



Child poverty by federal riding: the work ahead for Canada's next Parliament

October 7, 2019



Introduction

For 30 years, Campaign 2000 has been monitoring the state of child and family poverty in Canada. In the lead up to the federal election, Campaign 2000 has mapped the prevalence of child poverty by federal riding from coast to coast to coast. The interactive map, produced in partnership with the Canadian Centre for Policy Alternatives, and this corresponding report is the second update to the initial 2015 report. Using the most recent data available, this interactive map shows the rate of child poverty by federal electoral district along with socio-economic indicators, allowing users to get a snapshot of state of child poverty by federal riding. Readers can also view demographic characteristics that are associated with high poverty rates in each riding.

This update shows that while there is an important trend downwards in the rate of child poverty across the country since 2015, a significant number of children remain in poverty in every federal riding across Canada. The latest data continue to paint a stark portrait of inequality with high- and low-income families living in close proximity while divided by wide social and economic gaps that leave too many children hungry, sick and stressed beyond what is expected or acceptable for children.

Federal ridings with the highest levels of child and family poverty are home to a higher proportion of Indigenousⁱ, racialized and immigrant community members and lone parent led families. This correlation signals the persistence of discrimination and systemic inequalities that drive higher unemployment, lower labour market participation rates and higher proportions of renters and people spending more than 30% of their income on housing.

The presence of child and family poverty in every riding in Canada demands for it to be a priority issue for every party this election, with a commitment to strong and decisive federal action. Clearly, every community, every candidate and all political parties have a stake in the eradication of poverty.

Child and Family Poverty in Canada

Canada enjoys status as one of the wealthiest nations in the world. Yet unacceptably, nearly 1.4 million children continue to live in poverty in Canada. The deepest level of poverty is found among First Nations communities. The legacy of genocide and ongoing colonialism produce structural barriers that result in 37.9% of First Nations children living in poverty. Of all Indigenous communities, status First Nation children experience the highest level of poverty with 53% living in poverty in First Nations communities on reserve and 41% living in poverty in all other communities. This is compared to 35% recent immigrant children and 12% of non racialized, non-Indigenous children living in poverty throughout Canada.

Since 1989, there have been multiple federal all-party resolutions to eliminate child and family poverty and poverty among all persons. Canada ratified the Convention of the Rights of the Child in 1991 and in 2015 adopted the UN's Agenda 2030 for Sustainable Development, a global call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. Canada now has a poverty reduction strategy that was passed into legislation earlier this year, signaling a renewed commitment to eradicating poverty in Canada. Aspects of this legislation are quite disappointing, including targets that are too low, timelines that are too long, the absence of reference to human rights contained in international treaties, and a government-appointed advisory council rather than an all-party committee.

Federal commitment to a strategy alone is not enough. Any incoming government must be guided by the objective of reducing and eradicating poverty in all economic, fiscal, taxation and social policy decision-making



and budgetary priorities. Commitments must be backed up with implementation plans, outcome frameworks, ongoing investments, and transparent evaluation of progress.

Poverty must be measured appropriately so that we do not leave anyone out of the equation

Through the federal strategy, Canada now has an official poverty line, the Market Basket Measure. There are challenges with this measure that include the absence of costed-out baskets for the territories and First Nations communities where Canada has some of the highest prevalence of child and family poverty in the country, as well as the subjectivity of items considered essential for basket calculations. The basket has not been updated since 2010. The current use of it underestimates the cost of living therefore underestimating the rate and prevalence of poverty.

What is of most concern is that the Market Basket Measure is an absolute measure reflecting only the material deprivation component of poverty. Research demonstrates that relative measures like Canada's Low-Income Measure are more comprehensive measures of all aspects of poverty including material deprivation, exposure to harsh environments, social exclusion and stress related to social comparisons and insufficient resources. The Low-Income Measure is much more strongly correlated with the known health, developmental and social effects of poverty. Many children not considered to be living in poverty according to the Market Basket Measure will experience these effects and will be considered living in poverty according to the Low-Income Measure. The federal government has included the Low-Income Measure among the suite of measures used to assess poverty reduction policy.

Given the limitations of the Market Basket Measure, this paper reports on low-income rates based on the most current available data from the T1 Family File (T1FF) 2017^{vii}, which calculates low income based on the tax filings of Canadians, 97% of whom file income tax returns.^{viii} This data set includes First Nations people living on reserve, residents of the territories, residents of collective dwellings such as criminal justice and group home facilities and children under 18 living independently. These groups all tend toward high rates of poverty. The latest census data from 2016 provides a snapshot of the socio-demographics of each riding.

