



vibrant  
COMMUNITIES  
CALGARY

## Poverty in Calgary

A picture of the incidence  
and experience of low  
income in Calgary and area

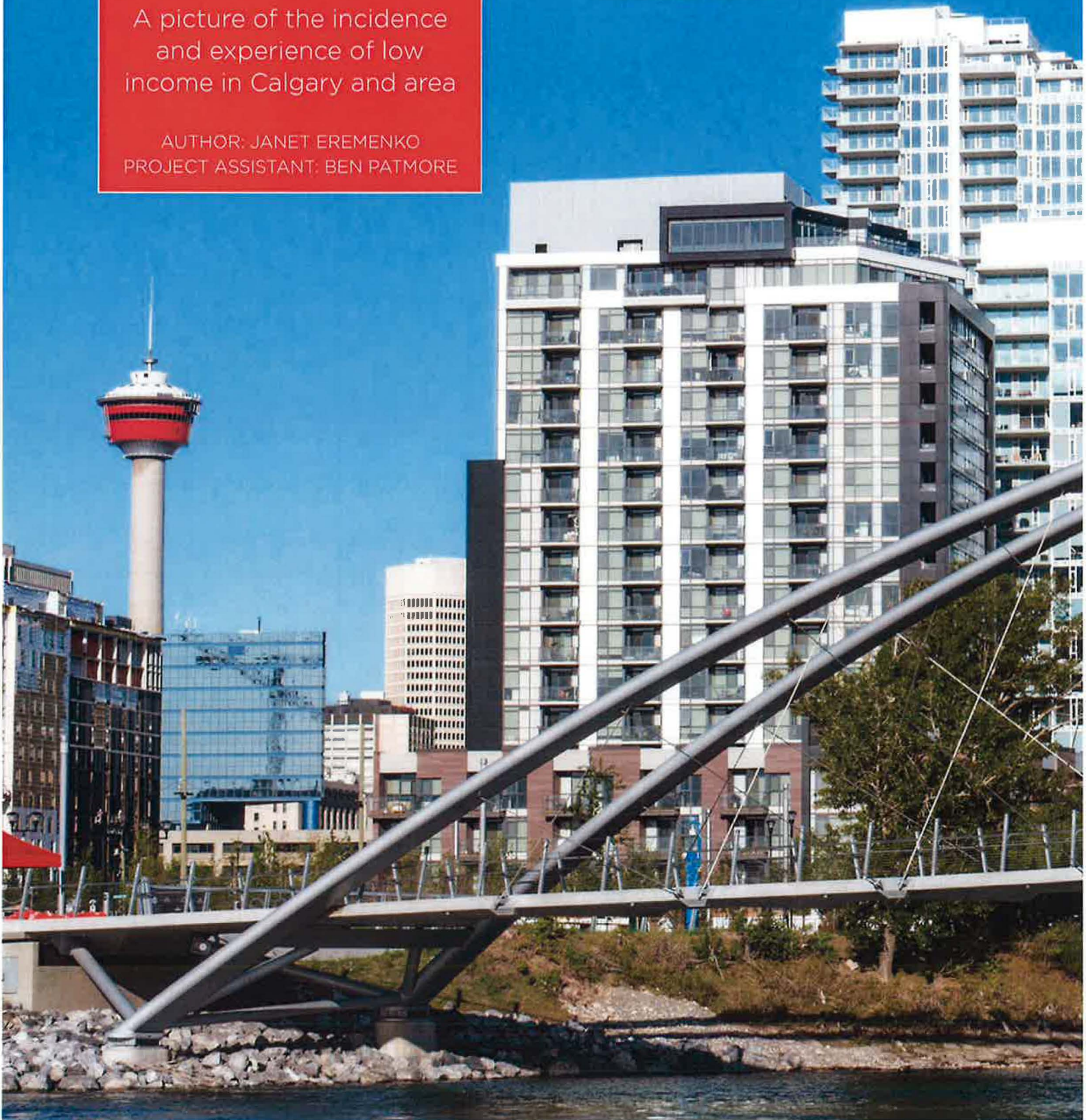
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## Background

Vibrant Communities Calgary (VCC) is the backbone organization to a collective impact initiative in Calgary, Alberta. The mandate of VCC is to guide the implementation of Enough for All, Calgary's poverty reduction strategy. One of the roles of the backbone organization is to advance policy and build public will. It is with these roles in mind that VCC has decided to produce a collation of statistics reflecting the incidence of low income and the experience of poverty in Calgary, and where identified, Calgary Census Metropolitan Area, or CMA<sup>1</sup>.

As poverty reduction advocates and voting citizens of our community, we expect our government officials and administration to make evidence-informed decisions. We trust the collation of statistics in this report will provide evidence to inform government as well as our own practices and programs.

Poverty is different than low income. Enough for All defines poverty as the condition of a human being who is deprived of the resources, means, choices and power to acquire and maintain self sufficiency while being able to be an active participant in society. Low Income is based exclusively on one indicator; income. This report focuses primarily on the incidence of low income and the ways in which low income may be manifested or developed (e.g., under employment or unemployment). Adding to the complexity, there are three different measures of low income used in Canada; Market Basket Measure, Low Income Cut-Off and Low Income Measure. For the purpose of this report, we have included the definition of the second and third measurements:

- Low Income Measure (LIM) is a **relative measure**, where it is a fixed percentage (50%) of median adjusted income per given economic family size. LIM is a national concept, and therefore does not change based on geographic classification.
- The Low Income Cut-Off, or LICO, is a **measure of expenditures** relative to others as a percentage of income, whereby families or persons not in economic families spend 20 percentage points more of their income than the average family on food, shelter and clothing. Based on the 1992 Family Expenditure Survey, families spent 43%, on average. Therefore, the income threshold was set to 63%, and adjusted to the Consumer Price Index inflation rate. LICO before and after-tax levels are defined by family size and area of residence.

*Poverty is complex. What do we include in our Poverty in Calgary 2018 report?*

Living in low-income can be a stifling and lonely experience. As a social issue, poverty is immense. To provide some guidance for content of this report, we looked to poverty reduction experts and Enough for All's current body of work. The three documents to which we referred for content areas were:

- Enough for All 2016 Evaluation Report,
- Enough for All 2018 Implementation Plan<sup>2</sup>, and
- Poverty Policy by Sherri Torjman<sup>3</sup> of the former Caledon Institute, now archived with the Maytree Foundation

<sup>1</sup> See Appendix A for geographic boundaries of Calgary and Calgary Census Metropolitan Area (CMA) according to Statistics Canada.

<sup>2</sup> Both of these Enough for All documents can be found at <http://enoughforall.ca/publications-reports/>

<sup>3</sup> Torjman, S. (2008) Poverty Policy. Ottawa: Caledon Institute. Retrieved from <https://maytree.com/wp-content/uploads/720ENG.pdf>

## Next Steps

As we ask today's governments to make evidence-informed decisions, so should we, as poverty reduction advocates, base our own policy recommendations on evidence. This report is therefore the first publication to inform second and third complementary policy recommendations. Additionally, the data included here will be considered in future strategic planning for Vibrant Communities Calgary and Enough for All, alongside the essential input from the voice of lived experience, VCC's Board of Directors, Indigenous Advisory Committee, PovertyTalks!, partners and stakeholders.

