

BRITISH COLUMBIA

2020 BC CHILD POVERTY REPORT CARD



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24TH ANNUAL REPORT CARD ON CANADA'S COMMITMENT TO END CHILD POVERTY BY 2000

**2020 BC CHILD POVERTY
REPORT CARD**

DECEMBER 2020

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Introduction

BC'S CHILD POVERTY RATE HIGH AND LIKELY TO WORSEN DUE TO PANDEMIC

First Call has been publishing the BC Child Poverty Report Card for twenty-four years. It is profoundly disappointing that in 2018, the most recent year for which data is available, one in five BC children live in poverty. In 2018, there were 159,570 children and youth living in poor households with many living in deep poverty.

This year's BC Child Poverty Report Card is published ten months into the COVID-19 pandemic. Emerging data, personal stories and other reports tell us the economic, social and health impacts of the pandemic on children, youth and families has been profound. The pandemic has amplified pre-existing inequities and poor children and their families have been among the worst affected.

It is profoundly disappointing that our 24th annual BC Child Poverty Report Card still shows one in five (159,570) BC children are poor.

While the data in this report does not reflect the current situation for families, it gives us a good understanding of which children were at greater risk of living in poverty before the pandemic began.

In 2018, poverty was more prevalent among children under six in BC (21.7%) than among children 0 to 17-years-old (18.5%). The 2016 Census data showed visible minority (racialized) children's poverty rates in BC were all higher than the poverty rate for non-visible minorities. Arab, Korean and West Asian children had more than double or triple the risk of poverty compared to non-visible minority children. The Census also recorded a

44.9% poverty rate for new immigrant children in BC.

On-reserve child poverty data in 2018 indicates even higher rates. The child poverty rate on forty-two BC First Nations reserves in 2018 was 40.7%, with at least 3,500 children living in poverty. The child poverty rate was much higher on these rural reserves (51.2%) than on the urban reserves (32.9%), with 1,870 children on rural reserves living in poverty and 1,630 children on urban reserves living in poverty.

The continuing legacy of colonialism is still very apparent in these numbers. First Call also recognizes that reserves do not reflect the larger traditional territories of BC's First Nations where many First Nations children and families live.

And in 2018, the child poverty rate for children in lone-parent families was 50.4%, five times the 10.2% rate for their counterparts in couple families. Most of these families are female-led.

The data also tells us that most poor children live in a household where one or more parents are working. In 2018, just over 38,538 dependent children lived in households receiving social assistance, representing about 24% of BC's poor children that year.

The pandemic has amplified pre-existing inequities and poor children and their families have been among the worst affected. While the data in this report does not reflect the current situation for families, it gives us a good understanding of which children were at greater risk of living in poverty before the pandemic began.

In recent years, both the Canadian and BC governments introduced official poverty reduction strategies. The BC Poverty Reduction Strategy Act, passed unanimously in November 2018, contains a target to reduce the province's child poverty rate by 50% by 2024. This was followed in 2019 by the publication of TogetherBC—British Columbia's Poverty Reduction Strategy. The first annual progress report required under the Act was due to be presented to the Legislature on October 1, 2020 and is expected soon, after the delay caused by the provincial election in October of this year.

We can see that the first full year of an improved Canada Child Benefit in 2017 helped to lift some families out of deep poverty but the incremental improvement to the child poverty rate in 2018 tells us the benefit, as measured by poverty reduction, has stalled. Simultaneously, we have heard from many families who are not receiving the benefit. The federal government must ensure that all families who are entitled to the benefit receive it by reducing barriers related to tax filing and other administrative tests.

We can predict the improved BC Child Opportunity Benefit that families. We hope to see this impact in our 2022 Child Poverty Report Card.

Government can build on emergency COVID-19 measures for youth in and from care. That means providing income and other supports beyond the age of 19 so youth who 'age out' do not become destitute and homeless. By acting on the recommendation in this report to reduce or eliminate child and family poverty, government can also do much more to ensure children are not taken into care because of household poverty.

Governments at all levels must meaningfully collaborate with First Nations, Métis and Inuit governments and Indigenous organizations to develop plans to prevent, reduce and eradicate child and family poverty in Indigenous communities.

While the full and long-term economic effects of the pandemic on children and youth in BC are still not known, we do know that government income benefits are crucial to child and youth well-being along with safe and affordable housing, food security, online access, child care, public education, mental health supports and other social services.

Lifting families out of poverty during COVID-19 and in the subsequent recovery period will require coordinated efforts between all levels of government. This year's Child Poverty Report Card and the impacts of COVID-19 highlighted in stories from struggling families show we still have a long way to go in BC to ensure all children and youth have what they need to thrive.

“There is nothing that is more significantly associated with the removal of children from their families — than poverty.”

— Dr. Mary Ellen Turpel-Lafond

Testimony, National Inquiry into Missing and Murdered Indigenous Women and Girls, October 4, 2018

KATHRYN'S STORY

KATHRYN LIVES ON VANCOUVER ISLAND with her husband and her 13-year-old son, Gabriel. Her son was diagnosed with autism when he was five years old. For many years, her son had teachers who were experienced in supporting children with special educational needs. However, in recent years, her son's teachers have changed and aren't as experienced. She would get regular phone calls from school asking her to pick up her son, including several calls where they told her they had lost her son. Her husband works long hours in a different city, and so can't be at home to help with child care.



“Work would bleed into my personal time. There were no boundaries between the two. I wasn't giving 100% in either my job or parenting. I would work 12+hour days and just make cereal for my child because I didn't have time to cook anything.”

At the start of the pandemic, Kathryn was temporarily laid off from her job. At the same time, she began home-schooling Gabriel as he needs constant support. In July 2020, she was temporarily hired back and struggled to balance her work and caring for her son. A few month's later she decided to resign from her job.

“Work would bleed into my personal time. There were no boundaries between the two. I wasn't giving 100% in either my job or parenting. I would work 12+hour days and just make cereal for my child because I didn't have time to cook anything.”

Initially, Kathryn didn't miss the drop in income. With COVID the family doesn't go anywhere so their expenses are lower. However, they began to experience a series of setbacks. Her husband's car broke down, followed by her laptop, dishwasher and her car. “Things snowball when you don't have any money. I don't have freedom when I don't have any money to fix things.”

The whole situation has impacted her mental health and Gabriel gets more agitated as he senses the tension and anxiety. Even though schools have reopened, she has decided to continue home-schooling Gabriel as she doesn't trust the school to support him. Kathryn would like to see more investment in the education system in BC. She would like standards of practice to be introduced for educational assistants, so that they can better support children like Gabriel.

One in Five BC Children Living in Poverty

BC'S CHILD POVERTY RATES

In 2018, the child poverty rate in British Columbia was 18.5% as measured by Statistics Canada's Census Family Low Income Measure (CFLIM) after income taxes, using taxfiler data. This represents 159,570 or one in five, BC children living in poverty. In 2018, BC (18.5%) had a slightly higher child poverty rate than Canada (18.2%).

1 out of 5

BC children are poor
— higher than the
national average.



The 2018 rates were down incrementally from 2017 when BC's child poverty rate was 19.1% and Canada's was 18.6%. In 2018 poverty was more prevalent among children under six in BC at 21.7% than among children 0 to 17-years-old at 18.5%.

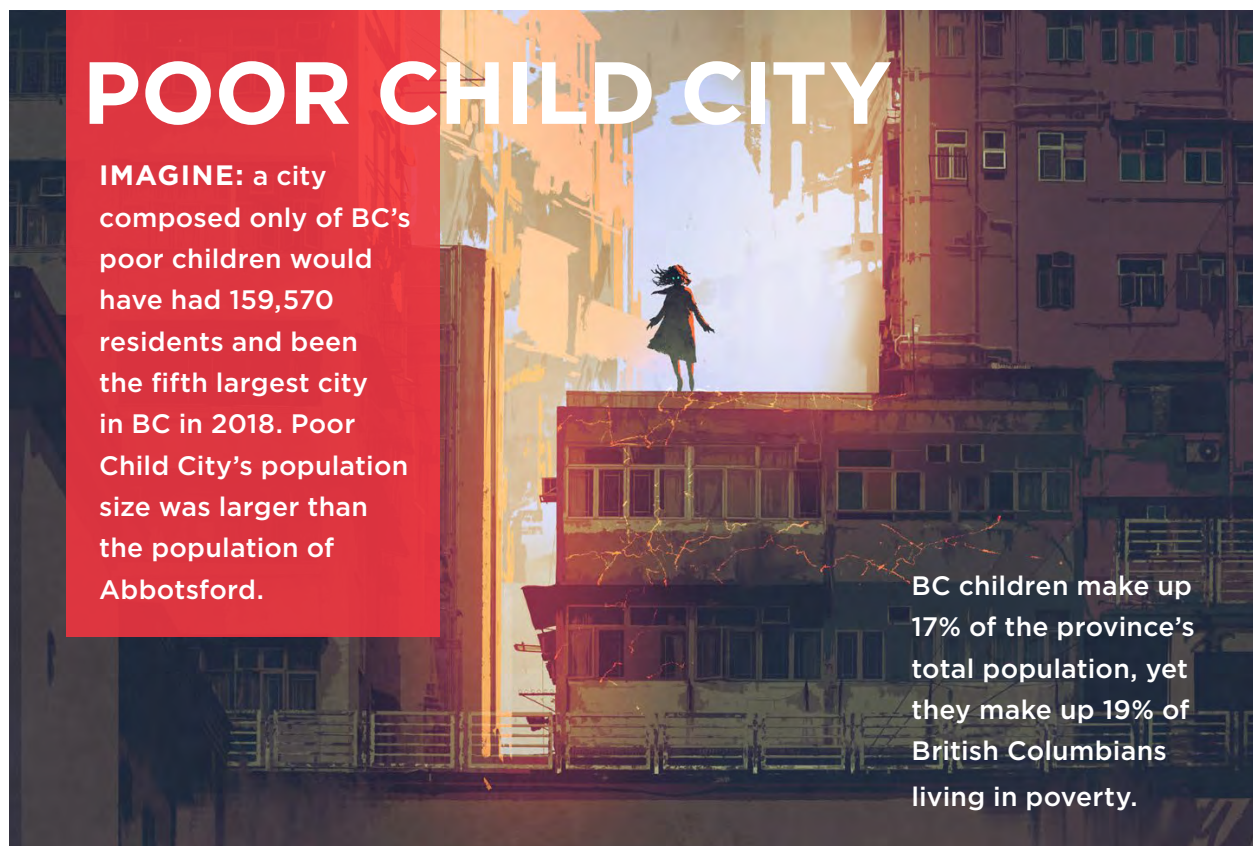
This 18.5% child poverty rate was slightly higher than the poverty rate of 18.1% for BC's overall population. The same was true for the Canadian rates, with a child poverty rate of 18.2% that was higher than the all-ages rate of 16.5%. Child poverty rates remain higher than overall poverty rates in nine provinces and territories, showing how urgently we still need to improve financial and social supports for families with children across the country.

The gap between the all-ages poverty rate and the child poverty rate continued to narrow in nearly all provinces and territories between 2017 and 2018 as child poverty rates declined very slightly. The incremental improvement to the child poverty rate between 2017 and 2018 likely reflects the full impact

All Ages, Child (0-17 years old) and Children Under Age 6 Poverty Rates, BC and Canada, CFLIM After Tax, 2018

Young children (0-5 years) poverty rate	BC	59,000 young children	21.7%
	Canada	518,380 young children	22.0%
Child (0-17 years) poverty rate	BC	159,570 children	18.5%
	Canada	1,337,570 children	18.2%
All ages poverty rate	BC	859,490 people	18.1%
	Canada	5,933,690 people	16.5%

Source: Statistics Canada. Table I-13, Community Data Program, 2018



POOR CHILD CITY

IMAGINE: a city composed only of BC's poor children would have had 159,570 residents and been the fifth largest city in BC in 2018. Poor Child City's population size was larger than the population of Abbotsford.

BC children make up 17% of the province's total population, yet they make up 19% of British Columbians living in poverty.

of the first full year of the improved Canada Child Benefit in 2017. In 2018, there were no significant changes to benefits for families with children.

In 2018, just over one third, or 59,000 of BC's poor children were under the age of six. This was an increase of 7,240 young children from 51,760 in 2017 and represented a poverty rate of 21.7% for children under six. The poverty rate for children under six was also higher than the poverty rate for the broader population at 18.1%.

