Poverty in Winnipeg

By the Numbers

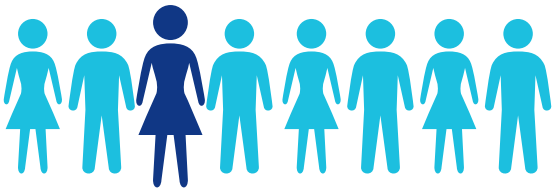
February 2019

This document provides a summary of poverty rates for Winnipeg based on the 2016 Census, Low Income Cut-offs – After Tax (LICO) measure. While there are other ways to measure poverty, the LICO measure is widely used across Canada and is the basis for this summary of poverty in Winnipeg. A discussion of other measures is included at the end of this document. All numbers referenced are from the 2016 Census (Target group profiles of the low income population based on Low Income Cut-offs – After Tax), unless otherwise noted.

Winnipeg

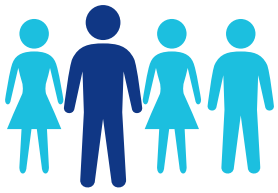
Snapshot of Poverty in Winnipeg

> 1 in 8
people live in poverty



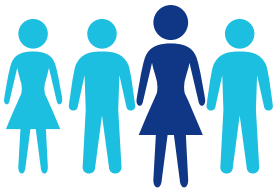
13% or almost **91,940** people

1 in 4
Indigenous people live in poverty



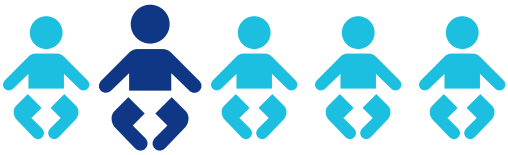
28% or **23,915** people

1 in 4
recent immigrants* live in poverty



27% or **13,880** people
**Arrived within the last 5 years of census collection date*

Almost 1 in 5
children in Winnipeg live in poverty – **double the national average**



20% or **9,570** of children 0-5 yrs.
(national average is 10.6%)

18% or **25,905** of children aged 0-17 yrs.
(national average is 10.2%)

Over 1/3
of all Indigenous children live in poverty



43% or **4,065** of children aged 0-5 yrs.

36% or **10,345** of children aged 0-17 yrs.

Over 1/3
of all recent immigrant children live in poverty



48% or **1,390** of children aged 0-5 yrs.

34% or **4,610** of children aged 0-17 yrs.

$11,256
The **median annual income (after tax)** for a person in poverty

Almost 1/2
of low income people work or are looking for work

1 in 5
low income people who work are working full-time, yet are still in poverty.



1 in 5
lone parents live in poverty; most are women.

22% or **7,735** of lone parents live in poverty

87% or **6,695** of lone parents in poverty are female led households

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Fewer seniors are in poverty,
but more than the national average.

8% or **7,740** of adults aged 65+ live in poverty (they make up 14% of the total population)