## Incidence of Low Income

Adding to the complexity of poverty and low income is the lack of consensus concerning a universal measurement of low income, however most poverty reduction organizations, programs using income threshold eligibility criteria and government services and supports use either Low Income Cut-Off (LICO) or Low Income Measure (LIM). These are further broken down by before- and after-tax categories.

Table 1 provides before and after-tax income levels. The Canadian Poverty Reduction Strategy, the launch of which is imminent at the time of writing, is said to include a recommendation of a single measure for low income. Establishing a single 'poverty line' would be instrumental in creating alignment across initiatives, municipalities and provinces and territories.

Tables 2 and 3 indicate the incidence of low income, by LIM and LICO after-tax in 2005 and 2015, both census years. For most data points, there was a general reduction of the incidence of low income between 2005 and 2015 as well as a general downward trend across age categories. There are however exceptions to the general downward trend. The average prevalence of low income (LIM-AT) for all children 17 and under remained unchanged at 12.2%, though the actual numbers increased as a result of population change; from 29,625 in 2005 to 37,410 in 2015.

Furthermore where LIM-AT show an increase in the prevalence of low income in the later age categories, LICO-AT data shows a continued reduction in the prevalence of low income<sup>4</sup>.

Unsurprisingly, the prevalence of low income amongst lone-parent families is higher than

**Table 1: Low Income Levels Before-Tax and After-Tax, Low Income Measure (LIM) and Low-Income Cut-Off (LICO), Calgary CMA, 2015**

Economic Family Size	LICO Before-Tax	LICO After-Tax	LIM-BT	LIM-AT
Unattached persons	\$24,600	\$20,386	\$25,512	\$22,352
2 persons	\$30,625	\$24,811	\$36,079	\$31,611
3 persons	\$37,650	\$30,895	\$44,188	\$38,715
4 persons	\$45,712	\$38,544	\$51,024	\$44,704
5 persons	\$51,846	\$43,890	\$57,047	\$49,981
6 persons	\$58,473	\$48,675	\$62,491	\$54,751
7 persons <sup>5</sup>	\$65,101	\$53,460	\$67,498	\$59,138
8 persons	--	--	\$72,159	\$63,221
9 persons	--	--	\$76,536	\$67,056
10 persons	--	--	\$80,676	\$70,683

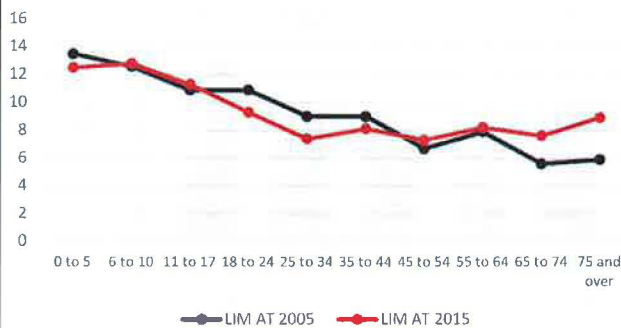
Source: Low-Income Cut-Off data retrieved from Low Income Lines, TIFF, 1992-2016. Low Income Measure data retrieved from CANSIM Table 206-0091, Statistics Canada, Low Income Measures (LIMs) by income source and household size in current dollars and 2015 constant dollars.

<sup>4</sup> This can be attributed to the calculation of the measurement. For more information concerning low income measures and methodology, see Statistics Canada Low Income Lines: What are they and how are they created? At <http://www.statcan.gc.ca/pub/75f0002m/75f0002m2016002-eng.htm>

<sup>5</sup> LICO is not calculated for families greater than 7 persons. The threshold identified here is for families of 7 persons or more.



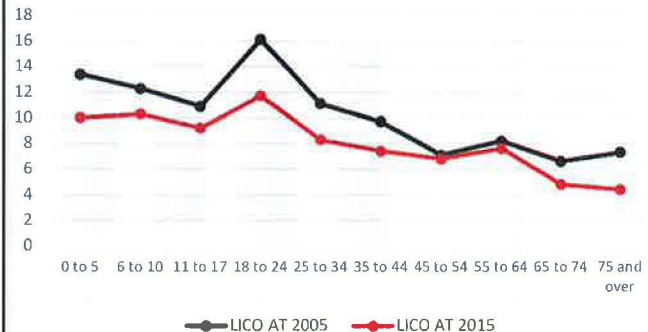
**Table 2: Individual Low Income Status % (LIM-AT) by Age Category, 2005 and 2015, Calgary CMA**



Source: Statistics Canada, 2016 Census of Population, Statistics Canada Catalogue no. 98-400-X2016126

that of couple families, as a result of diminished earning capacity of a household as in Table 4. Further contributing to the higher prevalence of low income for females is the significant low income rate amongst female lone-parent economic families. 1 in 2 female lone-parent families with children under the age of 5 are living in low income. This level of scarcity can contribute to chronic stress for a mom and her young child, impeding healthy brain

**Table 3: Individual Low Income Status % (LICO-AT) by Age Category, 2005 and 2015, Calgary CMA**



Source: Statistics Canada, 2016 Census of Population, Statistics Canada Catalogue no. 98-400-X2016126

development and leading to potential life-long challenges.

Though these numbers are striking and far too high, they are consistently lower than national rates. In 2015, 11.2% of Canadians lived below LIM-AT, compared to 8.9% in Calgary CMA. Furthermore, there is value to analyzing the before and after-tax prevalence of low income to better understand the system of benefits and government transfers to which Alberta families

**Table 4: Incidence of Low Income (%) for Selected Economic Families<sup>6</sup>  
(LIM-AT and LICO After-Tax), Calgary CMA, 2005, 2015**