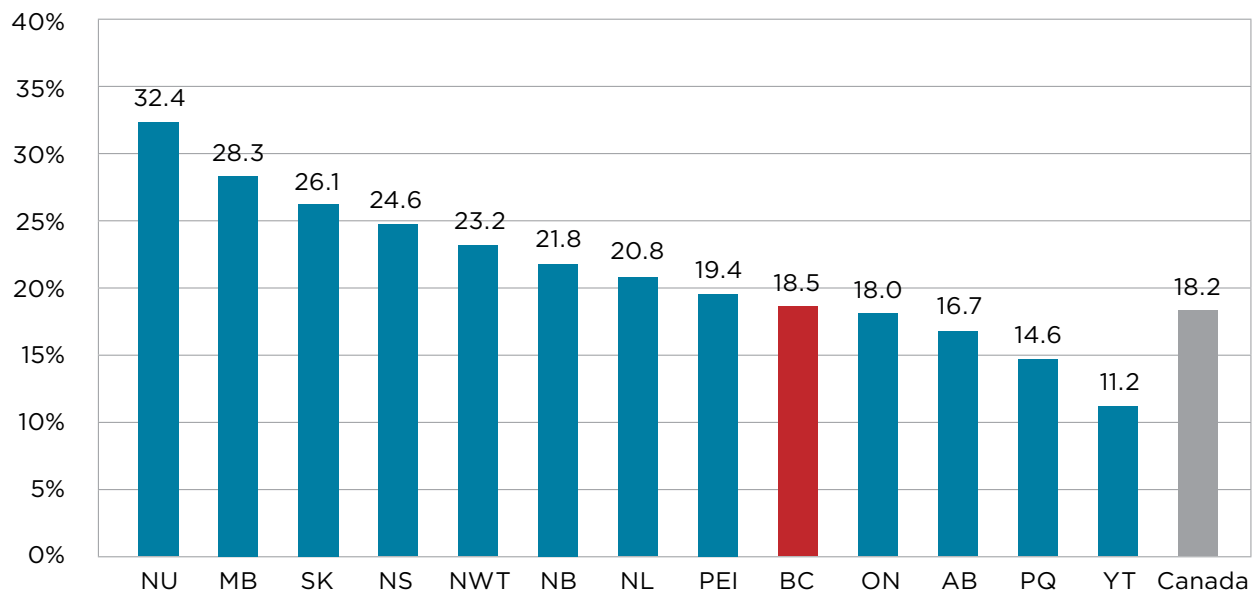
For the under six age group, BC did only slightly better than the Canadian average of 22%. Similar to the previous year, the 2018 BC poverty rate for younger children remained higher than the overall child poverty rate, a worrisome trend, given the importance and sensitivity of child development in the early years.

CHILD POVERTY – A CANADA-WIDE PROBLEM

From coast to coast, child poverty is a Canada-wide problem. British Columbia's child poverty rate of 18.5% was the ninth-highest of Canada's thirteen provinces and territories in 2018, down from eighth highest in 2017, but still a mediocre performance. Ontario, Alberta, Quebec, and the Yukon Territory all had lower child poverty rates than BC in 2018.

The high child poverty rates across Canada demonstrate that the provincial and federal governments still have a lot of work to do to eliminate child poverty.

Child Poverty Rates, by Province/Territory, CFLIM After Tax, 2018



Source: Statistics Canada. Table I-13, Community Data Program, 2018

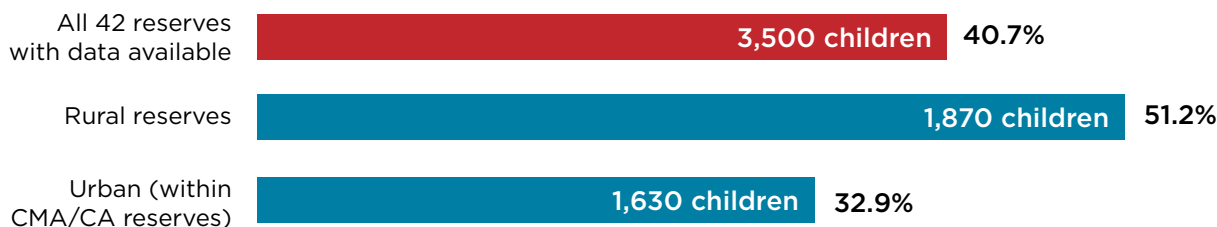
HIGH LEVELS OF ON-RESERVE CHILD POVERTY

As high as the overall rates of child poverty were in British Columbia in 2018, on-reserve child poverty data available this year indicate even higher rates. The following data is based on only 42 First Nations reserves with child poverty data available through taxfiler data. There were many First Nations reserves in BC without child poverty data available.

The child poverty rate on forty-two BC First Nations reserves in 2018 was 40.7%, with at least 3,500 children living in poverty. The child poverty rate was much higher on rural reserves (51.2%) than on urban reserves (32.9%), with 1,870 children on rural reserves living in poverty and 1,630 children on urban reserves living in poverty.

The continuing legacy of colonialism is still very apparent in these numbers. First Call also recognizes that reserves do not reflect the larger traditional territories of BC's First Nations.

Child (0-17 year old) poverty rate, 42 BC First Nations reserves, CFLIM-AT, 2018



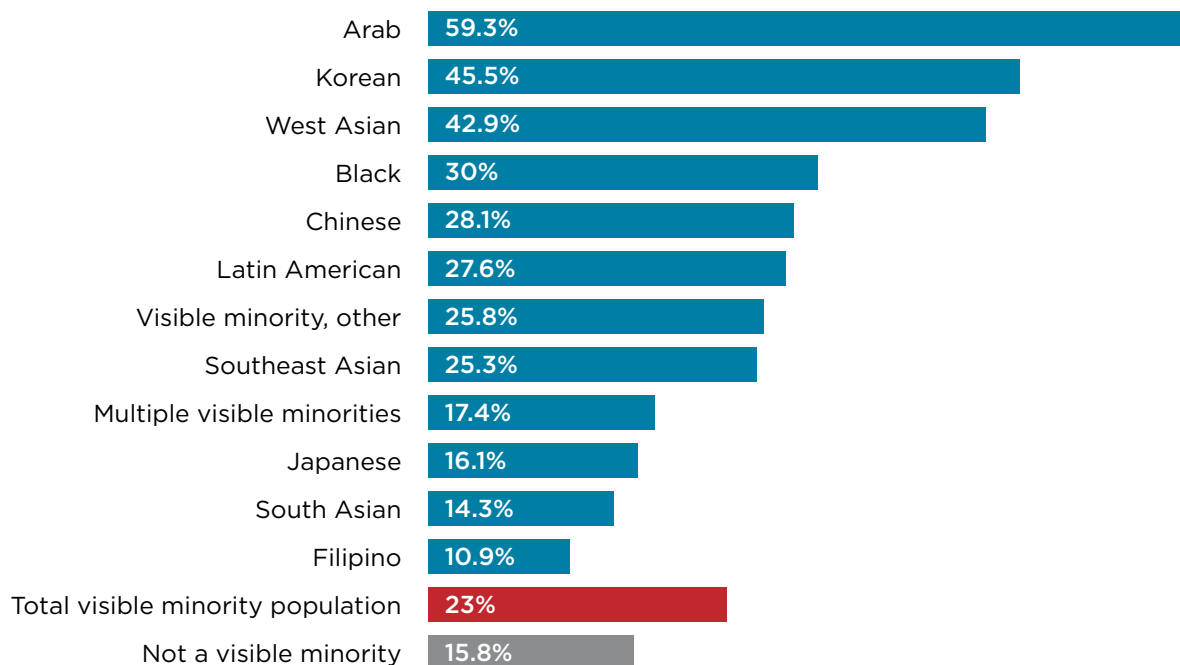
Source: Statistics Canada. Table I-13, Community Data Program, 2018

SOME CHILDREN ARE AT MUCH HIGHER RISK OF GROWING UP IN POVERTY

As the data above on child poverty on First Nations reserves shows, the overall child poverty statistics hide the fact that some children in BC are more at risk of living in poverty than others.

2016 Census data based on the LIM after tax measure showed that most visible minority (racialized) children's poverty rates in BC were higher than the poverty rate for non-visible minorities. Arab, Korean and West Asian children had more than double or triple the risk of poverty compared to non-visible minority children. The census also recorded a 44.9% poverty rate for new immigrant children in BC.

BC Child Poverty Rates For Different Population Groups



Source: Statistics Canada. 2016 Census

Most visible minority (racialized) children's poverty rates in BC were higher than the poverty rate for non-visible minorities.

PHOTO JACOB LUND/NOUN



BC's Child Poverty Rates Over Time

PERCENTAGE OF POOR CHILDREN OVER TIME

It's been thirty-two years since the House of Commons made a unanimous commitment to end child poverty by the year 2000. In 1989, the child poverty rate was 22.0% in Canada and 21.9% in BC. In 2000, BC's child poverty rate reached a thirty-year high at 27.6%.

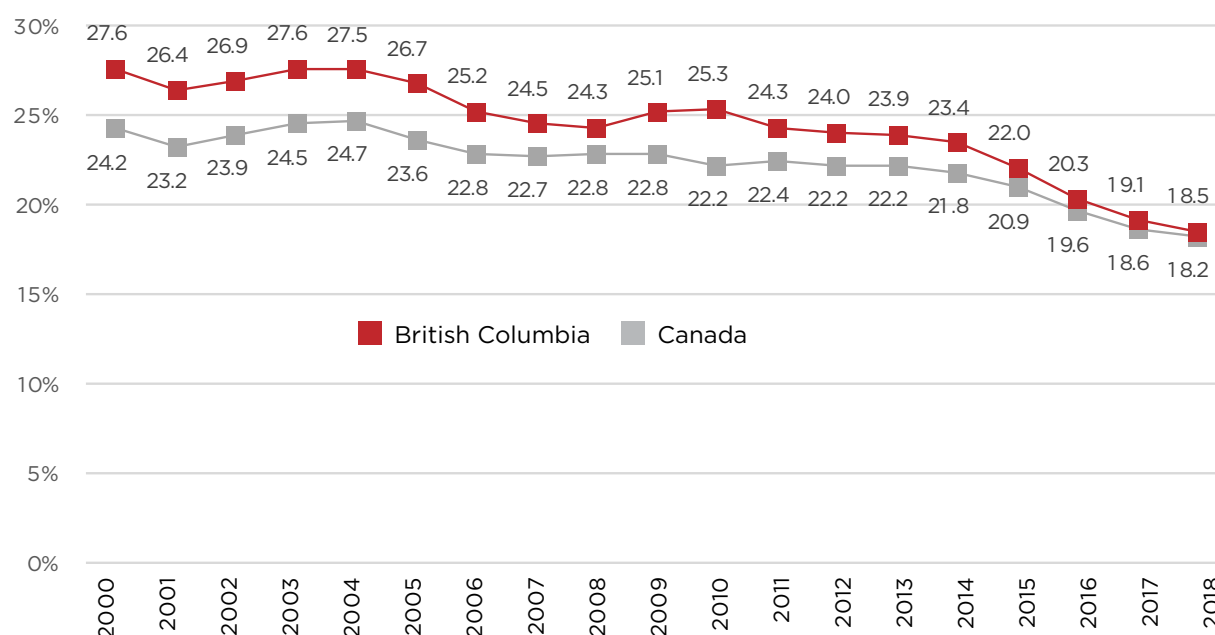
It is encouraging to see there has been a particularly strong decrease in the number of children living in poverty in recent years, including a decrease from 23.4% in 2014 to 18.5% in 2018—34,800 fewer children living in poverty in BC. We know that families benefited from improved government income supports including the Canada Child Benefit starting in 2016.

For every year out of the past nineteen years (2000–2018), British Columbia has had a higher child poverty rate than Canada, based on the Census Family Low Income Measure (CFLIM), after tax. However, the gap between the two poverty rates has been narrowing. In 2018, BC's child poverty rate was only slightly higher than Canada's rate. This is the smallest gap between the federal and provincial rates during the 2000–2018 period.

While progress has been made, one in five children in BC were still living in poverty in 2018. There is much work to be done to fulfill our obligation to children and their families and to meet poverty reduction targets.

BC's child poverty rate from 2000 to 2018 remained consistently higher than the Canadian average.

