

## **Poverty**

*“Being poor limits your choices and is not simply a matter of bad budgeting. Managing on a very low income is like a 7-day per week job from which there is no vacation or relief. Poverty grinds you down, body and soul”<sup>1</sup>*

*“Being treated as sub-human has a profound impact on people and directly affects many people’s ability to escape the cycle of poverty and social assistance because they may internalize the view that there is something wrong with them and they can’t possibly succeed”<sup>2</sup>*

- In 2004, an estimated 684,000 families (3.5 million people) were living on low incomes. These families faced an average income gap of \$7,200, which represents the amount of income they required to bring their income above the low income cut-off (LICO). LICO is well recognized as a measure that is considered below the poverty line. Some 865,000 children under 18 were living in low-income families.<sup>3</sup>
- Low-income rates are highest among the 550,000 lone-parent families headed by women, 36% of whom live in low income. The low-income rate for children in female lone-parent families is 40.0%, five times the proportion of only 8.1% among children in two-parent families.<sup>4</sup>
- In Canada, women earn less money than men for work requiring similar skill levels. Women make up the majority of the poor. Many women are trapped in abusive relationships because they simply have no place else to go in the context of a shortage shelters, much less affordable housing, lower wages for women, waiting lists for subsidized child care that impede women from finding paid employment and/or training and education to support themselves and their children.<sup>5</sup>
- Poverty and homelessness contribute to many unhealthy conditions, including: malnutrition, unemployment, addictions, violence against women and other debilitating manifestations of a lack of income security.<sup>6</sup> Living in overcrowded and dilapidated conditions in which disease is easily spread, the stresses of poverty and uncertainty can lead to such coping mechanisms. Common problems people living in poverty may face include not having enough money for nutritious food; having no

<sup>1</sup> Marika Morris, “Violence against Women and Girls” (2002) CRIAW Factsheet at 3.

<sup>2</sup> Canadian Research Institute for the Advancement of Women, “Women’s Experiences of social programs for people with low incomes” (2007) 9 Fact sheet at 9.

<sup>3</sup> Statistics Canada, *Income of Canadians*, The Daily, Thursday, March 30, 2006.

<sup>4</sup> *Ibid.*

<sup>5</sup> Marika Morris, “Violence against Women and Girls” (2002) CRIAW Factsheet at 5.

<sup>6</sup> Gordon Laird, *Shelter: Homelessness in a Growth Economy: Canada’s 21<sup>st</sup> Century Paradox* (Ottawa: Sheldon Chumir Foundation for Ethics in Leadership, 2007) at 5.

health coverage for prescription drugs and dental care; having to take unpaid time off from a low-paying job to get to the doctor by public transit and then wait for hours because the doctor has overbooked; working at a high-stress, poor pay for work over which you have very little control.

- A new study found employees run a significant risk of health problems due to psychosocial and work organization stressors at low-paid, insecure jobs.<sup>7</sup>
- In Canada, in 1996, the federal government eliminated the Canada Assistance Plan and therefore the essential nature of Canadian standards of social, medical and educational resourcing. We have now experienced financial cuts and knee-jerk band aid responses which presume criminality and perpetuate the problems of the poor, be they crime prevention, homelessness, restorative justice or other responses.<sup>8</sup>
- The United Nations has denounced Canadian policy which results in the high percentage of Canadian women living in poverty; they recognized that the federal government's move in 1995 to change the way it provided funding to the provinces, accompanied by social program funding cuts, contributed to the persistence of poverty particularly among Aboriginal women, women with disabilities, women of colour and immigrant women.<sup>9</sup>
- Canada is the only industrialized country without a national housing strategy and we are near the bottom of 12 industrialized countries in terms of our poverty reduction agenda.<sup>10</sup>
- Kimberley Rogers, an Ontario woman, became a national symbol of what was wrong with social assistance policy when she died while under house arrest for welfare fraud. She was convicted because she was attending school while receiving social assistance. Although she was pregnant, she was sentenced to house arrest and not allowed to leave her apartment. When she was found dead one evening in the middle of a heat wave in the summer of 2001, at eight months pregnant, the police reported that the temperature in her apartment was over approximately 38 degrees. During the inquest into her death, it was discovered that Kim was eligible for a disability exemption and could have been legitimately attending school had she or her worker known this prior to Kim's death.<sup>11</sup>
- According to the National Council of Welfare, the majority of social assistance

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<sup>7</sup> Marika Morris, "Women, Health and Action" (2001) CRIAW Factsheet at 1.