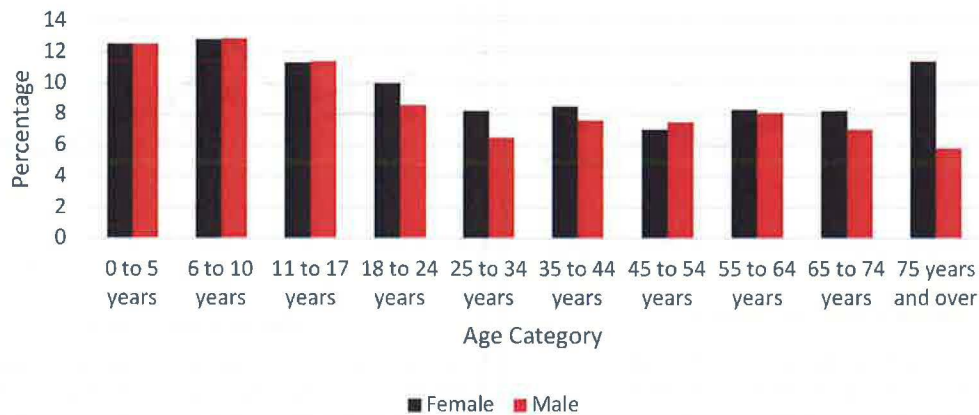
	LICO AT		LIM-AT	
	2005	2015	2005	2015
Total - Persons	10.3	8.1	9.1	8.9
In couple economic families	5.9	4.7	6.3	6.3
With children aged 0 to 17 years	7.5	6.0	7.9	8.0
In a male lone-parent economic family	10.3	11.7	11.2	14.1
With children aged 0 to 17 years	14.9	17.0	15.9	19.7
With children aged 0 to 5 years	24.1	23.0	24.5	24.5
In a female lone-parent economic family	22.8	18.2	23.4	22.9
With children aged 0 to 17 years	31.8	27.5	32.0	33.5
With children aged 0 to 5 years	55.7	42.7	52.9	49.1
Persons not in economic families	25.6	20.3	15.2	14.6
Persons not in economic families aged 15 to 29 years	37.2	28.9	17.2	12.8
Persons not in economic families aged 30 to 64 years	21.3	19.1	14.7	13.7
Persons not in economic families aged 65 years and over	19.1	12.0	13.0	20.1

Source: Statistics Canada, 2016 Census of Population, Statistics Canada Catalogue no. 98-400-X2016125.

<sup>6</sup> Using Economic Family rather than census family reflects the changing diversity of households in Calgary. In 2016, the number of multi-generational households grew by 38% across Canada (Battams, 2018)



**Table 5: Individual Low Income Status (LIM-AT)  
by Age and Sex, 2015, Calgary CMA**



Source: Statistics Canada, 2016 Census of Population, Statistics Canada Catalogue no. 98-400-X2016126

are eligible. For couple families, the difference in the prevalence of low income (LIM) between before and after-tax varies between 1.4% and 2.1% (meaning the benefits and transfers bring between 1.4 and 2.1% of families above this line). Benefits and transfers for lone-parent families have a greater change; for female lone-parent families with children under the age of 5, the prevalence of low income drops from 55.2% before-tax to 49.1% after-tax. The greatest change between before- and after-tax rates is for unattached persons over the age of 65. For this group, prevalence of low income is reduced by 11.6%, from 31.7% before-tax to 20.1% after-tax<sup>7</sup>.

From a gendered perspective, the prevalence of low income (LIM-AT) in 2015 is equal for children, however after the age of 18, Table 5 shows that females persistently experience a slight to significantly greater prevalence of low income. Higher female rates of low income in the 18 to 24 and 25 to 34 ranges could be attributed to women being more likely to work in lower-wage paying sectors, while male-dominated trades and labour provide higher wages despite possible lower educational attainment<sup>8</sup>.

These years aren't only prime earning years, but they're also the time when families have

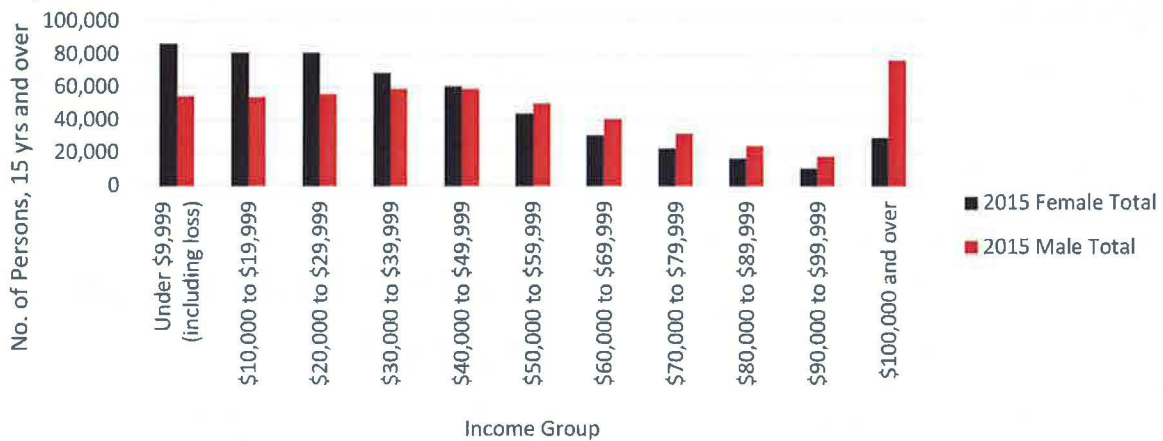
young children. 1 in 2 female lone-parent families with children under the age of 5 are living in low income. Children growing up in poverty experience "double jeopardy". Not only are they directly exposed to risks in their homes and communities, including illnesses, crowding and family stress, lack of psychosocial stimulation, and limited resources, but they often experience more serious consequences to these risks than children from higher income families (Engle et al. 2008).

At the other end of the lifespan, the rate of low income (LIM-AT) amongst females over the age of 75 is twice the rate for their male counterparts; 3,360 or 11.4% for females versus 1,350 or 5.8% for males (see Table 6). These numbers are startling, and with the aging demographics across Canada, we expect it will continue to grow. The gender gap in this age category could be attributed to longer life expectancy, the cumulative impact of earning less than males over the duration of their working years and a greater likelihood of gaps in employment due to parental leaves of absence and familial caregiving responsibilities. Female after-tax median income was \$32,464, while male after-tax median income was \$46,422.

<sup>7</sup> See Appendix B for a full table of before and after-tax rates of Low Income Measure

<sup>8</sup> See After-Tax Income Groups on page 5



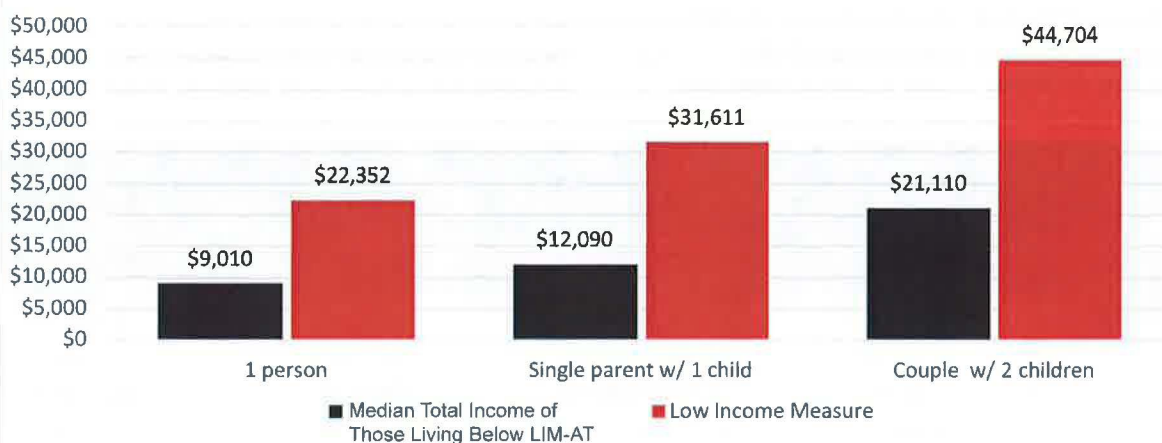
**Table 6: After-Tax Income Groups, 2015, Calgary CMA**

Source: Statistics Canada, 2016 Census of Population, Statistics Canada Catalogue no. 98-400-X2016111.

