

Let's Talk About Poverty

THE URBAN POVERTY CONSORTIUM OF WATERLOO REGION

POVERTY FACT SHEET SERIES - FACT SHEET #1

SEPTEMBER 13, 2000

“ In recognition of work done in the community related to poverty, the Urban Poverty Consortium seeks to build and extend new and existing efforts on poverty, to raise awareness, share information and data and to catalyze further action on poverty.”

One Step Away...

“ ... My other life, as I refer to it, is really not too far away and so it still hurts...I am one of the so-called new poor who at one time enjoyed all the trappings of the upper middle class...”

What is ‘Poverty’?

Although there is no absolute definition of poverty, most would agree that any definition must include a lack of money or a limited income. In its report *Urban Poverty in Canada: A Statistical Profile*, the Canadian Council on Social Development (CCSD) used the measurement of Statistics Canada’s Low Income Cut Off or LICO to define poverty. The LICO measures the amount of money it takes to live and participate as a Canadian citizen. Two examples of other measurements of poverty include the Canadian Council on Social Development Low-Income Lines and the Market Basket Measure(MBM). For the purposes of this fact sheet, the LICO is being used and has been adjusted for community size.

Table 1

**Low Income Cutoffs for Waterloo Region,
monthly and annual gross income by family size**

Size of Family Unit	Monthly	Annual
1 person	\$1,244	\$14,694
2 persons	\$1,555	\$18,367
3 persons	\$1,934	\$22,844
4 persons	\$2,342	\$27,650
5 persons	\$2,617	\$30,910
6 persons	\$2,893	\$34,168

Depth of Poverty

The LICO and other methods of measurement seek to establish a poverty line. Depth of poverty is the difference between that line and one’s income. Two comparisons illustrate this point, using the data in Table 1:

-a single person, working 35 hours per week at \$6.85 per hour (Ontario minimum wage) would earn a gross monthly income of \$1038.12. Compare this to a LICO of \$1,244.00. This is a \$206.00 difference.

-a single person, eligible for the maximum payable benefit under Ontario Works would receive \$520.00 per month. Compare this to a LICO of \$1,244.00. This is a \$724.00 difference.

Is Poverty a Problem?

Between 1990 and 1995, Canada’s population increased by 6.1%, whereas its poor population increased by 28.6%. In 1995, approximately 5.5 million people - almost 1 in 5 - were poor in Canada.¹ No province, community or neighbourhood is immune to poverty. Poverty truly means that prosperity and opportunity are not shared among all Canadian citizens, our neighbours, friends and family.

Some factors that contribute to poverty include:

- geography
- increased number of lone parent headed families
- government reduction of benefits in income security programs
- employment opportunities- either not enough jobs

available or the present jobs are not equally accessible to job seekers

- economic restructuring (e.g. high skill jobs equal high wages and low skill jobs equal low wages)
- level of education
- age(e.g. older people tend to be living on fixed incomes)

The Poverty Gap

Table 2
Average Income from Earnings and Government Transfers, National and Regional, for Families and Individuals

Earnings - All Families			
Canada Total	Canada Poor	Region Total	Region Poor
\$50,339	\$9,330	\$ 55,301	\$7,795
Earnings - All Individuals			
Canada Total	Canada Poor	Region Total	Region Poor
\$26,524	\$6,751	\$27,779	\$5,671

Source-Statistics Canada 1996 Census(custom tabulations)

Families are defined as households of at least two people related by blood, marriage or adoption. Earnings are income from salaries, wages and self-employment.

Table 2 provides national and local data on average earnings for families and individuals, living above and below the LICO. As is shown by the data, the total average earnings for all families in Waterloo Region (\$55,301) as compared to Canada (\$50,339) is about 10% greater. However, this seemingly greater local prosperity is not shared by all. Compare the average earnings for poor families for Canada (\$9,330) to that of poor families in Waterloo Region (\$7,795). In other words, while our average family earnings are greater than the national average, earnings for our families living in poverty are lower - thus a greater gap.

Rural and Urban Poverty

There are 53,500 people living in poverty in Waterloo Region's three major urban centers, or 15.13% of the population.² Also, within the Regional boundaries there are four rural townships - North Dumfries, Wilmot, Wellesley and Woolwich. A look at poverty in our Region needs to consider the different issues faced by our rural neighbours.

A total of 3,800 people live in poverty in the four townships - a rate of 8.06%³. Some characteristics of rural communities include:

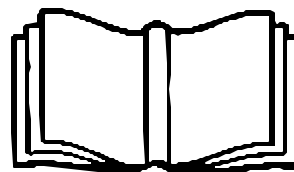
- fewer available services
- limited public transportation
- fewer licenced child care providers
- less available rental housing

These factors can create additional difficulties for people living on a limited income in a rural area.

~ Our Stories ~

The following are two true stories which help to demonstrate the realities of poverty in Waterloo Region.

My story goes back about 6 years to a very difficult time. I was married, working at a great job, owned a nice house and had a beautiful daughter. Within a year of this reality came a much harsher one. My health was poor and I had to take a leave from my job and go into the hospital for an extended stay. The first week of my hospitalization, my husband called to tell me that I had to get a lawyer because he had sold the house and wanted to separate. He had already moved things out of the house and into other places. He threatened to take my child away from me because I was in hospital and unable to care for her there. He told me if I didn't sign the papers he gave me, then he wouldn't let me see her. As a result, I signed agreements(while still in the hospital) that I otherwise wouldn't have and I found myself without a home or a family as I had known it. I had no family of my own in the area and no place to go.



