

Census in Brief

Children living in low-income households

Census of Population, 2016

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- | | |
|----------------|--|
| . | not available for any reference period |
| .. | not available for a specific reference period |
| ... | not applicable |
| 0 | true zero or a value rounded to zero |
| 0 ^s | value rounded to 0 (zero) where there is a meaningful distinction between true zero and the value that was rounded |
| ^p | preliminary |
| ^r | revised |
| x | suppressed to meet the confidentiality requirements of the <i>Statistics Act</i> |
| ^E | use with caution |
| F | too unreliable to be published |
| * | significantly different from reference category ($p < 0.05$) |

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Highlights

- Nearly 1.2 million Canadian children younger than 18 (17.0%) lived in a low-income household in 2015.
- Children whose family shared a dwelling with others were less likely to be in low income, especially children in lone-parent families.
- Alberta, with high employment and median income, had the lowest rate of children living in low-income households. Quebec, with high government benefits to families with children, was the only province where children were less likely to live in low-income households than adults.
- Among large urban centres, Windsor, Ontario, had the highest rate of children living in low-income households.

Introduction

The well-being of children has long been a priority for Canadians. In 1893, Ontario enacted the first comprehensive child welfare legislation in Canada, and, in 1944, Canada introduced the *Family Allowance Act*, which provided universal benefits for every child. In 1989, the House of Commons resolved to eliminate child poverty by the year 2000. Poverty reduction legislation has also been adopted more recently in many provinces and territories.

Under various government programs, Canadian families receive significant financial support for children, and Canada has made important progress in alleviating child poverty since the mid-1990s. Although there is no single agreed-upon measure of poverty in Canada, it is well known that having low income is a major aspect of living in poverty.

A key purpose of the census is to provide information on small population groups, both in terms of geography and in terms of demographic characteristics. This article focuses on persons who were younger than 18 at the time of the 2016 Census and living in low-income households.

Low income in this Census in Brief article is determined using the after-tax low-income measure (see "[Data sources, methods and definitions](#)"). A person living alone had low income if his or her after-tax income was under \$22,133, while persons in a household of four had low income if the household's after-tax income was under \$44,266.

Children represent almost one-quarter of low-income persons in Canada

There were 4.8 million Canadians living in a low-income household in 2015, of whom 1.2 million (nearly one in four) were children. The proportion of low-income persons who are children has been dropping since the mid-1990s, when close to one in three low-income persons were younger than 18. While the share of children in the population has decreased since the mid-1990s, their share in the low-income population has decreased faster.

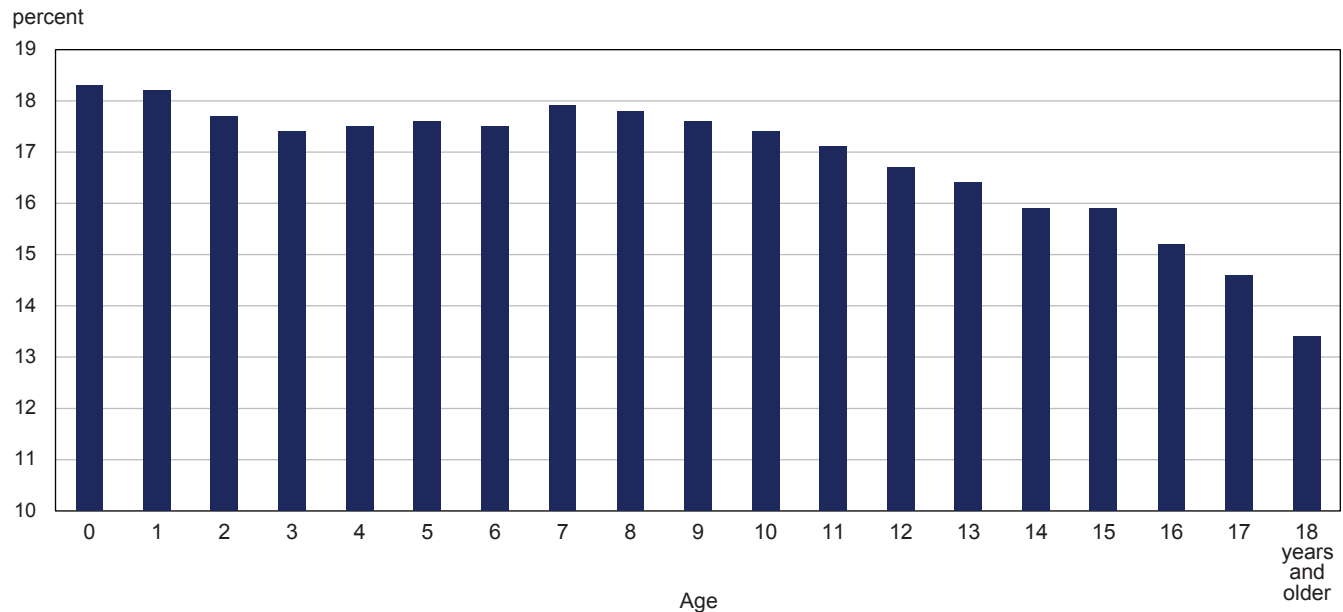
One of the factors underlying this improvement was the introduction of various family-related programs, such as the Canada Child Tax Benefit. The average child benefit received by families has nearly doubled since the mid-1990s.

