

2019 Report Card on Child and Family Poverty in Nova Scotia

Three decades lost

Lesley Frank and Laura Fisher





CCPA

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CAMPAIGN 2000
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| | |
|----|------------------------------------------------------------------|
| 4 | 2019 Nova Scotia Child and Family Poverty: By the numbers |
| 6 | Introduction |
| 9 | Reporting on poverty |
| 11 | The Record: Tracking Child Poverty 1989–2017 |
| 17 | Child poverty rates within Nova Scotia |
| 20 | Poverty Rates for our Most Vulnerable Children |
| 27 | Families Who Depend on Welfare for Household Income |
| 29 | Depth of poverty |
| 31 | The Effect of Government Benefits |
| 33 | Ending Child and Family Poverty in Nova Scotia |
| 39 | Conclusion |
| 40 | Appendix A |
| 42 | Appendix B |
| 45 | Notes |

2019 Nova Scotia Child and Family Poverty: By the numbers (2017 data)

40,710

The number of children living in poverty in Nova Scotia, which amounts to 24.2% or close to 1 in 4 children.

0.82%

the percentage decrease of children living in low-income circumstances in Nova Scotia since the 1989 promise to end child poverty.

3rd highest

By 2017, Nova Scotia has the third-highest provincial child poverty rate in Canada, and the highest rate in Atlantic Canada.

Worst

Nova Scotia has performed the worst compared to other provinces in Canada in reducing child poverty from 1989 levels.

67,350

The number of children that would be living in poverty if not for government income benefits, which amounts to a 39.5% reduction in child poverty.

8.7%

percentage child poverty was reduced in Nova Scotia since the introduction of the Canada child benefit. The federal government estimated that the CCB would reduce child poverty by 40% between 2013 and 2017, but the rate declined by only 15.8% in Canada overall (according to the CFLIM-AT).

88%

the percentage of the decrease in child poverty in 2017 because of government transfers that can be attributed to the impact of the Canada Child Benefit; Government transfers work, but without more provincial investment, Nova Scotia will continue to fall behind.

100%

percentage of families that rely on government support as their only source of income who live in poverty in Nova Scotia because the amount of support falls far below the poverty line.

66%

percentage of support the government chooses to provide to a lone parent with two children, which means this family is short \$12,498 per year or \$1041 per month to make ends meet according to the poverty threshold.

20.2%

is the child poverty rate in Antigonish, which is lowest child poverty rate in the province when considering Census Divisions. The highest rates are in Cape Breton (34.9%), Annapolis (34%), and Digby (33.1%), where more than 1 in 3 children lived below the LIM-AT.

75%

is the child poverty rate in in the rural postal code of Micmac, which includes the Sipekne'katik First Nations. Fifty postal areas in Nova Scotia have child poverty rates at 30% and higher. The range of rates is quite significant from a low of 4.5% in Fall River, part of the Halifax Regional Municipality.

31%

The child poverty rate for children aged 0–2 years, representing 7,910 infants. The highest rate for any developmental age group.

53.1%

percentage of the children living in lone parent families in Nova Scotia lived below the poverty line (CFLIM-AT).

2 to 3 times higher

There is no new data in this report card on visible minority children or immigrants or off-reserve child of Aboriginal status, however we know that their rates tend to be high. As we previously reported, the 2016 census shows that while the child poverty rate in Nova Scotia for all children using the LIM-AT was 22.2%, over one-third (37.4%) of visible minority children were low-income. For example, 67.8% of Arab children, 50.6% of Korean children, and 39.6% of Black children were low-income compared to 20.3% of non-visible minority children. Census data also shows higher rates of low-income among new immigrant children (56.8%) compared to non-immigrant children (21.2%) and higher rates for off-reserve children of Aboriginal status (25.6%).

Introduction

This House “seek(s) to achieve the goal of eliminating poverty among Canadian children by the year 2000.”

—*House of Commons, November 24, 1989*

IT HAS BEEN 30 years since the all-party resolution in the House of Commons to eliminate poverty among Canadian children by the year 2000. It is also almost 30 years since Canada ratified the UN Convention on the Rights of the Child in 1991. Article 27 of the Convention directs signatories to “recognize the right of every child to a standard of living adequate for the child’s physical, mental, spiritual, moral, and social development.”¹ The Convention also states that parties “shall take appropriate measures to assist parents and others responsible for the child,” and when necessary, “provide material assistance and support programs.”² As we enter the beginning of a new year and of a new decade, we mourn for the generations of children whose parents want nothing more than to provide them with what they need to thrive. As a society in the 10th wealthiest nation in the world we have an obligation, moral and legal, to support these families, to uphold the rights of the child and to end poverty. Unfortunately, a significant number of children remain in poverty across Canada. While the Nova Scotia government challenges the validity of the numbers,³ families continue to struggle under the weight of the stress to meet their daily needs. What will this new year and new decade bring?

Canada now has a poverty reduction strategy, passed into legislation in June 2019 by the federal government, signaling a renewed commitment to reducing if not eradicating poverty in Canada. However, aspects of this legislation disappoint, including weak targets, long timelines, and the absence of reference to economic security as a human right. While there has been an important trend downwards in the national rate of child poverty since 2015, the latest data for Canada continues to reveal stark differences depending on where the family lives in Canada, or within our province, and depending on their social group. High and low-income families are divided by economic and social gaps where privilege and poverty live side-by-side; low-income children face food insecurity while their peers vacation south.

There is evidence before us that we are headed in the right direction in poverty reduction in Canada overall. The evidence, however, paints a less encouraging picture for Nova Scotia based on our most recent poverty statistics. Meanwhile, the Nova Scotia government boasts about the likelihood that 2020 will mark the fourth consecutive year that it has tabled budgets with surpluses.⁴ A surplus really means underspending while thousands of children live in poverty—nothing to boast about. Since Nova Scotia is nowhere near ending poverty, the focus should not be on whether there is a small decrease or increase in the percentage of children living in poverty because that is not the point of these report cards. The data presented in this report demonstrates that the welcomed improvements made by the federal government with the introduction of the Canada Child Benefit in 2016 are not enough to maintain meaningful poverty reduction for children in Nova Scotia. Given the depth of poverty faced by so many families, and complex reasons for poverty rooted in historical inequalities (that lead to low incomes), much more investment in families and children is necessary.

Nova Scotia does not have an official poverty reduction strategy per se, however the government of Nova Scotia committed \$20 million over 4 years to build a Blueprint for Poverty Reduction (2017–2022). This Blueprint takes a social development approach by providing short-term grants for “action-oriented initiatives” that “test innovative ways of addressing poverty.”^{5,6} Additionally, the Department of Community Services has been engaged in a four-year process to improve outcomes for Income Assistance recipients.⁷ Unfortunately, neither offer long-term commitment to income-based poverty reduction benchmarks for families tied to any particular poverty threshold, or ensure the income support measures within its purview will keep pace with the rising cost of living.

This report card profiles the number and percentage of children who live in poverty and provides analysis of how the rates differ by geography, social group, family type, and age. It also reports on the effect of government income support for poverty reduction. It is important to remember there are real families and children behind these statistics. Poverty is not just a measure of inadequate income to meet need. It is realized in food, housing, and transportation insecurity, poor health outcomes, and the frequent despair of ends not meeting due to structurally imposed conditions beyond individual control — i.e. low wages, precarious employment, weak income supports, racial and gender discrimination, continual colonialization, social and geographical isolation, and lack of affordable and accessible early childcare. While charity blossoms in December in the spirit of holiday generosity, the winter months are marked by sparse foodbank shelves, empty oil tanks, layoffs, and thin coats. Charity is not a pathway to upholding human rights to an adequate standard of living, while maintaining individual dignity. Charity, stemming from desperately outdated 16th century Elizabethan Poor Laws, is not a path to social and economic justice for all.

Reporting on poverty

THE NUMBER AND percentage of children living in poverty are important indicators of the health of our province — after all, these children are our future. These report cards, however, provide only quantitative data on child and family poverty. They include no qualitative analysis or contextual profile of how poverty is felt or how different families cope or how community members try to support each other. Appendix B provides an overview of the data sources and measures of poverty (including the thresholds) used in this report card.

There are a few critical points to understand about the data used:

- It is important to understand that the data in these report cards have not been collected by the authors. The federal government collects the data either using surveys done by Statistics Canada (including the Census) or by analyzing data from income tax forms (stripped of personal identity). The data are public, though not all are available via the Statistics Canada website.
- This report primarily uses tax filer data from Statistics Canada's T1 Family File (T1FF)-2017⁸ to report on low income for children (0–17 years of age). When doing so, it therefore uses the CFLIM-AT (Census Family After-Tax Low-Income Measure) measure of low-income status. The CFLIM-AT compares income of a census family to the rest of the population. The CFLIM-AT is a relative measure of poverty that determines poverty thresholds set at 50% of the median Canadian

family income. When other data sources and measures of poverty are used, they are referenced accordingly. For the poverty thresholds based on the CFLIM-AT see *Table 4* in Appendix B and *Table 5* for thresholds based on the Market Basket Measure (MBM). The authors have prepared all figures, tables and related calculations in this report. Sources used to produce figures and tables are noted.

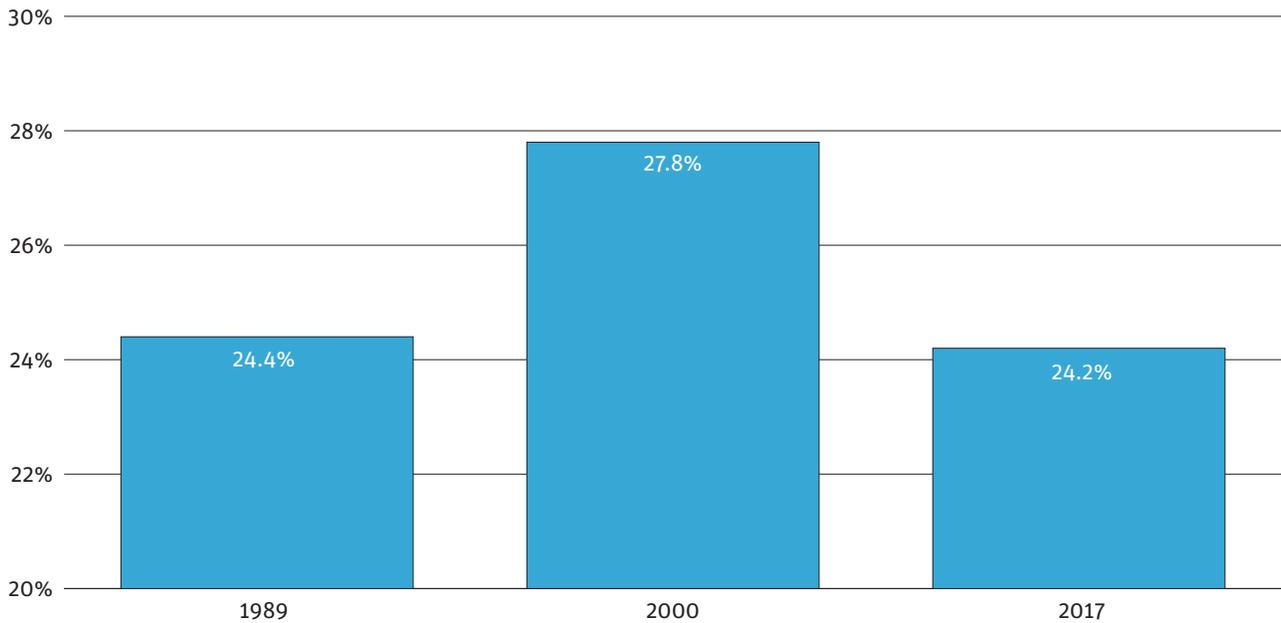
- This report card is the 2019 report card, which uses 2017 data. The data have a two-year lag time, which is the shortest time period for the data to be cleaned, analyzed and prepared for public use by Statistics Canada. There are no data sets that are more up to date for measuring poverty. The 2019 report card was delayed, and therefore there will be two report cards this year with the second one being released in November 2020 (back to the regular schedule).

