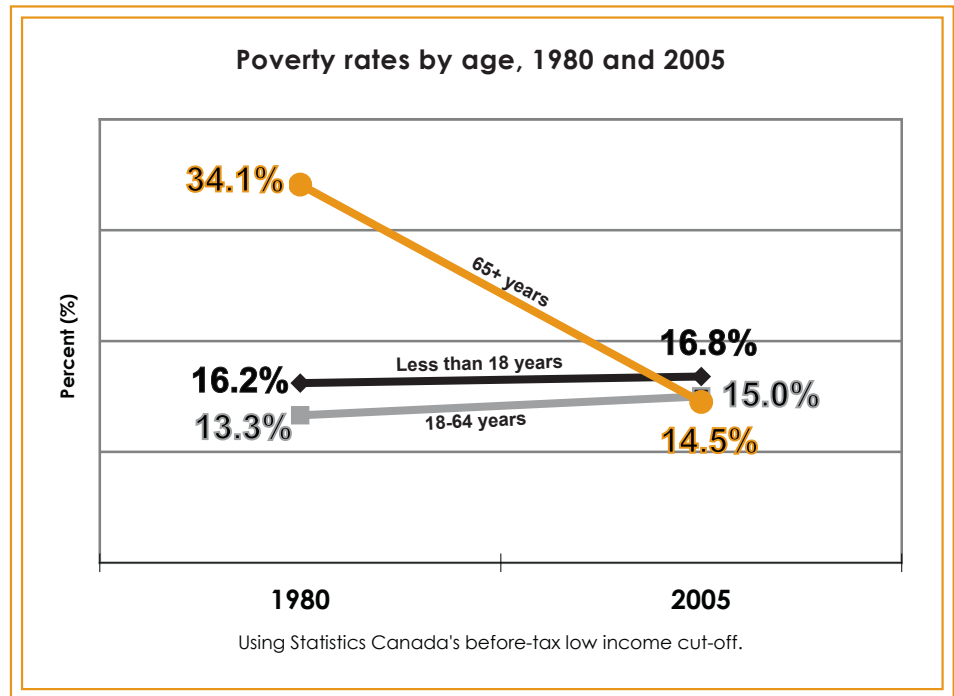


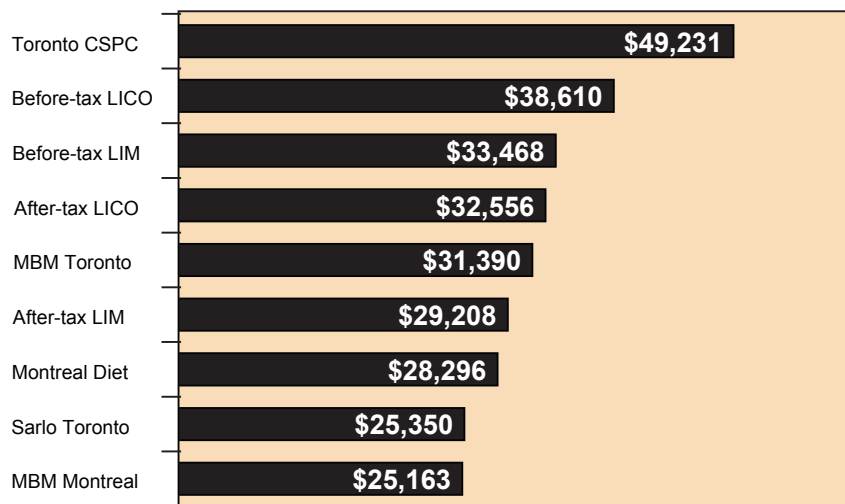
# POVERTY TRENDS IN CANADA

## LITTLE SUSTAINED PROGRESS

- Poverty rates for those less than 65 years old are almost exactly the same as 25 years ago.
- Of non-elderly families, only female lone parents have seen a noticeable drop in poverty rates; however, their rates were so much higher than other families that even with the decrease, they still have the highest poverty rate.
- One good news story: poverty rates for seniors have dropped dramatically due to programs like Old Age Security and the Guaranteed Income Supplement.



