26TH ANNUAL BC CHILD POVERTY REPORT CARD





In 2020, combined federal and provincial government transfers kept 153,630 B.C. children out of poverty.

visit www.firstcallbc.org to read the report card

In collaboration with



people. planning. positive change.

CAMPAIGN 2000 END CHILD & FAMILY POVERTY

WITH THE FINANCIAL SUPPORT OF



vancouver foundation



WHAT IS THE LESSON FROM 2020?



2022 BC CHILD POVERTY REPORT CARD Government income supports work to reduce child poverty

- 116,500 poor BC children is still too many
- Inequities continue to raise the poverty risk of some groups of children
- The 2020 drop in the child poverty rate is likely to disappear unless we act on these lessons



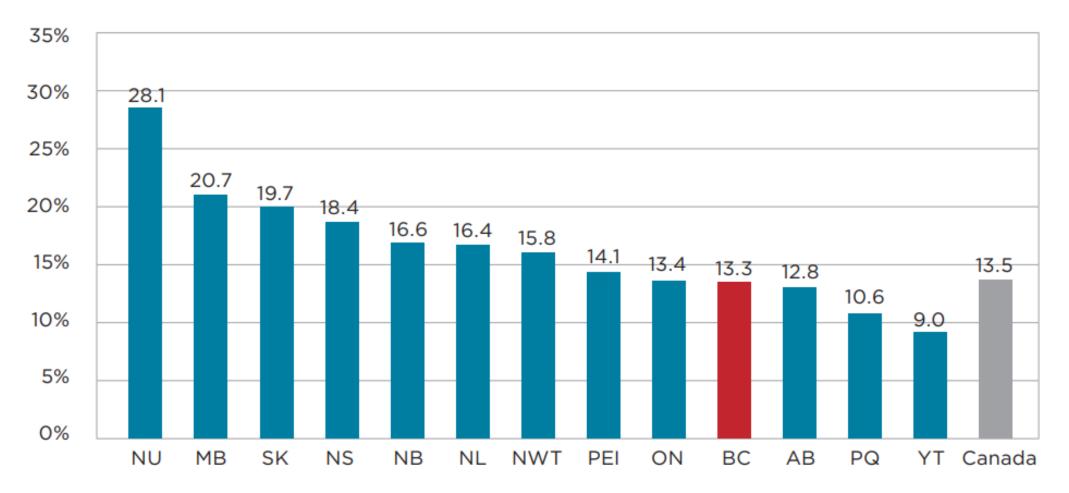
All-Ages, Child (0-17) and Young Children (0-5) Poverty Rates, BC and Canada, CFLIM After Tax, 2020



Source: Statistics Canada. Table: 11-10-0018-01, 2020



Child Poverty Rates, by Province/Territory, CFLIM After Tax, 2020



Source: Statistics Canada. Table: 11-10-0018-01, 2020



Child (0-17-year-old) Poverty Rate, 59 BC First Nations Reserves, CFLIM-AT, 2020



Source: Statistics Canada. Table I-13, Community Data Program, 2020



BC Child (0-14) Poverty Rates (LIM-AT), Select Racialized Groups, 2020

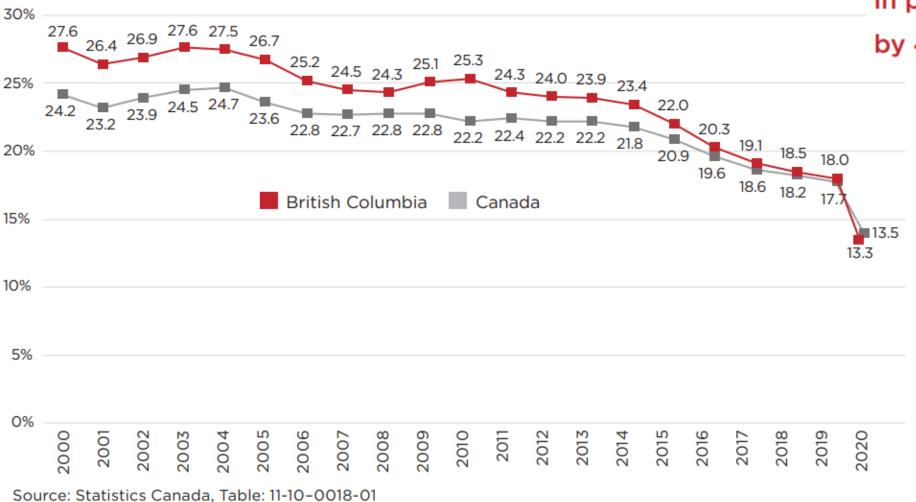
| Arab | 38.0% | |
|----------------------------------|-------|--------------------------------------|
| Korean | 24.9% | |
| West Asian | 21.0% | |
| Latin American | 19.4% | |
| Chinese | 18.3% | As the data on child |
| Black | 14.4% | poverty on First Nations reserves |
| Southeast Asian | 14.3% | shows, the overall child |
| Japanese | 9.4% | poverty statistics hide |
| South Asian | 7.9% | the fact that some |
| Filipino | 4.6% | children in BC are |
| Avg. of select racialized groups | 13.5% | more at risk of living in |
| Not racialized | 10.1% | poverty than others. |