The Record: Tracking Child Poverty 1989–2017

Less than 1% decrease in Child Poverty Rate since the promise to end child poverty

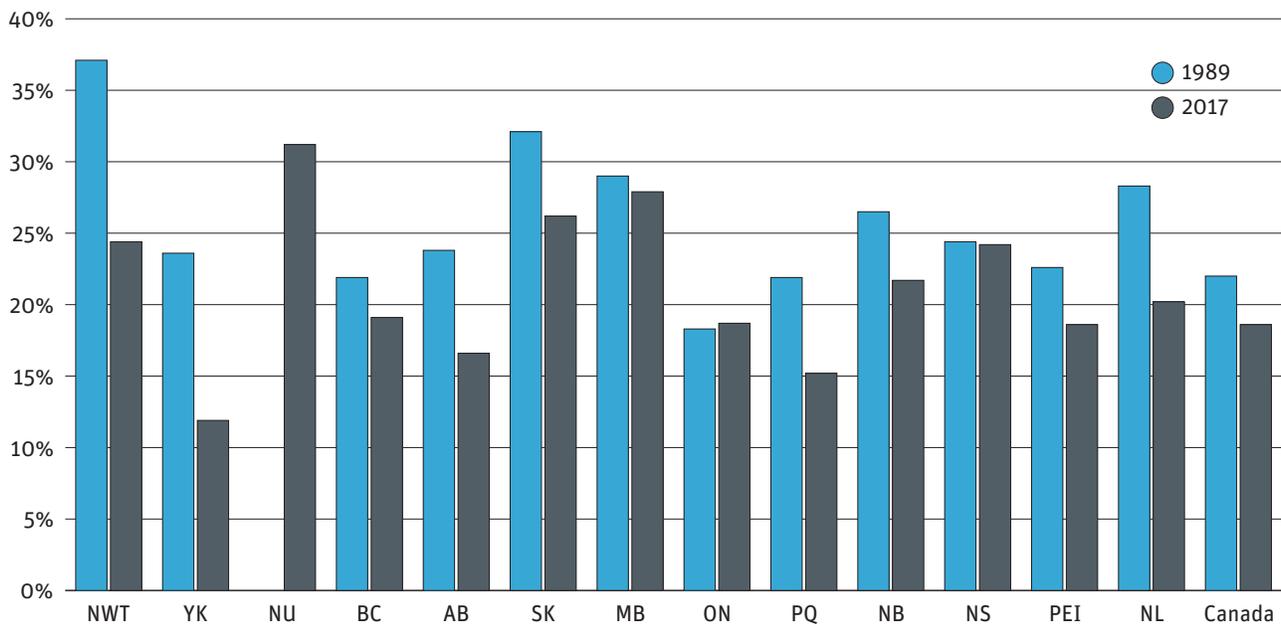
Figure 1 shows child poverty rates in Nova Scotia for three key years: 1989—the year the promise was made; 2000—the goal year for eradication of child poverty; and 2017—the year for which we have the most recent statistics. In 1989, the child poverty rate was 24.4 % (56, 960 children). Despite the promise of child poverty eradication by the year 2000, the incidence of child poverty in Nova Scotia in that year was in fact much higher than in 1989. It rose to 27.8%, representing more than 1 in 4 Nova Scotian children (58, 730 children). **The child poverty rate in 2017 was 24.2%. This means that 40,710 children or close to 1 in 4 children in Nova Scotia are still living in low income circumstances (the rates are virtually the same, but there are fewer children living in the province accounting for the decrease in numbers).** Comparing the child poverty rate in the year 2000 to the rate in 2017, we see a 13% decrease. However, the percentage of children living in low-income circumstances in 2017 **has decreased less than 1% since the 1989 promise to end child poverty.**

FIGURE 1 Child Poverty Rate (CFLIM-AT), 1989, Nova Scotia, 1989, 2000, 2017, Age 0–17



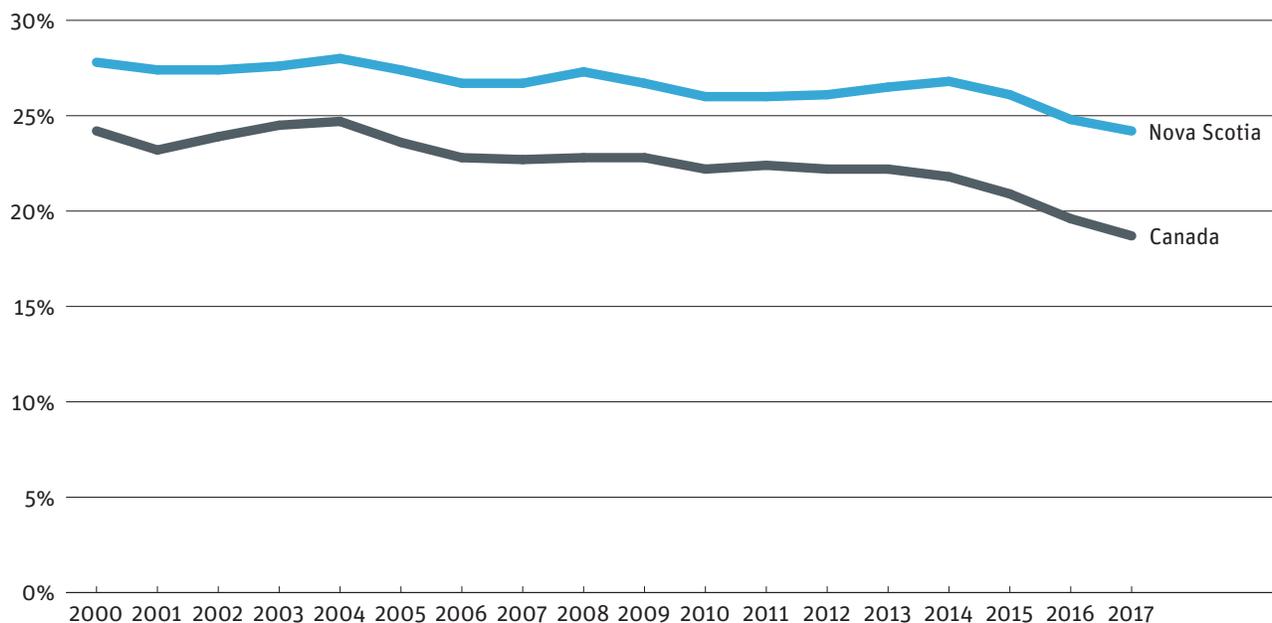
Source: Statistics Canada custom tabulation, T1 Family Files, 1989, 2000 and 2017

FIGURE 2 Child Poverty Rates, By Province, (CFLIM-AT), 1989 and 2017, Age 0–17



Source: Statistics Canada custom tabulation, T1 Family Files, 1989 and 2017

FIGURE 3 Nova Scotia, and Canada, Child Poverty Rate, 1989, 2000–2017, AT-CFLIM



Source: Statistics Canada custom tabulation, T1 Family Files, 2000–2017

Figure 2 shows the overall change in child poverty rates between 1989 and 2017 in each province and territory in Canada. In 1989, Nova Scotia had the fifth-highest percentage of low-income children. By 2017, Nova Scotia has the **third-highest provincial child poverty rate in Canada**, and the **highest rate in Atlantic Canada** — a consistent ranking for the past several years based on the CFLIM-AT. Between 1989 and 2017, child poverty rates decreased in every province and territory except Ontario (2% increase). **While other provinces had higher rates to begin with, other than Ontario (which consistently has had lower child poverty rates), Nova Scotia has performed the worst in reducing child poverty from 1989 levels.**

Figure 3 shows the fluctuation of child poverty rates in Nova Scotia and Canada since the year 2000. Child poverty rates have been consistently higher in Nova Scotia, with the difference widening since 2014, indicating that **Nova Scotia has a higher incidence of child poverty compared to Canada and has made less progress on child poverty reduction of late.** The highest child poverty rate in both Nova Scotia and Canada was in 2004 (28% and 24.7% respectively). The rate has declined since then, however there have been ripples of increases. The decrease in child poverty between 2008 and 2011 coincides with several provincial changes that came into effect during

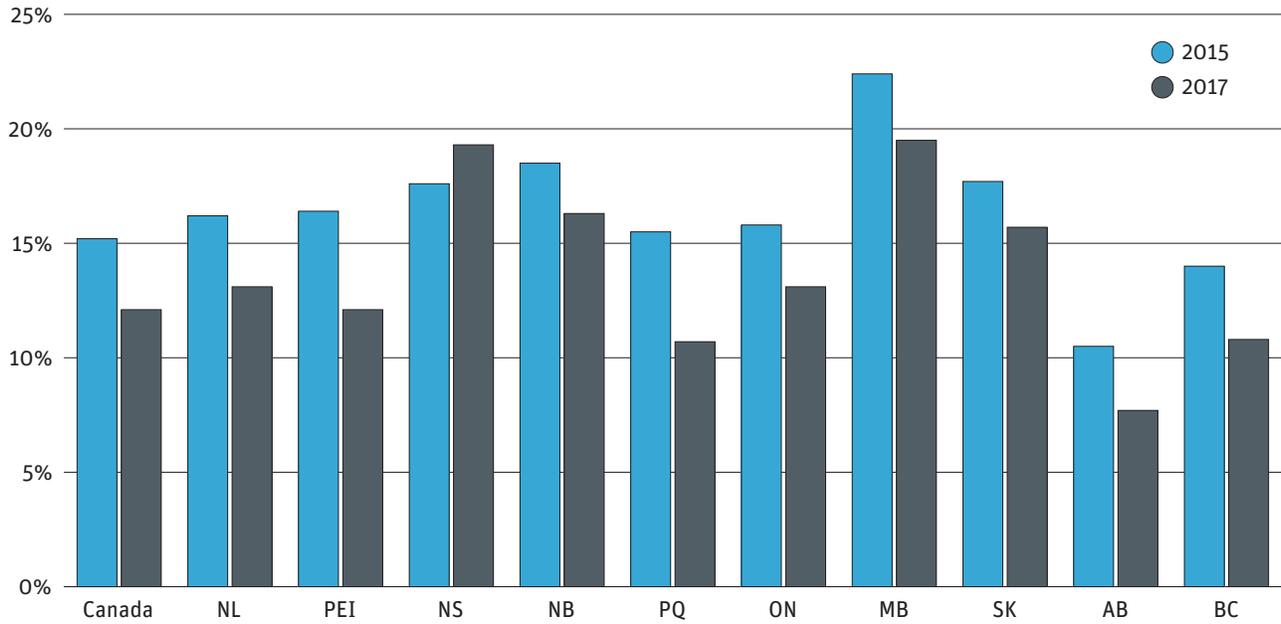
that time. For example, there was an increase in the income threshold for the Nova Scotia Child Benefit. The Affordable Living Tax Credit was introduced (2010), which provided families in receipt of the Nova Scotia Child Benefit with a quarterly payment attached to their GST/HST credit payments. In 2011, the Affordable Living Tax Credit was indexed to inflation and there was a one-time increase to the Nova Scotia Child Benefit (by 22%). In 2011 there was also a one-time increase to the Personal Allowances to adult recipients of Income Assistance (\$15/month), and a \$17/month increase in 2013–2014. However, these measures were not enough to continue to reduce child poverty rates, which rose between 2011 and 2014.

