

Poverty in Saskatchewan – October 2020 update

Revised poverty statistics show that the number of persons in poverty in Saskatchewan in 2018 was 122 thousand persons, over 25 per cent more than the 96 thousand reported before the revision. In September, Statistics Canada revised the Official Poverty Line (OPL) for Canada, putting the poverty threshold for a family of four in Regina at \$44,833; for a person living alone it is one-half that, or \$22,416. Those living in households with incomes below these levels are in poverty. The new poverty line is approximately seven thousand dollars greater than earlier, with increased shelter costs accounting for the largest part of the increase.

The revisions show that 11.2 per cent of all Saskatchewan residents had incomes below the revised OPL in 2018, well above the 8.8 per cent reported earlier. Poverty was not uniformly distributed among provincial residents. The poverty rate for children and adults living in couple families was eight per cent. But 48 per cent of children living in female lone-parent families were poor. And among persons aged 18-64 not living in families, 36 per cent reported incomes below the OPL. Their poverty gap of 45 per cent means that the average income for these poor adults living alone was 45 per cent below the OPL. For seniors aged 65 plus the poverty rate was 4.6 per cent, with a poverty gap of 16 per cent. The overall poverty gap in 2018 was 37 per cent.

These revised data do not include information for the 50 thousand plus persons living on reserves in Saskatchewan. Among the Indigenous population, incomes are especially low. From the 2016 Census of Canada, the poverty rate for First Nations persons living in Saskatchewan was 46 per cent and for those reporting Métis identity it was 17 per cent.

Relative low income or LIM. The relative low-income rate is more inclusive of people in Saskatchewan in that it includes information from all income tax filers in the province. Statistics Canada defines this as the percentage of persons having incomes less than one-half of median after-tax income – the rate is also referred to as the Low Income Measure or LIM. In 2018, the LIM threshold for a household of four persons was \$48,366 and for a household of one person was \$24,183. For Saskatchewan, the relative low-income rate was 19 per cent, meaning 214 thousand persons had incomes less than the LIM. And 26 per cent of children aged less than 18 years, or 73 thousand, lived in households with relative low income. 42 thousand adults aged 18-64 and not living in families, or 36 per cent, had relative low incomes.

Income inequality. In Saskatchewan in 2018, the forty per cent of persons with the lowest incomes received only 20.8 per cent of total after-tax income. In contrast the ten per cent with the greatest after-tax income received 21.4 per cent of total income.

Conclusion. It is unacceptable for a rich province like Saskatchewan to have over 100,000 persons in poverty and another 100 thousand with relative low incomes. Improved social assistance benefits, universal child care, adequate housing, a Living Wage, and a universal basic income could ensure that no child or adult lives in poverty.

Note. Summary tables and diagrams that include some of the above statistics are available on page 2. Technical notes and details concerning sources are on page 3.

**Table 1. Persons in poor households and poverty gap, Saskatchewan, 2018
(using the 2018 base MBM)**

Characteristic	Persons in poverty		
	# in '000s	Rate (%)	% gap
Children under age 18	28	11.6	30
In couple families	16	8.0	34
In female lone-parent families	10	48.4	26
Persons aged 18-64	87	12.7	40
In families	42	7.6	36
Not in families	44	35.5	45
Seniors aged 65 plus	8	4.6	16
Males – all ages	60	11.0	38
Females – all ages	62	11.5	36
Total – all ages	122	11.2	37

Figure 1. Saskatchewan poverty rates in 2018 by characteristic

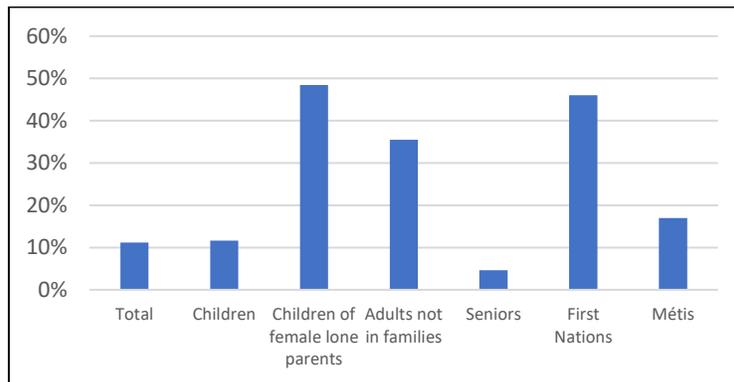
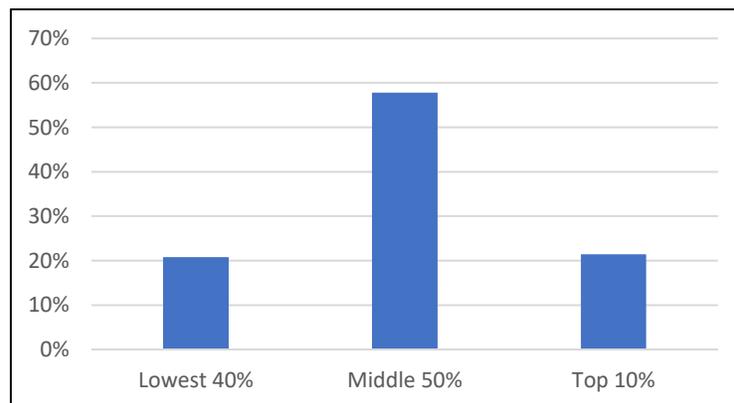


Figure 2. Percentage of total income for those at different after-tax income levels, Saskatchewan, 2018



Notes and sources. The Official Poverty Line (OPL) for Canada was established in 2018 by the federal government and is the Market Basket Measure (MBM), a basket of goods and services a household requires to meet basic needs. Households with disposable income below the cost of this basket are considered in poverty. The original basket was based on 2008 spending patterns and costs but in September 2020 the cost of the basket was updated to reflect spending patterns and costs in 2018 as the new base year. See <https://www150.statcan.gc.ca/n1/pub/75f0002m/75f0002m2020002-eng.htm> for a fuller description. Further information about poverty in Saskatchewan is available in the report *Poverty in Saskatchewan – 2018* at <http://uregina.ca/~gingrich/skp2018.pdf> but note that data in this report have not been updated to the 2018 base year.

Income data in the first two paragraphs on page 1 and in Table 1 and the diagrams on page 2 are from Statistics Canada, Table 11-10-0135-01 at <https://doi.org/10.25318/1110013501-eng>. These data come from the Canadian Income Survey, which does not include residents of reserves. The % gap, or the poverty gap, represent the average percentage that incomes of persons in poverty fell below the Official Poverty Line. For example, the 2018 Saskatchewan poverty gap of 37 per cent means that the average income of persons in poverty was 37 per cent below the OPL.

Poverty rates for indigenous persons come from Statistics Canada's Public Use Microdata File of the 2016 Census of Canada. These Census data refer to incomes in 2015 and poverty levels refer to those with incomes below the OPL using the 2008 base MBM.

Relative low income rates come from Statistics Canada's T1ff Table 11-10-0018-01 at <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110001801>. These refer to the after-tax low income status of tax filers and dependants. The Low Income Measure thresholds are available in Table 11-10-0232-01 at <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110023201>.

Income inequality data are from Statistics Canada Table 11-10-0193-01 available at <https://doi.org/10.25318/1110019301-eng>.

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