



Child Poverty

Report Card

*2023 Report Card on Child Poverty
in Newfoundland and Labrador*

Land Acknowledgement

We gratefully and respectfully acknowledge that the lands where we gathered and worked in the preparation of this report are the traditional and unceded territories of the Beothuk and Mi'kmaq Peoples, and the homelands of the Innu, Inuit, and Southern Inuit of Labrador. We recognize the ancestral and continued ties of Indigenous Peoples to the lands and waters in the region known as Newfoundland & Labrador.

We recognize all First Peoples who were here before us, those who live with us now, and the seven generations to come.

As First Peoples have done since time immemorial, we strive to be responsible stewards of the land and to respect the cultures, ceremonies, and traditions of all who call it home.

As we open our hearts and minds to the past, we commit ourselves to working in a spirit of truth and reconciliation to make a better future for all.

We are grateful for the opportunity to meet here, and we thank all the generations of people who have taken care of this land and who have been stewards of this land - for thousands of years.

We must take every opportunity to commit to the struggle against the systems of oppression that have dispossessed Indigenous people of their lands, and that have denied their rights to self-determination.



This report shares its release date (February 14) with Have a Heart Day, an initiative of the First Nations Child and Family Caring Society.

Have a Heart Day is “a child and youth-led reconciliation event that brings together caring Canadians to help ensure First Nations children have the opportunity to grow up safely at home, get a good education, be healthy, and be proud of who they are.”¹

The data in this report shows that Indigenous children and youth are, for the most part, more likely to live in poverty than their non-Indigenous peers. It is likely that the data in this report underestimates the extent of this gap. There are several reasons for this limitation in the data, including that the census, which disaggregates data by Indigenous status, is only administered every five years.

Initiatives like Have a Heart Day remind us that this inequality is an injustice caused by colonization, racism and discrimination. Have a Heart Day draws attention to the fact that First Nations children on reserve receive less funding for education, healthcare, and other services than their peers off-reserve. Inuit children and youth and Indigenous children and youth living off-reserve face different kinds of discrimination that also limits their opportunities to flourish as they grow.

Several Indigenous policy-makers, leaders and advocates gave their time and expertise to the making of this report. Still, this report could never capture the full experience of child and youth poverty in Indigenous communities – and does not provide a roadmap forward for these communities. As the UN Declaration on Indigenous Peoples states, Indigenous people have autonomy and retain “shared responsibility for the upbringing, training, education and well-being of their children, consistent with the rights of the child.” Settlers and settler organizations (including governments) must uphold that right, and to do so, must fully implement Jordan’s Principle, the Calls to Action of the Truth and Reconciliation Commission, and the Calls to Justice of the Inquiry into Missing and Murdered Indigenous Women and Girls.

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Executive Summary

This report examines income poverty in Newfoundland and Labrador for the year 2021. We examine how money (or the lack of it) is distributed within our population — across race, geography, and family composition.

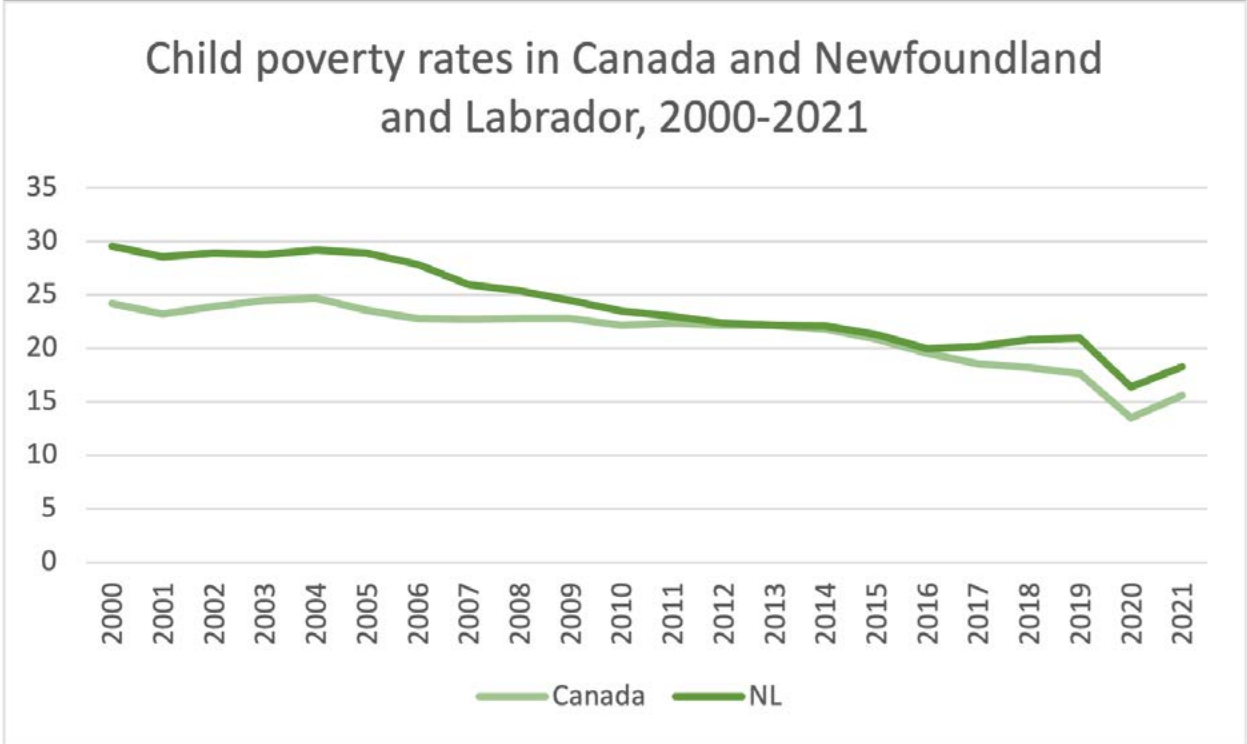
What we see is that life became substantially more difficult for families between 2020 and 2021. Pandemic benefits, including the CERB and Canada Child Benefit Top-Up, were responsible for historically low poverty rates in 2020. In 2021, most of these benefits expired, and many families struggled as they were clawed back. Meanwhile, inflation and interest rates started to climb making the cost of every part of life — rent, groceries, and gas — balloon. Parents were expected back at work whether they had a childcare spot or not. The housing crisis got worse. As a result, the number of families in poverty increased between 2020-2021, and those in poverty were pushed even farther below the poverty line.

We also saw that poverty was distributed unequally across our province. These inequalities are unjust, and reflect the increased barriers faced by certain communities as they care for their children and youth. In couple families, in Newfoundland and Labrador, less than 1 in 10 children are poor — while the number is 1 in 3 children for single-parent families. The Nunatsiavut and St. George's Census Divisions, which are home to many Indigenous communities, have the highest rates of poverty by region in the province.

Our recommendations are based on consultations with more than 40 community organizations across the province who work with children, youth and their families. While governments have certainly taken some promising actions to reduce child poverty, the data in this report, along with the experience of our community partners, suggests that more decisive action is needed.

Based on what we heard in our consultations, the Recommendations section proposes a comprehensive approach to reducing child and family poverty that spans many domains: increasing income, improving public services, and making systemic changes to balance the scales in favour of the most marginalized communities.

Fig. 1 Child poverty rates in Canada and Newfoundland and Labrador, 2000-2021



Source: Statistics Canada (2022). Table 11-10-0020-01. T1 Family File, 2021

Testing the Limits

Yes, children are resilient. But they are also struggling. For those of us without children in our lives to narrate it first-hand, there is the news. There have been frequent news reports about increased violence in schools. Even before the pandemic, the Health Accord Report interviewed youth across the province who cited mental health as their primary concern. When Choices for Youth surveyed over 400 youth in the early days of the Covid-19 pandemic, 67% reported that their mental health had been affected, and 77% reported that they were worried about their education goals.² Youth are also struggling to transition to adulthood. In Newfoundland and Labrador, 17% of youth between 15-29 are not in education or employment, which is the highest of any province in Canada.³

Although it does not account for all the challenges facing children and youth, poverty makes everything much worse. In our province, poverty comes with stigma and challenges above and beyond paying bills. Poverty is one of the most important social determinants of health. The stress and uncertainty of living in poverty colours all parts of a family's life. Children are likely to have more complex needs, and face more barriers to getting the care and support they require at school and in the healthcare system.

This report examines income poverty in Newfoundland and Labrador for the year 2021. We examine how money (or the lack of it) is distributed within our population — across race, geography, and family composition. What we see is that life got substantially more difficult for families between 2020 and 2021. Pandemic benefits, including the CERB and Canada Child Benefit Top-Up, were responsible for historically low poverty rates in 2020. In 2021, most of these benefits expired, and many families struggled as they were clawed back. Meanwhile, inflation and interest rates started to climb making the cost of every part of life — rent, groceries, and gas — balloon. Parents were expected back at work whether they had a childcare spot or not. The housing crisis got worse. As a result, the number of families in poverty increased between 2020-2021, and those in poverty were pushed even farther below the poverty line.

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Our report also “zooms in” on specific communities who have the highest levels of poverty. We examine the context that has marginalised them until now, and highlight initiatives led by these communities themselves to change outcomes for their children, youth and families.

We need to implement comprehensive solutions that address the needs of children and youth living in poverty. Providing concrete support in times of need along with early intervention and prevention supports allows children and youth to access the stability they need to pursue education, later employment, and to reach their goals.

Structure of the Report

This report will review the recent history of poverty reduction in Newfoundland and Labrador, especially as it pertains to children and youth. After reviewing methodology, we will examine higher-level trends in child poverty for Newfoundland and Labrador based on 2021 T1 Family File (T1FF) data — depth of poverty, inequality and the effect of social transfers on poverty. These statistics are broken down by family structure, geography, and the age of children. The 2021 Census provides us with additional insight into how poverty impacts Indigenous communities, racialized children and families and new immigrants. Finally, we make policy recommendations for a future without child poverty in Newfoundland and Labrador.

Who contributed to this report?

