



# Poverty Trends 2017

**1 in 7**  
people in Canada  
live in poverty.  
That is **13.9%** or  
**4.8 million people.**<sup>i</sup>



**“The complex reality of poverty in Canada requires a comprehensive, rights-based response. Ultimately, policy must be grounded in the dignity of all people and the well-being of individuals and communities.”**

Source: Statistics Canada. Table 111-0015 – Family Characteristics Low Income Measures (LIM) by family type and family composition, annual. Low Income Measure (After-Tax) 2015 income year.

# Who is most impacted by poverty?

Data on poverty rates in Canada are an essential part of understanding the complex reality of poverty. However, poverty also involves social, economic, political, and cultural marginalization, with impacts on self-worth, spiritual vitality, and the well-being of communities. Multiple barriers increase the vulnerability to poverty.

## Most adults living in poverty in Canada are employed.

**14.7%**  
of working-age adults  
live in poverty.



**33.7%**  
of single working-age  
adults live in poverty.

Working-age adults, particularly those facing multiple barriers, are often overlooked and have limited policy supports, even though they experience high poverty rates.

- 51% of people living in poverty are part of the Canadian workforce; 37% of low-income families are considered “working poor” with at least 910 hours of employment annually (approximately 18 hrs/week).<sup>ii</sup>
- The persistent reality of precarious employment, or employment that is insecure and lacking in benefits or other protections, leaves working-age adults at further risk of poverty.<sup>iii</sup>
- Youth (15-24) and women are over-represented in precarious work, along with racialized people, Indigenous people, immigrants, people with disabilities, and older working-age adults.<sup>iv</sup>
- Low Employment Insurance benefits and eligibility, insufficient Working Income Tax Benefits, and shockingly inadequate provincial and territorial social assistance benefits,<sup>v</sup> represent significant gaps in available policy supports.

**“While the depth of poverty is primarily a story of inadequate provincial social assistance, the breadth of poverty is equally a low-wage story. Most of the poor in Canada are not on social assistance. Millions of Canadians struggle with underemployment and precarious work.”**

—CCPA, *Alternative Federal Budget*, 2017

## People with disabilities are highly vulnerable to poverty, particularly those facing multiple discriminations.

There is a range of challenges that people with disabilities face that vary widely depending on disability types, family composition, and intersectional discriminations (gender, racial, sexual orientation, etc.). These contribute to an ongoing vulnerability to poverty.

- People with combined physical and cognitive/mental disabilities are highly vulnerable to poverty.<sup>vii</sup>
- The median income for people with disabilities is almost half of the median income of those without disabilities (57%).<sup>viii</sup>
- In its report on Canada, the United Nations Committee on the Rights of Persons with Disabilities states that improvements are needed in addressing multiple discriminations when it comes to poverty among women with disabilities, Indigenous people with disabilities, and families with children who have disabilities.<sup>ix</sup>



**23%**

**of people with disabilities live in poverty (aged 25-64)<sup>vi</sup>**

**“In 2014, unattached people aged 45 to 64 with a disability and lone parents with a disability accounted for nearly one quarter of the total low-income population. In contrast, both groups accounted for 3% of the non-low-income population.” —Katherine Wall, Statistics Canada 2017**

## Children and single-parent households, predominantly female-led, struggle with high poverty rates and inconsistent access to care.

**17.4%**

**Children**



**43.4%**

**Children in single-parent families**



**32.4%**

**Single-parent families**



Child and family poverty persists at high rates, particularly in single-parent households, in spite of a commitment made in Parliament in 1989 to end child poverty in Canada by 2000.