Source: Statistics Canada, Census of Population 2021



BC's Child Poverty Rates Over Time

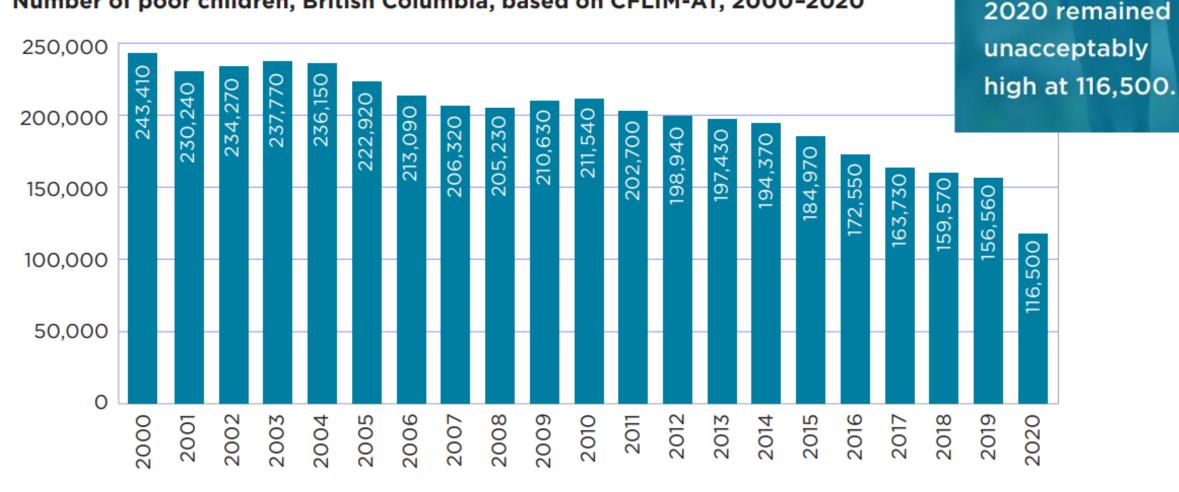
Child Poverty Rates, Canada and British Columbia, CFLIM After Tax, 2000-2020



Between 2019 and 2020, the number of BC children living in poverty dropped by 40,060.



Number of poor children, British Columbia, based on CFLIM-AT, 2000–2020



The number of

in poverty in

BC children living

Source: Statistics Canada, 2020 Table

APPENDIX 1

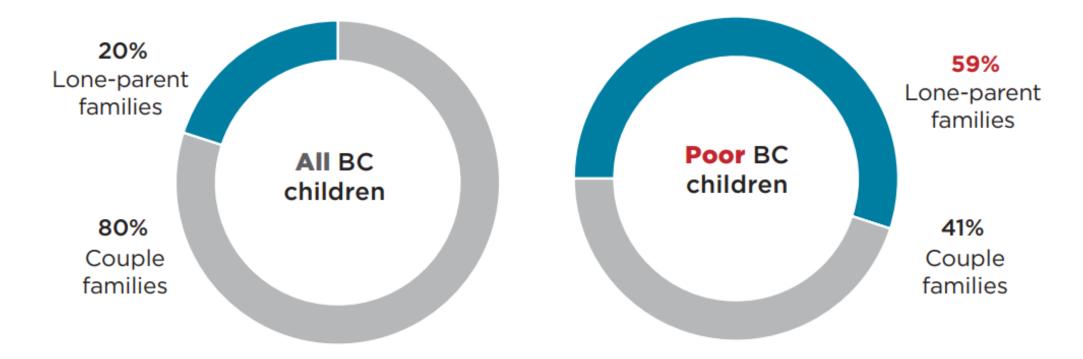
MEASURING POVERTY REDUCTION

Statistics Canada's 2020 Thresholds for After-Tax Census Family Low Income Measure (CFLIM)

| Number of family members | Income Threshold | |
|-------------------------------|------------------|--|
| Single person (no child) | \$23,976 | |
| Lone parent with one child | \$33,907 | |
| Lone parent with two children | \$41,528 | |
| Couple with one child | \$41,528 | |
| Couple with two children | \$47,952 | |



