



GRANDE PRAIRIE POVERTY PROFILE

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COMMUNITY ACTION TO END POVERTY

NOVEMBER 2016

Building awareness of poverty within our
community



Community Action to End Poverty would like to acknowledge and express appreciation to the organizations which contributed to this project:



St. Paul's
United Church



Society for
Pregnant and
Parenting Teens

Grande Prairie Public
School District

NATIVE COUNSELLING SERVICE OF ALBERTA



United Way
Alberta Northwest



As well as the following local Government of Alberta offices:

Alberta Works, Human Services
Community Addictions Services, Alberta Health Services

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INTRODUCTION

Grande Prairie is not unique from other communities in that poverty and its effects can pose a challenging obstacle in the journey towards sustainability. In recognition of the need to address poverty within the community, Grande Prairie's Community Action to End Poverty (CAEP) Committee was established in 2012.

Through CAEP, the foundation for action has been initiated. A vision and mission have been developed; community partnerships have been formed and collaborative discussion fostered; specific research has also been conducted.

CAEP wants to build upon this foundation by strengthening understanding and awareness of poverty and its impacts within Grande Prairie and generating support for actions that will lead to real change within the community.

Guided by recent poverty publications, this report responds to the following general questions:

What is poverty?

How is poverty measured?

And for Grande Prairie specifically;

What is the poverty rate?

Who is poor?

What is the impact of living costs?

What does poverty cost our community?

How is poverty affecting our citizens and community agencies?

CAEP's Vision:

Strong and healthy families thriving in an empowering community

CAEP's Mission:

End poverty through facilitating community partnership and action

BACKGROUND

What is poverty?

For some people, poverty is synonymous with homelessness. Although the inability to secure affordable housing can be part of an individual's experience of living in poverty, the incidence and impact of poverty reaches well beyond the homeless population. However, the question of what it means to be poor is difficult to answer given the range of human needs and experiences¹.

Not surprisingly, there is no universal definition of poverty or official description of what it means to be poor².

However, the lack of access to resources is often recognized as an important element of living in poverty. This concept is highlighted in the definitions put forward by poverty reduction organizations in other Alberta communities:

Poverty is a lack of resources and opportunities to achieve a standard of living that allows full participation in the economic, social, cultural, educational, and political spheres of society (Vibrant Communities Calgary, 2012).

Poverty occurs when people lack, or are denied, economic, social and cultural resources to have a quality of life that sustains and facilitates full and meaningful participation in the community (The End Poverty in Edmonton Task Force, 2014).

In 2012, CAEP established its own working definition of poverty (see sidebar). CAEP's definition reflects the concept of basic rights. The sentiment that poverty undermines basic human rights is supported by many organizations including the United Nations.³

CAEP's Definition of Poverty

The lack of secure and sustainable basic rights such as food, clothing, shelter, education, health and safety

¹ Alberta Human Services (2013). *An Analysis of Poverty in Alberta*.

² In this report, "poor" is used to describe individuals and families living in poverty.

³ See for example, the United Nations Educational, Scientific and Cultural Organization (UNESCO) description of poverty at <http://www.unesco.org/new/en/social-and-human-sciences/themes/international-migration/glossary/poverty/>

The concept of deprivation or the “the lack of socially perceived necessities” has also been used to describe what it means to be poor. In *Poverty Costs 2.5*, deprivation is described as a living situation characterized by social isolation, inability to exercise control over one’s life, and extreme difficulty in making choices. These factors are further related to the day-to-day experience of living in poverty (p. 28):

Social isolation is intensified for poor people when they cannot contribute to or participate in family and community celebrations, leisure activities or pursue hobbies and special interests. The lack of affordable and safe housing, appropriate clothing, transportation and dental care limits the ability to exercise control over one’s life and to secure a good job. Financial insecurity means having to make difficult choices between nutritious and regular meals, keeping warm and paying the rent.

*Financial insecurity means
having to make difficult
choices between nutritious
and regular meals, keeping
warm and paying the rent.*

**An Analysis of Poverty in Alberta,
page 28**

How is Poverty measured?

There is no official poverty measure in Canada; however, the Statistics Canada publishes “statistics on Canadians with low-incomes, which is a key dimension of poverty” (Statistics Canada, 2012)⁴. These low income thresholds are often referenced in poverty literature: Low Income Measure; Low Income Cut-off; and Market Basket Measure. Appendix A compares Statistic Canada’s description of each of these measures. The share of population whose income falls below one of these threshold are often used as an indicator of the prevalence of poverty.

The *Poverty Costs* report concludes that of the Low Income Measure After-Tax (LIM-AT) is the best choice amongst low income thresholds. According to the report:

Though the Low Income Cut-Off has been popular to date as a low-income measure, it has not been updated in a meaningful way since 1992, except to account for inflation. LIM-AT is an easily understood measure that does not change by a region’s population (unlike LICO) and it is updated annually by Statistics Canada⁵.

To fall in line with emerging convention, this report uses LIM-AT.

There are recognized limitations associated with relying on low-income measures as indicators of poverty. In response, some jurisdictions have established of deprivation indicators based on a set of living conditions typically associated with living in poverty. According to the *Poverty Costs 2.5* report, deprivation indices are the new standard in measuring poverty and recommends that the Government of Alberta develop a general deprivation index⁶.

Other measures used of indicators of poverty within a specific community often convey information about the use of various services typically accessed by low income individuals, such as food banks and social and income assistance programs.

...LIM-AT is a more accurate poverty line measure, going forward... It is increasingly being used as the de-facto poverty line in Canada.

Poverty Costs 2.5, page 4

A Deprivation Index is the new standard in measuring poverty.

Poverty Costs 2.5, p. 28

⁴ Statistics Canada further states that it “does not define ‘poor’ nor does it estimate the number of poor families and individuals in Canada”.

⁵ Hudson, C.A. (2014). *Poverty Costs 2.5: Investing in Albertans*. Calgary: Vibrant Communities Calgary and Action to End Poverty in Alberta, p. 8.

