in ***student housing in Toronto***.
- Signed a $108.5 million agreement with the federal government to ***expand school food programs***, reaching an additional 160,000 children.
- ***Expanded eligibility for senior dental and co-payment programs***, though still limited to low-income seniors.
- Invested $2 million to ***improve access to nutritious food*** in northern and remote First Nations communities.

ONTARIO

D-

2026

Income Security:

- ***Increased ODSP and ACSD benefits by 4.5%***. Highlighted a 20% increase to ODSP over three years and continued indexation to inflation; rates remain widely considered inadequate.
- ***Expanded GAINS payments*** for seniors and indexed them to inflation.
- ***Increased minimum wage*** to $17.20 per hour.
- ***Maintained Ontario Works at $733/month***, frozen since 2018.
- ***Exempted the Canada Disability Benefit*** from provincial income assistance clawbacks.
- Introduced a ***target benefits pension framework*** to improve pension portability.

Labour Market Supports:

- ***Expanded the Skills Development Fund to $2.5 billion***, including $955 million over three years for training in high-demand sectors.
- Invested $260 million in ***worker training and protection initiatives***, with over $400 million in additional employment supports, including $35 million for training centres.
- ***Announced changes to OSAP*** reducing the share of non-repayable grants from 85% to 25%, increasing reliance on loans.

Ontario received an F for legislative progress this year. While the province introduced a range of affordability measures—including a one-time $200 rebate, gas tax reductions, electricity subsidies, and a modest increase to the minimum wage—these actions are broad-based and limited in impact for low-income households. Social assistance remains deeply inadequate. Ontario Works rates have not increased since 2018, and recent adjustments to ODSP, while indexed, fall far short of meeting current need.

At the same time, housing pressures continue to intensify. The province has weakened tenancy protections and maintained a rent control system that excludes newer units, contributing to rising rents and growing homelessness. Despite significant fiscal capacity, Ontario has not taken meaningful action to address income adequacy or housing affordability. Instead, the government has prioritized employment-focused measures, which do not reach many of those experiencing the deepest poverty. Taken together, current policies are unlikely to reduce poverty and may contribute to worsening outcomes.

ONTARIO

D-

2026

POLICY AND POLITICAL LANDSCAPE

After winning a third consecutive majority government in February 2025, the Progressive Conservative government is led by Doug Ford.

The Ontario government's primary focus is addressing the economic impacts of the tariffs imposed by the U.S. government. Its actions to date include a $5 billion Strategic Response Fund to support the steel, aluminum, automotive, and manufacturing sectors. The 2025 Ontario budget projects a $14.6 billion deficit for 2025/26.

The March 2026 Ontario budget contains ongoing needed investments in training and job development for students entering skilled trades and construction and relief measures for workers in the manufacturing and automotive sectors. However, there are few measures aimed at addressing affordability, the inadequacy of social assistance rates, and inequality in the province, or the chronic underfunding in areas related to these issues. In short, the 2026 budget is simply a status quo document that demonstrates no effort to address the factors that are driving increasing numbers of people, including working people, to food banks.

The Provincial government has introduced some modest policies to address affordability issues — for example, lowering the provincial gas tax from 15% to 9%, introducing an electricity rebate, increasing the minimum wage, slightly increasing Ontario Disability Support Program (ODSP) rates, and indexing the Ontario Guaranteed Annual Income (GAINS) program for seniors to inflation.

It has also made investments in housing in response to increasing accommodation costs and the significant need for new housing.

Homes built before 2018 are protected by rent control — annual rent increases are limited to a percentage based on the ***Consumer Price Index for Ontario*** — but buildings built after 2018 are not, creating unequal tenant protections. Despite rent increase limits, loopholes have allowed rents to rise far faster than permitted: from 2014 to 2023, Ontario guidelines allowed cumulative increases of 16.5 per cent, yet average rents climbed ***54.5 per cent***, more than three times the legal rate.

Housing is an ongoing crisis in Ontario. Approximately ***85,000*** people are unhoused and it's estimated that nearly a quarter (23%) are youth and children. This represents an increase of almost 8% since 2024 and is projected that there will be 300,000 unhoused people by 2035. The recent deterioration of tenancy protections from this bill risks exacerbating the situation.

Taken together, although some measures to address poverty and affordability have been implemented, they are modest and will not meaningfully impact the cost-of-living pressures people are facing, especially those who are living in poverty.

ONTARIO

D-

2026

Ontario has the fiscal capacity to increase investments in affordable housing and social assistance programs, but the provincial government has been resistant to measures that could reduce poverty, preferring instead to focus on job creation and skills development to address inequality.

POLICY RECOMMENDATIONS

AFFORDABILITY

- **Restore full rent control coverage across Ontario's housing stock:** Ontario faces some of the highest housing costs in Canada, alongside a sharp and ongoing rise in homelessness that is projected to continue in the absence of policy intervention. The 2018 amendment to the Residential Tenancies Act, which exempted new builds from rent control, has created a growing segment of the rental market without basic rent stability protections. To support affordability and housing security, Ontario should reinstate rent control for all rental units, regardless of construction date, to ensure consistent protections and limit rent escalation across the entire market.

INCOME SECURITY

- **Introduce a new poverty reduction strategy with clear targets:** Ontario is in the process of launching a new Poverty Reduction Strategy, which is expected later this year. This strategy must come with clear, enforceable targets to reduce rising poverty rates across key groups, including children, single-parent families, equity-deserving populations, and working-age adults. The absence of a target in the previous strategy contributed to weak accountability and rising poverty. A renewed strategy should improve coordination across income, employment, and housing policy, with explicit attention to rapidly rising rents and core housing need. Poverty reduction targets should be grounded in the Market Basket Measure.

- **Make an element of the Low Income Individuals and Families Tax (LIFT) Credit refundable:** The LIFT Credit could reach more workers with low incomes. To make this happen, Ontario should make part of the LIFT Credit a refundable tax credit. For example, if $425 (that is, half of the maximum LIFT Credit) was made refundable for people with incomes over the maximum CWB threshold ($12,820 for single adults or $17,025 for families), their marginal effective tax rate would be lowered.

  This would mean that when their CWB payments begin to decrease, the LIFT Credit would be activated, so individuals would always benefit from taking on more work.

D-

2026

- **Restore Ontario Works adequacy and increase earnings exemptions:** Ontario Works (OW) rates have been frozen since 2018, resulting in a significant erosion of real income supports over time. If OW rates had been indexed to inflation, they would now be substantially higher and would reflect the increased costs of basic necessities.

  The current gap contributes to persistent income inadequacy and is a key driver of housing instability and homelessness. Ontario should both restore OW rates to their inflation-adjusted value and increase the monthly earnings exemption from $200 to $600 so that recipients can retain more earned income and overall income security improves.

LABOUR MARKET REFORM

- **Improve work incentives for people who are part of the Ontario Disability Support Program (ODSP):** Recent changes to the ODSP allow recipients to keep the first $1,000 of earned income per month, a significant improvement from the previous $200 threshold. However, earnings above $1,000 continue to be clawed back at a rate of 75%. Reducing this clawback to 50%, consistent with existing earnings exemption rules, would improve work incentives and support recipients who are able to participate in the labour market.

ADDRESSING INEQUITIES

- **Ensure the Student Nutrition Program (SNP) and the First Nations Student Nutrition Program (FNSNP) keep pace with federal investments in the Canada's National School Food Program:** In October 2025, the Government of Ontario announced an additional $5 million, for a total investment of $37.5 million, in the SNP and the FNSNP. While it was a welcome investment, school food advocates are concerned that Ontario is less than "all in" on meeting its commitment to working with the Federal Government to adequately fund the initiative.

Food Banks Canada

Banques alimentaires Canada

C

2026

QUEBEC

QUEBEC

C

D+ EXPERIENCE OF POVERTY

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
People feeling worse off compared to last year	36%	B	B	B-	B+
People spending more than 30% of income on housing	40%	F	F	F	D+
People having trouble accessing health care	10%	B-	C	C	C-
Government support recipients who say rates are insufficient to keep up with cost of living	62%	F	F	D	C
Percent of income spent on fixed costs beyond housing	53.5%	B-	C+	C+	D+

C POVERTY MEASURES

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Poverty rate (MBM)	7.0%	C	D+	C+	A-
Social assistance as a percent of the poverty line (single adult)	59.8%	C	C	A	A
Disability assistance as a percent of the poverty line	67.7%	C	C-	C	C
Unemployment rate	5.4%	D+	D	D+	C
Food insecurity rate	18.0%	C	D+	B	A-

A- MATERIAL DEPRIVATION INDEX

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Severely inadequate standard of living	16%	A-	B	C+	–
Inadequate standard of living	24%	A-	B+	C-	–

D LEGISLATIVE PROGRESS

INDICATOR	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Legislative progress	D	B	B	B

QUEBEC

C

2026

EXPERIENCE OF POVERTY

Quebec received a D+ grade in 2026, performing better than most provinces across several indicators.

- **Housing affordability:** Quebec received a failing grade for this indicator, with 40% of people spending 30% or more on housing. This is better than in BC or Ontario, but it is still above the national average.
- **Income spent on fixed costs outside of housing:** Quebec earned a B–, with people spending 53.5% on essentials. This is the lowest proportion among the large provinces and below the national average. The decline in this figure compared to 2025, when it was 54.88%, suggests cost pressure is easing slightly.
- **Access to health care:** Quebec received a B– for this indicator, with 10% of people reporting difficulty accessing health care. This was the best result nationally.
- **Worse off than last year:** 36% of people felt worse off compared to 2025. This was the lowest proportion among the large provinces and is unchanged from 2025.
- **Adequacy of government support:** Quebec received an F, with 62% of people who receive government support reporting that it is inadequate. While this is better than in Ontario and BC, it marks a noticeable deterioration since 2023, when 39.6% of people rated their government support as inadequate.

QUEBEC

C

2026

POVERTY MEASURES

Quebec received an overall grade of C in the poverty measures section, the highest among all provinces. While Quebec's performance stands out relative to the rest of the country, a C grade reflects significant room for improvement across all indicators.

- **Poverty rate:** The most recent available data (from 2024) show the poverty rate in Quebec is 7%, the lowest among all provinces and well below the national average of 11.1%. Despite this comparatively strong performance, more than 1 in 14 people in Quebec live in poverty.
- **Social assistance as a percentage of the poverty line:** In Quebec, social assistance provides 59.8% of the income needed to reach the poverty line. Despite being one of the provinces near the top of this indicator, benefits still fall well below the poverty line.
- **Disability assistance as a percentage of the poverty line:** Disability assistance in Quebec reaches 67.7% of the poverty line. Nonetheless, people relying on disability assistance in Quebec receive only about two thirds of what is needed to reach the poverty line. Newfoundland and Labrador leads this indicator at 74.1%.
- **Unemployment rate:** Quebec's unemployment rate is 5.4%, placing it among the better-performing provinces on this indicator and lower than the national average of 6.7%. Saskatchewan has the lowest provincial unemployment rate at 5%.
- **Food insecurity:** The most recent available data (from 2025) show that 18% of people in Quebec live in households experiencing food insecurity, the lowest rate among provinces and below the national average of 24%. While Quebec leads the country on this measure, nearly 1 in 5 Quebecers experiences food insecurity.

MATERIAL DEPRIVATION INDEX

Quebec received an A- grade in 2026, making it the strongest performer among the provinces.

This grade reflects an improvement from the B Quebec received in 2025 and marks consistent progress over time. The province continues to outperform the national average on this indicator.

Severe deprivation declined to 16%, and moderate deprivation fell to 24%. Both levels are the lowest among the provinces. The reductions indicate broad based improvements in living standards.

QUEBEC

C

2026

Quebec's material deprivation results suggest that fewer residents are unable to afford a basic standard of living, and progress in this regard has been sustained across multiple years.

Overall, Quebec stands out for both the level and consistency of improvement in material deprivation.

LEGISLATIVE PROGRESS

Housing and Affordability:

- ***Committed nearly $741 million*** over three years to improve access to housing, including $209 million to build 1,000 new affordable housing units, primarily targeted at households with low incomes.
- ***Invested $21 million*** over three years to create 1,000 emergency housing units for individuals who are at risk of homelessness, including $5 million in the current fiscal year to respond to acute rental market pressures.
- Continued funding the ***Residential Adaptation Assistance Program*** to help people with disabilities remain in their homes.
- ***Allocated more than $264 million*** to homelessness and mental health supports, including funding to maintain emergency shelter capacity, particularly in Montreal.

Income Security and Cost of Living:

- ***Increased personal income tax parameters and social assistance benefits*** by 2.05% in 2026, in addition to reducing Quebec Pension Plan (QPP) contributions and parental insurance premiums. This resulted in average gains of approximately $182 per person.
- ***Introduced automated tax filing*** through Revenu Québec for people with low incomes to improve access to benefits and credits.
- ***Converted 5,000 non-subsidized childcare spaces*** into subsidized spaces.

Social Services:

- ***Invested $257 million*** to strengthen services for vulnerable populations, including support for community organizations and food banks, with ***$21 million directed specifically to food bank operations*** to operate the national school food program.
- ***Invested $260 million over five years*** to address domestic and sexual violence, including strengthened support for shelters and services for survivors.
- ***Allocated $136 million*** to support caregivers and seniors, including extensions to programs that support private seniors' residences.

QUEBEC

C

2026

- ***Invested $174 million*** over five years in mental health initiatives, with approximately $18 million committed for 2026–27.
- Announced new and ongoing ***financial support for Banques alimentaires du Québec*** (BAQ), specifically for purchasing food and long-term supply capacity:
  – $10 million in funding already planned for BAQ (baseline funding).
  – An additional $24 million for food banks to buy food.
  – $3 million over three years to support autonomous food supply initiatives (structural/long-term measures).

Quebec received a D for legislative progress this year. The province made targeted investments in housing, homelessness supports, and social services, including funding for 1,000 new affordable housing units and 1,000 emergency housing spaces, alongside significant investments in shelters, food banks, and mental health supports. This includes a notable expansion of food insecurity supports through BAQ, with $10 million in baseline funding, an additional $24 million for food purchases for food banks, and $3 million over three years to support autonomous food supply initiatives. It also converted 5,000 childcare spaces to subsidized places and maintained funding for caregivers, seniors, and education.

However, these measures have not been sufficient to offset growing affordability pressures. Quebec was historically a national leader in poverty reduction, but that position has eroded as housing costs have risen and income supports have failed to keep pace. Social assistance received only a 2.05% indexation and modest tax-related adjustments, resulting in limited real income gains for low-income households. Housing interventions, while significant in fiscal terms, remain inadequate relative to need, particularly amid persistent homelessness and rental market pressure. Taken together, the absence of stronger income support measures and ongoing housing affordability challenges continue to constrain progress on poverty reduction.

POLICY AND POLITICAL LANDSCAPE

Quebec enters 2026 in a period of sustained fiscal pressure and mounting political transition. Budget 2025–2026 projected a deficit of $13.6 billion — the largest in recent memory — driven by expanding public service costs, infrastructure commitments, and the ongoing effects of trade uncertainty stemming from U.S. tariff threats. Budget 2026–2027 showed an improved fiscal situation, with the projected deficit reduced from that high to $8.6 billion. Real GDP growth reached 1.1% in 2026 and household purchasing power continued to improve relative to Ontario.