The data in this map are organized into five equal groups called quintiles, ranging from lowest to highest prevalence of child poverty. The highest (fifth quintile) comprises of ridings with child poverty rates ranging from 24.4% to 63.6% and is represented in deep red on the map. Ridings in this group include nearly 1/3 of all low-income children in 2017 and had an average child poverty rate of 32%. The first quintile on the map is comprised of ridings with the lowest prevalence of child poverty and is represented by the colour yellow. Child poverty rates in this quintile range from 5.4% to 13% in 2017 and include more than 175,000 or 13% of all children living in poverty.

Child poverty declining but not in all ridings

From 2015 to 2017, almost 134,000 children were lifted out of poverty, a decline of 9%. Over this period, the national child poverty rate has been reduced from 20.9% in 2015 to 18.7% in 2017.

The reduction in the number of children living in poverty is spread across 308 ridings across the country and range from a high of 24.8% in Scarborough—Guildwood to a mere .1% in the riding of Brampton West. Despite these gains, Scarborough—Guildwood and Brampton West continued to include 6,930 and 7,040 children living in poverty in 2017 respectfully.



Twenty-eight ridings in 7 provinces saw child poverty rates rise from 2015 to 2017. This reflects 4,760 more children living in poverty. The two ridings with the largest increase in child poverty were Saskatoon—University and Saskatoon—Grasswood, which saw the numbers increase by 14.9% and 13.2% respectively.

While the downward trend is encouraging, the dire state of child poverty across Canada continues to demand more urgent action.

Ridings with the Highest Rates of Child Poverty in 2017

As the map shows, ridings in the highest quintile are found in all provinces and territories except for Newfoundland and Labrador and Yukon. While poverty tends to be concentrated in large urban centres, throughout Canada there are many rural ridings with high rates of child poverty. Among these, 5 were in Nova Scotia, 4 in Saskatchewan, 3 each in Manitoba and Ontario, 2 in British Columbia and 1 in New Brunswick.

Churchill—Keewatinook Aski in Manitoba, a rural area predominantly home to numerous First Nations, ix continued to have the highest child poverty rate in Canada at 63.6%. Despite a 3.5% decrease in number since 2015, the riding included 21,750 children living in poverty in 2017.

Similarly, the two urban ridings with the highest concentrations, Winnipeg Centre and Toronto Centre, have also seen modest declines in the number of children living in poverty from 2015 to 2017 at 10.1% and 11.9% respectively. Notwithstanding these positive gains, 40.5% of children in Winnipeg Centre and 39.3% of children in Toronto Centre continue to live in poverty. It is important to note that these ridings are home to large numbers of racialized and immigrant communities, lone-parent families and Indigenous peoples.

Figure 1 shows the ridings in Winnipeg with some of the highest rates of child poverty in the country (Winnipeg Centre and Winnipeg North, illustrated in red), neighbouring ridings with the lowest rates of child poverty (Charleswood—St. James—Assiniboia—Headingley, Kildonan—St. Paul and Provencher, illustrated in yellow).

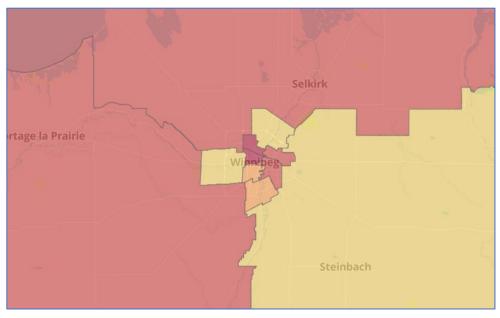


Figure 1



Figure 2 shows that in Toronto, 14 of the 25 federal ridings have the highest rate of child poverty. It also illustrates the trend of poverty moving to the outer suburbs with ridings in Markham and Mississauga also in the highest quintile.

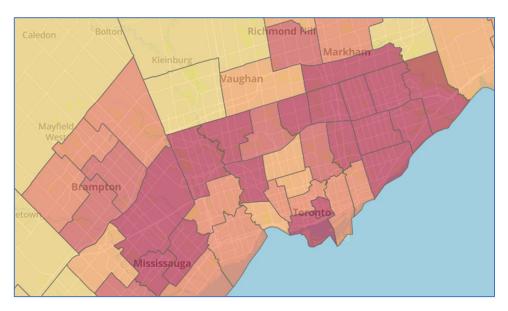


Figure 2

Who lives in the ridings with the highest level of child poverty

Cross-referencing riding by riding census data with T1FF after-tax low-income data shows the ridings with the highest rates of child poverty are also home to the largest proportion of Indigenous people, recent immigrants, racialized people and lone-parent families. People in ridings in the highest quintiles of poverty also have the highest unemployment and lowest labour market participation rates. They also contain the highest proportion of renters and people who pay more than 30% of their income on housing.