This was the second child poverty report card written for Newfoundland and Labrador. Like in 2023, it was a collaborative effort between Choices for Youth, the Jimmy Pratt Foundation and the Community Sector Council. The lead report writers were Nivethine Mahendran (Choices for Youth) and Neria Aylward (Jimmy Pratt Foundation). CSCNL's Lindsey Hynes and Dr. Earl Walker provided convening and survey support, respectively. We received support from Campaign 2000 in the form of access to custom data from Statistics Canada. We received ongoing support navigating the data from our kind fellow report-writers across Canada. Thank you especially to Leila Sarangi, Athavarn Srikantharajah, and Alan Meisner.

Our three organisations could never capture the full experience of child and family poverty in Newfoundland and Labrador. We are grateful to the staff and volunteers from 40+ community organisations across the province who took the time to review the Statistics Canada data, give their input on how to interpret that data, and recommend policy proposals. Everyone who contributed to this process did so “off the side of their desk” while facing increasing crises in their own community. We hope that the story we tell in this report reflects that reality and helps you advocate for your work and your community.

Between November 2023-January 2024 we held two virtual consultation sessions, and met individually or exchanged emails with more than 20 people representing community organisations working in the area of child and family poverty. Representatives from 27 additional organizations responded to our survey distributed by the Community Sector Council. Thank you so much to Sharon Williston, Executive Director of the Bay St. George Status of Women's Council, who convened a session in Stephenville. We also hope this will be the last year that our organisations “lead” this process. We are already planning for next year, with an expanded leadership group that reaches across the province. If that's something that might interest you, please get in touch with lindseyhynes@cscnl.ca.

Poverty & Policy in NL

In 1989, the House of Commons passed an all-party resolution to end child poverty by the year 2000. In passing this resolution, politicians recognized that poverty is not inevitable - it is a policy choice. In a country with the national wealth that Canada enjoys, it is the responsibility of all levels of government to ensure that wealth is shared and that no child lives in poverty. Our provincial government has a mixed record when it comes to poverty reduction. In 1997, premier Brian Tobin convened an independent Social Advisory Policy Committee that highlighted the lived experience of people experiencing poverty.⁴ The Committee's report set an agenda for government-led poverty reduction with a particular emphasis on children, youth and families.

In 2006, Newfoundland and Labrador was the second province in Canada to release a poverty reduction strategy.⁵ Over the ten years that followed, child poverty declined to meet the national average. These were the years of the offshore oil boom, and the poverty reduction strategy helped the poorest Newfoundlanders and Labradorians keep up with the rising cost of living but the strategy has since expired.

Since 2016, rates of child poverty have increased in Newfoundland and Labrador — even though the Canada Child Benefit was introduced in 2016. Newfoundland and Labrador's statistics on food insecurity especially are jarring — in our province, more than 1 in 4 children is food insecure.⁶ An exception to this trend was the year 2020, when pandemic benefits lifted an unprecedented number of children out of poverty.

In recent years, the provincial government has adopted a “health and wellbeing” approach to poverty. There are currently three main policy agendas that pertain to poverty in Newfoundland and Labrador: the Health Accord and the Social and Economic Wellbeing Plan, and an All-Party Committee on Basic Income.

In November 2023, a new Poverty Reduction Plan was introduced as a three-year strategy under the Department of Children, Seniors and Social Development's (CSSD) wider Social and Economic Wellbeing Plan. The six components of the broader plan are as follows: early years; education; income and benefits; food security; housing; and community. The Poverty Reduction Plan spans the Early Years, Food Security, and Income and Benefits components of the Social and Economic Wellbeing Plan. Highlights include:

Early Years: Expanding the prenatal nutritional supplement to the families of children aged 0-5 years.

Food Security: Expanding school breakfast and lunch programs to all Junior Kindergarten-Grade 9 classrooms.

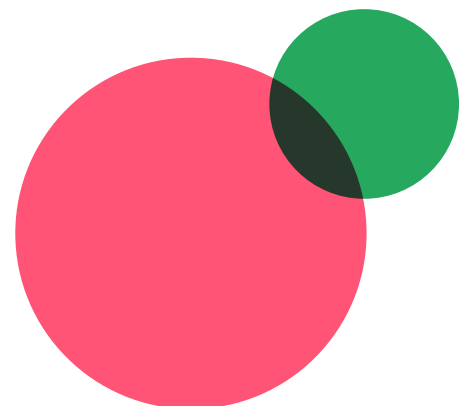
Income and Benefits: There are three aspects of the 2023 Poverty Reduction Plan that fall under this category:

a. Increasing the NL Child Benefit (NLCB) by 300% over the next 3 years. This will come into effect February 2024. By 2026, the annual rate for one child will increase from \$447 to \$1788.

b. Streamlining thirty income support programs into six clear and consolidated programs. These changes are set to come into effect in April 2024. This change is intended to reduce the number of separate benefit rates and create a new, higher standardised rate for all programs.

c. Expansion of the Employment Stability Program, which was co-developed by the Department of CSSD with Choices for Youth and Stella's Circle.⁷ The Employment Stability Program is intended to help individuals on income support keep more of their earnings and receive incentives on regular intervals for maintaining employment.

d. Introducing opportunities for those who are not eligible for E.I to have skills training to move to other job industries.



Meanwhile, in the Department of Health and Community Services, the Health Accord has embedded the Social Determinants of Health into its plan to address the province's health outcomes.⁸ The Health Accord outlines a public health strategy that reduces poverty, food insecurity and housing insecurity. The report's recommendations include reforms to income support, basic income for children and families, and investments in public services that children and families depend on. There is a special focus on supporting underserved children and families - such as children with complex needs, Indigenous children and families, lone-parent families, and new immigrants.

The All-Party Committee on Basic Income was formed in late 2022 as a consequence of a unanimous vote in the House of Assembly. In October 2022 the Department of CSSD announced a basic income pilot for youth aged 16-21.⁹ Following a similar model to the All-Party Committee on Mental Health and Addictions, the All-Party Committee on Basic Income is consulting widely with subject matter experts and will deliver recommendations.

Social determinants of health are the non-medical factors (i.e. social, economic, and environmental) that impact the overall well-being of individuals.¹⁰ They include income, poverty, education, family and living arrangements, experiences of racism and discrimination. Social determinants of health influence an individual or a community's health more than health care or lifestyle choices.

Income is one of the largest determinants of health as it has cumulative and compounding effects in an individual's health, education, food security, and housing. Food security and housing security are social determinants of health, but they are also important markers of poverty.

Measuring child poverty

Statistics Canada publishes data on child and family poverty from three main sources: tax filing data, the Census, and the Canadian Income Survey. Data is made publicly available 1-2 years after it is collected. This is why this report (published in February 2024) deals with data collected in 2022 and pertaining to the year 2021. Following the lead of Campaign 2000 and its regional partners, this report primarily uses the Census Family Low Income Measurement - After Tax (CFLIM-AT). Table 1 shows the CFLIM-AT cut-offs for 2021.

Table 1. Low Income Measure, After-Tax Thresholds by Family Type, Newfoundland and Labrador, 2021.

Family type	CFLIM-AT (\$)
Single person (no child)	24,397
Lone parent with one child	34,503
Lone parent with two children	42,257
Couple with one child	42,257
Couple with two children	48,794

Source: Statistics Canada (2023). Technical Reference Guide for the Annual Income Estimates for Census Families, Individuals and Seniors. T1 Family File, Final Estimates, 2021, Table F.

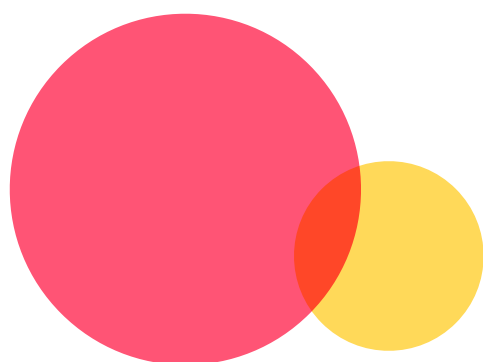
The CFLIM-AT is a relative measure of income poverty. A household is considered low income if its after-tax income is less than 50% of the median after-tax income. There are several advantages to this measure of poverty, for the purposes of this report:

- The CFLIM-AT has been published by Statistics Canada since 1990. Using the CFLIM-AT in this report makes it easier to track changes in child poverty over time.
- The CFLIM-AT is updated every year by Statistics Canada as tax filings are received.
- The CFLIM-AT draws from a wide dataset – the T1FF used for filing taxes – which has much higher coverage than the Canadian Income Survey (used for calculation of the MBM). In Newfoundland and Labrador, the coverage is approximately 98.6%.¹¹
- As a relative measure of poverty, the CFLIM-AT can capture social exclusion and in equality, even as overall standards of living rise.
- The CFLIM-AT is comparable to low income measures used internationally; the OECD uses a very similar measure.¹²

This report also uses a second, related measure to examine child and family poverty: the Low Income Measure - After Tax (LIM-AT). The LIM-AT is calculated almost identically to the CFLIM-AT, but it uses census data instead of T1FF data. Because the census uses “households” rather than “economic families” to determine median income, the LIM-AT estimates lower levels of child and family poverty. We use it sparingly to supplement T1FF data because the census collects demographic data like Indigenous identity, immigration status and race which are important dimensions of child and youth poverty across Canada.

