

Child and Family Poverty in Saskatchewan

November 2016



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Acknowledgements. We thank David Macdonald of the Canadian Centre for Policy Alternatives and Campaign 2000 for providing data for this report.

Campaign 2000. Campaign 2000 is a non-partisan, cross-Canada coalition of over 120 national, provincial and community organizations, committed to working together to end child and family poverty in Canada. Campaign 2000 coordinated the preparation of the 2016 national and provincial poverty report cards. These can be viewed and downloaded at the web site www.campaign2000.ca.

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Note on comparability with earlier reports: Data in this report are not always comparable with those in earlier Social Policy Research Unit reports since data sources and measures of poverty have changed. The general structure, patterns, and trends concerning poverty in Saskatchewan remain much the same as in earlier reports but the detailed numbers differ. For example, the 2012 report reported 116,000 Saskatchewan persons were poor in 2010 (SPR, 2012), well below the 160,000 poor reported here for 2014. These two numbers should not be compared – the 2014 total includes those living on reserves (which the 2010 number did not) and is an improved estimate of poverty in the province.

Data sources for this report. Data in this report come primarily from Statistics Canada, *Annual Income Estimates for Census Families and Individuals (T1 Family File)* available as CANSIM table 111-0015 (T1FF file). The User's Guide for this file states "The T1FF approximates the total Canadian population" (p. 2). The 2011 National Household Survey (NHS) is the other major data source used for this report. T1FF income data are available through the 2014 year and the NHS data refer to incomes for 2010.

Poverty or low income measure. There is no official measure of poverty in Canada. In this report we use the Low-Income Measure After-Tax or LIM. This measure of relative poverty uses a poverty level cutoff of one half of the median income for each family type. Any person in a household with income less than the LIM income levels shown in Table 1 is considered to be in poverty. While these LIM cutoffs are not sensitive to differing regional costs, they provide a standard measure of low income or poverty, making it possible to compare poverty across Canada and internationally.

Introduction and Summary

- 160,000 persons in Saskatchewan were in poverty in 2014. This was 14.8 per cent of the 1,086,000 persons living in the province – a poverty rate above the 14.4 per cent rate for Canada as a whole.
- 64,000 of the 261,000 children in Saskatchewan were in poverty in 2014, a child poverty rate of 24.6 per cent. This is well above the child poverty rate of 18.5 per cent for Canada as a whole and is greater than in all other provinces and territories with the exception of Manitoba and Nunavut. Children in lone parent families had a poverty rate of 57.9 per cent.
- Poverty has declined in recent years in the province – from 2000 to 2014 the child poverty rate declined from 31.9 per cent to 24.6 per cent and the overall poverty rate from 20.0 per cent to 14.8 per cent.
- For children in First Nations families, the poverty rate in 2010 was 59.0 per cent. Among those families indicating they were Métis, 25.9 per cent were in low-income households. In 2010, of the 55,000 poor children in Saskatchewan, 31,000 were in First Nations or Métis families.
- The child poverty rate for children in immigrant families in 2010 was 27.1 per cent and for those in non-immigrant visible minority families was 19.3 per cent.
- Depth of poverty was greater in the Prairie provinces than in other Canadian provinces. In Saskatchewan in 2014, the income for one-half of families in poverty was at least \$12,000 to \$13,000 below the poverty lines shown in Table 1.
- Government transfers in the form of child tax benefits, tax credits, and social assistance were important in helping to reduce poverty in the province. For Saskatchewan in 2014, the child poverty rate of 24.6 per cent would have been 32.9 per cent without these federal and provincial government transfers. That is, the provincial poverty rate was reduced from one in three children to one in four through these government transfers.

