

What percentage of Canadian seniors have enough income to live adequately?

The short answer: The poverty rate among Canadian seniors is among the lowest in the world. Those who do live in poverty are predominantly single.

The Facts

The poverty rate among Canadian seniors is one of the lowest in the world. Five percent live below Statistics Canada's low income cut-offs,¹ and 7.2 percent below the OECD's poverty measure.² Among the Canadian seniors that do live in poverty, 80 percent are single, and 75 percent of those that are single are women.

The main cause of poverty among single seniors is the drop in benefits for the surviving spouse when the primary income earner dies. Benefits can shrink significantly if the surviving spouse has not worked.

The Implications

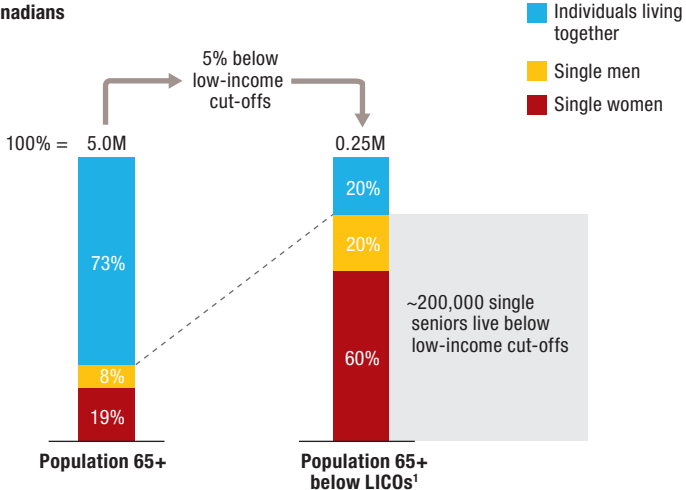
Although more than 95 percent of low-income Canadian households are on track to maintain their standard of living in retirement, poverty is more prevalent among seniors living alone.

Measures to reduce poverty among seniors should focus mainly on single individuals, in most cases the surviving member of a single-income family.

Exhibit

Poverty in retirement disproportionately affects single seniors

Poverty among elderly Canadians
Million individuals, 2011



¹ Low income cut-offs are differentiated by community residence and household size and range from \$12.6k-19.3k; they are widely used in poverty research. Source: Statistics Canada

¹ <http://www.statcan.gc.ca/pub/75f0002m/2014003/lico-sfr-eng.htm>

² OECD defines poverty as income less than 50% of national median. Canada ranks as the third-lowest among large developed countries, just after the Netherlands and France.