While children made up a smaller proportion of the low-income population, the incidence of living in a low-income household remained higher for children than adults in 2015. Nearly 1.2 million out of 6.8 million Canadian children lived in a low-income household, a rate of 17.0%. For adults (aged 18 and older), the low-income rate was 13.4%.

Children living in low-income households

Younger children were more affected by low income, partly because the earnings of new mothers tend to drop in the year of childbirth and for several years thereafter.¹ While 15.9% of children aged 11 to 17 lived in a low-income household, for children younger than 6 this rate climbed to 17.8%. Among all children, the lowest incidence of living in a low-income household was for 17-year-olds (14.6%), and the highest was for children under 1 year of age at the time of the 2016 census (18.3%).

Chart 1
Persons living in low-income households, by age, Canada, 2015



Source: Statistics Canada, Census of Population, 2016.

Children living in a lone-parent family are more than three times as likely to live in a low-income household as children in a two-parent family

Beginning in the late 1990s, low-income rates for lone-parent families started to drop as a result of increased employment, combined with enhanced child care support and the introduction of the national child tax benefit program.² Despite this decline, nearly two in five children in lone-parent families (or 38.9%) lived in a low-income household in 2015. This rate was three and a half times higher than for children in two-parent families (11.2%).

Furthermore, the vast majority of children living in a lone-parent family lived with their mother. The low-income rate for these children was much higher than for children who lived with their father (42.0% compared with 25.5%).

1. Grimshaw, D. and J. Rubery. 2015. *The Motherhood Pay Gap: A Review of the Issues, Theory and International Evidence*. Conditions of Work and Employment Series No. 57. Geneva, Switzerland. International Labour Office.
2. J. Richards. 2010. *Reducing Lone-parent Poverty: A Canadian Success Story*. C.D. Howe Institute Commentary No. 305. Toronto. C.D. Howe Institute.

Children living in low-income households

The likelihood of living in a low-income household increases with the number of children under 18 in the family

The low-income rate for children who lived in a two-parent family with no other siblings under 18 was 9.0% in 2015. This rate was substantially higher, at 16.4%, for children who lived in a two-parent family that had three or more children.

Among children who lived in a lone-parent family, the low-income rate was 30.5% when the family included only one child. The rate increased to 37.2% when there were two children in the family and to 55.1% when the number of children rose to three or more.

Table 1
Persons less than 18 years of age living in low-income households, by family structure and household living arrangements, Canada, 2015

Family structure and household living arrangements	Percentage of children in low-income households	Number of children in low-income households	Total number of children
Family type			
Two-parent family	11.2	602,850	5,389,300
Lone-parent family	38.9	531,295	1,366,485
Lone-mother family	42.0	465,040	1,106,255
Lone-father family	25.5	66,255	260,235
Persons not in census families	36.8	29,680	80,590
Family type and number of children in family¹			
Two-parent family with children aged 0 to 17 years			
One child	9.0	106,690	1,183,175
Two children	8.8	221,330	2,529,205
Three or more children	16.4	274,085	1,675,450
Lone-parent family with children aged 0 to 17 years			
One child	30.5	154,790	507,580
Two children	37.2	201,545	541,270
Three or more children	55.1	174,955	317,635
Household living arrangements and family type¹			
One-family household	17.7	1,037,395	5,845,170
Two-parent family	11.7	559,205	4,798,185
Lone-parent family	45.7	478,195	1,046,980
Household shared with other persons			
Two-parent family	7.4	43,650	591,115
Lone-parent family	16.6	53,105	319,505

1. Only selected living arrangements are included in this section. In particular, persons younger than 18 living in a couple without any children of their own or not living in a census family are not presented in this grouping.