Rates have declined since 2014 coinciding with the 2015 increase to the Universal Child Care Benefit (UCCB) (launched in 2004) from \$100 to \$160 per month for each child under the age of 6. It was also expanded to include children ages 6 to 17, paying a monthly benefit of \$60 per child. However, the UCCB was a taxable, non-indexed, poorly designed benefit that unsurprisingly had a small impact on reducing poverty.⁹ The UCCB was replaced by the federal Canada Child Benefit (CCB). The CCB, a program similar to the previous Canada Child Tax Benefit introduced in 1997, provided enhanced payments beginning in July 2016 to a maximum of \$533/month for children under 6, and \$450/month for children 6 to 17. **Based on tax filer data, the child poverty rate declined between 2015 and 2017 in every province and territory.**

Data reported from the 2017 *Canadian Income Survey* (CIS) reinforces Nova Scotia's relative lack of progress in child poverty reduction. *Figure 4* reports changes in child poverty rates between 2015 and 2017 based on the LIM-AT. *Figure 5* reports the same data using the MBM measure of poverty. CIS data reports lower rates of poverty in general compared to what is reported from tax filer data (Figures 1–3). The CIS, using both measures of poverty, shows that **Nova Scotia is the only province that experienced an increase in child poverty between 2015 and 2017.** Figures 4 and 5 show that Nova Scotia has the second highest rate of child poverty in Canada based on the LIM-AT, and the highest rate of child poverty based on the MBM (Canada's official measure of poverty).

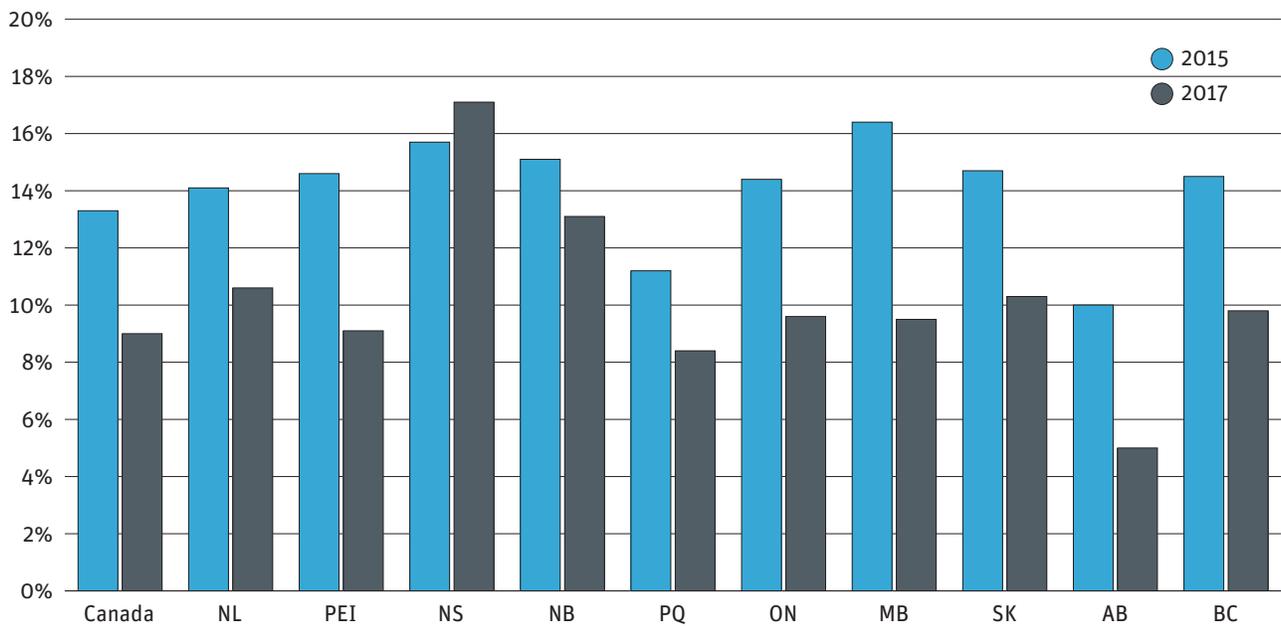
The federal government estimated that the CCB would reduce child poverty by 40% (based on the MBM) between 2013 and 2017 due to the Canada Child Benefit.¹⁰ *Table 1* shows that based on CIS data, in Canada there was a 25.3% reduction in child poverty based on the LIM-AT, and a 37.9% reduction based on the MBM. Considering tax filer data however there was only a 15.7% reduction based on the CFLIM-AT.¹¹ The CCB, is largely

FIGURE 4 Child Poverty rates, 2015, 2017, LIM-AT, Income in Canada Survey



Source Canadian Income Survey, 2017, Table: 11-10-0135-01

FIGURE 5 Child Poverty Rates, 2015, 2017, MBM, Income in Canada Survey



Source Canadian Income Survey, 2017, Table: 11-10-0135-01

TABLE 1 Reduction in Child Poverty Between 2013–2017, Canada and Nova Scotia, Canadian Income Survey, and Tax Filer Data

| Canadian Income Survey | 2013 | 2017 | % change |
|------------------------|------|------|----------|
| LIM-AT | | | |
| Canada | 16.2 | 12.1 | -25.3 |
| Nova Scotia | 17.4 | 19.3 | +10.9 |
| MBM | | | |
| Canada | 14.5 | 9 | -37.9 |
| Nova Scotia | 17.5 | 17.1 | -2.3 |
| Tax Filer Data | | | |
| CFLIM-AT | | | |
| Canada | 22.2 | 18.7 | -15.7 |
| Nova Scotia | 26.5 | 24.2 | -8.7 |

Source Canadian Income Survey, 2017, Table: 11-10-0135-01

responsible for this reduction, however it requires careful monitoring by government concerning its effectiveness to reduce poverty according to the LIM-AT, as well the Market Basket Measure. Unfortunately, Nova Scotia had a 10.9% increase based on the LIM-AT, and only a 2.3% reduction based on the MBM considering CIS data, and only a 8.8% reduction considering tax filer data (CFLIM-AT). **Collectively these data from tax-files (T1FF) and the Canadian Income Survey (CIS), demonstrate that Nova Scotia’s child poverty rate remains high, particularly in relation to the rest of Canada, and has performed very poorly in reducing child poverty** – whether it is being measured using a concept of relative poverty (LIM), or the concept of regionally specific material deprivation (MBM) whereby families do not have the deposable incomes adequate the meet their basic needs.

Child poverty rates within Nova Scotia

Child poverty rates by Census Division and Federal Election District

Some families and children face higher risks of poverty and greater depths of poverty compared to others. Poverty is not evenly distributed across communities; rather, poverty rates vary by geography. *Table 2* shows the differences based on Statistics Canada's Census Divisions in Nova Scotia. The lowest rates of child poverty are in Antigonish (20.2%) and Halifax (20.4%). **The child poverty rates are highest in Cape Breton (34.9%), Annapolis (34%), and Digby (33.1%), where more than 1 in 3 children lived below the LIM-AT.** *Table 3* shows a different geographic representation based on the boundaries of the federal electoral boundaries. **The Sydney-Victoria riding has a child poverty rate of 36.6% and five additional rural ridings (Cape Breton-Canso, Cumberland-Colchester, Central Nova, Halifax, and West Nova) have rates that are represented in the highest quintile of child poverty rates nationally.**¹²

Child poverty rates by postal area

Appendix A provides available child poverty rates by Nova Scotia postal cities as well as rural routes.¹³ These data show disparities of child poverty

TABLE 2 Child Poverty Rate by Census Divisions

| Census Division | Child Poverty Rate |
|-----------------|--------------------|
| Annapolis | 34.0 |
| Antigonish | 20.2 |
| Cape Breton | 34.9 |
| Colchester | 25.1 |
| Cumberland | 31.1 |
| Digby | 33.1 |
| Guysborough | 23.1 |
| Halifax | 20.4 |
| Hants | 22.7 |
| Inverness | 26.0 |
| Kings | 23.3 |
| Lunenburg | 23.5 |
| Pictou | 25.9 |
| Queens | 29.3 |
| Richmond | 26.4 |
| Shelburne | 26.1 |
| Victoria | 27.3 |
| Yarmouth | 25.9 |

Source Statistics Canada, Income Statistics Division, T1 Family File, 2017

TABLE 3 Child Poverty Rate by Federal Election District, 2017

| Federal Election District | Child Poverty Rate |
|---------------------------------|--------------------|
| Cape Breton Canso | 26.9 |
| Central Nova | 24.1 |
| Cumberland-Colchester | 27.2 |
| Dartmouth-Cole Harbour | 23.5 |
| Halifax | 27.2 |
| Halifax West | 20.7 |
| Kings-Hants | 23.5 |
| Sackville-Preston - Chezzetcook | 13.9 |
| South Shore-St. Margarets | 21.4 |
| Sydney-Victoria | 36.6 |
| West Nova | 27.5 |

Source Statistics Canada, Income Statistics Division, T1 Family File, 2017

between areas throughout Nova Scotia that are hidden when poverty rates are calculated as provincial or regional aggregates (Census Divisions/Federal Electoral Districts). **Fifty postal areas have child poverty rates at 30% and higher.** The range of rates is quite significant from a low of 4.5% in Fall River, part of the Halifax Regional Municipality, to a high of 75% in the rural postal code of Micmac, which includes the Sipekne'katik First Nations.

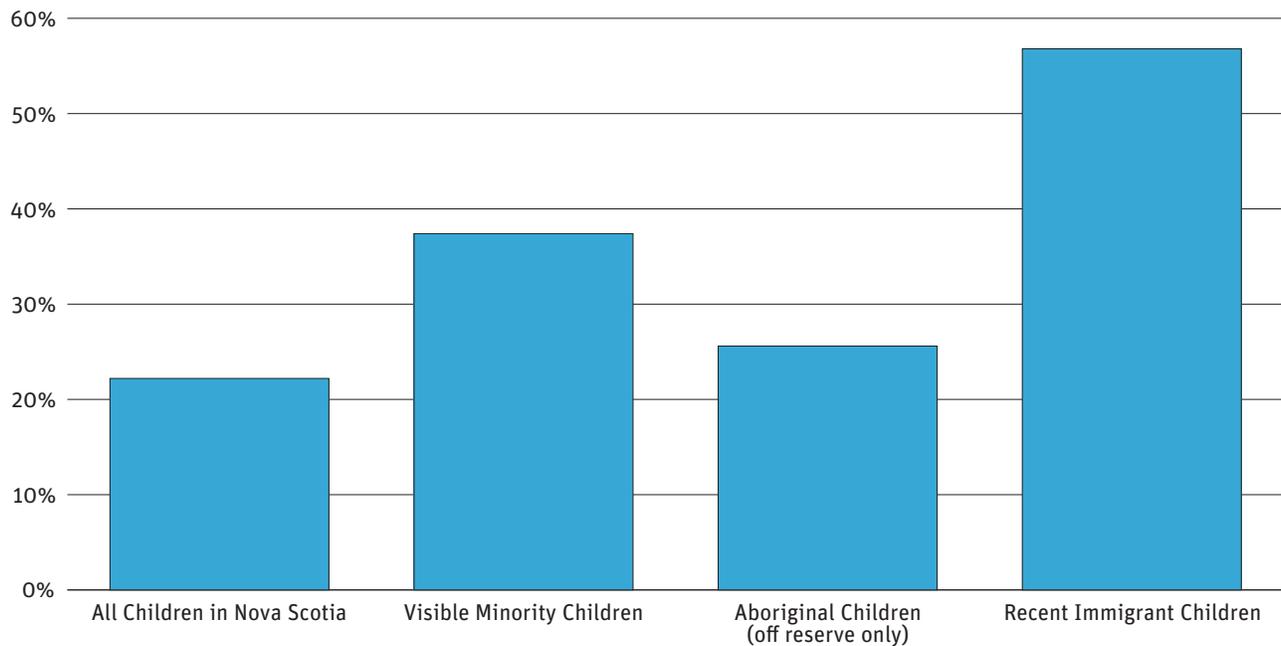
It should also be noted that postal cities for urban areas of the province (Halifax and Dartmouth) reported in Appendix A are aggregates of several postal areas. Such aggregates disguise higher child poverty rates in certain areas of urban Nova Scotia. For example, child poverty rates based on smaller postal units (Forward Sortation Areas-not reported in Appendix A) within the Halifax postal city, range from 17.4% (B3H codes) to 44.4% (B3R codes). Similarly, rates range in the Dartmouth postal city from 10.7% (B2V codes) to 37.8% (B3B codes). Postal Area data presented suggest that both rural and urban areas in the province experience high rates of child poverty.