The strong correlation between these socio-economic characteristics and the prevalence of child poverty is illustrated in the following section, which compares average rates for ridings in the highest and lowest quintiles. It provides further evidence that child poverty in Canada continues to be an outcome of social inequality.



According to the 2016 Census

Ridings in the highest quintile have a have a higher average percent of immigrants^x at 32. 7%. This is in contrast to ridings in the lowest quintile with 14.3% of immigrants (figure 3).

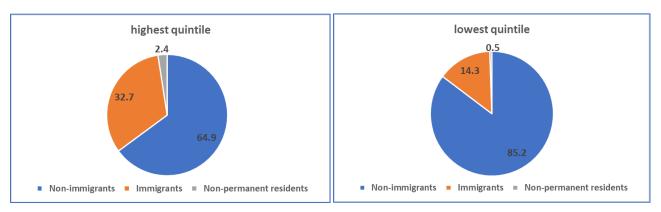


Figure 3

Thirty-seven percent of people in the highest quintile ridings identify as visible minority^{xi} as compared to 13% in the lowest quintile (figure 4).

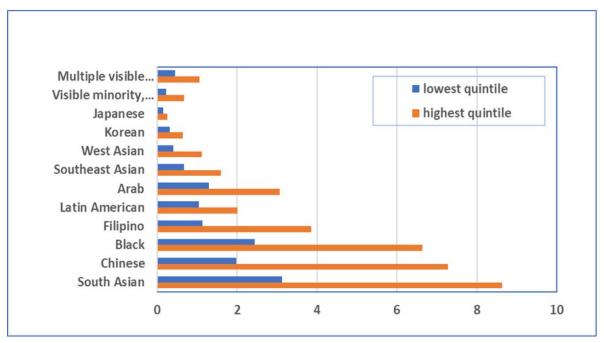


Figure 4



Highest quintile ridings have the largest proportion of lone parent families (21.1%) compared to the lowest quintile with 13.9% lone parent families (figure 5).

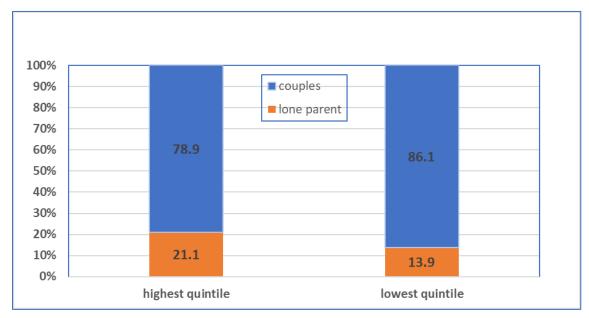
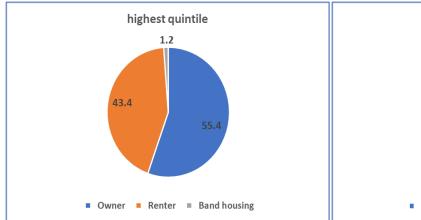
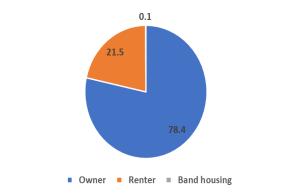


Figure 5

Higher proportion of renters live in the highest quintile (43.4%) as compared to the lowest quintile (21.5%) (figure 6).





lowest quintile

Figure 6



People 15 years and older in the highest quintile have a lower labour market participation rate (62.5%) and a higher unemployment rate (9.7%). This is in contrast to the lowest quintile which has a labour market participation rate of 68.4% and an unemployment rate that matched the national rate in 2016 at 6.1% (figure 7).

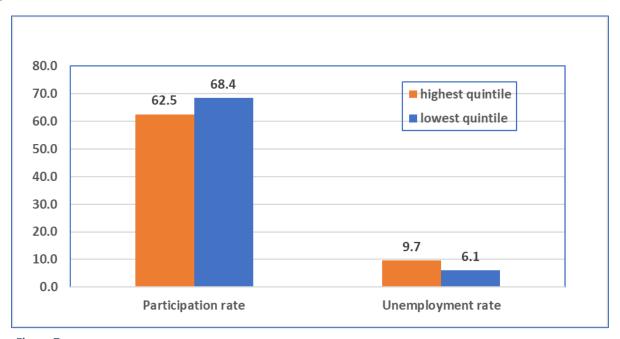


Figure 7

Delivering on commitments to end child and family poverty

Since the implementation of the Canada Child Benefit, there have been important gains made in the reduction of child poverty. Significant as they are, they fall short when an inclusive measurement of poverty is applied. A riding by riding analysis reveals that the benefits are felt unevenly, with child poverty increasing in some ridings. Focused attention must be paid to communities with the highest rates of child poverty.