⁶ For more information, see the methodological available from Alberta Health at: http://www.ahw.gov.ab.ca/IHDA_Retrieval/ShowMetaDataNotesServlet?1379

GRANDE PRAIRIE CONTEXT

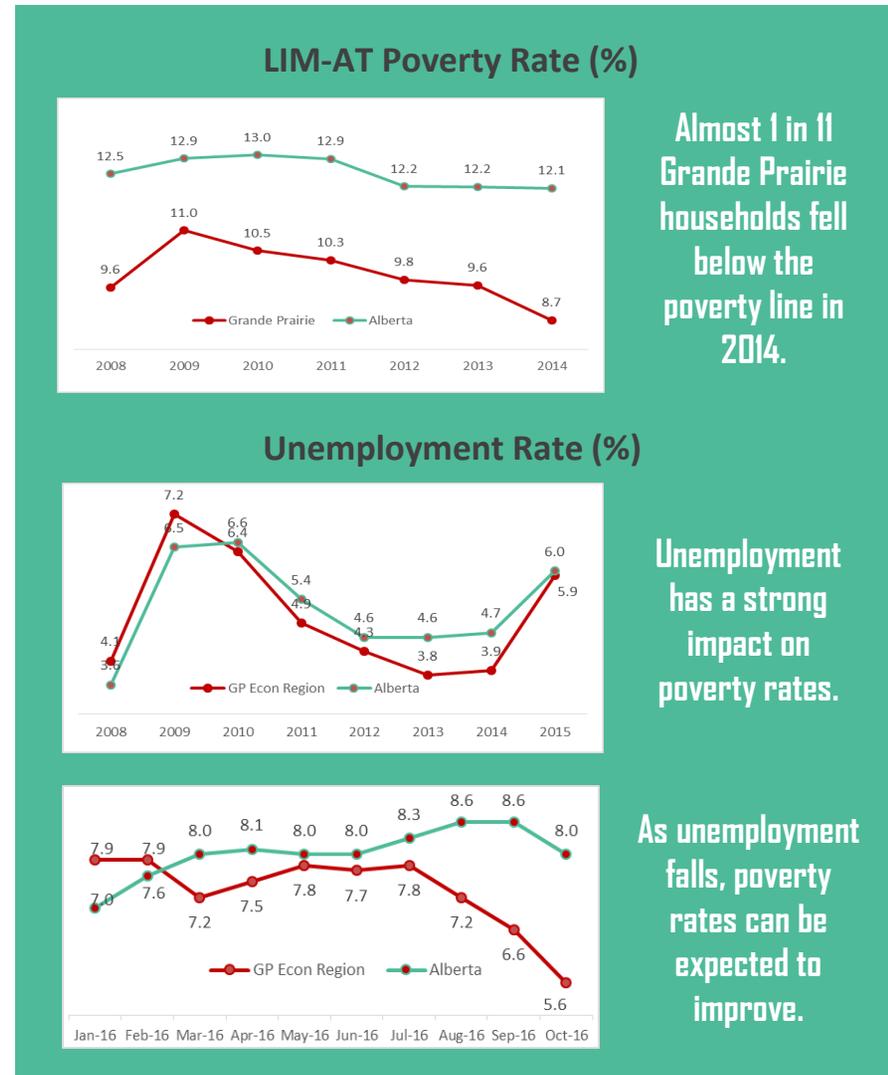
What is the poverty rate?

As noted in a previous section, low income thresholds are often used to infer the poverty rate that applies to a specific population. This report uses LIM-AT which is emerging as the standard amongst published low income thresholds.

In 2014, 8.7% of households (census families and persons not in census families) in Grande Prairie had incomes below the LIM-AT⁷. This compares to 12.1% for Alberta overall.

Although many factors influence the proportion of households that fall below the LIM-AT threshold each year, unemployment plays a strong role. The chart in the sidebar shows that the inferred poverty rate has been correlated with changes in unemployment levels⁸. In 2008 when the economy faltered, unemployment rose as did poverty rates. The climb was steeper in Grande Prairie’s Economic Region than Alberta overall but the recovery was as fast as well. This reflects the heightened susceptibility of the region “boom-bust” cycles.

More recent data shows that after climbing in 2015, the unemployment rate has steadily fallen in 2016. Given the historical correlation, this also suggests that the proportion of the population living in low income has also decreased.



⁷ Households is used to refer to the aggregate of census families and persons not in census families which are defined in Appendix B.

⁸ Comparable time series data for City of Grande Prairie not available; therefore, the Economic Region of Banff-Jasper-Rocky Mountain House and Athabasca-Grande Prairie-Peace River is used. Data source is CANSIM table 282-0121 which is derived from Statistic Canada’s Labour Force Survey.

Who is poor in Grande Prairie?

In 2013, Alberta Human Services released *An Analysis of Poverty in Alberta*⁹. The overall findings of the Alberta Human Services report indicate that certain sub-populations within the province are at greater risk of poverty (see sidebar). This statement is also true for Grande Prairie.

The Alberta Human Services report used a tool called the Poverty Matrix to guide its analysis of prevalence of poverty differs across demographic groups. Vibrant Communities Canada sponsored the development of the Poverty Matrix in order to support communities engaged in its *Cities Reducing Poverty* initiative¹⁰. For this report, the Poverty Matrix approach is also used to outline how the prevalence of poverty, measured using LIM-AT, varies for different demographic groups within Grande Prairie.

Statistics Canada indicates that it is valid to compare low-income data for different sub-populations (i.e., for different geographic areas or demographic groups) within a survey product like the National Household Survey. However, it may not be appropriate to compare data derived from different survey products due to variation in survey methodologies¹¹. When interpreting low income data, it is also important to keep in mind the possibility of underreporting bias. As stated, in the Alberta Human Services report (p. 3):

...estimates of poverty for at-risk groups, particularly when those estimates are based on survey data, are subject to potential bias as a result of underreporting. As a result, in some instances, the estimates of the incidence of poverty are likely to be under estimated.

Despite an overall reduction in poverty rates observed historically, certain sub-populations are still much more likely to be poor than the general population. Falling into one of these groups substantially increases the likelihood that one lives in poverty, generally due to a lack of access to full-time, well-paid and secure employment, an inability to work, or has insufficient skills.

An Analysis of Poverty in Alberta, page 3

Poverty Prevalence in 2014

⁹ Prepared by Applications Management Consulting Ltd., Edmonton, Alberta.

¹⁰ Tamarack- An Institute for Community Engagement. (2004). *The Poverty Matrix: Understanding Poverty in Your Community*. Available at: www.vibrantcommunities.ca

¹¹ Statistics Canada, 2011 National Household Survey, Statistics Canada Catalogue no. 99-014-X2011043.

Family Type and Composition

The *Analysis of Poverty in Alberta* report finds that in 2006 the most powerful predictor of low-income status was family type. Based on 2013 LIM-AT data, this continues to hold true and also applies to Grande Prairie.