## Income Amounts

To this point, we've discussed the prevalence, or rates, of low income in Calgary. However, this doesn't address the income disparity amongst those living in low income, nor does it place the income amount in the broader societal context. Amongst those individuals and families living in low income, Table 7 provides striking data that there is tremendous variance within those groups. For example, the low income threshold

for a single person, using LIM-AT is \$22,352 per year. Of those earning below LIM-AT, the median after-tax income is a mere \$9,010 per year. Translating this figure to number of individuals, in Calgary CMA there are 18,860 individuals not included in a census family living on less than \$9,010 per year. Additionally, 3,010 lone-parent families with one child subsist on less than \$12,090 per year.

**Table 7: After-Tax Low Income Status (Based on Census Family LIM-AT) by Family Type and Family Composition, 2015, Calgary CMA**

Source: Statistics Canada. Table 111-0015 - Characteristics of families, before-tax and after-tax low income status (based on census family low income measures, LIMs) by family type and family composition, annual (number unless otherwise noted), CANSIM (database). (accessed: March 8, 2018)



## The Impact of Income Inequality

A common measure of income inequality is the Gini coefficient, a scale of 0 to 1 that measures the distribution of income among individuals. If a society has a Gini coefficient of 0, it is perfectly equal (every individual has the same amount of income), if a society has a coefficient of 1, it is perfectly unequal (one individual has all the income while the remaining individuals have none). Canada's Gini coefficient has been roughly 0.32 for the past decade. In 2013, the Conference Board of Canada reported Alberta's Gini Coefficient to be the same; 0.32. Another measure of income inequality can be a comparison between the top and bottom deciles (see Table 8).

Income inequality is undeniably detrimental to communities, societies and economies (Green et al, 2016), but does it lead to a higher incidence of low income? The findings of author and advocate, Richard Wilkinson, would suggest that income inequality does indeed contribute to the incidence of low income, however it is not a direct causal relationship. In his book *The Spirit Level*, Wilkinson found a strong correlation between income inequality (measured by Gini Coefficient) and health and social problems such as low numeracy and literacy, imprisonment, mental illness and limited social mobility. We know with certainty that these indicators have an impact on vulnerability to living in low income, therefore

income inequality, despite high levels of wealth according to GNP<sup>9</sup> per capita, can lead to a higher incidence of low income. The way in which lower income inequality is achieved matters. For example, a robust social welfare system funded through progressive taxation (see Sweden) would have different results in impact than a smaller wage gap (see Japan) (Wilkinson, 2010).

## Who is Living in Low Income?

Thus far, we have assessed the measurement and prevalence of low income. The following section will address the demographics of low income by economic family type, gender, age, and in the case of Table 9 by status (Aboriginal or immigrant).

On average, approximately half of those in Calgary CMA living in low income are non-immigrant, non-Aboriginal. Of the remaining 50%, the significant majority of individuals self-identified as immigrants. Table 9 provides a breakdown of background for those living in low income. Tables 10 and 11 provide further detail concerning the prevalence of low income amongst subgroups.

Every person has a different set of experiences that has contributed to living in low income. There is no singular poverty, or immigrant experience that equates to living in low income. Reason for immigration, qualifications, recognition of skills and training, English or

**Table 8: Average Earnings of the Bottom 10%, Top 10% and Top 1% of Population, Alberta and Calgary CMA, 2015**

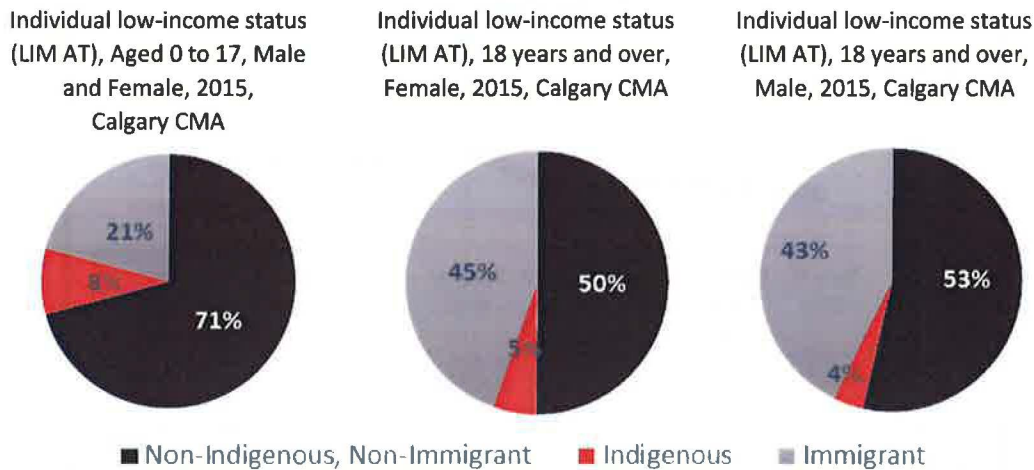
	Decile	Aggregate After-Tax Income (\$)	No. of persons with After-Tax Income	Average Earnings
Calgary CMA	Bottom 10%	\$1,182,645,000	100,040	\$11,822
	Top 10%	\$18,550,635,000	104,400	\$177,688
	Top 1%	\$7,197,050,000	10,710	\$671,993
Alberta	Bottom 10%	\$3,773,855,000	291,400	\$12,951
	Top 10%	\$43,109,355,000	312,540	\$137,932
	Top 1%	\$15,669,205,000	31,460	\$498,068

Source: Statistics Canada, income Statistics Division, T1 Family Files 2015, Custom data provided through the Community Data Consortium

<sup>9</sup> Gross National Product



**Table 9: Individual Low Income Status (LIM-AT) by Age, Sex and Status, 2015, Calgary CMA**



Source: Statistics Canada, 2016 Census of Population, Statistics Canada Catalogue no. 98-400-X2016206 and Catalogue no. 98-400-X2016173

French literacy, social isolation, and racism are only a few examples of the barriers to higher incomes. Immigration status (i.e., refugee, permanent resident, etc.) is also a contributor to low income. In 2015, non-permanent residents experience a higher incidence of low income than the average (LIM-AT) of 19.2% (males, 18 and over), 16.6% (females, 18 and over) and 30.4% (males and females under the age of 17) among immigrants. Additionally, mistrust or reticence to access social supports and services often leads to deeper and more persistent periods of low income.