The dominant political story of 2026 is the CAQ leadership transition. Premier François Legault announced his resignation effective April 2026, which triggered a leadership race, ahead of the planned autumn provincial election. Finance Minister Eric Girard's final budget was widely characterized as a transitional exercise rather than a bold pre-election statement. A $250 million transition fund was set aside to allow the incoming CAQ leader to implement their own priorities after taking office on April 12. Both leadership candidates have questioned the interventionist approach that characterized Legault-era governance, signalling that the coming political environment could shift the province's approach to social investment and poverty reduction.

The most pressing material concern for Quebecois with low incomes is the acute housing crisis. In January 2025, the Tribunal administratif du logement (TAL) recommended a 5.9% rent increase guideline for unheated dwellings — the highest in 30 years. Montreal's vacancy rate stood at 2.9% in 2025, but vacancy rates for units below market rate were approximately 1.5%. The CAQ's reform of the residential tenancy framework, which took effect on January 1, 2026, has further shifted the balance of power in favour of landlords. The previous multi-indicator rent increase formula has been replaced by a simplified mechanism that critics argue will produce systematically higher increases for tenants with new leases. Bill 31, passed in 2023, already allowed landlords to refuse lease assignments without providing an explanation, which weakened a key form of informal rent stability.

In response to the housing crisis, Budget 2026–2027 allocates $741 million over three years to improve access to housing, including $209 million to build 1,000 new affordable housing units. However, the immediate 2026/27 allocation for those units is only $46 million, with the bulk scheduled to be invested in subsequent years when a different party may be in power. Budget 2026–2027 allocates $90 million over five years for homelessness supports. An additional $21 million over three years for 1,000 new emergency units for those at risk of becoming homeless comes into effect on July 1 — a critical date in Québec's rental market with its annual lease renewal cycles. Encampments have appeared in cities across the province, and shelters have reported record demand.

Quebec stands apart from most other provinces because it has an active, legislated poverty reduction framework that requires the government to adopt successive action plans. The current provincial government action plan covers 2017–2023 and has still not been formally renewed. Civil society organizations have called for an updated plan with concrete plans, but the government has pointed to individual budget measures rather than a renewed cross-ministerial strategy.

Quebec has three main programs for income support: the Social Assistance Program (indexed and increases annually), the Social Solidarity Program (for people who have severely limited employment capacity), and the Basic Income Program (Revenu de base, for people who have experienced long-term barriers to employment). In November 2025, the government confirmed an indexation rate of 2.05% for 2026, but despite this, welfare incomes remain below the Market Basket Measure for most households.

The province increased its minimum wage to $16.10/hour effective May 1, 2025 — a 2.2% increase. However, the Institut de recherche et d'informations socioéconomiques (IRIS) estimates that a single person in Montreal would need to earn $28/hour to achieve a decent standard of living. Quebec's minimum wage lags behind that of BC and Ontario, the other two largest provinces, by $2.15 and $1.50/hour respectively.

QUEBEC

C

2026

Food insecurity remains a critical and growing concern. Budget 2026–2027 allocates $257 million to strengthen services for vulnerable individuals, including $21 million for food bank supply over the next year — a direct response to record demand at food banks across the province. Nationally, food insecurity increased from 11.6% in 2018 to 19.1% in 2023. Quebec participates in the Canada-wide National School Food Program, and Budget 2025–2026 maintained its investment in educational childcare services, including $171 million to convert 1,000 non-subsidized childcare spaces into subsidized spaces.

On the federal–provincial front, Quebec has maintained its assertive stance on jurisdictional autonomy. The province has not signed a pharmacare agreement under the federal Pharmacare Act, arguing that its existing drug insurance regime (the RAMQ) provides adequate coverage. However, the province ratified the National School Food Program Agreement and accepts funding through early learning and childcare transfers. Revenu Québec's plan to automatically file tax returns for some people with low incomes, starting in spring 2027, could improve access to benefits that often go unclaimed.

Looking ahead, the CAQ leadership transition and the October 2026 provincial election represent the primary political and legislative inflection points for any substantive shift in Quebec's approach to housing, income supports, and social investment. In the absence of a renewed poverty reduction strategy, these events will largely determine whether current measures are consolidated or recalibrated under a new governing agenda.

POLICY RECOMMENDATIONS

AFFORDABILITY

- **Accelerate the construction of purpose-built affordable rental housing:** Although Quebec recently announced additional investments in affordable housing construction, there is still no adequate long-term, sustained funding to address the province's housing needs. Allocating an additional $3 billion over the next five years, equivalent to approximately 10% of the Provincial Government's existing commitments to tax reductions and financial supports it would help build nearly 15,000 more units than the province is already planning to help construct.

QUEBEC

C

2026

INCOME SECURITY

- **Raise social assistance in Quebec to the poverty line:** Quebec has long been a leader in poverty reduction, but the adequacy of its social assistance system has steadily eroded in real terms since the first edition of this report. Within its aide financière de dernier recours (last-resort financial assistance) system, only one household type — unattached singles deemed employable in the MAN stream — receives income above the poverty line ($24,617), at 107% of the threshold. However, this accounts for approximately 2% of recipients. All other benefit types fall below poverty levels. Quebec should raise all social assistance rates to at least the poverty line to ensure adequacy across the system.

LABOUR MARKET REFORM

- **Raise the minimum wage to $18 per hour and establish a clear pathway to a living wage:** Quebec should increase the minimum wage to $18/hour, reflecting a benchmark established in 2021 based on broad consensus among labour and community organizations that full-time work should lift people out of poverty. However, this benchmark is now outdated: with prices rising by more than 20% since 2021, an equivalent living wage today would be approximately $22/hour across the province.

  To address this gap, Quebec should legislate a defined pathway to a living wage, including automatic annual indexation to inflation so that wages keep pace with rising costs over time.

- **Develop an upskilling and second-chance education strategy:** Quebec should establish a comprehensive strategy to expand upskilling and retraining opportunities for residents who have completed other levels of education but need new skills to adapt to changes in the labour market. As part of this strategy, and consistent with recommendations to scale up affordable housing construction, the province could prioritize training pathways into the construction trades. This would help create more well-paid jobs for vulnerable workers while supporting a stronger foundation for housing affordability.

Food Banks Canada

Banques alimentaires Canada

F

2026

NEW BRUNSWICK

NEW BRUNSWICK

F

F EXPERIENCE OF POVERTY

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
People feeling worse off compared to last year	45%	D	C-	C-	D-
People spending more than 30% of income on housing	37%	F	D-	F	F
People having trouble accessing health care	21%	F	F	F	D+
Government support recipients who say rates are insufficient to keep up with cost of living	70%	F	F	C	D-
Percent of income spent on fixed costs beyond housing	63.9%	F	F	D-	D-

F POVERTY MEASURES

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Poverty rate (MBM)	9.9%	F	F	F	C
Social assistance as a percent of the poverty line (single adult)	39.8%	D-	D	F	F
Disability assistance as a percent of the poverty line	51.6%	F	F	F	F
Unemployment rate	7.0%	F	F	F	D
Food insecurity rate	28.2%	F	F	F	F

D- MATERIAL DEPRIVATION INDEX

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Severely inadequate standard of living	26%	D-	C-	C-	–
Inadequate standard of living	36%	D-	D	D	–

D LEGISLATIVE PROGRESS

INDICATOR	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Legislative progress	D	C	D	D

NEW BRUNSWICK

F

2026

EXPERIENCE OF POVERTY

New Brunswick received an F grade in 2026, the weakest overall performance among the provinces.

- **Housing affordability:** New Brunswick received a failing grade, as 37% of people spend 30% or more of their income on housing. This is worse than the equivalent figures in PEI and Nova Scotia. The level of challenge has been relatively static since 2024.
- **Income spent on fixed costs outside of housing:** New Brunswick received an F for this indicator, with people spending 63.9% of their income on essentials — the highest proportion nationally. This figure has increased steadily since 2024, when it was 59.3%.
- **Access to health care:** New Brunswick received an F, with 21% of people reporting difficulty accessing health care. This is worse than in Newfoundland and Labrador and PEI, although it marks a slight improvement over 2024 (23.4%) and 2025 (23%).
- **Worse off than last year:** 45% of people felt worse off than they did last year. This is the highest figure for this indicator in Atlantic Canada. After slight improvements in this figure in 2024 and 2025, hardship worsened again in 2026.
- **Adequacy of government support:** New Brunswick received an F for this indicator, with 70% of people who receive government support reporting that it is inadequate — a moderate increase since 2025 (68%) but a dramatic one compared to 2024 (35.7%). This was the highest proportion in Atlantic Canada and among the highest nationally.

NEW BRUNSWICK

F

2026

POVERTY MEASURES

New Brunswick received an overall grade of F in the poverty measures section, the weakest performance among Atlantic provinces and one of the lowest in the country. Quebec received the highest grade (C), while New Brunswick was among the poorest performers nationally alongside Alberta, Ontario, and Nova Scotia.

- **Poverty rate:** The most recent available data (from 2024) show the poverty rate in New Brunswick is 9.9%, slightly below the national average of 11.1%. Quebec reports the lowest poverty rate among provinces at 7%.
- **Social assistance as a percentage of the poverty line:** In New Brunswick, social assistance provides just 39.8% of the income needed to reach the poverty line. Prince Edward Island performs strongest on this measure, with benefits covering 64.4% of the poverty line.
- **Disability assistance as a percentage of the poverty line:** Disability assistance in New Brunswick reaches just 51.6% of the poverty line, falling well short of what is required. Newfoundland and Labrador leads this indicator at 74.1%.
- **Unemployment rate:** New Brunswick's unemployment rate is 7%, higher than the national average of 6.7%. Saskatchewan has the lowest provincial unemployment rate at 5%.
- **Food insecurity:** The most recent available data (from 2025) show that 28.2% of people in New Brunswick live in households experiencing food insecurity, above the national average of 24% and significantly higher than Quebec, where approximately 1 in 5 people experience food insecurity.

MATERIAL DEPRIVATION INDEX

New Brunswick received a D- grade in 2026, making it the weakest performer among the provinces.

This grade reflects a decline from the province's D+ in 2025 and indicates worsening conditions. This situation sets New Brunswick apart from the rest of the country, which broadly saw reduced deprivation.

Both severe deprivation and moderate deprivation rose, to 26% and 36% respectively, the highest rates nationally by a relatively large margin. Both indicators are 5 percentage points higher than the second worst performing province. The increase signals intensifying hardship rather than stabilization.

Overall, New Brunswick's material deprivation results point to deep and growing material deprivation.

NEW BRUNSWICK

F

2026

LEGISLATIVE PROGRESS

- Exempted the ***Canada Disability Benefit*** from clawbacks and released a new ***Disability Action Plan*** that emphasizes the need for poverty reduction and includes recommendations to expand income programs.
- Reached a ***$150 million agreement*** with Build Canada Homes to create more than 1,200 new affordable homes. Kept the rent cap at ***3%*** for the 2025/26 fiscal year and increased ***rental benefits*** by $21 million to support an additional 2,500 households. Released its ***new homelessness strategy***, with targets to reduce homelessness by 40% by 2028/29.
- ***Removed the carbon cost adjuster***, lowering gasoline prices by roughly 7–9 cents per litre and kept the 10% ***HST rebate on electricity***.
- Partnered with Bell Canada to ***improve cellular services in rural areas***.
- ***Increased the minimum wage*** by 1.6% on April 1, 2026 to $15.90/hour.
- Signed revenue-sharing agreement with eight ***Mi'kmaq First Nation*** communities and with the six Chiefs of the ***Wolastoqey Nation***. This initiative means provincial tax revenue from businesses within the First Nation communities and reserve lands will be shared among communities.
- ***Announced free breakfasts*** in all New Brunswick schools through a partnership with Feed NB.
- ***Provided $2.5 million*** in funding to Feed NB.

New Brunswick received a D for legislative progress this year. The province continued to take steps on housing and affordability, including extending the rent cap, expanding rental benefits, and committing to 1,200 new affordable homes. It also exempted the Canada Disability Benefit from clawbacks and introduced universal school breakfasts, improving access to food for children across the province. However, progress has been uneven. Despite a stated commitment to reduce poverty, there has been no meaningful increase in social assistance, with the government maintaining previously established indexation rather than raising rates. Social assistance remains among the lowest in the country. In addition, key housing supports, including the rent cap and rental benefit, remain temporary. While new strategies signal intent, the absence of durable income supports suggests persistent gaps.

NEW BRUNSWICK

F

2026

POLICY AND POLITICAL LANDSCAPE

In October 2024, New Brunswick elected a Liberal government under Premier Susan Holt with a strong mandate focused on affordability. Key commitments included increasing social assistance rates, implementing a rent cap, expanding affordable housing, and reducing costs for low-income households.

The government moved quickly on several visible commitments. A province-wide rent cap of 3% was introduced, and there has been progress toward expanding school food programming, including universal free breakfasts and a planned universal lunch program. The government has also prioritized health care expansion, including the rollout of community care clinics.

In February 2025, the government released an updated poverty reduction plan that maintains the original target of reducing poverty by 50% from 2015 levels by 2030. The plan is built on three pillars — basic needs, income security, and service delivery — and reflects key issues raised during consultations, including low social assistance rates, barriers to accessing benefits, and gaps in transportation, particularly in rural areas, and health care access. The strategy includes commitments to collaborate across sectors to improve food security, expand access to transportation, increase awareness and uptake of benefits, and improve working conditions for workers with low incomes. Food insecurity is identified as a priority issue, but the primary responses outlined are school food programs, support for social enterprises, and further study of community-based initiatives. The strategy places significant emphasis on coordination, awareness, and system navigation, rather than introducing new income supports or expanding existing benefits.

The strategy's focus is most evident in the government's approach to social assistance. While benefits continue to be indexed to inflation under reforms introduced under the previous Progressive Conservative government in 2021, Budget 2026 did not include any increase to base rates, despite a clear campaign commitment to raise them. As a result, social assistance policy remains largely unchanged, relying on indexation rather than substantive increases to improve its adequacy.

The government has also committed to building 30,000 new homes by 2030 and has exceeded short-term targets for affordable housing starts. Investments have been made in public housing repair, supportive housing services, and community housing programs, alongside the introduction of the rent cap. However, demand continues to outpace supply, and the scale of investment in deeply affordable housing remains limited relative to need.

Budget 2026 represents a significant shift in the province's fiscal outlook. The government is projecting a record deficit of approximately $1.37 billion and continued deficits across the remainder of its mandate, despite a campaign commitment to balance the budget. Net debt is expected to increase from $13.9 billion to $19.7 billion by 2029.

NEW BRUNSWICK

F

2026

Although the government had warned that tough choices and spending cuts were on the way, ultimately it reversed course. Departments were asked to identify savings equivalent to 10% of their budgets. However, while limited reductions were made in select departments, overall government spending is projected to increase by approximately 5.5%, with health care spending rising by 17%.

The government has framed this approach as necessary to address underinvestment in public services, particularly in health care. At the same time, it represents a departure from earlier commitments to be fiscally disciplined and places the province on a path of sustained deficits and increasing debt.

Within this fiscal context, affordability measures in the budget are relatively modest. Investments include $10.2 million for supportive housing services, $17 million for the Community Housing Retention and Expansion Program, and $7 million for school food programs, in addition to continued electricity rebates. However, there were no new increases to rental benefits, no significant expansion of affordable housing programs, and no increases to social assistance beyond indexation.