Census families vs households

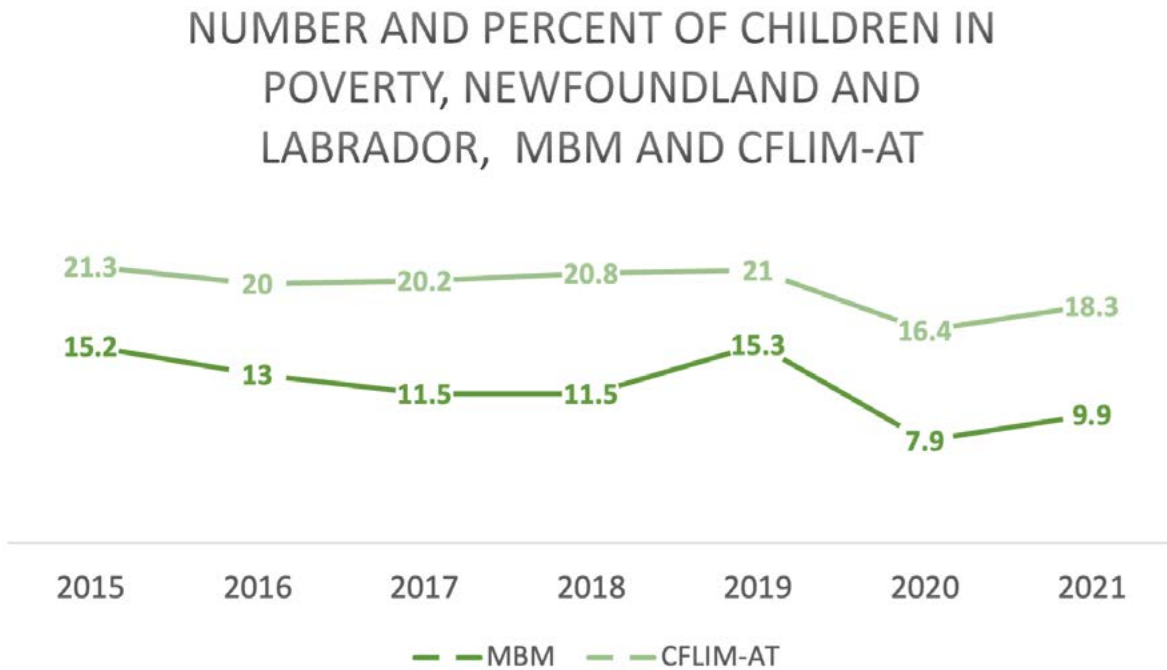
From Statistics Canada: Census families are married couples or couples living common law with or without children, or lone parents with at least one child living in the same dwelling. The residual population is called “persons not in census families” and is made up of persons living alone and of persons living in a household but who are not part of a couple family or lone-parent family.¹³ “Households” are a broader concept, and include anyone living in a private dwelling unit regardless of their relation to one another.



The Market Basket Measure

Since 2018, the federal Canadian government has used the Market Basket Measure (MBM) as Canada's official poverty line.¹⁴ The MBM is an absolute measure of poverty. There are a number of challenges with this measurement of poverty which is why it is not primarily used throughout this report.

Figure 2. Number and percent of children in poverty, Newfoundland and Labrador, MBM and CFLIM-AT



Sources: CFLIM-AT data – Statistics Canada Table 11-10-0018-01. After-tax income status of tax filers and dependents based on Census Family Low Income Measure (CFLIM-AT), by family type and family type composition. MBM data – Statistics Canada. Table 11-10-0135-01, CIS Table 2-Persons living below the poverty line (Market Basket Measure)

In theory, the MBM represents the cost of meeting basic needs in a given location. To determine the MBM, Statistics Canada calculates the cost of a “standard” basket of goods and services for different locations across Canada. The basket includes healthy food, appropriate shelter, clothing, transportation, and other needs for a reference family. Household poverty is defined as when the disposable income of an economic family or an individual not in an economic family falls below the threshold for the family size.¹⁵

Statistics Canada only calculates 4 Market Basket Measures for Newfoundland and Labrador — “rural,” “small population centres — less than 30 000 persons”, “medium population centres — between 30,000 and 99,999 persons,” and the St. John’s Census Metropolitan Area. We know, however, that the cost of food, for example, varies greatly between Nain and Bonavista, both of which would count as “small population centres.” There are additional issues with the MBM:

- The baseline Market Basket Measure has only been updated twice since the year 2000 — to establish 2008 and 2018 base years. This means that the MBM is not sensitive to changes in cost of living between base years. This can pose a substantial limitation, especially in the context of large and rapid society-wide changes (like the Covid-19 pandemic).
- At the time of writing, there is no finalized MBM for Indigenous people living on reserves or for Nunavut. The Northern MBM (MBM-N) for the Northwest Territories and Yukon was introduced in 2022.
- The MBM based on the Canadian Income Survey excludes households in extremely remote areas, people who are unhoused, people living in institutions and provincial Indigenous reserves. Although this comprises a small percentage of the general population, they experience disproportionately high rates of poverty.

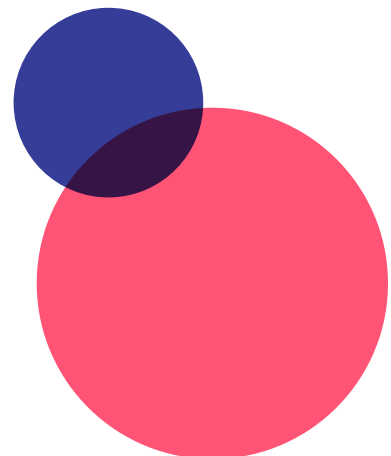
The Government of Newfoundland and Labrador also publishes a Market Basket Measure (the NLMBM) that is more specific to the communities and regions of Newfoundland and Labrador. Since the NLMBM does not use exactly the same methodology and dataset as the MBM, however, it cannot be used for nation-wide comparisons.

The differences between the measures discussed above are summarized in the table below:

Table 2. Measures of child poverty (aged 0-17), 2021

Poverty definition	CFLIM-AT	LIM-AT	MBM	LIM-AT	MBM
Data Source	2021 T1 Family File	2021 Canadian Income Survey	2021 Canadian Income Survey	2021 Census	2021 Census
Poverty Rate (%)	15.6%	9.4%	6.4%	11.9%	8.5%
Number of children in poverty	1,162,460	685,000	462,000	854,565	596,455

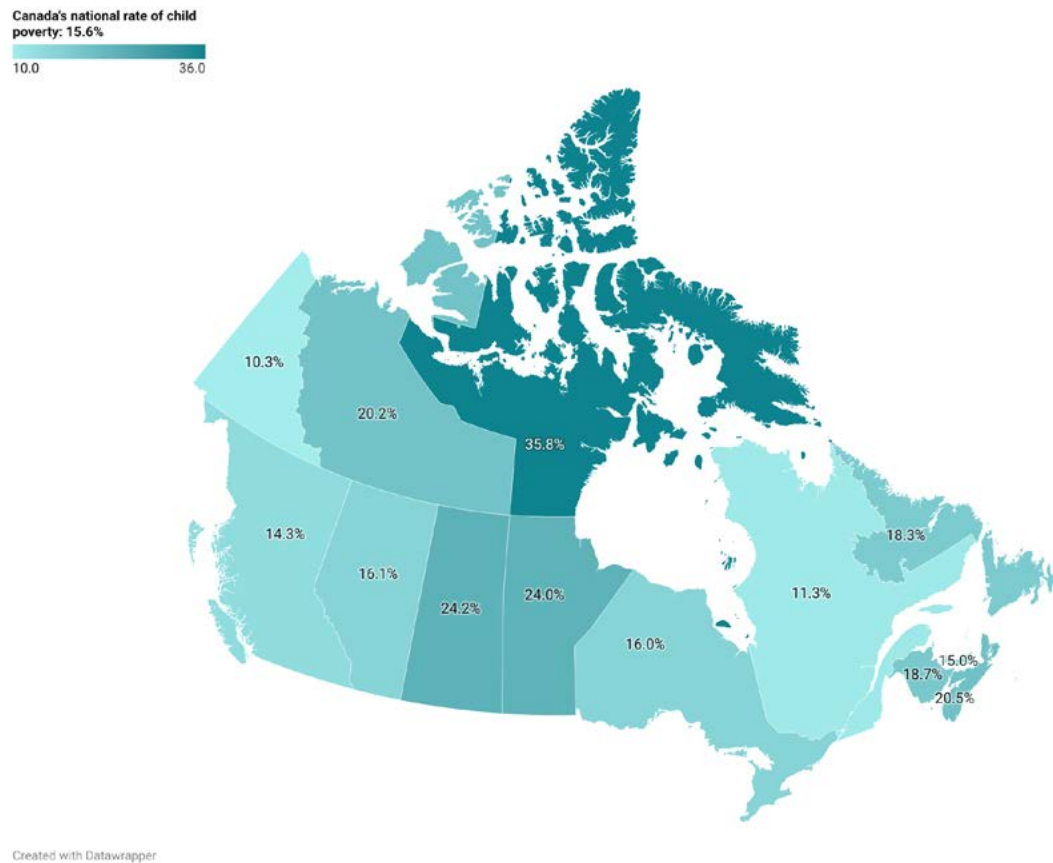
Sources: CFLIM-AT data – Statistics Canada Table 11-10-0018-01, LIM-AT data – Statistics Canada Table 98-10-0100-01, MBM CIS data – Statistics Canada. Table 11-10-0135-01, and MBM census data – Statistics Canada Table 98-10-0117-01.



Poverty in NL – the 2021 data

In 2021, there were 83,305 children and youth ages 0-17 living in Newfoundland and Labrador. 18.3 % of those children live in poverty — 2.7 percentage points higher than the national child poverty rate. This represents an increase in child poverty of 1.9 percentage points over 2020 rates.

Figure 3. Child poverty rates (CFLIM-AT) across Canada under 18, 2021



Source: Statistics Canada Table 11-10-0018-01. After-tax income status of tax filers and dependents based on Census Family Low Income Measure (CFLIM-AT), by family type and family type composition (TIFF), 2021

This section will explore these statistics. How severe is the poverty that families are experiencing? How have rates of inequality changed? How did government transfers and pandemic benefits affect rates of poverty? We will also examine how demographic factors like family structure, Indigeneity, immigrant status, and race impact rates of poverty.