Indigenous<sup>10</sup> Peoples in Calgary CMA is one of the fastest growing communities, however numbers remain relatively low compared to the overall population of Calgary CMA in 2015. The total population of Calgary CMA was 1,392,609 individuals, 41,645 were Indigenous People. In 2015, there were an estimated 12,740 children of Aboriginal status living in Calgary CMA, or 3.8% of the total population of individuals aged 0 to 17 years. Though the incidence of low income amongst Indigenous populations is higher than in non-indigenous communities, it represents a small percentage of the total number of

individuals living in low income. The incidence and experience of low income on reserve can be very different than that in the urban municipal centres and warrants additional consideration.

These numbers are most likely far lower than the reality experienced by Indigenous People living in low income in the CMA. Multi-generational and transient households, migration to and from reserve, hidden homelessness and mistrust of colonial research methods (and therefore low participation rates) contributes to under-estimates in all Aboriginal areas of Census data<sup>11</sup>.

If we are to contribute to a meaningful reduction in the incidence of low income in our communities, we must address the root causes, not only the symptoms, of poverty. The legacies of colonization and the residential school system and 60's Scoop are deeply embedded in the fabric of indigenous communities. Sadly, these legacies continue to be evidenced in the dramatically higher rates of Indigenous Peoples in federal and provincial institutional systems.

As of December 2017, 70% of children and youth receiving services In Care were Indigenous.

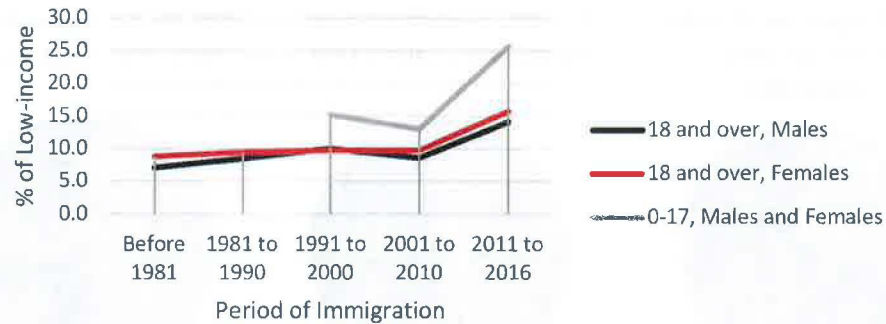
There has been a 3% increase in the number of

<sup>10</sup> Statistics Canada refers to members of the First Nations, Metis and Inuit communities as Aboriginal. In respect of community practice and norms, this report will refer to First Nations, Metis and Inuit as Indigenous Peoples. Information concerning Census data specific to reserves, readers can search individual nations by name at <http://www12.statcan.gc.ca/census-recensement/index-eng.cfm>

<sup>11</sup> See the Calgary-based Alberta First Nations Information Governance Centre for more information and resources



**Table 10: Incidence of Low Income (LIM-AT) for Immigrants by Period of Immigration, 2015, Calgary CMA**



Source: Statistics Canada, 2016 Census of Population, Statistics Canada Catalogue no. 98-400-X2016206

Indigenous children in care from the year prior (Alberta, 2017a).

The risk of future incidence of low income, in addition to physical and mental illness, is higher for individuals who have been intercepted by the Child Intervention System or if an individual has been previously incarcerated (OCYA, AB, 2013). Research shows that youth who have been in or are in care are up to four times more likely to be affected by mental health issues throughout their lives (Joint Special Report: Ministry of Health, BC, 2006). Young adults transitioning or having transitioned out of care become more vulnerable due to housing instability (NGA Centre for Best Practice, 2007)

and social isolation (OCYA, AB, 2013).

Concerning rates of incarceration, 24% of adult males and 38% of adult females in provincial/territorial custody admissions are Indigenous, though they represent only 3% of the national total population. Specific Indigenous rates of incarceration are not available for Alberta (Statistics Canada, 2017a). Unstable or non-existent housing, substance abuse and lack of financial support have been ranked as the top three problems facing women re-entering the community following incarceration (Ahmed & Keenan, 2012). Both males and females face countless challenges to success following incarceration based on history, incarceration period or "collateral effects"; lack of accommodation; little to no savings or assets; and loss of livelihood, belongings, housing, relationships, and social networks (Griffiths et al., 2007).

In both cases, in Alberta and across the country, Indigenous Peoples are present in these systems at rates that are significantly higher than in the general population. Poverty is undoubtedly a cause for entering the sorrow systems (i.e., child intervention and incarceration) but it is equally an outcome of time spent within systems.

**Table 11: Individual Indigenous Low Income Status (LIM-AT), Calgary CMA, 2015**



Source: Statistics Canada, 2016 Census of Population, Statistics Canada Catalogue no. 98-400-X2016173.

## Disability and Low Income

Data concerning the relationship between disabilities and low income is difficult to attain through Statistics Canada. By piecing together information from the latest Canadian Survey on Disabilities from 2012 plus the 2014 summary of the Longitudinal and International Study of Adults (LISA) we can create a clearer picture of economic precarity for the many Albertans and Canadians living with a disability. In 2014, one out of 5 Canadians were living with a disability, 23% of whom were in low income (Wall, 2017). Disabilities vary by type and severity, but those included in the study have disabilities that are identified to impede every day functions and interactions, such as engaging in one's community or seeking employment. Persons with a mental-cognitive disability or a combined disability (mental-cognitive and physical-sensory) and lower median incomes, are less likely to be employed, and are less likely to hold a university degree than persons without a disability (Wall, 2017). Females experience higher rates of disability in all age categories.

In 2012, 12.5% or 369,190 Albertans were living with some form of a disability (Statistics Canada, 2012). According to quarterly 2016 caseload reports for the Assured Income for the Severely Handicapped, or AISH, 54,801 Albertans were receiving AISH at a base amount of \$1,588 per month. (Alberta, 2017b)

## Causing or Combatting Low Income: Key systemic elements for poverty reduction

### Employment Income and Employment Insurance

As of October 2018, Alberta will have the highest minimum wage in Alberta at \$15 per hour. A single individual working 40 hours per week will receive a gross annual salary of \$31,200 which is \$5,688 over the Low Income Measure Before-Tax for one person. However, minimum-wage work is not always full-time or reliable. Nearly 45,000 individuals in Calgary CMA earned employment income greater than \$3,000 over the course of 2015, but did not earn enough to be above the Low Income Measure (Table 12).

Between October 2016 and September 2017, 5.7% of employees in Alberta were earning a minimum wage, 55.6% of whom worked part-time. 28.4% were the main income earner in the household and 57.5% of minimum wage earners were female (Alberta, 2017c). Conversely, the Living Wage in Calgary for a dual-earning, couple family with two children, aged four and seven, is \$18.15 per hour (Vibrant Communities Calgary, 2018)<sup>12</sup>. Two working parents earning a Living Wage full-time, full-year will generate a household annual income of \$75,504 before-tax, approximately one-and-a-half times the Low income Measure before-tax for the same family size.