At the same time, cost pressures are expected to increase. NB Power has proposed a series of rate increases that would result in substantial cumulative increases by 2028. While the government has committed to reviewing NB Power, no measures have been introduced to offset these increases for households.

New Brunswick's policy landscape is therefore defined by a gap between the government's initial mandate and its early policy decisions. While progress has been made in areas such as housing supply and service expansion, key commitments related to income supports have not been implemented. At the same time, fiscal decisions outlined in Budget 2026 indicate a shift away from earlier commitments to restraint, with growing deficits and debt shaping the province's policy environment going forward.

POLICY RECOMMENDATIONS

AFFORDABILITY

- **Make the temporary rent increase cap permanent within the Residential Tenancies Act and strengthen tenant protections:** New Brunswick has introduced a temporary 3% rent cap, but it is set to expire. Introducing a permanent rent increase limit — connected to the CPI — in legislation, alongside enhanced protections against displacement, would provide greater stability for renters who are facing rising housing costs. Housing affordability was identified during the poverty reduction consultations as one of the main drivers of food insecurity, making stronger tenant protections an essential component of the province's strategy.

NEW BRUNSWICK

F

2026

- **Prioritize public and non profit housing development, repair, and acquisition:** As New Brunswick advances its Housing for All strategy and its target of 30,000 new homes by 2030, it should ensure that a significant portion of this supply is delivered through public, non profit, or community housing. Expanding and protecting affordable housing stock is critical to meeting the strategy's objectives related to basic needs and overall well-being.

INCOME SECURITY

- **Raise social assistance rates toward the Market Basket Measure and advance a disability basic income framework:** Although rates are indexed to inflation, current benefit levels remain well below the cost of basic needs. The province should adopt a multi-year plan to raise assistance toward the MBM over the length of this mandate. Building on the Minister of Social Development's mandate commitment to explore basic income for people with disabilities, the province should advance a concrete program design with a defined timeline.

LABOUR MARKET REFORM

- **Establish a youth employment and training guarantee:** New Brunswick should introduce a youth strategy to ensure that all young people not in employment, education, or training (NEET) have access to paid training, apprenticeship opportunities, or a wage-subsidized job. Supports for transportation, childcare, and other participation barriers should be built into the program design to facilitate sustained engagement.
- **Establish a pathway to increase the minimum wage to become a living wage:** Participants in the provincial consultations emphasized that current minimum wage levels remain insufficient given the rising costs of living. A clear, multi year plan to move the minimum wage toward a living wage benchmark would support workers with low incomes and strengthen progress toward the poverty reduction strategy's income-security goals.

ADDRESSING INEQUITIES

- **Establish a community-based benefit navigation and service access strategy in partnership with municipalities:** Building on the strategy's commitment to people-focused service delivery, New Brunswick should fund municipalities and community organizations to expand awareness of income-tested benefits and offer accessible, in-person application support. As government services increasingly shift toward digital models, ensuring alternative access points — especially in rural areas — will be essential to prevent service gaps.

Food Banks Canada

Banques alimentaires Canada

D+

2026

PRINCE EDWARD ISLAND

PRINCE EDWARD ISLAND

D+

D+ EXPERIENCE OF POVERTY

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
People feeling worse off compared to last year	33%	A-	C-	C-	D-
People spending more than 30% of income on housing	37%	F	D-	F	F
People having trouble accessing health care	16%	D+	F	F	D+
Government support recipients who say rates are insufficient to keep up with cost of living	57%	F	F	C	D-
Percent of income spent on fixed costs beyond housing	54.5%	C+	F	D-	D-

D- POVERTY MEASURES

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Poverty rate (MBM)	10.0%	F	F	F	D+
Social assistance as a percent of the poverty line (single adult)	64.4%	C+	D	C+	C+
Disability assistance as a percent of the poverty line	71.6%	C+	F	C+	C+
Unemployment rate	7.3%	F	F	F	F
Food insecurity rate	23.3%	F	F	F	F

C MATERIAL DEPRIVATION INDEX

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Severely inadequate standard of living	21%	C	B	C+	–
Inadequate standard of living	30%	C	B-	B-	–

C LEGISLATIVE PROGRESS

INDICATOR	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Legislative progress	C	C	D	B

PRINCE EDWARD ISLAND

D+

2026

EXPERIENCE OF POVERTY

Prince Edward Island received a D+ grade in 2026, with recent sharp declines negating earlier improvements.

- **Housing affordability:** PEI received a failing grade for this indicator, with 37% of people spending 30% or more of their income on housing. This is a significant deterioration compared to 2025, when it was 23%.
- **Income spent on fixed costs outside of housing:** PEI earned a C+, with people spending 54.5% of their income on essentials. However, this is lower than the national average and better than the proportion in most other Atlantic provinces.
- **Access to health care:** PEI received a D+, with 16% of people reporting difficulty in accessing care. However, this was the best result for this indicator in Atlantic Canada. Gradual improvement in this area points to an easing of access challenges.
- **Worse off than last year:** 33% of people felt worse off compared to last year, making PEI the best performer for this indicator. The noticeable decline in this figure since 2024, when it was 56.7%, indicates a substantial easing of hardship.
- **Adequacy of government support:** PEI received an F for this indicator, with 57% of people who receive government support saying it is inadequate. The steady increase in this figure since 2023, when it was 20.8%, suggests that the adequacy of support is consistently declining.

PRINCE EDWARD ISLAND

D+

2026

POVERTY MEASURES

Prince Edward Island received an overall grade of D– in the poverty measures section. Quebec received the highest grade (C), while most other provinces received a D– or F, indicating broadly weak performance across the country.

- **Poverty rate:** The most recent available data (from 2024) show the poverty rate in Prince Edward Island is 10%, slightly below the national average of 11.1%. Quebec reports the lowest poverty rate among provinces at 7%.
- **Social assistance as a percentage of the poverty line:** In Prince Edward Island, social assistance provides 64.4% of the income needed to reach the poverty line, the strongest performance among provinces on this indicator. Despite leading the country, benefits fall well short of the poverty line.
- **Disability assistance as a percentage of the poverty line:** Disability assistance in Prince Edward Island reaches 71.6% of the poverty line, the second highest among provinces. Newfoundland and Labrador leads this indicator at 74.1%.
- **Unemployment rate:** Prince Edward Island's unemployment rate is 7.3%, higher than the national average of 6.7%. Saskatchewan has the lowest provincial unemployment rate at 5%.
- **Food insecurity:** The most recent available data (from 2025) show that 23.3% of people in Prince Edward Island live in households experiencing food insecurity, slightly below the national average of 24% but remaining high. Quebec reports the lowest rate among provinces, where approximately 1 in 5 people experience food insecurity.

MATERIAL DEPRIVATION INDEX

Prince Edward Island received a C grade in 2026, indicating a weakening performance.

This grade represents a decline since 2025, when it received a B grade and reverses earlier gains made in the province. PEI's experience diverges from the broader national trend of improvement.

In 2026, 21% of residents were severely deprived and 30% were moderately deprived. Both rates increased from 2025, which suggests renewed affordability pressure.

Despite relatively low deprivation rates in earlier years, PEI's results show that the gains were not sustained.

PRINCE EDWARD ISLAND

D+

2026

LEGISLATIVE PROGRESS

Housing and Affordability:

- ***Advanced progress*** toward the achievement of housing targets, with nearly 1,700 housing starts in 2024 against an annual goal of 2,000.
- ***Reduced personal income taxes*** by increasing the basic personal amount to $14,650 in 2025 and $15,000 in 2026 and indexing tax brackets by 1.8%.
- ***Increased the Home Heating Assistance Program*** by $3 million, bringing total funding to $7.7 million to help households with low incomes meet their energy costs.
- ***Maintained subsidized public transit***, including free transit for students and low-cost fares for residents.
- Provided ***targeted supports for children in care***, including $200 back-to-school and seasonal benefits.
- ***Increased the George Coles Bursary*** to $3,500 to support post-secondary affordability.

Income Security:

- ***Maintained social assistance rates*** in 2025–26. Rates have increased substantially since 2018, including 45% cumulative increase for single individuals.
- Continued advocacy for a guaranteed basic income pilot, but has not entered any federal partnerships.

Labour Market Supports:

- ***Introduced $42 million in tariff response measures***, including a $32 million contingency fund and a $10 million working capital program to support businesses and workers who are affected.
- ***Increased the minimum wage*** to $17 per hour from $16.50, making it among the highest in Canada.

PEI received a C for legislative progress this year. The province has made steady progress on affordability, including tax reductions, increased heating supports, and continued investment in transit and education. It has also maintained momentum on housing supply, coming close to achieving its annual target for new builds. Strong minimum wage growth and targeted labour market supports have contributed to income stability.

However, there has been limited recent progress on core income supports. Social assistance rates were not increased this year, despite ongoing affordability pressures. Although PEI has made significant gains over time, the lack of new action risks slowing progress. Continued efforts to structurally expand income supports and increase the supply of housing - alongside affordability measures to support households through acute increases in the cost of living - will be critical to sustaining momentum on poverty reduction.

PRINCE EDWARD ISLAND

D+

2026

POLICY AND POLITICAL LANDSCAPE

The province of Prince Edward Island enjoys a rare political consensus on the need to combat poverty. In 2020, PEI's Special Committee on Poverty produced a series of recommendations and oversaw the adoption of the Poverty Elimination Strategy Act, which established targets to reduce poverty in the province by 50% by 2030 and to eliminate it by 2035.

Remarkably, and uniquely in Canada, the Special Committee on Poverty recommended immediately negotiating with the federal government to adopt a basic income guarantee or alternatively establishing a stand-alone provincial basic income. The Committee also recommended enhancements to existing income and social support programs. The province has followed through on some of these recommendations by increasing social assistance rates by 5% in 2024. However, social assistance is not indexed to inflation.

PEI's ***Budget 2026*** introduced April 14, 2026 commits to introducing a number of affordability measures including a new $26 million Island Essentials Benefit, a $7.2 million Home Heating Program, a free school supplies programs for student from K-9 of $985,000, and maintains its commitments to $10-a-day daycare and its school food program.

Politically, the current Progressive Conservative government led by Premier Rob Lantz enjoys broad popularity. According to recent public opinion polling, 64% of Islanders describe themselves as satisfied with the performance of the government.

However, despite this political consensus on the need to address poverty, a 2025 report - Complacency Is Disgraceful - by the Canadian Centre for Policy Alternatives (CCPA) highlighted the "urgent" state of child poverty in the province. The report notes that child poverty in PEI currently stands at 16.7%, despite an additional investment in food support in 2025 by the Department of Social Development and Seniors. One of the report's authors concluded that PEI has made "very, very little progress" on reducing child poverty.

While PEI performs better than many provinces on the adequacy of social assistance rates provided to those in need, those rates remain below Canada's official poverty line as measured by the Market Basket Measure, even after the 5% increase in 2024. That said, analysis by Maytree shows notable improvement over time. Between 2018 and 2024, total welfare income for a single individual in PEI increased from $12,598 to $18,322, representing a 45% increase.

Like provinces across the country, PEI faces economic headwinds caused by trade and tariff uncertainty. According to provincial budget documents, PEI currently maintains a relatively healthy debt-to-GDP ratio of approximately 33% and has established a fiscal anchor of keeping that figure below 40%. However, the province is projecting a deficit of $367.4 million for the 2025–2026 fiscal year — the largest in its history — up sharply from a projected deficit of $183.9 million in 2025.

PRINCE EDWARD ISLAND

D+

2026

In response to these trends, PEI's Auditor General, Darren Noonan, has publicly cautioned against continued deficit growth. In comments accompanying his report, Noonan stated that "it's time to… rein in spending on that [debt]. Our operating deficits are starting to get to unseen levels for a province of our size. The burden to repay that debt will fall on future generations, which is a concern. It's not going to get any easier going forward, so there's some really tough decisions that need to be made now to put the province in a good position for the next 20 or 30 years."

The Auditor General's February 2026 report further cites growing debt, an aging population, and associated increases in health care spending as key risks to the province's long-term fiscal sustainability. Likely in anticipation of these findings, the Lantz government has announced the creation of a new Cabinet committee tasked with reviewing government spending and reducing regulatory burden.

As a result, in the near term, PEI's capacity to address concerning rates of poverty—particularly child poverty — will be significantly constrained. Without additional financial supports for people experiencing food insecurity, rates of food bank usage in the province are expected to continue to rise.

According to Upper Room Hospitality Ministry (URHM), one of the province's primary emergency food providers, demand for food assistance has increased significantly. URHM Executive Director Mike MacDonald attributes the rise to cost-of-living pressures. "It's the cost of groceries, the cost of rent, the cost of keeping our car running. Those are the things that we hear consistently. It's just that things are so expensive," he said. MacDonald also noted that nearly 35% of people accessing food banks in PEI are employed, calling the figure "pretty staggering."

On the positive side, progress has been made toward the goals set out in PEI's provincial housing strategy. The strategy commits to building an average of 2,000 new homes per year by 2030, and the province saw 1,684 housing starts in 2024. However, the Canada Mortgage and Housing Corporation (CMHC) has warned that Canada as a whole must double its rate of new housing construction to restore affordability. CMHC analysis suggests that, for PEI, this would require boosting housing production to nearly 2,200 new units annually between 2025 and 2035. PEI has a lot of promise and ambition, however there are risks of slowing progress. Fiscal constraints, ongoing affordability pressures, and uneven progress on income adequacy suggest that without renewed policy action and investment, the province risks falling short of its stated poverty elimination goals—particularly for children and working low-income households.

PRINCE EDWARD ISLAND

D+

2026

POLICY RECOMMENDATIONS

AFFORDABILITY

- **Continue advancing PEI's housing strategy to meet the goal of building 20,000 homes per year by 2030:** The province should maintain momentum on its housing strategy to ensure sufficient supply to meet rapidly growing demand, with a particular focus on purpose-built rental housing and affordability.
- **Establish a permanent affordable housing financing fund:** PEI should address the gap in affordable housing construction, especially for purpose-built rental units, by creating a multi-year, permanent financing fund. A mix of low-cost financing and targeted subsidies would help support a more diverse range of affordable housing options delivered by market, non-profit, and cooperative providers.

INCOME SECURITY

- **Enhance social assistance rates and align them with Canada's official poverty line:** PEI has among the most generous social assistance in the country but it is still not enough to enable recipients to keep up with the cost of living. The province should raise social assistance benefits to reflect the MBM and index them to inflation. Increased earnings exemptions for single individuals should also be considered. Without comprehensive indexation, improvements risk being temporary and insufficient given recent inflationary pressures.

LABOUR MARKET REFORM

- **Increase the provincial minimum wage to $19.30 by 2030, as recommended by the Special Committee on Poverty:** The current minimum wage of $17.00 remains below the level the Special Committee on Poverty identified as necessary to meet basic living costs. Moving toward a $19.30 minimum wage would provide meaningful support for workers with low incomes.

ADDRESSING INEQUITIES

- **Study the recommendations in the Canadian Centre for Policy Alternatives report 2025 Report Card on Child and Family Poverty on Prince Edward Island:** This report highlighted child poverty as significant in PEI. Its recommendations include increasing the PEI Child Benefit and income supports for families.