Child Poverty Rates, Canada and British Columbia, CFLIM After Tax, 2000-2018



Source: Statistics Canada. Table 11-10-0018-01

NUMBER OF POOR CHILDREN OVER TIME

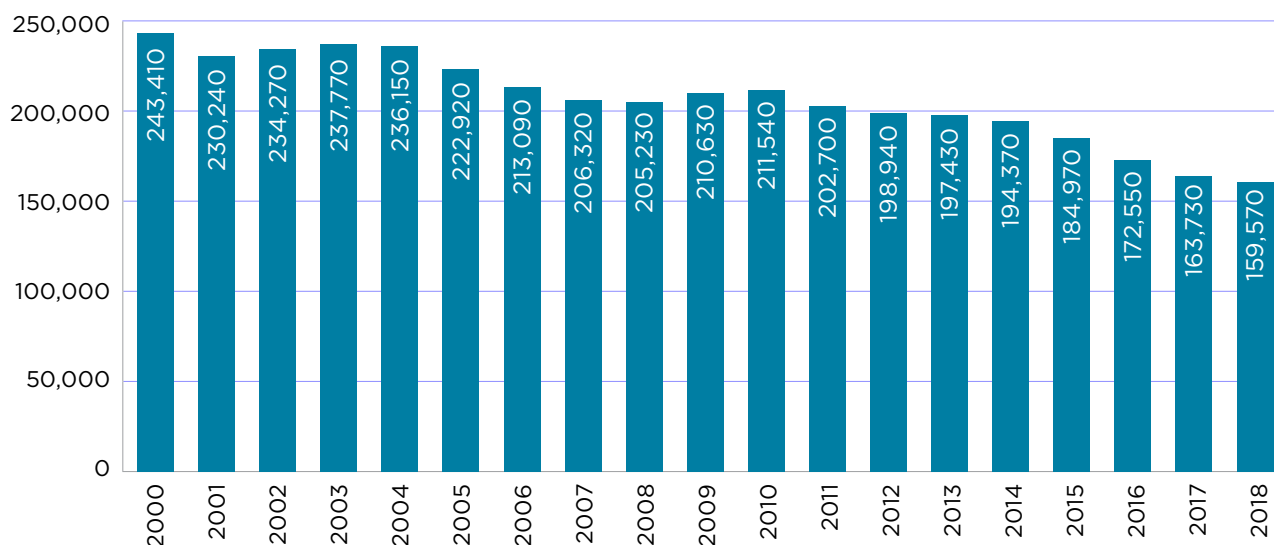
The number of poor children (0-17 years old) in British Columbia, based on the Census Family Low Income Measure (CFLIM), after tax, declined every year from 2010 to 2018. However, the number of BC children living in poverty in 2018 remained unacceptably high at 159,570.

There were 4,160 fewer children living in poverty in 2018 than in 2017. This falls short of the decrease of 8,820 fewer poor children from 2016 to 2017. In 2018, the BC government committed to reducing child poverty by 50% over the next five years using 2016 as the base year. Assuming the rate of reduction in child poverty between 2017-2018 continues, it would take many more years to reach the goal of reducing child poverty by half and that's before the onset of COVID-19.

The number of children living in poverty in BC has decreased by 83,840 children in the past 18 years, but the rate of child poverty in the province is still 1 in 5 children.

In order to meet government's target, the rate of decline in child poverty must almost quadruple in 2019 and in each of the next three years.

Number of poor children, British Columbia, based on CFLIM-AT, 2000-2018



Source: Statistics Canada

EARLY CHILDHOOD DEVELOPMENT TRENDS IN BC

The Human Early Learning Partnership's 2016-2019 Wave 7 Early Development Instrument (EDI) Report shows increasing vulnerability among young children over the last fifteen years, trending from 29.9% in the 2004-2007 Wave 2 report to 33.4%. The report noted that "half of childhood vulnerability on the EDI can be explained by socio-economic characteristics." This includes factors like income and wealth.¹



¹ Human Early Learning Partnership. EDI BC. Early Development Instrument British Columbia, 2016-2019 Wave 7 provincial report. Vancouver, BC: University of British Columbia, Faculty of Medicine, School of Population and Public Health; 2019 Nov. http://earlylearning.ubc.ca/media/edibc_wave7_2019_provincialreport.pdf

BC Child Poverty by Family Type

CHILD POVERTY IN LONE-PARENT AND COUPLE FAMILIES

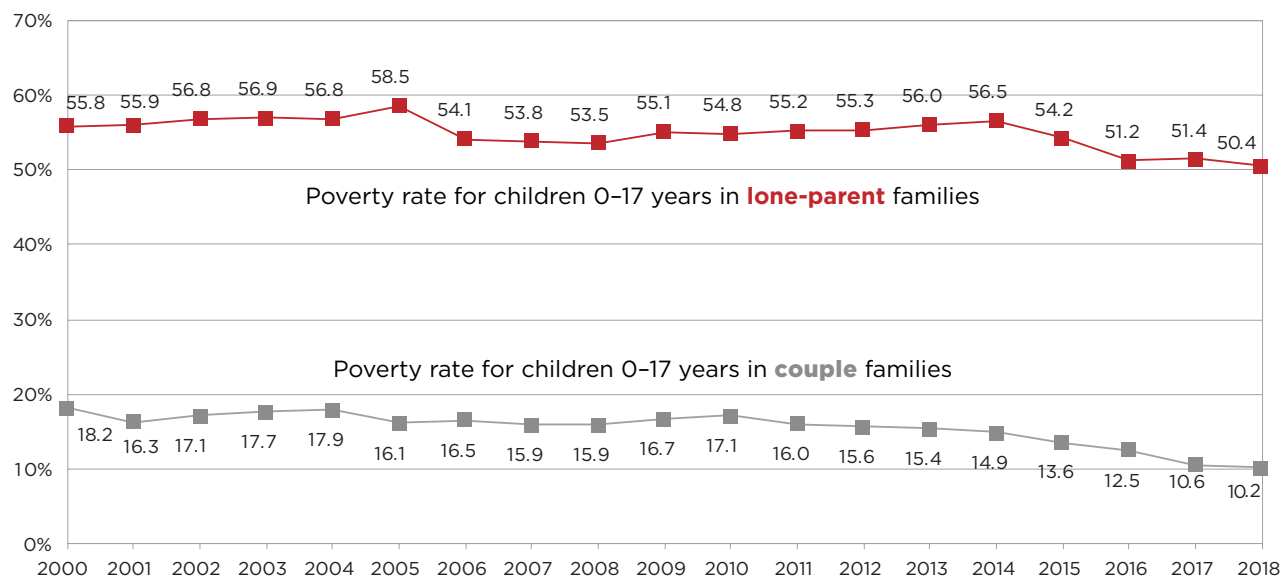
Children in lone-parent families in British Columbia have consistently suffered much higher poverty rates than their counterparts in couple families. For the past eighteen years (2000-2018), more than half of all children in lone-parent families in BC have lived in poverty. In 2018, the child poverty rate for children in lone-parent families was 50.4%, five times the 10.2% rate for their counterparts in couple families.

Over these last eighteen years, there has been more success in reducing child poverty rates among children in couple families in BC than in lone parent families: the child poverty rate among children in couple families decreased by 8 percentage points between 2000 and 2018 (from 18.2% to 10.2%), while the child poverty rate among children in lone parent families decreased by only 5.4 percentage points (from 55.8% in 2000 to 50.4% in 2018).

One in every
two BC children
of single parents
were poor in
2018.



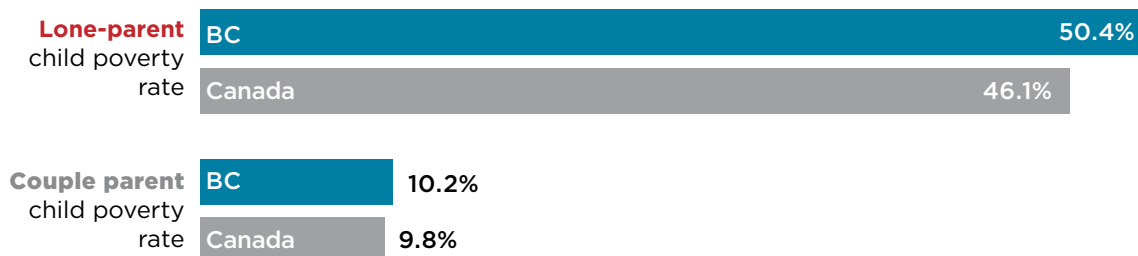
Child Poverty Rate by Family Type, CFLIM-AT, British Columbia, 2000-2018



Source: Statistics Canada, Table 11-10-0018-01, 2018

BC's child poverty rate did decrease slightly between 2017 and 2018 for both children in couple families (from 10.6% to 10.2%) and children in lone-parent families (from 51.4% to 50.4%). Yet in 2018, BC's child poverty rates were still higher than Canada's for children in both these family types, as illustrated in the following graph.

Child Poverty Rates by Family Type, Canada and BC, CFLIM, After-Tax, 2018



Source: Statistics Canada: Table: 11-10-0018-01

PROPORTIONS OF BC CHILDREN IN DIFFERENT FAMILY TYPES

While only one in five children (20%) in British Columbia were in lone-parent families in 2018, over half (55%) of all children living in poverty in BC were in lone-parent families. In 2018, there were 84,430 poor children in lone parent families in BC, compared with 70,070 poor children in couple families. Between 2017 and 2018 there was a small decrease in the number of poor children in both couple and lone-parent families in BC: 2,000 fewer in couple families and 2,260 fewer in lone-parent families.

Proportion of BC Children 0-17 in Couple Families and Lone-Parent Families, 2018



Source: Statistics Canada, Table 39-10-0041-01, 2018

While the poverty rate for BC children in lone-parent families overall was 50.4% in 2018, the rates varied widely depending on family composition and location. The poverty rate for BC children in large (3+ children) lone-parent families in 2018 was extremely high at 59.3%. Child poverty rates for children in lone-parent families across 26 BC cities and towns ranged from a low of 43.4% in Victoria to a high of 60.4% in Prince Rupert, a dramatic 17 percentage point difference. The 10.2% provincial poverty rate for children in couple families in 2018 included a range from 5.1% in Cranbrook to 13.5% in Port Alberni, an 8.4 percentage point difference.

The 5,070 BC children under 18 who were not living in census families in 2018 had the most challenging situation of all, with a poverty rate of 99%. While the data definition indicates “they may be living with a family to whom they are related or unrelated, or living alone or with other non-family persons,” we know very little about the children, or likely youth, captured in this statistic.

INCOME INEQUALITY IN MEDIAN INCOMES BY FAMILY TYPE

Income inequality among different family types can be measured in several ways. Lone-parent families had a median after-tax annual family income of \$45,230 in BC in 2018, just over half (55%) of the median after-tax family income of \$82,990 for couple families with children. Poor lone-parent families had a median after-tax family income of only \$20,820 in 2018, more than \$24,000 less than the median annual incomes of all lone-parent families. The gap was even larger for poor couple families who had a median after-tax family income of only \$23,660, over \$59,000 less than the median income of all couple families in BC. The median income of poor couple families with children in BC was also the lowest of all provinces for this family type.¹



WOMEN'S POVERTY

In BC in 2018, 81% of lone-parent families were female-led. These families' median annual income was \$44,590, just 68% of the male lone-parent median income of \$65,440. For many lone mothers, the difficulty of finding affordable quality child care—so they can sustain employment—remains one of the most common obstacles that leaves them raising their children in poverty.

Source: Statistics Canada. Table 11-10-0011-01

BIANCA'S STORY

BIANCA LIVES ON INCOME ASSISTANCE with her two young children in Vancouver. She spent her early years in foster care, but from age 4 she lived with her mother and sister, eventually becoming a three-generation family living together in her mother's small apartment. This summer, her mother passed away and Bianca couldn't keep the apartment. Desperate, she said, “I power called BC Housing as I didn't want to become homeless.” Bianca succeeded in getting a new apartment. She uses a foodbank to get necessities for her children. She found that during the COVID-19 lockdown, essentials such as diapers and wipes got more expensive because grocery stores were pushing up prices. Bianca worries about the impact that isolation is having on her children who have spent a lot of time indoors, since their summer programs were cancelled. She would like government to provide support for low cost internet access. “Everything is on the internet these days.”

1 Median income data from Statistics Canada Table: 11-10-0017-01 and Table: 11-10-0020-01.

Depth of Family Poverty

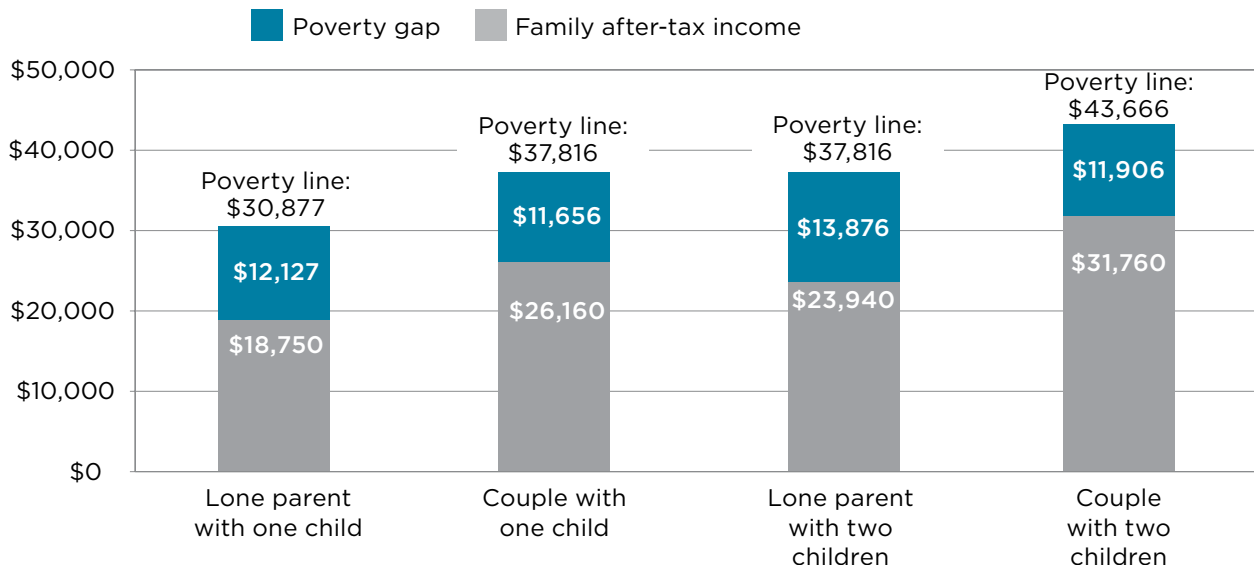
POOR BC FAMILIES LIVING FAR BELOW THE POVERTY LINE

Living at the poverty line is a challenge, but many poor families actually live far below the poverty line.