Poverty Rates for our Most Vulnerable Children

Visible minority, immigrant, and Aboriginal children

Families and children who face discrimination due to race, immigration status, and Aboriginal¹⁴ status are vulnerable to poverty and as *Figure 6* shows, experience higher rates of child poverty. The 2016 census data, reporting on 2015 incomes, shows that while the child poverty rate in Nova Scotia for all children using the LIM-AT was 22.2%, over one-third (37.4%) of visible minority children were low-income. For example, the census shows that 67.8% of Arab children, 50.6% of Korean children, and 39.6% of Black children were low-income compared to 20.3% of non-visible minority children. Census data also shows higher rates of low-income among new immigrant children (56.8%) compared to non-immigrant children (21.2%) and higher rates for off-reserve children of Aboriginal status (25.6%). Data from the T1FF, using the CFLIM-AF (see Appendix A) show that **the highest child poverty rates in Nova Scotia are seen in postal areas where higher percentages of African Nova Scotian and Aboriginal children live** (including those that live on-reserve). For example, the child poverty rate in North Preston (postal city) was 52.9% in 2017. Census data shows that 1 in 4 Aboriginal children in Nova Scotia were low-income in 2015, and T1FF data from 2017, shows low-income rates well over 50% in postal areas that include reserve communities.

FIGURE 6 Child Poverty rates for different population groups, Nova Scotia, LIM-AT, 2016 Census



Source: Statistics Canada — 2016 Census. Catalogue Number 98-400-X2016211

It is important to note that income measures of poverty such as the CFLIM-AT may not reflect the complexity of poverty and well-being experienced by Aboriginal communities. As is outlined in the report by the First Nations Poverty Action Research Project, the First Nations communities involved “rejected the concept of poverty as defined in the mainstream society with an emphasis on income, employment and related measures. Instead, they approached the task from a much wider, holistic, perspective seeking to achieve the good life, one that included dimensions such as spiritual, mental, emotional and physical health and well-being; that stressed the idea of balance and harmony among the dimensions, and that showed a preference for “building our community together” rather than focusing on a disadvantaged subset of the community.”¹⁵ Indeed, “poverty was not a concept with which they felt comfortable, and indeed there is no term in Indigenous languages to express this idea.”¹⁶ Poverty, as a narrow concept of material deprivation focuses solutions on individual welfare instead of on the need to decolonize and to support rebuilding First Nation economies and societies.¹⁷ As part of the federal poverty reduction strategy the federal government has committed to work with National Indigenous Organizations

and others to identify and co-develop indicators of poverty and well-being, including non-income-based measures of poverty, that reflect the multiple dimensions of poverty and well-being experienced by First Nations, Inuit and Métis.¹⁸

Rate of Child Poverty by Disability Status

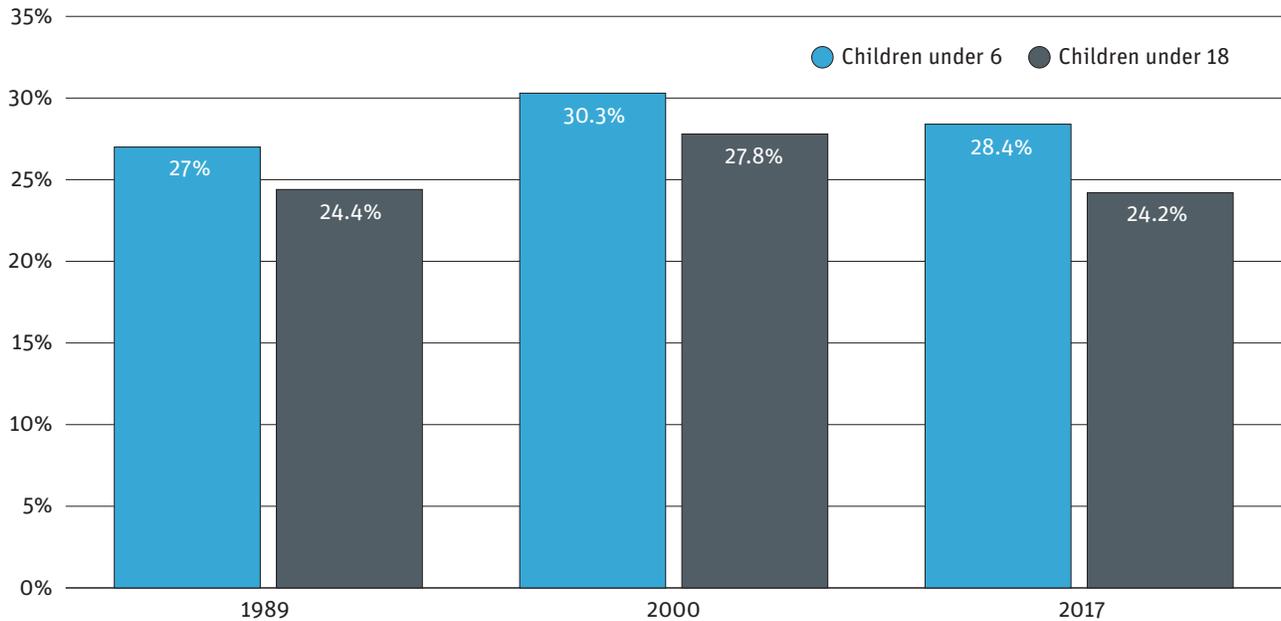
Unfortunately, the 2016 census data does not report on the rate of child poverty by disability status. However, we do know that children with disabilities are twice as likely to live in households relying on social assistance and families of children with disabilities are more likely to live in poverty due to increased time away from work.¹⁹

Child Poverty by Age

Figure 7 shows the child poverty rate for children under six in 1989, 2000, and 2017. It demonstrates that **poverty rates for younger Nova Scotian children were higher in all three years** than they were for all children under 18. In 2017, the child poverty rate for children under 6 was 28.4%, close to one in three young children, compared to 24.2% of all children. A lack of affordable childcare is likely to impede work in families with pre-school aged children, impacting the incomes of families with young children when families are forced to work part-time or not work. We know that access to affordable, high quality early childhood education facilitates work. Data from the Organization for Economic Cooperation and Development (OECD) shows that Canadians pay among the highest childcare fees in OECD countries. For example, Canadian couples working for minimum wage experienced net childcare costs that amounted to 18.8% for household incomes in 2015.²⁰ In Halifax the median pre-school aged childcare fee in 2018 was \$867/month.²¹ For many low-income families, such fees are out of reach, particularly for families with more than one pre-school child.

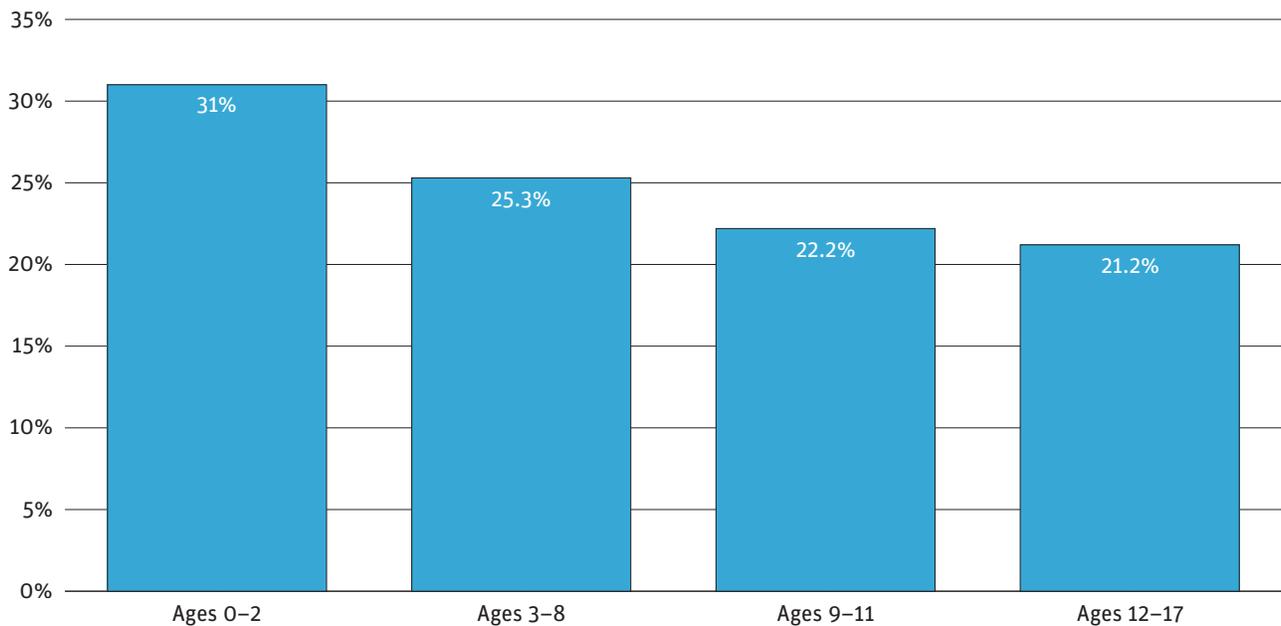
Figure 8 reports low income status by developmental stages of childhood showing that **child poverty in Nova Scotia is the most severe for our youngest children. For children aged 0–2 years, the child poverty rate is 31%, representing 7910 infants living in low-income circumstances in Nova Scotia.** This is particularly concerning as the first 1,000 days of life (from conception to two years), is now considered the most critical time for optimizing growth and development through the life course.²² This can

FIGURE 7 Child Poverty rate for Children under 6 compared to all Children (CFLIM-AT), Nova Scotia, 1989, 2000, 2017



Source: Statistic Canada, T1 Family File, 1989, 2000, and 2017, Custom Tabulation, Reference 19048