This is higher than the national average of **5.1%**

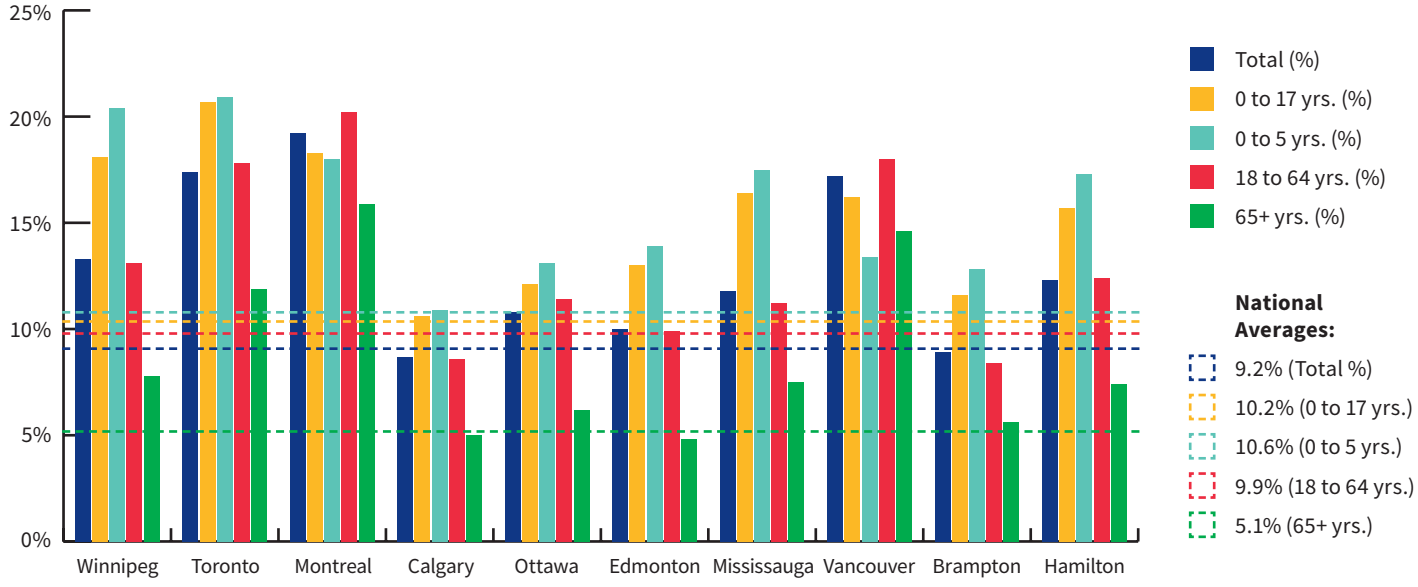
Winnipeg

Poverty in Canada –
How does Winnipeg compare?

Cities across Canada are faced with the challenge of addressing poverty. The table below shows poverty rates in Winnipeg compared to the national average among the 10 largest cities in Canada.

- Winnipeg's poverty rate is **4th highest among large cities**, and 4% higher than the national average.
  - Montreal, Toronto and Vancouver have higher poverty rates than Winnipeg.
- Among large cities, Winnipeg has the **2nd highest poverty rate for children aged 0-5 yrs.**, and the **3rd highest poverty rate for children aged 0-17 yrs.**
  - Looking at children 0-5 yrs., Winnipeg is 9.8% higher than the national average.
  - The number of children 0-17 yrs. in Winnipeg in poverty is 7.9% higher than the national average.
  - Toronto and Montreal have slightly higher child poverty rates (aged 0-17 yrs.) than Winnipeg.
- Winnipeg has the **second largest gap between children in poverty and adults in poverty** among the 10 largest cities, and the **largest gap between children in poverty and seniors in poverty**.

Poverty Rates in Canada's 10 Largest Cities [Low Income Cut-offs (after tax)]



