

Poverty Backgrounder

1. 2006 Census Data for Richmond

General poverty level in Richmond: Before taxes, 26.1% of Richmond's population has income that falls below the low income cut off (LICO). After taxes it is 20.9%.

Child poverty level in Richmond: Before taxes, 31.4% of children under 18 live in families within incomes that fall below the low income cut off (LICO). After taxes, the figure is 26%.

Source: Statistics Canada, 2006 Community Profiles

Compared to other communities in British Columbia, Richmond has the second highest general poverty level and the second highest child poverty level.

Source: Local-Level Data on Income and Poverty for BC from 2006 Census, Provincial Health Services Authority

Other income data for Richmond

Median income per person in Richmond is \$20,516 (ages 15 and up),

Median earnings \$24,044 (ages 15 and up)

Median earnings full year/full time \$45,990 (ages 15 and up)

Highest cost of living – Stats Canada report – Market Basket Measure (MBM) a definition of poverty based on the annual cost of basic goods like food, clothing and shelter in different Canadian cities in **2001**. Metro Vancouver is the 2nd most expensive city to living after Greater Toronto. **The biggest difference between Vancouver and other major cities is the high cost of housing.** Below is the poverty line after taxes, for a typical family of four – 2 adults/2 children.

City	Food	Clothing	Shelter	Transport	Other	Total
Vancouver	6,917	2,302	11,289	1,713	6,351	28,567
Toronto	6,102	2,283	12,193	2,379	5,780	28,737

2. Living Wage Report

Paraphrase

Why a living wage?

Living wages benefit families, communities and employers, now and into the future.

A growing body of evidence tells us that growing up in an engaged, supportive environment is a powerful lifelong determinant of a person's health and general competence

Families

- Children from low-income families less likely to do well at school, have lower literacy levels and are more likely as adults to suffer from job insecurity, underemployment a poor health.
- Parents in households with low incomes are more than twice as likely as parents in either middle or high income families to be chronically stressed (due to not having enough money for household essentials and feeling that unrealistic expectations are placed on their time) – more likely to suffer from poor health and be higher users of health care services
- Adolescents living with chronically stressed parents more likely than other youth to have a tough time socially and at school

Employers

- Reduced absenteeism
- Increased skill, morale and productivity levels
- Ability to attract and keep employees in a tight labour market
- Improved customer satisfaction
- Good for company reputation

Living Wage Explained

Metro Vancouver \$16.74 (per \$30,467)

Not a minimum wage – it reflects what a family needs to bring home, based on actual costs of living and raising children in a specific community. It would allow families to escape poverty and severe financial stress; ensures healthy child development and participate fully in their community. The calculation includes basic expenses for a two earner family of four with two young children (housing, food, clothing, child care and transportation). It incorporates government taxes, credits and subsidies and assumes both parents working fulltime (35 hrs per week). **(However worth noting, most government transfers and subsidies – Canada Child Tax Benefit, GST credit and BC child care subsidy and rental assistance programs are reduced or eliminated once a family reaches an income well below the living wage)** the living wage is a conservative bare-bones budget, without the extras – does not include money for debt payments, retirement or post secondary savings and the amount for recreation and emergencies are modest.

<http://www.policyalternatives.ca/welcome/>

3. Income Assistance

Still Left Behind Report – SPARC BC

Excerpt from Press Release Feb 2008

The report entitled, *Still Left Behind*, compares BC Employment and Assistance rates for individuals and families eligible for “temporary assistance” with the minimum monthly cost of the goods and services required for daily living.

Findings of the report show that total incomes for households on income assistance (including the federal benefits for children) only meet 45% of the minimum monthly expenses for a single adult; 72% of the expenses of a single parent with a three-year-old; 46% of a childless couple’s expenses; 62% of the expenses of a single parent with a teenager; and 70% of the expenses of a couple with two children under six.

Table 1: Changes to Monthly Income Assistance Rates for those Expected to Work for Five Reference Households

Household type	Support prior to Apr 07	Support rate as of Apr 07	Support Increase	Shelter rate prior to Apr 07	Shelter rate as of Apr 07	Shelter Increase
Couple children 4 and 1	\$401.06	\$401.06	00.00	\$590.00	\$700.00	\$110.00

www.sparc.bc.ca

4. HOUSING

Average rent in Richmond for a two bedroom \$1,059 -2007, CMHC

Vacancy rates for Richmond - 2006 2.4% declined in 2007 to .7%

Information from Vital Signs 2008

www.vancouverfoundationvitalsigns.ca

“Looking at two bedroom apartments in the region, almost half of those available had rents of over \$1,000 per month in December 2007. **Approximately 6% of available two bedroom apartments would be accessible to a couple with a child, where the parents both work full-time in minimum wage jobs and spend 30% of their income on shelter.** A quarter of the region's available three bedroom apartments had rents of \$1,300 a month or more.”