**Table 12: Counts of Applicable Individuals and Working Poor Individuals, 2015<sup>13</sup>**

	Applicable Individuals <sup>14</sup>		Number of Working Poor Individuals	
	Age 18-64	Age 65+	Age 18-64	Age 65+
Alberta	2,134,890	474,970	120,050	3,010
Calgary CMA	743,830	146,450	43,000	1,460

Source: Statistics Canada, income Statistics Division, T1 Family Files 2015. Custom Data provided through the Community Data Consortium is provided for use in accordance with the terms and conditions of the Statistics Canada Open Licence Agreement hereby attached. The geography in TIFF request are derived based on an amalgamation of Postal CodeOM. Statistics Canada makes no representation or warranty as to, or validation of, the accuracy of any Postal CodeOM data.

<sup>12</sup> For more information about Living Wage and the National Living Wage Framework, visit [www.livingwagecanada.ca](http://www.livingwagecanada.ca)

<sup>13</sup> Working poverty is defined as individuals with an after-tax income below the Low Income Measure (LIM-AT) and earning an annual individual working income of over \$3,000.

<sup>14</sup> Applicable individuals exclude 1) people (of any age) not in a census family who had full-time or part-time post-secondary education tuition fees for himself, 2) Children, regardless of age, residing with parents, and 3) Parents who are less than 18 years of age.



## Social Assistance

Social assistance caseloads were the highest they've been in over a decade (Table 13). This could be primarily as a result of a simple increase in demand, as Alberta had weathered a significant economic downturn with substantial layoffs in the two years preceding. This could be further confirmed by the relatively high number of individuals qualifying as ETW, or "Expected to Work" versus BFE, or "Barriers to Full Employment". By December 2017, there were 55,361 Albertans receiving Alberta Works, 37,475 of whom were unattached persons, while 13,576 were lone-parent families<sup>15</sup>. For Social Assistance amounts, see Table 14.

Lastly, in 2015, 35,200 individuals, or 23.0% of seniors in Calgary CMA, received Guaranteed Income Supplement (GIS) or spousal allowance benefits (Statistics Canada, 2016a). It is reasonable to assume that this number will increase at a higher rate in the coming years as the population ages, especially for females in the 75 years and over category (see Table 2).

## Housing and Homelessness

Homelessness and precarious or unstable housing is a strong indicator of the deepest poverty and low income in Calgary. According to the 2016 Calgary Point-In-Time Report, 3,430 people were counted as experiencing homelessness. Indigenous People are over-represented, women are under-represented, and the number of homeless seniors is increasing<sup>16</sup>. This does not account for those individuals with no fixed address living a life of transience; "couch-surfing" and circulating between friends, family and partners. There are 1,949 emergency shelter beds in Calgary, a small percentage of which are reserved for women, children or families. Across Alberta, there are 1,203 transitional housing beds and another 1,032 beds for women fleeing violence (Canada, 2016).

A broader representation of the relationship between housing and low income is the core housing need, wherein a household is in core housing need if it spends more than 30% of their before-tax income on housing and housing does not meet one or more of the adequacy, suitability or affordability standards. In 2011,

**Table 13: Social Assistance (Alberta Works) Caseloads, Total and Percentage of Total Population, Alberta, 2005 - 2017**



Source: Caseload data from Government of Alberta Income Support Caseload, Alberta, Open Data Accessed March 12, 2018 <https://open.alberta.ca/opendata/income-support-caseload-alberta>; Population data from Government of Alberta, Economic Dashboard, Population. Accessed March 13, 2018 <http://economicdashboard.alberta.ca/Population>

<sup>15</sup> This includes ETW and BFE, only and does not include AISH (Assured Income for Severely Handicapped)

<sup>16</sup> Point in Time Count includes counting people in emergency shelters, short-term supportive housing, outdoors or in another public space.

**Table 14: COMPARISON OF 2016 WELFARE INCOMES WITH  
2016 LOW-INCOME CUT-OFFS (LICO After-Tax)**

	Total Welfare Incomes	2016 LICO	Poverty Gap	Welfare Incomes as % of LICO
Single employable (ETW)	\$7,798	\$20,675	-\$12,877	37.7%
Person with disability (BFE)	\$9,998	\$20,675	-\$10,677	48.4%
Person with disability-AISH	\$19,474	\$20,675	-\$1,201	94.2%
Single parent, one child	\$18,416	\$25,163	-\$6,747	73.2%
Couple, two children	\$26,738	\$39,092	-\$12,354	68.4%

Source: Tweddle, A., Battle, K. and Torjman, S. (2017) *Canada Social Report: Welfare in Canada, 2016*. Ottawa: Caledon Institute of Social Policy.

9.2% of Albertans were living in households in core housing need (CMHC, 2011). Canada Mortgage and Housing Corporation ("CMHC") reports that the rental vacancy rate fell in 2017 to 6.3%, with average rent across all units down by 1.7% resulting in an average rent for a one-bedroom unit in Calgary CMA of \$1,025 per month (CMHC 2017).

Calgary's proportion of non-market housing rentals is 3.6%, or 16,702. Co-operative housing and affordable housing ownership are 0.1% and 0.2%, respectively. As of April 2016, there were 3,934 households on the waitlist for Calgary Housing Company (Calgary, 2016). To be eligible for community housing subsidies, a household must fall below a given income threshold; \$39,000 for a bachelor unit, \$46,000 for a one-bedroom unit and \$55,000 for a two-bedroom unit. Renting a low-end apartment in Calgary costs a typical single parent living on social assistance 66% of their monthly income in 2015. A couple with two children renting a low-end two-bedroom apartment spend 55% of their monthly social assistance income<sup>17</sup> (University of Calgary, 2017).

### Early Childhood Development

Though Early Learning and Child Care is not the only aspect we must consider concerning ECD, it represents one of the most prominent set of policies that have a direct, and often immediate impact on children and families. When considering child care fees, it is not unreasonable

to assume that some families face child care costs that rival mortgage or rent payments. In Calgary, child care median monthly fees (2017) for infants is \$1,250 (22 out of 28 of the major cities, ascending in cost), for toddlers is \$1,050 (16th out of 28), and for preschoolers is \$1,000 (21st out of 28) (Macdonald, 2017). To be eligible to receive child care subsidy, a couple family must earn no more than \$50,000 gross income per year. A lone-parent family must earn no more than \$25,000 gross, per year. The maximum subsidy amount is \$546 per month for licensed, full-time day care and \$437 per month for approved family day home (Alberta, 2018). With the introduction of Alberta's \$25-per-day Early Learning Centres (100 non-profit centres at the time of writing) a family may possibly pay no child care fees at all if they attend a participating centre and receive the full subsidy amount.