Poverty rates across Canada's big cities

Profile	Winnipeg	Canada	Toronto	Montreal	Calgary	Ottawa	Edmonton	Mississauga	Vancouver	Brampton	Hamilton
Population, 2016	**705,244**	**35,151,728**	2,731,571	1,704,694	1,239,220	934,243	932,546	721,599	631,486	593,638	536,917
Population in *private households** to whom low income concepts are applicable	**690,005**	**33,968,300**	2,691,665	1,663,235	1,222,325	916,855	913,585	715,475	618,210	590,950	527,930
In low income based on the Low Income Cut-offs (After Tax) (LICO-AT)	**91,940**	**3,128,995**	469,330	319,685	106,240	98,920	91,090	84,125	106,440	52,685	64,745
0 to 17 yrs.	**25,905**	**696,025**	98,910	56,730	28,440	22,685	25,150	24,450	13,960	16,890	16,530
0 to 5 yrs.	**9,570**	**236,430**	33,950	21,205	10,190	7,780	9,920	7,535	3,900	5,805	5,880
18 to 64 yrs.	**58,305**	**2,157,745**	322,620	224,180	71,440	68,040	61,135	52,425	79,195	32,175	41,740
65 yrs. and over	**7,740**	**275,225**	47,800	38,775	6,365	8,190	4,800	7,245	13,290	3,615	6,470
Prevalence of low income based on the Low Income Cut-offs (After Tax) (LICO-AT) (%)	**13.3**	**9.2**	17.4	19.2	8.7	10.8	10	11.8	17.2	8.9	12.3
0 to 17 yrs. (%)	**18.1**	**10.2**	20.7	18.3	10.6	12.1	13	16.4	16.2	11.6	15.7
0 to 5 yrs. (%)	**20.4**	**10.6**	20.9	18	10.9	13.1	13.9	17.5	13.4	12.8	17.3
18 to 64 yrs. (%)	**13.1**	**9.9**	17.8	20.2	8.6	11.4	9.9	11.2	18	8.4	12.4
65 yrs. and over (%)	**7.8**	**5.1**	11.9	15.9	5	6.2	4.8	7.5	14.6	5.6	7.4

Source: Census 2016

*Note: The population in private households is lower than the total population, as it does not include people who live in 'collective dwellings'. See definitions below.

- 'Private household' refers to a person or group of persons who occupy the same dwelling and do not have a usual place of residence elsewhere in Canada or abroad.
- 'Collective household' refers to a person or a group of persons who occupy a collective dwelling and do not have a usual place of residence elsewhere in Canada. Only data for collective households with usual residents are shown in the standard census products.
- 'Collective dwelling' refers to a dwelling of a commercial, institutional or communal nature. Included are lodging or rooming houses, hotels, motels, tourist establishments, nursing homes, hospitals, staff residences, military bases, work camps, jails, group homes, etc.

Understanding who is in poverty, and why.

The Government of Canada defines poverty as:

> The condition of a person who is deprived of the resources, means, choices and power necessary to acquire and maintain a basic level of living standards to facilitate integration and participation in society.
>
> *('Opportunity for All, Canada's First Poverty Reduction Strategy', Government of Canada, 2018)*

EDUCATION

Most people in poverty have an education.

- Most low income people have graduated from high school.
  - **77%** of low income people aged 25-64 yrs. **have graduated from high school** (90% is population average)
- Half of low income people have some post-secondary education.
  - **50%** of low income people aged 25-64 yrs. **have a post-secondary certificate, diploma or degree** (63% is population average).

Highest level of education attained of population aged 25-64 yrs.

	Low Income population	Total population
No certificate, diploma or degree	**22.6%**	**10.1%**
Secondary (high) school diploma or equivalency certificate	**27.9%**	**26.5%**
Post-secondary certificate, diploma or degree	**49.5%**	**63.4%**

Source: Census 2016

EMPLOYMENT

Many people in poverty are working or want to work.

Work activity during the census reference year (2015):

- **Almost half** of low income people worked (44%) during the reference year:
  - **21%** worked full year, full time
  - **79%** worked part year and/or part time
- **1 in 5** low income people who worked during the reference year **were employed full-time yet still were in poverty**.
- Over half of low income people **(56%) did not work during the reference year** (were unable to work, unavailable to work, or unemployed).

Population aged 15 yrs. and over by labour force status during census reference week (May 1-7, 2016)

	Low Income population	Total population
Participation rate (in the labour force)	**45.1%**	**67.1%**
Employment rate	**36.6%**	**62.7%**
Unemployment rate	**18.8%**	**6.5%**
Not in the labour force (includes persons unable to work, or unavailable for work)	**54.9%**	**32.9%**

Sources: Target group profile of LICO-AT population, Census, 2016 and Census Profile, 2016

DEMOGRAPHICS

- Certain population groups are disproportionately represented in poverty, compared to their share of the total population of Winnipeg:
  - **Indigenous people** make up 12.2% of the population, while **28% are in poverty**
  - **Recent Immigrants** make up 7.5% of the population, while **27% are in poverty**
  - **Visible Minorities** make up 28% of the population, while **17% are in poverty**

2016 Census data is not yet available for persons with a disability or LGBTQ; however, it is often reported that these groups experience higher rates of poverty than the population average.