FIGURE 8 Child Poverty Rate (CFLIM-AT) by Developmental Age, Nova Scotia, 2017



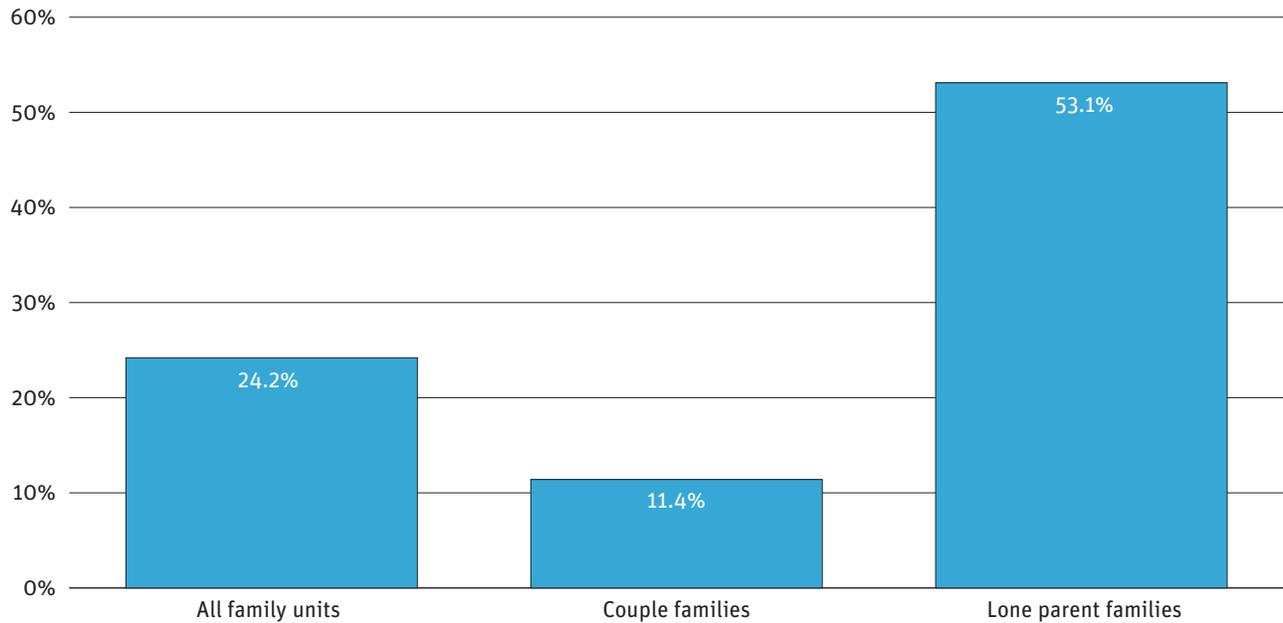
Source: Statistic Canada, T1 Family File, 2017, Custom Tabulation, Reference 19048

partly be explained by the fact that the earnings of mothers tend to drop after childbirth, referred to as the ‘motherhood pay gap.’²³ Maternity and parental leave entitlements amount to only 55% of earned wages, should you indeed be eligible for them. We know that women’s access to employment insurance and maternity leave has declined over time because women are more likely to have non-standard work arrangements, which makes meeting the eligibility criteria more challenging.²⁴ Only 56% of families outside of Quebec with annual incomes less than \$30,000 receive any EI Maternity/Parental benefits.²⁵ Furthermore, the eligibility threshold for the Family Supplement to Maternity Benefits, designed to improve the incomes of low-income families, is only \$25,921.²⁶ It has not increased since its implementation in 1998, sitting thousands of dollars below the 2017 CFLIM-AT thresholds for a single parent with one child (\$30,029), couple with one child (\$36,778), or two children (\$42,468).²⁷ This highlights that many low-income families would be ineligible for the supplement designed to improve the economic conditions of low-income families with infants.

Child Poverty by Family Type

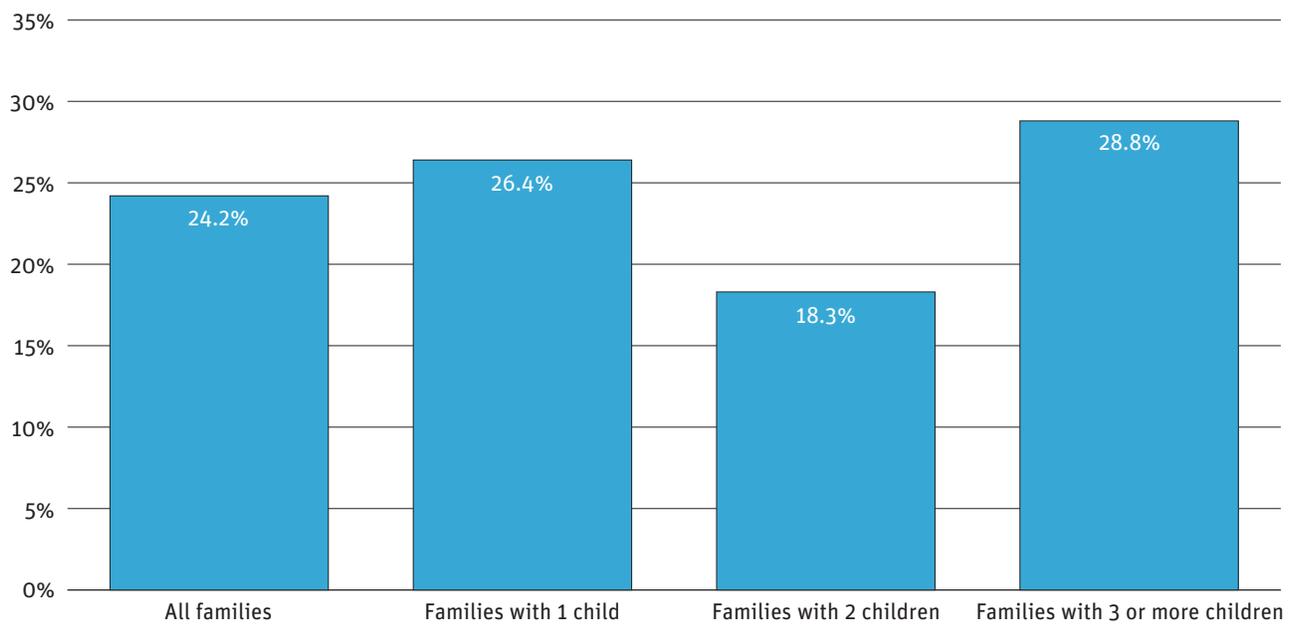
Figure 9 shows that children living in lone-parent families experience a much greater likelihood of living in poverty than children living in couple families. In 2017, **more than half** (53.1%) of the children living in lone parent families in Nova Scotia lived below the CFLIM-AT (26,140 children) compared with 11.4% of children living in couple families (13,480 children). Income data from Census 2016 shows that gender of the earner effects child poverty rates as well. Children living in female-led lone parent families had a poverty rate of 48.9% in 2015 compared to 30.4% children living in male-led lone parent families.²⁸ We also know that 81.3% of lone parent families in Nova Scotia in 2017 were female-led²⁹ and 78.7% of mothers with children aged 0–5 work outside the home.³⁰ The 2017 median income for female lead lone-parent families in Nova Scotia in 2017 was \$38,770 compared to \$53,870 for male lead lone-parent families, and the hourly full-time wage for females in 2017 was \$20.33 compared to \$22.50 for males.³¹ Women are less likely to be employed full time than men are and more likely to juggle multiple jobs at a higher rate than men.³² While the gender wage gap is narrowing, Nova Scotia received a C grade for its gender wage gap, in comparison to other provinces and its International peers.³³ Thus, in many cases child poverty is intricately linked to the dynamics of women’s poverty and the gender discrimination

FIGURE 9 Child Poverty Rate (CFLIM-AT) by Family Type, Nova Scotia, 2017



Source: Statistics Canada CANSIM Table 11-10-0020-01, 2017

FIGURE 10 Child Poverty Rate (AT-LIM) by Family Size, Nova Scotia, 2017



Source: Statistics Canada CANSIM Table 11-10-0020-01, 2017

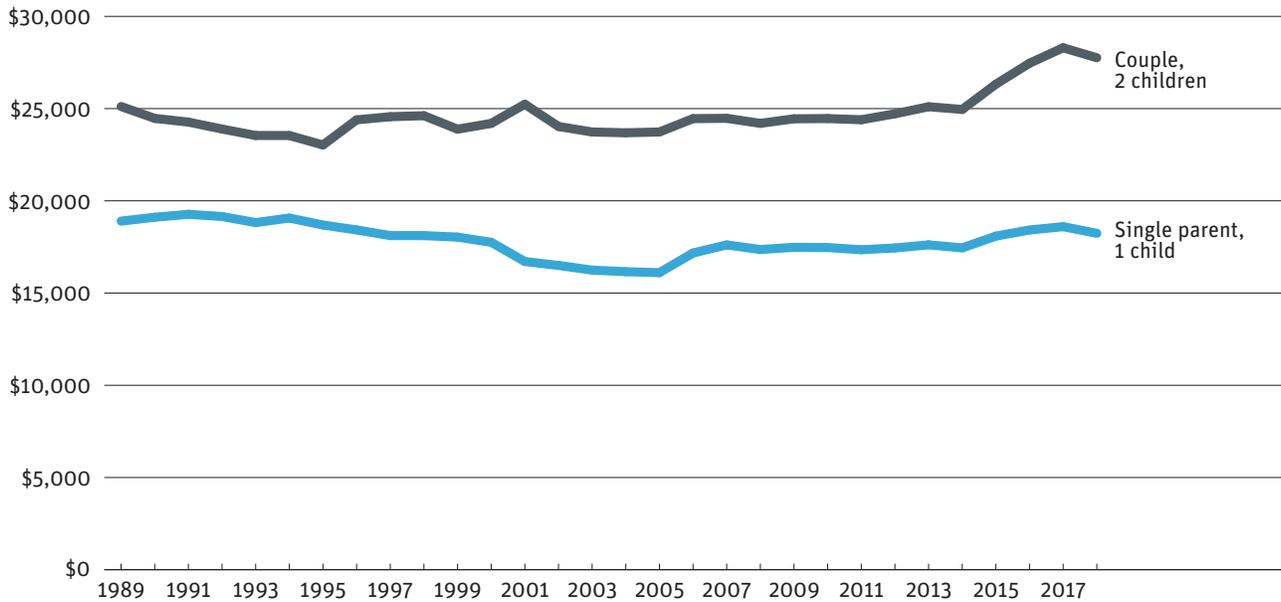
they face in care work and the labour market, and the challenges of unpaid caregiving that falls disproportionately to women.

Nova Scotia children living in larger families also have higher rates of poverty. *Figure 10* shows that the poverty rate for children in families with three or more children was 28.8% in 2017; compared to 26.4% for families with only one child, and 18.3% for families with two children.

