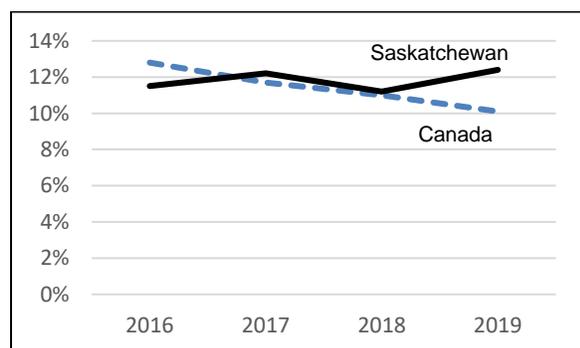


Poverty in Saskatchewan – 2019

Provincial poverty levels have changed little since 2016. New Statistics Canada data show that 136 thousand of the 1.1 million people living in Saskatchewan in 2019 were poor, up from 123 thousand poor in 2016. After yearly ups and downs, the poverty rate rose from 11.2 per cent in 2018 to 12.4 per cent in 2019 (Figure 1).

This report summarizes 2016 to 2019 Saskatchewan poverty trends and patterns using the Official Poverty Line (OPL). See page 3 for poverty thresholds and how the OPL is constructed. These data were released by Statistics Canada in March 2021 and refer to the period before the COVID-19 crisis – developments in 2020 are not reflected here.

Figure 1. Poverty rates, Saskatchewan and Canada, 2016-2019



In the early 2000s, 15 per cent or more of Saskatchewan's population lived in poverty. Provincial economic expansion from 2000 to 2014 raised incomes for low- and middle-income individuals and families; by 2008 the province's poverty rate fell below that for Canada as a whole. But from 2014, unemployment increased and incomes in the province stagnated or fell. Between 2016 and 2019 the Canadian poverty rate declined by 2.7 percentage points; it has been below the Saskatchewan rate since 2017.

These data exclude people living on reserves, where Statistics Canada did not measure poverty levels. Since other data show low average incomes on reserves, including persons living on reserves would boost the province's reported poverty rate. See box on page 3 for an estimate of poverty that includes reserves.

Who are the poor? As shown in Table 1, poverty differs by circumstance.

Table 1. Persons in poor households and poverty gap, Saskatchewan, 2019

Characteristic	Persons in poverty		
	# in '000s	Rate (%)	% gap
Children under age 18	31	12.6	31
In couple families	16	7.9	37
In female lone-parent families	NA	39.0	NA
Persons aged 18-64	95	14.0	43
In families	47	8.5	36
Not in families	50	38.2	51
Seniors aged 65 plus	10	5.9	16
Total – all ages	136	12.4	38
Males – all ages	72	13.0	38
Females – all ages	64	11.8	38

In 2019, 31 thousand children in Saskatchewan lived in poor households. The exact number of children in female lone-parent families with incomes below the poverty threshold is not available (NA) but was 10 thousand in 2018. Their poverty rate of 39 per cent remained high. For children or adults living in couple families, the poverty rate of approximately 8 per cent was below the provincial average. The rate for adults aged 18-64 not living in families was much greater (38 per cent). Six per cent of seniors had poverty level incomes. The male poverty rate was 1 percentage point above the female rate.

Poverty gap. % *gap* in the right column of Table 1 gives the average percentage that incomes of persons in poverty fell below the OPL. The 2019 Saskatchewan poverty gap of 38 per cent means that for persons in poverty, average income was 38 per cent below the OPL.

The 50 thousand poor adults aged 18 to 64 not living in families had a poverty gap of 51 per cent, meaning they had an average income of under one-half the OPL threshold. While the poverty rate was low for children in couple families (8 per cent), the poverty gap of 37 per cent means that the couple families with children and in poverty had extremely low incomes.

Poverty reduction in Saskatchewan lags behind other provinces.

Table 2 shows a Saskatchewan poverty rate of 12.4 per cent as the highest provincial rate in Canada in 2019. Among children aged 0 to 17 years, the poverty rate of 12.6 per cent in the province was also high, exceeded only by Manitoba, PEI, and Newfoundland and Labrador. In contrast, the Quebec child poverty rate of 6.2 per cent was one-half that for Saskatchewan.

Table 2. Total and child poverty rates, 2019 and change in poverty rates 2016-2019, Canada and provinces

Province	Poverty rate		Percentage change in poverty rate over 4 years
	Total	Children	
Canada	10.1	9.7	-21
NL	10.7	14.6	-14
PE	10.9	13.7	-8
NS	12.1	11.7	-25
NB	9.4	12.4	-31
QC	8.7	6.2	-20
ON	10.9	12.1	-20
MB	11.4	14.4	-7
SK	12.4	12.6	+8
AB	8.2	7.2	-24
BC	10.8	7.2	-29

Canadian poverty has declined over the last few years – in numbers of people there were 3.7 million poor in Canada in 2019, 0.8 million less than the 4.5 million poor in 2016. The right column of Table 2 shows a decline of one-fifth or more in the poverty rate for Canada and six provinces from 2016 to 2019. What is worrisome is that, over this time, the poverty rate for Saskatchewan has not declined and is up slightly from 2016. In terms of the number of poor people in the province, there has been little change. And the same is true for the number of poor children – approximately 30 thousand each year. Even more serious, the number of poor adults not living in families has increased by about 10 thousand, to 50 thousand persons in 2019.