Depth of Poverty

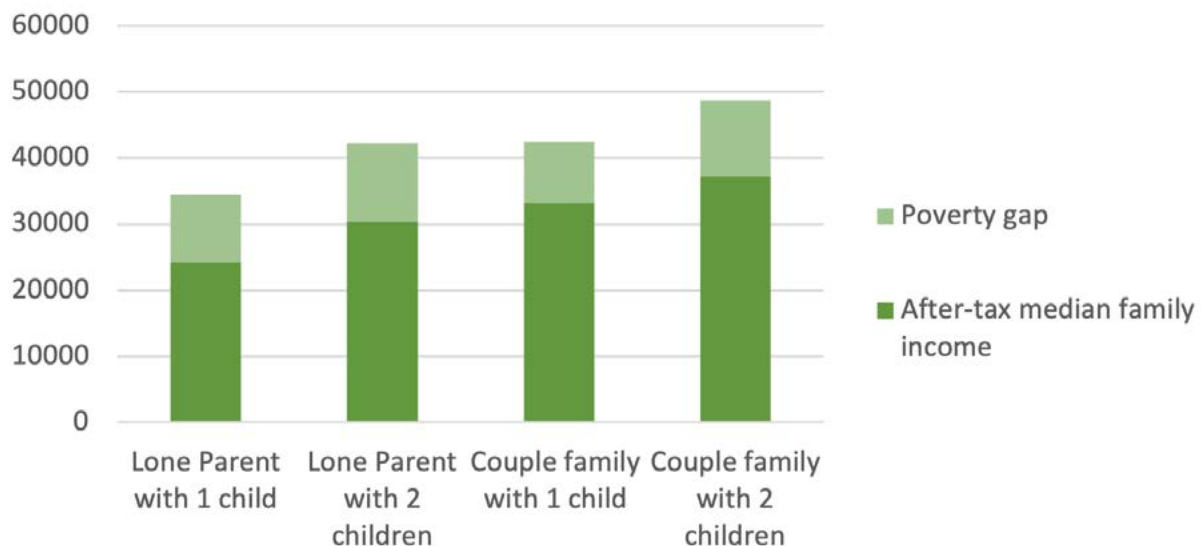
The CFLIM-AT defines a threshold — anyone living in a household whose income is less than 50% of the national median is considered to be living in poverty. The CFLIM-AT does not indicate the shortfall in resources that families have at their disposal. Are most people who are in poverty living just under the poverty line, or is the gap much larger?

Depth of poverty gives us more insight into the life experience of these children and families. The difference between the CFLIM-AT threshold and the median income of families in poverty is called the poverty gap. The poverty gap can be expressed as a dollar amount, or as a percentage of the CFLIM-AT.

From 2021 TIFF data, we can see that:

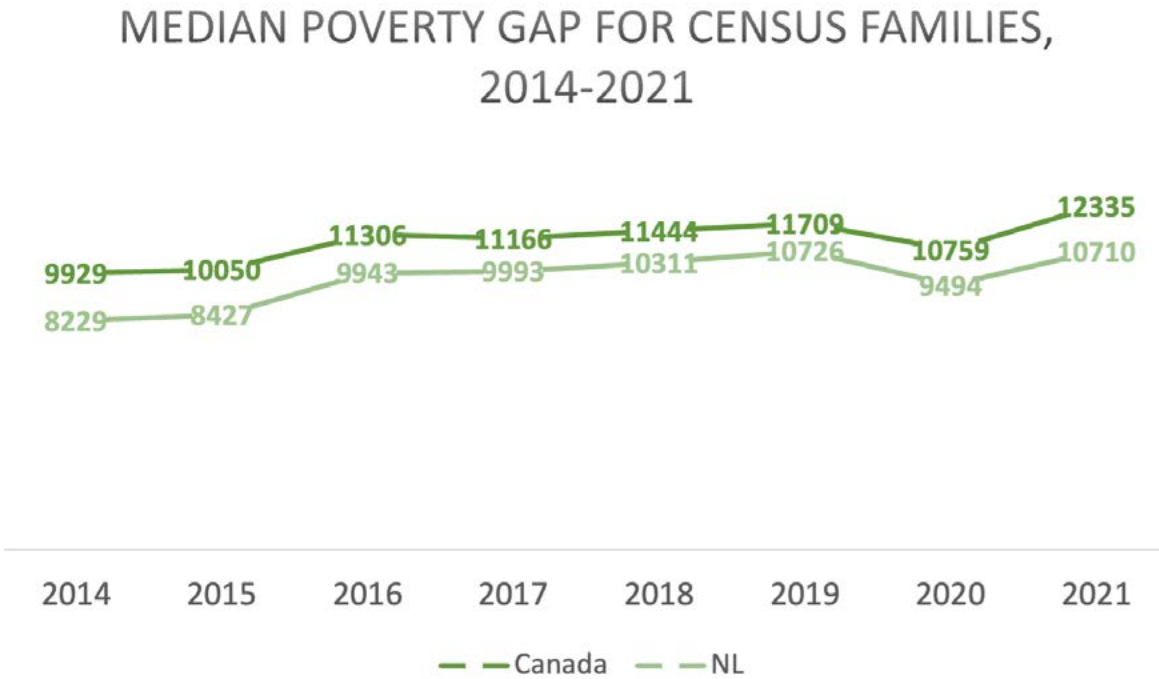
- Lone-parent-led families in low income have a median poverty gap of 29.0%;
- Couple families with children in low income have a median poverty gap of 22.8%;
- The poverty gap increased between 2020-2021 and is beginning to approach pre-pandemic levels.

Figure 4. Depth of poverty by census family type, Newfoundland and Labrador, 2021

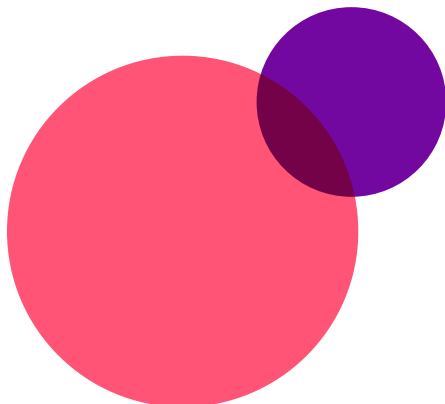


Source: Statistics Canada (2023). Statistics Canada Table 11-10-0020-01. After-tax low income status of census families based on Census Family Low Income Measure (CFLIM-AT), by family type and family composition. 2021 TIFF

Fig. 5 Median poverty gap for census families, 2014 - 2021



Source: Statistics Canada (2023). Statistics Canada Table 11-10-0020-01. After-tax low income status of census families based on Census Family Low Income Measure (CFLIM-AT), by family type and family composition. T1FF 2021.



Inequality

Poverty is a social phenomenon — not just an economic one. Indeed, once societies reach a certain level of wealth, how wealth is shared seems to play a more important role in child health and well-being than the overall level of national wealth.

This social exclusion has a material effect on the lives of low-income children throughout their lives. Children living at the bottom end of unequal societies perceive less opportunity from the earliest years and are less hopeful about their futures.²⁰

More unequal societies are characterised by more strained relationships between children and within families. They are marked by increased bullying and violence, lower life satisfaction, and higher likelihood of loneliness and mental health problems.

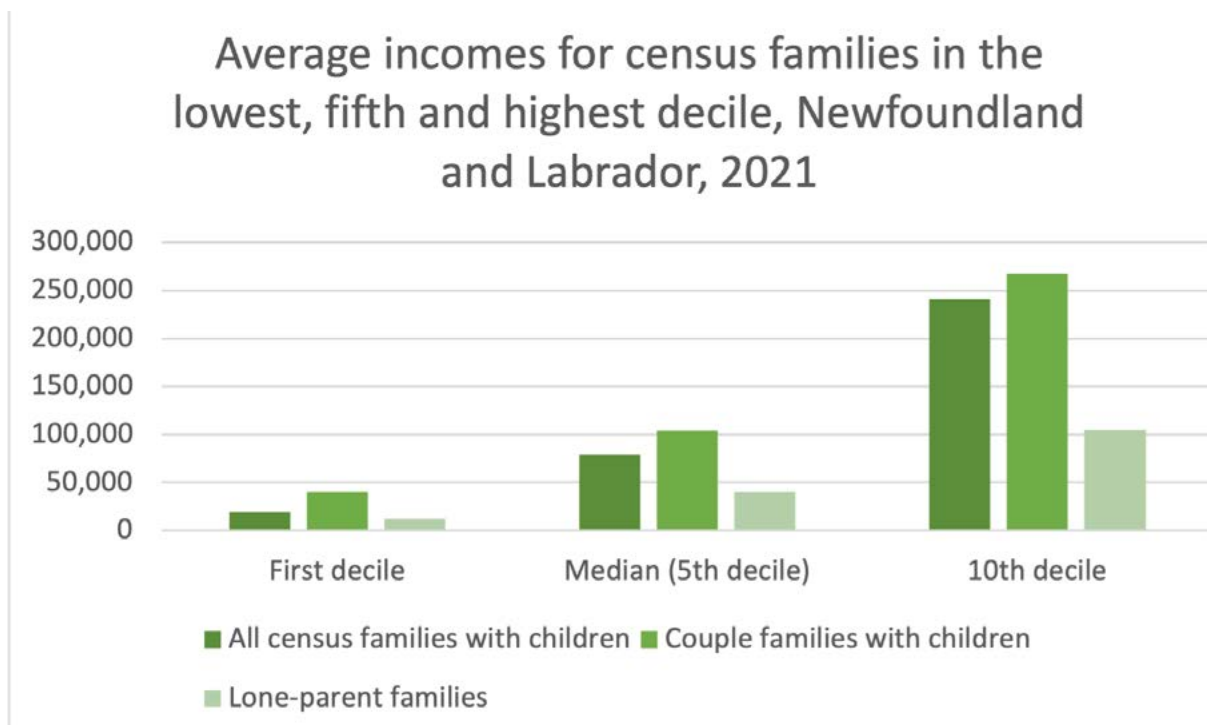
In 2021:

- The average census family in the highest decile in Newfoundland and Labrador had more than 12 times the income of the average census family in the lowest decile.

Income Deciles

Using data from the 2021 Census of Population, the population in private households is sorted according to its adjusted after-tax family income and then divided into 10 equal groups each containing 10% of the population. The decile cut-points are the levels of adjusted after-tax family income that defined the 10 groups.