Families Who Depend on Welfare for Household Income

CHILDREN IN FAMILIES that depend on welfare are particularly vulnerable to poverty. *Maytree* reports total welfare incomes in Canadian provinces and territories annually for two different family types (a lone parent with one child aged 2 years, and a couple family with two children aged 10 and 15).³⁴ Welfare incomes include income assistance payments, federal and provincial child tax credits, and other provincial government transfers. *Figure 11* illustrates that total welfare incomes for single parent families with one child have remained relatively constant in Nova Scotia since 1989 showing the lowest rates in the early 2000s. In 2018, the maximum welfare income for this family was \$18,240, which is \$660 less per year than in 1989 when adjusted for inflation.³⁵ Between 2015 and 2017 incomes were trending upwards for both single parents and couple families (when maximum welfare incomes reached a 31-year high of \$28,299) coinciding with increases to the federal child benefit that began in July 2016, which importantly was pegged to inflation in 2018. However, welfare incomes fell in 2018 for both family types despite this federal investment, as not all income supports provided by the province of Nova Scotia are indexed to the cost of living (income assistance rates and the Nova Scotia Child Benefit) thus losing their power to reduce poverty over time as prices for goods and services increase. A

FIGURE 11 Total Annual Welfare Income by Family Type, Nova Scotia, 1989–2018, (constant 2018 dollars)



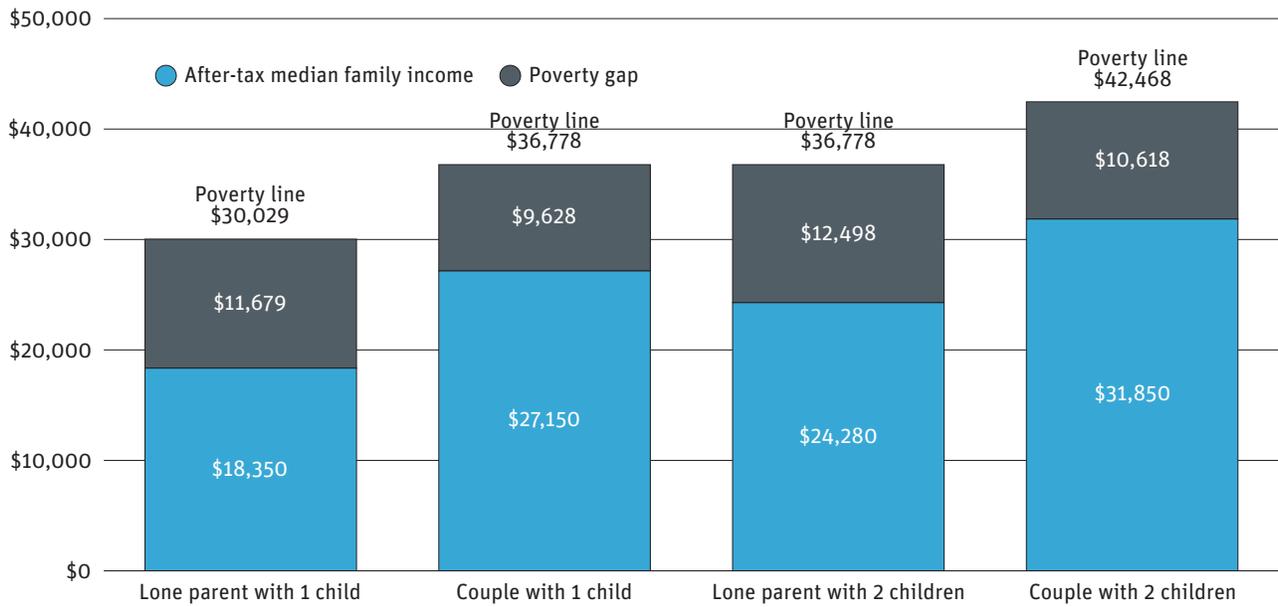
Source *Welfare in Canada 2017*, Maytree

hundred percent of families that rely on government support as their only source of income, live in poverty in Nova Scotia, as the amount of support falls far below the poverty line.

Depth of poverty

THE CHILD POVERTY rate measures the percentage of children living in families that have incomes below the CFLIM-AT. However, **many low-income families actually live far below this poverty measure.** The median total after-tax income for low-income families in Nova Scotia, when compared with the CFLIM-AT, allows us to measure the depth of poverty. Median incomes of low-income families were significantly below the CFLIM-AT for both couple and lone-parent families of different family size. *Figure 12* shows that low-income couple families with two children in Nova Scotia had a median income of \$31,850 per year, leaving them \$10,618 below the poverty line. The median income of couple families with one child, and lone-parent families with one child, was \$9,628 and \$11,679 respectively below the poverty line. **Low-income lone parent families with two children had a depth of poverty of \$12,498 per year (only 66% of the poverty threshold)—meaning they would need an extra \$1,041/month to bring them up to the poverty line.**

FIGURE 12 Depth of Low Income for Poor Families in Nova Scotia, 2017



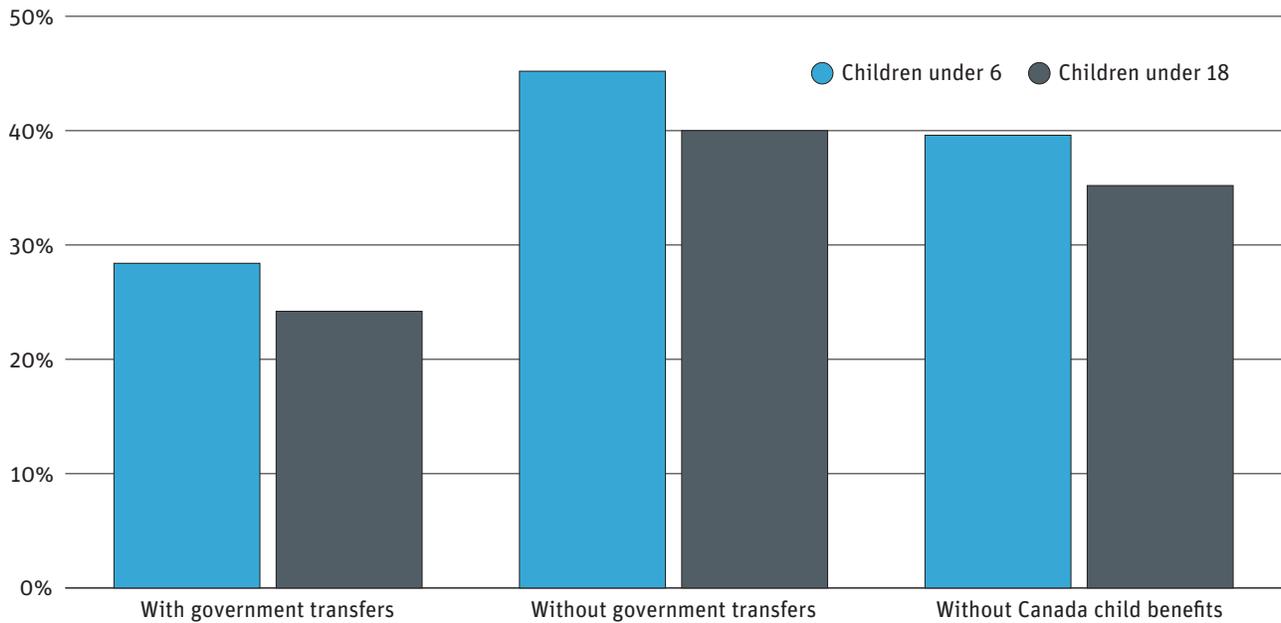
Source: Statistic Canada, T1 Family File, 2017

The Effect of Government Benefits

FIGURE 13 DEMONSTRATES that government income benefits to individuals and families are effective in reducing the rate of child poverty. These benefits are delivered by both the federal and provincial government. Benefits to families in Nova Scotia include both children's benefits and benefits to other family members (federal and provincial Child Benefits, the Goods and Services Tax credit, the Working Income Tax Benefit, Employment Insurance, Income Assistance, and the Affordable Living Tax Credit). The graph displays the level of poverty reduction that results from income supports to Nova Scotian families. **In 2017, we saw a 39.5% reduction in child poverty due to all government transfers (37.1% reduction for children under 6). Indeed, without these government benefits 67,350 (instead of 40,710) children aged 0–17 would live in poverty in Nova Scotia.** Examining the impact of the first full year of the new Canada Child Benefit only, shows a 31.3% reduction for children under 18, and a 28.3% reduction for children under the age of 6 demonstrating that a large proportion of the effect of government transfers in reducing child poverty in Nova Scotia can be attributed to the federal CCB transfer.

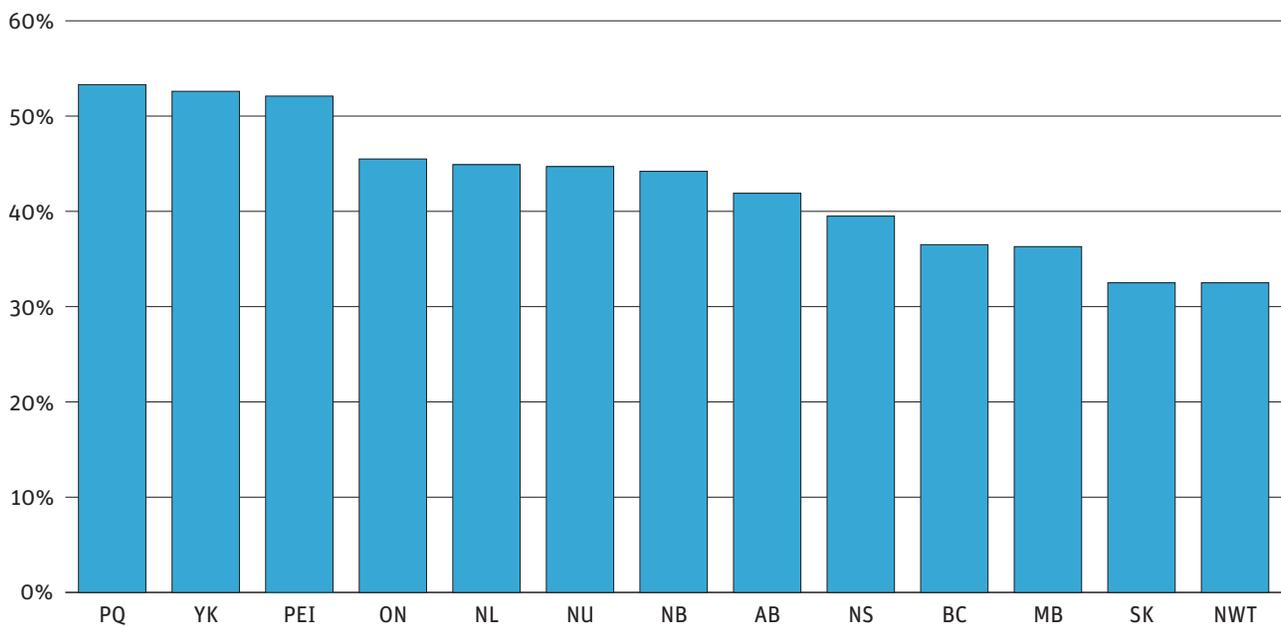
Figure 14 demonstrates that eight other provinces/territories were more effective in reducing child poverty through government transfers and that Nova Scotia's transfers (coupled with federal transfers) were the least effective in the Atlantic provinces.

FIGURE 13 Impact of Government Transfers on Child Poverty rate, Nova Scotia, 2017



Source: Statistic Canada, T1 Family File, 2017, Custom Tabulation, Reference 19048

FIGURE 14 Percent Reduction in Child Poverty due to Government Income Supports, CFLIM-AT, 2017



Source: Statistic Canada, T1 Family File, 2017, Custom Tabulation, Reference 19048

Ending Child and Family Poverty in Nova Scotia

WE LIVE IN a country committed to government intervention to correct harmful inequality. Redistribution of income through the tax system has proven to be effective in lowering poverty rates. Ending family and child poverty is achievable and it is long past the time for Nova Scotia to act on the evidence before us. Three decades have been lost. We must ensure that our families, indeed all of us, have a minimum standard of income in-line with the real cost of living. Social investment in families and children is required to secure our province's future. The province's poor record of poverty reduction since 1989, and more recent failure in mirroring the progress made in other jurisdictions in Canada, shows the urgent need for more robust public policy and investment.