Proportion of BC Children 0-17 in Couple Families and Lone-Parent Families, 2020



Source: Statistics Canada, Table 39-10-0041-01 and Table 11-10-0018-01, 2020

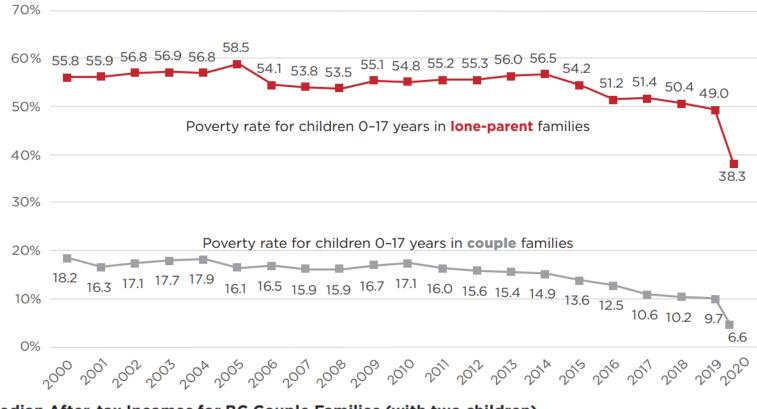
WOMEN'S POVERTY

In BC in 2020, 80% of loneparent families were female-led. These families' median annual income was \$54,620, just 75% of the male lone-parent median income of \$72,460. For many lone mothers, the difficulty of finding affordable quality child care—so they can sustain employment-remains one of the most common obstacles that leaves them raising their children in poverty.

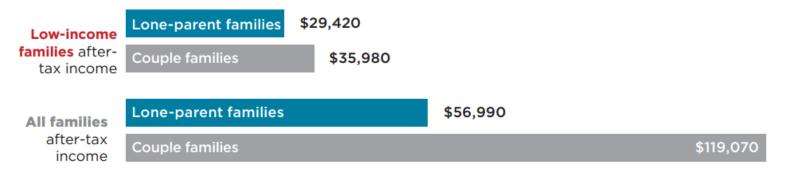
Source: Statistics Canada. Table 11-10-0011-01, 2020

PHOTO JAVIER SANCHEZ MINGORANCE / NOUNPROJECT

Child Poverty Rate by Family Type, CFLIM-AT, British Columbia, 2000–2020

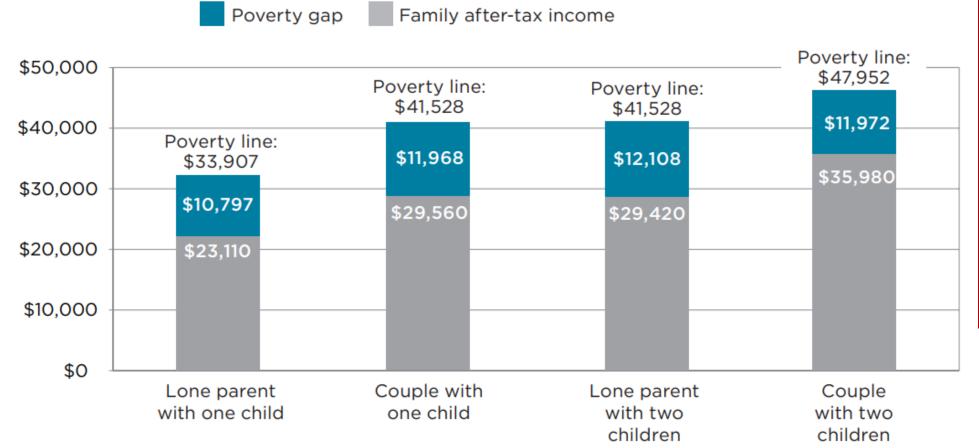


Median After-tax Incomes for BC Couple Families (with two children) and Lone-Parent Families (with two children), 2020





DEPTH OF LOW INCOME FOR FAMILIES IN BRITISH COLUMBIA, 2020



THESE FAMILIES WOULD HAVE HAD TO EARN FROM \$900 TO \$1,009 MORE PER MONTH TO REACH THE POVERTY LINE.

