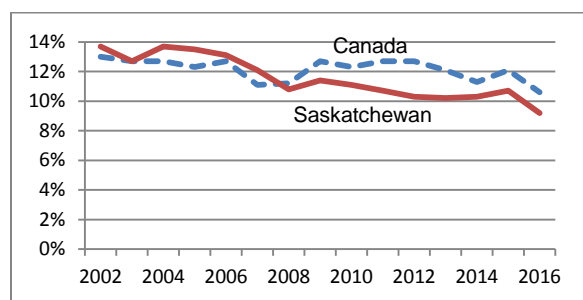


## Poverty in Saskatchewan – 2016. Using Official Poverty Line.

**Poverty continues in Saskatchewan.** In 2016, 98,000 of the 1.1 million people who lived in Saskatchewan were poor. While provincial poverty rates have declined over the last fifteen years, the income of many children, adults, and seniors living in the province is not enough to feed, clothe, and house them.

This report summarizes Saskatchewan poverty trends and patterns from 2002 to 2016 using the Official Poverty Line, formerly the MBM or Market Basket Measure (see last page).

**Figure 1. Poverty rates, Official Poverty Line, Canada and Saskatchewan, 2002-2016**



In the early 2000s, 13 to 14 per cent of the Saskatchewan population was in poverty, with a decline to 9 per cent in 2016. Canadian poverty rates changed little, with ups and downs around 12 per cent, declining to 11 per cent in 2016.

Saskatchewan's economic expansion through 2014 helped those with low incomes; in 2008 the province's poverty rate fell below that for Canada as a whole. Since then, the province's poverty rate has generally paralleled changes in the slightly higher rate for Canada. But there is still a long way to go to eliminate poverty.

**Who are the poor?** Poverty is not uniformly spread across the population but is concentrated among specific groups. The provincial poverty rate for 2016 was 9.2 per cent of the population, or 98,000 Saskatchewan residents living in households that could not afford life's necessities. This rate does not include estimates of poverty among First Nations persons living on reserves – their incomes are low and including them would likely boost the province's poverty rate (see next page). Table 1 illustrates how poverty differs depending on circumstances.

**Table 1. Persons in poor households and poverty gap, Saskatchewan, 2016**

Characteristic	Persons in poverty		
	# in '000s	Rate (%)	% Gap
<b>Children under age 18</b>	<b>25</b>	<b>10.7</b>	<b>26</b>
In couple families	12	6.3	23
In female lone-parent families	11	53.0	25
<b>Persons aged 18-64</b>	<b>66</b>	<b>9.8</b>	<b>35</b>
In families	33	5.9	28
Not in families	34	27.9	43
<b>Seniors aged 65 plus</b>	<b>7</b>	<b>4.3</b>	<b>15</b>
Males – all ages	47	8.6	34
Females – all ages	51	9.7	29
<b>Total – all ages</b>	<b>98</b>	<b>9.2</b>	<b>32</b>

In 2016, 25,000 children in Saskatchewan lived in poor households. For children in female lone-parent families the poverty rate was especially high, with more than half of these children poor. For children or adults living in couple families, the poverty rate of approximately 6 per cent was below the provincial average; for those not living in families the poverty rate was much greater. In contrast, only 4 per cent of seniors had poverty level incomes. Females were more likely to experience poverty than were males.

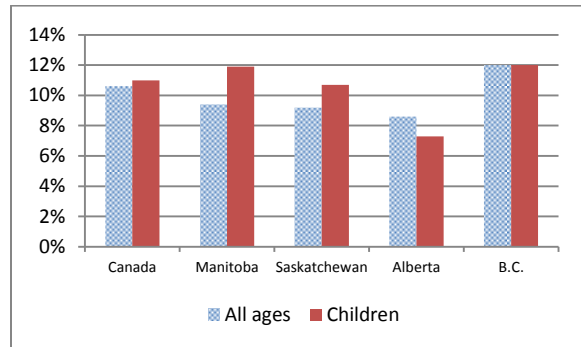
**Poverty gap (% Gap).** The poverty gap in the right column of Table 1 shows the average percentage that incomes of persons in poverty fell below the Official Poverty Line. The 2016 Saskatchewan poverty gap of 32 per cent means that the average income of persons in poverty was 32 per cent below the Line.

The 34,000 poor adults aged 18 to 64 not living in families averaged \$10,700 income in 2016 – \$8,000 less than the poverty line of \$18,700 for this group. This meant a huge poverty gap of 43 per cent. Many in this group were single and never married, two-thirds were age 25 or more, and one-half were employed full-time or part-time for much of the year (from data for 2015).

The poverty gap for seniors is the least among those in Table 1. For the 4 per cent of seniors in poverty, incomes are low but close to the poverty line, averaging 15 per cent below it.

**Poverty in Western Canada.** From Figure 2, the 2016 overall and child poverty rates for Saskatchewan were lower than in the other western provinces, with the exception of Alberta.

**Figure 2. All ages and child poverty rates, Canada and western provinces, 2016**



**Indigenous persons.** Of the province's 60,000 First Nations persons living off-reserve, 40 per cent were in poor households. For the 57,000 persons in the province with Métis identity, 18 per cent were in poverty. This contrasts with a poverty rate of 11 per cent for persons reporting a non-Aboriginal identity.

Statistics Canada did not measure the poverty rate for the 50,000 plus First Nations persons living on reserves. However, the 2016 Census shows that median after-tax household income for each of the Saskatchewan reserves is lower than the provincial median. The 37 poorest reserves had incomes less than one-half the province's median after-tax income. Including this low income among on-reserve First Nations persons would boost the province's poverty rate to above the official level of 9.2 per cent.

