

# TRUE OR FALSE

## What do you know about poverty in Canada?

**If you have a job, you can't be poor.**

**FALSE**

About 25% of poor families had a major income earner who worked full-time for the full year in 2006. Some jobs just don't pay enough to get by.

**All poor people live off welfare.**

**FALSE**

Only 34% of working-age families living in poverty had some income from welfare in 2006 and the average amount was \$8,700.

**Welfare is the easy way out.**

**FALSE**

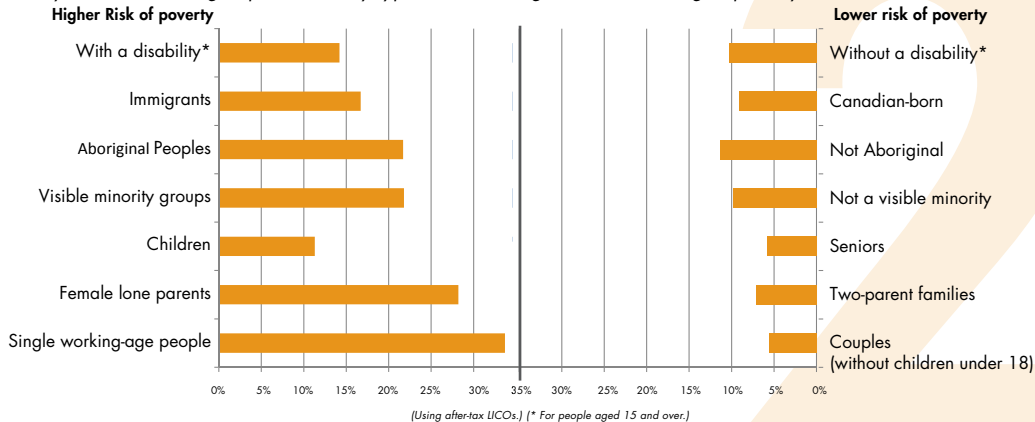
Qualifying for welfare is stigmatizing, the rules are ridiculously complicated and the income you receive could be as low as 24% of the poverty line.



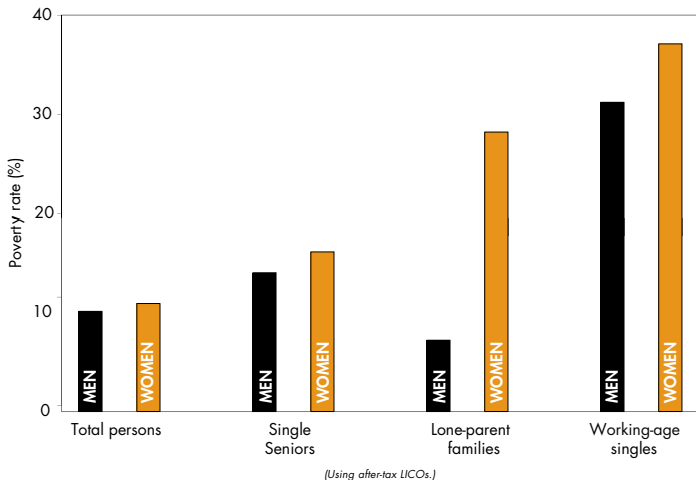
# FAST FACTS ABOUT POVERTY

The poverty rate in Canada was **10.5%** in 2006. That works out to **3.4 million people**, roughly the same number as the population of Alberta.

