

DYNAMICS OF NEED IN BC'S CAPITAL REGION

a sub report of the Quality of Life CHALLENGE Poverty Matrix Report

People who live in poverty have different needs depending on their demographic group and the way they experience poverty. For example, an effective strategy to move a young, low-skilled, waged person out of poverty would be different from a strategy designed for an unemployed, recent immigrant whose professional credentials are not recognised.

The poverty matrix on the next page gives a good sense of the dynamics of poverty in BC's Capital Region; it shows which people may be at higher risk of poverty and how people experience poverty. **When we are developing strategies, we should keep in mind the estimated numbers of people in the various sections of this matrix and develop strategies designed to move the highest number of people out of poverty through paid work.**

In attempting to find out how many people in our community live in poverty, we are faced with the challenge of defining poverty. There are various definitions of poverty in use in Canada, but the most common one is the Low Income Cut Off line (LICO), which Statistics Canada calculates using Census data. LICO is a relative number based on household size and the size of the community, and it reflects an average household's expenditures on the essentials of food, clothing and shelter. We are using this measure of poverty primarily because the majority of data available to us used this measure.

Explaining the Poverty Matrix

2001 Census data is not yet available for high-risk group populations below the Low Income Cut Off line (LICO). What you will see in the poverty matrix is our estimates of the numbers of people in these high-risk groups. To calculate these we used 2001 population numbers from Statistics Canada but assumed the same percentage of poverty for each group as in 1996. Gender percentages are from the 1996 report of the Capital Urban Poverty Project. Estimates are rounded to the nearest 100 to make it clear that they are not exact numbers. Appendix D lists the sources and the calculations for each of the sections of the Poverty Matrix.

Being homeless is another all too common experience of poverty. There is no reliable count of people who are homeless in our community, so we were not able to include this information in the matrix. However, we have identified some basic indicators of need.

- 215 youth used the Out of the Rain shelter in the winter months of 1999/2000 and at least 50 are estimated to be living on the street.
- There are 62 shelter and transition house beds for women, and at least 295 women were turned away from transition houses in between 1999 and 2000.
- An estimated 40% of homeless men and 20% of homeless women are Aboriginal.
- Downtown service providers identified 326 clients with mental disabilities in 2001.
- One study found 12 families living in motels.

POVERTY MATRIX

In BC's Capital Region, we estimate that in 2001 there were approximately 48,500 people with household incomes below the LICO line, including children. For the purposes of this project, we have excluded children under 15 because we are looking at people who are able to work. Because an increasing number of seniors with low incomes are working to supplement their income, we have included seniors with mature workers in the poverty matrix, but please note that over 90% of seniors are probably not in the labour force. Please see Appendix D for the sources of the Poverty Matrix data and Appendix E for more information on the groups in the matrix and the experiences of poverty detailed within it.

An estimated 41,200 people above 15 years of age are living in poverty.

Estimated overall experiences of poverty	
Waged Poor	21,400
Temporarily Unemployed	3,600
Persistently Unemployed	4,132
Dependent Poor	12,000
Total	41,200

HIGH RISK GROUP (not mutually exclusive)						
Youth (15-24)	Mature workers (55+)	Recent immigrants since 1991 (15+)	First Nations (15+)	People with Disabilities (15+)	Lone parents	
Total estimated population 15 + below LICO 41,200 57% female 43% male	<i>estimated</i> 10,000 <i>57% female</i> <i>43% male</i>	<i>estimated</i> 9,900 <i>68% female</i> <i>32% male</i>	<i>estimated</i> 2,900 <i>54% female</i> <i>46% male</i>	<i>estimated</i> 2,400 <i>51% female</i> <i>49% male</i>	<i>estimated</i> 9,400 <i>57% female</i> <i>43% male</i>	<i>estimated</i> 4,300 <i>82% female</i> <i>18% male</i>
Waged Poor <i>worked more than 49 weeks / year</i> <i>worked less than 49 weeks /year</i> <i>total</i>	<i>estimated</i> 1,400 5,600 7,000	<i>estimated</i> 1,600 1,700 3,300	<i>estimated</i> 1,800	Not available	<i>estimated</i> 1,700	<i>estimated</i> 1,400
Temporarily Unemployed <i>Receiving employment insurance; or not in any other category)</i>	389	<i>estimated</i> < 1000	<i>estimated</i> > 500	Not available	Not available	<i>estimated</i> 1,000
Persistently Unemployed <i>Receiving income assistance, but classified as expected to work</i>	combined 2,501	<i>combined estimate</i> < 5,600	<i>estimated</i> 400	Not available	Not available	685
Dependent Poor <i>Receiving income assistance and classified as temporarily excused from working, or receiving disability benefits, or receiving a pension</i>			Not available	Not available	4,738	1,239