<sup>8</sup> Kim Pate, "Prisons, the Latest Solution to Homelessness, Poverty and Mental Illness" (2003: Calgary: Womenspeak Series) at 3 online: <[www.elizabethfry.ca/confernc/prison/2.htm](http://www.elizabethfry.ca/confernc/prison/2.htm)>.

<sup>9</sup> Canadian Research Institute for the Advancement of Women, "Women's experiences of social programs for people with low incomes" (2007) 9 Factsheet at 1.

<sup>10</sup> Canadian Research Institute for the Advancement of Women, "Women's experiences of social programs for people with low incomes" (2007) 9 Factsheet at 1, 8.

<sup>11</sup> Kim Pate, "Why we should form an international coalition against women's imprisonment..." (2001: Brisbane, Australia) at 6 online: <[www.elizabethfry.ca/confernc/nov29-01/1.htm](http://www.elizabethfry.ca/confernc/nov29-01/1.htm)>.

recipients are women, children, and people with disabilities, yet government policies focus on getting them into the paid labour force without adequate supports, whether child care, safe and affordable housing, money for basic expenses such as a phone, clothing and transportation, adequate access to education, training and literacy programs that suit the individual, adequate disability supports and workplace accommodations, and/or access to adequate, timely and free psychological counseling for addictions and trauma.<sup>12</sup> These policies make no sense and create much misery for the most marginalized in Canada.

- Often the stereotype of people and their families living in poverty is that they are lazy and therefore dependent on welfare. Government programs and payments play an important role in supporting families in poverty, especially seniors, but earnings are a key source of income for most adults, especially those living in poverty.<sup>12</sup>
- The proportion of women living with spouses has declined in the past two decades; more women are living alone.<sup>13</sup>
- Women make up the majority of the Canadian population with disabilities.<sup>14</sup>
- Single-parent women are the 'family' category with the highest poverty rate of 48.9% as they have incomes of less than half of the amount deemed to be the poverty line.<sup>15</sup>
- In 2003, the poverty rates for families without earners ranged from 94.6% for single parent mothers to 39.3% for couples without children.<sup>16</sup>
- 28% percent of single-mothers rely on social assistance, compared to 24% of working-age single people, 18% of working-age couples without children, and 8% of two-parent families.<sup>17</sup>
- In 2004, market income received by non-senior families from earnings, private pensions and investment income made up \$93 out of every \$100 of income received before taxes. The remaining \$7 came from government transfers.<sup>18</sup>
- Social assistance rates have decreased not because of improved conditions but rather because benefit criteria have been made so strict that some poor people no longer

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<sup>12</sup> National Council of Welfare Reports, *Poverty Profile, 2002 and 2003* (Ottawa: Minister of Public Works and Government Services Canada, 2006).

<sup>12</sup> National Council on Welfare Report, *Solving Poverty: Four Cornerstones of a Workable National Strategy for Canada* (Ottawa: Minister of Public Works and Government Services Canada, 2007).

<sup>13</sup> Statistics Canada, *Women in Canada*, The Daily, Tuesday, March 7, 2006.

<sup>14</sup> *Ibid.*

<sup>15</sup> National Council on Welfare Report. *Solving Poverty: Four Cornerstones of a Workable National Strategy for Canada* (Ottawa: Minister of Public Works and Government Services Canada, 2007).