Fig. 6 Average incomes for census families in the lowest, fifth and highest decile, Newfoundland and Labrador, 2020



Source: Statistics Canada (2023). Statistics Canada Centre of Income and Socioeconomic Well-Being Statistics, Annual Income Estimates for Census Families and Individuals (T1 Family File), Custom Tabulation. TIFF 2021

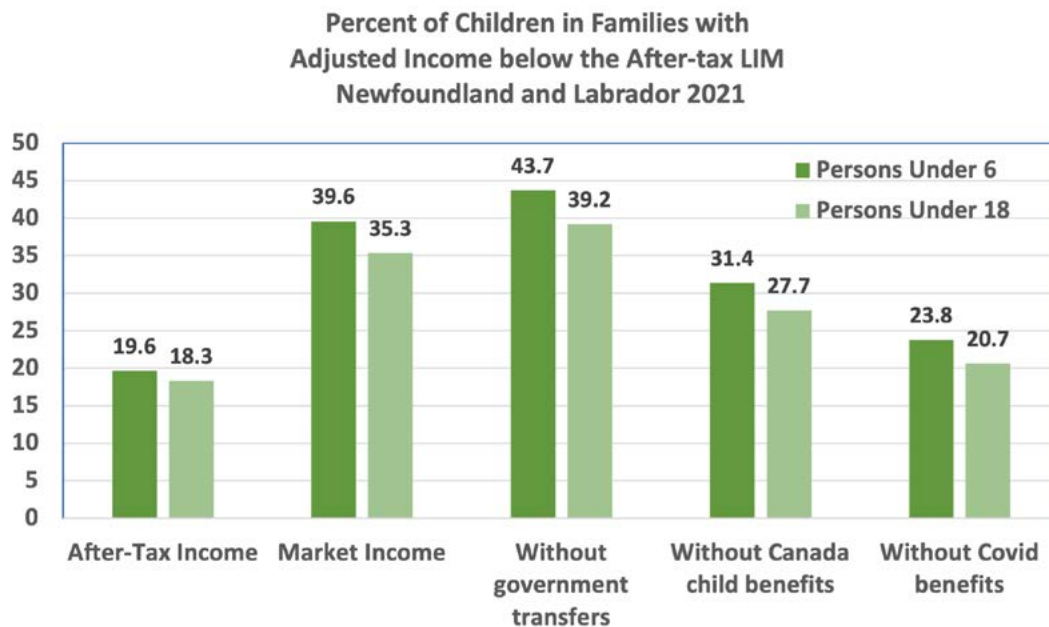
Government Transfers

While the amount of emergency benefits available to families decreased between 2020-2021, government transfers still kept many families out of poverty.

In 2021, 18.3% of families with children in Newfoundland and Labrador had an income below the CFLIM-AT.

- If all government transfers are subtracted from family income, 41.5% of children would have been in families with an income below the CFLIM-AT;
- Without Canada Child Benefits, 29.6% of children would have been in families with an income below the CFLIM-AT;
- Without Covid-19 benefits, 22.3% of children would have been in families with an income below the CFLIM-AT.

Fig. 7 Percent of children in families with adjusted income below the after-tax LIM Newfoundland and Labrador 2021



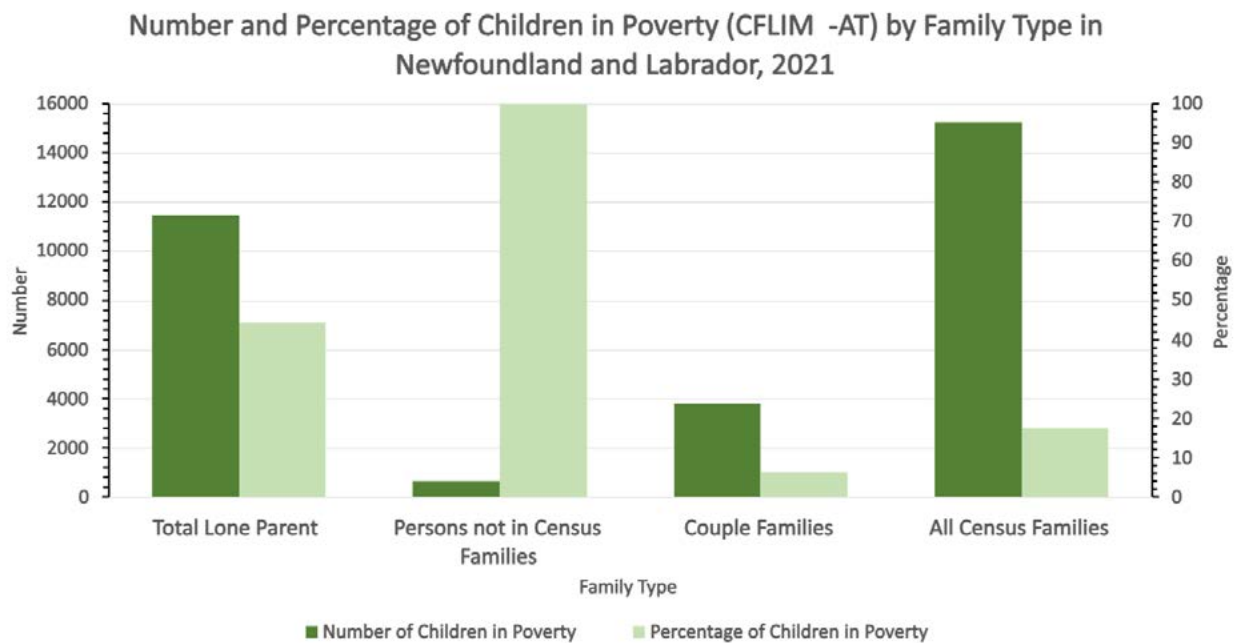
Source: Statistics Canada (2022). Statistics Canada Table 98-10-0100-01. Low-income status by age, census family characteristics and household type : Canada, provinces and territories, census metropolitan areas and census agglomerations with parts. Census 2021.

Family Structure

Across Canada, family structure has a drastic impact on poverty rates, and especially so in Newfoundland and Labrador. For this reason, many of the statistics explored in this report are disaggregated by family structure.

As the chart below shows, poverty rates for lone-parent families far exceed those of couple families with children. In couple families, in Newfoundland and Labrador, less than 1 in 10 children are poor — while the number is 1 in 3 children for single-parent families.

Fig. 8 Number and percent of children in poverty (CFLIM-AT) by family type, Newfoundland and Labrador 2021

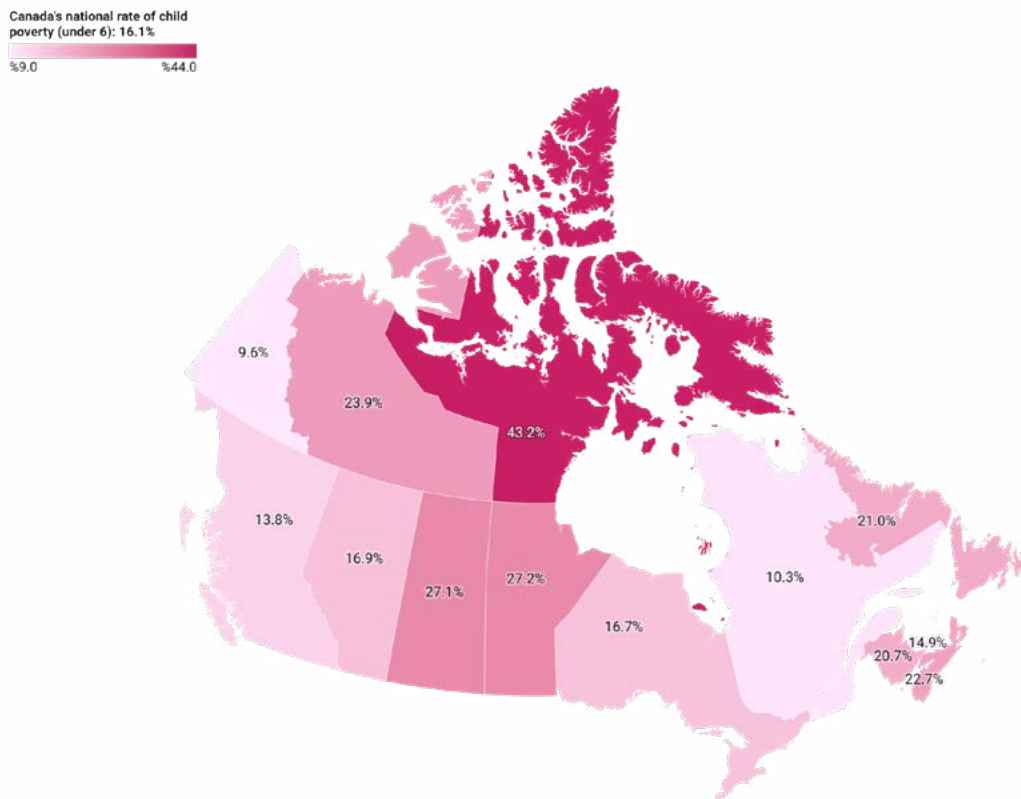


Source: Statistics Canada (2023). Statistics Canada Table 11-10-0020-01. After-tax low income status of census families based on Census Family Low Income Measure (CFLIM-AT), by family type and family composition. TIFF 2021.

Families with Young Children

Across Canada, children ages 0-5 and their families are statistically more likely to live in poverty and low income than other age demographics. This is also true for Newfoundland and Labrador where 21% of children under 6 live in poverty, versus 18.3% of children 0-17.

Figure 9. Rates of poverty (CFLIM-AT) for children under 6, Canada, 2021



Created with Datavrapper

Source: Statistics Canada, Centre of Income and Socioeconomic Well-Being Statistics, Annual Income Estimates for Census Families and Individuals (T1 Family File), Custom Tabulation.

Geographical Disparities

Poverty is unequally distributed throughout the province.

Figure 9 shows how poverty rates vary across census divisions. On the island of Newfoundland, the St. George's census division has the highest rate of child poverty at 31%. In Labrador, the Nunatsiavut census division has the highest rate of child poverty at 29.7%.

In the St. John's Census Metropolitan Area, poverty rates also vary significantly. While areas of St. John's have child poverty levels above 40%, other parts of the Northeast Avalon have child poverty rates closer to 10%.

Community Insight: St. George's Census Division

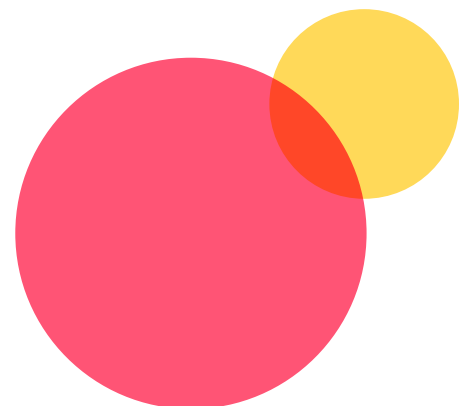
On December 7, 2023, the Bay St. George Status of Women's Council brought together a group of organizations to explore what the Statistics Canada data and the 2023 NL Poverty Reduction Strategy mean in the context of their communities, and propose ways forward. No one was surprised that one in three children live in poverty in the region, and the group speculated that there are likely many more. As one person said: "It's something we all knew... but no one was listening." The community organizations in the area work closely together to make sure needs are met with very few resources: as one participant said, "when you have nothing there's a lot to go around."