Source: Statistics Canada. Table: 11-10-0020-01, 2020

FACT Stress Depth of Family Poverty

IMPACT OF LIVING IN DEEP POVERTY: PAYING THE RENT AND FOOD INSECURITY



The gap between market rents for vacant units compared to occupied ones greatly widened between 2020 and 2022. In 2022, families faced an average asking rent that was 43% higher than that paid by a renter who already occupied a unit. "I live in subsidized family housing. I need family support to help me raise my kids while I work, because there's no affordable daycare available to us, but I'm not allowed to have my sister move in with us to help out. I feel like I can't win." — Single mother

PHOTO LEO RIVAS/UNSPLASH

Child Poverty and Working Parents 10aDaV. LOW WAGES AND PRECARIOUS WORK A lone parent working full time, full year Income Gaps for Parents Working Full-Time, Full-Year at BC's for minimum wage Minimum Wage in 2020, Compared to LIM Before Tax, 2020 in 2020 earned only \$26,148. Before-tax poverty line: \$42,930 Lone Poverty gap: parent with Actual minimum wage: \$26,148 \$16,782 one child Before-tax poverty line: \$60,712 Couple family Poverty gap: Actual minimum wage: \$52,296 with two \$8,416 children

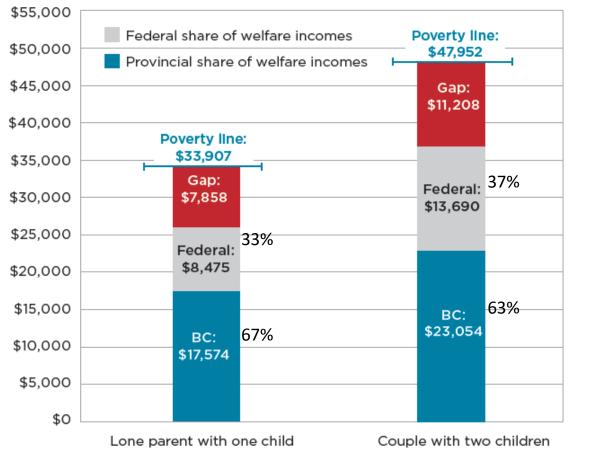
Source: Statistics Canada. Table 11-10-0232-01 Low income measure (LIM) thresholds

FACT SHEET



Children in Families on Welfare

Federal and Provincial Shares of Welfare Incomes and Poverty Gaps by Family Type in BC, 2020



In 2020, a couple family on welfare with two children, had to get by on \$36,744. That's \$11,208 below the poverty line.

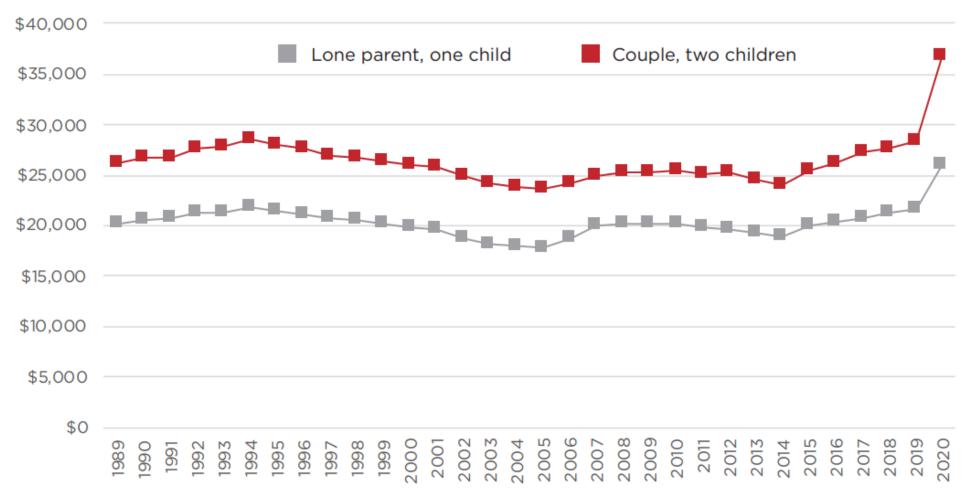


"I regularly buy only half of the items on my grocery list due to increasing food costs. It's quickly becoming impossible to make healthy choices." — Single mother

Source: Jennefer Laidley and Mohy Tabbara, *Welfare Incomes in Canada, 2020*, December 2021, Maytree, maytree.com/wp-content/uploads/Welfare_in_Canada_2020.pdf



Welfare Incomes (Adjusted for Inflation, 2019 Constant Dollars), by Family Type, BC, 1989-2020



Source: Maytree, Welfare Incomes in Canada (2020).