Recommendations for the Federal Government

The federal government implemented and legislated Canada's first Poverty Reduction Strategy (CPRS) in 2018. This is to be celebrated as a new starting point for poverty eradicate, however, as the evidence demonstrates, it needs to be strengthened given the severity of the problem. More ambitious poverty reduction targets are required to shorten the timeline of poverty effects on children's lives. The CPRS legislation should recognize the right

to an adequate standard of living and contain mechanisms to realize these rights. Stronger federal involvement is also needed to ensure consistency of income security programs across the country. In consultation with the provinces and territories, the federal government should create national standards of adequacy for social assistance in line with the Market Basket Measure of poverty as conditions of the Canada Social Transfer. The federal government can help close these gaps with improvements to the Canada Social Transfer (CST)³⁶ and by tackling regional rule variations that perpetuate poverty. This can be accomplished with a new Social Care Act to entrench a set of principles to which the provinces and territories must be willing to agree in the expenditures of federal social transfer payments. The legislation should embrace the same five principles of the Canada Health Act (CHA) adapted to community and social services paid for through the CST but delivered by the provinces and territories – public administration, comprehensiveness, universality, portability, accessibility, but also principles of fairness, effectiveness, accountability and transparency, and rights and responsibilities.³⁷ Outside of the federal role through the CST, the federal government needs to redress the stagnant threshold for the EI Maternity and Parental Leave Family Supplement. Eligibility for the Family Supplement is determined on the basis of household income, not the individual income of the leave taker, and the entitlement threshold of the supplement is well below poverty thresholds.

Campaign 2000's national report has more detailed recommendations for the federal government,³⁸ a summary of which are as follows:

- Strengthen the Poverty Reduction Strategy through strategic investments to meet more ambitious poverty reduction targets.
- Collaborate with First Nations, Inuit and Métis governments and Indigenous organizations to develop plans to prevent, reduce and eradicate child and family poverty in Indigenous communities. Implement the Spirit Bear Plan, and properly implement Jordan's Principle, among other actions.
- Increase the CCB so that it, in combination with a proposed new benefit called the Dignity Dividend, achieves a 50% reduction in child poverty by 2025, according to the CFLIM-AT calculated through tax filer data.
- Transfer \$1 billion to provinces/territories/Indigenous communities for building accessible, affordable, high quality, inclusive early learning

and childcare (ELCC) with the understanding that earmarked funds for ELCC will grow by an additional \$1 billion annually.

- Increase funding for the Canada Social Transfer by \$4 billion and remove arbitrary growth restrictions, provide sufficient, stable and predictable funding that recognizes regional economic variations, and ensure that both federal and provincial governments are accountable for meeting their human rights obligations to provide adequate income support for all low income Canadians.
- Create sustaining, quality employment opportunities, by among other actions restoring the federal minimum wage with a goal to instituting a living wage, while also improving labour standards.
- Target action to lift marginalized communities out of poverty by enacting proactive strategies to address discrimination based on race, gender, immigration status, disability and sexual orientation.
- Enhance the National Housing Co-Investment Fund with an additional \$3 billion annually for new builds and repairs to existing units, allocate \$2 billion annually for new supportive housing for vulnerable populations and double the federal contribution to the Canada Housing Benefit.
- Implement a universal, comprehensive, public pharmacare plan and enhance Canadian Medicare to include dental and various rehabilitation services.
- Ensure that the food policy for Canada, Everyone at the Table, announced in 2019, utilizes income-based interventions to address the needs of low-income families.
- Address growing income inequality including by restoring fair and progressive taxation.

Recommendations for the Nova Scotia government

Recommendation 1: Need for a comprehensive, robust Poverty Eradication Plan for Nova Scotia

All levels of government have an opportunity and a role in poverty reduction, indeed poverty eradication. With the federal leadership of the

CPRS, the **provincial government needs to move forward on a more comprehensive plan that includes legislated targets and timelines.**

Enhanced Income Supports

Given the depth of poverty faced by so many, none of these tax benefit/credit programs provide reliable incomes adequate enough to bridge the largest of gaps and actually lift people out of poverty. More robust combined federal and provincial enhancements, indexed to inflation, are needed to significantly improve the lives of poor families in this province.

Recommendation 2: The Employment Supports and Income Assistance (ESIA) program must be reformed to meet the principles of adequacy, social inclusion and respect for human dignity. The ESIA's benefit level should be set to a recognized standard/poverty measure and include regular cost of living increases taking into account housing/rental inflation and food inflation in particular.

Some changes to the ESIA have been positive. As of August 2018, the Department of Community Services stopped deducting child support payments from income assistant recipients. However, by design, families who rely only on income assistance are living far below the poverty line. The median welfare incomes for families were still lower in 2018 than in 2017 after being adjusted for inflation. The government has been undergoing what it calls a transformation of ESIA, but after 4 years of consultation, for families with children, this transformation amounted to improvements to wage exemptions, increases to allowable asset levels, and as of January 2020, a new standard household rate to replace shelter and personal allowances (i.e. food) for adult members of households with only 2% and 5% depending on household circumstance. Typically the combined yearly inflation rate in Nova Scotia is just over 2%. However the price of food in Nova Scotia rose by 3.9% between 2018 and 2019, and shelter 2.4%.³⁹ While any increase is no doubt welcomed by cash strapped families, they are still left thousands of dollars below the poverty thresholds annually. This one time reset (not indexed to inflation), along with other one-time marginal increases over the past several years (i.e. \$20/month in May 2016 to the personal allowance) did and will do nothing to reduce poverty rates for families that rely on income assistance.

Recommendation 3: The Nova Scotia Child Benefit should be enhanced and indexed to inflation in-line with the CCB.

The data presented in this report card shows the positive effect of the Canada Child Benefit in reducing child poverty nationally. Importantly, the CCB was indexed to inflation in 2018. However, there was only a 2.4% reduction in child poverty in Nova Scotia between 2016-2017 (since the implementation of the new CCB in July 2016). Nova Scotia falls behind the provinces of Quebec, PEI, Ontario, Newfoundland, and Labrador New Brunswick, Alberta, and the Yukon and Nunavut, in poverty reduction through government transfer (including its own provincial tax credits). Without enhancing and indexing the Nova Scotia child benefit families in Nova Scotia will not equally benefit from the CCB, as family incomes will not keep pace with rising costs and there is a risk of increasing poverty levels.

Address the legacies of colonialism and racism

Recommendation 4: It is primarily the federal government which must commit to supporting self-determination for First Nations, both financially and jurisdictionally, with an emphasis on revenue sharing. **The provincial, municipal governments and all public institutions, must also commit to reconciliation and supporting Indigenous self-determination, while decolonizing institutions, and policies.**

Targeted measures for marginalized groups

The highest poverty rates are experienced by those groups who face discrimination based on race, gender, immigration status, disability and sexual orientation. Any poverty reduction strategy must ensure that the income supports, policies and programs, are responsive to the needs of all those living in low-income. **Recommendation 5: In order to eradicate poverty, proactive strategies must be undertaken in collaboration with the affected communities that have high poverty rates.** For example, the provincial government should work with the African Nova Scotian Decade for People of African Descent Coalition and support the implementation of their priorities, which include “establishing a legislative framework for recognizing African Nova Scotians as a unique people that results in an Act that establishes a new relationship between all People of African Ancestry and the Government of Nova Scotia.”⁴⁰ As is stated in the United Nations Report of the Working Group of Experts on People of African Descent, “Canada’s history of enslavement, racial segregation and marginalization of African Canadians has left a legacy of antiBlack racism and had a deleterious impact

on people of African descent, which must be addressed in partnership with the affected communities.”⁴¹ We are almost halfway through the International Decade for People of African Descent (2015–2024) and much more needs to be done so they can fully and equally participate in all aspects of society.

Recommendation 5: Fund and implement a well-designed, affordable early learning and childcare system

A universally accessible, high quality childcare system is also essential for child poverty eradication. Apart from facilitating work, and strengthening women’s equality, early childhood education and care also supports healthy child development, school readiness and overall child well-being.⁴² While the Nova Scotia government is to be commended for introducing a universal preprimary program for four year olds, it has some flaws in design and implementation that will leave many families struggling to access the childcare they need including care for their children who are younger than four, but also to afford and find care for their 4 year olds outside of regular school hours. While a step in the right direction, this government policy builds on a system of patchwork programs, instead of building a full seamless system.⁴³

Recommendation 6: Housing Strategy

At minimum wage, the CCPA report, *Unaccommodating: Rental Housing Wage in Canada*, says an individual would have to work 78 hours a week to pay for the average two-bedroom without exceeding the 30-per-cent threshold.⁴⁴ Federal, Provincial and Municipal governments must build new public housing supplemented with a strategy for affordable housing that includes prioritizing the building of non-profit, and cooperative housing. More also needs to be done to address rental increases, by legislating rent increase controls for example. Housing must be reframed as a right and not an commodity.⁴⁵

Recommendation 7: Make work lift people out of poverty

Although it is often assumed that working-full time is a pathway out of poverty, plenty of people who work at or around the minimum wage in Nova Scotia know a different reality. Improving the earned incomes for families with children is essential for poverty reduction. Stable employment helps to alleviate or reduce child poverty, but having a job, especially if it is at minimum wage or part time, in itself, does not solve the problem.

Improvements need to be made to bring the minimum wage to be a livable wage, which in Halifax is \$19 per hour.⁴⁶ There is also a need to strengthen labour standards in the province to improve the lives of working families.⁴⁷

Conclusion

THIS REPORT REMINDS us of how many children we are leaving behind, how broken our social contract is, and the urgency to fix it. Poverty impedes the rights of parents to raise children in safe and healthy conditions. Poverty also harms children’s ability to grow up healthy and to develop their potential towards full participation in society. Article 6 of the Convention on the Rights of the Child, which directs signatories to “ensure to the maximum extent possible the survival and development of the child”⁴⁸ is the most important social contract government can make to uphold child rights and build healthy families and communities. To do so, requires us to ensure everyone, no matter who they are or where they live in our province, indeed our country, is offered meaningful opportunities to live in dignity.

Appendix A

Child poverty rates by postal areas
(ⁱpostal city; ⁱⁱrural route)

| Postal Areas | Child Poverty Rate | Postal Areas | Child Poverty Rate |
|-------------------------------|--------------------|-----------------------------------|--------------------|
| Aberdeen ⁱⁱ | 46.9 | Coldbrook ⁱ | 10.3 |
| Afton Station ⁱⁱ | 42.4 | Dartmouth ⁱ | 23.7 |
| Amherst ⁱ | 32.4 | Debert ⁱⁱ | 25.0 |
| Annapolis Royal ⁱⁱ | 34.4 | Digby ⁱⁱ | 42.4 |
| Antigonish ⁱ | 23.7 | Dominion ⁱ | 32.3 |
| Arcadia ⁱ | 15.8 | East Preston ⁱ | 30.0 |
| Aylesford ⁱⁱ | 26.5 | Eastern Passage ⁱ | 14.0 |
| Barrington ⁱⁱ | 23.1 | Ellershouse ⁱⁱ | 20.7 |
| Bear River ⁱⁱ | 36.8 | Elmsdale ⁱ | 14.0 |
| Beaverbank ⁱ | 10.8 | Enfield ⁱ | 11.5 |
| Bedford ⁱ | 15.3 | Eskason ⁱⁱ | 73.2 |
| Beechville ⁱ | 15.4 | Eureka ⁱⁱ | 22.2 |
| Berwick ⁱⁱ | 25.0 | Fall River ⁱ | 4.5 |
| Bridgetown ⁱⁱ | 31.1 | Falmouth ⁱⁱ | 13.3 |
| Bridgewater ⁱ | 28.6 | Florence ⁱ | 37.9 |
| Brookfield ⁱⁱ | 21.1 | Forest Hill ⁱ | 22.7 |
| Brooklyn Corner ⁱ | 23.8 | Glace Bay ⁱ | 38.8 |
| Cambridge ⁱ | 22.7 | Granville Ferry ⁱⁱ | 25.0 |
| Canning ⁱⁱ | 33.8 | Greenwood ⁱⁱ | 8.9 |
| Canso ⁱⁱ | 38.9 | Greenwich ⁱ | 20.8 |
| Centerville ⁱⁱ | 18.4 | Gulf Shore ⁱⁱ | 33.3 |
| Chester Basin ⁱⁱ | 24.4 | Halifax ⁱ | 30.1 |
| Chester ⁱⁱ | 22.7 | Hammonds Plains ⁱ | 5.7 |
| Cheticamp ⁱⁱ | 17.2 | Hantsport ⁱⁱ | 31.1 |
| Church Point ⁱⁱ | 25.0 | Havre Boucher ⁱⁱ | 23.8 |
| Clarks Harbour ⁱⁱ | 29.0 | Head of Chezzetcook ⁱⁱ | 16.4 |