- Single-parent families are most often female-led (80%), and of these households, Indigenous women, racialized women, and women with disabilities have higher poverty rates.<sup>x</sup>
- Though the Canada Child Benefit, implemented in 2016, has the potential of reducing child poverty,<sup>xi</sup> improvements are needed. These include immediate indexation to inflation, improving take up by Indigenous communities, and addressing barriers to new immigrants, refugees and refugee claimants.<sup>xii</sup>
- Affordable, high-quality childcare remains out of reach for most families, further marginalizing children from equal access to quality care and women from the workforce.<sup>xiii</sup>

## High poverty rates for Indigenous people are part of the continued legacy of colonization.

Data on poverty rates in Indigenous communities, specifically on-reserve and in territories, is limited. This not only compromises our understanding of poverty in Indigenous communities, but also impacts overall poverty rates in Canada.<sup>xiv</sup> It is clear, however, that Indigenous communities are among the most marginalized, facing ongoing and persistent barriers.

- Indigenous people continue to suffer the impacts of colonization and cultural genocide<sup>xv</sup> through the legacy of residential schools, forced migration, and intergenerational trauma.
- Due to barriers involved with tax filing,<sup>xvi</sup> many Indigenous households are not accessing the Canada Child Benefit,<sup>xvii</sup> which could significantly improve child poverty rates. Indigenous children continue to experience high rates of poverty, physical and mental health challenges, and lack of equal access to care and to education.<sup>xviii</sup>
- Indigenous communities have high rates of food insecurity, with Nunavut experiencing the highest rates at 46.8%<sup>xix</sup> (Nunavut's population is 80% Inuit).
- Indigenous communities continue to live in unhealthy conditions with desperate need for improvements to infrastructure to provide safe water<sup>xx</sup> and housing.<sup>xxi</sup>



**23.6%**

**of Indigenous people live in poverty**

## Refugees and refugee claimants remain vulnerable to poverty after settling in Canada.

Newcomers to Canada include a vast range of demographics and income groups. However, some groups are particularly vulnerable to poverty, including people deemed refugees and refugee claimants, whose trauma and persecution prior to arrival is often worsened by further challenges in the settlement process.