Food Banks Canada

Banques alimentaires Canada

D

2026

NOVA SCOTIA

NOVA SCOTIA

D

D EXPERIENCE OF POVERTY

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
People feeling worse off compared to last year	41%	C	F	F	F
People spending more than 30% of income on housing	38%	F	F	F	D
People having trouble accessing health care	22%	F	C	C	B-
Government support recipients who say rates are insufficient to keep up with cost of living	57%	F	F	D	C-
Percent of income spent on fixed costs beyond housing	52.7%	B	C-	F	F

F POVERTY MEASURES

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Poverty rate (MBM)	10.9%	F	F	F	F
Social assistance as a percent of the poverty line (single adult)	30.9%	F	F	F	F
Disability assistance as a percent of the poverty line	51.2%	F	F	F	F
Unemployment rate	6.6%	F	D-	D-	D
Food insecurity rate	26.2%	F	F	F	F

C+ MATERIAL DEPRIVATION INDEX

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Severely inadequate standard of living	20%	C+	D-	F	–
Inadequate standard of living	30%	C+	F	F	–

D LEGISLATIVE PROGRESS

INDICATOR	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Legislative progress	D	B	B	F

NOVA SCOTIA

D

2026

EXPERIENCE OF POVERTY

Nova Scotia received a D grade in 2026. It showed improvement from a very weak baseline but is still facing major challenges.

- **Housing affordability:** Nova Scotia received a failing grade for this indicator, with 38% of people spending 30% or more of their income on housing. This is worse than in PEI but better than in New Brunswick. Housing affordability pressure peaked in 2024 and has since declined modestly.
- **Income spent on fixed costs outside of housing:** Nova Scotia earned a B, with people spending 52.7% of their income on essentials. This is the lowest proportion for this indicator in Atlantic Canada and well below the national average. Steady improvement in this figure indicates that cost pressures are easing.
- **Access to health care:** Nova Scotia received an F for this indicator, with 22% of people reporting difficulty in this area. This is worse than in both Newfoundland and Labrador and PEI. The sharp increase in 2026 indicates renewed strain on the system.
- **Worse off than last year:** 41% felt worse off than they did last year. This is better than in New Brunswick but worse than in PEI and Newfoundland and Labrador. Declines since 2024 suggest hardship is easing.
- **Adequacy of government support:** Nova Scotia received an F, with 57% of people who receive government support reporting that it is inadequate. This represents a modest improvement since 2025.

NOVA SCOTIA

D

2026

POVERTY MEASURES

Nova Scotia received an overall grade of F in the poverty measures section. Quebec received the highest grade (C), while Nova Scotia was among the weakest performers nationally alongside Alberta, Ontario, and New Brunswick.

- **Poverty rate:** The most recent available data (from 2024) show the poverty rate in Nova Scotia is 10.9%, slightly below the national average of 11.1%. Quebec reports the lowest poverty rate among provinces at 7%.
- **Social assistance as a percentage of the poverty line:** In Nova Scotia, social assistance provides just 30.9% of the income needed to reach the poverty line, the lowest among all provinces. Prince Edward Island performs strongest on this measure, with benefits covering 64.4% of the poverty line.
- **Disability assistance as a percentage of the poverty line:** Disability assistance in Nova Scotia reaches just 51.2% of the poverty line, falling well short of what is required. Newfoundland and Labrador leads this indicator at 74.1%.
- **Unemployment rate:** Nova Scotia's unemployment rate is 6.6%, just below the national average of 6.7%. Saskatchewan has the lowest provincial unemployment rate at 5%.
- **Food insecurity:** The most recent available data (from 2025) show that 26.2% of people in Nova Scotia live in households experiencing food insecurity, above the national average of 24% and significantly higher than Quebec, where approximately 1 in 5 people experience food insecurity.

MATERIAL DEPRIVATION INDEX

Nova Scotia received a C+ grade in 2026.

This grade is a substantial improvement on the D- it received in 2025 and indicates meaningful recovery. Nova Scotia's improvement outpaced the national average.

Severe deprivation dropped to 20% from 26% in 2025, and moderate deprivation declined dramatically to 29% from 37% over the same period. These changes suggest real improvements in residents' ability to afford basic necessities. Across Canada, Nova Scotia has seen the greatest drop in material deprivation over the last 12 months. Despite this progress, however, deprivation remains widespread.

NOVA SCOTIA

D

2026

LEGISLATIVE PROGRESS

- Committed $25 million over five years in the new ***Institute of Skilled Trades (IST)*** to provide students and apprentices with modern training and equipment.
- ***Increased the minimum wage*** from $16.50 to $16.75 per hour, effective April 1. It will increase again to $17.00 per hour on October 1.
- ***Expanded*** access to local food in hospitals, universities, and other public institutions by providing Institutional Development Expansion and Advancement (IDEA) program funding to help farmers, processors, and distribution hubs scale up production and services to meet institutional demand and encourage public institutions to purchase more local food.
- ***Continued the Heating Assistance Rebate Program***. Families with a combined net income of up to $45,000 and single-person households with a net income of up to $30,000 are eligible to apply for the heating assistance rebate whether they rent or own, provided they pay for heat. Recipients of the Guaranteed Income Supplement or income assistance are also eligible. The rebate for 2025/26 is $400.
- Amended the ***Workers' Compensation Act*** to improve benefits for injured workers and their families, including full cost-of-living adjustments, expanded cancer coverage, longer appeal periods, and broader survivor benefits.
- ***Expanded its school lunch program*** to all elementary and junior high schools and made program changes to make it easier for families to participate.
- Committed to ***a permanent annual increase*** in August payments to families on income assistance to help cover back-to-school costs.
- Made it possible for parents to ***access more convenient and affordable before and afterschool care*** by adding the Nova Scotia Before and After Program to 21 more schools and creating 1,200 new spaces for the 2025/26 school year.
- ***Increased*** social assistance and disability assistance by 1.6%.
- Used the proceeds from U.S. alcohol sales for a $5.3 million ***Feeding Communities Fund*** to provide one-time support for food charities — including Feed Nova Scotia — and affordable food initiatives.
- Amended Halifax planning regulations to ***boost house-building***. Changes include, for example, permitting for more residential units, removing parking and unit-mix rules, and allowing temporary and manufactured housing.
- Nova Scotia and the Federal Government ***announced*** $300 million to build more than 1,400 homes across Nova Scotia, including 500 non-profit and community homes.

NOVA SCOTIA

D

2026

Nova Scotia received a D for legislative progress this year. It made incremental progress across several areas, including increases to the minimum wage, the expansion of school lunch programs, and investments in training, housing, and affordability supports. It also introduced regulatory changes to support housing development and maintained targeted programs such as heating rebates. However, the province has not updated its poverty reduction strategy since 2009, which limits strategic direction, transparency, and accountability in addressing poverty.

Key housing supports remain limited in both design and durability. While the province maintains a rent cap, it is temporary — set to expire in 2027 — and allows annual increases of up to 5%, which can exceed inflation and continue to drive affordability pressures for renters. The Canada–Nova Scotia Targeted Housing Benefit also has limited reach. Eligibility is restricted to households that spend more than 50% of their income on housing, which excludes many people in core housing need. Together, these measures provide partial relief but fall short of stabilizing housing costs for renters who have low incomes.

Recent budget decisions highlight these gaps. After backlash to major program cuts in the 2026 budget, some funding cuts to social and employment programs were partially reversed. However, a number of programs, including the ***Student Transit Pass Pilot Program*** and two ***food security program*** - Food Security Supports (Community Food Literacy and Access) and Food Security Supports (Food Security Initiative), were not reinstated. The government prioritized broad-based tax measures, which provide greater benefit to higher-income households, over targeted poverty reduction supports.

Social assistance and disability rates increased by only 1.6%, maintaining indexation but failing to raise incomes meaningfully above deep poverty. Overall, progress remains modest and insufficient relative to the scale of poverty in the province.

POLICY AND POLITICAL LANDSCAPE

Nova Scotia elected Premier Tim Houston's Progressive Conservatives for a second consecutive term in November 2024. They won 43 of the legislature's 55 seats, giving them a supermajority. Despite this renewed mandate, Nova Scotia has not updated its poverty reduction strategy since it was first introduced in 2009. The absence of an updated strategy or clear poverty reduction targets limits accountability for reducing poverty and food insecurity in the province. This gap is significant, as affordability continues to be an issue. Food prices alone have increased by approximately 30% since 2021.

Budget 2026/27 projects a deficit of approximately $1.19 billion. Early announcements included approximately $130 million in grant reductions that will affect a wide range of social programs and community organizations, including education and employment supports, disability services, and programs serving African Nova Scotian and Mi'kmaq communities. Following strong public criticism, the government reinstated $53.6 million in funding for a number of these programs, but several employment and training initiatives remain reduced or eliminated.

NOVA SCOTIA

D

2026

The government has also emphasized tax relief as a key affordability measure. To continue last year's taxation change, $681.2 million has been allocated to increasing the basic personal amount, indexing tax brackets to inflation and maintaining the HST at 14%. While these measures reduce costs for households, the largest benefits accrue to higher-income earners who receive greater value from tax reductions. People with very low incomes often see limited benefit because the basic personal amount functions as a non-refundable tax credit. By comparison, programs specifically targeted at households with low incomes receive much smaller investments. The budget allocates $15 million to expand the rent supplement program and $32.5 million to expand the Heating Assistance Rebate Program. Increasing these targeted supports could have a stronger impact on poverty reduction than broad-based tax relief.

The decision to index social assistance to inflation is an important and welcome step, with rates increasing by 1.6% in 2026. Indexation helps benefit levels maintain their purchasing power over time as prices rise, but indexing rates that are already far below the poverty line will leave recipients in deep poverty unless base benefit levels are also increased. Although the government has taken meaningful action to raise wages for workers, it has not yet addressed the adequacy of social assistance.

Housing is a central focus of provincial policy through the government's Action for Housing plan. The plan aims to support the construction of 42,000 new housing units over five years and improve affordability for more than 17,000 households. Notably, the strategy places significant emphasis on public housing and supportive housing, including investments in new rent-geared-to-income units and supportive housing developments. This focus is important, as government-owned and supportive housing play a critical role in ensuring there are stable and affordable housing options for low-income households and those facing complex housing challenges.

Budget investments reinforce this direction. Nova Scotia has committed $25.2 million to create 378 supportive housing units and $9.6 million to expand emergency shelter capacity. Additional funding will increase rent supplements to additional 10,500 households. These investments represent positive steps toward addressing housing needs, particularly for people who are experiencing or are at risk of homelessness.

However, many renters continue to struggle with high housing costs. The Canada–Nova Scotia Targeted Housing Benefit is intended to help renters facing affordability challenges, but its design limits its reach. Eligibility is restricted to households that spend more than 50% of their pre-tax income on housing, even though core housing need begins when households spend more than 30% of their income on housing. As a result, many renters who are facing significant housing cost pressures are not eligible for support.

Expanding the housing benefit could help address this gap. Increasing eligibility and benefit levels would provide immediate relief to renters while Nova Scotia continues to build more affordable and supportive housing. A stronger rental benefit could act as a bridge — helping households maintain stable housing today while longer-term supply solutions are being developed.

NOVA SCOTIA

D

2026

Nova Scotia has also expanded school food programs, investing $100.4 million to support school lunch and breakfast initiatives across the province. These programs help ensure children have reliable access to nutritious meals during the school day and provide an additional support for families facing rising living costs.

Nova Scotia has taken important steps to address affordability through wage increases, expanded housing investments, and food programs. Strengthening income supports and expanding targeted housing benefits alongside these efforts could further reduce poverty and help ensure that households struggling today are supported while longer-term housing solutions are being developed.

POLICY RECOMMENDATIONS

AFFORDABILITY

- **Restore and increase the Heating Assistance Rebate Program:** The Heating Assistance Rebate Program has been reduced from $600 to $400, and eligibility thresholds have also been lowered. Given rising energy costs and the program's importance to households with low incomes, Nova Scotia should restore the benefit to at least its previous level and expand eligibility.
- **Expand the Targeted Rental Benefit and improve tenant protections:** The Targeted Rental Benefit should be expanded to operate as a portable rent supplement available to anyone in the private rental market whose shelter costs exceed 30% of income, rather than the current 40% threshold. This would align the program with the design of the federal Canada Housing Benefit. Fixed-term leases should also be eliminated to ensure leases default to periodic tenancies.

INCOME SECURITY

- **Increase social assistance rates to improve their adequacy:** In 2025, Nova Scotia introduced indexing for social assistance, ensuring the value of rates in real terms no longer erodes because of inflation. This was an important step, but base rates remain inadequate. A single person who is considered employable receives only $9,415 annually, and a single person with a disability receives $15,117. Both rates are far below the poverty line of $28,006 and the deep poverty threshold of $21,005. Rates should be increased to at least meet the deep poverty threshold.
- **Reverse proposed cuts and expand the Poverty Reduction Credit:** The Poverty Reduction Credit is unique in Canada in that it specifically targets people with low incomes who do not have dependent children. The credit has not been increased since 2018 and currently provides $500 per year, delivered quarterly. It is available only to individuals who earn under $16,000 annually. However, Budget 2026 proposes reducing the program's funding by $1.398 million from a total budget of $6.99 million, significantly weakening one of the province's few targeted supports for adults without children.

NOVA SCOTIA

D

2026

The province should reverse these proposed cuts, double the credit, and index it to inflation to preserve its value over time. Expanding eligibility above the current income cut-off should also be explored as part of a renewed provincial poverty reduction strategy.

LABOUR MARKET REFORM

- **Reduce earnings clawbacks in income-tested benefits:** Under the current program rules, individuals who receive income assistance and earn more than $350 per month see their benefits clawed back. These clawbacks undermine financial stability and discourage labour market participation. Nova Scotia should increase earnings exemptions to $500 and review interactions between earned income and income-tested benefits.
- **Restore funding for employment and skills training programs:** Budget 2026 reduced funding for several employment and training initiatives, including the Skills and Learning Grant, Workplace Initiative Employer Supports, Nova Scotia Apprenticeship Agency programs, Nova Scotia School for Adult Learning, and Co-op and Summer Skills program. With overall unemployment in the province approaching 7% and youth unemployment rising, the province should reinstate and expand these programs to strengthen workforce participation.

ADDRESSING INEQUITIES

- **Commit to reducing inequalities experienced by Mi’kmaq and Black Nova Scotians:** Mi’kmaq and Black Nova Scotians experience disproportionately high poverty rates. Nova Scotia should ensure that programs serving these communities are not disproportionately reduced and should commit to achieving measurable progress in closing poverty gaps between these communities and the broader population.
- **Implement a new provincial poverty reduction strategy, including a target to reduce food insecurity:** Nova Scotia’s current poverty reduction strategy has not been updated since 2009. It should undertake a new strategy with measurable targets and a clear plan to reduce poverty over the medium and long terms. Particular attention should be paid to populations that face heightened poverty in the province, including children, Mi’kmaq and Black Nova Scotians. Nova Scotia has the highest child poverty rate among the Atlantic provinces.