Child Poverty

FACT SHEET

Across BC



% of Children 0-17 Years Old in British Columbia in Low Income Families, by Regional District, Based on Census Family Low Income After Tax Measure (CFLIM-AT), 2020

14.2%

#4

#20 % of Children 0-17 Years Old In BC in Low Income Families, by Regional District, Based on **Census Family Low Income** After Tax Measure (CFLIM-AT) 10.5% - 14.9% 15.0% - 19.9% 17 6% 20.0% - 25.6% **Regional District** #2 ALBERNI-CLAYOQUOT BULKLEY-NECHAKO CAPITAL CARIBOO CENTRAL COAST CENTRAL KOOTENAY CENTRAL OKANAGAN COLUMBIA-SHUSWAP COMOX VALLEY COWICHAN VALLEY EAST KOOTENAY 21 OKANAGAN-SIMILKAMEEN FRASER VALLEY 22 PEACE RIVER FRASER-FORT GEORGE 23 POWELL RIVER KITIMAT-STIKINE

24 SKEENA-QUEEN CHARLOTTE

Table I-13 After tax low income status of tax filers and dependents (census family low income measure, CFLIM-AT) for couple and ione

25 SQUAMISH-LILLOOET

26 STIKINE

27 STRATHCONA

28 SUNSHINE COAST

29 THOM PSON-NICOLA

#

4

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KOOTENAY BOUNDARY

MOUNT WADDINGTON

METRO VANCOUVER

NORTH OKANAGAN

NORTHER N ROCKIES

Source Data: Statistics Canada

parent families by family composition, 2019

NANAIMO

#26

ONLINE MAP

To view and download this map, and additional maps of child poverty rates for Metro Vancouver and other urban areas, visit www.firstcallbc.org

Prepared by: sparc bc

#21

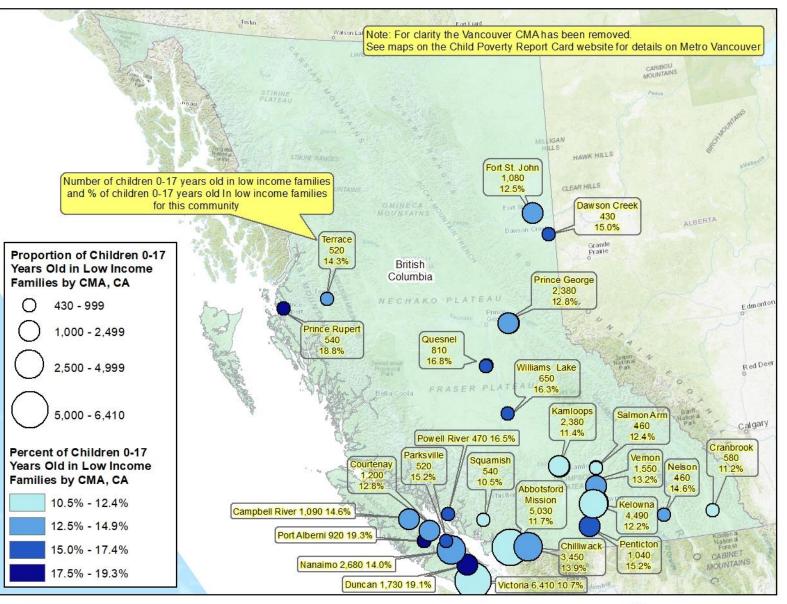
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Across BC

Children 0-17 Years Old in British Columbia in Low Income Families (Based on Census Family Low Income Measure After Tax - CFLIM) in 2020 by Census Metropolitan Area and Census Agglomeration Area (CMA,CA)



Source Data: Statistics Canada Table I-13 After-tax low income status of tax filers and dependents (census family low income measure, CFLIM-AT) for couple and lone parent families by family composition, 2020 Prepared by: sparc bc

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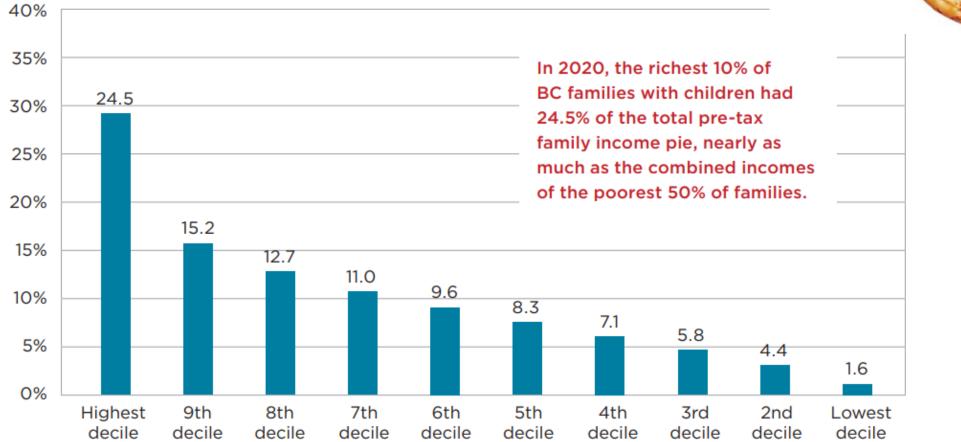


