

# Break the Barriers: Millions in Canada still struggle to get by

People living in poverty in Canada face multiple barriers. As a country, we can do better to address these persistent challenges. Canada needs a comprehensive national poverty reduction strategy that addresses the complex reality of poverty.



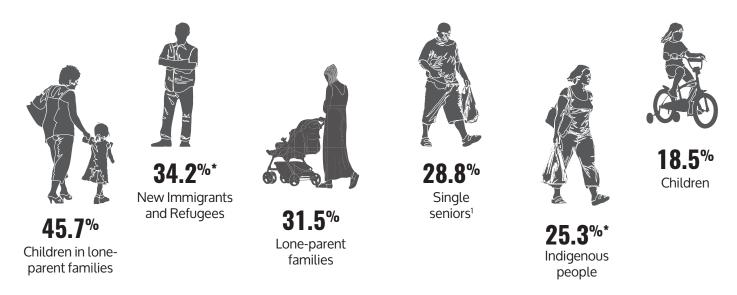
## 1 in 7 people in Canada live in poverty.

That's 14.4% or 4.9 million people.

Source: Statistics Canada. Table 111-0015 - Family characteristics, Low Income Measures (LIM), by family type and family type composition, annual. Low Income Measure (After-Tax) 2014 income year.

## Who is bearing the burden of poverty?

National data tell us an important part of the story of poverty in Canada. While overall poverty rates have not seen significant change in the last several years, particular groups are very vulnerable.



Source: Statistics Canada. Table 111-0015 - Family characteristics, Low Income Measures (LIM), by family type and family type composition, annual. Low Income Measure (After-Tax) 2014 income year.

## **Breakdown of most affected**

Low-income measures are important indicators of poverty in Canada. However, poverty goes beyond income to include factors of social and cultural participation.

### Children

The national poverty rate for children in Canada is unacceptably high, given Canada's wealth and range of social policy tools. But, child poverty rates in some communities are two and three times the national rate.

- The UNICEF Index of Child Inequality places Canada 26th out of 35 wealthy countries, highlighting the fact that child poverty in Canada is strongly linked to inequality in areas such as income, health, education, etc.<sup>2</sup>
- Marginalized children, including those who are racialized (32%), children of new immigrants or refugees (22%), or Indigenous (40%), are more likely to be poor.<sup>3</sup>
- Household food insecurity affects 1 in 8 children in Canada,<sup>4</sup>
   and more than one third of food bank users are children.<sup>5</sup>



<sup>\*</sup> Source: Statistics Canada, 2011 National Household Survey, Statistics Canada Catalogue no. 99-014-X2011043

### Lone-parent families

Lone-parent families continue to be highly vulnerable.

- Almost 80% of lone-parent families in Canada are femaleled,<sup>6</sup> and over 1 in 3 single mothers live in poverty.<sup>7</sup>
- Lone-parent families face multiple vulnerabilities if they are also Indigenous, newcomers, or have disabilities.
- Female-led lone-parent households are more likely to be food insecure.<sup>8</sup>

"One-third of female-led lone parent families were food insecure in 2012, by far the highest among household groupings. Women living in rural and Northern Canada are also particularly vulnerable to food insecurity, where the cost of food is the highest in the country." CCPA, Alternative Federal Budget, 2015 9



### Single seniors

Poverty among single seniors is rising, and the majority of single seniors are women.

- Single women seniors are more reliant than men on Old Age Security (OAS) and Guaranteed Income Supplement (GIS), making up 30% of their total income.<sup>10</sup>
- Women tend to have fewer years of paid work than men, due to the fact that women take on more of the caring and non-paid workload. This, along with lower wages overall, sets women up for increased vulnerability as seniors. This only increases for women who are racialized, new immigrants, or Indigenous.<sup>11</sup>

### Indigenous people

Poverty rates for Indigenous people in Canada are shockingly high. While national rates are disturbing enough, rates in some communities, and particularly for children, are astounding and must be addressed immediately.