Food Banks Canada

Banques alimentaires Canada

D+

2026

NEWFOUNDLAND AND LABRADOR

NEWFOUNDLAND AND LABRADOR

D+

D- EXPERIENCE OF POVERTY

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
People feeling worse off compared to last year	40%	C	D+	F	C-
People spending more than 30% of income on housing	39%	F	C	F	B-
People having trouble accessing health care	14%	C-	F	F	C-
Government support recipients who say rates are insufficient to keep up with cost of living	59%	F	F	F	F
Percent of income spent on fixed costs beyond housing	61.2%	F	F	F	F

D- POVERTY MEASURES

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Poverty rate (MBM)	10.4%	F	F	F	D-
Social assistance as a percent of the poverty line (single adult)	42.4%	D-	D	D	D
Disability assistance as a percent of the poverty line	74.1%	B-	B-	B	B
Unemployment rate	9.5%	F	F	F	F
Food insecurity rate	25.5%	F	F	F	F

D- MATERIAL DEPRIVATION INDEX

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Severely inadequate standard of living	20%	C+	C-	F	–
Inadequate standard of living	31%	C	C-	F	–

B LEGISLATIVE PROGRESS

INDICATOR	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Legislative progress	B	A	B	F

NEWFOUNDLAND AND LABRADOR

D+

2026

EXPERIENCE OF POVERTY

Newfoundland and Labrador received a D- grade in 2026, with high costs and uneven recovery across indicators.

- **Housing affordability:** Newfoundland and Labrador received a failing grade, with 39% of people spending 30% or more of their income on housing. This figure places Newfoundland and Labrador in the middle of the Atlantic provinces for this indicator. After showing improvement in 2025, housing stress has worsened.
- **Income spent on fixed costs outside of housing:** Newfoundland and Labrador received an F for this indicator, with people spending 61.2% of their income on essentials — the highest in Atlantic Canada and among the worst nationally. Levels have remained persistently high since 2023.
- **Access to health care:** Newfoundland and Labrador earned a C–, with 14% of people reporting difficulty accessing health care. This is better than in Nova Scotia and New Brunswick but worse than in PEI. Conditions improved after spiking in 2024, when they reached 33.3%.
- **Worse off than last year:** 40% of people felt worse off than they did last year. This is lower than Nova Scotia's and New Brunswick's figures, and marks a noticeable decline compared to 2024's figure of 49.9%.
- **Adequacy of government support:** Newfoundland and Labrador received an F for this indicator, as 59% of people who receive government support report that it is inadequate. This figure has been consistently high over time.

NEWFOUNDLAND AND LABRADOR

D+

2026

POVERTY MEASURES

Newfoundland and Labrador received an overall grade of D- in the poverty measures section. Quebec received the highest grade (C), while most other provinces received a D- or F, indicating broadly weak performance across the country.

- **Poverty rate:** The most recent available data (from 2024) show the poverty rate in Newfoundland and Labrador is 10.4%, slightly below the national average of 11.1%. Quebec reports the lowest poverty rate among provinces at 7%.
- **Social assistance as a percentage of the poverty line:** In Newfoundland and Labrador, social assistance provides just 42.4% of the income needed to reach the poverty line. Prince Edward Island performs strongest on this measure, with benefits covering 64.4% of the poverty line.
- **Disability assistance as a percentage of the poverty line:** Disability assistance in Newfoundland and Labrador reaches 74.1% of the poverty line, the highest among all provinces and the strongest performance on this indicator nationally. Despite leading the country, benefits fall well short of what is needed to reach the poverty line.
- **Unemployment rate:** Newfoundland and Labrador's unemployment rate is 9.5%, the highest among all provinces. Saskatchewan has the lowest provincial unemployment rate at 5%.
- **Food insecurity:** The most recent available data (from 2025) show that 25.5% of people in Newfoundland and Labrador live in households experiencing food insecurity, above the national average of 24% and significantly higher than Quebec, where approximately 1 in 5 people experience food insecurity.

MATERIAL DEPRIVATION INDEX

Newfoundland and Labrador received a C+ grade in 2026.

This grade represents an improvement from the province's C- in 2025 and signals recovery after very high deprivation rates in 2024. The pace of improvement aligns with, but does not exceed, the national trend.

Severe deprivation declined markedly to 20% from 35% in 2024, while moderate deprivation fell from 44.8% to 31% between 2024 and 2026. While this change is positive, the majority of the change took place between 2024 and 2025, with rates stabilizing in 2026, rather than continuing to decline.

NL's material deprivation results suggest that while material conditions have improved, a large proportion of residents continue to lack access to basic necessities.

NEWFOUNDLAND AND LABRADOR

D+

2026

LEGISLATIVE PROGRESS

Previous Government:

- Introduced ***Income Support*** improvements as part of its Poverty Reduction Plan, increasing monthly benefits, enhancing housing and vision supports, and introducing a back-to-school payment for children.
- Since July 2025, eligible recipients can receive up to $600 per month through the Newfoundland and Labrador Disability Benefit ($400) and the Canada Disability Benefit ($200), while still keeping their full Income Support entitlements.
- ***Increased*** income eligibility thresholds for homeowner support programs to improve home accessibility, adequacy, and energy efficiency. The income threshold was further expanded for Labrador residents.
- ***Increased the minimum wage*** from $15.60 to $16.00/per hour on April 1, 2025, and increased it again to $16.35/hour on April 1, 2026.
- ***Partnered with Bell Canada*** to enhance rural cellular coverage in the province over five years.

Current Government:

- ***Donated*** profits from the sale of U.S. liquor to the Community Food Sharing Association.
- ***Increased vision care*** benefits for clients in long-term care and people who receive social assistance.
- Announced it would begin development of a new ***10-year poverty reduction and prevention strategy*** with a goal to help make poverty rates the lowest in Canada by 2036.
- ***Made gas and diesel tax cuts permanent***, keeping the province's gasoline tax the lowest in Canada.

Newfoundland and Labrador received a B for legislative progress this year. The previous Liberal government implemented meaningful reforms to income supports, including increases to social assistance and the introduction of a provincial disability benefit that stacks with the Canada Disability Benefit. These measures significantly improve income adequacy, with eligible recipients receiving up to $600 per month in combined disability benefits while maintaining full Income Support. Expanded eligibility for housing supports and enhancements to supplementary benefits further strengthened the system.

Despite these improvements, key structural challenges remain. Social housing waitlists have increased by 71% since 2021, but the number of units has declined and rents have risen sharply. This situation reflects a persistent gap between supply and demand. While the increase to income thresholds to access housing support is positive, the waitlist will continue to grow if supply does not increase. Newfoundland and Labrador also continues to have the highest unemployment rate among the provinces, with limited progress on workforce development and employment supports.

NEWFOUNDLAND AND LABRADOR

D+

2026

The new government has committed to addressing these challenges through the development of a comprehensive 10-year poverty reduction strategy, including clear targets to make poverty rates the lowest in Canada. This represents an important step forward, particularly as the previous government did not include targets in their poverty reduction strategy. However, the implementation will be critical, and so far the main affordability action this new government has taken has been to make permanent the reduction in gas tax.

POLICY AND POLITICAL LANDSCAPE

In October 2025, Newfoundland elected the Progressive Conservatives under Premier Tony Wakeham, ending more than a decade of Liberal governance. The transition marks a shift in how poverty reduction has been framed, with the new government placing greater emphasis on the need for a comprehensive and accountable strategy.

Under the Liberals, poverty reduction policy was advanced through a series of targeted program changes. The 2023 three-year poverty plan set out actions focused on reducing child poverty and improving income supports and employment opportunities, but it did not include measurable targets or formal reporting mechanisms. As a result, although new investments were introduced, the government did not establish a clear framework for tracking progress or outcomes.

The Liberals implemented several notable changes to income supports. In 2025, they increased income assistance rates, simplified benefit structures, and expanded housing-related supports. Additional measures included a new $100 back-to-school payment per child and expanded access to vision care. They also introduced a $400 per month Newfoundland and Labrador Disability Benefit, which stacks with the federal Canada Disability Benefit. Through these relatively robust programs, Newfoundland and Labrador provides the highest level of support for persons with disabilities in the country.

Despite these changes, general income assistance rates remain low, and benefits are not consistently indexed in the same way as tax-administered supports. Although the minimum wage has been indexed to inflation since 2020 and continues to increase incrementally, people who rely on social assistance have not experienced comparable adjustments. This is creating a growing gap between people in the labour market and people who rely on income assistance.

Additional measures under the Liberal Government included expanding the provincial child benefit for families with very low incomes, increasing school food programming, and introducing supports for seniors through the Seniors' Health and Well-Being Plan. These initiatives targeted specific populations but were not integrated within a broader, accountable poverty reduction framework.

The Liberal Government's housing approach focused primarily on increasing supply through the Affordable Rental Housing Program. This program provides forgivable loans to private and community developers to support the construction of affordable rental housing, with affordability requirements lasting between 15 and 30 years. New units have been added to the program, but the overall approach does not include significant investment in public housing or clear affordability targets. The absence of a comprehensive framework that integrates income supports and housing policy — including an absence of targets, reporting mechanisms, and a coordinated strategy — was a key limitation of the Liberal approach.

Tony Wakeham and the Progressive Conservatives directed much criticism at the limitations of the Liberals' approach. During the election, Wakeham characterized it as insufficient relative to the high level of need in the province and emphasized that the government had not produced a comprehensive poverty reduction strategy.

Highlighting record-high rates of food insecurity, the Progressive Conservatives committed to introducing a poverty reduction and prevention strategy. It was framed as a 10-year, whole-of-government plan with measurable targets aimed at making Newfoundland and Labrador's poverty rates the lowest in Canada. Additional commitments included expanding the Newfoundland and Labrador Child Benefit, increasing and indexing the Seniors' Benefit, broadening eligibility for supports, and implementing tax measures such as raising the basic personal amount and reducing fuel taxes to improve affordability.

The Conservatives ran on a platform focused on lower taxes, better health care, and safer communities. Affordability was also a major priority, with housing-related commitments focused on increasing supply, including reducing regulatory barriers to construction, supporting modular housing development, and repairing or replacing uninhabitable public housing units. Additional commitments included expanding school food programs and increasing support for community organizations.

Since forming a government, the Conservatives have focused primarily on tax measures and economic development, although they have also prioritized advocating for an expansion of national pharmacare in the province. They have introduced legislation to permanently reduce the provincial gasoline tax and have advanced major resource development projects, including restarting the Bay du Nord offshore oil project. They have also indicated that Budget 2026 will include tax relief measures. While these actions may have broader economic impacts, they do not directly reflect the comprehensive poverty reduction approach outlined in the election campaign platform.

In the March 2026 Speech from the Throne, the government reiterated its commitment to affordability and stated that it would advance a whole-of-government approach to poverty reduction, housing, and support for vulnerable residents. However, no timeline has been provided for the release of the promised strategy, and there have been limited new program announcements related to income supports or poverty reduction.

Newfoundland and Labrador's policy landscape is therefore defined by a transition between a government that implemented targeted program changes without a comprehensive strategy and a government that has committed to developing such a strategy but has not yet released it. The extent to which these commitments translate into concrete policy changes warrants continued monitoring.

NEWFOUNDLAND AND LABRADOR

D+

2026

POLICY RECOMMENDATIONS

AFFORDABILITY

- **Deliver a housing acceleration and renewal plan focused on affordability and market stability:**
  Building on platform commitments to reduce red tape, expand modular construction, and repair NL Housing units, the province should set a target to double the pace of affordable and entry level housing construction within five years. Priority areas include:
  - Rapid repair and reconfiguration of uninhabitable or oversized NL Housing units
  - Modular construction in rural and northern regions
  - Supportive and independent living options for seniors to free up family sized homes

- **Launch a family affordability action plan:**
  This plan should bundle key affordability measures, including:
  - Reducing red tape to accelerate the construction of family oriented housing (2–3-bedroom units).
  - Expanding early childhood education spaces across all regions.
  - Province wide expansion of K–12 school meals, with priority for communities with high rates of poverty.
  - Delivering on the platform commitment to extend the NL Child Benefit by raising income eligibility thresholds by $10,000, thereby reaching an additional 3,000 children, and indexing both the benefit and thresholds to inflation.

INCOME SECURITY

- **Release a poverty reduction and prevention strategy with clear, measurable targets:**
  To achieve the platform goal of having the lowest poverty rate in Canada, NL should introduce a strategy with defined targets and regular reporting. These should include:
  - Reducing poverty by 50% by 2030 (relative to 2015 levels)
  - Matching or surpassing the national average child poverty rate within five years
  - Matching Quebec's senior poverty rate within five to seven years

- **Raise and index income tested supports, including the Seniors' Benefit:** NL should implement the planned 20% increase to the Seniors' Benefit and extend inflation indexation to all major provincial income supports and tax brackets. This would help prevent the erosion of purchasing power during periods of elevated inflation.

NEWFOUNDLAND AND LABRADOR

D+

2026

LABOUR MARKET REFORM

- **Reform earnings exemptions in social assistance to strengthen work incentives:** The current Moving Into the Workforce program offers limited incentives for recipients to enter or remain in the labour force and has a significant clawback rate. Increasing the earnings exemption to a minimum of $300 per month, paired with a gradual 50% phase out rate, would improve work incentives and reduce the incidence of welfare traps.
- **Embed community benefits agreements into major capital and natural resource projects:** Contracts over $500,000 should include requirements to hire local workers and to offer apprenticeship ratios, well paid unionized jobs, and inclusion targets. These conditions would help ensure that economic growth translates into poverty reduction. A dedicated poverty reduction stream within skilled trades training programs should reserve seats and provide supports for people who have experienced long term unemployment, NEET youth, and people who receive social assistance.

ADDRESSING INEQUITIES

- **Collaborate with Labradorians on a new Northern Strategic Plan for Labrador:** A key priority should be reducing high levels of food insecurity through a Labrador food affordability action plan focused on addressing freight costs, procuring food locally, and improving access to fresh foods.
- **Establish a food-security infrastructure and community capacity fund:** To support NL's commitment to providing multi year core funding for community organizations, such a fund should:
  - Provide stable multiyear operational funding for food banks and community food organizations to strengthen staffing, logistics, and coordination.
  - Invest in capital improvements to food distribution systems, including warehouse expansion, cold storage, transport fleets, and digital inventory systems — particularly in rural and Labrador regions where distribution costs are highest.

Food Banks Canada

Banques alimentaires Canada

INC

2026

YUKON

YUKON

INC

INC EXPERIENCE OF POVERTY

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
People feeling worse off compared to last year	INC	INC	INC	INC	INC
People spending more than 30% of income on housing	INC	INC	INC	INC	INC
People having trouble accessing health care	INC	INC	INC	INC	INC
Government support recipients who say rates are insufficient to keep up with cost of living	INC	INC	INC	INC	INC
Percent of income spent on fixed costs beyond housing	INC	INC	INC	INC	INC

INC POVERTY MEASURES

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Poverty rate (MBM)	11.8%	F	INC	INC	INC
Social assistance as a percent of the poverty line (single adult)	70.6%	B	INC	INC	INC
Disability assistance as a percent of the poverty line	81.9%	B+	INC	INC	INC
Unemployment rate	3.9%	C+	INC	INC	INC
Food insecurity rate	15.5%	B	INC	INC	INC

INC MATERIAL DEPRIVATION INDEX

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Severely inadequate standard of living	INC	INC	INC	INC	–
Inadequate standard of living	INC	INC	INC	INC	–

D LEGISLATIVE PROGRESS

INDICATOR	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Legislative progress	D	B	C	C

YUKON

INC

2026

EXPERIENCE OF POVERTY

Last year, Food Banks Canada was unable to confidently assign the territories a grade because of limited sample sizes. Results across the territories were consolidated, which meant we could not accurately address each territory individually.

Data collection for the purpose of poverty reduction efforts in the north requires an approach that is unique, culturally sensitive, and tailored to the experiences of Indigenous peoples. Food Banks Canada continues to endeavour to find innovative ways to collect data that can drive effective policy solutions while respecting the diverse cultural and historical perspectives of northern communities.