*Do you know which groups and family types have the highest risks of living in poverty?*



# WOMEN AND MEN



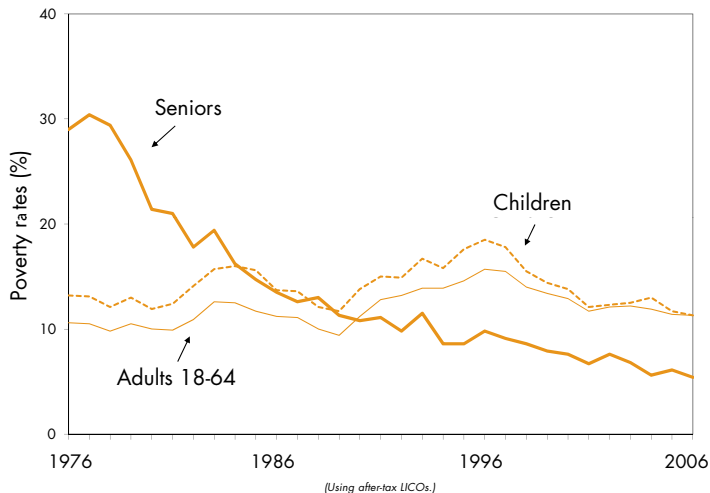
Number of years that women's poverty rates have been lower than men's: **zero**

Women's poverty rates were only slightly higher than men's in 2006.

But when we break it down by family types, we see that those led by women have higher poverty rates.



# WE'VE MADE A DIFFERENCE FOR SENIORS, BUT ...



Poverty rates for seniors have fallen dramatically over the past 30 years due to government programs like Old Age Security and the Guaranteed Income Supplement.

**But ...** there's been no similar improvement for children and working-age adults over those same years.



# THE CHANGING FACE OF POVERTY

Just as the face of Canada's population is changing, so is the face of poverty.

In Toronto, poverty among visible minority families grew **362%** between 1980 and 2000, far higher than their population growth of 219%. (United Way of Toronto, Poverty by Postal Code)

Recent immigrants are more likely to live in poverty than those who came to Canada 15 years or more ago.

Period of Immigration	Poverty Rate (2005)
Before 1991	9.6%
1991 to 1995	17.5%
1996 to 2000	20.7%
2001 to 2006	34.7%

(Using after-tax LICOs.)

In the six cities with large Aboriginal populations, Aboriginal people made up an increasingly larger share of the population living in poverty between 1995 and 2000. (Andrew Heisz and Logan McLeod, Low income in census metropolitan areas, 1980-2000)



# POVERTY COSTS EVERYONE

**Solving poverty makes good economic sense. We can't afford to do nothing.**

Higher rates of homicides, health problems and social ills are linked to greater income inequality. Death rates for working-age men tend to be lower where there is less income inequality. (Richard Wilkinson, *The Impact of Inequality: How to make sick societies healthier*)

Poverty-induced costs related to health care have an estimated annual public cost in Canada of **\$7.6 billion**.

(Ontario Association of Food Banks. *The Cost of Poverty: An analysis of the economic cost of poverty in Ontario.*)

The external costs of poverty – costs to members of society who themselves are not living in poverty – include health care, education, criminal justice, social support and income support. In Calgary, these costs are

**\$8.25 – \$56.8 million** annually. (Alan Shiell and Jenny Zhang, *The External Costs of Poverty: A Conservative Assessment*)

Poverty costs federal and provincial governments up to **\$13 billion** a year in lost income tax revenue due to lost productivity. (Ontario Association of Food Banks. *The Cost of Poverty: An analysis of the economic cost of poverty in Ontario.*)



# A WORKABLE SOLUTION IS WITHIN OUR REACH

These four cornerstones developed by the National Council of Welfare reflect the most important and workable first steps to a poverty reduction strategy for Canada.

## **National strategy**

A national anti-poverty strategy with a long-term vision and measurable targets and timelines.

## **Action plan**

A plan of action and budget that coordinates initiatives within and across governments and other partners.

## **Accountability**

A government accountability structure for ensuring results and for consulting Canadians in the design, implementation and evaluation of the actions.

## **Indicators**

A set of agreed poverty indicators that will be used to plan, monitor change and assess progress.

*Quebec and Newfoundland and Labrador were the first provinces to implement anti-poverty strategies. More recently, Ontario, Nova Scotia and New Brunswick have launched their own strategies.*