- 60% of First Nations children on reserve live in poverty, and poverty rates are as high as 76% in Manitoba and 69% in Saskatchewan.<sup>12</sup>
- Two-thirds of First Nations communities have been under boil water advisories for varying times over the last decade, with 150 or more in place on any given day.<sup>13</sup>
- 60% of children in Nunavut live in food insecure households.<sup>14</sup>

"Aboriginal persons, recent immigrants, youths not in school, disabled persons, and unattached older individuals are at considerably higher risk of being trapped in persistent poverty..." Fang and Gunderson, 2016 18

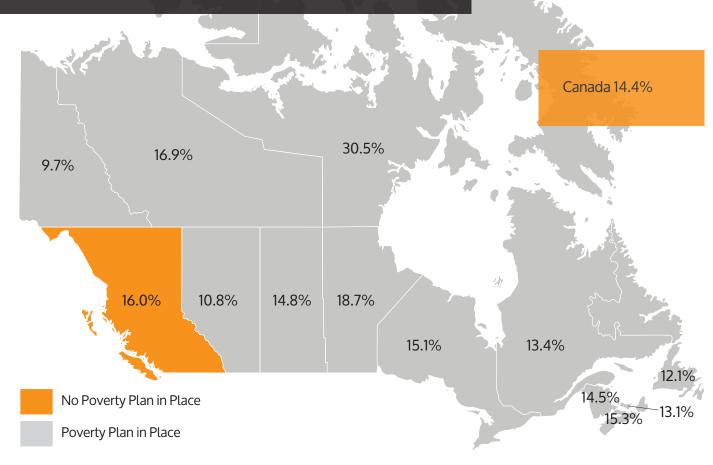


### **Newcomers: Refugees and Immigrants**

Newcomers to Canada face multiple barriers to employment making them vulnerable to persistent poverty. This ranges from lack of recognition of credentials to lack of Canadian experience to blatant discrimination.<sup>15</sup>

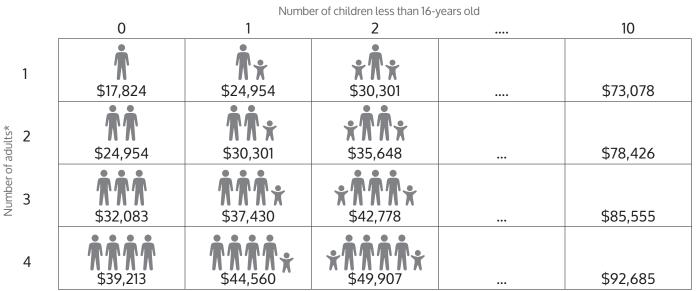
- New immigrant women have a harder time accessing paid employment compared with immigrant men and non-immigrant women, even though they tend to have higher levels of education, as a group.<sup>16</sup>
- Over half of refugees who receive Immigration Transportation Loans (covering travel to Canada and medical exam) indicate that this impacts their ability to pay for food, housing, and other necessities, adding a further burden on their families.<sup>17</sup>

## **Poverty Rates in Canada**



Note: Poverty measure is the After-tax Low Income Measure Source: Statistics Canada, Table 111-0015 - Family characteristics, Low Income Measures (LIM), by family type and family type composition, annual. Low Income Measure (After-Tax) 2014 income year.

## **Low Income Measure After-Tax Thresholds 2014**



http://www23.statcan.gc.ca/imdb-bmdi/document/4105\_D5\_T1\_V13-eng.htm#ai [Source: LIM threshold table]
\*includes parents/spouses, number of children 16-years and older, and first child in lone-parent families.
Note: The cost of living varies across the country and is largely dominated by housing and food costs.