Source: Statistics Canada, Census of Population, 2016.

Children whose family shares a dwelling with others are less likely to live in a low-income household

Low-income rates also change with different household living arrangements.³ For many families, sharing a dwelling with others might mean sacrificing some privacy, but they may benefit by sharing some of the living costs.

Census data show that over 5.8 million Canadian children lived in a one-family household and close to 911,000 children lived in a family that shared a dwelling with others. In 2015, 17.7% of children in a one-family household had low income, compared with 10.6% of children whose families shared a dwelling with others.

The low-income rate for children whose family shared a dwelling with others was lower regardless of the family type. The low-income rate for children who lived in a two-parent family household without sharing was 11.7%, while the rate for children living in a two-parent family that shared the dwelling with others was 7.4%.

But the gap was more pronounced among children in lone-parent families. Among the children whose family lived alone, the low-income rate was 45.7%, compared with 16.6% for children in a lone-parent family that shared a dwelling with others.

Alberta has the lowest rate of children living in low-income households, while Quebec is the only province where children are less likely than adults to live in low-income households

The rate of children living in low-income households varied significantly across the country in 2015.

The rate of children living in low-income households was generally higher in the Eastern provinces. Nova Scotia and New Brunswick recorded the highest rates of all the provinces, at 22.2%, while energy-booming Alberta had the lowest rate of children living in low-income households, at 12.8%.

Despite having the second-lowest median household income in Canada, Quebec had the second-lowest rate of children living in low-income households after Alberta. This may be due in part to Quebec having lower child care costs and higher child benefits per family than any other province.⁴ Quebec was also the only province where children were less likely to live in low-income households than adults (14.3% of children, compared with 14.7% of adults).

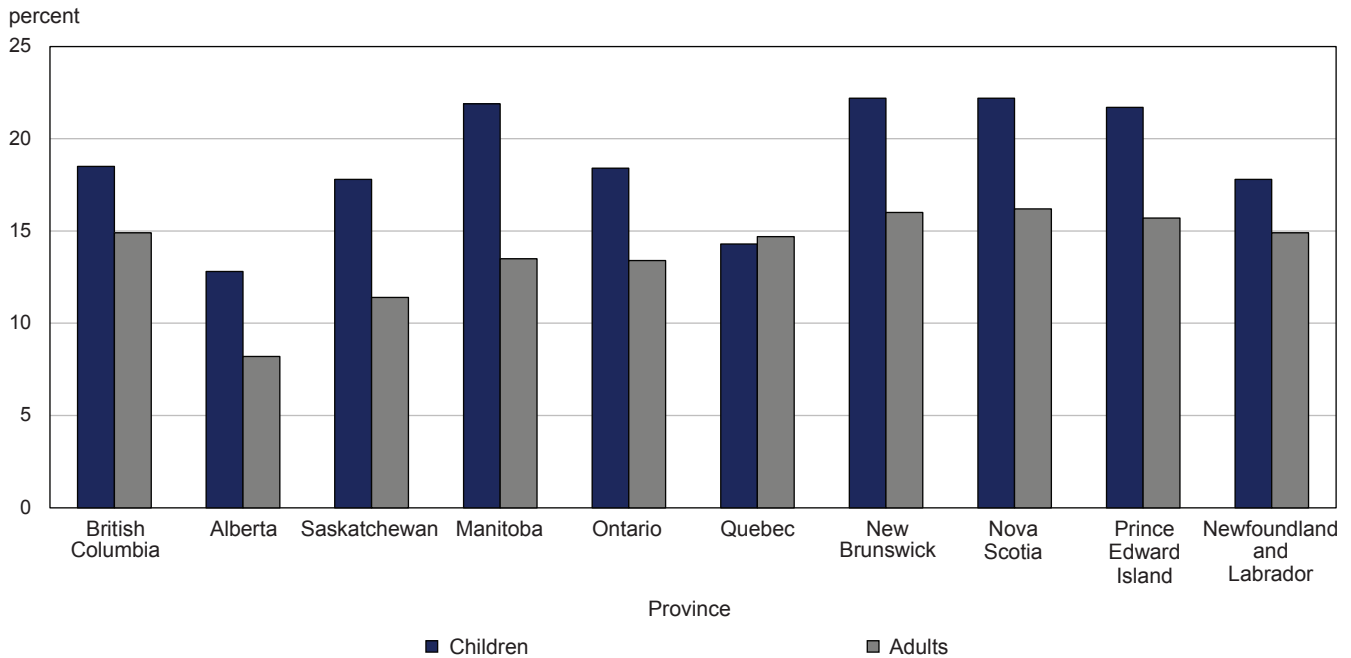
Conversely, the gap between children and adults living in low-income households was widest in Manitoba (21.9% of children, compared with 13.5% of adults), followed by Saskatchewan (17.8%, compared with 11.4%) and Alberta (12.8%, compared with 8.2%).

