



FACT SHEET **WOMEN AND POVERTY IN CANADA**

In a well-off country like Canada, it's hard to believe that poverty exists. But one in 10 Canadians are poor, and 1.5 million women in Canada live on a low income. Certain groups of women are more likely to be poor than others, and many systemic barriers stand in the way of their financial stability.

One of the key reasons to address women's poverty is that helping poor women helps poor children, putting an end to a vicious cycle. Another reason is that poverty costs taxpayers and the government billions of dollars each year. If we can level the playing field, we will all benefit.

At the Canadian Women's Foundation, we want every low-income woman to be given the chance to move herself and her children out of poverty. We help by funding life-changing programs designed especially for them. Through these unique programs, participants can learn a skilled trade, start a small business, or get work experience.

HERE ARE SOME COMMONLY ASKED QUESTIONS ABOUT WOMEN IN POVERTY IN CANADA:

1. Canada is a rich country—is poverty really a problem?

About 1 in 10 people in Canada are living below the low-income cut-off, after taxes and government transfers are taken into account.¹ More than 1.5 million women in Canada are living on a low income.²

Some groups have higher rates of poverty and are more likely than others to be poor.³ They include:

- First Nations women (living off reserve)—36%⁴
 - Métis and Inuit women (living in the provinces)—23%⁵
 - Visible minority women - 28%⁶
 - Women with disabilities - 33%⁷
 - Immigrant women - 20%⁸
 - Single mothers - 21%⁹
 - Children in female lone-parent families - 23%¹⁰
(Compared to 6% of children in two-parent families¹¹)
 - Single senior women - 16%¹²
- In some parts of the country, there are appallingly high rates of poverty. For instance, 50% of status First Nations children in Canada live in poverty; that figure increases to 64% in Saskatchewan and 62% in Manitoba.¹³

- More than 235,000 Canadians experience homelessness annually, costing the economy \$7 billion. On a given night, more than 35,000 Canadians are homeless.¹⁴ Women parenting on their own enter shelters at twice the rate of two-parent families.¹⁵ Domestic violence against women and children is a contributing factor to homelessness. When women become homeless, they are also at an increased risk of violence, sexual assault and exploitation.¹⁶
- Over 25 years, child and family poverty has increased by 25%; the number went from 15.8% of children in 1989 to 19.1% of children in 2012. More children and their families live in poverty as of 2012 than they did in 2000.¹⁷
- Compared to other developed countries, Canada's poverty rate is higher than most—we rank 23rd out of 34 OECD countries.¹⁸ Canada's poverty rate of 11.9% is slightly above the OECD average of 11%.¹⁹ As its poverty rate worsens, a country becomes less competitive, its people less healthy, and its society less equal.
- Poverty in Canada costs federal and provincial governments billions of dollars every year. In Ontario, poverty cost the government between \$10.4 billion and \$13.1 billion in 2008.²⁰

2. Why are so many people in Canada poor?

- In Canada, people may be poor for many reasons:
 - They don't have enough skills or education to get a good job, one where they can earn enough to live above the poverty line.
 - There are not enough good jobs in their community.
 - They have lost their job and can't find another.
 - They have a physical or mental disability that limits their ability to work.
 - They have an accident or develop an illness and can no longer work.
 - They can't find a good job because of workplace discrimination. Immigrants often have trouble finding work because of language barriers and the refusal of many employers to recognize education or experience from outside Canada, no matter how impressive.
 - They live on welfare. People who rely on social assistance live in poverty.²¹ For example, a woman raising one child on her own in Ontario could receive about \$18,600 per year in welfare benefits.²² That's only \$1,550 per month. After paying rent, she would have very little left to buy food, clothing, transit fare, school supplies, and other essentials.
 - There has been a rise in precarious employment, with employers offering less certainty around payment, permanence and scheduling.²³

3. How is poverty measured in Canada?

- Poverty can be described as ABSOLUTE or RELATIVE:
 - Absolute poverty describes **deprivation**, a situation where a person can't afford basic needs such as adequate food, shelter, clothing, and transportation. A recent evaluation report for the Canadian Women's Foundation shows that 50% of women who attend our economic development programs were below the low-income cut-off line and 83% had personal incomes below \$30,000.²⁴

- Relative poverty describes **inequality**, a situation where a person is noticeably worse off than most people in his or her community. Many low-income families can barely afford to pay the rent and put food on the table, let alone pay for dental care, eyeglasses, school outings, sports equipment for the kids, Internet access, or prescription drugs. These are things that most people in Canada take for granted and would consider necessities.²⁵
- Our statistics are based upon Low-Income Cut Offs (LICO) as determined by Statistics Canada.²⁶ LICOs measure relative poverty and inequality.
- We focus on inequality because a large gap between rich and poor has a measurable and significant negative impact on overall economic growth. Policies that improve income inequality, including those that support women's participation in the workforce, also improve the overall economy.²⁷
- In Canada, income inequality is on the increase. For every new dollar of wealth generated in Canada since 1999, 66 cents has gone to the wealthiest 20% of families.²⁸