Not only were many families with children in BC living in poverty in 2018, these families were typically living far below the poverty line, based on the Census Family Low Income Measure (CFLIM) after tax.

- Poor lone parent families with 1 child had a median after-tax income of \$18,750 in 2018 in BC, or \$12,127 below the \$30,877 poverty line for a family of this size. They would have to increase their after-tax income by \$1,011 per month to meet this threshold.
- Poor couple families with 1 child had a median after-tax income of \$26,160 in 2018 in BC, or \$11,656 below the \$37,816 poverty line for a family of this size. They would have to increase their after-tax income by \$971 per month to meet this threshold.
- Poor lone parent families with 2 children had a median after-tax income of \$23,940 in 2018 in BC, or \$13,876 below the \$37,816 poverty line for a family of this size. They would have to increase their after-tax income by \$1,156 per month to meet this threshold.
- Poor couple families with 2 children had a median after-tax income of \$31,760 in 2018 in BC or \$11,906 below the \$43,666 poverty line for a family of this size. They would have to increase their after-tax income by \$992 per month to meet this threshold.

Depth of Low Income for Families in British Columbia, 2018



Source: For median after-tax family income: Statistics Canada. Table F-20 After-tax low income status of census families (census family low income measures, CFLIM-AT) by family type and family composition, adjusted methodology, 2018. For CFLIM Income Thresholds: Statistics Canada. Technical Reference Guide for the Annual Income Estimates for Census Families, Individuals and Seniors, T1 Family File, Final Estimates, 2018. Table G. P.12.

BC's median incomes for all family types in low income were below the Canadian averages in 2018 and the poverty gaps for all family types were larger than the national averages.

IMPACT OF LIVING IN DEEP POVERTY: HOMELESSNESS

In the November 2020 report on the Metro Vancouver homelessness count, a total of 54 children under 19 years of age (2%) and 139 youth between 19 and 24 years (6%) were found experiencing homelessness, for a total of 193 children and youth representing 8% of the homeless population. Compared to 16% in 2017 and 20% in 2014, young people are the only age group where the count results showed a reduction, continuing a decreasing trend. However, youth homelessness is often hidden and likely to be under-counted.

The largest numbers of homeless youth under 25 were found in Vancouver (104), Surrey (33) and Langley (25).

Disturbingly, some children and youth have a much higher chance of becoming homeless than others. 45% of youth under 25 (85 youth) counted in the report were or had been in government care. 53% of Indigenous respondents of all ages indicated they had been in Ministry care as a youth or child, compared to 21% of non-Indigenous respondents. Indigenous people of all ages continue to be vastly overrepresented in the homeless population.

A 2018 Metro Vancouver homeless youth count identified LBGTQ2S youth as overrepresented in the count at 26%. In that report, homeless children and youth reported facing many challenges, including 72% struggling with mental illness, 57% managing some kind of addiction and 52% identifying family conflict as the reason they first became homeless.

In the 2020 count, 29% of respondents reported experiencing homelessness for the first time before age 19; 43% were first homeless before age 25.¹

Disturbingly, some children and youth have a much higher chance of becoming homeless than others. 45% of youth under 25 (85 youth) counted in the report were or had been in government care. 53% of Indigenous respondents of all ages indicated they had been in Ministry care as a youth or child, compared to 21% of non-Indigenous respondents.



¹ 2020 Homelessness Count in Metro Vancouver, Final Data Report, November 2020: <https://www.vancitycommunityfoundation.ca/initiatives/2020-homeless-count>

IMPACT OF LIVING IN DEEP POVERTY: FOOD INSECURITY

According to 2017-2018 Canadian Community Health Survey (CCHS) data, 3.2% of BC households experienced severe food insecurity, 5.5% were moderately food insecure and 3.7% were marginally food insecure, for a total of 12.4%. Due to low welfare benefit rates, 66% of BC households on social assistance were food insecure.

“Food insecurity is more prevalent among households with children than those without children. (...) Among households with children, the risk of food insecurity is much higher for lone parents than couples.”²

In 2017-2018, the highest rates were seen among female lone-parent households, with nearly one third (32%) facing food insecurity. This was three times the 11% food insecurity rate among two-parent households. Overall, 56,100 BC households with children were food insecure.

Addressing child and family poverty is the key solution to high levels of hunger in Canada. Feeding children healthy meals in schools also an important goal. Canada is the only G7 country without a National School Food Program and was recently ranked 37th of 41 countries around providing healthy food for kids.³

Two thirds of households on social assistance are food insecure; but working households make up the majority (65%) of food insecure households in BC.⁴

FOOD INSECURITY

Poverty is the root cause of food bank use. A 2019 study, *Money speaks: Reductions in severe food insecurity follow the Canada Child Benefit*, found that a significant decrease in food insecurity in the lowest income families corresponded to an increase in the Canada Child Tax Benefit.

FOOD BANK USE

In 2019, BC food banks recorded 124,713 visits, including 38,074 visits by children. This represents 30% of food bank users. 14% of the users were currently employed, and another 3% were recently employed.

Of those helped in B.C., 31% were families with children; half were two-parent families and half were lone-parent families.

Source: Food Banks Canada. *Hunger Count 2019*.

In 2019, BC food banks recorded 124,713 visits, including **38,074** visits by children.



2 Tarasuk V, Mitchell A. (2020) *Household food insecurity in Canada, 2017-18*. Toronto: Research to identify policy options to reduce food insecurity (PROOF). Page 10.

3 The Coalition for Healthy School Food, www.healthyschoolfood.ca/bc-chapter.

4 Tarasuk, supra note 2.

Child Poverty and Working Parents

MINIMUM WAGES NOT ENOUGH FOR FAMILIES RAISING CHILDREN

After the lost decade between 2001 and 2011, when BC's minimum wage remained stagnant at \$8.00 per hour, minimum wage has increased in recent years and will reach \$15.20 per hour in June 2021. This is still well below the living wage in most parts of BC, as will be shown later in this document.

As of June 2018, the minimum wage in BC was \$12.65/hour. A single parent with one child working full-time, full-year at minimum wage would have only earned \$23,023 in employment income, leaving them \$16,221 below the Low Income Measure (LIM) before-tax poverty line of \$39,244, for this family type and size. At the June 2018 minimum wage, the single parent with one child would have had to work a 60-hour week to just to reach the before-tax poverty line minimum threshold.

A \$15-an-hour minimum wage would have made a huge difference for these families.

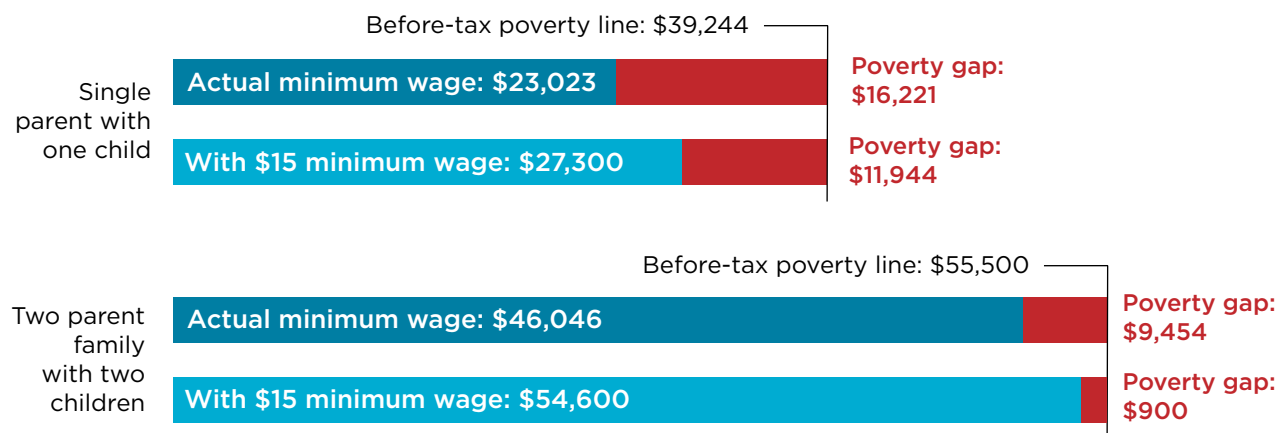
A two-parent family with two children with both parents working full-time, full-year at the 2018 minimum wage would have earned \$46,046 in employment income, leaving them \$9,454 below the LIM before-tax poverty line of \$55,500 for this family type and size. At the June 2018 minimum wage, both parents in this family would have had to work a 42-hour week to reach the before-tax poverty line minimum threshold.



A single parent working full time, full year for minimum wage in 2018 earned only **\$23,023**.



Before-Tax Employment Incomes for Different Family Sizes and Minimum Wage Levels, Full-Time, Full-Year Work at Minimum Wage, Compared with LIM Before Tax, BC, 2018



Source: Statistics Canada. Table 11-10-0232-01 Low income measure (LIM) thresholds

The BC minimum wage increased in June 2019 to \$13.85 and in June 2020 to \$14.60. These increases have helped to reduce the depth of many working poor families' poverty. However, they have not lifted parents who work minimum wage jobs and their children out of poverty.

A \$15-an-hour minimum wage would have made a huge difference for these families. If the BC minimum wage had been \$15 an hour in 2018, that single parent with one child working full-time, full-year for minimum wage would have earned \$27,300 in employment income, falling \$11,944 short of the poverty line instead of \$16,221 short. That two-parent family with two children with both parents working full-time, full-year for a \$15 an hour minimum wage would have earned \$54,600, putting them only \$900 short of the before-tax poverty threshold, instead of \$9,454 short.

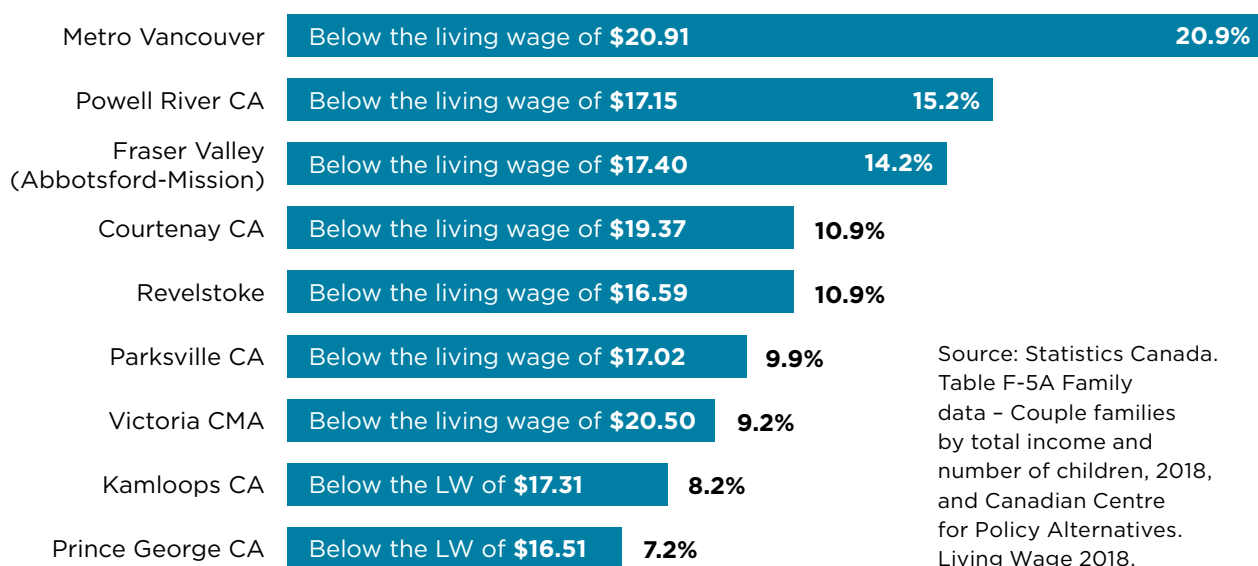
LIVING WAGES

Although a \$15 an hour minimum wage would greatly improve the lives of BC's working poor, it would still be a struggle for families earning this wage to meet their basic living expenses. This is why First Call hosts the Living Wage for Families Campaign to raise awareness about the negative impact of low-wage poverty on families and communities. When employers pay a living wage, they are contributing to a key solution to the problem of child and family poverty. The living wage is well above the poverty line, but still only provides a bare-bones budget without room for savings or paying off debt. It is recalculated annually to take into account family expenses.

