POVERTY REPORT CARD 2025 METHODOLOGY

General Notes about Grading and MethodologyIn 2023: Food Banks Canada established a baseline year for the Poverty Report Card grades. The report card is composed of four sections and split between each section there are 11 unique indicators which determine that section's overall grade.

Indicators are quantitative measures that Food Banks Canada uses to determine the level of poverty, struggle, or the quality of life experienced by people in Canada (eg. poverty rate, percentage of people who feel financially worse off from last year, food insecurity rate).

Indicators are given a weight and are graded along with other indicators of the same section to determine the overall section grade.

As there are four sections, they are also each given a weight and are graded to a final grade.

How Food Banks Canada determined grade scales for each indicator (Section 1, 2, 3)

To create a baseline grade scale that ranges from an F to an A+ (12 increments), Food Banks Canada needed to establish a scale that reflected the data of the baseline year, 2023.

An indicator's grade scale was determined by designating the average of the 2023 provincial data as a D grade. Food Banks Canda then took the difference between the highest and lowest data scores and divided that number by 12 (the number of increments between an 'F' and a 'A+').

This range, from A to F, is a data scale. There is a unique data scale for each indicator (see below).

> *D = Avg of 2023 provincial data*
>
> *1 Increment = 2023 Provincial Data Range Min-Max / 12*
>
> *Therefore, if D = Avg of provincial data, then D+ = Avg of provincial data + 1 increment*

Using that grade scale, indicator data was then rounded to the nearest letter grade in the scale. Where a data point falls between grades, it has been rounded upwards to the higher grade.

In 2025, the same data scale is used to determine the grade for the Government of Canada. The data received in 2025 is plotted in the data scale to determine where federal government lies in the scale that was created using 2023 averages.

Why the average is a D grade

Determining which letter grade would represent the average was an important task in the development of the report cards. While C is often considered an average grade, we selected D as the average because we began this exercise with the knowledge that Canada is not doing enough. As poverty and food insecurity are worsening across Canada, and legislation and policy are holding people below the poverty line, we cannot say that Canada is doing a relatively good, or average job when it comes to poverty reduction. A D grade begins this grading exercise with the understanding that there is room for growth in Canada, and that Canadians should not be content with the status of poverty, as it stands.

How Food Banks Canada determined grades in Section 4: Legislative Progress

Upon assessment of the legislative progress made in Canada since the previous edition of the Poverty Report Cards, the government was assigned into one of five performance categories (see below).

Each category is linked with a corresponding grade.

Very Inadequate Progress	Inadequate Progress	Stagnant	Adequate Progress	Very Adequate Progress
F	D	C	B	A
The government needs legislative progress but is failing to take the necessary action. Any action taken, holds people to a similar level of poverty as before. If the trend is continued, the financial situation for people living with low incomes will likely worsen.	The government is introducing the minimum amount of poverty legislation necessary and little to no steps forward have been taken to expand existing efforts.	The government has introduced one or two significant policies but fails to address several key areas of poverty, such as housing, social assistance advancements, and targeted programs for vulnerable demographics.	The government has taken steps to improve poverty elimination. If the trend is continued, it is expected that the government will see positive outcomes for people living with low incomes.	The government has introduced legislation that will lead to positive outcomes for low-income people. The government demonstrates leadership and sets a strong example for other levels of government.

How Food Banks Canada determined section grades

The report card is composed of four sections. Each of those sections are given an overall section grade based on the indicators within the section.

Overall section grades were calculated in a standard letter grade-averaging formula. Grades were given an assigned grade point (GP), which was then averaged according to the weight of each indicator. Indicator weights are detailed in the sections below.

Section Grade = (Grade 1 GP * Weight 1) + (Grade 2 GP* Weight 2).../10

Grade points (GP) were assigned on a 4.3 scale.

GP Converter	
A+	4.3
A	4
A-	3.7
B+	3.3
B	3
B-	2.7
C+	2.3
C	2
C-	1.7
D+	1.3
D	1
D-	0.7
F	0

How we determined final grades

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Similar to the methodology outline above, the four sections of the report card were given a weight which was then converted into an average grade. The formula is the same. Weights for each of the sections are as follows:

