



Here's How Much Money Canadians Made in 2019

Description

The stock market and economy are not always correlated. That's something the 2020 pandemic-driven market crash and the subsequent recovery proved. The economy was still struggling, but the stock market was reaching new heights. Investor sentiment pushed market recovery at a pace that was much faster than the recovery rate of the underlying economy.

Still, it's essential to understand the [economic situation](#) of the country, including what the median household income is, how different provinces are doing, and how the wealth/income of varying population segments are performing. This allows you to see the stock market from a relatively broader perspective.

Canadian income survey 2019

The Canadian income survey of 2019 concluded that the median after-tax income of households and individuals was about \$62,900. That's virtually the same as the income in 2018 (the 0.5% increase is almost insignificant).

The survey also revealed interesting facts about different households: Families, where the highest earner was under 65 years of age, had a household income of \$93,800, and families with a senior highest earner (65 or older) had a median income of \$64,300. Couples with children had a median income of \$105,000.

The poverty rate saw a decent decline, and in 2019, 10.1% of the population was living below the poverty line (0.9% shift from 11% in 2018). It has been declining steadily since 2015, but it might take a turn for the worst once 2020's numbers are in.

The 2019 survey also concluded that the most in-danger sections of the population, when it comes to poverty, are lone-parent families and unattached individuals (median income \$52,500 and \$33,800, respectively).

A safety net against poverty

Losing one's job or another livelihood is typically the major trigger that sends people over the edge of the poverty line. But what really destabilizes the financial situation of most households and individuals that lose a primary income source is not having enough leverage to get back on their feet.

If a household has enough savings to meet their housing, food, and other primary needs for three to four months, they might be able to find alternative income sources or participate in an adequate benefit program.

And no matter which income level you are at, it's essential to save and grow these savings through investments, because if you don't have a safety net with an expensive lifestyle, you might be in more trouble than low-income households.

[One stock](#) to consider in this regard is **PRO REIT** ([TSX:PRV.UN](#)). It's a Montreal-based REIT with a diversified portfolio of commercial properties. The REIT managed to sustain its revenues during 2020, yet it slashed its dividends and is still continuing with the reduced payout. Still, if you haven't bought this REIT yet, you might consider locking in its juicy 7% yield.

The company is unlikely to slash its dividends in the near future, and even after growing 96% from its market crash valuation, the stock still has a lot of room to grow before it reaches its pre-pandemic peak. If you buy now, you might be able to benefit from the slow but gradual capital growth it offers.

Foolish takeaway

The stats from 2020 are expected to be drastically different from 2019, and it might cast a shadow over the median income and poverty stats of the subsequent years as well. But the economy *is* recovering, and hopefully, we might see these numbers rising organically as well. A strong and growing economy might trigger another decade-long bull market.

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Author

adamothonman

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