Richest half of BC families' share: **73%**

P of

Poorest half of BC families' share: **27%**

BC Average Total Family Income Share, 2020



Source: Statistics Canada custom tabulation, data from T1 Family Files 2020





Gap Between Poorest and Richest 10% of BC Families with Children, in 2020 Constant Dollars

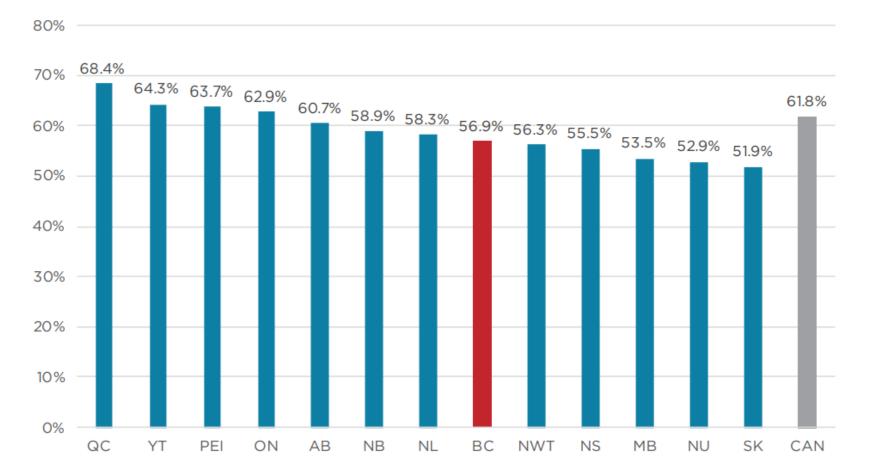
| BC families with children under 18 years, 2019 | Average total income, highest decile | Average total income, lowest decile | Annual income difference between highest and lowest deciles | Average total income ratio: highest to lowest decile |
|--|--|---|---|---|
| All census families | \$347,993/yr | \$21,879/yr | \$326,114 | 16 times |
| Couple families | \$377,957/yr | \$39,636/yr | \$338,321 | 10 times |
| Lone-parent families | \$148,031/yr | \$6,040/yr | <mark>\$141,991</mark> | 25 times |

Source: Statistics Canada custom tabulation, data from T1 Family Files 2020

Importance of Government Help: Public Policy Matters

FACT SHEET

Rate of Child Poverty Reduction by Government Transfer Payments, by Province/Territory, 2020





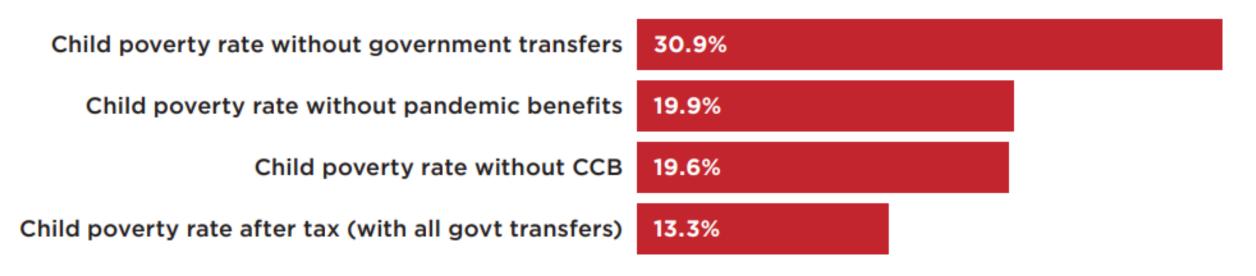
153,630 BC children were kept out of poverty in 2020 thanks to government help

Source: Statistics Canada custom tabulation, data from T1 Family Files 2020



Importance of Government Help: Public Policy Matters

BC Child Poverty Rates (CFLIM-AT) With and Without Government Transfers, 2020







WHICH FAMILIES RECEIVED WHICH BENEFITS?

Percentage of families with children (0–17), by family after-tax income decile, receiving various COVID–19 benefits, BC, 2020

| | Families with any COVID-19 government supports and benefits | Families with COVID-19 Emergency and recovery benefits | Families with COVID-19 Enhancements to existing federal programs | Families with COVID-19 Provincial and territorial benefits |
|----------------|---|---|--|---|
| All families | 94.3 | 50.0 | 89.1 | 81.2 |
| Lowest decile | 87.4 | 44.0 | 77.6 | 77.4 |
| 2nd decile | 97.9 | 64.5 | 92.4 | 92.7 |
| 3rd decile | 98.1 | 61.7 | 93.2 | 93.9 |
| Highest decile | 78.7 | 30.3 | 72.0 | 40.2 |



HOW MUCH DID RICHER AND POORER FAMILIES RECEIVE?