In an effort to improve the quality of our data in 2026, we expanded our polling in the North through the addition of phone-based surveys and achieved a larger sample size. While this larger sample size allows for a higher degree of confidence in our analyses, the results still may not accurately represent the circumstances of all communities in the North for a variety of reasons:

- Many residents in the territories live in small communities that are spread out across a vast geographical area. Community experiences vary substantially, which means that statisticians must ***survey a much larger proportion of the population*** to achieve a representative sample.
- Many First Nations people have ***expressed distrust of government data collection*** because of historical and ongoing injustices, and therefore may be less likely to respond to polling. It is possible that these feelings of distrust are also held more broadly by Indigenous Peoples, who make up ***a large portion of the population of the territories***.

YUKON

INC

2026

- The territories have the ***lowest rate of high-speed internet access*** in the country, and in remote communities, that rate is even lower.

It is therefore very likely that those who are most vulnerable to poverty, including Indigenous people and isolated communities, were unable to respond to our survey.

POVERTY MEASURES

- **Poverty rate:** The most recent available data (from 2024) show the poverty rate in the Yukon is 11.8%, above the national average of 11.1%. Quebec reports the lowest poverty rate among provinces at 7%.
- **Social assistance as a percentage of the poverty line:** In the Yukon, social assistance provides 70.6% of the income needed to reach the poverty line, the second strongest performance among all jurisdictions behind the Northwest Territories. Despite leading the country, benefits fall well short of the poverty line. Prince Edward Island performs strongest on this measure among the provinces, with benefits covering 64.4% of the poverty line.
- **Disability assistance as a percentage of the poverty line:** Disability assistance in the Yukon reaches 81.9% of the poverty line. Despite this strong performance, benefits fall short of what is needed to reach the poverty line. The Northwest Territories leads this indicator at 92.5%.
- **Unemployment rate:** The Yukon's unemployment rate is 3.9%, the lowest among all jurisdictions nationally, making it the strongest performer on this indicator. Saskatchewan has the lowest rate among provinces at 5%.
- **Food insecurity:** The most recent available data (from 2025) show that 15.5% of people in the Yukon live in households experiencing food insecurity, the lowest rate among all jurisdictions and well below the national average of 24%. Quebec reports the lowest rate among provinces, where approximately 1 in 5 people experience food insecurity.

MATERIAL DEPRIVATION INDEX

See the section 1 context description. As the Material Deprivation Index is sourced from the same survey as section 1 results, we cannot reliably comment on the data as it may not reflect the real-life circumstances of many people living in the region.

YUKON

INC

LEGISLATIVE PROGRESS

Housing and Affordability:

- Invested $13 million in an expanded ***Affordability Rate Relief*** program to offset electricity cost increases.
- Opened intake for the ***Housing Initiatives Fund***, offering up to $100,000 per unit (maximum 10 units) to support new affordable rental construction, with affordability and energy efficiency requirements.
- ***Set the 2026 rent index at 2.6%***, marking the final year of the rent cap, with plans to phase out rent control.

Fiscal and Economic Measures :

- ***Launched a fiscal recovery plan*** that included committing to limiting spending growth and reviewing government programs and transfers.
- ***Tabled a $2.46 billion budget*** with an $81.8 million deficit, constrained by the federally imposed $1.2 billion debt cap.

Yukon received a D for legislative progress this year. The expanded Affordability Rate Relief program, totalling $15.6 million, is a substantive response to the three-year 34% increase in electricity rates and provides meaningful protection for households with low incomes. The Housing Initiatives Fund also reflects sound policy design, with 20-year affordability requirements and strong energy efficiency standards, although its scale — capped at 10 units per project — remains modest relative to Yukon's housing shortage.

However, several factors limit progress. The Government's plan to phase out rent control following the final 2.6% cap in 2026 risks accelerating rent increases and displacing tenants with low incomes, including many Yukon First Nations residents. The absence of publicly available data on social assistance, housing investments, and childcare spending makes it impossible to assess whether supports have been maintained or strengthened. Taken together, recent actions reflect some targeted relief, but broader progress remains limited.

POLICY AND POLITICAL LANDSCAPE

Yukon entered 2026 under new political management. A territorial general election held on November 3, 2025, returned the Yukon Party to government for the first time since 2016, with leader Currie Dixon — the first Yukon-born premier — winning 51.9% of the popular vote, giving them a majority. The NDP, led by Kate White, forms the Official Opposition, and the incumbent Liberal Party collapsed to a single seat. Dixon's first Speech from the Throne focused on scrapping several Liberal initiatives — including the rent cap — re-examining the territory's health authority transition, and advancing private sector growth.

YUKON

INC 2026

The Yukon Party's Budget 2026/27 projects total spending of $2.46 billion and a record $81.8 million deficit, with net debt reaching $804.2 million, which comes perilously close to the federally imposed borrowing cap of $1.2 billion. Dixon characterized the fiscal situation as significantly worse than the Liberals publicly disclosed. The government is framing fiscal restraint as a priority, although it has committed to core investments in health care, energy grid affordability, housing supply, and public safety. A new $100 million voted contingency fund has been created. No new taxes were introduced.

Yukon does not have a functioning poverty reduction strategy. The Social Inclusion and Poverty Reduction Strategy Better Yukon for All, introduced in 2012, was never fully implemented and has no legislated targets, no official annual reporting mechanism, and no formal accountability structure. The 2020 *Putting People First* report provided a comprehensive review of health and social services, but implementation of the report's recommendations has been partial. The new government has not committed to updating or replacing the existing strategy. It does not address poverty reduction as an explicit policy priority in its throne speech, budget framing, or mandate letters.

According to the Yukon Anti-Poverty Coalition (YAPC) Yukon Poverty Report Card 2025, approximately 1 in 10 (9.9%) residents were living below the poverty line in 2023. This is the lowest rate among the territories. However, there are deep disparities in Yukon, with communities outside Whitehorse experiencing much higher rates of poverty. Higher food and transportation costs, lower incomes, and government transfers that do not adjust for regional cost differences drive these disparities.

Food insecurity affects approximately 12.8% of Yukon households, based on 2021 data released in 2023. Rural communities face substantially higher food costs than Whitehorse communities, primarily because of higher transportation costs, but there has been no comprehensive territory-wide food cost monitoring since 2017. The Yukon Bureau of Statistics Community Spatial Index provides only a partial picture — it covers only about half the food items needed for a complete nutritious food basket assessment.

Yukon's social assistance program provides a basic shelter allowance, utility coverage, and supplementary benefits. Despite this, three of four example household types tracked by Maytree remain below the poverty line. A single person living alone on social assistance had a total annual income of $23,281 in 2024 — approximately $8,960 below the poverty line. Social assistance rates are not indexed to inflation by legislation. The Yukon Carbon Price Rebate was identified as a meaningful income support for households with low or modest incomes, but it was eliminated in spring 2025.

Yukon's minimum wage is indexed to the Whitehorse Consumer Price Index and increases annually. While the current rate of $18.51/hour is the second highest in Canada, the gap between the minimum wage and the basic cost of living continues to widen. The YAPC's 2025 Living Wage Report estimates the living wage in Whitehorse at $31.22/hour for a single person, $25.91/hour per adult in a two-adult household with two children, and $33.95/hour for a single-parent household.

YUKON

INC

2026

Housing affordability is the government's most significant policy challenge. Average rents for all units in Whitehorse reached $1,711/month in April 2025 — a $500 increase since 2015 — while the vacancy rate has remained very low.

The government announced in February 2026 that 2026 will be the final year of the 2.6% rent cap introduced in 2021 by the previous government, with the rent index to be eliminated by 2027. The Yukon Party argues that rent control has failed to improve housing supply, but housing researchers caution that removing controls is directly associated with rent increases and increased evictions. The new Residential Tenancies Act, which came into force September 1, 2025, codifies no-cause eviction protections and other tenant rights passed under the previous government. The Yukon Party has not signalled any intent to reverse these protections.

On the federal–territorial front, Yukon signed several significant agreements in 2025:

- National School Food Program (2024–2027): Expands school food programming to all 33 Yukon schools and about 6,200 students.
- Pharmacare agreement: Commits up to $9.5 million over four years to provide universal, no cost access to contraceptive and diabetes supports.
- Early Learning and Child Care (ELCC) extension: Extends the Canada-Yukon ELCC Agreement to March 31, 2031, with approximately $74 million in funding to deliver $10/day average regulated childcare.
- Dental care: Yukon residents are eligible for the federal Canadian Dental Care Plan.

A persistent and structurally important weakness in Yukon's poverty response is the absence of timely, disaggregated data. Community and demographic poverty data are available only every five years through the census. The most recent census data are from 2021 and were released in late 2023. Without disaggregated territorial data, program design and resource allocation cannot be precisely targeted.

The government's emphasis on private sector growth and housing supply through market mechanisms may address medium-term affordability for working households but is unlikely to improve conditions for those experiencing the deepest levels of poverty without complementary income and non-market housing investments.

YUKON

INC 2026

POLICY RECOMMENDATIONS

AFFORDABILITY

- **Reduce housing costs and maintain rental protections:** The new Yukon government should take steps to reduce the cost of both new housing construction and existing rental housing, while ensuring that current rental protections remain in place. This includes measures to expand supply, support affordability, and stabilize rents for households facing high shelter costs.
- **Advocate with the federal government to restore funding for the YFNED Rural Nutrition Program through a renewed Yukon–Canada partnership:** The Yukon Government should work with Indigenous Services Canada and YFNED to reinstate stable funding for the Rural Nutrition Program, which previously provided daily meals and snacks to students in 13 rural communities. Its suspension has removed a critical food source for nearly 900 children in remote Indigenous communities facing high food insecurity. The territory should actively support YFNED's appeal and push for a long-term funding solution that treats school nutrition as essential infrastructure, not discretionary programming.
- **Reinstate and Expand Funding for School Food and Nutrition Programs in Partnership with Yukon First Nations and adopt local food policies that will reduce costs through procurement:** Working together, the territorial government and Indigenous Services Canada should a coordinated and shared vision to help improve local food costs. ISC should restore dedicated funding for the Rural Nutrition Program, recognizing its critical role in supporting the health, learning readiness, and cultural wellbeing of First Nations children in rural and remote Yukon communities. In parallel, the Government of Yukon should increase its financial commitment to school food programming. Funding should include a targeted stream for schools in rural, remote, and First Nations communities, where food insecurity rates are highest and logistical barriers to program delivery are greatest. Program design and governance should be developed in meaningful partnership with Yukon First Nations, school communities, and nutrition and public health experts, drawing on Indigenous knowledge and cultural food practices to ensure programs are locally relevant, sustainable, and dignified for the children and families they serve. The territory should also move forward with its platform commitment to leverage territorial procurement to support local food systems and address high food costs. This should include a dedicated stream that enables Indigenous traditional hunting and harvesting, allowing surplus game and food to be donated to food banks and community organizations.

YUKON

INC

2026

INCOME SECURITY

- **Index the Yukon Supplementary Allowance and increase support for people with disabilities:** Most components of Yukon's social assistance system are indexed to inflation, but the Yukon Supplementary Allowance for recipients with disabilities is a notable exception. The government should begin indexing this allowance and provide an additional $50 per month to reflect recent increases in food and shelter prices, as well as persistent cost pressures in northern regions.

LABOUR MARKET REFORM

- **Develop a Skills Development Fund in partnership with Yukon First Nations, labour unions, and employers:** The territory should establish a Skills Development Fund, modelled on Ontario's program, to help Yukon workers build in-demand skills and gain hands-on experience. The fund should include a targeted stream for youth not in education, employment, or training (NEET), as well as for social assistance recipients, to strengthen pathways into stable employment.

ADDRESSING INEQUITIES

- **Implement platform commitments to support local food and reduce high costs through procurement:** The government should act quickly to fulfill its commitment to leverage territorial procurement to support local food systems and address high food costs. This should include a dedicated stream that enables Indigenous traditional hunting and harvesting, allowing surplus game and food to be donated to food banks and community organizations.
- **Invest in Indigenous communities to enhance data collection and sovereignty for poverty measurement:** The Yukon government should provide resources to Indigenous communities to strengthen data collection, governance, and sovereignty. Enhanced data capacity is essential to accurately measure poverty rates in the territory and to develop targeted, community driven solutions.

Food Banks Canada

Banques alimentaires Canada

INC

2026

NORTHWEST TERRITORIES

NORTHWEST TERRITORIES

INC

INC EXPERIENCE OF POVERTY

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
People feeling worse off compared to last year	INC	INC	INC	INC	INC
People spending more than 30% of income on housing	INC	INC	INC	INC	INC
People having trouble accessing health care	INC	INC	INC	INC	INC
Government support recipients who say rates are insufficient to keep up with cost of living	INC	INC	INC	INC	INC
Percent of income spent on fixed costs beyond housing	INC	INC	INC	INC	INC

INC POVERTY MEASURES

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Poverty rate (MBM)	10.0%	F	INC	INC	INC
Social assistance as a percent of the poverty line (single adult)	79.0%	B+	INC	INC	INC
Disability assistance as a percent of the poverty line	92.5%	A+	INC	INC	INC
Unemployment rate	6.1%	D-	INC	INC	INC
Food insecurity rate	16.4%	F	INC	INC	INC

INC MATERIAL DEPRIVATION INDEX

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Severely inadequate standard of living	INC	INC	INC	INC	–
Inadequate standard of living	INC	INC	INC	INC	–

C LEGISLATIVE PROGRESS

INDICATOR	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Legislative progress	D	C	F	C

NORTHWEST TERRITORIES

INC

2026

EXPERIENCE OF POVERTY

Last year, Food Banks Canada was unable to confidently assign the territories a grade because of limited sample sizes. Results across the territories were consolidated, which meant we could not accurately address each territory individually.

Data collection for the purpose of poverty reduction efforts in the north requires an approach that is unique, culturally sensitive, and tailored to the experiences of Indigenous peoples. Food Banks Canada continues to endeavour to find innovative ways to collect data that can drive effective policy solutions while respecting the diverse cultural and historical perspectives of northern communities.

In an effort to improve the quality of our data in 2026, we expanded our polling in the North through the addition of phone-based surveys and achieved a larger sample size. While this larger sample size allows for a higher degree of confidence in our analyses, the results still may not accurately represent the circumstances of all communities in the North for a variety of reasons:

- Many residents in the territories live in small communities that are spread out across a vast geographical area. Community experiences vary substantially, which means that statisticians must ***survey a much larger proportion of the population*** to achieve a representative sample.
- Many First Nations people have ***expressed distrust of government data collection*** because of historical and ongoing injustices, and therefore may be less likely to respond to polling. It is possible that these feelings of distrust are also held more broadly by Indigenous Peoples, who make up ***a large portion of the population of the territories***.

NORTHWEST TERRITORIES

INC

2026

- The territories have the ***lowest rate of high-speed internet access*** in the country, and in remote communities, that rate is even lower.

It is therefore very likely that those who are most vulnerable to poverty, including Indigenous people and isolated communities, were unable to respond to our survey.