3. M. Iacovou. 2013. *Household Composition, Poverty and Hardship Across Europe*. Eurostat Statistical Working Papers. Luxembourg. Eurostat.

4. M. Sinha. 2014. *Child Care in Canada*. Spotlight on Canadians: Results from the General Social Survey. Statistics Canada Catalogue no. 89-652-X – No. 5. Ottawa. Statistics Canada.

Children living in low-income households

Chart 2
Low-income rates for children and adults, by province, 2015



Source: Statistics Canada, Census of Population, 2016.

Among large urban centres, Windsor, Ontario, has the highest rate of children living in low-income households

The rates of children living in low-income households varied more at lower levels of geography—census metropolitan areas (CMAs) and census agglomerations (CAs)—than at the provincial level.

In 2015, in 7 of the country's 35 large urban centres, or CMAs, at least one in five Canadian children was living in a low-income household.

Windsor, Ontario, had the highest rate, with nearly one in four children (24.0%) living in a low-income household. This is consistent with the fact that the median household total income in Windsor dropped 6.4% between 2005 and 2015, the largest decline of any large city.

The six other CMAs where more than one in five children was living in a low-income household were Saint John and Moncton, New Brunswick; London, St. Catharines–Niagara and Belleville, Ontario; and Winnipeg, Manitoba. In these CMAs, the rate of children living in a low-income household varied between 20.3% and 23.1%.

In contrast, 8.3% of children in the CMA of Québec lived in a low-income household. This rate was almost three times lower than in Windsor. Other rates that were noticeably below the national rate of 17.0% were recorded in Saguenay, Quebec; Calgary and Edmonton, Alberta; and Guelph and Oshawa, Ontario.

The differences in the rates of children living in low-income households were even larger between CAs than between CMAs. Petawawa, Ontario, had the lowest rate among CAs, at 5.0%. In contrast, the rate of children living in a low-income household was almost seven times higher in Hawkesbury, Ontario and Quebec (34.6%).⁵