Table 1. Low-income measure after-tax (LIM), Canada, 2014

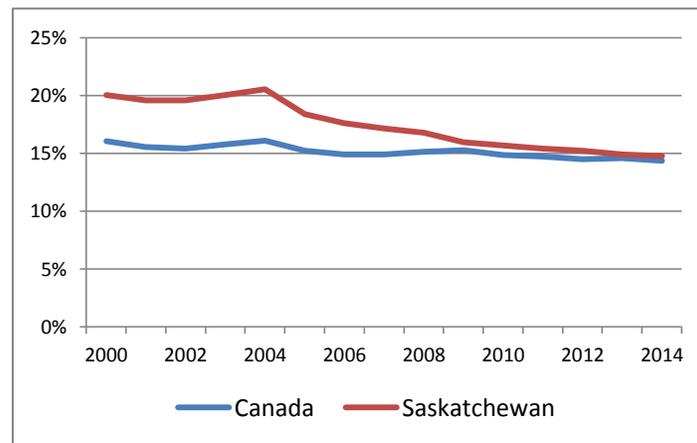
Number of adults	Number of children		
	0	1	2
1	\$17,824	\$24,954	\$30,301
2	\$24,954	\$30,301	\$35,648
3	\$32,083	\$37,430	\$42,778

Note: Any person in a household with income below the LIM for their family type is considered to be in poverty. Additional LIM cutoffs can be calculated for larger family sizes but are not shown here. Source: Statistics Canada, 2016a, p 8.

Poverty Continues in Saskatchewan

From 2004 to 2014, Saskatchewan experienced ten years of exceptionally strong economic growth. Employment and incomes grew and many people in the province greatly benefited from this strong economic growth. As can be seen in Figure 1, the province's poverty level peaked in 2004 but since then has declined in most years. By 2014, the latest year for which income data are available, the Saskatchewan poverty rate (14.8 per cent) was close to but still above the poverty rate for Canada as a whole (14.4 per cent).

Figure 1. Percentage of all persons below LIM, Canada and Saskatchewan, 2000 to 2014



Source: Statistics Canada, 2016b.

However, not all is good in the province; 160,000 Saskatchewan residents, including 64,000 children, have incomes that are not enough to pull them out of poverty. These children and adults have difficulty feeding and housing themselves and do not have the resources to participate equally with those having adequate or high incomes. Since commodity prices collapsed in recent years, the Saskatchewan economy has turned downward, causing economic difficulties for many in the province. While the population continues to grow, employment has levelled off and the number of full-time jobs has declined. Unemployment jumped by fifty per cent, from 24,000 unemployed workers in 2013 to 38,000 for the first ten months of 2016. This does not bode well for low-income residents of the province – it seems likely that when data about the province's poverty rate for 2015 and 2016 become available, there will again be an increase in poverty.

Child poverty

The national partner for this report, Campaign 2000, has focussed on the issue of child poverty in Canada. As stated in their 2015 national report, Campaign 2000:

has consistently stated that child poverty is not inevitable, but that it is a result of choices.

Federal politicians pledged to end child poverty in 1989, 2009 and 2015; but it continues to deprive over 1.34 million children of their only childhood. (Campaign 2000, 2015, p. 1).

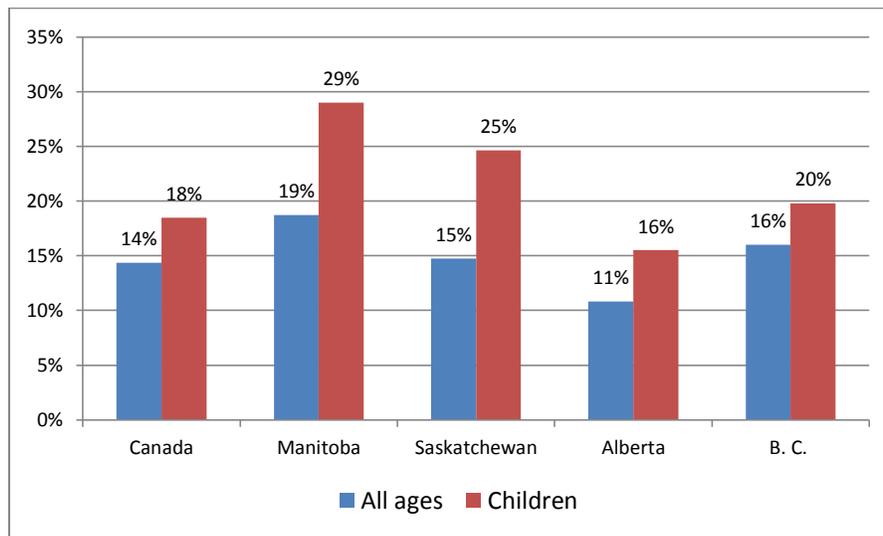
While the number of poor children (those aged 0 to 17 years) in Saskatchewan declined from 74,000 in 1989 to 64,000 in 2014, much of the decline is because there are fewer children in the province. One in four children in Saskatchewan was in poverty in 2014 – the same as in 1989 (last row of Table 2). For the 92,000 very young children in the province, those under age six, 25,000 were in poor households (a 27.6 per cent poverty rate). And this is at the end of the Saskatchewan economic expansion – an expansion that did little to help children escape poverty.