<sup>16</sup> *Ibid.*

<sup>17</sup> *Ibid.*

<sup>18</sup> Statistics Canada, *Income of Canadians*, The Daily, Thursday, March 30, 2006.

qualify. Government cuts in other areas of social spending such as child care, EI, dental and drug coverage, have turned Canadians who might otherwise have not needed social assistance into welfare recipients.<sup>20</sup>

- In Canada it is not enough to have a job to keep you out of poverty. Most poor people do work full or part time. Women and youth account for 83% of Canada's minimum wage earners; 37% of lone mothers with paid work must raise a family on wages of less than \$10 per hour.<sup>21</sup>
- Many full-time workers in Canada are also poor, because the minimum wage is not sufficient to meet basic needs in a society with rising housing and living costs. Many low-wage jobs have no health or other benefits. Canada has a problem of structural unemployment. This means there is a mismatch between the jobs available and the skills of the population.<sup>19</sup>
- The tax system benefits only those in the highest wage earning categories. In 2005, those in the top 1% of wage earners actually paid fewer taxes than those in the lowest wage earning category.<sup>23</sup>
- Regardless of level of education, women wage earners usually earn less than men. For example, in 2003, women high school graduates earned 71.0 % of what male high school graduates earned for full-time, full-year work. Women with post-secondary degrees earned 68.9% of what their male counterparts earned for full-time, full-year work.<sup>24</sup> The gap between the earnings of women and men has not changed substantially in the past decade.<sup>25</sup>
- Immigrant women are less likely to have paid employment than immigrant men and non-immigrant women. This is even true for immigrant women with university degrees.<sup>29</sup>
- Women with a university education earned 85 cents for every \$1 earned by their male counterparts, and women who had less than a high school diploma earned only 69 cents for every \$1 earned by their male counterparts.<sup>26</sup>

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<sup>20</sup> Canadian Research Institute for the Advancement of Women, "Women's experiences of social programs for people with low incomes" (2007) 9 Fact sheet at 3.

<sup>21</sup> Marika Morris, "Women and Poverty" (2002) CRIAW Fact sheet at 2.

<sup>19</sup> Canadian Research Institute for the Advancement of Women, "Women's experiences of social programs for people with low incomes" (2007) 9 Fact sheet at 8.

<sup>23</sup> Marc Lee, "Overall tax system no longer meets the basic test of fairness" (The CCPA Monitor, 2008) 14 8 at 1, 6.

<sup>24</sup> National Council on Welfare Report, *Solving Poverty: Four Cornerstones of a Workable National Strategy for Canada* (Ottawa: National Council of Welfare, 2007).

<sup>25</sup> Statistics Canada, *Women in Canada*, The Daily, Tuesday, March 7, 2006.

<sup>29</sup> Statistics Canada, *Women in Canada 2000: A Gender-based Statistical Report* (Ottawa: Minister of Industry, 2000).

<sup>26</sup> Statistics Canada, *Survey of Labour and Income Dynamics: The wage gap between men and women*, The Daily, Monday, December 20, 1999.

- Women have been trafficked into Canada by individuals posing as employers, have been beaten and raped, had their passports taken away, and prostituted. Women who are desperate to leave conditions of poverty in other countries have also migrated to Canada as “mail-order brides” or domestic workers too often are also exploited, including being subjected to sexual and physical abuse or economic exploitation.<sup>28</sup>
- While visible minority women are better educated on average than other Canadian women, they are somewhat less likely to be employed. In addition, visible minority women generally earn less at their jobs than do other women.<sup>30</sup>
- Most criminalized women have low levels of education, limited employment and economic resources, and usually live alone in extremely poor housing conditions.<sup>31</sup>
- In the Prairie Region most of the women in prison are Aboriginal, contributing to a situation where they represent the majority of the population of women prisoners. Increasing numbers of women in prison is clearly linked to the evisceration of health, education and social services, and that cycle intensifies in times of economic downturn. It is very clear where we are sending the people who are experiencing the worst in the downturn in the economy and social trends. Jails are our most comprehensive homelessness initiative.<sup>32</sup>

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<sup>28</sup> Louise Langevin & Marie-Claire Belleau, *Trafficking in Women in Canada: A Critical Analysis of the Legal Framework Governing Immigrant Live-In Caregivers and Mail Order Brides* (Policy research publication) (Status of Women Canada, 2000).

<sup>30</sup> Statistics Canada, *Women in Canada*, The Daily, Tuesday, March 7, 2006.

<sup>31</sup> Marika Morris, “Women and Poverty” (2002) CRIAW Fact sheet at 3.

<sup>32</sup> “Prisons are our homelessness initiative, activist says - Canada - Kim Pate” *Catholic New Times*, Nov 2, 2003.

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