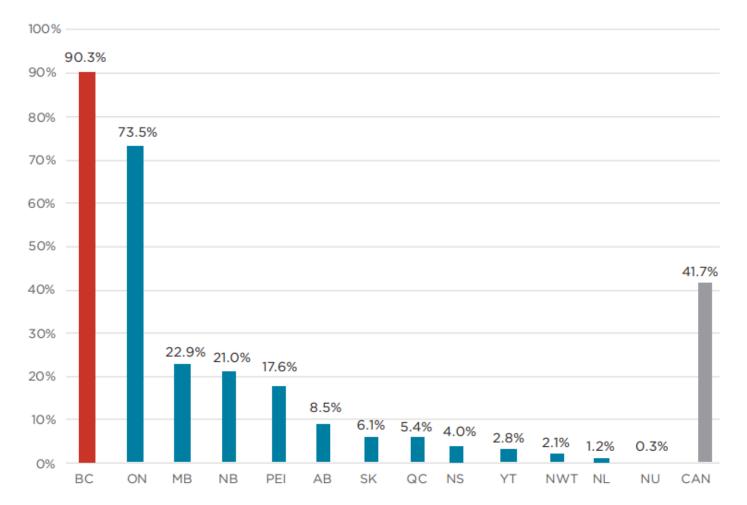
Median amount received, total COVID-19 benefits, by couples and single mothers with children (0-17), adjusted family after-tax income decile, BC, 2020

| | Couple family with children (0-17) | Single mother family with children (0-17) |
|----------------|---------------------------------------|--|
| Total | 4,400 | 2,760 |
| Lowest decile | 4,400 | 2,260 |
| 2nd decile | 9,600 | 9,200 |
| 3rd decile | 9,000 | 5,600 |
| Highest decile | 860 | 700 |



Impact of COVID-19 Benefits on Family Income

Percentage of families (in bottom half of adjusted family after-tax income) with children (0-17) receiving provincial/territorial COVID-19 benefits, by province/territory, 2020





British Columbia had the highest percentage of lowto-moderate income families receiving provincial/territorial COVID-19 benefits.

PHOTO MI PHAM/UNSPLASH

Source: Statistics Canada Census of Population 2021

FACT SHEET

Recommendations: What Needs to Happen

25 RECOMMENDATIONS FOR ALL LEVELS OF GOVERNMENT

TAX FAIRNESS AND INCOME SUPPORT

Minimum wages | Living wages | Welfare rates | Child benefits | El reform | Tax reform

TARGETED INITIATIVES FOR GROUPS OVER-REPRESENTED IN POVERTY DATAIndigenous communities | Newcomers | Youth in/from care | Kinship caregivers

LOWER BARRIERS AND IMPROVE LIVES THROUGH UNIVERSAL PROGRAMS

Child care | Support for families raising children with disabilities | Public health | Affordable housing | Public schools | Public transit | Digital access | Pharmacare



Recommendations: What Needs to Happen

TAX FAIRNESS AND INCOME SUPPORT

- Establish a permanent Fair Wages Commission to examine issues related to low wages and precarity in BC to advise government on strategies that bring workers above the poverty line. Make sure all workers in BC are covered by the hourly minimum wage by the end of 2023.
 - **F P L** Governments at all levels should ensure their direct and contract employees are paid a living wage that allows them to meet their basic needs, properly support their children and avoid chronic financial stress.
- 3. F P Significantly raise income and disability assistance rates to bring total welfare incomes up to the CFLIM after-tax poverty thresholds and index them to inflation. Federal investments must support social assistance adequacy through the Canada Social Transfer and tie investments to adequacy standards..
- 4.

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2.

Adjust income and disability assistance rates for families with children with disabilities to recognize the additional costs associated with raising children with extra support needs.

- 5. F Ensure the Canada Child Benefit, in combination with other income measures, raises all families with children above the CFLIM after tax poverty lines calculated through tax filer data and ensure access to this and other federal benefits for families in population groups with higher rates of poverty.
- Index the BC family benefit to inflation to ensure the value of the benefit does not erode over time.
- 7. F Enhance Employment Insurance to expand access, duration, and level of benefits to reduce inequity for lower-income workers and prevent and reduce child and family poverty, including establishing a minimum benefit floor.
- 8. Ensure maternity and parental leave benefits are universally available to all parents (regardless of work status), increase the duration of leave and ensure the benefit levels are not less than the CFLIM after-tax poverty lines.
- 9. F P Address growing income inequality and generate revenue for poverty reduction programs by eliminating or reducing highly regressive and expensive tax loopholes, closing tax havens, taxing extreme wealth and implementing an excess profit tax focused on corporate pandemic windfalls.