INCOME

People in poverty have very little money to spend on necessities.

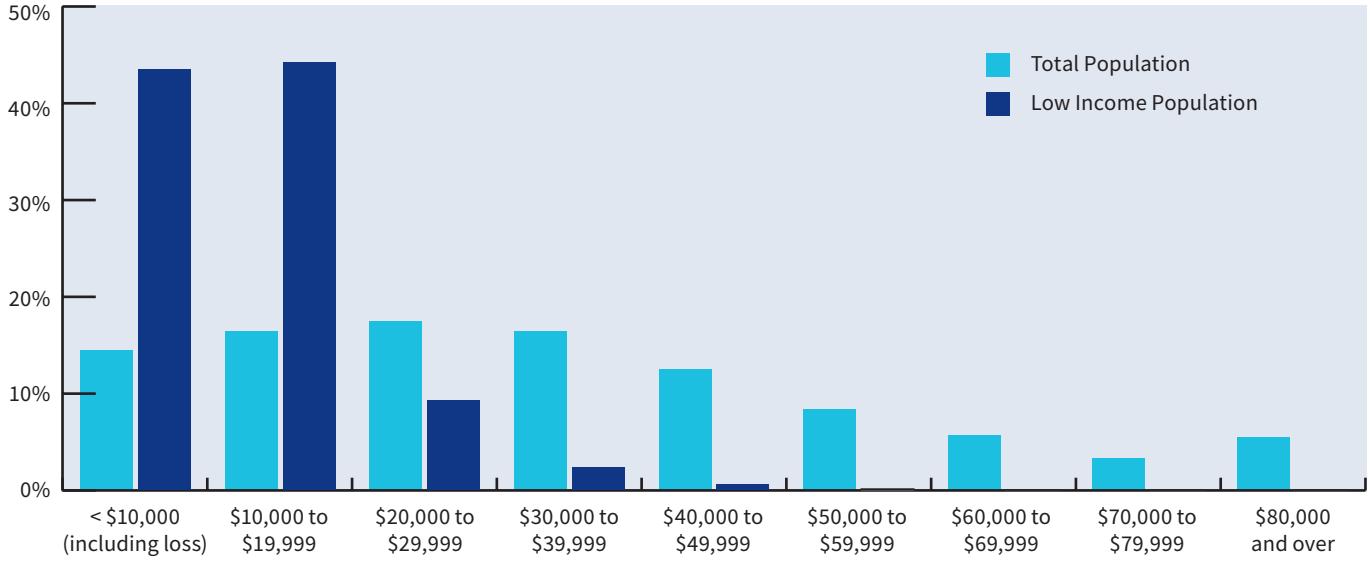
The median after tax annual income of a person in poverty is **$11,256**.

Median after tax income in 2015 among recipients aged 15 years and over

	Low Income population	Total population
Median income	**$11, 256**	**$30, 968**

- A person is considered low income if their after tax income is below established thresholds. The Low Income Cut-offs - After Tax (LICO-AT) thresholds are:
  - **$20,386 or less** per year for a single person
  - **$38,544 or less** per year (household income) for a **4 person family**
  - See pages 13-14 of this document for additional information on income thresholds for people in poverty, by household size and other low income measures
- While 13% of the population is below LICO-AT levels, another **17% of Winnipeggers have incomes of $20,000 - $29,999** per year who may also be experiencing challenges related to low income depending on their economic family size and personal situation.

After tax income distribution in 2015 among recipients aged 15 years and over



INCOME

- Almost **40% of the income** reported by low income people is **from employment earnings**.
- Over **half of the income reported** by low income people is **from some type of government benefit (56%)**.