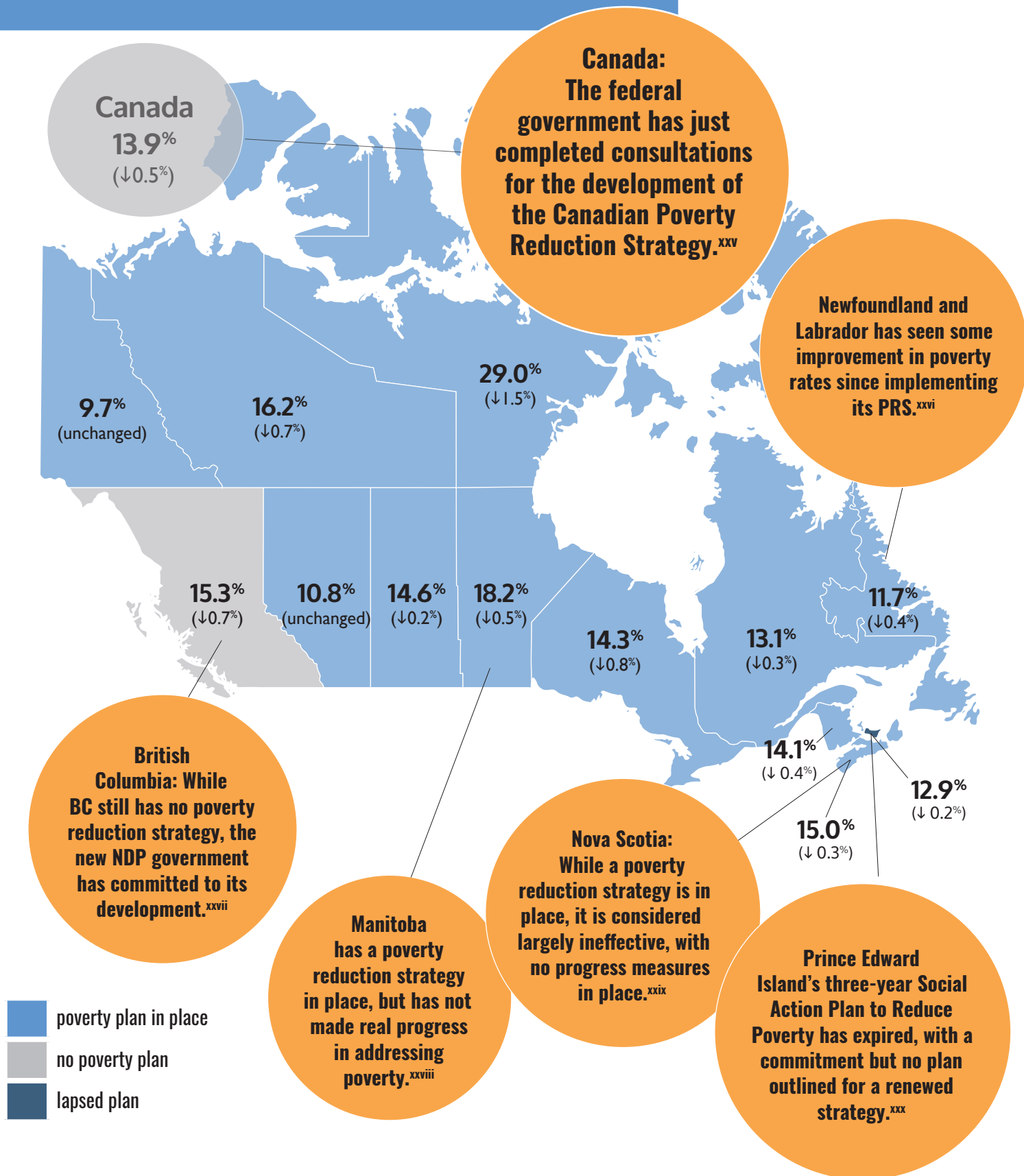
- People who are refugees and claimants have few supports when arriving in Canada. Even those who are sponsored and supported financially for their first year, remain at risk of poverty once these supports have ended.<sup>xxii</sup>
- Access to affordable and safe housing remains a barrier to refugees and claimants, leading to increased homelessness, with entire families sharing single shelter rooms.<sup>xxiii</sup>
- Backlogs in the system of resettlement at multiple stages leads to delays in access to services, education, housing, and employment that would improve well-being and reduce risk of poverty.
- Travel loans that refugees are required to pay back to the government are an additional financial burden, as they are trying to access education and employment.<sup>xxiv</sup>