## Ranking of poverty rates across municipalities



## 20 big cities with the highest poverty rates

- 1. Toronto 17.9%
- 2. Vancouver 17.8%
- 3. Windsor 17.0%
- 4. Winnipeg 15.7%
- 5. Montréal 15.5%
- 6. Abbotsford-Mission 15.5%
- 7. London 14.8%
- 8. Saint John **14.6**%

- National Average 14.4%

- 9. Brantford **14.4%**
- 10. Chatham-Kent 14.3%
- 11. Halifax 14.2%
- 12. St. Catharines-Niagara 13.8%
- 13. Trois-Rivières 13.6%
- 14. Sherbrooke 13.4%
- 15. Thunder Bay 12.9%
- 16. Peterborough 12.8%
- 17. Moncton 12.8%
- 18. Hamilton 12.8%
- 19. Ottawa, ON 12.5%
- 20. Kitchener-Cambridge-Waterloo 12.4%

## 20 medium size cities and towns with the highest poverty rates

- 1. Campbellton, QC 39.3%
- 2. Leamington, ON 31.2%
- 3. Portage la Prairie, MB 26.6%
- 4. Lachute, QC 20.5%
- 5. Prince Albert, SK 19.6%
- 6. Hawkesbury, ON\* 19.6%
- 7. Cape Breton, NS\*\* 19.5%
- 8. Prince Rupert, BC 19.4%
- 9. Thompson, MB **18.5%**
- 10. Port Alberni, BC 18.1%
- 11. Campbellton, NB 18.0%
- 12. Duncan, BC 17.8%
- 13. Brandon, MB 17.1%
- 14. North Battleford, SK 16.7%
- 15. Hawkesbury, QC\* 16.7%
- 16. Cornwall, ON 16.7%
- 17. Kentville, NS 16.2%
- 18. New Glasgow, NS **15.8%**
- 19. Joiliette, QC 15.7%
- 20. Chilliwack, BC 15.6%

\*census postal region straddles Ontario and Quebec \*\*census postal region across Cape Breton island

## **The Canadian Poverty Reduction Strategy**

Since 2009, CPJ, along with our campaign partner, Canada Without Poverty, has co-led *Dignity for All: the campaign for a poverty-free Canada*, which has developed a model *National Anti-Poverty Plan for Canada*. On the campaign for a poverty-free Canada.

The federal government has committed to developing a Canadian Poverty Reduction Strategy (CPRS). CPJ wants to see the CPRS reflect the consultation process, human rights framework, and policy recommendations of the Dignity for All model plan.<sup>21</sup>

### The CPRS must:

- Include broad consultation, involving people with lived experience of poverty, who know the reality of
  poverty better than anyone, particularly those disproportionately impacted, including Indigenous peoples,
  newcomers to Canada, racialized Canadians, and single parent, female-led families.
- Build on the work of anti-poverty, social policy, and faith-based organizations that have prioritized the voices of those with lived experience and have worked for decades on policy analysis.
- Partner with Indigenous governments and organizations in consultations that are meaningful and responsive to the unique needs of different communities.
- Establish clear targets and timelines, along with a commitment for adequate resources and strong accountability mechanisms to ensure the plan's full implementation and evaluation.
- Address at minimum six policy areas:



## **Income security**

Include the Canada Child Benefit (indexed), Employment Insurance reform that expands eligibility, and improvements to Old Age Security and Guaranteed Income Supplement;



## **Housing/homelessness**

Include a National Housing Strategy and funding for infrastructure development in Indigenous communities, particularly safe housing and improved water quality;



### Health

Include negotiating a new ten-year health accord and a National Pharmacare program;



## **Food security**

Include a National Right to Food Policy and improvements to Nutrition North;



### **Jobs and employment**

Include national minimum wage standards that reflect a living wage, reinstating the federal minimum wage at \$15/hour, and funding for Indigenous education, skills training in renewable energy, and economic development; and



## **Early childhood education and care**

Include a national childcare program that is universal, publicly funded, high quality, and regulated.

### **Endnotes**

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- 10 Canadian Labour Congress: <a href="http://canadianlabour.ca/issues-research/did-you-know-senior-women-are-twice-likely-live-poverty-men">http://canadianlabour.ca/issues-research/did-you-know-senior-women-are-twice-likely-live-poverty-men</a>
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## **Citizens for Public Justice**

Faith | Justice | Politics
501-309 Cooper Street, Ottawa, ON K2P 0G5
cpj@cpj.ca
facebook.com/citizensforpublicjustice
twitter.com/publicjustice
T: 1.800.667.8046, 613.232.0275
www.cpj.ca