Living wage calculations are based on the annual budget a two-parent, two-child family would need to meet their basic needs (food, clothing, child care, shelter, transportation, health care, etc.)¹

As shown in the graph below, in 2018 significant proportions of two-parent families with two children were earning less than the 2018 regional living wage in these nine communities. For instance, in Metro Vancouver one in five (20.9%) of these family types were earning less than the living wage.

Percentage of Two Parent-Two Child Families with Total Incomes Below Regional Living Wages, 2018



¹ CCPA. BC Living Wage 2018. https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2018/04/BC_LivingWage2018_final.pdf

The Living Wage for Families Campaign has certified 200 Living Wage Employers, including municipalities, non-profit organizations and companies in British Columbia. For up-to-date living wage calculations for BC communities and a list of living wage employers in the province, visit livingwageforfamilies.ca.



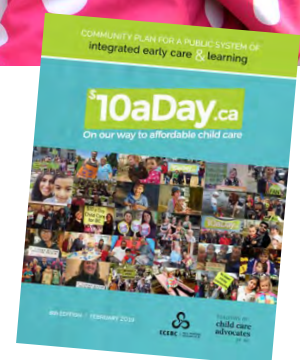
10ADAY PLAN

Access for families to a public system of affordable, high-quality child care is key to an effective poverty reduction strategy. Substantially increased public funding for high quality, affordable, accessible child care that meets diverse family needs is essential to achieving First Call's vision for BC families with young children.

Both the federal and BC governments have been paying more attention to child care in recent years, including a commitment to supporting the Indigenous Early Learning and Child Care strategy led by BC Aboriginal Child Care Society. The BC government is lowering parent fees, raising educator wages and education, creating more licensed spaces and other initiatives.

But too many BC families are still facing high fees, wait lists, inconsistent quality and accessibility barriers. Access to affordable child care is even more urgent now, as families struggle with the economic fallout of the COVID-19 pandemic. The Coalition of Child Care Advocates of BC recommends that the BC government move now to:

- Expand \$10aDay programs province-wide, where families pay a maximum of \$10 per day, with no parent fees for families earning less than \$45,000 annually;
- Shift public funding for child care to the non-profit and public sector as the most efficient way to build new spaces that remain as public assets; and
- Establish provincial wage grids that raise early childhood educators' income levels to solve the recruitment and retention issues in the child care sector.



First Call supports the \$10aDay Child Care Plan which would cost families \$10 a day for a full-time program, \$7 a day for part-time, and no user fee for families with annual incomes under \$45,000.

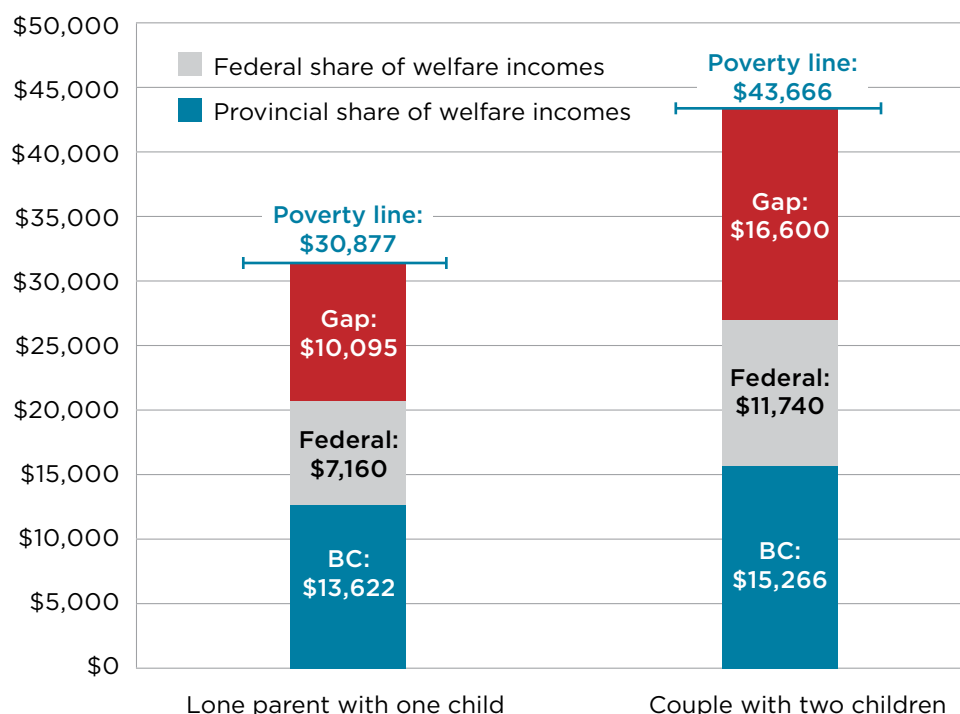
Children in Families on Welfare

WELFARE INCOMES WELL BELOW POVERTY LINES

It continues to be a major struggle for families on welfare in British Columbia to meet their basic needs and welfare incomes have been consistently low for decades. In 2018, welfare incomes in BC were well below the after-tax poverty lines. (Census Family Low Income Measure – After Tax). A single parent with one child had a welfare income of \$20,782, which is \$10,095 below the after-tax poverty line of \$30,877 for a family of this size. A couple with two children had a welfare income of \$27,006, \$16,660 short of the after-tax poverty line of \$43,666 for a family of this size.

Looking across the country, BC had the second lowest annual 2018 welfare income for a couple with two children and the fourth lowest for a single parent with one child.¹ On average in 2018, 38,538 dependent children lived in families receiving welfare each month in BC. This was up slightly from 2017 when the monthly average was 38,044 children and youth in families receiving welfare in BC.²

Federal and Provincial Shares of Welfare Incomes and Poverty Gaps by Family Type in BC, 2018



In 2018, a family of four on welfare had to get by on \$27,006. That's 38% below the poverty line leaving a poverty gap of \$16,660.

Source: *Welfare in Canada*, 2018, Maytree November 2019

¹ Anne Tweddle and Hannah Aldridge, *Welfare in Canada*, 2018, Maytree November 2019.

² Ministry of Social Development and Poverty Reduction BC Employment and Assistance Summary Report, www2.gov.bc.ca/assets/gov/british-columbians-our-governments/organizational-structure/ministries-organizations/social-development-poverty-reduction/bcea-caseload-6page.pdf

In 2018, households with children received an increased in the Canada Child Benefit which rose from a maximum of \$533 to \$541 per month for a child under the age of six and from \$450 to \$457 per month for a child aged between six and 17. Households also received the provincial the BC Early Childhood Tax Benefit, that provided up to \$55 per month for each child under six years. All households were eligible for the GST credit, the BC Sales Tax Credit and the BC Low Income Climate Action Tax Credit. These payments form a significant part of the total income of families on welfare and BC does not deduct them from their welfare benefits.

Both levels of government have a part to play in increasing welfare incomes; for example, the combined federal contribution of \$7,160 and the provincial contribution of \$10,095 for single parent family welfare incomes in BC in 2018 were inadequate for raising these families out of poverty.

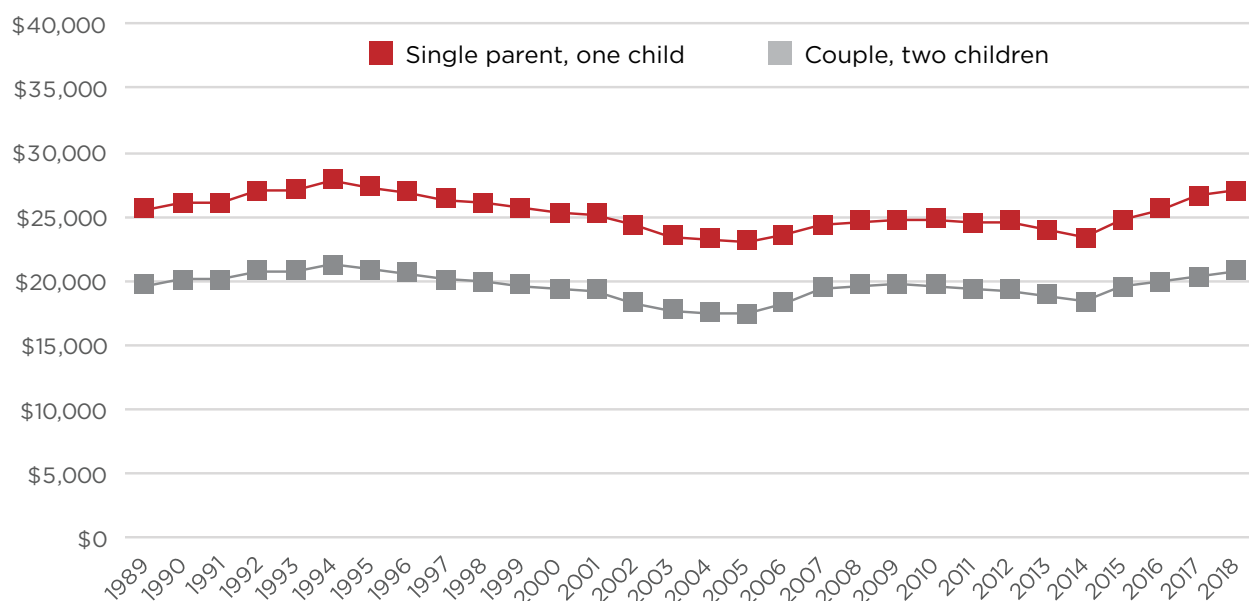
WELFARE INCOMES LOSING VALUE OVER TIME

In 2018, British Columbia was the only province to increase welfare at rates higher than inflation (2.3%) for both a single parent with one child (5.0%) and a couple household with two children (4.0%). In 2018, a single parent with one child received \$20,782 in total welfare income, over \$500 more than in 2017. Total welfare incomes for couples with two children in 2018 were \$27,006, an increase of over \$400 above the rate in 2017. These increases helped reduce the depth of poverty for families with children on social assistance.

The percentage increases for BC families with children were lower than the percentage increases provided for an individual (11.3%) and a single person on disability assistance (13.0%).

However, over the past thirty years (1989–2018), BC’s welfare incomes, which are not indexed to inflation annually, have lost value. The total welfare income for a lone parent with one child was at its highest in 1994 at \$21,283, in 2018 constant dollars, about \$500 more per year than this family received in 2018. Welfare incomes for couple families with two children in 2018 were still about \$800 less than in 1994, in 2018 constant dollars.

Welfare incomes (adjusted for inflation, 2018 constant dollars), by family type, BC, 1989–2018



Source: *Welfare in Canada*, 2018, Maytree November 2019

LOW WELFARE RATES ARE CONDEMNING TENS OF THOUSANDS OF CHILDREN AND YOUTH IN BC TO POVERTY

For most of these families (68%), working is not an option. These families do not fall under the “expected to work” category and have medical conditions, multiple barriers, disabilities and other challenges that prevent them from working. Low welfare incomes are especially tough on single parent families, as 74% of the families with children on welfare were single parent families in 2018. Families living below the poverty line are frequently forced to rely on food banks and other sources of charity to feed and clothe their children.

While government did increase welfare rates in 2018, First Call is calling for continued, significant increases in welfare rates for all recipients, and the annual indexing of the rates based on increases in the cost of living. Government could also expand the Single Parent Employment Initiative to include two parent families and allow people to take post-secondary programs that are longer than 12 months.

NADINE IS A MOM OF THREE CHILDREN, living in the Okanagan. She’s a member of the Métis Nation and is currently on maternity leave from a job in the social services sector.

In early 2020, she gave birth to her third child but unfortunately her marriage ended the following month. Currently, Nadine’s ex-husband is unemployed and is not paying any child-support. Nadine

NADINE’S STORY

supports her family on her maternity benefits which fall far short of covering the family’s expenses. “I’ve now become one of those single mothers who’s struggling. I never thought it would happen to me.”

The COVID-19 pandemic meant that the family had to isolate right after the baby’s birth. A big challenge for Nadine is the feeling of isolation and loneliness while going through a stressful divorce. During the summer she drove her children to the beach, as it was a free outdoor activity. However, she is now unable to afford her car and pay for rent and groceries.

Nadine is accessing several family support programs that provide her with grocery gift cards, baby items and an outreach play therapist who drops off home-cooked food and loaned toys. In addition

“I’ve now become one of those single mothers who’s struggling. I never thought it would happen to me.”

to food, she gets social connection from talking to the therapist. She doesn’t have a home printer so she can’t print referral forms, and without a car can’t make use of food vouchers at distant locations. “For someone who has worked all my life; I’ve never had to ask for help, the most humbling thing is asking for help.”

Nadine is planning to return to work in early 2021 but she’s worried about how she’ll manage as a single parent and pay for child care. Her job requires out of town travel so she will need to hire someone to care for her children, something that she can’t afford. In addition, once back at work she will lose access to legal aid and the lawyer who is helping her through her divorce.

“I can either choose to pay rent or make sure there’s food on the table. Right now, I am quite behind on my rent and at risk of being evicted. The children are very emotionally distraught and are very angry. They have been isolated as well through it all, not only from school, but from their friends through the pandemic. Families that were really strong are now breaking up. I thought it was just me.”