Table 2. Child poverty, Saskatchewan, 1989, 2000, 2014

	Year		
	1989	2000	2014
Total number of children	294,000	276,000	261,000
Number of children in poverty	74,000	88,000	64,000
Child poverty rate	25.1%	31.9%	24.6%

Source: Statistics Canada 2016b and Campaign 2000 custom tabulation.

Child poverty rates across Canada are well above the poverty rate for those of all ages. Figure 2 shows this was especially the case for Saskatchewan and Manitoba in 2014, where the child poverty rate was ten percentage points above the overall poverty rate. The child poverty rate of 24.6 per cent for Saskatchewan was also above the 18.5 per cent child poverty rate for Canada as a whole. Among all Canadian provinces and territories, the Saskatchewan child poverty rate was exceeded only by Manitoba (29.0 per cent) and Nunavut (38.0 per cent). Among the four western provinces, only Alberta stood out as having distinctly lower poverty rates.

Figure 2. Percentage of poor persons and children, Canada and western provinces, 2014

Source: Statistics Canada, 2016b.

Who are the poor?

Poverty is concentrated among specific groups and is not evenly distributed across the population. Table 2 provides a picture of how poverty differed by age and family type for Saskatchewan in 2014. A greater percentage of children were in poverty (24.6 per cent) than were adults aged 18 to 64 (13.4 per cent). For seniors, those aged 65 or more, the poverty rate was once high but has fallen dramatically in recent years. The success of the Canada Pension Plan, along with a basic income from Old Age Security and the Guaranteed Income Supplement, has resulted in reducing the poverty rate among seniors to below 5 per cent.

Persons living in families, especially couple families, are less likely to be in poverty than are those living alone or in lone-parent families. Eleven to thirteen per cent of children living in couple families and of adults living in families had low income. In contrast, adults living alone (not in families) experienced a high rate of poverty (26.6 per cent in 2014).

The greatest poverty rate was for children living in lone-parent families. In Saskatchewan in 2014, over one half of children in lone-parent families experienced low income (57.9 per cent). Approximately four of five lone-parent families have a female parent and one in five have a male parent. Lacking the possibility of dual earner incomes, adults living alone or being single parents are much more prone to poverty than are those living in families that can have two or more employed earners.

Table 2. Poverty by family type, Saskatchewan, 2014

Characteristic	Population in thousands	Poor population in thousands	Per cent poor
Children aged 0-17	261	64	24.6
In couple families	192	24	12.6
In lone-parent families	69	40	57.9
Persons aged 18-64	666	89	13.4
In families	553	59	10.7
Not in families	113	30	26.6
Seniors aged 65 plus	159	7	4.3
Total	1,086	160	14.8

Source: Statistics Canada, 2016b.

Child poverty by identity

Residents of Saskatchewan surveyed in the 2011 National Household Survey were asked to state their Aboriginal identity, ethnic or cultural origin, and immigrant status. In Table 3, the children in households with these various backgrounds have been grouped into the categories of First Nations, Métis, immigrant, visible minority (non-immigrant or born in Canada), and Multi-European non-immigrant. The latter might be termed white or Caucasian but since these children come from a variety of European ancestry here they are termed Multi-European.