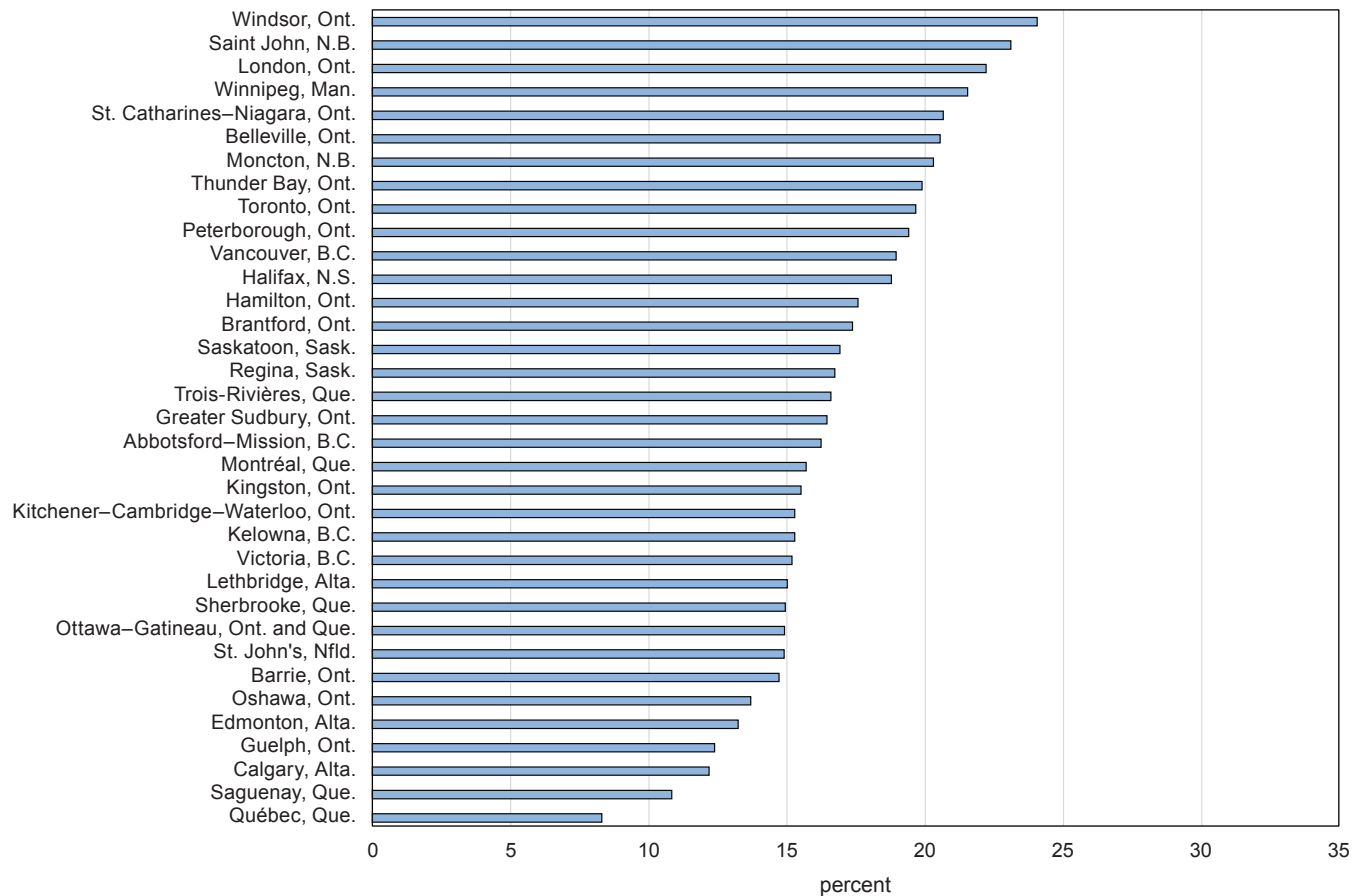
5. About 85% of residents in the Hawkesbury CA lived in Ontario, the rest in Quebec.

Children living in low-income households

Chart 3

Rate of children living in low-income households by census metropolitan area (CMA), 2015

CMA



Source: Statistics Canada, Census of Population, 2016.

Data sources, methods and definitions

Data sources

The data in this analysis are from the 2016 Census of Population. Further information on the census can be found in the [Guide to the Census of Population, 2016](http://www12.statcan.gc.ca/census-recensement/2016/ref/98-304/index-eng.cfm) (<http://www12.statcan.gc.ca/census-recensement/2016/ref/98-304/index-eng.cfm>), Catalogue no. 98-304-X.

Specific information on the quality and comparability of census data on income can be found in the [Income Reference Guide, Census of Population, 2016](http://www12.statcan.gc.ca/census-recensement/2016/ref/guides/004/98-500-x2016004-eng.cfm) (<http://www12.statcan.gc.ca/census-recensement/2016/ref/guides/004/98-500-x2016004-eng.cfm>), Catalogue no. 98-500-X2016004.

Methods

Random rounding and percentage distributions: To ensure the confidentiality of responses collected for the 2016 Census, a random rounding process is used to alter the values reported in individual cells. As a result, when these data are summed or grouped, the total value may not match the sum of the individual values, since the total and subtotals are independently rounded. Similarly, percentage distributions, which are calculated on rounded data, may not necessarily add up to 100%.

Because of random rounding, counts and percentages may vary slightly between different census products, such as the analytical documents, highlight tables and data tables.

Definitions

In this Census in Brief article, [low income](http://www12.statcan.gc.ca/census-recensement/2016/ref/dict/fam021-eng.cfm) (<http://www12.statcan.gc.ca/census-recensement/2016/ref/dict/fam021-eng.cfm>) is calculated using the after-tax low-income measure (LIM) for individuals living in the 10 provinces. Institutionalized persons, persons living in collective dwellings and persons living on Indian reserves are excluded.