The 2021 Census counted 19,253 people in the Census Division, 44% of whom identified as Indigenous. In the Bay St. George region, families face many of the same challenges as they do in the more populous St. John's Metro Area. There is not enough housing, and not enough childcare. Family doctors are few and far between. Income support is woefully insufficient, and minimum wage work is not a way out of poverty.

But rural poverty has its own challenges. There is no public transport in the region, and distances are large. A one-way taxi from Stephenville Crossing to Stephenville can cost anywhere from \$17 to \$23. For a small family budgeting a trip into town and back home for groceries, that's almost a \$50 commitment — and this is money that could be spent on other essentials. Families also often need to travel for specialized medical treatment. Food is more expensive and produce is often wilted and rotten when it gets to the store. There are boil water advisories more often than not — meaning that families have to purchase clean water in bottles. And people have fewer options — if things don't work out with an employer or landlord, there might not be another one to offer a job or a rental.

There have been a number of projects proposed that promise to bring more money and jobs to the region. But the participants in our discussion were cautious about how these developments would affect the wellbeing of the community — especially families living in poverty. As one participant put it: “Just because our population doubles, our problems aren't cut in half.” They worried about the pressure that an influx of new residents would put on the strained housing supply. They noted that some landlords were already taking properties off the market because they anticipated being able to rent them for more when the projects got started. They also worried about how an injection of cash would affect folks who suffer from addictions.

How can we move forward? One participant proposed that we “need to start a philosophical level:” how do we ensure equal access to services? Right now, to access services, people find themselves “calling into a stranger in St. John's who says ‘we can't help you.’” Everyone at the table was clear that any initiative needed to be led by community, and located in the community.



Community Insight: Nunatsiavut

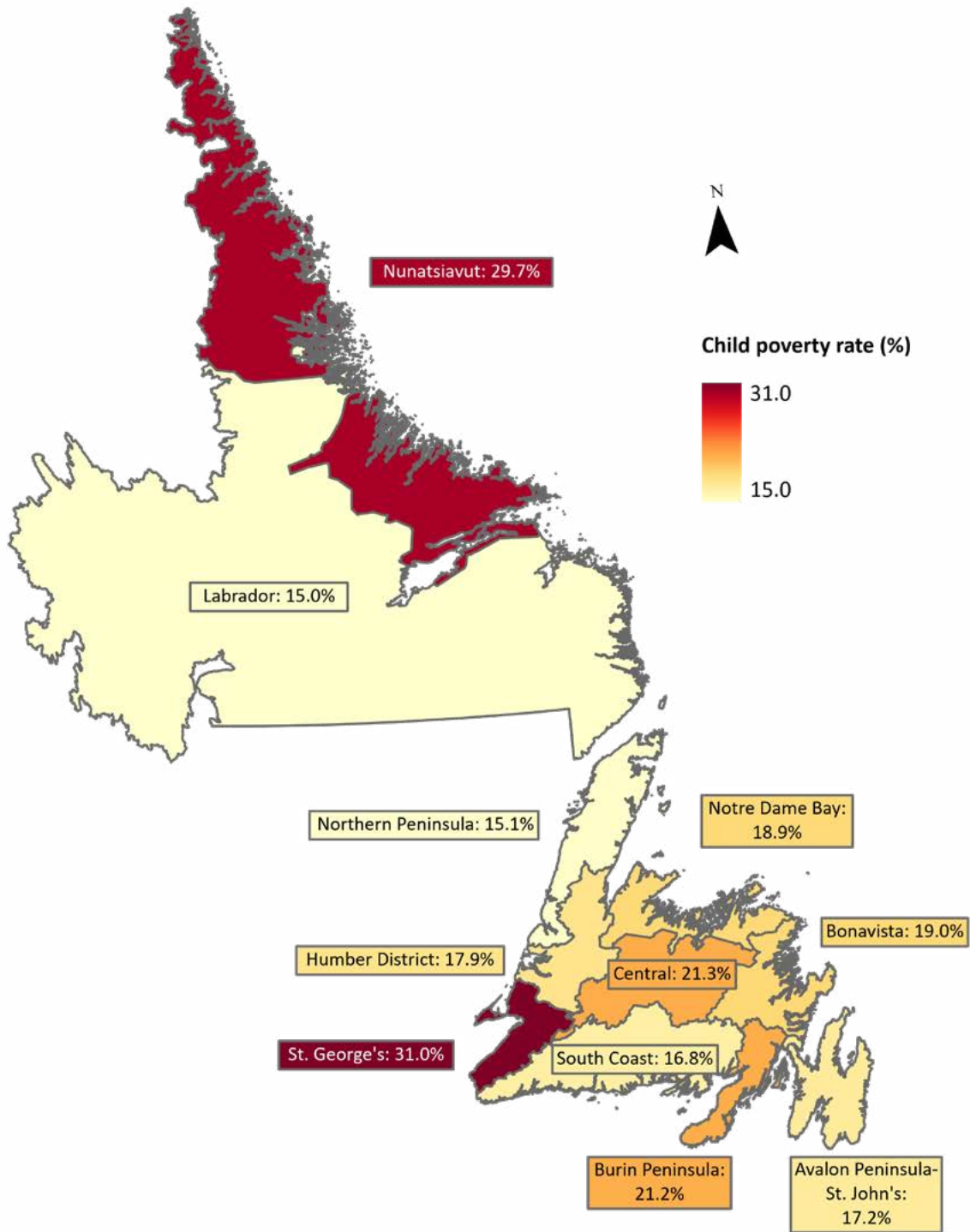
Nunatsiavut, “Our Beautiful Land,” is the easternmost portion of Inuit Nunangat — the Inuit Homeland in Canada. The Nunatsiavut Census Region comprises 5 Inuit communities along the northern Labrador coast — Rigolet, Postville, Makkovik, Hopedale, and Nain. It is part of the Labrador Land Claims Settlement Agreement, and is governed by the Nunatsiavut Government. Approximately 2300 people live in Nunatsiavut. Inuit across Canada are a young population, and 33% of people in Nunatsiavut are under 19, compared to 18.4% for all of Newfoundland and Labrador.

Rates of child poverty in Nunatsiavut are directly due to the legacy of colonization in Nunatsiavut, across Inuit Nunangat and throughout the territory now known as Canada. Inuit have made clear that eliminating poverty is essential to achieving self-determination and ending settler colonialism.

Many Inuit-led initiatives are underway to improve the security, health, and wellbeing of all children in Nunatsiavut, including children living in poverty. As just some examples, the Nunatsiavut Government is leading systems change in the areas of child protection, access to specialist services, and reducing the harms of substance abuse. Non-Inuit governments have an important role to play in ensuring that the rights of Inuit are upheld, and that Inuit children receive equitable treatment from government services. Agendas for action relevant to Nunatsiavut include:

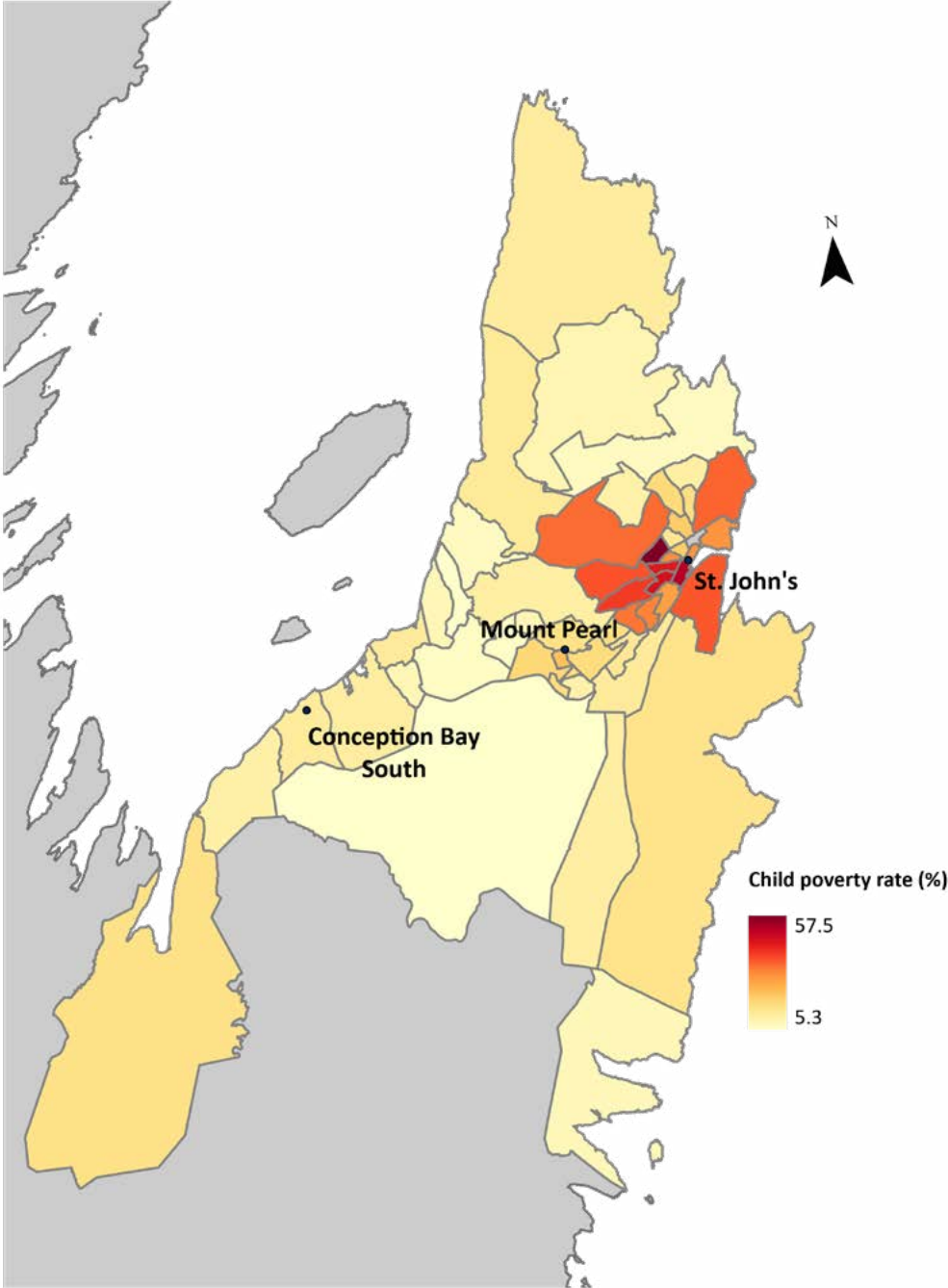
- The Inuit Nunangat Housing Strategy (2019) and the Inuit Nunangat Food Security Strategy (2021)
- A Long Wait For Change: Independent Review of Child Protection Services to Inuit Children in Newfoundland and Labrador (2019)
- The Truth and Reconciliation Commission’s Calls to Action (2015)
- The National Inquiry into Missing Murdered Indigenous Women and Girls’s Calls to Justice (2019)
- Jordan’s Principle and the Inuit Child First Initiative
- The Provincial Indigenous Women’s Steering Committee MMIWG Policy Recommendations (2021)