Section 1: Experience of Poverty = 2.5/10
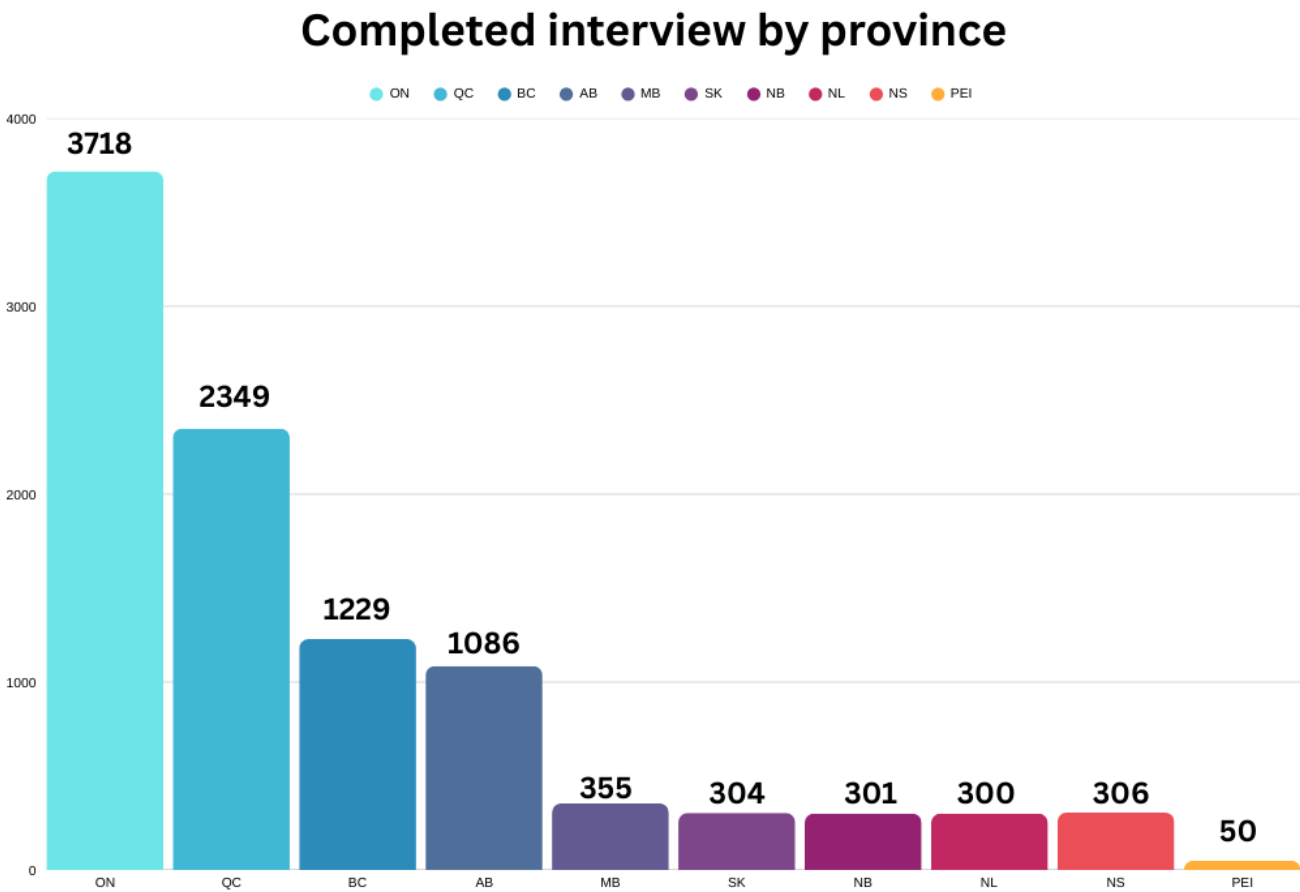
Section 2: Measuring Poverty = 3.5/10

Section 3: Material Deprivation = 2/10

Section 4: Legislative Progress = 2/10

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Section 1 – Experience of Poverty

Report Card Section 1 and 3 Data Source

The public opinion data used in this section was based on an online study conducted by Pollara on behalf of Food Banks Canada. A total of 10,000 adult Canadians participated in this study. The regional distribution was as follows:

Completed interview by province

● ON ● QC ● BC ● AB ● MB ● SK ● NB ● NL ● NS ● PEI

Province	Completed interviews
ON	3718
QC	2349
BC	1229
AB	1086
MB	355
SK	304
NB	301
NL	300
NS	306
PEI	50

The data collection was conducted between March 8 and March 30, 2025. Quotas and weighting were employed for the general population to ensure that the sample's composition reflects that of the Canadian population according to Statistics Canada census data.

For comparison purposes, a probability sample of this size would carry a margin of error of +/- 1.5 percentage points.

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Section 1 - Indicator 1: Worse off compared to last year

This grade is based on the percentage of respondents who indicated they are financially worse-off compared to 1 year prior.
Section Weight: 2.5/10
Note: Data are in percentages.