In particular, any incoming federal government must collaborate with First Nations' and Indigenous organizations to develop plans to prevent, reduce, and eradicate child and family poverty among Indigenous communities.

The elimination of child and family poverty must be a priority for the incoming federal government, which must show leadership by strengthening the Canadian poverty reduction strategy. Following through on national commitments must be accomplished by investing into income security programs, including the Canadian Child Benefit as well as the Dignity Dividend to lift all families and people out of poverty and by building on federal/provincial/territorial/Indigenous early learning and childcare and housing frameworks and agreements.

Place-based and community-driven local frameworks, measurements and indicators to implement strategies and track progress will be essential to ensuring that no one is left behind in efforts to end poverty.



Campaign 2000 has achievable policy recommendations that support efforts to end child poverty. These are detailed in our 2018 national report card, *Bold Ambitions for Child and Family Poverty Eradication*. In September 2019, Campaign 2000 sent a <u>letter</u> to the leaders of each registered federal party leaders asking what their government platforms are in relation to our recommendations. Responses will be analysed and posted on our website, <u>www.campaign2000.ca</u>.

Child and family poverty is a choice and this election, Canadian voters have a choice to end child and family poverty at the voting booth.

Campaign 2000 is a non-partisan pan-Canadian coalition of more than 120 national, provincial and community organizations committed to working together to end child and family poverty in Canada. Family Service Toronto coordinates the coalition and is a proud anchor agency of United Way Toronto. For more information, please visit www.campaign2000.ca

Report Authors: Leila Sarangi and Alan Meisner

Contributors: Sid Frankel and Anita Khanna

Interactive Map: Created by David Macdonald and Katie Raso, Canadian Centre for Policy Alternatives

Special thanks to all of Campaign 2000's National Steering Committee members, dedicated partners and to the families, parents, children and youth advocates across the nation who collaborate with Campaign 2000.

xi According to Statistics Canada "[v]isible minority' refers to whether a person belongs to a visible minority group as defined by the Employment Equity Act and, if so, the visible minority group to which the person belongs. The



ⁱ The umbrella term Indigenous includes the three primary groups with Aboriginal rights as outlined in Canada's constitution. The are: First Nations, Metis, and Inuit. We name First Nations and use the term Aboriginal deliberately in order to be consistent with the language used in cited sources and to maintain the specificity of recommendations and the accuracy of the data as it is being reported.

Statistics Canada. Table 11-10-0018-01 After-tax low income status of tax filers and dependants based on Census Family Low Income Measure (CFLIM-AT), by family type and family type composition. Accessed from: https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110001801

iii Statistics Canada – 2016 Census. Catalogue Number 98-400-X2016173. Statistics Canada notes that "estimates associated with this variable are more affected than most by the incomplete enumeration of certain Indian reserves and Indian settlements in the 2016 population." This means this figure likely underestimates poverty among First Nations People in Canada.

^{iv} Beedie, N., Macdonald, D. and Wilson, D (July 2019). Towards Justice: Tackling Indigenous Child Poverty Rates in Canada. Retrieved from: https://www.thinkupstream.net/first_nations_child_poverty_rates v lbid.

vi Heisz, A. Statistics Canada (July 18, 2019). Income Research Paper Series: An update on the Market Basket Measure comprehensive review.

 $^{^{\}mathrm{vii}}$ There is a 2-year time lag in Statistics Canada data on poverty making data from 2017 the most recent available.

viii Statistics Canada (February 8, 2019). Technical Reference Guide for the Preliminary Estimates from the T1 Family File (T1FF).

ix Indigenous and Northern Affairs Canada (2013). Locations of First Nations Manitoba. Access from: https://www.aadnc-aandc.gc.ca/eng/1100100020558/1100100020563

^{*} Statistics Canada defines "immigrant" as "persons who are, or who have ever been, landed immigrants or permanent residents. Such persons have been granted the right to live in Canada permanently by immigration authorities. Immigrants who have obtained Canadian citizenship by naturalization are included in this category. In the 2016 Census of Population, 'Immigrant' includes immigrants who landed in Canada on or prior to May 10, 2016." Accessed from: https://www12.statcan.gc.ca/census-recensement/2016/ref/dict/pop148-eng.cfm

Employment Equity Act defines visible minorities as "persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in colour". The visible minority population consists mainly of the following groups: South Asian, Chinese, Black, Filipino, Latin American, Arab, Southeast Asian, West Asian, Korean and Japanese. Accessed from: https://www12.statcan.gc.ca/census-recensement/2016/ref/dict/pop127-eng.cfm