Composition of total income in 2015 of the population aged 15 years and over in LICO-AT

Market Income (total income minus government transfers)	**45%**
Employment Income (wages, salaries and commissions, self-employment income)	**38%**
Government Transfers (all cash benefits received from federal, provincial, territorial or municipal governments)	**56%**

Note – Government transfers include the following benefits:

- *Old Age Security pension, Guaranteed Income Supplement, Allowance or Allowance for the Survivor;*
- *Retirement, disability and survivor benefits from Canada Pension Plan;*
- *Benefits from Employment Insurance;*
- *Child benefits from federal and provincial programs;*
- *Social assistance benefits;*
- *Workers' compensation benefits; Working income tax benefit;*
- *Goods and services tax credit and harmonized sales tax credit;*
- *Other income from government sources.*

Source: Census 2016

HOUSING & HOMELESSNESS

The Winnipeg Street Census 2018 provides a snapshot of people experiencing homelessness. Not all individuals may have been surveyed, thus it is believed the actual number of people experiencing homelessness is higher than reported.

- **1,519 people** experiencing homelessness (April 17 and 18, 2018)
  - **124** were children under 18 yrs.
  - **65%** male
  - **33%** female
  - **2%** non-binary gender
  - **66%** Indigenous
  - **3%** recent immigrant, refugee or refugee claimant

Source: Winnipeg Street Census 2018

Private households in Winnipeg by housing tenure*



	Total Population
Owner	**65%**
Renter	**35%**

**Note: Housing tenure data is not available for target groups (i.e. those in LICO-AT). Data shown is for the total Winnipeg population.*

Source: Census 2016

Child Poverty in Winnipeg – Double the national average.

Winnipeg has among the highest child poverty rates in Canada. Most significantly impacted are Indigenous and newcomer children.

- **Winnipeg has almost twice the national average of children living in poverty.**
  - **18.1%** of children aged 0-17 yrs. live in poverty
  - **20.4%** of children aged 0-5 yrs. live in poverty
- **1 in 5 children in Winnipeg are Indigenous, and Indigenous children are significantly impacted by poverty.**
  - **19.8%** of children aged 0-17 yrs. in Winnipeg are Indigenous (20.4% aged 0-5 yrs.)
  - **43%** of all of Indigenous children aged 0-5 yrs. live in poverty
  - **36%** of Indigenous children aged 0-17 yrs. live in poverty
- **Recent immigrant children, particularly young children, are significantly impacted by poverty.**
  - **48%** of all Recent Immigrant children aged 0-5 yrs. live in poverty
  - **34%** of Recent Immigrant children aged 0-17 yrs. live in poverty
- **Visible minorities have higher rates of poverty than the city average.**
  - **17%** of visible minorities live in poverty
  - **18%** of visible minority children aged 0-17 yrs. live in poverty
  - **20%** of visible minority children aged 0-5 yrs. live in poverty
  - **17%** of visible minority adults aged 18-64 yrs. live in poverty
  - **10%** of visible minority seniors aged 65 yrs. and over live in poverty
- **Children living with female lone parents are more likely to live in poverty.**
  - **22%** of lone parents live in poverty (7,735 people)
  - **87%** of lone parents in poverty are female led households (6,695 people)
  - More female lone parents tend to live in poverty than male lone parents (24% vs 14%)

All areas are home to people living in poverty.

People in poverty are living throughout the city of Winnipeg, not just older neighbourhoods around the core of the city. While some areas have very high poverty rates, there is not a single ward without people living in low income. Census data is not yet available that can be calculated by ward; however, the following two maps illustrate poverty distribution in relationship to ward boundaries.