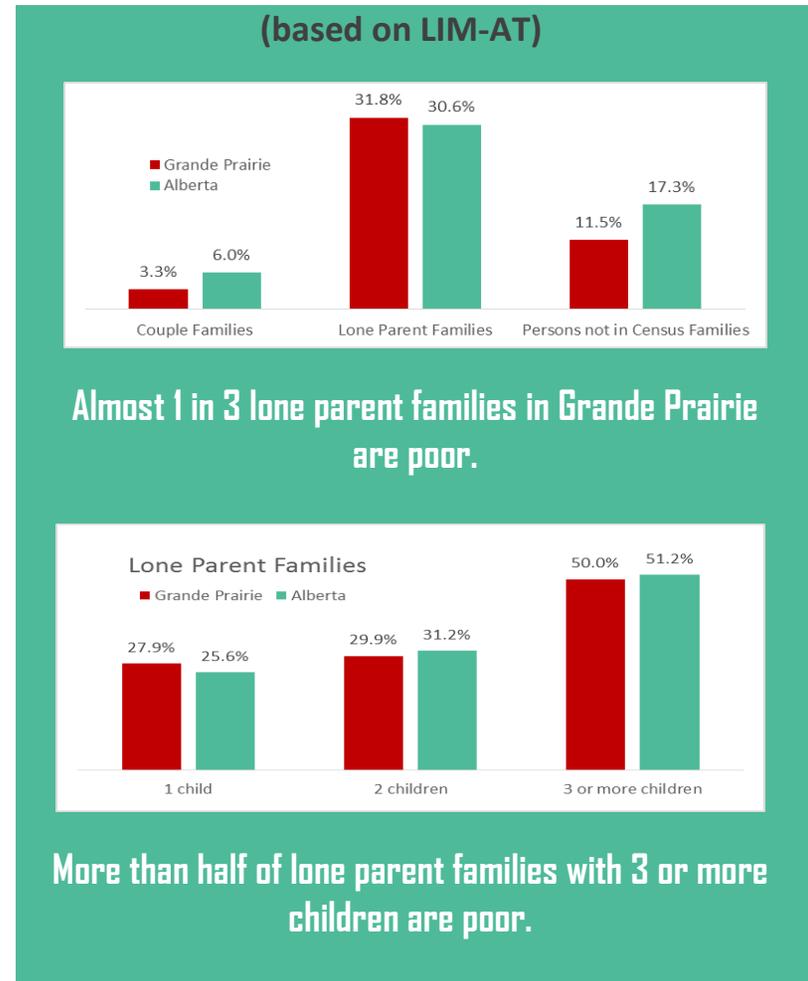
The prevalence of poverty is lowest for couple families and significantly lower in Grande Prairie (3.3%) than in Alberta overall (6.0%). The risk of poverty is elevated for persons not living in census families; however, again, less so in Grande Prairie compared to the province overall.

It is a different scenario for lone parent families; they are much more likely to fall below the LIM-AT threshold with the prevalence slightly greater in Grande Prairie (31.8%) than provincially (30.6%). Examining lone parent families by number of children shows that half of all lone parent families with 3 or more children are poor¹².

Clearly, the challenges faced by lone parent families place them at very high risk of poverty and its myriad of impacts.

The above discussion indicates that children living with a lone parent family are at much greater risk of poverty. This is confirmed when examining data specific to children (persons aged 0-17) by family type; prevalence of poverty for children in lone parent families is 45.7% and 4.8% for those in couple families.

The overall child poverty rate in Grande Prairie was 12.9% in 2013 based on LIM-AT.



¹² Additional data related to LIM-AT by family type and composition is provided in Appendix D. Data source is CANSIM table 111-0015 which is derived from taxfiler data.

Age

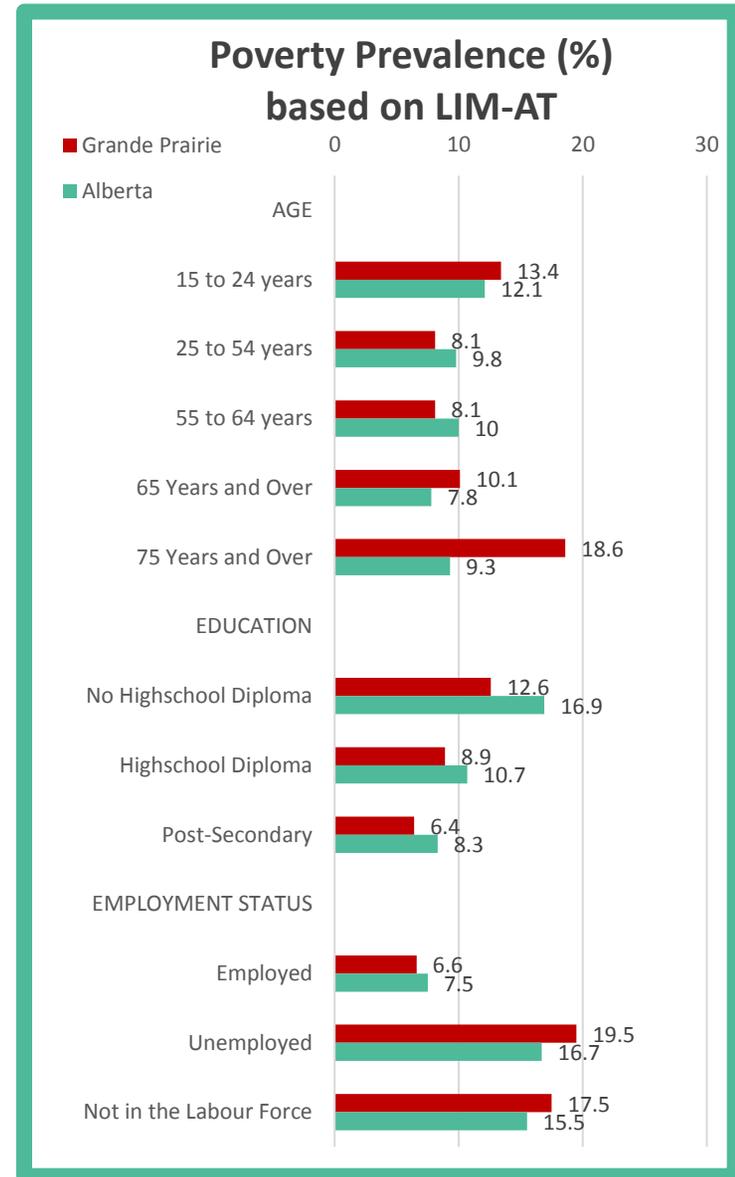
To compare sub-populations by demographic characteristics, the latest National Household Survey (NHS) data is used¹³. This data shows that poverty risk is highest for the youngest (under 15 and age 15 to 24) and oldest (over age 75) age groupings within the population. It is interesting to note that for adults age 25 to 64 years, the poverty prevalence in Grande Prairie is lower than the provincial rate but climbs above the provincial rate at age 65.

Education

Both provincially and in Grande Prairie lower levels of education are associated with higher rates of poverty but the impact is less significant in Grande Prairie. However, it should be kept in mind that education levels in Grande Prairie are lower than provincial levels; about 16% of Grande Prairians between age 25 and 64 do not have a high school diploma compared to about 12% of Albertans. This is an important factor in understanding poverty risk given that research demonstrates that individuals with lower education levels experience less stable employment levels particularly in times of economic downturn¹⁴.

Employment Status

Time series data presented above shows that the overall prevalence of poverty is correlated with the prevailing unemployment rate. Cross sectional NHS data also shows that employment status had a significant impact on poverty risk. As expected, unemployed individuals experience much higher rates of poverty than those that are employed.



¹³ Source: Statistics Canada, 2011 National Household Survey, Statistics Canada Catalogue no. 99-014-X2011043.