Indigenous children in Saskatchewan were especially likely to live in families with incomes below the LIM poverty line, for a poverty rate of approximately fifty per cent. As can be seen in Table 3, while First Nations children accounted for approximately one-fifth of all Saskatchewan children in 2011, almost exactly one-half of all the poor children in the province were First Nations. This vast over-representation of First Nations children among poor children demonstrates the serious poverty problem facing First Nations. Fifty-seven per cent of all First Nations children were in households with an income below the LIM poverty line in 2010. Children in Métis and immigrant households were also prone to poverty, with just over one in four of these children in households with incomes below the LIM. Approximately one in five children in households where one or both parents were born in Canada but are a member of a visible minority were in poverty. It is only those children in what we term Multi-European households where the child poverty rate was well below the provincial average of twenty-three per cent.

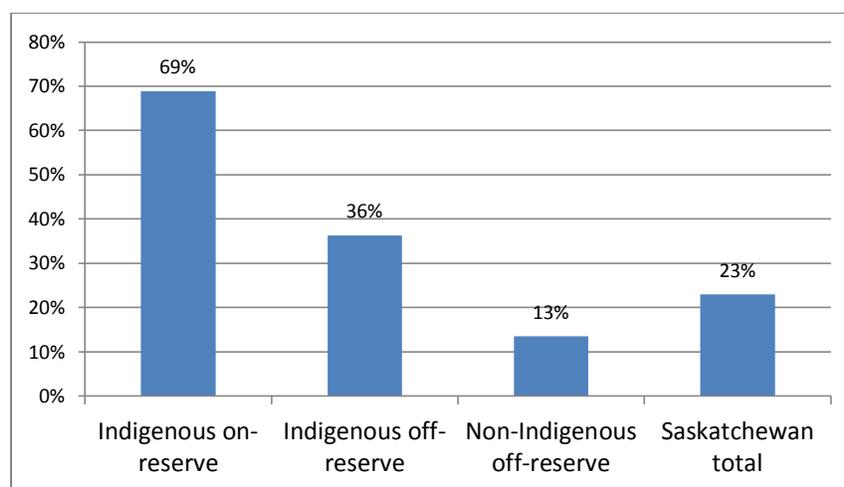
Table 3. Child poverty by identity, Saskatchewan, 2010

Identity	Number of children in thousands	Number of poor children in thousands	Child poverty rate
First Nations	47	27	57%
Métis	17	5	26%
Immigrant	12	3	27%
Visible minority	10	2	19%
Multi-European	153	18	12%
Total	239	55	23%

Source: 2011 NHS, custom tabulation.

Another way of looking at the situation for Indigenous children is to consider how the poverty rate differs among those living on- and off-reserve. In their study of Indigenous child poverty in Canada, David Macdonald and Daniel Wilson report that the child poverty rate for on-reserve children is sixty per cent for Canada as a whole, with the highest rates being in Manitoba (76 per cent) and Saskatchewan (69 per cent). Off reserve, the Saskatchewan Indigenous child poverty rate is still very high – thirty-six per cent. Macdonald and Wilson also note:

Despite having the second highest on-reserve First Nation child poverty rates, Saskatchewan has the lowest non-Indigenous child poverty rate of any province (13%), constituting the greatest disparity between non-Indigenous and status First Nation children anywhere in the country. (Macdonald and Wilson, 2016, p. 15).