Jurisdiction	Data	Grade	GP
CAN	40	C	2

Data Scale	Grade
29.6	A+
31.1	A
32.7	A-
34.3	B+
35.8	B
37.4	B-
39.0	C+
40.5	C
42.1	C-
43.7	D+
45.2	D
46.8	D-
48.4	F

Section 1 - Indicator 2: Spending more than 30% of income on housing

This grade is based on the percentage of respondents who indicated they are spending 30% or more of their income on housing.
Section Weight: 2.5/10
Note: Data are in percentages

Jurisdiction	Data	Grade	GP
CAN	**43**	F	0

Data Scale	Grade
25.7	A+
26.7	A
27.6	A-
28.6	B+
29.5	B
30.5	B-
31.4	C+
32.4	C
33.4	C-
34.3	D+
35.3	D
36.2	D-
37.2	F

Section 1 - Indicator 3: Accessibility of healthcare

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This grade is based on the percentage of respondents who indicated they 'somewhat disagree' or 'strongly disagree' with the statement 'I can access and receive healthcare anytime I need to' AND stated the reason was due to one or more of the following reasons: 'I can't take time off work'; 'I don't have healthcare coverage'; 'I don't have money for medication'.
Section Weight: 1/10
Note: Data are in percentages.

Jurisdiction	Data	Grade	GP
CAD	**22**	F	0

Data Scale	Grade
0.2	A+
2.0	A
3.8	A-
5.6	B+
7.3	B
9.1	B-
10.9	C+
12.7	C
14.4	C-
16.2	D+
18.0	D
19.8	D-
21.5	F

Section 1 - Indicator 4: Adequacy of supports

This grade is based on the percentage of individuals who indicated that they 'personally receive some form of social security benefit or support' AND indicated that 'social assistance rates aren't high enough to help me keep up with the cost of living'.
Section Weight: 2.5/10
Notes: Data are in percentages.

Jurisdiction	Data	Grade	GP
CAN	**65**	F	0

Data Scale	Grade
13.2	A+
16.3	A
19.5	A-
22.7	B+
25.8	B
29.0	B-
32.2	C+
35.3	C
38.5	C-
41.7	D+
44.8	D
48.0	D-
51.2	F

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Section 1 - Indicator 5: Fixed costs as % of income

This grade is based on the combination of results from several questions asking the average amount individuals spend on fixed costs like internet, transport, groceries, and utilities. The average amounts spent were converted into a portion of income for those earning $75,000 a year or less (given in a range from lowest to highest). This number is the higher end of the range provided.

Section Weight: 1.5/10
Notes: Data are in percentages.

Jurisdiction	Data	Grade	GP
CAN	57.25	D+	1.7

Data Scale	Grade
48.6	A+
49.6	A
50.6	A-
51.6	B+
52.6	B
53.6	B-
54.6	C+
55.6	C
56.6	C-
57.6	D+
58.6	D
59.6	D-
60.6	F

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Section 2 – Measuring Poverty

Section 2 Data sources

This section relies on a series of data sources, which, like the indicators in Section 1, were selected to demonstrate the range of factors that indicate the various manifestations and causes of poverty in Canada.

The poverty rate (MBM) is based on data from the Statistics Canada 2023 Canadian Income Survey table showing poverty and low income statistics by selected demographic characteristics. Poverty rates in this table were defined using the MBM with a 2018 base.

The unemployment indicator is based on Statistics Canada's Labour force characteristics by province (unemployment), monthly adjusted. This data is from March 2025.

The food insecurity rate indicator is based on the combination of Marginal, Moderate, and Severe food insecurity rates for all persons in 2023 based on data from Statistics Canada Canadian Income Survey (2023) .

Section 2 - Indicator 1: Poverty rate

This grade is based on the percentage of Canadians who live below the official poverty line, otherwise known as the Market Basket Measure (MBM).
Section Weight: 4/10
Notes: Data are in percentages.

Jurisdiction	Data	Grade	GP
CAN	**10.2**	F	0

Data Scale	Grade
4.6	A+
4.9	A
5.2	A-
5.5	B+
5.9	B
6.2	B-
6.5	C+
6.8	C
7.2	C-
7.5	D+
7.8	D
8.1	D-
8.5	F

Section 2 - Indicator 2: Unemployment

Section Weight: 2/10
Notes: Data are in percentages.

Jurisdiction	Data	Grade	GP
CAN	**6.7**	F	0

Data Scale	Grade
0.6	A+

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1.2	A
1.7	A-
2.2	B+
2.7	B
3.2	B-
3.7	C+
4.2	C
4.7	C-
5.2	D+
5.7	D
6.2	D-
6.7	F

Section 2 - Indicator 3: Food Insecurity

Section Weight: 4/10
Notes: Data are in percentages.

Jurisdiction	Data	Grade	GP
CAN	**25.5**	F	0

Data Scale	Grade
12.9	A+
13.6	A
14.4	A-
15.1	B+
15.9	B
16.6	B-
17.4	C+
18.1	C
18.8	C-
19.6	D+
20.3	D
21.1	D-
21.8	F

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Section 3 – Material Deprivation

*Note that due to a significant change in methodology for this section in 2024 compared to 2023, data from both years should not be compared to each other. A new grade scheme was established in 2024.

