

# POVERTY PROFILE 2007

## A SNAPSHOT OF CHILDREN LIVING IN POVERTY

### Highlights

- Children living in lone parent families have high poverty rates, but the majority of poor children live in two-parent families.
- Immigrant children, Aboriginal children and visible minority children have a higher risk of living in poverty.
- The average incomes of poor families with children are far below the poverty line.

## CHILD POVERTY RATES VARY ACROSS THE COUNTRY

There were 637,000 children under age 18 living in poverty in Canada in 2007. The poverty rate was 9.5%, a record low.

Poverty rates were lowest in Prince Edward Island (4.7%) and highest in British Columbia (13.0%). British Columbia has had the highest child poverty rate for the last six years (2002-2007).

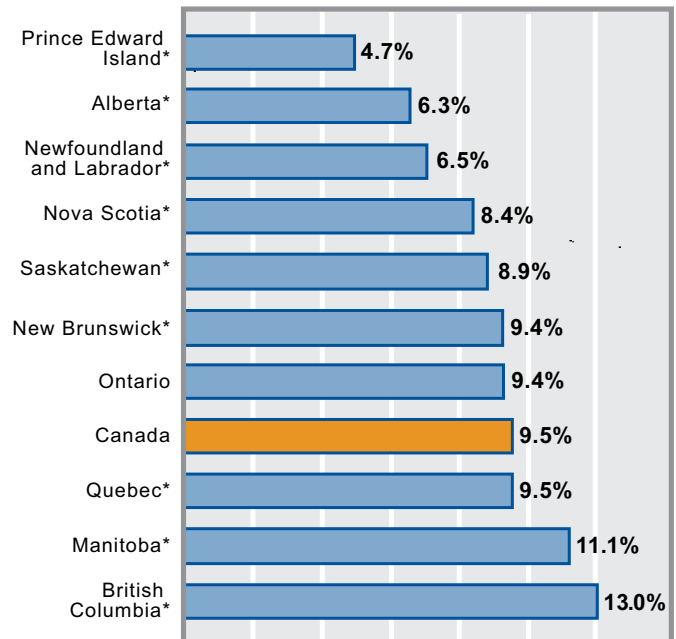
### Using Market Basket Measure poverty rates

Child poverty rates are higher using the Market Basket Measure (MBM) in all provinces except Quebec and Manitoba. Quebec's MBM rate in 2007 was 7.3%, the lowest in Canada. British Columbia had the highest rate at 18.4%.

After-tax low income cut-offs are used to measure poverty in this bulletin, unless otherwise noted. For details on methodology and data sources, see the *Methodology, Definitions and Information Sources* bulletin.

In some cases, the sample sizes are small and the estimates should be used with caution. These estimates are **marked with an asterisk (\*)**.

Child poverty rates by province, 2007



Child poverty rates not available for the territories.

## OVER 1 MILLION CHILDREN LIVED IN POVERTY AT SOME POINT BETWEEN 2002 AND 2007

Children and their families can fall in and out of poverty over the years. Approximately 1.4 million children lived in poverty for at least a year from

2002 to 2007. Many lived in poverty for just one year while a smaller number lived in poverty for all six years.

Research shows that living in poverty, especially for long periods of time, has a negative effect on children's well-being and development.

### Some groups of children have much higher poverty rates

Data from the census show us poverty rates for specific groups of children. The following poverty rates are for children under 15 years old in 2005.

#### Immigrant children: 33%

Non-immigrant children: 12%

Poverty rates vary by date of arrival in Canada. The vast majority of immigrant children arrived in Canada recently, from 2001 and onwards. Their poverty rate was 39%, compared to 19% for those who had been in Canada the longest, arriving from 1991 to 1995.

#### Aboriginal children (non-reserve only)<sup>1</sup>: 28%

Non-Aboriginal children: 13%

The highest poverty rate was for the group Statistics Canada calls North American Indian (34%), followed by Inuit (21%) and Métis (20%).

#### Visible minority children: 26%

Non-visible minority children: 10%

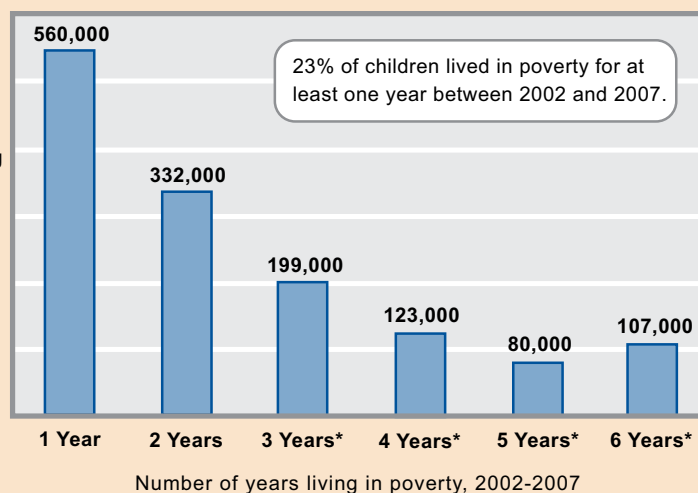
Poverty rates vary widely by group. The **highest** poverty rates were seen for Korean (48%), West Asian (44%), Arab (43%) and Black (36%) children. The **lowest** rates were for Filipino (12%) and Japanese (18%) children.

<sup>1</sup> Uses Aboriginal identity. Poverty rates are not available for children living on-reserve.