**31.4%**

**of new immigrants and refugees live in poverty**

# Poverty Rates in Canada

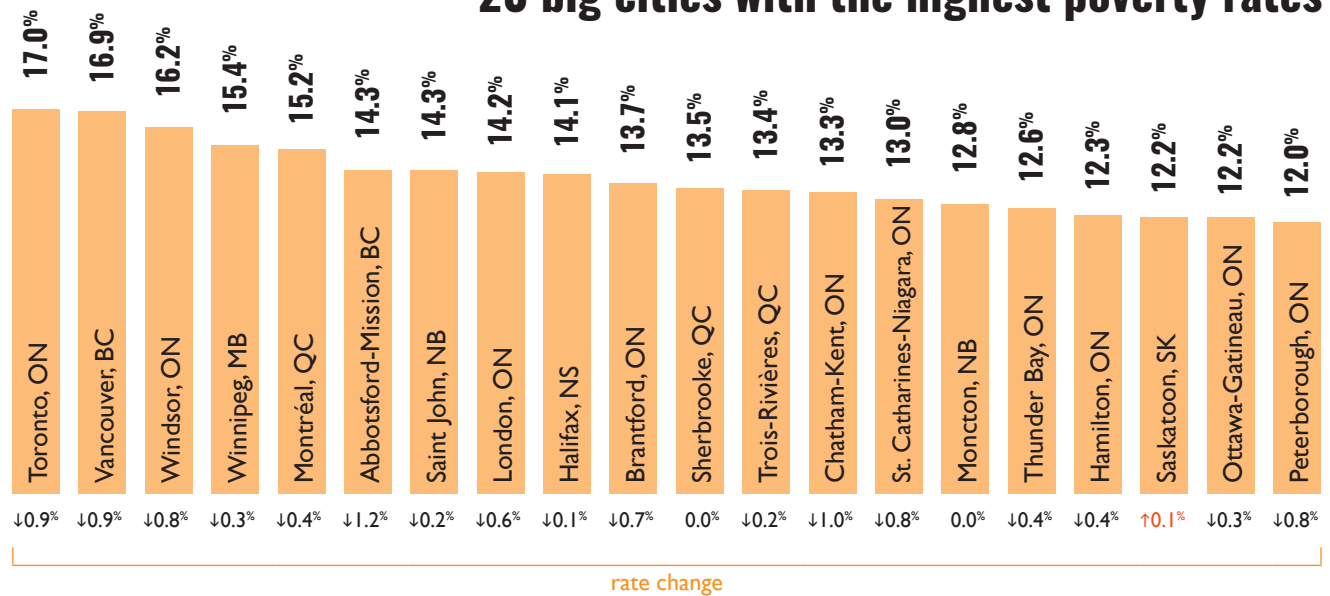


Note: Poverty measure is the After-tax Low Income Measure

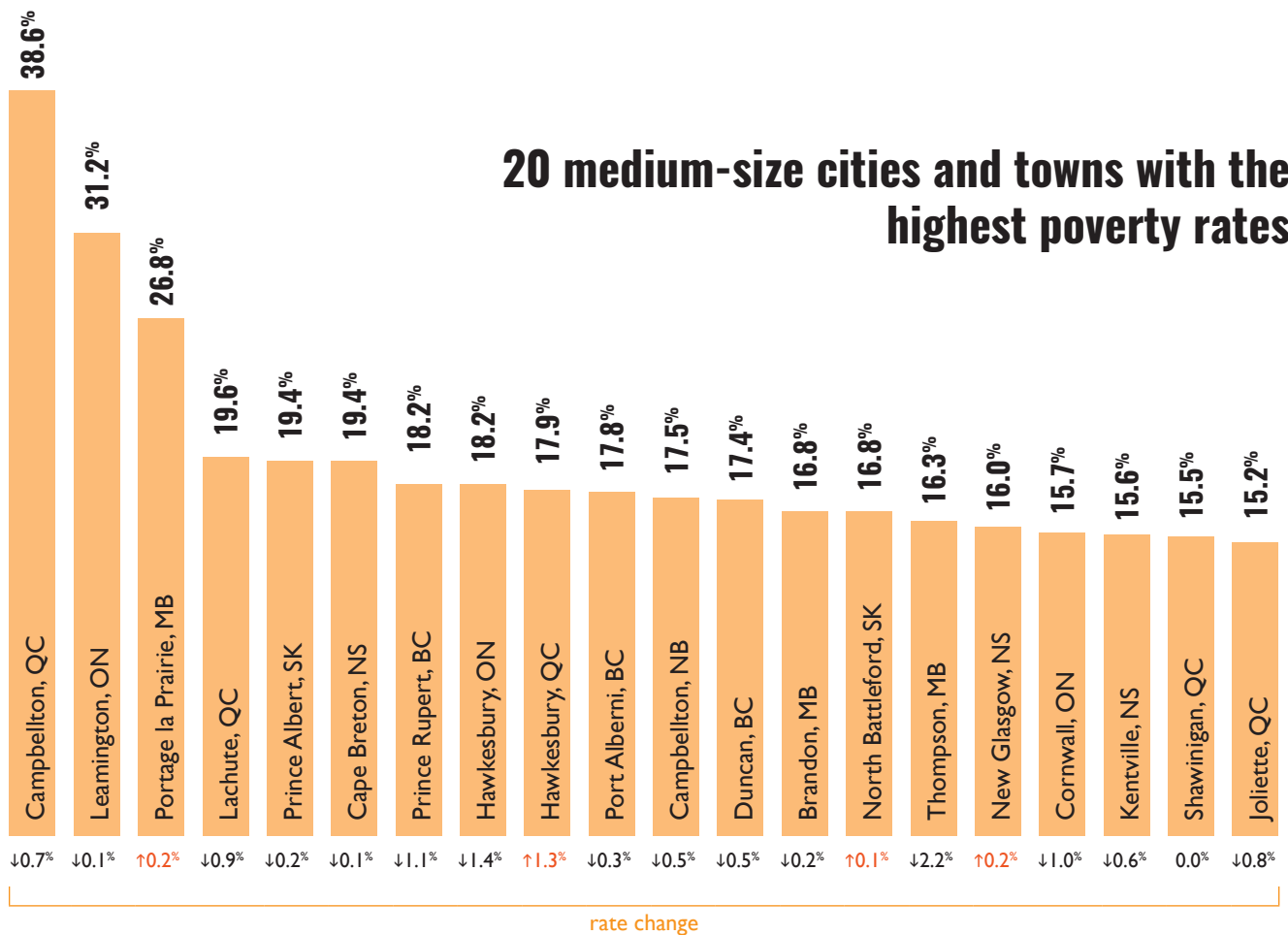
Source: Statistics Canada, Table 111-0015 - Family characteristics, Low Income Measures (LIM), by family type and family type composition, annual.