Figure 10. Child poverty rates (CFLIM-AT) by census division, Newfoundland and Labrador, 2021



Source: Statistics Canada (2023) Statistics Canada Table 11-10-0020-0. After-tax low income status of census families based on Census Family Low Income Measure (CFLIM-AT), by family type and family composition. TIFF 2021

Figure 11. Child poverty rates (CFLIM-AT) by census tract, St. John's Census Metropolitan Area, 2021

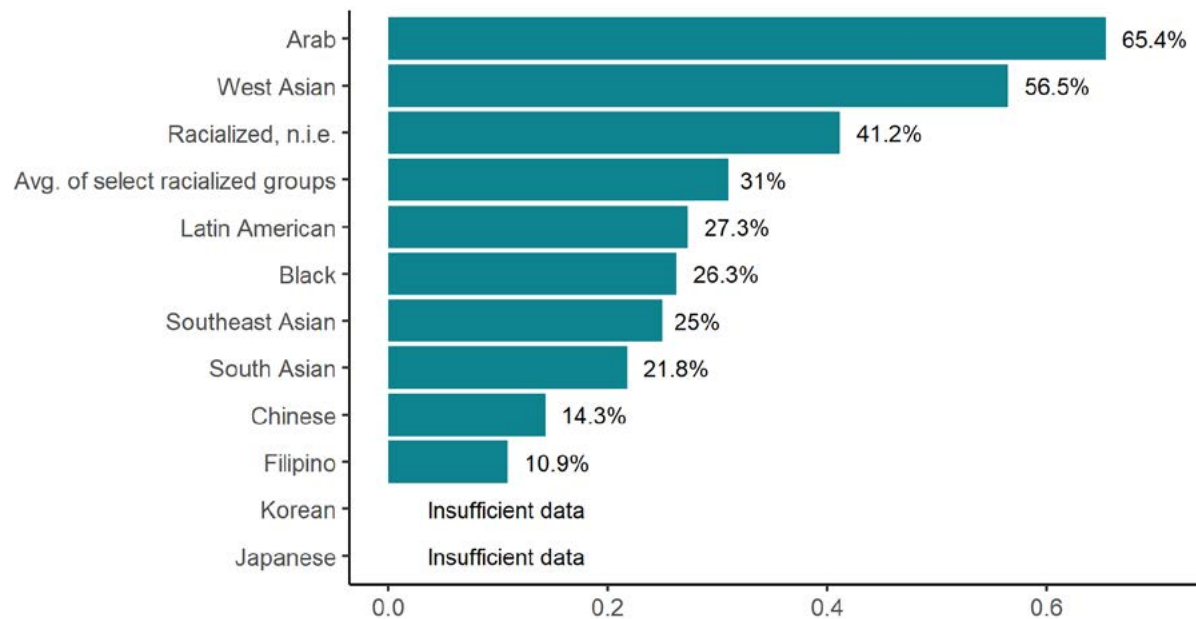


Source: Statistics Canada (2023). Statistics Canada Table 11-10-0020-0. After-tax low income status of census families based on Census Family Low Income Measure (CFLIM-AT), by family type and family composition. T1FF 2021

Racialized Children & Families

Poverty is a racialized phenomenon. While racialized children and youth account for 5% of Newfoundland and Labrador's child and youth population, 31% of them experience poverty. This is double the national rate of poverty for racialized children (15.5%).

Figure 12. Percent of children 0-14 in poverty (LIM-AT) for select racialized groups, Newfoundland and Labrador, 2020



Source: Statistics Canada (2022). Statistics Canada Catalogue no. 98-10-0332-01. Visible minority by individual low-income status and generation status: Canada, provinces and territories, census metropolitan areas and census agglomerations with parts. Census 2021.

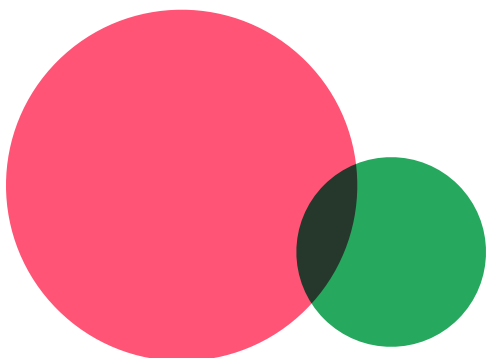
Community Insight: Racialized children and families

Newfoundland and Labrador considers itself a welcoming place, and has been slow to embrace public conversations about race and racism.

The Anti-Racism Coalition of Newfoundland and Labrador (ARC-NL) is an organization dedicated to “promote and support a culture of anti-racism within the province of Newfoundland and Labrador.” Between 2017-2018, through the Addressing Islamophobia in NL project, ARC-NL engaged over 40 community partners and 300 people to hear stories of Islamophobia and racism in our province.

In their final report, they conclude that “While there has been success in attracting new Newfoundlanders and Labradorians, the stories that we heard throughout the project and the conference make clear that Islamophobia and racism exist in the province, and that Muslim and racialized people are negatively and profoundly affected by Islamophobia and racism.”²²

In 2019, Addressing Islamophobia in NL published a comprehensive set of recommendations for the provincial government.²³ The provincial government established its own Ministerial Committee on Anti-Racism in 2021, but there have been few public updates since it solicited submissions from the public in January 2022.

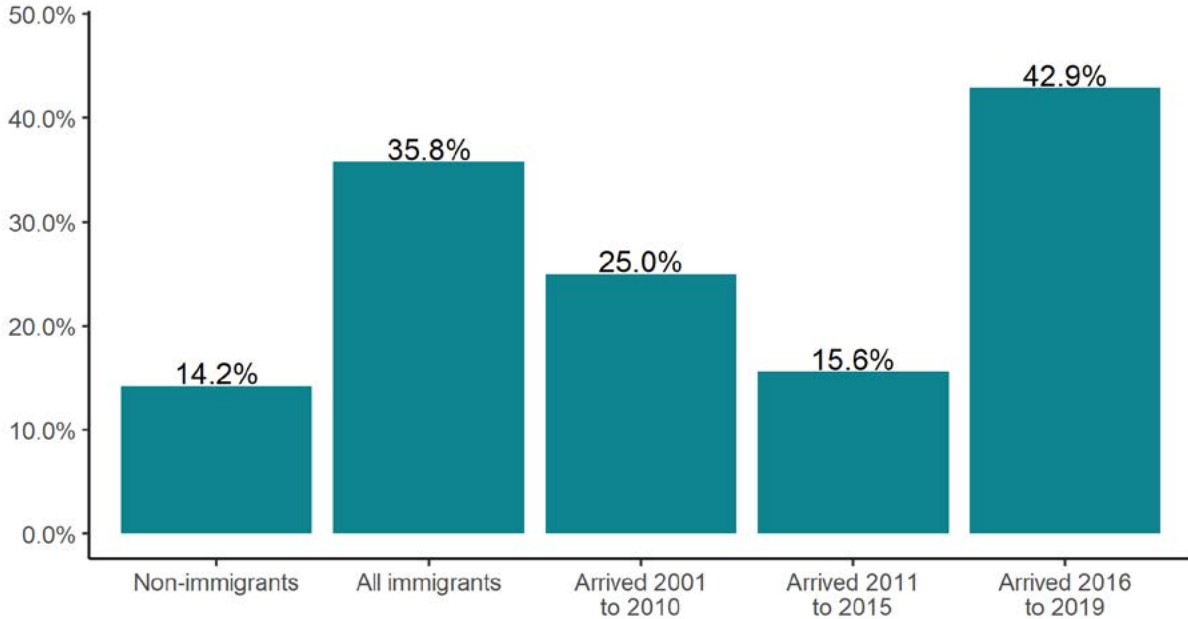


Immigrant Children and Families

Immigrant children and families live disproportionately in poverty. Overall, the census measures that 35.8% of immigrant children ages 0-17 in the province live in poverty, compared to 14.2% of non-immigrant children.

- The rate of poverty for children whose families immigrated between 2019-2016 is almost double the national rate (21.8%)
- The rate of poverty for children in all immigrant families is more than double the national rate (18.8%)

Figure 13. Percent of children in poverty (LIM-AT) by immigration status and period, Newfoundland and Labrador, 2020



Source: Statistics Canada (2022). Statistics Canada Table 98-1003-14-01. Individual low-income status by immigrant status and period of immigration: Canada, provinces and territories, census metropolitan areas and census agglomerations with parts Census 2021.

Community Insight: Newcomer Children & Families

Our report-writers received feedback from newcomer-serving organizations to give additional context to these statistics. We also heard from community organisations who do not exclusively serve newcomers but who had seen an increase in newcomer families accessing their services. What we heard was clear: the odds are stacked against newcomer children and their families.

Newcomer families face the same challenges as other Canadians living in poverty - with housing, transportation, inflation, healthcare, income support and low-wage work. They do so, however, without social networks to support them, while navigating cultural and language barriers, and often in the face of individual and systemic discrimination.

- **Housing:** One settlement worker called finding housing for newcomers “miracle-making.” With dozens of applications for every housing unit, newcomers are overlooked and rarely chosen by landlords. Some landlords will not rent to larger families at all, and some newcomer households have more than ten members.
- **Income support:** There is a gap between the financial support that refugees receive in their first year from the federal government, and the income support that they might be entitled to from the provincial government after their first year. Moreover, income support gives less money to an adult living with their parents than to an adult living on their own. This puts some newcomers at a disadvantage, since it might not be customary for them to move out at 18.
- **Data collection:** there is currently very little provincial data collected that is disaggregated by race and immigration status. This makes it difficult for advocates and community organizations to quantify the scope of the issue.