I was terrified that I might lose my job, my daughter and my life. If it wouldn't have been for my wonderful friends, I'm not sure how things would have gone. But, one of them offered to let my daughter and I stay with her. My parents came and helped to buy things, take care of my daughter and settle us in. We lived there for several months, until I could deal with lawyers and begin to get back on my feet.

It was one of the most difficult times in my life and I don't know how I could have coped without the love and support of my friends and my family. It brought me to a place of greater understanding and taught me how quickly the tides can shift. I have tremendous empathy for people who find themselves in such circumstances and don't have a strong support system. I found out that it's a pretty short walk to the street!!⁴



In my case, you know, my other life, as I refer to it, is really not too far away and so it still hurts. You know, it's not too, too many years since I had another life. So I am fairly well dressed. I drive a good car, with air conditioning, no less, but right now I am poor. I am one of the so-called new poor, who at one time enjoyed all the trappings of being in the upper middle class. I used to live in a nice neighbourhood. In fact, I lived there for close to twenty years. I've held very good jobs. I was a town councillor. I was involved in everything going. I was really a leader, and I had a high profile in my community.

Now, unfortunately, that's all gone. I have been unemployed for two years. Right now, I have no house, not even an apartment. I have been forced to go back and live with relatives. I still have good clothes, thank God, hanging in my closet, a fairly good car to drive and I try as much as possible to move in the same circles I did before.

Very few women who separate or divorce and remain single, can maintain the same lifestyle as before. Automatically, when I separated, I was pushed down into a lower socio-economic level. So in the late eighties, I chose to separate after 22 years of marriage. It was a decision that should have been made earlier, but my

religious and moral upbringing prevented me from doing so. Eventually, my safety and mental health outweighed the financial security, so I separated. And actually it was the best decision for all of us concerned. I have never looked back. Now, I am much, much happier, but poor.

So in the eighties there were jobs to be had. I had a number of contract positions and I could fall back on supply teaching. But that is not the situation anymore. When I moved back here last year, the first thing I did was walk into the school board offices. The supply list has been frozen since, I believe, 1991. I couldn't even supply. It wasn't even available anymore⁵

References

1. Urban Poverty in Canada: A Statistical Profile, Canadian Council on Social Development, (2000) Pg.7
2. Statistics Canada, 1996 (custom tabulations), prepared by the Centre for International Statistics at the Canadian Council on Social Development
3. Ibid
4. Social Planning Council of Kitchener-Waterloo, Personal Stories File (August, 2000)
5. Our Neighbours' Voices: Will We Listen?, The Interfaith Social Assistance Reform Coalition, published by James Lorimar and Company Limited (1998)

Watch For Upcoming Fact Sheets

Through the fall and winter of 2000, the Urban Poverty Consortium will be releasing additional poverty fact sheets on the following topics:

- UImmigrants (New Canadians)
- UPeople who are disabled
- USeniors
- UWorking Poor
- USole Support Parents
- UYouth
- UChildren

~ For More Information ~

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Resources and Initiatives - Fact Sheet #3

The following is a listing of some of the community agencies and government resources available to assist persons with disabilities in the Waterloo Region. Please contact them for additional information on their various programs and services. Many of the community agencies operate through the efforts of their volunteers and welcome your support. In addition to providing services to people with disabilities, the government departments listed also help fund local initiatives.

In order to obtain information about other services in Waterloo Region for people with disabilities, please call:

Community Information Waterloo Region - (519)579-3800

Information Cambridge - (519)740-3030

Woolwich Community Information Centre - (519)669-5139/ 1-800-661-7918

Human Resources Development Canada

Income Security Programs
Box 2020
Chatham, ON N7M 6B2
1-800-277-9914
TDD/TTY 1-800-255-4786

Government of Ontario

Ministry of Community and Social Services
Waterloo Town Square, 4th Floor
75 King Street South
Waterloo, ON N2J 1P2
(519) 886-4700

Ontario March of Dimes

141 Weber Street South
Waterloo, ON N2J 2A9
(519) 579-5530

Canadian National Institute for the Blind

180 King Street South, Ste. 160
Waterloo, ON N2J 2K4
(519)742-3536

Canadian Hearing Society

222 Frederick Street
Kitchener, ON N2H 2M8
(519)744-6811
TDD/TTY (519)744-6901

Achievement in Motion

310 Charles Street East
Kitchener, ON N2G 2P9
(519)741-1666

Human Resources Development Canada

Office For Disability Issues
25 Eddy Street
Suite 100
Hull P.Q. K1A 0M5
1-800-665-9017
TTY 1-800- 561-9706

Community Care Access Centre of Waterloo Region

99 Regina Street South
Waterloo, ON N2G 4V6
(519) 748-2222
(call to access Cambridge and Kitchener offices.
Sites also at area hospitals)

Developmental Services Access Centre Waterloo Region

1120 Victoria Street North
Suite 205
Kitchener, ON N2B 3T2
(519) 741-1121
(centralized access to services for persons
with developmental disabilities)

K-W Access-Ability

Waterloo Town Square, Lower Level
75 King Street South
Waterloo, ON N2J 1P2
(519) 885-6640
TDD/TTY (519) 885-4526

Independent Living Centre of Waterloo Region

3400 King Street East
Kitchener, ON N2A 4B2
(519) 894-8350
TDD/TTY (519) 894-8377

Canadian Mental Health Association

67 King Street East
Kitchener, ON N2G 2K4
(519) 744-7645
Cambridge office: 9 Wellington Street
Cambridge, ON N1R 8H6