Figure 3. Indigenous child poverty rates, Saskatchewan, 2010

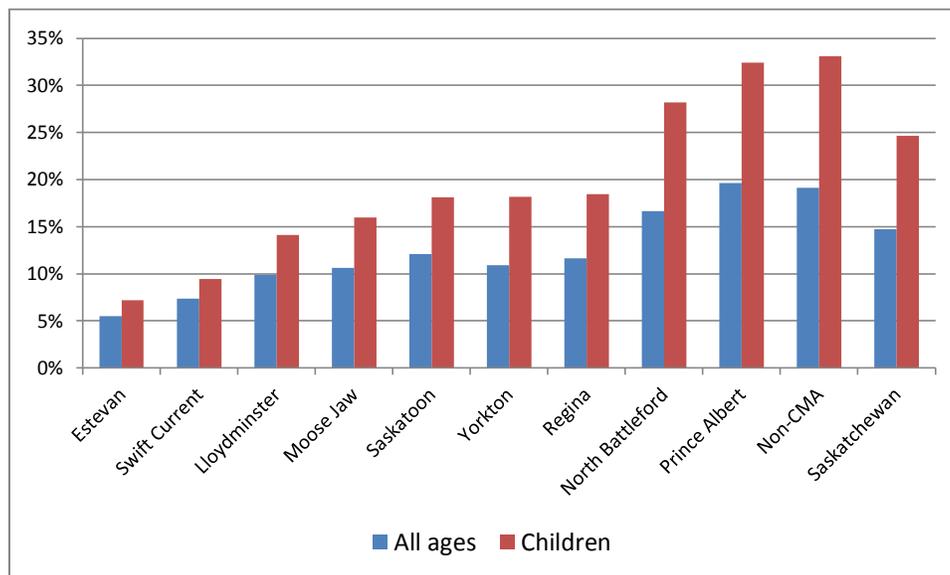
Source: 2011 NHS, custom tabulation.

While on-reserve child poverty may be invisible to those living in the cities of the province, we trust that these figures draw attention to the very serious child poverty existing in Saskatchewan. Reducing and eventually eliminating child poverty in the province will require strong pressure on governments. In particular we encourage Saskatchewan people to push the federal, provincial, and First Nations governments to pay special attention to on-reserve poverty, especially the unacceptable level of two out of three on-reserve children in poverty. As Macdonald and Wilson conclude, “The growth of Indigenous child poverty in Canada cannot be allowed to continue until another generation is lost.” (p. 29).

Poverty by city and region

Poverty is often concentrated in particular neighbourhoods, communities, cities, towns, and regions and is not spread uniformly across the province. In Saskatchewan, inner city neighbourhoods, small towns, rural areas, some cities, and the northern part of the province experience greater than average poverty rates. The data in this section provide a general picture of how areas of the province differ in terms of poverty levels.

Figure 4. Poverty rates for all ages and children, Saskatchewan cities, 2014



Note: Non-CMA, non-Census Metropolitan Area, refers to Saskatchewan outside the nine cities. Source: Statistics Canada, 2016b.

Figure 4 gives the overall poverty rate and the child poverty rate for the nine largest Saskatchewan cities for 2014. While there were relatively low poverty rates in Estevan and Swift Current, most of the cities had overall poverty rates of 10 to 12 per cent and child poverty rates of 15 to 18 per cent, each a little below the provincial average. In contrast, North Battleford and Prince Albert had overall poverty rates of 15 to 20 per cent and child poverty rates around 30 per cent. What is especially notable though is the high poverty rate for the remainder

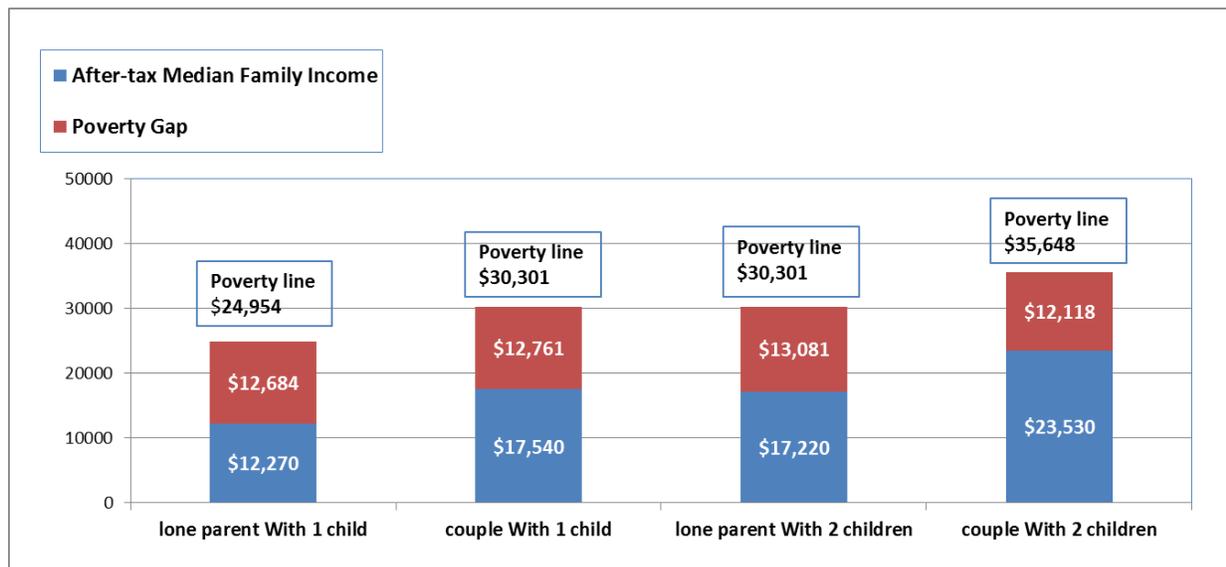
of the province – the non-CMA or the area of the province outside the nine cities. This area comprises the rural population, the small towns and cities, and the northern part of the province. For this non-CMA area, in 2014 the overall poverty rate was 19.1 per cent and the child poverty rate was 33.1 per cent. That is, outside the nine cities, one in five persons was poor and one in three children was poor.