# Ranking of Poverty Rates Across Municipalities

## 20 big cities with the highest poverty rates



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



# Ending Poverty in Canada

This spring, CPJ and the Dignity for All campaign<sup>xxxi</sup> heard from hundreds of people who took part in consultations for the development of a Canadian Poverty Reduction Strategy (CPRS). We heard that the CPRS must:

- Reframe the conversation, to ensure that the well-being of people living in poverty and their communities are at the centre of the process;
- Involve ongoing consultation with people who have lived experience of poverty, as well as those working in policy, academic, faith-based, and community organizations;
- Partner with Indigenous government and organizations to ensure the most urgent needs are met in ways that engage their communities;
- Include clear targets, timelines, and accountability mechanisms, to ensure full implementation and evaluation;
- Be developed without delay and adequately funded in Budget 2018; and
- Address at minimum six policy areas:



**Income security:** Include the Canada Child Benefit (indexed), Employment Insurance reform that expands eligibility, and improved income benefits to working-age adults and seniors;



**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 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, 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.

Now is the time to ensure a comprehensive, rights-based plan to end poverty in Canada is put in place, with the funding and mechanisms needed to make it work.



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## Endnotes

- i Recent census data (2015) shows variation from taxfiler data in overall poverty rates. This is due to differences in target populations, reference period, sampling and collection methods, and approaches to data processing. This report uses low income estimates based on the Annual Income Estimates for Census Families and Individuals (T1 Family File – T1FF), an administrative data file created primarily from income tax returns submitted to the Canada Revenue Agency (CRA).
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- vi Katherine Wall, "Low income among persons with a disability in Canada," *Statistics Canada*, August 11, 2017: <http://www.statcan.gc.ca/pub/75-006-x/2017001/article/54854-eng.pdf>. Based on the 2014 Longitudinal and International Study of Adults (LISA).
- vii Council of Canadians with Disabilities: <http://www.ccdonline.ca/en/socialpolicy/>
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- xiii CCPA, *Alternative Federal Budget*, 2017.
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- xxx Caledon Institute, *Poverty Reduction Strategy Summary*, Prince Edward Island, 2016: <http://www.canadasocialreport.ca/PovertyReductionStrategies/PE.pdf>
- xxxi Dignity for All: A campaign to end poverty in Canada is co-led by Citizens for Public Justice and Canada Without Poverty: <https://dignityforall.ca/>