Number of children living in poverty, 2002-2007

### A small number of children live in poverty for long periods of time



## HIGHER POVERTY RATES FOR CHILDREN LIVING IN LONE-PARENT FAMILIES...

Children are poor because their families are poor. The most striking difference year after year is how much more likely children are to be poor if they live in a lone-parent family.

Over the years, the poverty rate for children living in female lone-parent families has been roughly four to six times the poverty rate for children living in two-parent families. In 2007, it was four times higher.

*I recently changed jobs, but have worked with young mothers and families in poverty for most of my career. The challenges and conditions that those mothers were forced to survive were unacceptable. They all wanted to provide an enriched life for their children – they were rarely able to even provide all the food their family needed, never mind swim lessons or preschool.*

- one of the NCW's Questionnaire respondents<sup>2</sup>

## ... BUT THE MAJORITY OF POOR CHILDREN LIVE IN TWO-PARENT FAMILIES.

One of the myths about child poverty is that since lone-parent families have high poverty rates, most poor children must live in lone-parent families. That has never been the case for any of the years on record. The largest number of poor children has always been the number living in two-parent families.

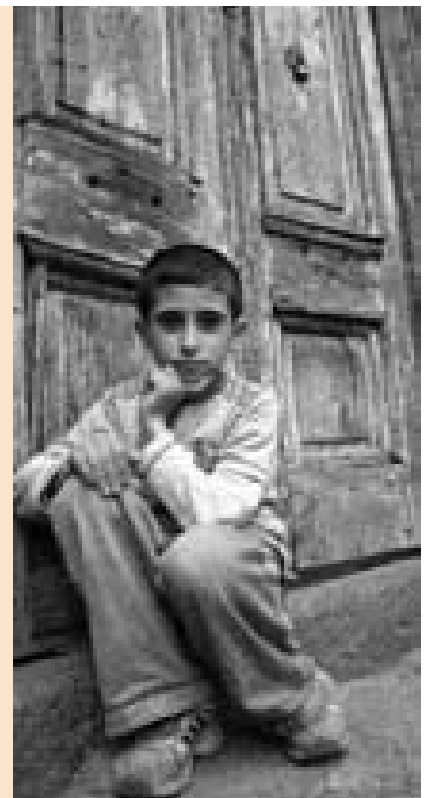
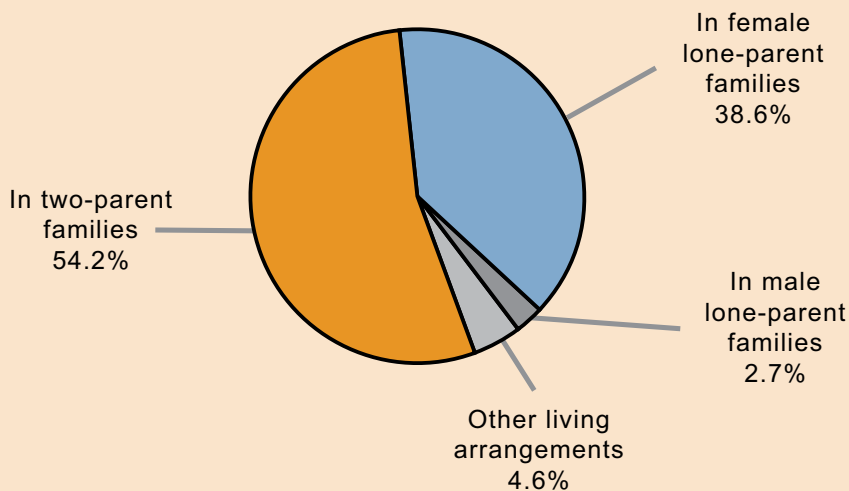
### Child poverty rates by family type, 2007

<b>All children</b>	<b>9.5%</b>
Living in two-parent families	6.5%
Living in male lone-parent families	9.2%*
Living in female lone-parent families	26.6%

<sup>2</sup> Excerpts are from the NCW's anti-poverty and income security questionnaire.

### Most poor children live in two-parent families

Distribution of poor children by family type, 2007



## INCOMES ARE FAR BELOW THE POVERTY LINE

Families with children have the largest low income gaps of all family types. In 2007, the average low income gap among female lone-parent families was \$7,500. In other words, it would require an average of \$7,500 to bring a poor family up to the poverty line. The gap for two-parent families was \$7,600 followed by male lone-parent families at \$8,600\*.

The **low income gap** is the amount that the family income falls short of the poverty line.

I struggled for 5 yrs. raising 3 kids on \$1100 a month. Most months I had only \$100 left for food & I did any job that I could to put food on the table. That was the worst time of my life. My children still struggle with the fact that we didn't have any money for them to be able to do anything and to barely have food on the table.

- one of the NCW's Questionnaire respondents

## MANY POOR FAMILIES WITH CHILDREN DEPEND ON WORK, NOT WELFARE

About 60% of poor two-parent families relied mainly on earnings from jobs in 2007 and did not receive any income from welfare or Employment Insurance (EI). A further 14% reported receiving earnings and EI.

For female lone-parent families living in poverty, 31% relied mainly on earnings, with no income from welfare or EI. A small share (12%) received both welfare and earnings from jobs.

Just over a third (36%) of poor female lone-parent families relied primarily on welfare, with no earnings or EI payments. For two-parent families, the number that relied primarily on welfare was so small that the results were too unreliable to report.

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