Poverty rates for the various federal electoral districts in the province show extreme disparity. For the northern district of Desnethé-Missinippi-Churchill River, the child poverty rate was 58.2 per cent in 2014, and this was also the area with the greatest number of children (27,000). In contrast, the lowest child poverty rate was in Regina-Lumsden-Lake Centre (12.4 per cent). But not all of Regina and the area around it had a similarly low level – in Regina-Qu'Appelle the child poverty rate was 32.3 per cent. Similarly, in Saskatoon and areas around it, the child poverty rate for Saskatoon-Rosetown-Biggar (30.4 per cent) was about double the relatively low rates in Blackstrap (13.9 per cent), Saskatoon-Humboldt (15.1 per cent), and Saskatoon-Wanuskewin (15.5 per cent). Battleford-Lloydminster (30.0 per cent) and Prince Albert (29.2 per cent) also had high rates of child poverty, in contrast with much lower rates in Cypress Hills-Grasslands (14.3 per cent) and Souris-Moose Mountain (14.8 per cent). Note that these data refer to 2014 incomes but are organized by the federal electoral districts that existed prior to the 2013 electoral redistribution.

These differing regional poverty rates help illustrate why poverty might not be seen by some residents of the province. For those living in neighbourhoods or regions with low child poverty rates, it may seem that child poverty is not an economic, social, political, or personal problem. For those living in areas with high child poverty rates, the difficulties associated with having low income are daily ones – ones that a country as wealthy as Canada must solve.

Depth of poverty

While the overall poverty rate for Saskatchewan (14.8 per cent) was only a small amount above that for Canada (14.4 per cent), the depth of poverty was much greater in the province than for Canada as a whole. For each of the three Prairie provinces, the income for one half of families in poverty averaged \$12,000 to \$14,000 below the LIM poverty lines in 2014. For Canada as a whole the comparable figure was approximately \$10,000. Figure 5 illustrates the deep depth of poverty that existed in Saskatchewan in 2014.

Figure 5. Depth of low income for poor families, Saskatchewan, 2014

Source: Campaign 2000, custom tabulation

For a Saskatchewan lone parent family with one child in 2014, the poverty line was \$24,954. But the after-tax median income for poor lone parent families with one child was only \$12,270. That is, one-half of poor lone-parent families with one child had less than \$12,270 income and one half had between \$12,270 and \$24,954 income. Thus the poorer half of these poor families had so little income there were at least \$12,684 short of meeting even a poverty level income. The situation for poor couples with children and for poor lone parent families with two children was much the same – an extremely large poverty gap of \$12,000 to \$13,000 for the very poorest of the poor families with children. These data demonstrate the dire circumstances faced by many families with children – their incomes are well below what is necessary to meet even the minimal needs associated with a poverty level income.