| Postal Areas | Child Poverty Rate | Postal Areas | Child Poverty Rate |
|-----------------------------------------------|--------------------|--------------------------------|--------------------|
| Hopewell ⁱⁱ | 31.3 | North River ⁱ | 24.0 |
| Hubbards ⁱⁱ | 18.2 | North Sydney ⁱ | 34.6 |
| Hubley ⁱ | 11.1 | Oxford ⁱⁱ | 31.7 |
| Inverness ⁱⁱ | 20.6 | Parrsboro ⁱⁱ | 30.0 |
| Kennetcook ⁱⁱ | 31.8 | Pictou ⁱⁱ | 25.2 |
| Kentville ⁱ | 28.2 | Port Hawkesbury ⁱ | 32.8 |
| Kingston ⁱⁱ | 20.1 | Port Williams ⁱⁱ | 12.2 |
| Lake Echo ⁱ | 15.7 | Porters Lake ⁱ | 13.7 |
| Lakeside ⁱ | 24.0 | Reserve Mines ⁱ | 32.3 |
| Lantz ⁱ | 15.7 | River Herbert ⁱⁱ | 30.8 |
| Lawrencetown (Annapolis County) ⁱⁱ | 40.7 | Scotchtown ⁱ | 43.8 |
| Lawrencetown (Halifax County) ⁱ | 8.5 | Scotsburn ⁱⁱ | 17.2 |
| Liverpool ⁱⁱ | 29.7 | Sheet Harbour ⁱⁱ | 38.1 |
| Linacy ⁱ | 17.9 | Shelburne ⁱⁱ | 25.0 |
| Lower Sackville ⁱ | 21.1 | Shubenacadie ⁱⁱ | 25.0 |
| Lower Woods Harbour ⁱⁱ | 33.3 | Springhill ⁱⁱ | 37.3 |
| Lower South River ⁱ | 12.3 | Stellarton ⁱⁱ | 28.4 |
| Lunenburg ⁱⁱ | 22.1 | Stewiacke ⁱⁱ | 24.6 |
| Mahone Bay ⁱⁱ | 22.6 | Sydney Mines ⁱ | 37.1 |
| McLeans Brook ⁱ | 27.8 | Sydney ⁱ | 29.2 |
| Membertou ⁱ | 51.5 | Tatamagouche ⁱⁱ | 23.5 |
| Merigomish ⁱⁱ | 21.7 | Timberlea ⁱ | 9.9 |
| Micmac ⁱ | 75.0 | Trenton ⁱ | 31.7 |
| Middle Musquodoboit ⁱⁱ | 30.0 | Truro Heights ⁱ | 34.4 |
| Middle Sackville ⁱ | 11.3 | Truro ⁱ | 30.4 |
| Milford ⁱⁱ | 11.9 | Tusket ⁱⁱ | 23.3 |
| Millbrook ⁱ | 50.0 | Upper Kennetcook ⁱⁱ | 43.5 |
| Mill Village ⁱⁱ | 31.3 | Upper Rawdon ⁱⁱ | 31.3 |
| Milton ⁱⁱ | 38.9 | Upper Tantallon ⁱ | 4.9 |
| Mount Uniacke ⁱⁱ | 19.8 | Valley ⁱ | 9.4 |
| Musquodoboit Harbour ⁱⁱ | 22.0 | Wagmatcook ⁱⁱ | 63.6 |
| New Germany ⁱⁱ | 31.6 | Walton ⁱⁱ | 40.0 |
| New Glasgow ⁱ | 25.8 | Waterville ⁱⁱ | 23.9 |
| New Minas ⁱ | 28.6 | Westville ⁱⁱ | 29.2 |
| Newport ⁱⁱ | 19.7 | Weymouth ⁱⁱ | 39.6 |
| New Ross ⁱⁱ | 42.1 | Wilmot ⁱⁱ | 34.4 |
| New Waterford ⁱ | 44.2 | Windsor ⁱⁱ | 27.6 |
| Nictaux ⁱⁱ | 32.1 | Wolfville ⁱ | 30.8 |
| North Alton ⁱ | 24.0 | Yarmouth ⁱ | 41.5 |
| North Preston ⁱ | 52.9 | | |

Appendix B

Data sources and measures of poverty

THERE ARE A three data sources that can be used to report on measures of poverty. The most comprehensive data source is the federal Census, which is a mandatory survey of the population conducted every five years. The last Census was conducted in 2016 and uses income data from 2015. Another source of data is the Canadian Income Survey (CIS), a yearly survey of a sample of Canadians that provides a portrait of income excluding residents of the territories, and persons living on reserves and other Aboriginal settlements. Third, is the T1 Family File (T1FF) which is collected every year from tax filers. According to Statistics Canada, 75.3% of Canadians file taxes and the T1FF captures the income situation of 94.6% of families with children through child benefit records.⁴⁹ The T1FF is closer to the Census in that it captures data from most of the population of families, however some information available in the Census is not collected through tax-filer data, such as visible minority, immigration, or Aboriginal status. The T1FF collects income data from First Nations reserves, unlike the CIS.⁵⁰

Along with these different data sources about Canadian incomes, there are different ways that poverty is measured. The CFLIM-AT (Census Family After-Tax Low-Income Measure) compares income of a census family to the rest of the population. The CFLIM-AT is a relative measure of poverty that determines poverty thresholds set at 50% of the median Canadian family income. After taking taxes and benefits into account and adjusting for family

TABLE 4 2017 Thresholds for After-Tax Census Family Low Income Measure*

| Number of family members | After-tax Low-Income Measure Thresholds (dollar amount) |
|--------------------------|---------------------------------------------------------|
| 1 | 21,234 |
| 2 | 30,029 |
| 3 | 36,778 |
| 4 | 42,468 |
| 5 | 47,481 |
| 6 | 52,012 |
| 7 | 56,180 |
| 8 | 60,059 |
| 9 | 63,702 |
| 10 | 67,148 |

Source Technical Reference Guide for the Annual Income Estimates for Census Families, Individuals and Seniors; T1 Family File, Final Estimates, 2017. Statistics Canada – Catalogue no. 72-212-X 9.

* The CFLIM-AT for any census family size can be calculated by multiplying \$21,234 by the square root of the family size. For example, the after-tax CFLIM for a family of 4 is \$42,468. This is calculated by multiplying \$21,234 by 2 (square root of 4).

size, those with incomes below this threshold, are considered low-income. When calculating the CFLIM-AT with T1FF data, the unit of analysis is the *census family*. The Low-Income Measure After-Tax (LIM-AT) is also calculated using Census data and data from the CIS, however the unit of analysis is the *household*. Census families are members of a couple family, with or without children, and lone parents and their children. Households, in contrast, are any group of individuals who live in the same dwelling. The LIM is the most recognized measure of poverty internationally as it is the most strongly related to health status and developmental outcomes. It is used by UNICEF, the Organization for Economic Cooperation and Development, and the European Union. As UNICEF explains this poverty rate, it captures: **“the proportion of children who are to some significant extent excluded from the advantages and opportunities which most children in that particular society would consider normal.”**⁵¹

In 2018, Canada’s first federal government Poverty Reduction Strategy named the Market Basket Measure (MBM) as the official measure of poverty in Canada. The MBM is an absolute measure of material deprivation, which uses the cost of goods and services that would allow a family to meet their basic needs and have a modest standard of living.⁵² The basket is costed in 50 regions across Canada⁵³ making it sensitive to regional differences, and includes the costs of specified qualities and quantities of food, clothing,

TABLE 5 Market Basket Measure (MBM) Thresholds for a reference family of 4, 2017 Constant dollars (2008 base year)

| | Market Basket Measure Thresholds (dollar amount) |
|------------------------------------------|--------------------------------------------------|
| Nova Scotia Rural | 38,467 |
| Nova Scotia, Population under 30,000 | 38,652 |
| Nova Scotia, Population 30,000 to 99,999 | 36,258 |
| Halifax, Nova Scotia | 37,449 |
| Cape Breton, Nova Scotia | 34,651 |

Source Statistics Canada Table 11-10-0066-01

footwear, transportation, shelter and other expenses. Unfortunately, the current MBM calculations use 2008 as the base year for what constitutes a ‘modest standard of living’, with a significant update expected sometime this year. In addition, the MBM is based on the Canadian Income Survey (CIS), and the Census, and not yearly T1FF data.

Notes

- 1** United Nations. (1989). Convention on the Rights of the Child. Available at <https://www.ohchr.org/en/professionalinterest/pages/crc.aspx>.
- 2** Ibid.
- 3** CBC News. (November 20, 2019). Provincial Government without answers as concerns about Nova Scotia poverty increase. <https://www.cbc.ca/news/canada/nova-scotia/child-poverty-community-services-1.5366596>.
- 4** Global News. (September 19, 2019). Nova Scotia's 2019-20 budget on track for \$30m surplus: Finance minister. Available at <https://globalnews.ca/news/5925312/ns-projected-budget-surplus/>
- 5** Government of Nova Scotia (2018). Community projects to reduce poverty. <https://novascotia.ca/news/release/?id=20180914002>
- 6** Government of Nova Scotia. (2018). Poverty reduction overview. Available at https://www.unitedwayhalifax.ca/index.php?option=com_docman&view=download&alias=144-nova-scotia-poverty-reduction-blueprint-presentation&category_slug=community-impact-docs&Itemid=282
- 7** Government of Nova Scotia. (nd) Program transformation. Available at <https://novascotia.ca/coms/transformation/program-transformation.asp>
- 8** Source: Technical Reference Guide for the Annual Income Estimates for Census Families, Individuals and Seniors T1 Family File, Final Estimates, 2017. Statistics Canada – Catalogue no. 72-212-X 9
- 9** Battle, K. (2015). Child benefits in Canada: Politics versus Policy, Calendon Institute, June 2015. <http://www.caledoninst.org/Publications/PDF/1074ENG.pdf>
- 10** Government of Canada, Department of Finance. (2018). Backgrounder: Strengthening the Canada Child Benefit. Retrieved from (https://www.fin.gc.ca/n18/data/18-008_4-eng.asp).
- 11** Statistics Canada does not calculate poverty statistics based on the MBM using tax filer data.
- 12** See more census statistic on who lives in these riding with an interactive map at <https://campaign2000.ca/child-poverty-by-federal-riding/>

13 Appendix A includes communities (determined by postal cities and rural route defined by the Canada Post Corporation (CPC) with at least 60 low-income children residing there. Postal cities are a collection of postal codes that begin with the same first three digits. Any given postal city is only loosely associated with a community and may not align with other understandings of community boundaries. A rural postal code has the numeral 0 (zero) in the second position of the first three digits of the code.

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