**Immigrants.** Among the 64,000 immigrants who arrived before 2011, the poverty rate was 11 per cent, less than the non-immigrant rate of 12 per cent. Immigration to the province increased dramatically since 2006. Among the 48,000 immigrants arriving between 2011 and 2016, the poverty rate was 21 per cent. In 2016 there were 12,200 non-permanent residents in the province, with a poverty rate of 28 per cent.

**Persons with a disability.** While there are no official estimates of poverty among persons with a disability, Saskatchewan Assured Income for Disability (SAID) had 17,177 recipients in 2016.

Statistics Canada estimates that 23 per cent of Canadians aged 25-64 with a disability had low income in 2014. In 2012, 117,000 persons aged 15 and over in the province had a disability. These data mean that approximately 20,000 Saskatchewan persons with a disability are poor.

#### **Poverty by region of Saskatchewan, 2015.**

Poverty is distributed unevenly – in inner city neighbourhoods, in the north, in small towns, on reserves, and in rural areas. While 13 per cent of all persons in Saskatchewan were in poverty in 2015, in the northern federal electoral district of Desnethé-Missinippi-Churchill River 22 per cent were poor. This contrasts with an 8 per cent poverty rate in Regina-Lewvan, the provincial district with the least poverty. In the cities of Meadow Lake, North Battleford, and Prince Albert the poverty rate was 19 to 20 per cent, as opposed to 12 per cent in Regina.

**Conclusion.** Economic expansion from 2006 through 2014 raised provincial incomes. From 2000 to 2004, median after-tax income in Saskatchewan was 10 per cent below that for Canada; over the five years from 2012 to 2016 it was 7 per cent above that for Canada. During this broad based expansion the province's poverty rate fell by 4 percentage points; the child poverty rate declined by 8 percentage points. Current economic conditions, with increased unemployment, could lead to higher poverty rates in coming years.

Social programs have contributed to lower poverty rates. In 2016, part of the decline in the child poverty rate can be attributed to improved child benefits, with the Canada Child Benefit coming into effect in July 2016. The Canada Pension Plan and a basic income in the form of Old Age Security and Guaranteed Income Supplement have helped lower the poverty rate and gap for seniors. These programs show that poverty can be reduced.

It is unacceptable to have 98,000 or more poor persons in a rich province like Saskatchewan. Improved social assistance benefits, universal child care, adequate housing, a Living Wage for all, and a universal basic income could ensure that no child or adult lives in poverty.

**Measuring poverty.** In August 2018 the federal government established an Official Poverty Line for Canada (see *Opportunity for All*). The Line is the Market Basket Measure, or MBM, an income level below which a household does not have enough money to buy a specific basket of goods and services that allows it to meet its basic needs and achieve a modest standard of living in its community. A household with two children and two adults with an income below the following was in poverty in 2016.

Saskatchewan, rural	\$37,023
Saskatchewan, under 30,000	\$38,120
Saskatchewan, 30,000-90,000	\$35,892
Saskatoon	\$38,032
Regina	\$37,815

The Official Poverty Line adjusts for households of different size and composition. For those living alone, the line is one-half the above level, or an average of \$18,688 across the province.

Through Figure 2 of this report, poverty refers to those persons living in households with incomes below the Official Poverty Line.

Data on the number of Indigenous persons, immigrants, and disabled persons with incomes below the Official Poverty Line are not available. Data on poverty for these persons refer to those living in households with incomes less than Statistics Canada's Low Income Measure, After Tax (LIM or LIM-AT). Statistics Canada terms this a measure of low income, rather than a poverty level. However, the LIM is used internationally to indicate poverty.

The level of the LIM is one-half of median after-tax household income, adjusted for household size. It does not differ by province or region of Canada. For a family of four persons, the LIM level was \$45,314 in 2016 – a family of four with an income below this is considered to be in poverty. For a single person living alone the LIM level was \$22,657 in 2016. To contrast these poverty levels with households having greater income, the 2016 Regina Living Wage income for a family of four was \$61,766. And the median income for Saskatchewan families in 2016 was \$82,400. The LIM is well below each of these.

**Data sources.** Data for provinces and Canada in this report come from Statistics Canada, Tables 11-10-0135-01, 11-10-0190-01, 11-10-0230-01, and 11-10-0232-01 (formerly CANSIM series 206-0011, 206-0041, 206-0042, 206-0091, and 206-0093). These data, released in March 2018, are from the Canadian Income Survey, 2016. Data for adults not living in families are from the Public Use Microdata File, 2015. Data for Indigenous persons, immigrants, and region come from the 2016 Census of Population and refer to 2015 household income.

For persons with a disability data are from:

Statistics Canada. 2015. *A profile of persons with disabilities among Canadians aged 15 years or older, 2012*. Catalogue 89-654-X.

Canada Social Report: *Social Assistance Summaries, Saskatchewan 2016*.

Statistics Canada. 2017. *Low income among persons with a disability in Canada*. Catalogue 75-006-X.

See the following web sites for the Living Wage: <https://www.policyalternatives.ca/publications/reports/2016-living-wage-regina-and-veyburn> and <https://www.livingwageye.ca/resources>

The federal government report *Opportunity for All: Canada's First Poverty Reduction Strategy* is available at the following web site:

<https://www.canada.ca/en/employment-social-development/programs/poverty-reduction/reports/strategy.html>

See Chapter 9 and Annex 1 of the report for an explanation of the Official Poverty Line.

Thanks to Brian Banks, Joanne Havelock, Alison Hayford, and David Rosenbluth for comments.

#### Reference to this report

Paul Gingrich. 2018. *Poverty in Saskatchewan – 2016. Using Official Poverty Line*. [uregina.ca/~gingrich/skp2016.pdf](http://uregina.ca/~gingrich/skp2016.pdf)

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Last edited September 20, 2018.