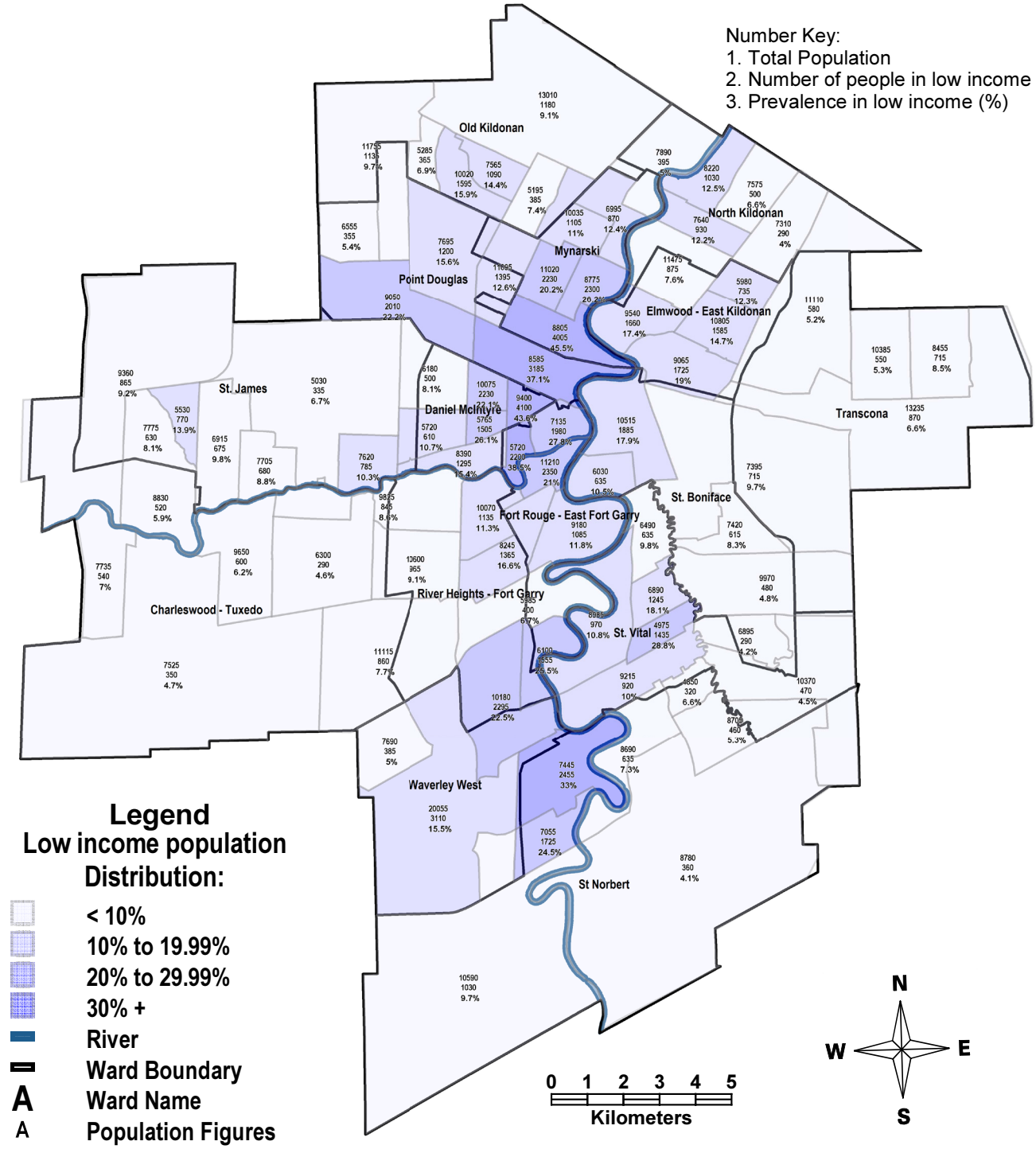
Map 1 – Distribution of Low Income Population

Shows the prevalence of low income population based on Low Income Cut-offs, After Tax (LICO-AT) by percent of the population.