A recent opinion piece by well-known experts in the area of early childhood education and care stated that gender equality in Canada would remain elusive until a robust, public funding model for child care is created (Friendly et al., 2018). Early Learning and Child Care is only one aspect of a system of policy and programming that can help all of Alberta's children develop to their fullest potential. Like child intervention and incarceration discussed earlier, low income can be a powerful determinant for poor developmental outcomes in the early years (e.g., toxic stress, unstable housing) and can often lead to future periods of low income across

<sup>17</sup> The incomes received by each of those households are measured by social assistance amounts but closely approximate the income of the poorest 20% of families.



the lifetime of an individual (due to poor health and lower education attainment, for example)<sup>18</sup>. Scientific research shows that the early years (from before birth to age five) are the most critical period of human development and that children's early environments shape the structure of their rapidly growing brains (ECD Mapping Project, 2014).

### Literacy – Education – Training

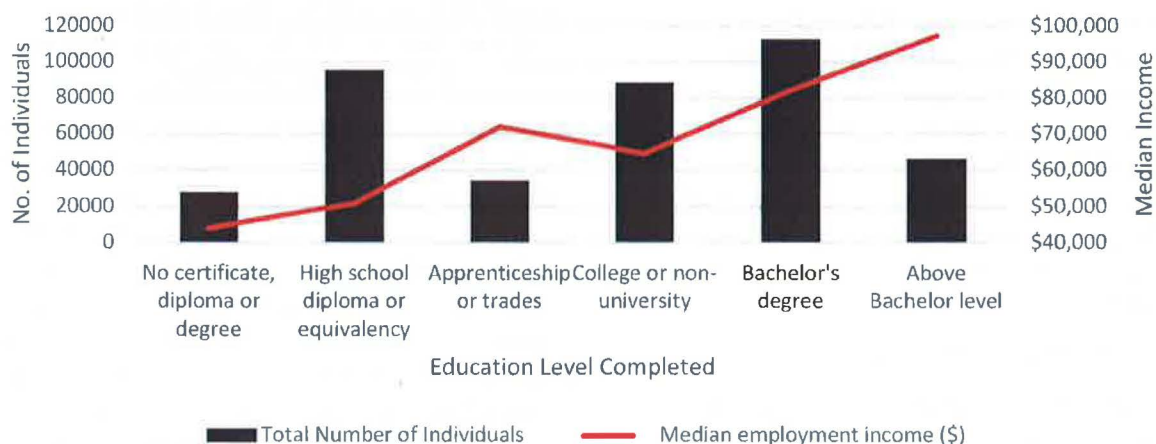
There is a clear relationship between educational attainment and income (Table 15); living in low income can lead to lower educational attainment which can itself perpetuate periods of low income in the future. According to a special report on census data from Census 2016, across Canada men with an apprenticeship certificate in the trades had strong earnings, but which were slightly lower (11% less) than men with a bachelor's degree. This is particularly evidenced in Alberta, where earnings in general were the highest at every level of education. Conversely, across Canada in 2015, women with a bachelor's degree were earning the highest amount, a significant 80%

more than women with an apprenticeship certificate in a trade (Statistics Canada, 2017c).

Living in low income can have a negative impact on school readiness as well as educational attainment, though it is not an exclusive determinant. Alberta's 2013 Early Child Mapping Project reported that more than half of Alberta children were struggling in at least one developmental area, regardless of socio-economic status, based on residential postal code (ECMap, 2014). Risk factors associated with low income (such as poor nutrition and parental stress) can lead to negative cognitive development outcomes, and more predominantly, poor educational outcomes as a result of low attendance and gaps in learning opportunities, for example during extended holidays and school breaks (Ferguson et al. 2007)<sup>19</sup>.

Research focusing on the reasons for dropping out of high school has identified a number of related factors, including low educational and occupational attainment levels of parents, low family income, and single parenthood. Individual characteristics such as low self-esteem, low aspirations and teenage pregnancy

**Table 15: Employment Income Statistics, Highest Educational Attainment and Median Before-Tax Income, Calgary CMA, 2015**

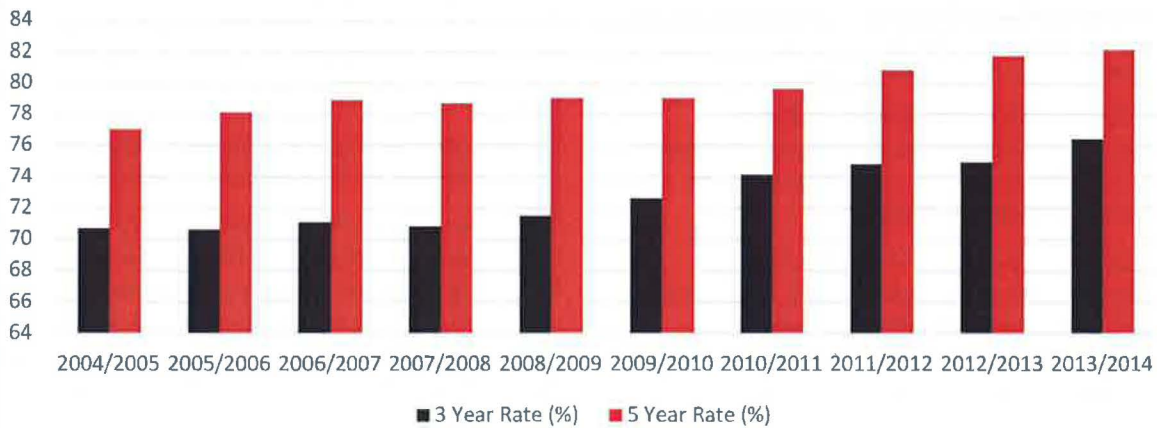


Source: Statistics Canada, 2016 Census of Population, Statistics Canada Catalogue no. 98-400-X2016253.

<sup>18</sup> For more information on the relationship between Early Childhood Development and future outcomes, see the Harvard Centre for Developing Child at <https://developingchild.harvard.edu/> or the Brain Story, created by the Alberta-based Palix Foundation and the Alberta Family Wellness Initiative at <http://www.albertafamilywellness.org/>

<sup>19</sup> Calgary is the first Canadian city to become members of the Campaign for Grade-Level Reading, a US-based movement to ensure early school success for children from low-income families. Visit Calgary Reads for more information at <http://calgaryreads.com/wp-content/uploads/2017/10/Press-Release-New-Communities-July-2017-Draft.pdf>

**Table 16: High School Completion Rates Within Alberta  
3 and 5 Year Rate (%)**



Source: Government of Alberta. High School Completion Rate of Students within 3 Years and within 5 Years of Entering Grade 10, Alberta. Retrieved March 12, 2018 at <https://open.alberta.ca/opendata/high-school-completion-rate-of-students-within-3-years-and-within-5-years>

are also related to dropping out of school, as are perceived future earnings remaining static regardless of educational attainment (Uppal, 2017). High school completion rates in Alberta have been consistently improving (Table 16). In 2016, of those between the ages of 25 and 34, 8.2% of men and 5.9% of women in Alberta had less than a high school diploma (Uppal, 2017).