Child Poverty Across BC

CHILD POVERTY BY REGIONAL DISTRICTS

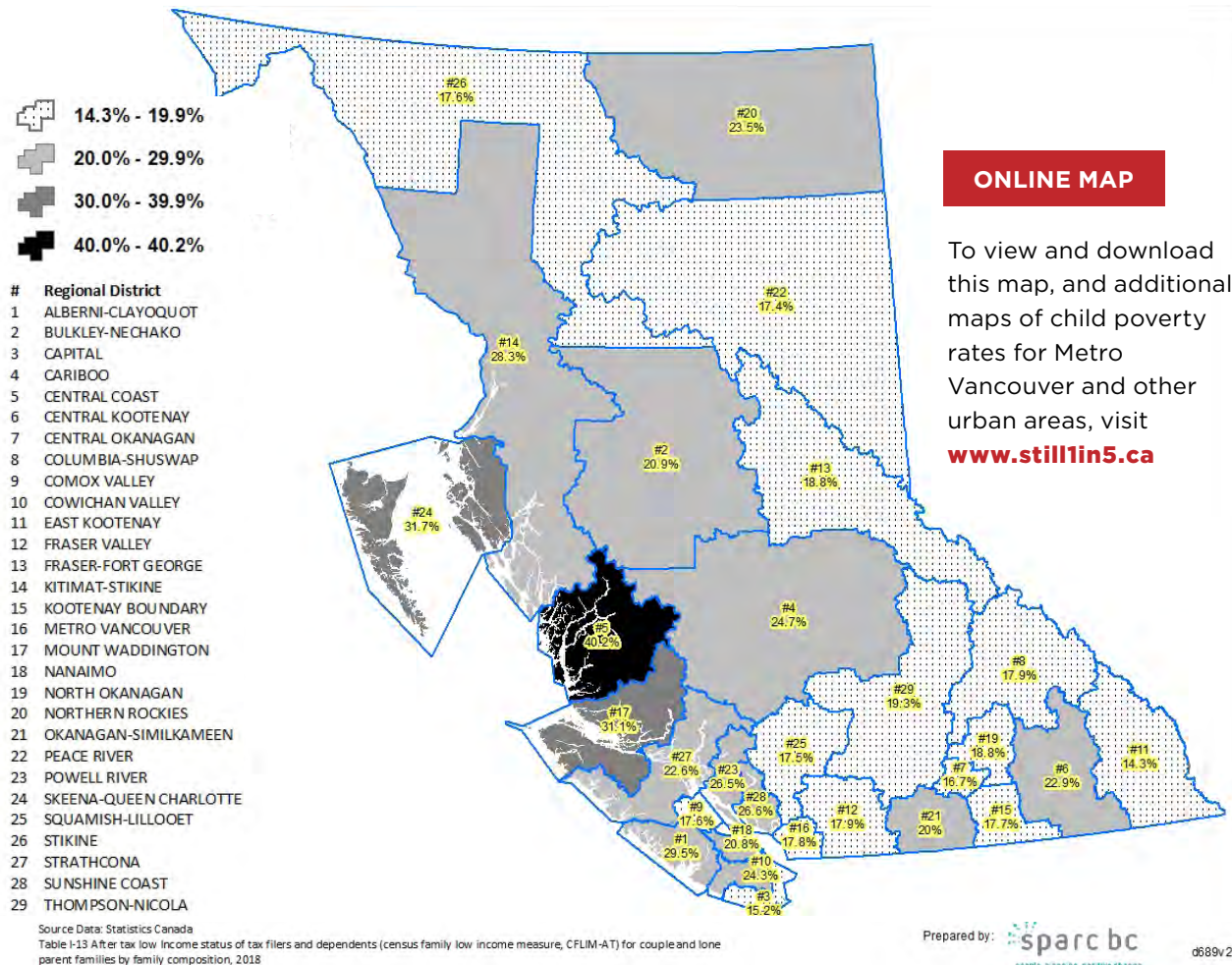
Thousands of children in each of British Columbia's regional districts were living in poverty in 2018

The regional districts with the highest child poverty rates were located along the coastal areas and included:

- Central Coast (40.2%),
- Skeena-Queen Charlotte (31.7%), and
- Mount Waddington (31.1%).

21 out of the 29 regional districts in BC had at least 1,000 children living in poverty.

% of Children 0-17 Years Old in British Columbia in Low Income Families, by Regional District, Based on Census Family Low Income After Tax Measure (CFLIM-AT), 2018



CHILD POVERTY IN BC'S URBAN AND RURAL AREAS

Of BC's urban areas, 16 out of 26 had at least 1,000 children living in poverty in 2018, with especially large numbers in Metro Vancouver (79,280 poor children), the Victoria Census Metropolitan Area (8,690 poor children) and the Abbotsford-Mission Census Metropolitan Area (6,800 poor children).

There were 23,550 poor children living in rural areas in BC in 2018 with 12 out of 26 urban areas showing child poverty rates of 20.0% or more. Urban areas with high rates of child poverty were concentrated along the outer coast and Vancouver Island. The highest child poverty rates were in the Prince Rupert Census Agglomeration (29.1%), the Port Alberni Census Agglomeration (28.7%) and the Duncan Census Agglomeration (26.9%). 23.3% of all children in rural BC lived in poverty.

Of BC's regional districts, 21 out of 29 regional districts had at least 1,000 children living in poverty in 2018. Regional districts on the outer coast and parts of Vancouver Island had the highest child poverty rates with the Central Coast Regional District (40.2%), the Skeena-Queen Charlotte Regional District (31.7%) and Mount Waddington Regional District (31.1%), showing more than three in ten children living in poverty.

Metro Vancouver Census Tracts

There were 79,280 children (or 17.8% of all children) in the Vancouver Census Metropolitan Area (Vancouver CMA) living in poverty in 2018. One in ten or more children lived in poverty in 426 out of 460 Vancouver CMA census tracts (92.6% of Vancouver CMA census tracts). One hundred or more children lived in poverty in 370 out of 460 Vancouver CMA census tracts (80.4%). Areas with clusters of high child poverty rate census tracts included Northeast Vancouver, Central Richmond, South Burnaby and North Surrey.

Victoria Census Tracts

There were 8,690 children (or 14.7% of all children) in the Victoria Census Metropolitan Area (CMA) living in poverty in 2018. One in ten or more children lived in poverty in 61 out of 75 Victoria CMA census tracts (81.3% of Victoria CMA census tracts). One hundred or more children lived in poverty in 39 out of 75 Victoria CMA census tracts (52.0%). There was a cluster of high child poverty rate census tracts surrounding Downtown Victoria and southern Saanich.

Abbotsford Mission Census Tracts

There were 6,800 children (or 16.3% of all children) in the Abbotsford-Mission Census Metropolitan Area (Abbotsford-Mission CMA) living in poverty in 2018. One in ten or more children lived in poverty in 33 out of 37 Abbotsford-Mission census tracts (89.2%). One hundred or more children lived in poverty in 31 out of 37 Abbotsford-Mission CMA census tracts (83.8%). The area along South Fraser Way from West Abbotsford to Downtown Abbotsford had some of the census tracts with the highest poverty rates in the Abbotsford-Mission CMA.

Metro Vancouver was home to 79,280 poor children in 2018.



ONLINE MAP

To view and download

maps of child poverty rates in BC urban areas, visit

www.stillin5.ca

Kelowna Census Tracts

There were 5,970 children (or 16.7% of all children) in the Kelowna Census Metropolitan Area (Kelowna CMA) living in poverty in 2018. One in ten or more children lived in poverty in 38 out of 40 Kelowna CMA census tracts (95.0% of Kelowna CMA census tracts). One hundred or more children lived in poverty in 28 out of 40 Kelowna CMA census tracts (70.0%). High child poverty rate census tracts were clustered along Highway 97 from Downtown to Rutland.

Chilliwack Census Tracts

There were 4,610 children (or 19.3% of all children) in the Chilliwack Census Agglomeration (Chilliwack CA) living in poverty in 2018. One in ten or more children lived in poverty in 32 out of 32 Chilliwack CA census tracts (100.0%). One hundred or more children lived in poverty in 18 out of 32 Chilliwack CA census tracts (56.3%). The area around Downtown Chilliwack had a concentration of high poverty census tracts.

Kamloops Census Tracts

There were 3,340 children (or 16.4% of all children) in the Kamloops Census Agglomeration (Kamloops CA) living in poverty in 2018. One in ten or more children lived in poverty in 20 out of 29 Kamloops CA census tracts (69.0%). One hundred or more children lived in poverty in 16 out of 29 Kamloops CA census tracts (55.2%). High child poverty rate census tracts were clustered around Downtown near the Thompson River and the North Shore near Tranquille Road.

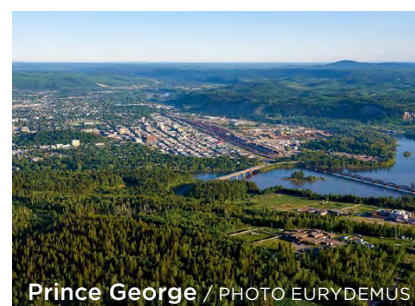
Nanaimo Census Tracts

There were 3,940 children (or 21.0% of all children) in the Nanaimo Census Agglomeration (Nanaimo CA) living in poverty in 2018. One in ten or more children lived in poverty in 22 out of 22 Nanaimo CA census tracts (100.0%). One hundred or more children lived in poverty in 16 out of 22 Nanaimo CA census tracts (72.7%). High child poverty rate census tracts were clustered in and around Downtown Nanaimo.

Prince George Census Tracts

There were 3,430 children (or 18.5% of all children) in the Prince George Census Agglomeration (Prince George CA) living in poverty in 2018. One in ten or more children lived in poverty in 20 out of 25 Prince George CA census tracts (80.0%). One hundred or more children lived in poverty in 13 out of 25 Prince George CA census tracts (52.0%). High child poverty rate census tracts were clustered in and around Downtown Prince George.

3,430 children were living in poverty in Prince George in 2018.



ONLINE MAP

To view and download maps of child poverty rates in BC urban areas, visit www.still1in5.ca

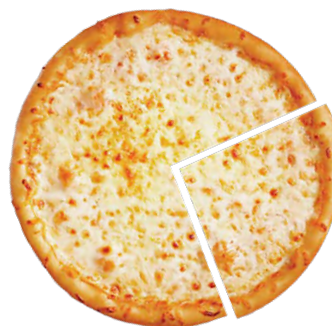
Growing Income Inequality

In 2018, the richest 10% of British Columbia families had 26% of the total pre-tax family income, equal to the combined incomes of the poorest 50% of families. The poorest 10% of families had just 2.3% of the total family income pie. The richest 50% of families held a total of 74% of the family income pie.

BC Average Total Family Income Pie Shares, 2018

10% of BC's richest families have the same share of the income pie as 50% of the lowest income families.

Richest half of BC families' share:
74%



Poorest half of BC families' share:
26%

WHY INCOME INEQUALITY MATTERS

There is ample evidence that socioeconomic position is one of the most important social determinants of health. Children who are raised in poverty face risks to their health over their life course.¹ In contrast, healthy, well-supported children and youth are more likely to become the engaged and contributing citizens that are essential for creating a healthy, sustainable society.

International studies have shown that high rates of economic inequality negatively impact both the rich and the poor on a range of health and wellness measures.² B.C. studies also show the impacts of poverty on people's vulnerability to chronic disease and the effects on their life span.³ The vulnerability of children is underscored by the research demonstrating a direct correlation between a large gap between the rich and the poor in wealthy societies and reduced child well-being.⁴

Allowing income and wealth inequality to continue to grow in B.C. brings increased health and social costs related to higher rates of many chronic diseases, obesity, mental illness, suicide, violence and addictions. Beyond these negative health effects and the widespread suffering that accompanies them, growing socioeconomic inequity erodes social cohesion, empathy and compassion, which leads to increased social isolation, stigmatization and marginalization of the poor, distrust, crime, stress and despair.

Inequality reduces social mobility,⁵ undermining the promise of a fair society and increasing social alienation for those left behind.

- 1 World Health Organization, Commission on Social Determinants of Health, *Closing the Gap in a Generation, Health Equity through Action on the Social Determinants of Health*, 2008.
- 2 The Equality Trust, *The Spirit Level* equalitytrust.org.uk/about-inequality/spirit-level.
- 3 Health Officers Council of BC, 2008 and 2013, healthofficerscouncil.net/positions-and-advocacy/poverty-and-health-inequities/
- 4 Equality Trust, equalitytrust.org.uk/child-well-being
- 5 A tale of two Canadas: Where you grew up affects your income in adulthood, *The Globe and Mail*, by Doug Saunders and Tom Cardoso, June 2017, theglobeandmail.com/news/national/a-tale-of-two-canadas-where-you-grow-up-affects-your-adult-income/article35444594/

INCOME INEQUALITY GROWTH OVER TIME: THE RICH ARE GETTING RICHER

Growing income inequality is mainly driven by the growth in the income of the richest families. Between 1989 and 2018, the inflation-adjusted average total incomes for families in all income brackets increased in BC. However, the richest families saw their incomes rise much faster than poorer families. The richest 10% of families saw their incomes increase by \$115,400 (59.4% rate of growth) over these 29 years, while the poorest 10% of families saw their incomes increase by only \$6,700 (31.8% rate of growth). Families in the ninth (second richest) decile saw the second largest percentage rate of income growth (35.9%) and absolute income increases (+\$48,100) during this period.