Map 2 – Density of Low Income Population

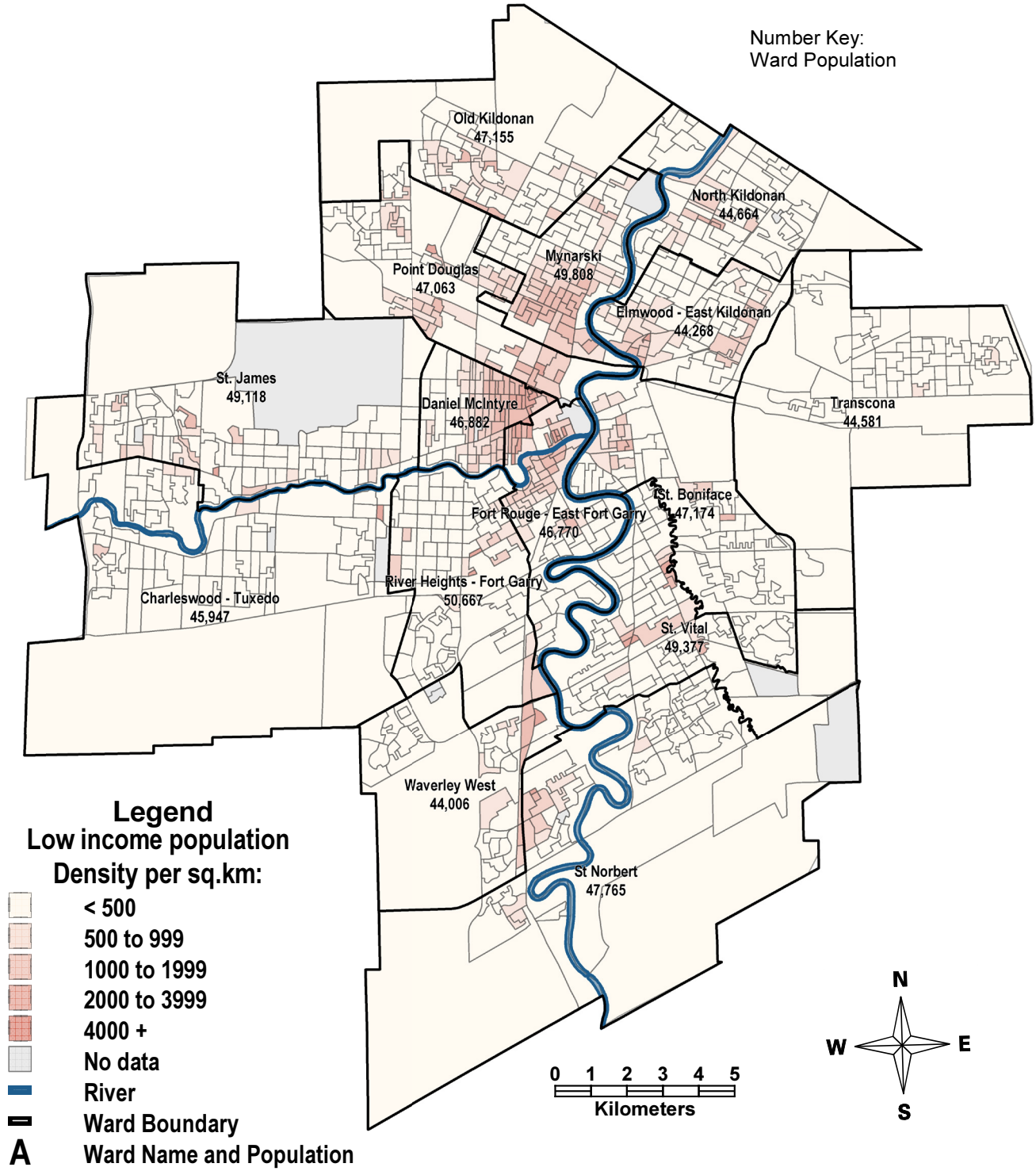
Shows the number of people per sq.km who are in poverty based on Low Income Cut-offs, After Tax (LICO-AT).