Changes in 2024 include:

- Reducing the index question list from 14 items to 11 items
- Reducing the 'severely inadequate' indicator threshold from 5 items to 3 items.

The 2024 changes became the standard for 2025.

Section 3 Data Source

This section is based on a Material Deprivation Index (MDI) which is collected as a part of Food Banks Canada's national survey. See details on the survey in the above section.

The Material Deprivation Index is an internationally validated measure of poverty through the lens of deprivation. Unlike other measures of poverty which are based on income, the MDI looks at the goods and activities a household with an acceptable, above poverty, standard of living would be expected to have in a wealthy country like Canada.

Typically, they consist of a list of 10 to 15 items and activities that people with an acceptable living standard can afford. "Acceptable" is defined by what a substantial portion of the population feel is necessary to have an adequate standard of living. Examples of these items and activities include a pair of properly fitting shoes and at least one pair of winter boots; the ability to eat meat, fish or another protein equivalent every second day; and the ability to buy small gifts for family or friends once a year.

The MDI is a complimentary tool that could be used in conjunction with the MBM, or other income-based measures of poverty such as the Low-Income Measure.

A household's ability to afford a decent standard of living is influenced by a range of factors, like debt and availability of support. As the MDI is more sensitive than the MBM to circumstances that impact households purchasing power, this type of indicator has been found to be well suited to understand how factors like rapid inflation and rising energy costs impact household finances. Households that are unable to afford several of items on this list are considered to be "materially deprived", which indicates they are more likely to live in poverty.

Previous studies established a deprivation threshold of 2 or more missing items, the European Union currently establishes the threshold at 5 or more missing items. Recently, Food Banks Canada has led the development of a "Made in Canada" Material Deprivation Index.

For the purposes of this report card, respondents who are missing 2 or more items from the draft list may be likely to be experiencing an "inadequate" standard of living, and those missing 3 or more items may be likely to be experiencing a "substantially inadequate" standard of living. Food Banks Canada based this MDI on an 11 item index.

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List of MDI Questions

Below is a list of questions that were asked in the material deprivation survey. For each question, where a responded indicated 'no', they were asked "Is this because you cannot afford it, or for some other reason?".

1. Are you (Is everyone in your household) able to eat meat or fish or a vegetarian equivalent at least every other day?
2. Do you (Does every adult in your household) have appropriate clothes to wear for special occasions, such as a job interview, wedding or funeral?
3. Do you (Does everyone in your household) have at least one pair of properly fitting shoes and at least one pair of winter boots?
4. Are you (Is everyone in your household) able to get regular dental care, including teeth cleaning and fillings, at least once a year?
5. Are you able to keep your house or apartment at a comfortable temperature all year round?
6. Are you (Is everyone in your household) able to get around your community whenever you (they) need to, either by having a car or by taking the bus or equivalent mode of transportation?
7. If you wanted to, could you spend a small amount of money each week on yourself?
8. If you had an unexpected expense today of $500, could you cover this from your own resources?
9. Are you currently able to pay your bills on time?
10. Are you able to buy some small gifts for family or friends at least once a year?
11. Are you able to participate in celebrations or other occasions that are important to people from your social, ethnic, cultural, or religious group?

Section 3 - Indicator 1: Severely inadequate standard of living

This grade is based on the percentage of individuals who were unable to afford 3 or more items from a list of items considered necessary for an adequate standard of living.
Section Weight: 6/10
Notes: Data are in percentages.

Jurisdiction	Data	Grade	GP
CAN	**20**	C+	2.3

Data Scale	Grade
13.15	A+
14.35	A
15.55	A-
16.75	B+
17.95	B
19.15	B-
20.35	C+
21.55	C
22.75	C-
23.95	D+
25.15	D
26.35	D-
27.55	F

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Section 3 - Indicator 2: Inadequate standard of living

This grade is based on the percentage of individuals who were unable to afford 2 or more items from a list of items considered necessary for an adequate standard of living.

Section Weight: 4/10

Notes: Data are in percentages.

Jurisdiction	Data	Grade	GP
CAN	**28**	B-	2.7

Data Scale	Grade
20.72	A+
22.12	A
23.51	A-
24.90	B+
26.29	B
27.68	B-
29.07	C+
30.47	C
31.86	C-
33.25	D+
34.64	D
36.03	D-
37.42	F

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Section 4 – Legislative Process

Section 4 Data Source

The qualitative information collected to determine the grade for the Legislative Progress section was retrieved from federal government sources, such as government reports, announcements and budgets.

Information collected was based on the actions taken by the government since the release of the last Poverty Report Card in September 2024.

Details about the government action which was taken into account when determining a grade are detailed in the relevant section.

Section 4 Grades

Legislative Progress			
Jurisdiction	**Data**	**Grade**	**GP**
CAN	n/a	C	2
Weight			
10			

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