MORE INFORMATION ON THE POVERTY MATRIX

The Poverty Matrix shows the different experiences of poverty:

a) Waged Poor

Almost half (47%) of working age people living below the LICO in 1995 worked that year, and thus were Waged Poor. Participation in the labour force is insufficient to guarantee people will not be in poverty. Most of these people (69%) worked part time or for less than 49 weeks of the year. However, full time full year work does not guarantee being out of poverty either, as over 4000 people in our community worked full time all year in 1995 and still had household incomes below LICO. There are an estimated 21,400 Waged Poor people in the Capital Region. There are few, if any services, which target the Waged Poor. Many programs are not available to people already in the work force simply by the hours of operation, as only a very few programs in the inventory were occasionally open outside standard working hours.

b) Temporarily Unemployed

Temporarily Unemployed people are defined as those receiving employment insurance, or who were not receiving any form of government assistance and were not employed. An increasing number of people in our community are not working or receiving any form of government assistance, and there is insufficient information to determine their source of income. There are an estimated 9,700 Temporarily Unemployed people in the Capital Region.

c) Persistently Unemployed

Persistently Unemployed people are defined as those receiving income assistance from the provincial government, and who are expected to work. In January 2003 there were 4,132 people receiving income assistance in the Capital Region.

d) Dependent Poor

Dependent Poor people are those receiving continuous assistance from the provincial government (people with disabilities), or who are temporarily excused from looking for work (parents of young children), or are receiving pensions or support from the federal government (seniors). **The majority of these people are not able to participating in the labour force, and are not part of our target group.** There are 5,977 dependent poor people in the Capital Region.

e) The Homeless

Another all too common experience of poverty is to be homeless. There is no reliable count of people who are homeless in our community. The common perception of homelessness is those without a roof over their heads who either live outdoors or in shelters and hostels, absolute homelessness. As well, there are many people in our community who are relatively homeless, who live in single room occupancy hotels, rooming houses, or who stay temporarily with friends or family. Relative homelessness increasingly includes waged poor, who cannot afford decent housing even when working. "Just as a lack of decent paying full time jobs pushes many people into poverty, it pushes others from poverty to pure homelessness." (...And Miles to Go, p.52)

The Poverty matrix also quantifies the numbers of people living in poverty by risk groups. Below are further details about the groups of people at high risk of poverty in the Capital Region, as well as a brief review of services available to each group.

a) Women

In 1996 over 57% (21,731) of the people over 15 years of age living below the Low Income Cut Off line (LICO) were women. In each risk group, there are higher percentages of women in poverty than men. There are 16,394 men who are living in poverty in our region, but it should be noted that women are at a significantly higher risk of living in poverty. Rather than showing women as a separate category, the gender distributions in each high risk group are reported.

Almost half of low income women (47%) in the region were in the paid labour force in 1995, though one third worked for less than 49 weeks of the year. Only 7% worked full time for the full year, and 6% worked part time for the full year.

There are at least 4 agencies in this region which target women. They include entrepreneurial supports, training in transferable skills which will improve learning potential for further training or employment, and assistance in finding work clothing, and other skills including communications and conflict resolution, team building, and proposal writing.

b) Youth

In 1996 25% (21,731) of the people over 15 years of age living below the Low Income Cut Off line (LICO) were between the ages of 15 and 24. Some of these youth were still living at home with their parents, some are in school, but the majority were in the paid labour force.

There are at least 11 agencies in this region with programs targeted to assist unemployed or underemployed youth find work. These programs include entrepreneurial supports, job search and coaching, wage subsidy programs, and youth internship programs.

c) 55 years +

In 1996 there were 9,175 people over 55 living below the LICO line. Older workers continue to face numerous barriers to work. Employers are sometimes unwilling to invest in training older workers on the expectation that they will not stay with them as long. It should be noted that only 5% of low income seniors reported participating in the labour force. However, the number of people over 65 in the work force is beginning to grow for a number of reasons including financial need, longer life expectancy, and a desire to continue working. After 65, seniors receive financial assistance from the federal government, but for many seniors who lack other sources of income this is insufficient to move them above LICO.

