



NWT 2019

SENIORS LIVING INCOME

Affordability is a recognized challenge in the Northwest Territories (NWT). For NWT seniors, the impacts of rising living costs can be amplified. Many seniors are on fixed incomes and some are facing the costs of running a household alone after years of sharing that responsibility with a partner.

The concept of Living Income can be applied to households that do not earn wage income, as is the case for most seniors.

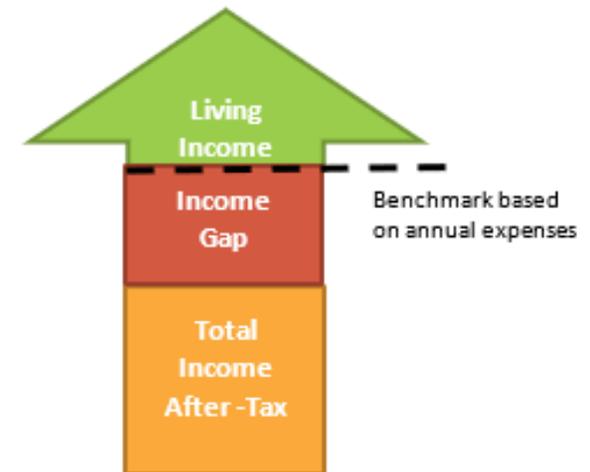
Living Income tells us:

The net annual income required for a household in a particular place to afford a decent standard of living for all members of that household. It is based on the actual costs of living in a specific community.

Determining the Living Income for seniors living independently can help to shed light on the potential magnitude and scope of affordability concerns. With this in mind, the NWT Seniors' Society supported the calculation of Seniors' Living Income estimates in Yellowknife, Fort Smith, Hay River and Inuvik.

Living Income Approach

Living Income is based on the annual expenses that a reference household would incur in order to achieve a decent standard of living. This "decent living cost" is used as a **Living Income Benchmark**. If **Total Income After-Tax** is the same or greater, then the household is considered to have a Living Income. Where Total Income After-Tax is lower, an **Income Gap** exists.



Two reference households were examined:

Alone & Rented	Couple & Owned
Single senior living alone Rented accommodation Rent includes all utilities except power	Two seniors living together Owned accommodation No mortgage payment

Living Income Benchmark vs Total Income After-Tax

This chart shows that for each of the four communities, the Alone & Rented reference household does not have enough after-tax income to cover basic living costs and, thus, experiences an Income Gap. In Inuvik, the Couple & Owned reference household also experiences an Income Gap.

The calculation of the Living Income Benchmarks is based on the following annual expenses: food, shelter including utilities and insurance, clothing and footwear, transportation, health care, other personal care and household costs, and a small emergency fund.

The determination of Total Income After-Tax includes the following income sources: Old Age Security pension and Guaranteed Income Supplement; Canada Pension Plan; NWT Senior Citizens Supplementary Benefit; and NWT Seniors Home Heating Subsidy.