Effect of government transfers

Government transfers in the form of child benefits, tax credits, and social assistance are an important source of income for many low income individuals and families. These transfers mean many escape poverty and they are a key source of income for those who remain in poverty. For Saskatchewan, government transfers help to reduce poverty in the province. The 2014 child poverty rate of 24.6 per cent would have been 32.9 per cent without federal and provincial government transfers. That is, transfers reduced the provincial poverty rate from one in three children to one in four – a rate that is still much too high.

For families with children, the primary transfers at the federal level have been the Canada Child Tax Benefit, the Universal Child Care Benefit, and the National Child Benefit Supplement.

Other federal programs benefiting both low-income individuals and families include tax credits and Employment Insurance. For seniors, Old Age Security, the Guaranteed Income Supplement, and the Canada Pension Plan have been key in helping reduce poverty. At the provincial level, the Saskatchewan Assistance Program, the Transitional Employment Allowance, the Saskatchewan Child Care Subsidy, the Saskatchewan Low Income Tax Credit, and the Saskatchewan Employment and Rental Housing Supplements are the main transfers. The Saskatchewan Assured Income for Disability (SAID) has helped boost the income of disabled low-income individuals in the province.

Beginning in July of this year, the federal government introduced the Canada Child Benefit (CCB), replacing the Canada Child Tax Benefit and the Universal Child Care Benefit. From the CCB, families with children can receive an “annual benefit up to \$6,400 per child under the age of 6 and up to \$5,400 per child for those aged 6 through 17. Families with less than \$30,000 in net income will receive the maximum benefit” (Government of Canada, 2016, p. 58) with benefits reduced as family income increases.

The federal government estimates that improved benefits associated with the CCB will increase the average benefit to households with children by \$2,300 per year (p. 57). It further estimates that, as a result of the CCB, the number of children in poverty will be reduced by 300,000 per year by 2017 (p. 62). Assuming these benefits are spread uniformly across Canada, this would lead to 11,000 to 15,000 fewer poor children in Saskatchewan in 2017. However, this still means that approximately 50,000 Saskatchewan children will be poor for a child poverty rate of 19 to 20 per cent. Expanded federal child benefits will help reduce child poverty in the province, but only by about one-fifth.

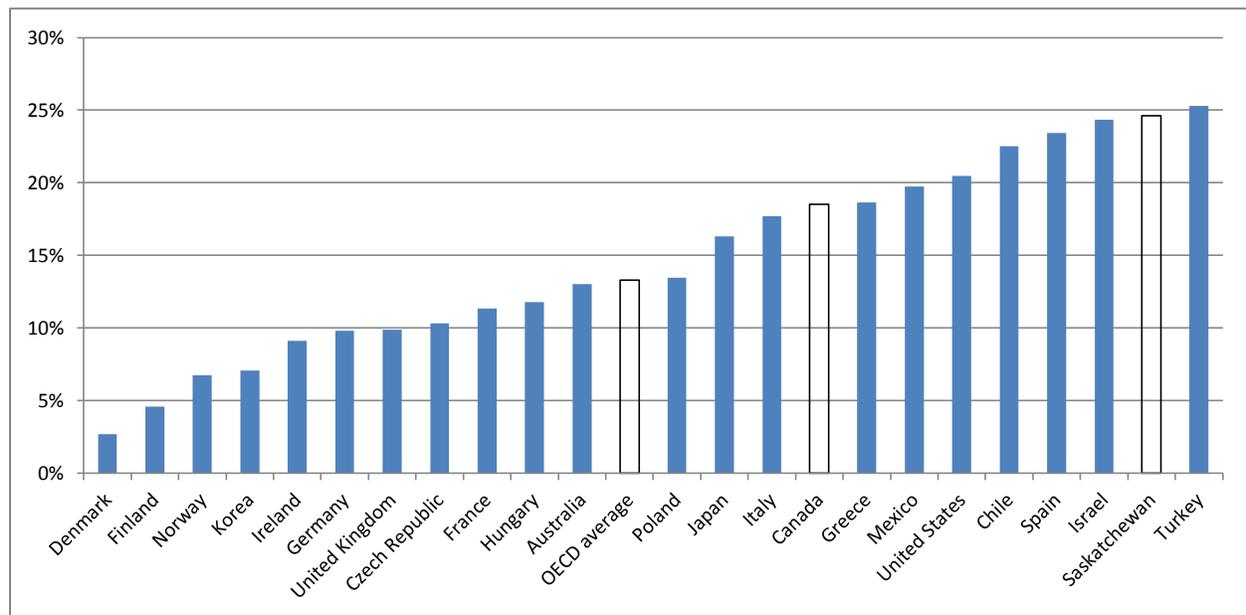
The example of government transfers to seniors should be noted as a means of reducing poverty. In the 1970s as many as one in three Canadian seniors lived in poverty but by 2014 the poverty rate for seniors was less than ten per cent for all provinces. The growth of the Canada Pension Plan, along with a basic income for seniors in the form of Old Age Security and the Guaranteed Income Supplement, are a major reason for this reduction in senior poverty.

