

NEWS RELEASE

Household incomes in Windsor and London fell from top third in Canada to the bottom third over fifteen years

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For Immediate Release

TORONTO—Between 2005 and 2019, large cities in Southwestern Ontario—in particular Windsor and London—have gone from being amongst the most prosperous cities in Canada (as measured by median household income) to being amongst the least prosperous, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“Southwestern Ontario—which is as large as Atlantic Canada—has transformed from being one of the highest-income areas of the country to one of the lowest in just 15 years,” said Ben Eisen, a senior fellow with the Fraser Institute and co-author of *Economic Performance in Southwestern Ontario’s CMAs: A National Perspective, 2023 Update*.

The study finds that the two large CMAs in southwestern Ontario that are outside of the Toronto commuter shed, London and Windsor, were amongst the worst performers.

The study measured median household income, which is the total of market income, largely employment earnings, before income taxes and other deductions, and government transfers for all members of a household.

Of the 36 metropolitan areas in Canada covered by Statistics Canada, Windsor experienced the largest drop in its ranking for median household income—having the 11th highest median household income in Canada in 2005 to having the 33rd highest median household income in 2019. Similarly, London fell from 13th to 28th place.

Each of these large CMAs went from having median household incomes that placed them amongst the top third of Canadian CMAs to the bottom third. Guelph and Kitchener-Waterloo-Cambridge also slipped in the rankings.

The study also examines annual median household income growth from 2000-2019. The results reinforce the weak comparative performance of southwestern Ontario relative to other parts of the province and country.

Over that time period, Canada’s overall inflation-adjusted median household income increased by 11.1 per cent. By comparison, median household income (inflation-adjusted) increased by just 2.3 per cent in Guelph, and 0.5 per cent in London. And median household income (inflation-adjusted) actually declined in Kitchener-Cambridge-Waterloo by 1.3 per cent, and by 7.1 per cent in Windsor.

“The economic declines that Southwestern Ontario experienced in the first two decades of the 21st century affected millions of Canadians, and that has a significant impact on not only the economic performance of Ontario, but the entire country,” said Steve Lafleur, a senior fellow with the Fraser Institute and study co-author.

“Developments in Southwestern Ontario are an important part of the explanation of Canada’s sluggish overall economic growth in recent decades.”

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