¹⁴ Source: Statistics Canada, 2012. Education Indicators in Canada: Economic Downturn and Education Attainment. Catalogue no. 81-599-X – Issue no. 009.

Employment Sector

As noted in the previous section, even those that are employed experience poverty. Some jobs provide insufficient income to cover household expenses putting workers at risk of poverty. Statistics Canada data shows that wage levels in Alberta vary considerably by occupation (see Appendix E); therefore it is not surprising that poverty risk is higher for certain occupations. Individuals employed in retail trade, arts, entertainment and recreation; and accommodation and food service are at highest risk of being poor.

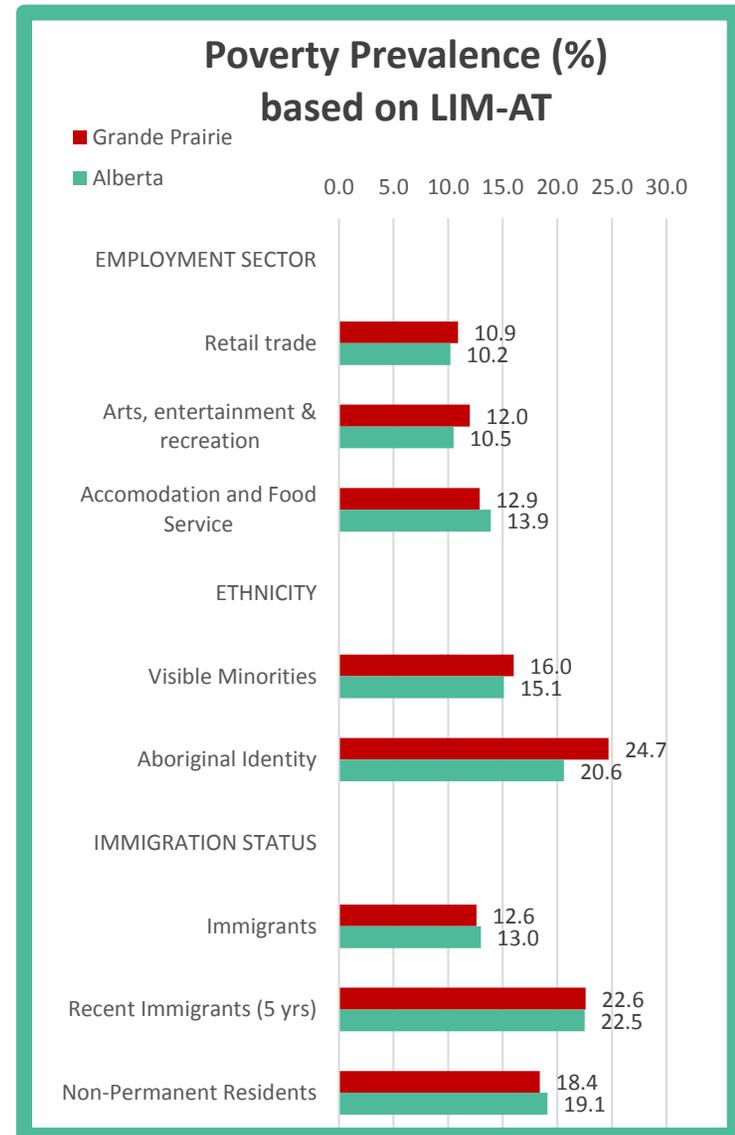
Later in this report, information is provided on living costs in Grande Prairie and the local Living Wage rate which provides further insight into the challenges faced by low wage workers.

Ethnicity

Discrimination is known to create systemic barriers and influence social outcomes for certain groups. Not surprisingly, individuals that identify as a visible minority or as Aboriginal are at higher risk of poverty¹⁵. In Grande Prairie, almost one quarter of individuals who identify as Aboriginal are classified as low income.

Immigration Status

Newcomers to Canada face many challenges including finding housing and employment, cultural adjustment, and learning to navigate everyday life in a new community. Higher poverty rates for immigrants and non-permanent residents may be related to these challenges¹⁶.



¹⁵ Aboriginal identity is defined in Appendix C.

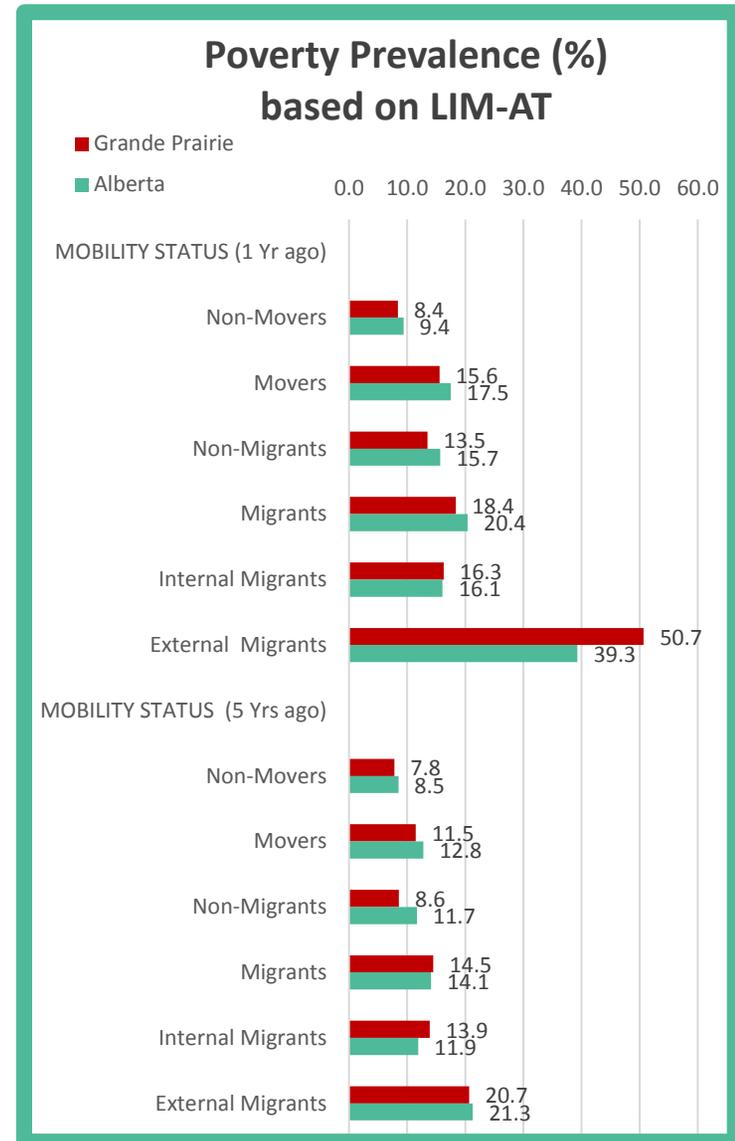
¹⁶ Immigrant and non-permanent resident are defined in Appendix C.

