

PRESS RELEASE

For immediate release

The middle classes in Quebec and Canada: A fresh look at 50 years of transformations

Montreal, January 30, 2025 - [The Observatoire québécois des inégalités](#) has published [a new portrait](#) of the middle classes and their transformations in Quebec and Canada over a period of nearly 50 years. Continuing the reflection begun in [a first note dedicated to the concept of the middle class](#), this publication offers a detailed analysis of the socioeconomic characteristics of this fringe of the population.

To paint this portrait, the Observatoire used the OECD definition of the middle class, which includes people whose after-tax income falls within the range of 75% to 200% of the adjusted median household income. In Quebec, in 2022, this range would be between \$40,997 and \$109,324, corresponding to almost two people in three.

Growth in Quebec thanks to redistribution policies

First observation: contrary to popular belief, there has been no decline in the middle class. "Geoffroy Boucher, economist at the Observatoire québécois des inégalités and author of the note, points out that "if the middle class has been able to maintain its strength, it's mainly thanks to government transfers and taxation.

If market income alone was considered, the number of people belonging to the middle class would have declined over the past 50 years. Instead, government transfers and taxation have enabled the middle class to grow in Quebec: , with 66.8% of the population belonging to it in 2022, compared with 63.2% in 1976. . In Canada, where the effects of government transfers and taxation are generally lower, the size of the middle class has remained stable over the period under review (around 63%).

Maintaining living standards at all costs

The disposable income of the middle class has risen sharply (+50%) since the early 2000s, even when inflation is considered. Although the number of people per household is

falling, the number of people with employment income per household is rising. This means that more people per household need to work to maintain middle-class living standards.

Home ownership remains a distinctive feature of the middle class (in 1976, 76% of middle-class Canadians were homeowners, compared with 79% in 2022). However, the middle class is taking on more debt to achieve this goal. In Quebec, the proportion of debt to disposable income for middle-class households rose from 82% to 120% between 1999 and 2019.

A new divide seems to be emerging between renters and homeowners. In relation to their demographic weight, homeowners are increasingly over-represented in the Quebec and Canadian middle classes. Conversely, among renters, the probability of belonging to the middle class has gone down.

The many faces of the middle class

Between 1976 and 2022, the composition of the middle classes in Quebec and Canada diversified considerably. The couple-with-children model is no longer as predominant. The middle class now includes more immigrants and single-parent families. Women are also increasingly taking on the role of main household breadwinner. In Quebec, 62% of households whose main breadwinner was a woman were middle-class in 2022, compared with 53% in 1976.

The middle class is increasingly concentrated in large urban centers (one person in two), although a significant proportion lives in rural areas. The education level is also on the rise: the proportion of university graduates has doubled between 2000 and 2022.

Furthermore, although the middle class is aging at the same rate as the population as a whole, young people under 35 have seen their chances of joining the middle class improve, illustrating the increased inclusion of new generations.

What does the future hold for the middle classes?

While the diversification of the middle class and the increase in its size in Quebec are positive signs, other signs, such as the rise in its indebtedness and the fact that more

people have to work in each household to maintain the standard of living, point to increased pressure.

This second research note highlighted the role of government transfers and taxation in maintaining a vigorous middle class. A third and final note will explore this issue in greater depth, by analyzing public policies and simulating the impact of certain tax measures on the middle class, both in Quebec and in Canada.

The Observatoire québécois des inégalités will also continue its analysis of the middle classes at [the fourth edition of its annual event on March 25 and 26 in Gatineau](#). "The Observatoire wishes to contribute not only to the analysis of social classes in Canada and Quebec, but also to possible solutions for reducing inequalities, improving the social mobility potential of education and work, or respecting the limits of ecosystems to meet social needs," explains Nathalie Guay, Executive Director of the Observatoire québécois des inégalités.

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About the Observatoire québécois des inégalités

The Observatoire québécois des inégalités produces, mobilizes and democratizes knowledge on various forms of inequality in Quebec, in order to inform decision-making and raise public awareness of the state of inequality, its causes and consequences, and possible solutions.