Of the Canadian provinces, British Columbia has the second largest disparity between its richest and poorest families, behind only Ontario. The richest 10% of BC families collect 11.3 times as much income as the poorest 10% of families.⁶

Changes in Average Total Incomes by Decile Group, Families in BC, in constant 2018 Dollars

Decile	1989	2018	1989 to 2018	
	Average annual income (\$)		Annual income gain (\$)	Rate of income growth (%)
Lowest decile	\$21,100	\$27,800	\$6,700	31.8%
Second decile	\$36,700	\$48,400	\$11,700	31.9%
Third decile	\$51,600	\$62,600	\$12,000	23.3%
Fourth decile	\$63,300	\$78,700	\$15,400	24.3%
Fifth decile	\$75,400	\$94,600	\$19,200	25.5%
Sixth decile	\$87,200	\$110,400	\$23,200	26.6%
Seventh decile	\$100,100	\$127,400	\$27,300	27.3%
Eighth decile	\$115,200	\$148,500	\$33,300	28.9%
Ninth decile	\$133,800	\$181,900	\$48,100	35.9%
Highest decile	\$194,400	\$309,800	\$115,400	59.4%
Total families	\$87,900	\$119,100	\$31,200	35.5%

Source: Statistics Canada. Table 11-10-0192-01, 2018 Upper income limit, income share and average income by economic family type and income decile.

From 1989 to 2018, the richest 10% of families saw their incomes increase by \$115,400 (59.4%), while the poorest 10% of families saw their incomes increase by just \$6,700 (31.8%).



6 Statistics Canada. Table 11-10-0192-01 Upper income limit, income share and average income by economic family type and income decile.

Importance of Government Help: Public Policy Matters

GOVERNMENT TRANSFERS REDUCE CHILD POVERTY IN CANADA

Federal and provincial government income support programs play a huge role in reducing child poverty in Canada. Government transfers include payments such as Employment Insurance benefits, Goods and Services Tax Credit (GST) and Harmonized Tax Credit (HST), Federal Child Benefits, Old Age Security and federal supplements, Canada Pension Plan and Quebec Pension Plan benefits, Workers' Compensation benefits, social assistance benefits, provincial refundable tax credits and family benefits, and other government transfers.

In the absence of these types of government transfers to family incomes, Canada's child poverty rate in 2018 would have risen to one out of three.

In the absence of these types of government transfers to family incomes, Canada's child poverty rate in 2018 would have risen to one out of three (33.1%), based on the CFLIM-After Tax. Over two million Canadian children (2,441,890) would have been poor without these government programs and benefits. With federal and provincial transfers, the child poverty rate was reduced by 44.4%, from 33.1% to 18.2%, keeping over a million children out of poverty.

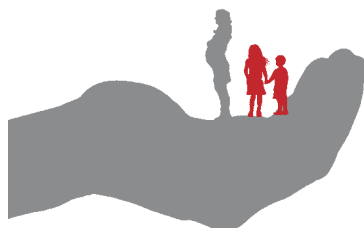
GOVERNMENT TRANSFERS REDUCE CHILD POVERTY IN BC

Without government transfers British Columbia's child poverty rate was 29.2% in 2018. This represented 251,850 children.

Support for low-income families through government transfers in the form of the Canada Child Benefit (CCB), the Canada Workers Benefit and other income transfers made a significant contribution to lifting children out of poverty. The CCB alone reduced the BC child poverty rate by 7.3 percentage points, protecting 63,530 children from falling into poverty.

Government transfers in total lowered the BC child poverty rate from 29.2% to 18.5%, a 36.6% reduction, meaning 92,280 BC children were kept out of poverty in 2018 thanks to government help.

92,280 BC children were kept out of poverty in 2018 thanks to government help.

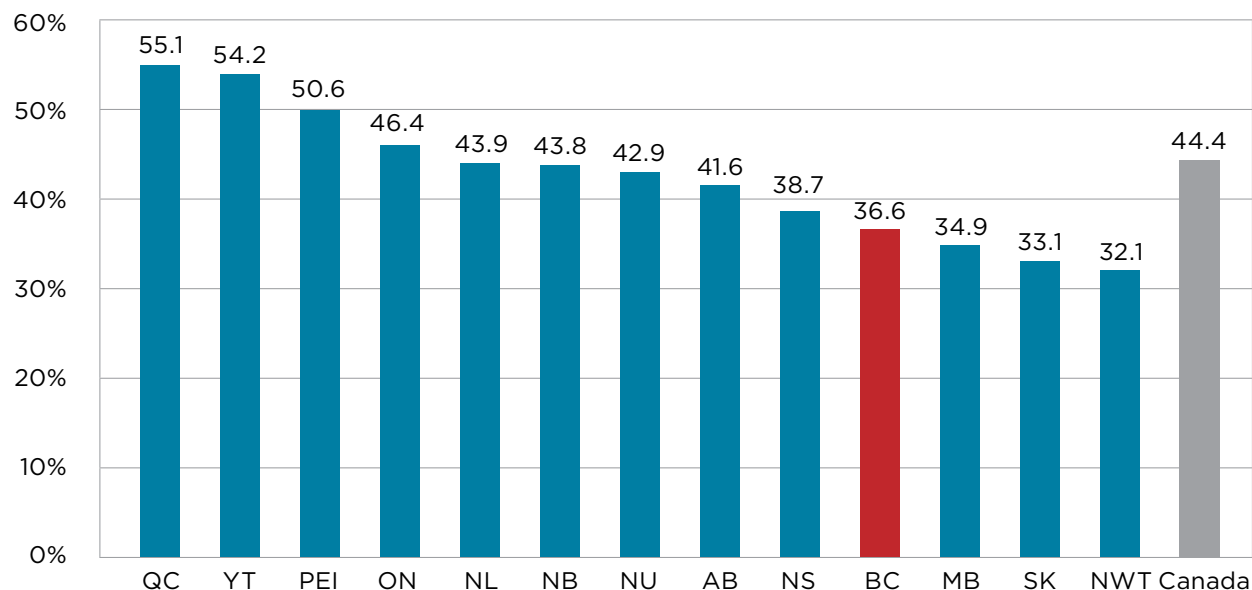


Over **two million** Canadian children would have been poor using family market income alone. With federal and provincial transfers, the number of poor children was lowered to **1,337,570**.

GOVERNMENT TRANSFERS BY PROVINCE — HOW DOES BC COMPARE?

The graph below shows the percentage of children kept out of poverty by government transfers in 2018 in Canada and individual provinces and territories.

Percentage of Children Kept out of Poverty in 2018 by Government Transfer Payments



Source: Statistics Canada custom tabulation, data from T1 Family Files 2018

Although government transfers in British Columbia have helped to reduce poverty, there were still many provinces and territories that used government transfers to make larger reductions in child poverty. The rate of child poverty reduction in BC (36.6%) due to government transfers ranked 10TH out of 13 provinces and territories and below the Canadian average of 44.4%.



NEW BC CHILD OPPORTUNITY BENEFIT

Families began receiving the new BC Child Opportunity Benefit this in October 2020. Those already receiving it saw an increase in the amount of their payments. Families with children 6 years and older, who were no longer eligible for the previous BC Early Childhood Tax Benefit, have begun to receive this new benefit because it now includes children up to their 18TH birthday.

We will be able to see the impact of this enhanced and expanded benefit in the child poverty statistics for BC when they are released by Statistics Canada in 2022.

The BC government's new BC Child Opportunity Benefit, in effect as of October 2020, should help BC keep its commitment to reduce child poverty by 50% over 5 years, starting in January 2019.



FACT SHEET

10 COVID-19 Magnifies Inequities

COVID-19 MAGNIFIES INEQUITIES FOR LOW INCOME CHILDREN & YOUTH

“The lessons learned from the COVID-19 pandemic highlight one key factor: children’s most basic rights to life, survival and development are in jeopardy and their best interests must be given paramount consideration in Canada’s recovery efforts.”¹

The economic, social and health impacts of the COVID-19 pandemic on British Columbia’s children, youth and families has been profound. As numerous emerging studies are documenting, pre-pandemic inequities, including the risk of experiencing poverty, are being magnified and deepened.

The full and long-term economic effects of the pandemic on children and youth in BC are still not known or experienced, as emergency income and other supports have helped many families but are due to expire in the coming months. Future child and family poverty data will help paint the picture.

The inequitable impacts of the pandemic on families raising children and on young people themselves are showing up in indicators on job loss and income insecurity, housing insecurity, food insecurity, the digital divide, access to child care, education, health care and other social services, and mental health.

The federal Fall Economic Statement 2020 reports:

The virus has disproportionately spread in low-income and racialized communities. Job and wage losses have been higher among young people, low-income workers, people living with disabilities, and women. Mothers with small children, racialized and newcomer women and the women who often take on the additional burden of unpaid care work, also have reduced access to community services and supports. Lower-wage workers, who were already vulnerable to income shocks given lower savings and reduced access to credit, also lost jobs in disproportionate numbers.²

The federal report also notes that an Oxfam-commissioned survey indicated Indigenous respondents were three times as likely as white respondents to say that increased unpaid care responsibilities had affected their economic opportunities and that they have had to give up looking for paid work.

Survey data from BC is showing the pandemic’s impacts are hitting people of colour harder through disproportionate job losses and financial hardship.³

1 Children First Canada, *Raising Canada 2020: The top 10 threats to childhood in Canada and the impact of COVID-19* (September 2020), p. 7, childrenfirstcanada.org/raising-canada.

2 Supporting Canadians and Fighting Covid-19 Fall Economic Statement 2020, budget.gc.ca/fes-eea/2020/report-rapport/toc-tdm-en.html.

3 CBC. People of colour in B.C. likelier to suffer job loss, financial hardship from COVID-19, survey reveals. cbc.ca/news/canada/british-columbia/covid-impact-racial-ethnic-backgrounds-1.5686051

As some of the stories accompanying this report illustrate and other BC reports and surveys corroborate, many families raising children with disabilities and complex medical needs are among those whose economic security is even more threatened due to the loss of access to services, the need to provide 24/7 care for their children without respite and the resulting impacts on their employment.⁴

Children's and youth's access to education, especially the shift to online learning during the pandemic, is strongly mediated by inequities related to family income, along with digital literacy and disability status. This threatens to have long-term impacts on their future employment prospects and earning potential.

All levels of governments in Canada have a duty to make sure their pandemic response and recovery efforts prioritize and protect the rights of children and youth to economic, housing and food security, as well as access to health care, education and other social services. Pre-COVID-19 failures to uphold these basic rights cannot be allowed to continue. Commitments to 'build back better' for young people and to address inequities need to show up in public investments and policy development.

AMY'S STORY

AMY WAS SPONSORED by her partner Brian and moved to Vancouver from Mexico in 2015. Both of her daughters were born in Canada.

Brian is an alcoholic and for many years Amy was scared leaving the marriage would threaten her immigration status. During the pandemic his drinking increased and Amy left him in July 2020. She moved to a transition house and then to second stage housing. She is now renting a room from her sister, who lost her job during the pandemic and is struggling to pay the bills. She shares her bedroom with her two children and the common areas with her sister and family.

Amy would like the government to provide more affordable child care so she can focus on her studies or looking for work.

Amy would like to have her own place, but rent is expensive, and many places don't accept families with children or allow her in a one bedroom flat with three people.

Because of COVID-19, she has lost a lot of connections with friends and community social spaces. To lessen the risk of contracting the disease, she and her children only go outside once a day. "It's more lonely and my kids aren't able to develop their social skills with their friends right now."

Amy's now enrolled in two online courses. However, she struggles to concentrate while looking after her children.

She tries to do her homework and studies late at night, after her children are asleep, but she's too tired to focus. She would like the government to provide more affordable child care so she can focus on her studies or looking for work.

4 Representative for Children and Youth of BC. Left Out: Children and Youth with Special Needs during the Pandemic. December 2020. <https://rcybc.ca/reports-and-publications/cysn-report/>

Recommendations: What Needs to Happen

The data and stories in this report document the scope of growing income inequality in British Columbia and the resulting continued high levels of poverty. They also illuminate the causes of child, youth and family poverty and the policy solutions that are available to us to address these root causes.

FIRST CALL RECOMMENDATIONS

First Call has been calling for a 50% reduction in BC's child poverty rate by 2020 for over a decade. In the ten years between 2009 and 2018, the rate has only been reduced by 26%, from 25.1% to 18.5%, using the CFLIM after tax measure and tax filer data. This slow rate of progress is unacceptable and when the effects of the COVID-19 pandemic are accounted for we are likely to see even this progress eroded.