Mobility Status

Poverty prevalence is also related to mobility status¹⁷. Individuals who change their residence, or movers, are more likely to have low income levels. The greater the move, the higher the risk.

For those that moved from outside Canada (external migrants) in the previous year, the rate of low income is almost 40% across Canada and even higher in Grande Prairie at just over 50%.

However, the correlation between mobility status and low income prevalence fades over time. Five years after moving, poverty risk for all movers and, external migrants in particular, drops considerably. In Grande Prairie, poverty risk for external migrants falls by more than half down to just over 20%.



¹⁷ Definitions related to mobility status are provided in Appendix C.

What is the impact of living costs?

For the last several years, the Canadian Living Wage Framework developed by Vibrant Communities Canada has been used to guide Living Wage calculations for Grande Prairie¹⁸. The estimation of household expenses under conservative spending assumptions is a key component of the Living Wage calculation.

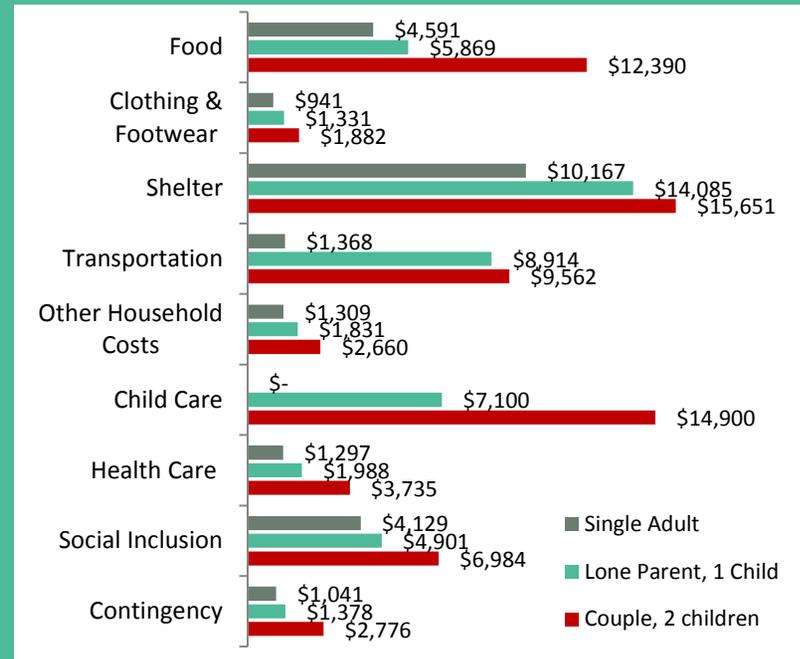
The 2015 estimate of household expenses shows that shelter, child care, and food account for a large proportion of household budgets. Low income households are particularly vulnerable to increased costs in these budget areas.

Living Wage estimates tells us about:

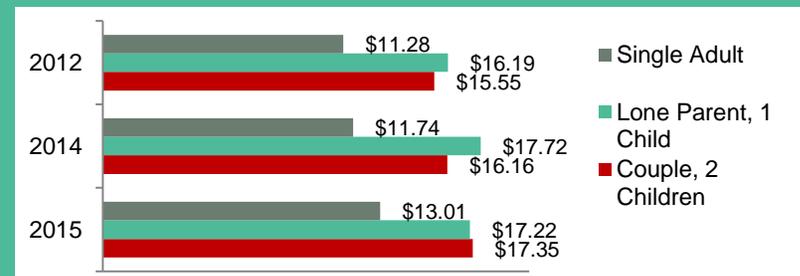
The amount of income an individual or family requires to meet their basic needs, to maintain a safe, decent standard of living in their communities and to save for future needs and goals (Vibrant Communities Calgary, 2012).

With Living Wage estimates consistently above the minimum wage, low wage earners in Grande Prairie are challenged to make ends meet despite accounting for government subsidies and credits. Further, with increases in the Living Wage occurring since 2012, the challenge has become increasing difficult. The exception was a slight decline in the 2015 Living Wage for a Lone Parent with one child which was, in part, due to changes to the City of Grande Prairie’s Low Income Access programs which had the greatest proportional impact on this household’s expenses.

2015 Annual Household Expenses



Grande Prairie’s Living Wage



¹⁸ More information related to Grande Prairie’s Living Wage is available at <http://www.cityofgp.com/index.aspx?page=2294>

What does poverty cost our community?

Although the negative impacts of poverty on individuals, families, and communities are often discussed qualitatively, quantifying the costs is a difficult task. However, communicating the economic costs of poverty can be a powerful tool in building community awareness and engagement.

In 2012, *Poverty Costs: An Economic Case for a Preventative Poverty Reduction Strategy in Alberta* estimated the health care, crime, intergenerational and opportunity costs associated with poverty¹⁹. In 2013, Alberta Human Services' *An Analysis of Poverty in Alberta* report used methodology similar to that used in *Poverty Costs* to estimate these same costs for Alberta using 2006 Census data.

Both reports look at the cost savings associated with raising the income levels of the low-income sub-population as a proxy for the cost of perpetuating poverty²⁰.

In this report, LIM-AT has been used as a poverty indicator and therefore, it is also used to identify the subpopulation for purposes of estimating the costs of poverty within Grande Prairie.

[Poverty] wears away at the vibrancy of our communities, it reduces the size, resiliency and diversity of our economies, and it burdens our health, justice and social assistance programs.

Poverty is linked causally to an increased likelihood of chronic health concerns and of educational and skill-based deficits.

Growing up in poverty increases the likelihood of living in poverty as an adult and experiencing those health and educational deficits. As a result, our economies suffer a substantial loss in productivity and tax revenue....

Poverty Costs, page 4

¹⁹ Briggs, A. & Lee, C.R. (2012). *Poverty Costs: An Economic Case for a Preventative Poverty Reduction Strategy in Alberta*. Calgary: Vibrant Communities Calgary and Action to End Poverty in Alberta.

²⁰ The Poverty Costs report uses the poorest 20% of Alberta's population to represent the low-income subpopulation. However, the Alberta Human Services report uses the population categorized as low-income using LIM-BT which is a more conservative approach.

Health Care

Both the *Poverty Costs* and *An Analysis of Poverty in Alberta* reports use family practitioner consultation and hospital usage data of the population classified as living in poverty relative to that of higher income earners to estimate costs. The analysis relies on the assumption that increasing incomes of the lower income earners will eliminate the difference in health service use²¹.

For this analysis, the difference in health care utilization is applied to the population identified as low income using LIM-AT. The resulting total cost estimate is about \$17 million.

	Change	Estimated Cost ²²
Family Practitioner consultations	0.5 per resident at \$37/visit ²³	\$0.110 million
Hospital Days	176 per 1000 residents at \$1,161 ²⁴	\$1,215 million
Acute Hospital Costs	\$1,136 per non-elderly family	\$3.351 million
Public Health Care Costs	\$4,166 per non-elderly family	\$12.290 million
Total (2015 dollars)		\$16.966 million

\$17 million
 is the annual
 estimate of
 additional health
 care costs in
 Grande Prairie that
 result from poverty

²¹ Note that it appears that a methodological error occurred in both studies in that per resident changes were applied to numbers of families as opposed to the total number of individuals.