## Poverty lines for a family of four in a large city, 2005



### Legend

**Toronto CSPC:** Community Social Planning Council of Toronto budget guides

**LICO:** Statistics Canada's low income cut-offs

**LIM:** Statistics Canada's low income measures

**MBM:** Human Resources and Social Development Canada's Market Basket Measure

**Montreal Diet:** Montreal Diet Dispensary's minimum adequate standard of living

**Sarlo:** Christopher Sarlo's basic needs poverty line for Toronto

## MEASURES OF POVERTY

There is no "official" measure of poverty in Canada, but many of the different measures available give similar results.<sup>1</sup>





## **POVERTY RATES FOR MANY GROUPS REMAIN UNACCEPTABLY HIGH<sup>2</sup>**

### **Poverty rates in 2005<sup>3</sup>**

- 15% of all Canadians
- 19% of male lone parents
- 36% of unattached men under 65 years
- 43% of unattached women under 65 years
- 43% of female lone parents

### **From the 2001 Census**

- 16% of all Canadians
- 22% of immigrants
- 23% of people with disabilities
- 28% of people from visible minority groups
- 34% of Aboriginal peoples
- 35% of recent immigrants (1991-2001)

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## **GAP BETWEEN THE RICH AND THE POOR IS INCREASING**

- Share of total income in Canada by
  - the richest 20 percent of family units has increased from 41.8% in 1980 to 46.9% in 2005
  - the poorest 20 percent has decreased from 4.3% in 1980 to 4.1% in 2005
- Increase in after-tax incomes since 1980 for
  - the richest 20 percent of family units: +18.7%
  - the poorest 20 percent: +2.5%

## STAGGERING LOSSES IN WELFARE RATES

When adjusted for inflation, many 2005 welfare incomes were lower than they were in 1986. Most welfare incomes peaked in 1994 or earlier. Some of the losses between the peak year and 2005 are staggering, with one-third of households losing \$3,000 or more. Five provinces—Ontario, Manitoba, Saskatchewan, Alberta and British Columbia—recorded their lowest levels of welfare incomes between 2000 and 2005.