POVERTY MEASURES

- **Poverty rate:** The most recent available data (from 2024) show the poverty rate in the Northwest Territories is 10%, slightly below the national average of 11.1%. Quebec reports the lowest poverty rate among provinces at 7%.
- **Social assistance as a percentage of the poverty line:** In the Northwest Territories, social assistance provides 79% of the income needed to reach the poverty line, the strongest performance among all territories. Despite this comparatively strong performance, benefits fall well short of the poverty line.
- **Disability assistance as a percentage of the poverty line:** Disability assistance in the Northwest Territories reaches 92.5% of the poverty line, the highest among all jurisdictions nationally, coming closest to what is required.
- **Unemployment rate:** The Northwest Territories' unemployment rate is 6.1%, placing it in the mid-range among jurisdictions. The Yukon has the lowest unemployment rate among territories at 3.9%, while Saskatchewan has the lowest among provinces at 5%.
- **Food insecurity:** The most recent available data (from 2025) show that 16.4% of people in the Northwest Territories live in households experiencing food insecurity, well below the national average of 24% and among the lowest rates in the country. Quebec reports the lowest rate among provinces, where approximately 1 in 5 people experience food insecurity.

MATERIAL DEPRIVATION INDEX

See the section 1 context description. As the Material Deprivation Index is sourced from the same survey as section 1 results, we cannot reliably comment on the data as it may not reflect the real-life circumstances of many people living in the region.

NORTHWEST TERRITORIES

INC

2026

LEGISLATIVE PROGRESS

Housing and Affordability:

- Introduced short-term measures to ***offset electricity cost increases***, preventing large potential bill increases for households.
- Updated rent scales for ***market rental units***. As a result, many tenants experienced ***substantial rent increases***.
- ***Permanently increased subsidy rates*** and expanded eligibility for the Senior Home Heating Subsidy program.
- ***Expanded eligibility for debt forgiveness*** under Housing NWT to support housing stability.
- ***Signed a housing memorandum of agreement*** with Acho Dene Koe First Nation.
- ***Partnered with the Federal Government*** to support 64 new transitional and social housing units through a $24 million investment.

Income Security and Cost of Living:

- ***Increased the minimum wage*** from $16.70 to $16.95 per hour. This is an increase of less than 2% and leaves the NWT with the lowest minimum wage among the territories.
- Partnered with the Federal Government to invest $1.75 million in ***community-led food security projects***, supporting local food production and access.

Labour Market Supports:

- ***Accessed federal supports*** for workers and businesses affected by tariffs, including supports for the softwood lumber sector.

The Northwest Territories received a D for legislative progress this year. It introduced some targeted measures, including short-term electricity cost relief, expanded home heating subsidies, and increased access to debt forgiveness through Housing NWT. It also partnered with the Federal Government to support 64 new housing units and invest in community-led food-security initiatives. However, these actions are limited relative to the scale of need. The territory continues to face a severe housing crisis, with estimates indicating a need for more than 2,000 new units; many of the homes are inadequate, requiring significant repairs. Recent rent increases for market rental units further compound affordability pressures, particularly for Indigenous households, which are disproportionately affected.

Progress on income security has been limited. Social assistance rates have not increased, and the minimum wage — now $16.95 — remains the lowest among the territories. While baseline income supports remain relatively stronger than in other jurisdictions, there have been no meaningful recent improvements. Overall, incremental actions have not kept pace with structural challenges.

NORTHWEST TERRITORIES

INC

2026

POLICY AND POLITICAL LANDSCAPE

The territory's 2025/26 budget outlines the Government's priorities, with an emphasis on balancing fiscal sustainability. Challenging conditions in this region, including heavy snow in some places and forest fires and drought in others, combined with high transportation costs in remote areas, create additional financial pressures to repair and support infrastructure and supply chains.

Housing and food costs remain two of the most endemic public policy challenges facing the Northwest Territories. Last year, the NWT announced the addition of 100 new housing units for the first time in decades. This year, through Housing Northwest Territories, the government completed a Territorial Housing Needs Assessment (THNA), a comprehensive review that emphasizes community and regional perspectives. This assessment should assist the government in planning affordable and attainable housing development.

The NWT does not have rent control, although renters are protected from eviction for a certain period. The territory should consider adopting a more comprehensive policy framework as it continues to act on expanding affordable housing and addressing challenges through the completion of the housing assessment.

There is significant economic potential in the NWT, although the short- to medium-term outlook appears dim. The territory has traditionally benefited from high employment and wage growth, but it offers limited sources of new investment. Economic growth is stagnating and declines in diamond mining and the oil and gas sector have reduced employment in the private sector. Meanwhile, government services and public sector employment have expanded since the COVID-19 pandemic, which has increased pressure on public funds.

Although it is still focused on fiscal sustainability, the 2025 budget announced several capital projects to improve transportation and energy corridors and a three-year investment for Housing Northwest Territory to replace and repair existing rental housing units. These projects act as an important economic anchor that can boost local economic activity and provide well-paying jobs for residents who might otherwise be at risk of falling into poverty.

More coordinated investment between the territorial and federal governments is urgently needed to make the most of the economic opportunities that major projects, both public and private, could bring to the region.

We have previously noted how a lack of access to broadband and Internet is a significant challenge in the territory. The 2026 budget does not earmark connectivity as a priority, placing residents behind most of the rest of Canada.

The NWT increased the minimum wage last year and decided to tie minimum wage increases to the CPI. Despite this move, the minimum wage is still $1.05 an hour below the federal standard.

NORTHWEST TERRITORIES

INC

2026

The territory has one of the most generous welfare programs in the North. Absent from this year's budget was the one-time top-up to income assistance provided last year to help address ongoing inflation and affordability concerns. Instead of direct financial support for individuals, the budget included an additional $62 million for health care and social services, including $809,000 in new funding to support the delivery of the Transitional Housing Addiction Recovery Program in Yellowknife and Inuvik. The NWT faces no significant fiscal issues with an essentially 0% debt-to-GDP ratio.

POLICY RECOMMENDATIONS

AFFORDABILITY

- **Raise the minimum wage:** The NWT's minimum wage remains a full dollar below Ontario's, despite a market basket threshold that is 24% higher in Yellowknife than in Toronto. The minimum wage should be at least 25% higher than Ontario's and indexed to inflation from this level going forward. In 2025/26 this would translate into a minimum wage of $22.50 per hour.

- **Develop a formal municipal matching fund for rental unit construction:** The NWT should use Yukon's successful municipal rental construction fund as a model to investigate the creation of a municipal/territorial grant-matching model to assist developers of purpose-built rental unit construction. The fund could be developed with a small pool of capital funding to begin with and scaled over time as dedicated funding is established.

INCOME SECURITY

- **Increase and index the earned income exemption for people who receive Income Assistance:** In 2024, the NWT strengthened its Income Assistance program by increasing the earned income exemption to $350 per household per month, so households could retain more of their earnings. This was a positive step. Increasing the exemption to $500 and indexing it to inflation would better reflect current living costs and ensure the policy remains effective over time. A higher, indexed exemption would support greater income stability and make it easier for recipients to benefit from employment without facing immediate reductions in assistance.

- **Increase Income Assistance, the NWT Child Benefit, and all other benefit payments by 15% over the next three years, then index them to inflation moving forward:** Given the surge in inflation experienced since 2021, the lack of indexing has forced the NWT to intervene with temporary help rather than rely on an automatic stabilizer to assist residents in times of need.

NORTHWEST TERRITORIES

INC

2026

LABOUR MARKET REFORM

- **Update the 2023–28 Education Reform plan to take advantage of Prime Minister Carney's recent announcement of $35B in Northern investment:** With the resurgence of global commodity prices, increased interest in Canadian mining, and new investments in defence infrastructure, the NWT is well positioned to be a key partner in initiatives in these sectors. We recommend that it work with the Federal Government to update its 2023–28 Education Renewal plan to ensure that this generational investment benefits young people preparing for and building their careers.

ADDRESSING INEQUITIES

- **Invest in Indigenous communities to enhance data collection and sovereignty to support poverty reduction measures:** The NWT Government should provide dedicated, long-term resources to Indigenous communities to strengthen data collection, governance, and sovereignty — recognizing that meaningful poverty measurement must be grounded in community trust, self-determination, and cultural relevance.

  This investment should include funding for community-based data coordinators and statistical capacity, as well as support for communities to develop their own data governance frameworks aligned with principles such as the First Nations principles of OCAP (Ownership, Control, Access, and Possession) or the Global Indigenous Data Alliance's CARE Principles. Enhanced data capacity, built on a foundation of trust and sovereignty, is essential to accurately measure poverty across the territory and develop targeted, community-driven solutions that reflect the lived realities of Indigenous Peoples.

Food Banks Canada

Banques alimentaires Canada

INC

2026

NUNAVUT

NUNAVUT

INC

INC EXPERIENCE OF POVERTY

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
People feeling worse off compared to last year	INC	INC	INC	INC	INC
People spending more than 30% of income on housing	INC	INC	INC	INC	INC
People having trouble accessing health care	INC	INC	INC	INC	INC
Government support recipients who say rates are insufficient to keep up with cost of living	INC	INC	INC	INC	INC
Percent of income spent on fixed costs beyond housing	INC	INC	INC	INC	INC

INC POVERTY MEASURES

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Poverty rate (MBM)	31.7%	F	INC	INC	INC
Social assistance as a percent of the poverty line (single adult)	26.6%	F	INC	INC	INC
Disability assistance as a percent of the poverty line	33.1%	F	INC	INC	INC
Unemployment rate	12.1%	F	INC	INC	INC
Food insecurity rate	56.4%	F	INC	INC	INC

INC MATERIAL DEPRIVATION INDEX

INDICATOR	2026 DATA	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Severely inadequate standard of living	INC	INC	INC	INC	–
Inadequate standard of living	INC	INC	INC	INC	–

INC LEGISLATIVE PROGRESS

INDICATOR	2026 GRADE	2025 GRADE	2024 GRADE	2023 GRADE
Legislative progress	INC	F	D	C

NUNAVUT

INC

2026

EXPERIENCE OF POVERTY

Last year, Food Banks Canada was unable to confidently assign the territories a grade because of limited sample sizes. Results across the territories were consolidated, which meant we could not accurately address each territory individually.

Data collection for the purpose of poverty reduction efforts in the north requires an approach that is unique, culturally sensitive, and tailored to the experiences of Indigenous peoples. Food Banks Canada continues to endeavour to find innovative ways to collect data that can drive effective policy solutions while respecting the diverse cultural and historical perspectives of northern communities.

In an effort to improve the quality of our data in 2026, we expanded our polling in the North through the addition of phone-based surveys and achieved a larger sample size. While this larger sample size allows for a higher degree of confidence in our analyses, the results still may not accurately represent the circumstances of all communities in the North for a variety of reasons:

- Many residents in the territories live in small communities that are spread out across a vast geographical area. Community experiences vary substantially, which means that statisticians must ***survey a much larger proportion of the population*** to achieve a representative sample.
- Many First Nations people have ***expressed distrust of government data collection*** because of historical and ongoing injustices, and therefore may be less likely to respond to polling. It is possible that these feelings of distrust are also held more broadly by Indigenous Peoples, who make up ***a large portion of the population of the territories***.

NUNAVUT

INC

2026

- The territories have the ***lowest rate of high-speed internet access*** in the country, and in remote communities, that rate is even lower.

It is therefore very likely that those who are most vulnerable to poverty, including Indigenous people and isolated communities, were unable to respond to our survey.

POVERTY MEASURES

The scale of poverty and food insecurity in Nunavut is significantly more severe than anywhere else in the country, reflecting the profound and persistent challenges facing the territory.

- **Poverty rate:** The most recent available data (from 2024) show the poverty rate in Nunavut is 31.7%, nearly three times the national average of 11.1% and by far the highest among all jurisdictions. Quebec reports the lowest poverty rate among provinces at 7%.
- **Social assistance as a percentage of the poverty line:** In Nunavut, social assistance provides just 26.6% of the income needed to reach the poverty line, the lowest among all jurisdictions. The Northwest Territories performs strongest on this measure among all territories, with benefits covering 79% of the income needed to reach the poverty line.
- **Disability assistance as a percentage of the poverty line:** Disability assistance in Nunavut reaches just 33.1% of the poverty line, the lowest among all jurisdictions and barely a third of what is required. The Northwest Territories leads this indicator at 92.5%.
- **Unemployment rate:** Nunavut's unemployment rate is 12.1%, the highest among all jurisdictions nationally and more than double Saskatchewan's provincial low of 5%.
- **Food insecurity:** The most recent available data (from 2025) show that 56.4% of people in Nunavut live in households experiencing food insecurity, the highest rate in the country and more than double the national average of 24%. This rate is nearly three times that of Quebec, where approximately 1 in 5 people experience food insecurity.

NUNAVUT

INC 2026

MATERIAL DEPRIVATION INDEX

See the section 1 context description. As the Material Deprivation Index is sourced from the same survey as section 1 results, we cannot reliably comment on the data as it may not reflect the real-life circumstances of many people living in the region.

LEGISLATIVE PROGRESS

Territorial actions

- Significantly increased the ***Financial Assistance for Nunavut Students*** (FANS) program from approximately $1,500/month to $2,900/month and increased program flexibility.
- ***Raised the minimum*** wage by 4% to $19.75/hour — the highest in Canada — and introduced a new formula to better reflect the cost of living.
- Introduced a ***Day Care Subsidy Allowance*** of up to $700/month to help Nunavummiut receiving income assistance pay for childcare for children under 12.
- Through Build Canada Homes, the Governments of Canada and Nunavut and Nunavut Tunngavik Incorporated (NTI) signed an agreement in principle to ***deliver up to 750 homes*** (public, affordable, supportive) with up to $480 million in joint funding. NTI will manage 25 units aligned with the Inuit-led Igluvut Corporation model.

Federal Government investments

- Committed over $86 million to ***expand unlimited high-speed Internet*** to 11,650 households across all 25 Nunavut communities.
- ***Announced major transportation and energy investments*** to strengthen Northern connectivity, energy security, and economic development, including $100 million for the Mackenzie Valley Highway (Yellowknife–Inuvik); the Grays Bay Road and Port and Arctic Economic and Security Corridor (linking Nunavut to the national highway system and a deepwater Arctic port); the Taltson Hydro Expansion (doubling NWT hydro capacity); and the Iqaluit Nukkiksautiit Hydro Project (Nunavut's first Inuit-owned, emissions-free hydro project).
- ***Invested $600,000*** in 100% Inuit-owned housing project to expand options for private affordable homeownership.
- ***Committed $115 million*** to extend the Inuit Child First Initiative to March 31, 2027, and $27 million over five years for Inuit-led efforts to eliminate tuberculosis.
- To ***address food insecurity***, committed $30 million to maintain Nutrition North Canada (supporting essential shipments to 124 isolated communities) while the government continues work on a Nutrition North Canada program review, plus $6.3 million through the Northern Isolated Community Initiatives Fund for local food production.

NUNAVUT

INC

2026

Nunavut was not assigned a grade for legislative progress this year. The territory is experiencing a pivotal moment. Major structural changes are underway, which makes it difficult to assess progress within a single reporting period. Most notably, Nunavut is in the process of implementing its devolution agreement with the Federal Government and Nunavut Tunngavik Incorporated, which will transfer control over land and resources by 2027. This represents a significant shift in governance and economic autonomy, which has the potential to reshape the territory's approach to poverty reduction, infrastructure, and long-term development.