4. Why should we focus on women and poverty?

- Helping poor women helps poor children.
 - When children are poor, it's usually because their mother is poor. The number of lone-parent families is on the rise and 80 per cent of all lone-parent families are headed by women.²⁹ In 2011, median employment income in female lone-parent families with children under 6 was \$21,200, about 50% of the income of male lone-parent families, which was \$43,300.³⁰
 - Poverty makes children sick. Poor children often start out as underweight babies, which sets them up for future health problems. As they grow up, kids who live in poverty suffer from higher rates of asthma, diabetes, mental health issues—even heart disease.³¹
 - Poor children have more speech and hearing problems, and score lower on cognitive tests. Not surprisingly, they are also more likely to struggle in school. Research shows that poor children have "reduced motivation to learn, delayed cognitive development, lower achievement, less participation in extra-curricular activities, lower career aspirations, interrupted school attendance, lower university attendance, an increased risk of illiteracy, and higher drop-out rates."³²
- Poverty endangers women's safety.
 - Women who leave a partner to raise children on their own are more than five times likely to live in poverty than if they stay with their partner.³³
 - There's plenty of evidence showing abused women sometimes stay in abusive relationships because they know that leaving will plunge themselves and their children into poverty.³⁴

5. Why are women more likely to be poor?

- Women are more likely to be poor for two main reasons:
 1. **Women spend more time doing unpaid work, leaving less time for paid work.**
 - Each day, men and women work about the same number of hours, but women do more unpaid work (housework, childcare, meal preparation, eldercare, etc.).³⁵ Among families

with both parents working full time, women spend 49.8 hours per week on childcare, while men spend 27.2 hours per week.³⁶ Among full-time working couples, women spend 13.9 hours per week on household work, while men spend 8.6 hours.³⁷

- About 70% of women in dual-parent families with a child under the age of five also work outside the home.³⁸ Women are more likely than men to sacrifice career opportunities and advancement for better work-life balance.³⁹
- In order to juggle their domestic responsibilities, many women choose part-time, seasonal, contract, or temporary jobs. Unfortunately, most of these jobs are low paid, with no security, few opportunities for advancement, and no health benefits.⁴⁰
- Almost 70% of part-time workers are women⁴¹ and 60% of minimum-wage earners are female.⁴²
- Most poor women in Canada are working, but can't earn enough to lift themselves out of poverty because they are clustered in these low-paid and precarious jobs.⁴³
- Canada's lack of affordable childcare—and the lack of workplace policies such as flex-time and caregiver leave—often forces women into career choices that severely limit their earning power. That's why many women refuse overtime and promotions, and select careers that promise to be 'family-friendly.' Women's domestic responsibilities also make it harder for them to return to school or attend training sessions that could advance their career.
- Women who interrupt their career to care for children or other family members have lower earnings: in one study, women aged 40 who had interrupted their careers for at least three years for maternity leave were earning about 30% less than women with no children.⁴⁴
- Canadian women with children earn 12 per cent less than women without children.⁴⁵
- The double-duty demands of home and workplace force many women to sacrifice their long-term economic security. This is a high price to pay for being a mother.

2. Women face a gender wage gap.

- On average, full-time working women in Canada earn only 74 cents for each dollar earned by men.⁴⁶ (For more information on the gender wage gap, please visit canadianwomen.org/facts-about-the-gender-wage-gap-in-canada.)

6. How can we help women move out of poverty?

- The Canadian Women's Foundation works to advance women's economic equality by bringing together community organizations to share research, skills, and best practices for moving low-income women out of poverty.
- We also invest in community programs that help women to increase their income by launching a small business, learning a skilled trade, or working in a job placement.
- In the programs we fund, women learn to identify their strengths and skills and build upon them. This positive 'asset-based' approach avoids creating long-term dependency and builds self-confidence—an essential tool for starting the difficult journey out of poverty. Each woman receives customized wrap-around supports and just-in-time services, whether her immediate priority is food and shelter, budgeting skills, developing personal goals, creating a business plan, learning a trade, or being matched with a mentor. The goal is to help her to build a solid foundation that includes stable housing, childcare, employment skills, self-confidence, financial literacy, a strong social

network, and a supportive family.

- Through this approach, we have helped thousands of women from across Canada to move out of poverty. Along the way, each woman has contributed to Canada's economy and created a more secure future for herself and her children.

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ENDNOTES

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