²² Using 5,950 persons or 2,950 families as appropriate.

²³ Based on current schedule of benefits and fee code 303A. See www.health.alberta.ca/professionals/SOMB.html

²⁴ Based on current per diem rate available from <http://www.health.alberta.ca/documents/Hospital-Reciprocal-Claims-Guide.pdf>

Crime Costs

The *Poverty Costs* report estimates that the cost of crime attributable to poverty in Alberta is 4% (\$560 million in 2009). This estimate can be used to infer a cost per person experiencing poverty (\$136.54 based on 410,150 low income persons using LIM AT) and then applied to the number of low-income persons in Grande Prairie. The resulting estimate is \$0.812 million in 2009 dollars and when adjusted for inflation, about \$0.9 million in 2015 dollars.

Intergenerational Costs

Intergenerational transfer of poverty occurs when children who grow up in poverty remain in poverty and are unable to escape it. Knowledge of intergenerational income mobility has been used to help quantify the cost of this impact of poverty. According to the *Poverty Costs* report, “Canadian studies estimate that the percentage of children who are likely to remain in poverty at 20 – 25% of those who grew up in poverty (p. 29). This suggests that of the 2,280 children identified as living in low income in Grande Prairie, 456-570 children can be expected to remain in poverty.

Following a similar methodology as that used in *An Analysis of Poverty in Alberta* report, lost income is inferred to be the amount of income needed to raise the incomes of 20% or 456 individuals from the median income level of low income persons to the median income level of all persons. Lost tax revenue is the difference between the expected tax revenue that would have been paid if individuals remained in low income compared to the tax that would be paid at the overall median income level.

\$0.9 million
is the annual estimate of
poverty-related crime
costs in Grande Prairie

\$15 million
is the annual estimate of
intergenerational costs of
poverty in Grande Prairie

The lost income and tax revenue calculations are shown below.

	Before Tax	After Tax	Inferred Tax
Median Income of all Persons not in Census Families (2013)	\$44,990	\$39,180	\$5,810
Median Income of Persons not in Census Families in Low Income (2013)	\$13,320	\$10,700	\$2,620
Difference per Person		\$28,480	\$3,190
Total (millions, 2013 dollars)		\$12.987	\$1.455
Total (millions, 2015 dollars)		\$13.470	\$1.509

The resulting lost income and tax revenue is about \$13.5 million and \$1.5, respectively, for a total of \$15.0 million in intergenerational costs per year.

Opportunity Costs

The *Poverty Costs* report (p. 31) defines the opportunity costs of poverty as:

the costs associated with the lost private revenue when individuals are un- or under-employed, as well as the lost tax revenue from those who are un- or under-employed.

By assuming that those living in poverty are able to work more or earn more, and that they are likely to do so if they are able, an approach similar to that used in the *Poverty Costs* report is used to calculate intergenerational costs of poverty in Grande Prairie²⁵.

²⁵ In its *An Analysis of Poverty in Alberta* report Alberta Human Services uses a much more complex approach to estimate opportunity costs that uses several data sources not available for this analysis.

\$51.5 million
 is the annual
 estimate of the
 opportunity costs of
 poverty in Grande
 Prairie in terms of
 lost income and tax
 revenue

Lost income is inferred using the difference between the median income level of all low income earners and the poverty threshold. Lost tax revenue is the difference between the tax revenue expected to be paid by low income earners and the tax revenue that would be expected if income levels were above the poverty threshold. As shown below, the total resulting cost impact is about \$51.5 million.

	Before Tax	After Tax	Inferred Tax
LIM-AT (2013, 2 persons)	\$33,855	\$29,604	\$4,251
Median Income of All Low Income Families/Persons ²⁶ (2013)	\$14,840	\$12,660	\$2,180
Difference per Family/Person		\$16,944	\$2,070
Total (millions, 2013 dollars)		\$43.554	\$6.109
Total (millions, 2015 dollars)		\$45.174	\$6.336

Total External Cost

The total estimate of the external costs of poverty in Grande Prairie in 2015 dollars is \$84.4 million.

Health Care Costs	\$17.0 million
Crime Costs	\$0.9 million
Intergenerational Costs	\$15.0 million
Opportunity Costs	\$51.5 million
Total (2015 dollars)	\$84.4 million

²⁶ Includes persons not in census families (i.e. single persons without dependents).

\$84 million
 is the estimated
 total external
 cost of poverty
 to Grande
 Prairie each
 year

How is poverty affecting our citizens and community?

Local agencies that work directly with individuals and families experiencing poverty in Grande Prairie have valuable insight into the current reality for our City's poor. This is particularly true right now given that the City has recently gone through significant demographic and economic change that is not yet reflected in data related to low income and poverty.

CAEP asked local agencies to their perspectives on the impacts of poverty on individuals and families and the broader community. Feedback was submitted from fourteen different organizations. The remainder of this section highlights several themes from those submissions.

Financial Hardship and Crisis

Being poor results in ongoing financial hardship as well as a lack of financial resiliency. The risk of falling into crisis is high because of insufficient disposable income or savings to deal with unexpected events or emergencies and potential delays in receiving support.

Homelessness

As mentioned earlier in this report, although not synonymous, poverty and homelessness are interconnected.

The limited supply of affordable housing within Grande Prairie amplifies the risk of being both poor and homeless.

The girls that are a part of our program often struggle to be financially stable, because of circumstances such as lower levels of education, high childcare costs and inability to leave children under one year in day care, high rent costs...

Pregnant and Parenting Teens

We see seniors that are unable to pay their rent, purchase prescriptions, or travel to take medical trips etc., because they are waiting for their applications for benefits to be processed.... in the meantime the seniors are put into a financial hardship situation.

Seniors Outreach

...seeing more and more applicants who are applying for EI... That is 2 months of zero money coming in. No money for rent, food or utilities... More evictions, more people getting behind on their utilities.

Grande Spirit Foundation

...they are unable to pay their rent/mortgages. As a result they are coming to Alberta Works and looking for assistance to stave off eviction...

Alberta Works

Child Development

Statistics presented earlier in this report indicate that the risk of poverty in Grande Prairie is elevated for children.

There are everyday tangible impacts of poverty on children like lack of appropriate nutrition and clothing as well as less visible impacts like stress and decreased home support.

The longer term cumulative impact of child poverty within our community is lost human capital.

Education

Lower levels of education are associated with higher risk of poverty.

Living in poverty presents unique educational challenges for children and young adults higher level of education, poverty can present barriers that are difficult to overcome for those impacted.

Poverty is creating stressful situations... especially our children.