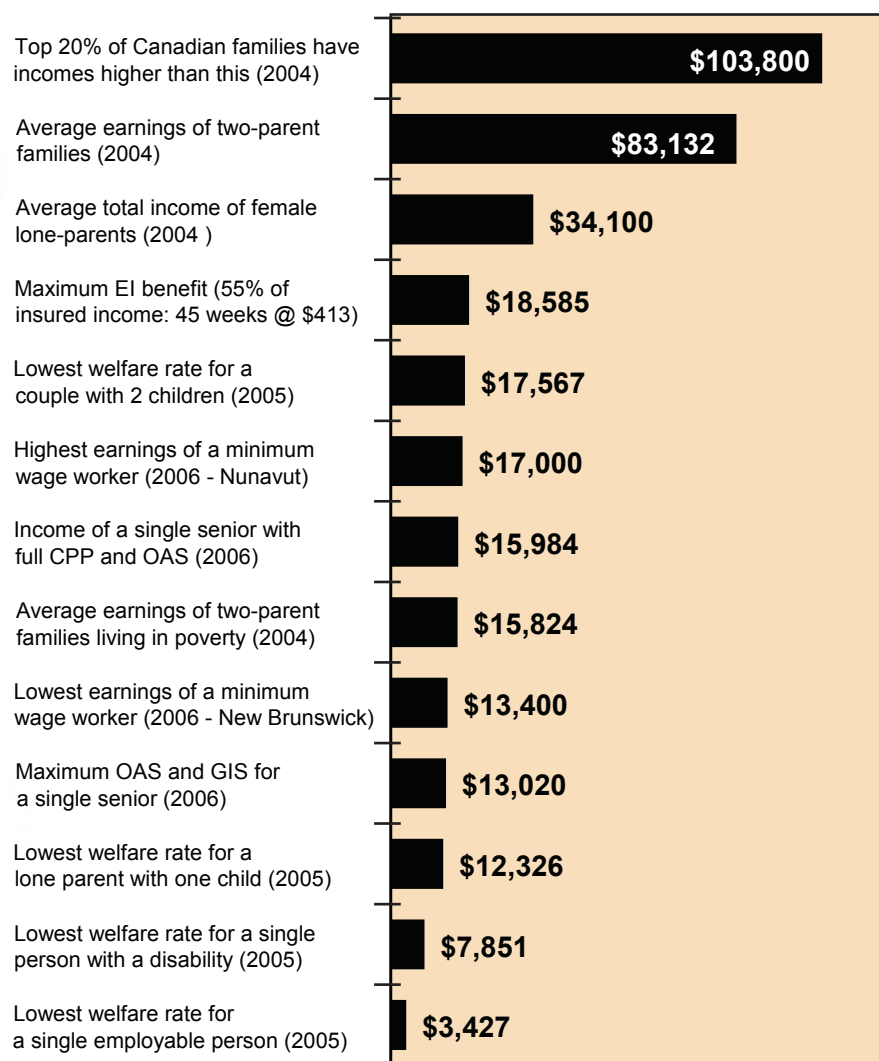
All 2005 welfare incomes examined by the Council were below two-thirds of the poverty line except for one family type in Newfoundland and Labrador. The welfare income of a single employable person did not reach half the poverty line in any province.

WELFARE INCOMES IN CANADA				
	Provincial welfare incomes in 2005		Total welfare incomes as a percentage of the poverty line	
	Lowest	Highest	Provincial average in 2005	Range from 1989-2005
Single employable person	\$3,427	\$8,198	32%	9% - 66%
Single person with a disability <sup>4</sup>	\$7,851	\$12,057	48%	38% - 77%
Lone parent with one child	\$12,326	\$16,181	58%	48% - 81%
Couple with two children	\$17,567	\$21,213	55%	44% - 78%

## HOLES IN THE SOCIAL SECURITY NET ARE GETTING BIGGER

- Fewer people are protected by Employment Insurance—in 1990, 80% of the unemployed received benefits. Today, it is only about 40%.
- Fewer people can qualify for welfare. At the same time, welfare incomes are increasingly inadequate to meet families' needs.
- The supply of affordable and subsidized housing is far below demand. In Toronto, for example, you can expect to be on the waiting list for approximately one to five years for a bachelor unit, and up to ten years for a one- to five-bedroom home.<sup>5</sup>
- There has been an explosion of food banks. From 1989 to 2006, the number of food banks in Canada increased from 159 to 649.

## Who gets what?



<sup>1</sup> For more information about the different poverty lines, see the Council's report *Poverty Profile 2002 and 2003*, Appendix A. [http://www.ncwcnbes.net/documents/researchpublications/ResearchProjects/PovertyProfile/2002-03Report\\_Summer2006/ReportENG.pdf](http://www.ncwcnbes.net/documents/researchpublications/ResearchProjects/PovertyProfile/2002-03Report_Summer2006/ReportENG.pdf)

<sup>2</sup> Using Statistics Canada's before-tax low income cut-offs (LICOs). After-tax LICOs are not available for Census data.

<sup>3</sup> Statistics Canada. *Income Trends in Canada 1980-2005*. Catalogue No. 13F0022XCB.

<sup>4</sup> Most single persons with a disability in Alberta receive financial assistance through the Assured Income for the Severely Handicapped (AISH) program. AISH rates are higher than regular welfare rates.

<sup>5</sup> Housing Connections, <http://www.housingconnections.ca/HousingInfo/faqs.asp#Q2>

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