MAP 1 – DISTRIBUTION OF LOW INCOME POPULATION



Data: Target group profile of LICO-AT population, Census, 2016
Geographic level: ADA (typically with a total population of 5,000 to 15,000 persons/polygon)

MAP 2 – DENSITY OF LOW INCOME POPULATION



Data: Target group profile of LICO-AT population, Census, 2016
Geographic level: DA (typically with a total population of 400 to 700 persons/polygon)

Measuring Poverty – Three main tools.

There are three main measurement tools for poverty in Canada. The following provides a brief description, the associated income thresholds, and the resulting number of people in poverty in Winnipeg for each measure.

1. **Low Income Cut-offs** (LICO) is the most widely used measure across Canada, and is used by the City of Winnipeg to determine eligibility for several programs and services.
2. **Market Basket Measure** (MBM) was recently identified by the Government of Canada as the new national poverty line in its report '*Opportunity for All – Canada's First Poverty Reduction Strategy*', released in August 2018.
3. **Low Income Measure** (LIM) is a measure used by many countries and is thus often used for international comparisons.

Looking at all three measures, approximately 13% - 16% of Winnipeggers are in low income (90,000 - 110,000 people).

LOW INCOME CUT-OFFS – AFTER TAX (LICO-AT):

13.3% of Winnipeg (91,940 people)

LICO-AT is an income threshold, based on family size and region. Being in low income means a person or family spends 20% more of their income on the necessities of food, shelter, and clothing than the average person or family. This means if the average family spends 40% of their income on the defined necessities, then someone is defined as low income if they need to spend 60% of their income for the same items. This measure is based on thresholds set in 1992, which have been increased with inflation annually. It does not include the costs of transportation, energy or communications.

Income Threshold by Economic Family Size for Low Income Cut-offs - After Tax (LICO-AT) In Cities with 500,000+ Inhabitants:

Economic Family Size	2015
1 person	**$20,386**
2 persons	**$24,811**
3 persons	**$30,895**
4 persons	**$38,544**
5 persons	**$43,890**
6 persons	**$48,675**
7 or more persons	**$53,460**

Source: Census 2016

MARKET BASKET MEASURE (MBM):

13.7% of Winnipeg (94,830 people)

The Market Basket Measure is a measure of low income based on the cost of a specific basket of goods and services representing a modest, basic standard of living for 49 different communities in Canada reflecting variable costs of living. The threshold represents the costs of specified qualities and quantities of food, clothing, footwear, transportation, shelter and other expenses for a family of two adults and two children, and is adjusted for other family sizes using an equivalence scale.

Income Threshold by Economic Family Size for Market Basket Measure (MBM) for Winnipeg, Manitoba:

Economic Family Size	2015
1 person	**$18,272**
2 persons	**$25,841**
3 persons	**$31,648**
4 persons	**$36,544**
5 persons	**$40,857**

Source: Census 2016

LOW INCOME MEASURE – AFTER TAX (LIM-AT):

15.9% of Winnipeg (109,540 people)

The Low Income Measure, after tax, refers to a fixed percentage (50%) of median adjusted after tax income of all private households in Canada. The household after tax income is adjusted by an equivalence scale to take economies of scale into account. This adjustment for different household sizes reflects the fact that a household's needs increase, but at a decreasing rate, as the number of members increases. The income thresholds do not reflect community size or regional differences. Many countries report low income using this measure so it is often used for international comparisons.

Income Threshold by Household Size for Low Income Measure – After Tax (LIM-AT) for Canada:

Household Size	2015
1 person	**$22,133**
2 persons	**$31,301**
3 persons	**$38,335**
4 persons	**$44,266**
5 persons	**$49,491**
6 persons	**$54,215**
7 persons	**$58,558**

Source: Census 2016