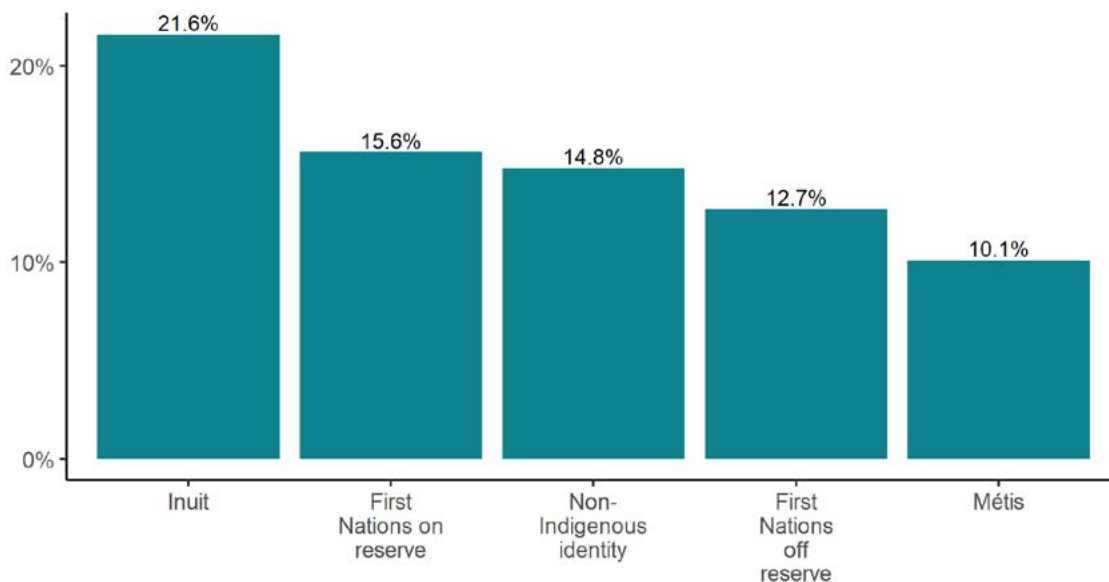
Census Data: Indigenous Children & Families

According to census data, many Indigenous children - especially Inuit and First Nations children on reserve - have higher rates of poverty than their non-Indigenous peers. The data also indicates that Métis and First Nations children off reserve have lower rates of poverty than their non-Indigenous peers.

We include the following chart for comparison purposes, but these statistics must be used with caution. The categories used by Statistics Canada - Inuit, First Nations (on and off-reserve), and Métis - are umbrella terms that do not always capture the diversity of Indigenous nations and communities that they include.

While there are certain experiences common to Indigenous peoples in Newfoundland and Labrador, each of these communities has its own history, culture and governance structure. Respecting the sovereignty of Indigenous people requires recognizing that Indigenous experiences of child and poverty in Newfoundland and Labrador are distinct from one another.

Figure 14. Child poverty (LIM-AT) in First Nations, Inuit, and Métis Communities, Newfoundland and Labrador, 2020



Source: Statistics Canada (2022). Statistics Canada Table 98-10-0283-01. Individual low-income status by Indigenous identity and residence by Indigenous geography: Canada, provinces and territories. Census 2021.

What We Heard from Community Agencies

To give context to these statistics, our report-writing team consulted across Newfoundland and Labrador with community organizations serving children, youth and families living in poverty. Here are the insights that emerged from our conversations and survey:

The Community Sector

Most individuals consulted were from community sector organizations. Feedback suggested it was not surprising to hear that rates of child poverty had increased between 2020-2021, and many speculated that it had likely increased since then.

- The same pressures affecting families in poverty are affecting community organizations (and their staff). Community organizations are also facing inflation at the grocery store and higher interest rates. Meanwhile, budgets have not changed to reflect the higher cost of providing services.
- At the same time, usage rates are up - and community organizations are filling gaps. Of the 27 survey respondents, 63% noted an increase in demand for services compared to pre-pandemic levels. The majority of organizations indicated seeing new user groups accessing their services, including; families, newcomers, single parents, persons with disabilities, and seniors.
- Half of the respondents list family/childcare/youth as their primary focus where they devote most of their time and resources, however, organizations also listed food security, education/training/employment, social/service club, community economic development, and indigenous/aboriginal in addition to their primary focus. This represents the often complex and interconnected dimensions of poverty.

Upstream and downstream

Participants emphasized that *both* upstream and downstream supports are required to prevent further harm to children and families living in poverty.

- Participants generally expressed support for the Health Accord's focus on the Social Determinants of Health, and emphasized that disappointment that government investment does not seem to be aligning with the goals of prevention.
- At the same time, participants emphasized that acute need for community and public services has increased, and budgets need to reflect this reality.

Income and Public Services

Participants emphasized that folks in poverty need more income and better services.

- The CERB and other pandemic supports gave important insight into how cash interventions affect child poverty. On the one hand, bold, barrier-free income supports can play an important role in reducing child and family poverty. The drop in child poverty between 2019-2020 is the largest since another cash transfer, the Canada Child Benefit, was introduced in 2016.
- On the other hand, increased income does not guarantee that a child's basic needs are met. An increase to income support does nothing to increase the supply of affordable housing and child care spots. Increased income can be eaten up very quickly on private taxis where no public transit exists.

Changing Demographics

Participants shared that they are serving more people and a more diverse population than ever before.

- Agencies are seeing more newcomer children and families living in poverty. These families include international students, permanent residents, refugees, temporary foreign workers and undocumented migrants.
- Agencies are also seeing more “middle-class” children and families using their services. As one participant said: “You used to know which families would need help, but now it could be anyone.”

Rural vs. Urban Poverty

The character of poverty changes the farther families get from population centers. Although there is a great diversity among rural and remote communities across the province, they face some common challenges:

- Distances are large, public transit is non-existent, and taxis, where they are available, are expensive. In practice, families need at least one personal vehicle to access services and participate fully in community life.
- Waitlists for healthcare can be longer, and families might have to travel to a population centre to access specialized treatment. Although this is a reality for all rural communities, it presents even more of a barrier to healthcare for families living in poverty - families who are more likely to need healthcare services in the first place.
- Families in poverty have little privacy and can face discrimination when trying to improve their circumstances. One example is in the area of housing: a single landlord might own the majority of rental housing in a community, and refuse to rent to a certain tenant because of a past bad experience. This effectively leaves that tenant without housing options.

Recommendations

Housing

Housing is a crisis in Newfoundland and Labrador, and this crisis is hitting the poorest families hardest. Most low-income families are renters, so that is where we focused our discussion. We heard that there simply are not enough rental units to meet demand, and that private landlords often pass over or discriminate against low-income families. Here are some measures that our community partners recommended:

- Expand the supply of affordable housing.
 - Renovate and repair existing public housing units to make them functional and accessible.
 - Build new public housing units where there is need, and provide support for the non-profit affordable housing supply to expand.
- Where low-income families must rely on the rental market, they should be protected.
 - Legislate protections for renters against rental rate increases
 - Eliminate no-reason evictions from the Residential Tenancies Act

Income

As the cost of living increases, income support and minimum wage work keep families trapped in poverty. Families simply do not have enough money to meet their needs — accounting in large part for our province's staggering rates of food insecurity. Here are priority areas we heard from the community:

- Make income support a liveable option.
 - Index income support to the cost of living and adjust it annually for inflation.
 - Adjust the threshold for the NL Child Benefit and Nutrition supplement to the official poverty line — the MBM.
 - Any basic income program should be indexed to the MBM and adjusted for inflation to ensure that no child or family lives in poverty.
- Increase the provincial minimum wages to a liveable wage
 - the Canadian Centre for Policy Alternatives calculates that a living wage in NL ranges from \$23.80 in Western to \$26.80 in Labrador-Northern Peninsula.²⁴
 - Require employers to provide 10 days of paid sick leave
 - Implement proactive pay equity legislation to narrow Newfoundland and Labrador's gender wage gap.²⁵

Public transit

Community organizations told us that transportation was a persistent barrier for low-income families to access their programs, employment, healthcare appointments, recreation and social activities.

- Increase provincial operational funding to public transit in St. John's and Corner Brook to ensure that these systems can increase in coverage and frequency.
- Create public transit options and linkages in rural and remote areas where the need exists.
- Where public transit does not exist, provide funding for transportation by taxi or private vehicle to access all government and government-funded community services.

Education

Our public education system is a great asset that should support children and families in poverty. Our conversations with community organizations called into question whether low-income children were having their right to education upheld — from the early years through K-12.

- Many educational outcomes are determined before children even reach kindergarten. Children living in poverty need high-quality Early Childhood Education to set them up for success in school and in life.
 - Take action on the childcare crisis to support working parents.
 - Ensure that all families have access to Family Resource Programs.
 - Require ELCC programs to accommodate children with exceptionalities to access provincial funding and licensing.
- Uphold all children's right to education from K-12. Fund schools adequately so that they can meaningfully include all children.
 - Decide on school resources based on student needs — not short-term budgets. As the NLTA writes: "Guidance Counselors, Educational Psychologists, Instructional Resource Teachers, Student Assistants, Speech Language Pathologists, Behaviour Management Specialists, Program Specialists — these are vital student supports, not optional luxuries."²⁶
- Many of the needs facing children and youth in the education system have nothing to do with their formal education but rather stem back to poverty, housing insecurity, family breakdown, and food insecurity.
 - Invest in wrap-around services for young people and families that embed seamlessness within the school system and through their community●

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- 7 "New Employment Support Stability Pilot Project Officially Launched - News Releases."
- 8 Health Accord for NL Task Force, "Health Accord for Newfoundland and Labrador: Our Province. Our Health. Our Future. The Report.," 56.
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22 Addressing Islamophobia in NL et al., "Addressing Islamophobia in Newfoundland and Labrador: Community Report September 2019."

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25 Clarke, "Proactive Pay Equity Legislation in Newfoundland and Labrador: Put Money Back in the Pockets of Women and Marginalized People."

26 "Our Communities – NLTA."

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