High poverty rates among persons who were Indigenous, immigrant, visible minority, or with disabilities.

From *Poverty in Saskatchewan – 2018*, the 2015 poverty rate for First Nations persons was 46 per cent (53 thousand poor persons); for those of Métis identity, the rate was 17 per cent (10 thousand). For immigrants arriving from 2011 to 2016, the rate was 19 per cent (9 thousand). It was 18 per cent (21 thousand) for visible minority persons. Among persons with disabilities across Canada in 2019, 13.5 per cent had incomes below the poverty line; this could mean 26 thousand in Saskatchewan.

Conclusion. Economic expansion raised provincial incomes dramatically through 2014 but since then incomes have fallen and the poverty rate has changed little. Including an estimate of poverty on reserves (lower box on page 3), 162 thousand persons in Saskatchewan were poor in 2019 – unacceptable for a rich province.

Since the 1970s, Canadian social programs such as the CPP, OAS, and GIS have helped reduce senior poverty. More recently, an improved Canada Child Benefit has led to reduced child poverty. These and other income security programs have been insufficient to cut poverty in the province in recent years, especially for adults not living in families. Improved social assistance benefits, universal child care, adequate housing and a Living Wage for all, plus a universal basic income could eliminate poverty.

One of the lessons from the past year is that well designed income support programs can be funded and delivered in short order. Quick changes to wage supplement programs can create greater access and fairness. Canadians have supported measures to maintain incomes of workers with lost or reduced employment. And there is support for improved sick leave and other benefits. This suggests opportunities and willingness to address poverty.

Emerging out of the difficult times of the current COVID-19 crisis, hopefully Canada and Saskatchewan will find a way to ensure that no child or adult lives in poverty.

Measuring poverty. The federal government revised Official Poverty Line (OPL) thresholds in October 2020. The OPL is the Market Basket Measure (MBM), now with a 2018 base. Using 2018 prices and household spending patterns, the threshold is 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.

For 2019, households with two children and two adults having a disposable income below the following annual incomes were in poverty.

Saskatchewan, rural	\$ 41,150
Saskatchewan, under 30,000	\$ 42,902
Saskatchewan, 30,000-90,000	\$ 43,140
Saskatoon	\$ 46,654
Regina	\$ 45,825

The OPL adjusts for households of different size and composition. For persons living alone, the OPL is one-half of the above – across the province the average was \$ 21,967. The measure of income is disposable income, that is, after-tax income minus non-discretionary expenses such as insurance, child-care, and medical expenses, plus a shelter cost adjustment.

Estimates of poverty using the OPL differ from those using LIM or LICO. More information on the OPL is available in the document *Canadian Poverty Reduction Strategy* (<https://www.canada.ca/en/employment-social-development/programs/poverty-reduction.html>)

Data sources. Data are from Statistics Canada, Tables 11-10-0066-01, 11-10-0135-01, and 11-10-0193-01. Released in March 2021, these data come from the Canadian Income Survey, 2019 (CIS). The CIS does not provide estimates of poverty for persons living on reserves.

Given the revision in the OPL, data in this report are not directly comparable with those in last year's report *Poverty in Saskatchewan -- 2018* (uregina.ca/~gingrich/skp2018.pdf). Comparable with this report are data in *Poverty in Saskatchewan – October 2020 update* (uregina.ca/~gingrich/skp2018r.pdf).

Reference to this report

Paul Gingrich. 2021. *Poverty in Saskatchewan – 2019*. uregina.ca/~gingrich/skp2019.pdf

Send an email to paul.gingrich@uregina.ca if you have any questions and I will attempt to respond. Reports of earlier years are available at uregina.ca/~gingrich.

Last edited April 4, 2021.

Thanks to Brian Banks, Peter Gilmer, Joanne Havelock, Alison Hayford, and David Rosenbluth for suggestions on earlier drafts of this report.

2019 provincial official poverty data for persons who are Indigenous, immigrant, visible minority, or with disabilities are not currently available from published Statistics Canada sources and updated data may not be available until 2021 Census results are reported. On page 2, the rates for these Saskatchewan persons refer to the year 2015 and come from the 2016 Census of Population. Estimates of 2019 Canadian poverty rates for these persons are available in Table 4 of *Canadian Income Survey 2019*, available in the March 23, 2021 issue of *The Daily* – <https://www150.statcan.gc.ca/n1/daily-quotidien/210323/dq210323a-eng.htm>.

Estimate of Saskatchewan poverty including persons living on reserves.

Approximately 56 thousand people lived on reserves in Saskatchewan in 2016 – all but about 2 thousand of these were First Nations persons. If the 2015 provincial poverty rate of 46 per cent for First Nations persons is applied to those living on reserves, this would produce another 26 thousand persons in poverty who are not included in Canadian Income Survey figures. Adding these to the 2019 CIS poverty total of 136 thousand would mean 162 thousand persons in poverty out of a total of 1.156 million persons in the province, for a poverty rate of 14.0 per cent.