As contrasted with the reduction in senior poverty, the child poverty rate remains much the same as in the 1970s. From federal budget figures, children’s benefits were just under one-third of elderly benefits in 2014. Improved children’s benefits beginning this year will increase federal transfers to families with children but budget projections indicate that by 2020, children’s benefits will total only thirty-six per cent the amount of elderly benefits (Government of Canada, 2016, p. 240). And there are approximately seven million children aged less than eighteen in Canada as compared with roughly six million seniors. A good political project for Canadians would be to push governments at all levels to improve benefits for children so that the reduction in senior poverty is matched by an equivalent reduction in child poverty.

International child poverty

Compared with other wealthy countries, Canada rates poorly on measures of child poverty. The child poverty rate for Canada is approximately five percentage points above the average of that for the thirty-four member countries of the Organization for Economic Cooperation and Development (OECD). A cross-section of the child poverty rates for OECD countries is shown in Figure 6. As can be seen in this figure, with a child poverty rate of 24.6 per cent, Saskatchewan is at the very upper end of OECD country child poverty rates.

Figure 6. International child poverty rates – percentage of 0 to 17 year olds below LIM



Source: OECD, 2016.

While Saskatchewan is not a separate country, the success of the small Nordic countries could be taken as a beginning target for the province. Child poverty rates in these countries range from a low of three per cent for Denmark to five to eight per cent for Finland, Iceland, Norway, and Sweden. And average household incomes in Canada and Saskatchewan are greater than in most of the countries shown in Figure 6 – so there is no economic reason that Canada could not reduce child poverty to the lowest rates shown in Figure 6.

Conclusion

The federal government must demonstrate with facts that “sunny days” have come for all children and families living in poverty in Canada. The federal and provincial governments can eliminate child poverty immediately. Using the available statistics (i.e., depth of poverty) the federal government can calculate the amount of money required to lift all children and families above the poverty line and increase by that amount the funding for child benefits and the Canada Social Transfer. Governments’ transfers have proven to be a very effective way to reduce poverty. Their inadequacy is in the amount of money made available to families and children.

Evidence demonstrates there is indifference to the plight of children living below the poverty line. We encourage Saskatchewan people to push their political representatives to immediately address what Macdonald and Wilson call a “Shameful Neglect” when referring to Indigenous child poverty in Canada. As noted above, the federal, provincial and First Nations governments are to be asked to pay special attention to the unacceptable level of on-reserve poverty.

The depth of poverty rates indicate how inadequate the present benefits levels are. In the present climate of “limited resources” people must ask their representatives that both federal and provincial governments be accountable for meeting their human rights obligations to provide adequate income support for all low income Canadians. As part of this, both levels of government must ensure children in lone parent families receiving income assistance retain child support payments currently deducted from their incomes and ensure child-related Employment Insurance (EI) benefits are not deducted from provincial income or disability benefits.

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Most of the data for this report come from Statistics Canada, T1 Family File (T1FF) and the 2011 National Household Survey (NHS). Data for Table 2, Figure 5, and some of the data in “Effect of government transfers” come from custom Statistics Canada data tabulations obtained by Campaign 2000. Data for Table 3 and Figure 3 were obtained from a NHS custom tabulation provided to us by David Macdonald of the Canadian Centre for Policy Alternatives. For additional information on data sources and methods contact paul.gingrich@uregina.ca.

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