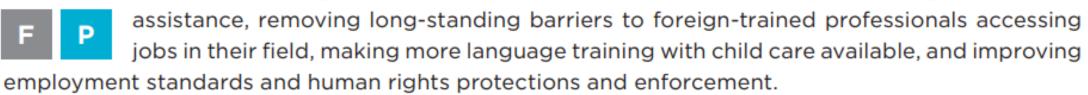
TARGETED INITIATIVES FOR GROUPS OVER-REPRESENTED IN POVERTY DATA

10. **F P** Collaborate with First Nations, Métis and Inuit governments and Indigenous organizations to address the factors leading to child and family poverty in order to prevent, reduce and eradicate child and family poverty in Indigenous communities. The federal government must comply with the rulings of the Canadian Human Rights Tribunal to provide adequate funding for child welfare services on reserve and ensure the full application of Jordan's Principle for First Nations children. Federal and provincial governments must ensure culturally safe supports and public services are also provided to Métis and Inuit children and to other Indigenous children living off-reserve in urban centres not covered under Jordan's Principle.

- 11. P Automatically enroll all young people transitioning out of care in an income support program that meets their basic living costs and ensures they have safe, secure and affordable housing.
- 12. Review and enhance supports to grandparents raising grandchildren and other kinship care provid-

F P ers, including Child in the Home of a Relative care providers. Allow grandparents on CPP Disability who are raising their grandchildren to continue to receive the CPP children's benefit after they turn 65 and remove administrative barriers to receiving the Canada Child Benefit for kinship care providers.

13. Intensify efforts to help immigrants and refugees adjust to life in Canada by enhancing employment



14. Immediately cancel all outstanding refugee transportation loan debt and cease seeking repayment of transportation costs for all new refugees coming to Canada.

LOWER BARRIERS AND IMPROVE LIVES THROUGH UNIVERSAL PROGRAMS

15. Continue to prioritize new early learning and child care investments in 2023 budget and beyond to establish universal access to a system of high-quality, inclusive child care for BC children and families that has no parent fee for low-income families. Create enough licensed child care spaces for all who choose them. Ensure early childhood educators are paid compensation that reflects their education and the importance of the work they do by implementing a province-wide, publicly funded competitive wage grid for positions within the child care sector. Ensure there are adequate resources and support for the implementation of the Indigenous Early Learning and Child Care Framework.

- 16. Increase program funding and support for families raising children with disabilities and complex medical needs to ensure they have timely, universal access everywhere in BC to a core suite of early intervention therapies; timely assessments; family respite; inclusive child care; health, medical and in-home supports.
- 17. P Increase investment in public health initiatives aimed to support maternal and parental health and healthy infant development, as well as non-barriered, free, community-based programs and services for all families with young children to ensure these supports are available throughout the province and designed to reach families experiencing poverty and other threats to their ability to thrive.
- 18. **F P L** Scale up funding to build thousands of new social and affordable rental housing units and maintain existing affordable housing stock to reduce the number of families in core housing need and to eliminate homelessness. Tie rent control to the unit to remove the incentive for evictions of current tenants to raise the rent for new tenants.
- 19. F P Contribute funding to establish a universal, cost-shared, healthy school food program for all K-12 students that is respectful of local contexts, connected to community and curriculum, health-promoting and sustainable.

- 20. P Ensure K-12 public education funding is sufficient to mitigate inequities between high- and low-income neighbourhoods, school districts and families and to ensure appropriate inclusion of students with diverse learning needs. This includes enhancing funding to school districts for special education assistants, arts programming, libraries, student support services, and deferred maintenance, among other areas that still require urgent attention in future provincial budgets. Schools need additional funds to implement public health response measures arising from the COVID-19 pandemic.
- 21. **F P** Create universal access to post-secondary education by eliminating tuition fees.
- 22. P Provide free public transit for minors ages 13 to 18 and free or reduced-fee transit access for low-income households.
 - 23. F P Work with industry to ensure lower income families and youth have access to technology (both hardware and Internet access) so that they are able to apply for financial assistance, learning opportunities and access other supports.



Introduce universal coverage for all Canadians for prescription drugs, dental care, eye care, hearing aids, and assistive devices/products as essential aspects of health care.

ADDITIONALLY

25. **F P** The CFLIM-AT is a broad, comprehensive, and relative measure of poverty. Replace the Market Basket Measure with the Census Family Low Income Measure After Tax (CFLIM-AT), calculated with annual tax filer data, as Canada's and BC's official measure of poverty.



Read the full BC Child Poverty Report Card, support our calls to action, and subscribe to the The Child & Youth Advocate newsletter at: <u>www.firstcallbc.org</u>

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