Therefore, it is imperative that federal and provincial government commitments must be ambitious and fully-funded to ensure poverty reduction targets are met or, preferably, exceeded.

We also recognize that children of recent immigrants and refugees, Indigenous children, children of female lone-parent families, children in racialized families, children affected by disabilities, and youth transitioning out of government care are at greater risk of living in poverty, and we call for specific efforts targeted to achieve major reductions in poverty levels for these populations.

First Call offers the following recommendations as concrete steps that federal, provincial and local governments can take to achieve or exceed their stated poverty reduction targets.

Federal and provincial government commitments must be ambitious and fully-funded to ensure poverty reduction targets are met or, preferably, exceeded.

Area of responsibility:

F	Federal
P	Provincial
L	Local

- P** The provincial government should make sure all workers in BC are covered by the hourly **minimum wage** by the end of 2021 and establish a permanent Fair Wages Commission with research staff to examine issues related to low wages in BC and to give advice to the government on increases to the minimum wage.
- P** Amend the *Employment Standards Act* to provide all workers, regardless of their employment status (full time, part time, casual) or length of service, with the right to paid **sick leave**.
- F P L** Governments at all levels should ensure their direct and contract employees are paid a **living wage** that allows them to meet their basic needs, properly support their children and avoid chronic financial stress.
- P** The provincial government should significantly raise income and disability assistance rates to bring total **welfare incomes** up to the CFLIM after-tax poverty thresholds and index them to inflation.

5. **P** Adjust income and disability assistance rates for families with a **child with disabilities** to recognize the additional costs associated with raising a child with extra support needs.
6. **P** The provincial government should expand the **post-secondary program** options eligible for support under the Single Parent Employment Initiative and, in the absence of enhancements to BC's refundable post-secondary grants, allow all those on income assistance to retain benefits while attending a post-secondary institution.
7. **F** The federal government should ensure the **Canada Child Benefit**, in combination with other income measures, raises all families with children above the CFLIM after tax poverty lines calculated through tax filer data and ensure access to this and other federal benefits for families in population groups with higher rates of poverty.
8. **P** The provincial government should index the **BC Child Opportunity Benefit** to inflation to ensure the value of the benefit does not erode over time.
9. **F P** The federal and provincial governments should ensure **maternity and parental leave** benefits are universally available to all parents (regardless of work status) and that the benefit levels are not less than the CFLIM after-tax poverty lines.
10. **F** The federal government should enhance **Employment Insurance** to expand access, duration and levels of benefits to prevent and reduce child and family poverty.
11. **F P** The federal and provincial governments should address growing income inequality and generate revenue for poverty reduction programs by eliminating or reducing highly regressive and expensive **tax loopholes**, closing tax havens, taxing extreme wealth and implementing excess profit tax focused on corporate pandemic windfalls.
12. **F P** The federal and provincial governments should collaborate with First Nations, Métis and Inuit governments and Indigenous organizations to develop plans to prevent, reduce and eradicate child and family poverty in **Indigenous communities**. The federal government must comply with the rulings of the Canadian Human Rights Tribunal to provide adequate funding for child welfare services on reserve and ensure the full application of Jordan's Principle for First Nations, Métis and Inuit peoples.
13. **P** The provincial government must increase program funding and support for more equitable distribution of available resources to ensure families raising **children with disabilities** and complex medical needs have timely, universal access everywhere in BC to a core suite of early intervention therapies; timely assessments; family respite; health, medical and in-home supports.
14. **F P** The federal and provincial governments should intensify their efforts to help **immigrants and refugees** adjust to life in Canada by enhancing employment assistance, removing long-standing barriers to qualification for professionals trained abroad, making more language training with child care available, and improving employment standards and human rights protections and enforcement.
15. **F** The federal government should immediately cancel all outstanding **refugee transportation** loan debt and cease seeking repayment of transportation costs for all new refugees coming to Canada. This budget adjustment should not reduce the number of refugees targeted for resettlement.

16. **F** **P** The provincial government should review and enhance supports to **grandparents** raising grandchildren and other kinship care providers. The federal government should allow grandparents on CPP Disability who are raising their grandchildren to continue to receive the CPP children's benefit after they turn 65 and remove administrative barriers to receiving the Canada Child Benefit for kinship care providers.
17. **P** The provincial government should automatically enroll all **young people transitioning out of care** in an income support program that meets their basic living costs.
18. **F** **P** **L** The federal, provincial and local governments should scale up their funding to build thousands of new social and affordable rental **housing** units and maintain existing affordable housing stock to reduce the number of families in core housing need and to eliminate homelessness. This should include designating additional housing, created by BC Housing, for youth leaving care so they can find an affordable, safe dwelling as opposed to homelessness.
19. **P** The provincial government should tie **rent control** to the unit to remove the incentive for evictions of current tenants to raise the rent for new tenants.
20. **F** **P** Both the federal and provincial governments should continue to prioritize new **child care** investments in their 2021 budgets and beyond to establish universal access to a system of high-quality, inclusive child care for BC children and families that has no parent fee for families with annual incomes under \$45,000, creates enough licensed child care spaces for all who choose them, ensures early childhood educators are paid compensation that reflects their education and the importance of the work they do and ensures there are adequate resources and support for the implementation of the Indigenous Early Learning and Child Care Framework.
21. **F** **P** The provincial and federal governments should contribute funding to establish a universal, cost-shared, healthy **school food program** for all K-12 students that is respectful of local contexts, connected to community and curriculum, health-promoting and sustainable.
22. **P** The provincial government should ensure **K-12 public education** funding is sufficient to mitigate inequalities and to ensure appropriate inclusion of students with diverse learning needs. This includes restoring funding to school districts for special education assistants, lost programming in the arts, libraries, counsellors, school psychologists, custodial services, and deferred maintenance, among other areas that still require urgent attention in future provincial budgets. Schools need additional funds to implement the public health response measures during the pandemic.
23. **F** **P** The federal and provincial government should create universal **access to post-secondary** education by eliminating tuition fees.
24. **F** **P** The provincial and federal governments should work with industry to ensure lower income families and youth have **access to technology** (both hardware and internet access) so that they are able to apply for financial assistance and access other supports.
25. **F** **P** The federal and provincial governments should work together to introduce universal coverage for all Canadians for prescription drugs, dental care, eye care and hearing aids as essential aspects of **health care**.
26. **P** The provincial government should increase investment in public health initiatives aimed to support maternal health and healthy infant development, as well as non-barriered, free, community-based programs and **services for all families** with young children to ensuring these supports are available throughout the province and designed to reach families experiencing poverty and other threats to their ability to thrive.

When announcing legislated poverty reduction goals in 2018, both the federal and BC governments set the Market Basket Measure (MBM) as the official poverty line. The MBM sets an absolute measure of material deprivation for a reference family of 4, 2 parents and 2 children ages 9 and 13.

The Census Family Low Income Measure (CFLIM) after tax captures income inequality which makes it a better predictor of child development and health outcomes. This is why the international community, including UNICEF and the OECD, use the LIM and why Campaign 2000 and its provincial partners have historically used the CFLIM in our Child Poverty Report Cards, and continue to do so.

In 2018, using the CFLIM and more comprehensive taxfiler data, there were 159,570 children living in poverty in BC. Using the recently updated MBM and Canadian Income Survey data, there were 90,000. Survey data relies on a representative sample of respondents, which is acknowledged to risk under-reporting the disposable incomes of both the very wealthy and the very poor. The MBM calculation also currently excludes people living on First Nations reserves and in the Territories.

First Call encourages government to avoid politicizing child poverty by overstating improvements in the poverty rate. Indeed, we agree that both levels of government have established better public policies—income transfers in particular—that have benefited children and their families. Evaluating the outcomes of policy initiatives becomes difficult when different methods of measurement and data sources produce conflicting results.

The following chart contains the Census Family Low Income Measure, after tax used in this report card for different family sizes based on the number of adults and children in each family type.

Statistics Canada's 2018 Thresholds for After-Tax Census Family Low Income Measure (CFLIM)

Number of family members	Income threshold
1	\$21,833
2	\$30,877
3	\$37,816
4	\$43,666

JOIN US

JOIN THE FIRST CALL COALITION

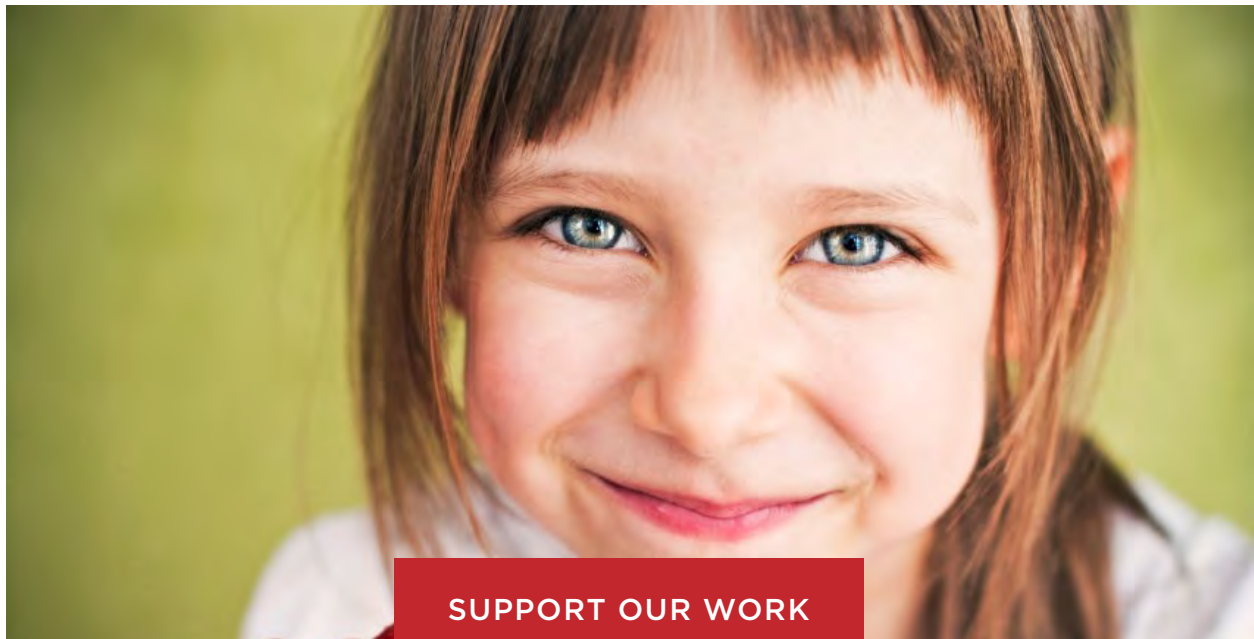
If you are a British Columbia-based organization that believes in putting children and youth first, we invite you to join the First Call coalition.

We offer members the opportunity to be a part of a strong and effective cross-sectoral coalition of provincial and regional organizations who put children and youth first through public education, community mobilization and public policy advocacy. First Call coalition members are united in their commitment to the 4 Keys to Success for Children and Youth, which we welcome you to explore here: firstcallbc.org/about-us/our-approach

Together in the First Call coalition, we share information, provide our members with tools and resources and advocate collectively for BC's children and youth.

If you are interested in joining our coalition, see the **member registration form** at firstcallbc.org/our-coalition/join-the-coalition.

For more information, please **email us** at info@firstcallbc.org and we'll be in touch shortly.



First Call's annual Child Poverty Report Cards have helped countless individuals & groups like YOU advocate for BC's children & youth.

Help support our work by making a **donation** at firstcallbc.org



First Call: BC Child and Youth Advocacy Coalition is a non-partisan coalition of over 100 provincial and regional organizations who have united their voices to **PUT CHILDREN AND YOUTH FIRST** in BC through public education, community mobilization and public policy advocacy.

OUR VISION is that all BC's children and youth have the rights, opportunities and resources required to thrive.

First Call's work is guided by the **4 KEYS TO SUCCESS** for children and youth:

1. A strong commitment to early childhood development
2. Support in transitions from childhood to youth to adulthood
3. Increased economic equality
4. Safe and caring communities

First Call puts children and youth first through **3 STRATEGIES**:

1. Public Education: First Call works to raise the public profile of child and youth issues through public education, including our weekly child and youth sector newsletter, public presentations, regular media commentary, and the publication of research reports.
2. Community Mobilization: First Call works to mobilize local and provincial support for children and youth through coalition and Early Childhood Development Roundtable meetings, campaigns for public policy changes, and developing advocacy tools.
3. Public Policy Advocacy: First Call advocates for public policies and the allocation of resources for the benefit of children and youth through annual provincial and federal budget submissions, regular correspondence and dialogue with government decision-makers, producing this annual BC Child Poverty Report Card and by hosting the Living Wage for Families Campaign.

First Call's charitable activities are hosted by the Vancity Community Foundation.

putting children and youth first

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