## Conclusion

It is often said that poverty isn't only about income, but it's always about income. Poverty and low income are not the same thing, but they are so intimately connected that you cannot have one without the other. Poverty is the often paralyzing impact of living in economic scarcity that impedes one's access to goods and services, community and social interaction, opportunity and choice, and dignity.

This report was always intended to see the rather insensitive measure of low income as a component of poverty, rather than its exclusive determinant. Through listening and learning from the voice of lived experience, those individuals with firsthand experience of living in scarcity and deep vulnerability, we know income matters, but it's not the only requirement to achieve individual and family health and well-being. And yet, at its most fundamental

level, the definition of poverty – and thereby the measure, root causes and ultimately the solutions – must be built on a foundation shaped by income.

The data within this report provides Vibrant Communities Calgary and Enough for All stakeholders the opportunity to understand who is living in low income and the impact of low income in meeting one's emotional, psychosocial and physical needs. The imminent policy recommendations and refreshed Enough for All strategy will expand this understanding with the experiences of poverty; how to address not only income but the value of social participation, purpose and self-authorization so often identified as lacking by people living in poverty, but so challenging to measure. The individuals living in poverty have stories to tell from which policy-makers, service providers and communities can learn.



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## Appendix A: Calgary Census Metropolitan Area (CMA)

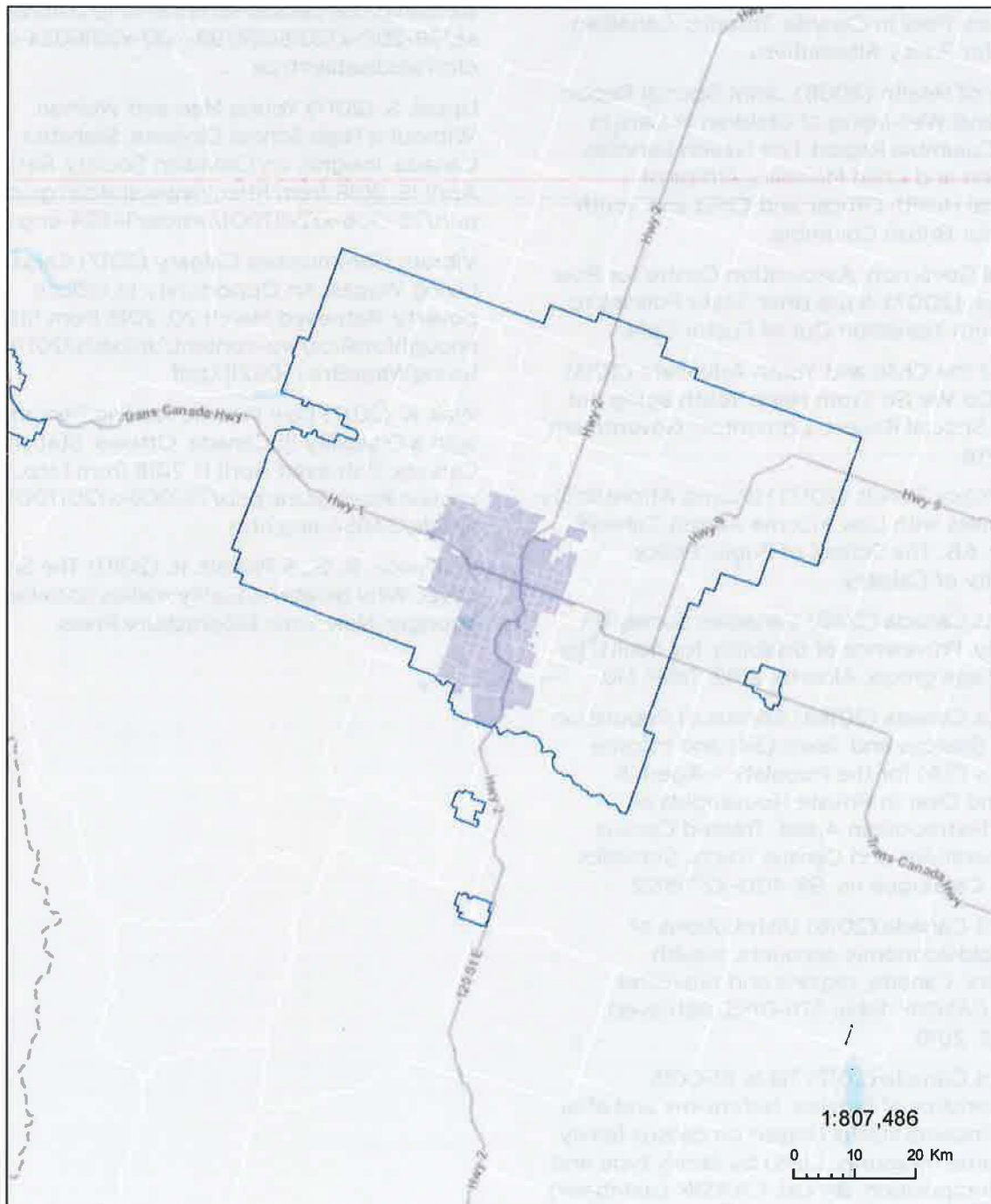
Shaded area is Calgary [population centre]

Blue line is Calgary CMA boundary

Calgary CMA includes Airdrie, Beiseker, Bragg Creek, Calgary, Chestermere, Cochrane, Crossfield, Ghost Lake, Heritage Woods, High Point Estates, Irricana, Langdon, Shepard, and TsuuT'ina Nation (Sarcee 145)

### Calgary [Population centre], Alberta

Census metropolitan areas or census agglomerations



## Appendix B

Appendix B: Incidence of Low Income (%) for Selected Economic Families (LIM-BT and LIM-AT), Calgary CMA, 2015		
	2015	
	LIM-BT	LIM-AT
Total - Persons	10.9	8.9
In couple economic families	7.9	6.3
With children aged 0 to 17 years	9.7	8.0
In a male lone-parent economic family	15.8	14.1
With children aged 0 to 17 years	21.3	19.7
With children aged 0 to 5 years	26.4	24.5
In a female lone-parent economic family	26.7	22.9
With children aged 0 to 17 years	38.7	33.5
With children aged 0 to 5 years	55.2	49.1
Persons not in economic families	17.8	14.6
Persons not in economic families aged 15 to 29 years	14.9	12.8
Persons not in economic families aged 30 to 64 years	14.9	13.7
Persons not in economic families aged 65 years and over	31.7	20.1

Source: Statistics Canada, 2016 Census of Population, Statistics Canada Catalogue no. 98-400-X2016125.





This report was written May, 2018 based primarily on Census 2016 data.

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CALGARY

Vibrant Communities Calgary (VCC) is a non-profit organization seeking to engage Calgarians in advocating long-term strategies that address the root causes of poverty in Calgary.

VCC is also the steward of Enough for All, Calgary's poverty reduction strategy.