There are three programs listed in the inventory which are targeted to mature workers.

d) Recent Immigrants

Recent immigrants is defined as those who arrived in Canada since 1991. In the Capital Region in 1996 there were approximately 1500 low income recent immigrants, the majority of whom were waged poor.

The earnings of recent immigrants are much lower than those of Canadian-born people. Statistics Canada reported that in 2000, male immigrants who had been in the country one

full year made 63 cents for every dollar made by those born in Canada. Immigrants who had been in the country 10 years made 80 cents for each dollar earned by Canadian born workers. Many degree holders who came to Canada in the 1990s work in lower skilled jobs. The recognition of foreign credentials in certain fields continues to be a problem for new Canadians.

There are at least two agencies which work with new Canadians to assist in their settlement and adjustment in the Capital Region and to assist immigrants to overcome barriers.

e) First Nations

It should be noted that First Nations people often do not participate in the Census, and as a result the accuracy of data for First Nations people is suspect, and we have little to report in the poverty matrix. The Canadian Council on Social Development Urban Poverty in Canada report noted that in 1995 Aboriginal people in cities were more than twice as likely to live in poverty as non-Aboriginal people. Aboriginal people experience significant barriers in getting and keeping a good job in urban centres. A report for the Royal Commission on Aboriginal Peoples stated " Aboriginal people face discrimination in hiring and employment. They earn about one-third less in wages. They are less likely to hold down full-time year round jobs."

There are several local agencies which work specifically with First Nations people and provide a range of services including employment counselling, career exploration, and adult education.

e) People with Disabilities

In the Capital Region there are over 9,300 people with disabilities, though no estimate is available on the number who are participating in the paid labour force.

People with disabilities often encounter difficulties in participating in the labour force, depending on type and severity of their disability. The Canadian Council on Social Development Urban Poverty in Canada report noted that lack of access to disability related supports and to workplace accommodations often prevents people with disabilities from reaching their full potential in work environments. Some employers may discriminate against people with disabilities by not hiring them or not considering them for job advancement.

There are at least 10 agencies delivering 25 programs targeted directly to people with disabilities.

f) Lone Parents

Of all household types, lone parents are most likely to experience poverty. In the Capital Region in 1995 there were at least 3,650 lone parent households below LICO.

For most families, having income from more than one family member is critical in being able to meet household expenses. Lone parents are less likely to participate in the labour market, often as a result of their child care responsibilities. Lone parent families are usually headed by women, and even if they participate fully in the labour market, they typically earn less than their male counterparts. In the Capital Region, 85% of low income lone parent families are headed by women.

There are no services in the inventory which target lone parents, and only a few services provide child care as part of program provision.

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There are no services in the inventory which target lone parents, and only a few services provide child care as part of program provision.

SOURCES FOR POVERTY MATRIX DATA

Estimates of High Risk Groups

- Estimated Total Population 15 and above living below LICO: 2001 Census reported Capital Region population over 15 as 276,299* 14.9% (% of population below LICO in 1996) = 41,168. Estimate = 41,200
- Estimated Total Waged Poor: Calculated assuming the same percentage of people living below LICO were waged as in 1996. Estimated 41,200 people living below LICO * 52% waged poor = 21,424. Estimate 21,400.
- Temporarily Unemployed: Total below LICO – (Waged Poor + Persistently Unemployed + Dependent Poor) = Temporarily Unemployed
- Total Persistently unemployed: BC Ministry of Human Resources Jan 2003 caseload numbers Expected to Work Category
- Total Dependent Poor: BC Ministry of Human Resources Jan 2003 caseload numbers Continuous Assistance and Temporarily Excused from Work Categories

Youth

- Estimated Total Youth population 15-24 living below LICO: 2001 Census reported Capital Region population as 41740 * 24% (% of population below LICO in 1996) = 10,018. Estimate = 10,000
- Estimated Waged Poor Youth 15-24: Estimated Youth population below LICO 10,000 * 70% (1996 % of youth below LICO who were waged poor) = 7,000
- Temporarily Unemployed Youth: Total below LICO – (Waged Poor + Persistently Unemployed + Dependent Poor) = Temporarily Unemployed
- Persistently Unemployed and Dependent Poor Youth: BC Ministry of Human Resources Jan 2003 caseload numbers for recipients under 30 years of age = 2501 covers both dependent poor and persistently unemployed category