Native Counselling Services of Alberta

The impacts we see the most have to do with HIGH nutrition needs, basic necessities (ex. winter clothes), student readiness for school, and the ability to support what happens at school at home in the evening.

For single parent families, we also observe child care issues, as older siblings, in some cases young themselves, are frequently kept home to care for their younger siblings.

Grande Prairie Public School District

Of those struggling financially and looking for help, many experience food security issues; of those almost half are children.

Community Social Development, City of Grande Prairie

...families may not be able to provide their children with nutritional food, expose them to community events that cost money, purchase needed medication, clothing etc. This increases the risk for children not being able to develop to their full potential, which inevitably leads to loss of human capital for the community.

Family Education Society

Girls sometimes are at a loss when they want to finish school but also need to provide for their children, making it cyclical because they are not able to gain a GED or higher education which means they are stuck in lower paying jobs.

Pregnant and Parenting Teens

Health

Several agencies mentioned the detrimental impact of poverty on the physical and mental health of individuals and families.

The ongoing burden of trying to get by on a limited income can lead to chronic stress and impact mental health.

Individuals and families living in low income often have limited flexibility in their monthly budget. Unavoidable costs associated with disability and chronic health conditions may be impossible to accommodate. People may be forced to choose between medically necessary prescriptions and travel and basic necessities. In some case, they elect forgo purchasing prescriptions and traveling for necessary procedures and subsequently put their health further at risk.

...strong correlation in our referrals for finances and mental health... many of our clients in poverty are also experiencing concurrent mental health concerns.

Poverty also affects a person's ability to pay the fees associated with doctors' forms... When these costs are not covered by disability programs this leaves people in a difficult situation...

Grande Prairie Primary Care Network

We see seniors that are unable to... purchase prescriptions or travel to take medical trips.

Seniors Outreach

If individuals do not have their basic needs being met they would find it difficult to concentrate and attend counselling sessions to improve their mental health and/or address their addiction issues.

Alberta Health Services

Many people express the need to make excuses for needing a voucher, I can only guess what this does to their self-image.

St. Paul's United Church

...poverty in our community leads to lengthening issues with despair, family crisis and violence and increased drug use...

Oasis Group

Need for Resources and Supports

In light of the many impacts identified, it is not surprising that as the prevalence of poverty increases so does the demand for an array of resources and supports—not just financial supports.

Unfortunately, need does not always equate to access. Some local programs and services have waitlists and some walk-in supports have to turn clients away due to capacity constraints. Those programs that do have capacity can sometimes have wait times of several weeks before support is received.

For some individuals and families, learning about the programs and resources available, understanding eligibility criteria and completing necessary paperwork can be overwhelming. Transportation can also be a barrier for some individuals. Being able to afford the bus fare necessary to get to support program locations may be out of reach.

The resource dependent nature of Grande Prairie's economy can change the demand for supports and services, quickly and unexpectedly.

...there is a multitude of barriers impacting clients and services even with all the great improvements the city has taken to address this issue.

Native Counselling Services of Alberta

Clients who have a history of poverty often do not know how to navigate systems...

Spinal Cord Injury Alberta

They do not qualify for Income Support if they are under 18 years old...

Pregnant and Parenting Teens

[Clients need to] access the local foodbanks and other community supports to get by each month.

Family Education Society

...often individuals will leave their home communities to access jobs without exploring housing options first. This can create pressure on social serving agencies to react and assist families... before they receive their first pay cheque or have permanent housing options.

During times of economic downturn, often due to lack of resource based employment, the effects of poverty on GP residents can be complex. Individuals and families that are accustomed to higher earnings may be in situations of earning drastically less and falling below the poverty line for extended periods of time.

Community Social Development

APPENDIX A: COMPARISON OF LOW INCOME MEASURES

Measure	Description	Geographic Variation	Other Variation
Low Income Measure (LIM)	A fixed percentage (50%) of median adjusted household income, where “adjusted” indicates that household needs are taken into account. Adjustment for household sizes reflects the fact that a household’s needs increase as the number of members increases... The LIMs are calculated ... using the Survey of Labour and Income Dynamics (SLID). They do not require updating using an inflation index because they are calculated using an annual survey of household income (Statistics Canada, 2012).	For Canada only	Income Type: <ul style="list-style-type: none"> • Market Income • After Tax Income • Total Income Family size: 1 person; 2 persons ... 10 persons
Low Income Cut-off (LICO)	Income thresholds below which a family will likely devote a larger share of its income on the necessities of food, shelter and clothing than the average family. The approach is essentially to estimate an income threshold at which families are expected to spend 20 percentage points more than the average family on food, shelter and clothing (Statistics Canada, 2012).	For Canada by 5 community sizes: Rural areas outside CMA or CA; CAs < 30,000; CAs 30,000 – 99,999; CMAs 100,000 – 499,999; CMAs 500,000 or more	Income Type: <ul style="list-style-type: none"> • Before Tax • After Tax Family size: 1 person; 2 persons ... 7 or more persons
Market Basket Measure (MBM)	Based on the cost of a specific basket of goods and services representing a modest, basic standard of living. It includes the costs of food, clothing, footwear, transportation, shelter and other expenses for a reference family of two adults... and two children... These thresholds are compared to disposable income of families to determine low income status ²⁷ (Statistics Canada, 2012).	Provincially by community size and for some cities. For Alberta: Rural; < 30,000; 30,000 - 99,999; Edmonton; Calgary	Family size: 1 person; 2 persons ... 7 or more persons

CA – Census Agglomeration; CMA – Census Metropolitan Area

Market Income is income before taxes and transfers. **Total income** is income from all sources including government transfers and before deduction of federal and provincial income taxes. It may also be called income before tax (but after transfers). **After-tax income** is total income less income tax.

²⁷ Disposable income is defined as the sum remaining after deducting the following from total family income: total income taxes paid; the personal portion of payroll taxes; other mandatory payroll deductions such as contributions to employer-sponsored pension plans, supplementary health plans, and union dues; child support and alimony payments made to another family; out-of-pocket spending on child care; and non-insured but medically prescribed health-related expenses such as dental and vision care, prescription drugs, and aids for persons with disabilities.