Individuals are defined as having low income if the after-tax income of their household falls below half of the median adjusted household after-tax income. Adjusted household income is calculated using the income of a household divided by the square root of the household size. The median income is the amount that divides the income size distribution into two equal parts.

In 2015, the after-tax LIM threshold for one-person households was \$22,133. For other household sizes, the threshold is equal to the one-person threshold multiplied by the square root of the household size. For example, the after-tax LIM threshold for a household with two members was \$31,301; with four members, it was \$44,266.

The term “child” in this Census in Brief article refers to children by birth, marriage, common-law union or adoption who are living in the same dwelling as their parent(s), as well as grandchildren in households where no parents are present, and were younger than 18 years of age at the time of the census. The term “family” refers to the [census family](http://www12.statcan.gc.ca/census-recensement/2016/ref/dict/fam004-eng.cfm) (<http://www12.statcan.gc.ca/census-recensement/2016/ref/dict/fam004-eng.cfm>), which consists of a married or common-law couple with or without children, or of a lone parent with at least one child living in the same dwelling. The term “household” (<http://www12.statcan.gc.ca/census-recensement/2016/ref/dict/households-menage007-eng.cfm>) refers to a single person, to one or more census families sharing a dwelling, or to unrelated persons sharing a dwelling.

The income data collected in the 2016 Census of Population represent the income of the previous year (2015). The data on family and household status and size, and on geographical characteristics, were collected close to the census reference date of May 10, 2016, and represent that date.

Please refer to the [Dictionary, Census of Population, 2016](http://www12.statcan.gc.ca/census-recensement/2016/ref/dict/index-eng.cfm) (<http://www12.statcan.gc.ca/census-recensement/2016/ref/dict/index-eng.cfm>), Catalogue no. 98-301-X, for additional information on the census variables.

Additional information

Additional analysis on income can be found in *The Daily* (<http://www.statcan.gc.ca/daily-quotidien/170913/dq170913a-eng.htm>) of September 13, 2017, and in the Census in Brief article entitled *Household contribution rates for selected registered savings accounts* (<http://www12.statcan.gc.ca/census-recensement/2016/as-sa/98-200-x/2016013/98-200-x2016013-eng.cfm>), Catalogue no. 98-200-X2016013.

Additional information on income can be found in the *Highlight tables* (<http://www12.statcan.gc.ca/census-recensement/2016/dp-pd/hltfst/inc-rev/index-eng.cfm>), Catalogue no. 98-402-X2016006; the *Data tables* (<http://www12.statcan.gc.ca/census-recensement/2016/dp-pd/dt-td/Lp-eng.cfm?LANG=E&APATH=3&DETAIL=0&DIM=0&FL=A&FREE=0&GC=0&GID=0&GK=0&GRP=1&PID=0&PRID=10&PTYPE=109445&S=0&SHOWALL=0&SUB=0&Temporal=2016&THEME=119&VID=0&VNAMEE=&VNAMEF=>), Catalogue nos. 98-400-X2016097 to 98-400-X2016131; the *Census Profile* (<http://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/index.cfm?Lang=E>), Catalogue no. 98-316-X2016001; and the *Focus on Geography Series* (<http://www12.statcan.gc.ca/census-recensement/2016/as-sa/fogs-spg/Index-eng.cfm>), Catalogue no. 98-404-X2016001.

Thematic maps (<http://www12.statcan.gc.ca/census-recensement/2016/geo/map-carte/ref/thematic-thematiques/inc-rev/thematic-thematiques-eng.cfm>) for this topic are also available for various levels of geography.

An infographic entitled *Income in Canada, 2016 Census of Population* (<http://www.statcan.gc.ca/pub/11-627-m/11-627-m2017026-eng.htm>) also illustrates some key findings on income trends.

For details on the concepts, definitions and variables used in the 2016 Census of Population, please consult the *Dictionary, Census of Population, 2016* (<http://www12.statcan.gc.ca/census-recensement/2016/ref/dict/index-eng.cfm>), Catalogue no. 98-301-X.

In addition to response rates and other data quality information, the *Guide to the Census of Population, 2016* (<http://www12.statcan.gc.ca/census-recensement/2016/ref/98-304/index-eng.cfm>), Catalogue no. 98-304-X, provides an overview of the various phases of the census, including content determination, sampling design, collection, data processing, data quality assessment, confidentiality guidelines and dissemination.

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