Mature workers

- Estimated Mature population over 55 living below LICO: 2001 Census reported Capital Region population as 91865* 10.8% (% of population below LICO in 1996) = 9,927. Estimate = 9,900
- Estimated Waged Poor Mature: Estimated Mature population below LICO 9,900* 33.5% (1996 % of mature workers below LICO who were waged poor) = 3,300.
- Temporarily Unemployed Mature: Total below LICO – (Waged Poor + Persistently Unemployed + Dependent Poor) = Temporarily Unemployed
- Persistently Unemployed Mature people: BC Ministry of Human Resources 55-64 = 1361 (January 2003). Provincial income assistance not available to people over 65, so no seniors fit in this category.
- Dependent Poor Mature people: Total below LICO – Waged Poor = Dependent Poor

Recent Immigrants

- Estimated Recent Immigrants population living below LICO: 2001 Census reported Capital Region population as 10,285 * 28% (% of population below LICO in 1996) = 2,897. Estimate = 2,900
- Estimated Waged Poor Recent Immigrants: Extrapolated from "The Economic Performance of Immigrants Education Perspective" IMDB Profile Series, May 1999 (taxfiler data). 63% of recent Canadian immigrants reported employment earnings. Estimated Recent Immigrant population below LICO 2,900* 63% = 1827. Estimate 1,800.
- Temporarily Unemployed Recent Immigrants Extrapolated from "The Economic Performance of Immigrants Education Perspective" IMDB Profile Series, May 1999 (taxfiler data). 16% of recent Canadian immigrants received Unemployment Insurance.
- Persistently Unemployed Recent Immigrants Extrapolated from "The Economic Performance of Immigrants Education Perspective" IMDB Profile Series, May 1999 (taxfiler data). 14% of recent Canadian immigrants received welfare payments.

First Nations

- Estimated First Nations population living below LICO: 2001 Census reported Capital Region population as 9,100 * 26% (% of population below LICO in 1996) = 2,366. Estimate = 2,300
- Waged Poor First Nations: no estimate available
- Temporarily Unemployed First Nations: no estimate available
- Persistently Unemployed First Nations: no estimate available
- Dependent Poor First Nations: no estimate available

People with Disabilities

- Estimated People with disabilities living below LICO: Using 1996 numbers. No 2001 population estimate currently available for number of people with disabilities in the Capital Regional District.
- Estimated Waged Poor People with Disabilities: Custom Statistics Canada Tables from 1996 Census. No 2001 data available.
- Temporarily Unemployed People with Disabilities: no estimate available
- Persistently Unemployed People with Disabilities: no estimate available
- Dependent Poor People with Disabilities: BC Ministry of Human Resources Jan 2003 caseload numbers for Persons with Disabilities receiving continuous assistance

Lone Parents

- Estimated Lone Parents living below LICO: 2001 Census reported Capital Region population as 14,350 * 30% (% of population below LICO in 1996) = 4,305. Estimate = 4,300
- Estimated Waged Poor Lone Parents: Estimated Lone Parents population below LICO 4,300* 32.6% (1996 % of lone parents below LICO who were waged poor) = 1401. Estimate 1400.
- Temporarily Unemployed Lone Parents: Total below LICO – (Waged Poor + Persistently Unemployed + Dependent Poor) = Temporarily Unemployed
- Persistently Unemployed Lone Parents: Calculation based on BC Ministry of Human Resources Jan 2003 caseload numbers. Total Lone Parents receiving income assistance (1924) - Total Lone Parents temporarily excused from looking for work (1239) = 685 Persistently Unemployed Lone Parents.
- Dependent Poor Lone Parents: BC Ministry of Human Resources Lone Parents: BC Ministry of Human Resources Jan 2003 caseload numbers, Total Lone Parents temporarily excused from looking for work (1239)

Homeless

- Youth shelter bed use: Out of the Rain Shelter report 1999/2000
- Youth on the Street: Stories Statistics and Services on Youth and Housing in BC's Capital Region April 2001
- Women shelter bed use: City of Victoria Homelessness Initiative Assets & Gap review
- Homeless clients with mental illness: City of Victoria Homelessness Initiative Assets & Gap review
- Aboriginal shelter bed use: City of Victoria Homelessness Initiative Assets & Gap review
- Family use of motels: City of Victoria Homelessness Initiative Assets & Gap review