Vacancy rates remained virtually unchanged between 2006 and 2007 in metro Vancouver. With a vacancy rate of 0.7% for a one-bedroom, 1.0% for two-bedrooms, and 1.2% for three-bedrooms in 2007, vacancy rates in metro Vancouver were well below what is considered a healthy vacancy rate. This means that it continues to be difficult for metro Vancouver residents to find rental housing. The vacancy rate for 2 bedroom rental units has decreased by almost a percentage point since 2005, from 1.9% to 1.0%.

5. Excerpts from Reports on Poverty

i) BC Healthy Living Alliance – research show a strong association between poverty and health. Low wages, homelessness or inadequate housing, poor diet, lack of education are some of the strongest causes of poor health.

Healthy Futures for BC Families

<http://www.bchealthyliving.ca/>

ii) BC Progress Board (established by the Premier in 2001)

“This report digs down to understand what is happening. The most troubling social indicator is the proportion of British Columbians living below Statistics Canada’s low income threshold, which is informally referred to as the “poverty line”. The proportion of the BC population living in low income has been greater than other provinces through much of this decade. More worrying, one in ten British Columbians lives in low income for extended periods of time.”

The Progress Board commissioned a special study by Statistics Canada to explain the BC-Canada gap. The report established the central role that employment plays in narrowing the gap. (See report for details)

“Low income matters for two reasons. First, equality of opportunity is an important goal in British Columbia. All children, irrespective of their social background, should have an equal chance to succeed in the province, and there is compelling evidence that children from low income families are at greater risk. Second, governments and society as a whole bear important collective costs that flow from high levels of economic marginalization in the province. The fact that

one in ten British Columbians lives on the economic margins for extended periods stands as a pressing policy challenge.”

December 2006: “The Social Condition in BC Report”

http://www.bcprogressboard.com/adv_work.html

iii) Health Officers Council – July 4, 2007 – submission to BC Conversation on Health
“Health Officers' Council respectfully submits that child poverty is a population health concern of significant magnitude in British Columbia. Poverty in childhood not only leads to immediate and lifelong health concerns, but also impacts lifelong achievement. Children do not choose to live in poverty. Safeguarding the health of our children and population through strategic investment in child development is both a moral obligation and a critical tool for sustaining our health care system. Currently in BC, one in four children lives in poverty, and evidence indicates that the depth of poverty is also increasing. British Columbia has had the highest rate of child poverty of any province in Canada for 3 years in a row.” The submission goes on to outline 4 strategies: Clear poverty reduction strategies and targets, increased surveillance (important to measure progress), enhancements to provincial income assistance programs and accessible childcare. http://www.bcconversationonhealth.ca/media/HOCBC-Child_Poverty.pdf

Letter to the Editor, James Lu, Medical Health Officer for Richmond and Chair, Health Officers Council of BC, December 3, 2007

“Child poverty is a major population health concern in British Columbia. Childhood poverty not only leads to immediate, but also lasting health consequences.”

His letter cited the 2007 Child Poverty Report Card (BC has highest child poverty rate 4 years running). www.firstcallbc.org He also cites the Cost of Eating in BC report (a family of 4 living on income assistance need to use 42% of their income to buy Canada Food Guide recommended amounts of nutritious food) www.dietitians.ca.

Federal Chief Public Health Officer – Dr. David Butler-Jones – report to Parliament June 18, 2008

While most Canadians enjoy good to excellent health, as a result of social, economic and environmental factors, some Canadians are less healthy than others”, said Butler-Jones in reporting on the State of Public Health in Canada. “There are many things we can do – both individually and collectively – to create the conditions that are the foundation of good health. I would like this Report to start a discussion among all Canadians on how we can move forward to build on Canada’s successes in addressing health inequalities.”

The Report identifies Canadians’ income, education, environment; health behaviours (including diet and exercise); and social supports from family, friends and communities among the variety of factors determining how healthy we are.

The Report’s recommendations include:

- Build recognition among Canadians of the importance of disease prevention and health promotion;
- Build on public policies in key support areas that will ensure Canadians have equal opportunities for health and well-being; and
- Understand that economic and social environments are linked to health

http://www.phac-aspc.gc.ca/media/nr-rp/2008/2008_10-eng.php

Richmond Sustainability Framework March 2004, Discussion Paper: Parks, Recreation and Cultural Services

Community Vision: Striving for connected healthy city where we cooperate to create and enjoy a dynamic sustainable quality of life.

Community Values: community engagement, diversity, healthy lifestyle, environment, volunteerism, choice, safety and security, sustainability.

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