In the short term, there have been some meaningful actions. Nunavut increased its minimum wage to $19.75 — the highest in Canada — and introduced a new calculation formula to ensure rates better reflect the cost of living. It also expanded supports for students through the Financial Assistance for Nunavut Students program and introduced a childcare subsidy for people who receive income assistance. In partnership with the Federal Government and Inuit organizations, the territory has also committed to a major housing initiative to deliver up to 750 new homes, some of which will be constructed by Inuit organizations. These are important steps, particularly in a context of severe housing shortages and high costs of living.

However, the scale of need remains profound. Food insecurity in Nunavut is among the highest in the world. Approximately 76% of Inuit experience some level of food insecurity — far exceeding rates in southern Canada.

The legacy of colonialism has left deep marks on the territory, and the persistent issues mentioned here are barriers to long-term development and stability. The issues can only be addressed for the long term through deep, sustained investment and working in close partnership with communities. Current federal approaches, including Nutrition North Canada, have not consistently delivered their intended benefits. Evidence shows that subsidies are not fully passed on to households, for example. In addition, recent changes to the Inuit Child First Initiative have created uncertainty and reduced access to food supports. These shifts highlight the limitations of using temporary and piecemeal approaches to address systemic challenges.

More broadly, Nunavut is increasingly central to federal priorities around Arctic sovereignty, with significant investments in transportation, energy, and military-related infrastructure. While these investments may bring long-term economic opportunities, their impact on poverty reduction and quality of life for Nunavummiut will depend on how they are designed and implemented, and the extent to which Inuit communities are meaningfully involved.

Taken together, this is a moment of both risk and opportunity. Commitments to housing, infrastructure, and a new governance framework could enable transformative change. However, current gaps in food security, housing supply, and program design remain acute. With multiple governments shaping the policy landscape, the coming years will be critical in determining whether this moment leads to sustained improvements in living standards or reinforces existing inequities.

NUNAVUT

INC

2026

POLICY AND POLITICAL LANDSCAPE

Nunavut is in a period of significant transition. Devolution, major federal investment, and renewed attention to Arctic sovereignty are creating a once-in-a-generation opportunity to address long-standing structural inequities. At the same time, the territory continues to face the most severe levels of food insecurity and cost of living pressures in the country. The policy landscape is therefore defined by a tension between long-term structural promise and immediate, unmet basic needs. Despite the scale of the challenges, Nunavut has no comprehensive, coordinated poverty reduction approach that aligns income supports, food security, and infrastructure investments with the realities of life in the territory.

Food insecurity remains the most urgent and defining challenge. Recent data shows that food insecurity among Inuit in Nunavut is extraordinarily high, far exceeding the rates seen in southern jurisdictions. A majority of Nunavut households (57%) experience food insecurity and nearly half (44.3%) of Inuit children face severe food insecurity. The 2025 Nunavut food basket averaged nearly $200, compared to approximately $132 in Ottawa. These pressures are compounded by structural barriers, including limited transportation infrastructure, reliance on air and seasonal shipping, and a lack of competition in the food retail sector.

Federal programming has played a central role in shaping food affordability, but recent approaches have produced inconsistent results and remain fragmented. The Nutrition North Canada program provides subsidies to retailers to offset their shipping costs, but it has long faced criticism because evidence suggests households do not see the full benefit of the subsidies.

A recent federal review acknowledged that while the program is valued and has made incremental improvements — particularly through support for local food systems, the Harvester's Support Grant, and increased engagement with Indigenous partners — it remains fundamentally misaligned with community needs. The subsidy lowers prices only relative to what they would otherwise be, rather than targeting clear, outcome-based affordability goals. The review signals a shift toward a more structural, community-led food security platform with stronger governance, improved coordination, and long-term funding. However, the proposed changes remain high-level and there has been limited detail to date about implementation timelines or measurable outcomes.

More significantly, recent changes to the Inuit Child First Initiative have disrupted one of the only mechanisms that delivered broad-based food support in Nunavut communities. The shift away from community-wide grocery supports to individualized applications has reduced access, introduced administrative burdens, and created uncertainty for families in a context of near-universal need. Funding has been extended to 2027, but the program no longer functions as a reliable or scalable response to food insecurity. This move away from community-wide supports reflects a broader pattern of short-term, programmatic responses that do not align with the scale or universality of need in the territory.

NUNAVUT

INC

2026

The Government of Nunavut has taken specific steps to address affordability and income supports, albeit within significant fiscal and structural constraints. The minimum wage has been increased to $19.75 per hour and is now tied to a new formula intended to better reflect the cost of living. Additional measures include a substantial expansion of the Financial Assistance for Nunavut Students (FANS) program and the introduction of a daycare subsidy for people who receive income assistance. While these measures provide meaningful support in specific areas, they do not address the broader inadequacy of the territory's income assistance system, which remains among the least generous in Canada relative to cost of living and does not reflect the territory's extreme price environment.

Housing and infrastructure are central to both territorial and federal policy agendas. Nunavut residents face acute housing shortages, overcrowding, and aging housing stock. Recent agreements between the Government of Canada, the Government of Nunavut, and Nunavut Tunngavik Incorporated to deliver up to 750 housing units represent an important step, particularly given the inclusion of Inuit-led delivery models. These efforts build on the broader Nunavut 3000 plan and reflect a growing emphasis on Inuit-led solutions. However, the investments are inherently long-term. Territorial leadership has consistently emphasized that infrastructure development will take years to deliver tangible benefits — but the affordability pressures are immediate. Without parallel investments in income supports and food security, there is a risk that these long-term projects will not translate into near-term improvements in living conditions.

Major federal investments in infrastructure signal a shift in approach to development in the North. Commitments to expand broadband access, invest in transportation to better connect Nunavut to the rest of the country, and advance energy projects — including Inuit-owned hydro development — are intended to support both economic development and sovereignty objectives. These "dual-use" investments have the potential to reduce cost-of-living pressures over time by improving connectivity and supply chains. Territorial leaders have emphasized that these investments must prioritize both "human security" — including housing, food, and health — and traditional sovereignty objectives. Without deliberate balance, the federal government risks prioritizing defence spending at the expense of basic living conditions, leaving food insecurity and overall quality of life in Nunavut largely unchanged.

The political context reinforces the sense of transition. Leadership changes within Nunavut, alongside the territory's ongoing devolution process, are reshaping governance structures and fiscal capacity. The transfer of land and resource control to the territorial government by 2027 represents a significant shift in governance, but it also introduces new administrative and financial responsibilities. At the federal level, increased attention to Arctic sovereignty and defence has elevated Nunavut's strategic importance, although questions remain about how this concern could translate into tangible improvements in living conditions.

NUNAVUT

INC 2026

Overall, Nunavut's policy landscape is defined less by discrete program changes than by a broader inflection point. Significant commitments have been made across housing, infrastructure, and economic development, and there is clear recognition — at least in principle — of the need to address long-standing inequities. However, current approaches to food insecurity remain fragmented and insufficient, and immediate affordability pressures continue to outpace policy responses.

This overall situation creates a dual challenge for governments. There is a clear opportunity to leverage infrastructure and sovereignty investments to reshape economic and social conditions over time, but there is an ongoing urgent need for stable, accessible, and adequately funded income and food security supports. Without addressing these immediate needs, the benefits of longer-term investments risk being delayed or uneven for those experiencing the most acute hardship.

POLICY RECOMMENDATIONS

AFFORDABILITY

- **Convert the Senior Fuels Subsidy and the one-time Homeowner Fuel Rebate into a universal energy-consumption rebate for households with low or modest incomes:** The Senior Fuel Subsidy was created to help seniors offset the high cost of heating fuel in Nunavut, but there is no broad-based support to help with the costs of heating a home. The Territorial Government should develop a similar program to the Senior Fuel Subsidy, which is specifically designed to help households with low or modest incomes manage energy-related affordability challenges.

INCOME SECURITY

- **Align eligibility for and benefit levels of the Nunavut Child Benefit (NUCB) with Northern poverty realities:** The NCB currently provides $348 per year per child and is restricted to families with a net income of $22,065 or less, effectively limiting support to only the very lowest-income households. This threshold is far below the Northern Market Basket Measure (MBM-N), which estimates that a modest standard of living for a five-person household in Nunavut ranges from approximately $93,000 to $119,000 annually. As a result, most families experiencing poverty in the territory are excluded or only marginally supported. The NUCB should be both expanded in value and restructured to align eligibility with MBM-N poverty thresholds.

NUNAVUT

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2026

LABOUR MARKET REFORM

- **Negotiate a federal commitment that nation-building and dual-use defence infrastructure projects include local workforces and develop a long-term labour force:** With significant federal and private sector investments likely to flood into Nunavut as part of the Federal Government's planned objective of spending 5% of GDP on defence by 2035, it is imperative that the renewed focus on Arctic sovereignty significantly improve local residents' human development and economic potential. The substantial disparities in employment and labour force attachment between Nunavut and residents in Canada's other northern territories underscore the absence of economic opportunity. As both the funder and potential regulator of many of the defence and private sector infrastructure projects that are likely to take place in the Arctic, the Federal Government has immense potential to steer them in a direction that facilitates strong local labour force engagement, skills training and upgrading, and local human development.

ADDRESSING INEQUITIES

- **Invest in Indigenous communities to enhance data collection and sovereignty for poverty measurement:** Nunavut should provide resources to Indigenous Peoples to strengthen data collection, governance, and sovereignty. Enhanced data capacity is essential to accurately measure poverty rates in the territory and develop targeted, community-driven solutions.

- **Create a new long-term plan to address critical infrastructure gaps in housing, energy, food systems, and broadband access:** Given the significant infrastructure gaps across affordable housing, clean energy, food production, and broadband, and constrained territorial fiscal capacity, sustained Federal support will be required. The Government of Nunavut should work with Indigenous government partners to develop a comprehensive infrastructure plan with clear priorities, timelines, and delivery mechanisms. The objective should be to close the infrastructure gap between Nunavut and national standards within the next decade, while ensuring coordinated planning across all Northern territories.

- **Develop a 2030 reinvestment plan focused on health and wellness in partnership with the Federal Government:** This plan should prioritize:
  - Enhancing the CCB and Nunavut's territorial child benefit to reduce the territory's exceptionally high child poverty rate toward the national average, including consideration of a Northern top-up that could inform broader application in other regions.
  - Expanding childcare spaces to close infrastructure and workforce gaps and ensure Nunavut residents have access to affordable childcare comparable to that of Yukon and the NWT.
  - Developing local trades education infrastructure for residents with a high school education or less, supporting access to skilled employment and strengthening readiness for future critical minerals and defence-related infrastructure projects.

METHODOLOGY

The report cards are composed of four sections and 13 unique indicators in total. The four sections cover different dimensions of poverty: how Canadians experience it from day to day (Section 1), how it is statistically measured (Section 2), whether people can meet their basic material needs (Section 3), and an analysis of the legislative actions of provincial, territorial and the federal governments to reduce poverty. (Section 4).

Section Grade = Sum (Indicator GP × Weight) / 10

GRADING SCALE (Sections 1–3)

Each indicator has a unique data scale built from 2023 provincial data:

- **D** = the 2023 provincial average
- **1 increment** = (2023 provincial max – min) ÷ 12 (12 steps between F and A+)
- Data points are rounded up to the nearest grade

Grade points (GP) follow a 4.3 scale:

A+ = **4.3**	B+ = **3.3**	C+ = **2.3**	D+ = **1.3**	F = **0**
A = **4.0**	B = **3.0**	C = **2.0**	D = **1.0**	
A- = **3.7**	B- = **2.7**	C- = **1.7**	D- = **0.7**	

LEGISLATIVE PROGRESS GRADING (Section 4)

Graded qualitatively based on government actions from April 1, 2025 to March 31, 2026, using government reports, announcements, and budgets.

- **F — Very Inadequate:** Action is failing; any measures taken hold people at a similar level of poverty. Situation likely to worsen.
- **D — Inadequate:** Only minimum poverty legislation introduced; little to no forward progress on expanding existing efforts.
- **C — Stagnant:** One or two significant policies introduced, but key areas like housing, social assistance, and programs for vulnerable groups remain unaddressed.
- **B — Adequate:** Meaningful steps taken toward poverty elimination; positive outcomes expected if the trend continues.
- **A — Very Adequate:** Strong legislation introduced with clear positive outcomes for people with low incomes; demonstrates leadership for other levels of government.

METHODOLOGY

SECTION WEIGHTS & FINAL GRADE FORMULA

SECTION	FOCUS	WEIGHT
Section 1	Experience of Poverty	**2.5 / 10**
Section 2	Measuring Poverty	**3.5 / 10**
Section 3	Material Deprivation	**2.0 / 10**
Section 4	Legislative Progress	**2.0 / 10**

SECTION 1 – Experience of Poverty (Section weight: 2.5/10)

Data source: Pollara online survey of 6,820 adult Canadians conducted March 6–21, 2026. Weighted to reflect Canadian population per Statistics Canada census data. Margin of error: ±1.5 percentage points.

INDICATOR	WHAT IT MEASURES	WEIGHT
Worse off vs. last year	% who feel financially worse off than a year ago	**2.5/10**
Housing cost burden	% spending 30%+ of income on housing	**2.5/10**
Health care access	% who disagree they can access health care anytime, due to cost, lack of coverage, or inability to take time off work	**1.0/10**
Adequacy of supports	% receiving social assistance who say rates aren't high enough to keep up with cost of living	**2.5/10**
Fixed costs as % of income	Average spending on Internet, transport, groceries, and utilities as a share of income for those earning ≤$75,000/year	**1.5/10**

METHODOLOGY

SECTION 2 — Measuring Poverty (Section weight: 3.5/10)

Data source: Statistics Canada 2024 Canadian Income Survey (poverty rate using Market Basket Measure with 2023 base; food insecurity combining marginal, moderate, and severe rates); Statistics Canada Labour Force Survey, March 2026 (unemployment).

INDICATOR	WHAT IT MEASURES	WEIGHT
Poverty rate	% of Canadians living below the official poverty line (MBM)	**4.0/10**
Unemployment rate	% of the labour force unemployed	**2.0/10**
Food insecurity rate	% experiencing marginal, moderate, or severe food insecurity	**4.0/10**

SECTION 3 — Material Deprivation Index (Section weight: 2.0/10)

Data source: Same Pollara national survey. Uses an 11-item Material Deprivation Index (MDI) — an internationally validated, non-income-based poverty measure that looks at what goods and activities a household with an acceptable standard of living would be expected to have.

Important note: Methodology changed in 2024 — the item list was reduced from 14 to 11, and the "severely inadequate" threshold dropped from 5 to 3 missing items. As a result, 2023 and 2025 data are not directly comparable.

INDICATOR	WHAT IT MEASURES	WEIGHT
Severely inadequate standard of living	% unable to afford 3+ MDI items	**6.0/10**
Inadequate standard of living	% unable to afford 2+ MDI items	**4.0/10**

SECTION 4 — Legislative Progress (Section weight: 2.0/10)

Data source: Government reports, announcements, and budgets since April 1, 2025. This section is assessed qualitatively — there is no numeric data value.

ABOUT THIS REPORT

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About Food Banks Canada

Food Banks Canada is the leader in addressing food insecurity in Canada. Our mission is to provide national leadership to relieve hunger today and prevent hunger tomorrow in collaboration with the food bank network. For over 40 years, Food Banks Canada has been dedicated to helping people living in Canada with food insecurity. Over 5,500 food banks and community organizations come together to serve our most vulnerable neighbours, who – this year – made almost 2.2 million visits to these organizations in one month alone, according to our 2025 HungerCount report.

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