APPENDIX B: LOW INCOME THRESHOLDS

LIM by Income Source and Household Size, 2013²⁸

	1 person	2 persons	3 persons	4 persons	5 persons	6 persons	7 persons	8 persons	9 persons	10 persons
Market Income	21,201	29,983	36,721	42,402	47,407	51,932	56,093	59,965	63,603	67,043
After-tax income	20,933	29,604	36,257	41,866	46,808	51,275	55,384	59,207	62,799	66,196
Total Income	23,939	33,855	41,464	47,878	53,529	58,638	63,337	67,710	71,817	75,702

Low Income Cut-offs by Household Size, After-Tax, 2013²⁹

	1 person	2 persons	3 persons	4 persons	5 persons	6 persons	7 persons or more
Rural areas outside CMA or CA	12,935	15,743	19,604	24,456	27,849	30,886	33,922
Less than 30,000 inhabitants	14,803	18,018	22,434	27,990	31,872	35,347	38,822
Between 30,000 and 99,999 inhabitants	16,514	20,100	25,028	31,225	35,556	39,433	43,309
Between 100,000 and 499,999 inhabitant	16,723	20,353	25,344	31,618	36,004	39,929	43,854
500,000 inhabitants or more	19,774	24,066	29,968	37,387	42,572	47,214	51,855

Market Basket Measure, Reference Family of 2 adults and 2 children, Alberta, 2013

Rural	Less than 30,000 persons	30,000 - 99,999 persons	Edmonton	Calgary
37,631	39,004	37,634	36,230	38,656

²⁸ Statistics Canada. Table 206-0091 – Low income measures (LIMs) by income source and household size, annual, (2013 constant dollars, CANSIM (database). (accessed: January 27, 2016)

²⁹ Statistics Canada. Table 202-0092 - Low income cut-offs before and after tax by community and family size, 2013 constant dollars, annual (dollars), CANSIM (database). (accessed: Dec 1, 2015)

APPENDIX C: STATISTICS CANADA DEFINITIONS

'Aboriginal identity' includes persons who reported being an Aboriginal person, that is, First Nations (North American Indian), Métis or Inuk (Inuit) and/or those who reported Registered or Treaty Indian status, that is registered under the Indian Act of Canada, and/or those who reported membership in a First Nation or Indian band. Aboriginal peoples of Canada are defined in the Constitution Act, 1982, section 35 (2) as including the Indian, Inuit and Métis peoples of Canada.

'Census families' include: 1) couples (married or common-law, including same-sex couples) living in the same dwelling with or without children, and 2) single parents (male or female) living with one or more children. Persons who are not matched to a family become persons not in census families. They may be living alone, with a family to whom they are related, with a family to whom they are unrelated or with other persons not in census families.

'Immigrant' refers to a person who is or has ever been a landed immigrant/permanent resident. This person has been granted the right to live in Canada permanently by immigration authorities.

'Mobility status' refers to the status of a person with regard to the place of residence on the reference day, May 10, 2011, in relation to the place of residence on the same date one year earlier. Persons who have not moved are referred to as non-movers and persons who have moved from one residence to another are referred to as movers. Movers include non-migrants and migrants. Non-migrants are persons who did move but remained in the same city, town, township, village or Indian reserve. Migrants include internal migrants who moved to a different city, town, township, village or Indian reserve within Canada. External migrants include persons who lived outside Canada at the earlier reference date.

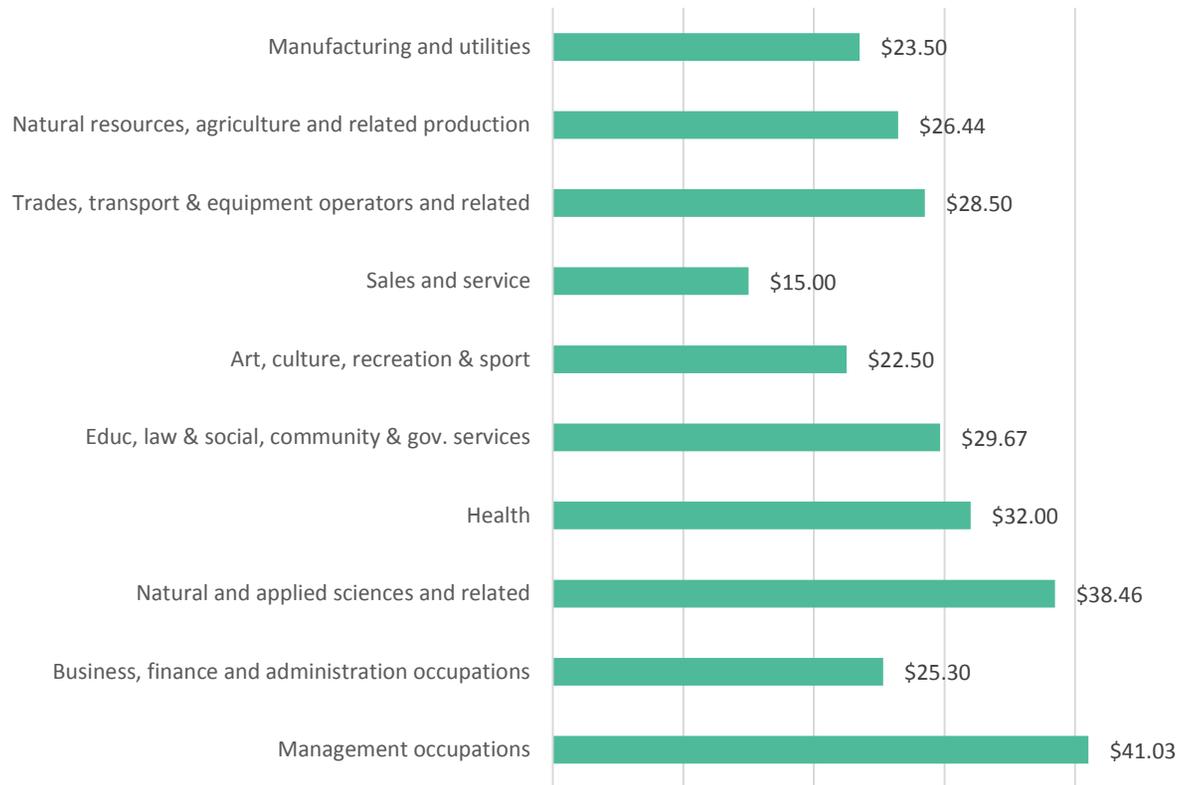
'Non-permanent resident' refers to a person from another country who has a work or study permit, or who is a refugee claimant, and any non-Canadian-born family member living in Canada with them.

APPENDIX D: LIM-AT BY FAMILY TYPE AND COMPOSITION

Family type	Family type/ composition	All Persons	Below LIM AT	% Low Income	All Families	Below LIM AT	% Low Income		
Grande Prairie (2014)	All Family Types	With or without children	70,730	5,540	7.8%	31,910	2,790	8.7%	
		No children	26,800	1,930	7.2%	19,190	1,670	8.7%	
		1 child	12,900	1,140	8.8%	4,790	510	10.6%	
		2 children	16,650	1,060	6.4%	4,360	320	7.3%	
		3 or more children	11,880	1,410	11.9%	2,260	290	12.8%	
	Couple Families	With or without children	51,610	1,740	3.4%	17,090	560	3.3%	
		No Children	15,230	540	3.5%	7,610	270	3.5%	
		1 child	9,970	320	3.2%	3,320	110	3.3%	
		2 children	14,340	360	2.5%	3,590	90	2.5%	
		3 or more children	10,090	520	5.2%	1,860	90	4.8%	
	Lone Parent Families	With or without children	6,930	2,400	34.6%	2,640	840	31.8%	
		1 child	2,930	810	27.6%	1,470	410	27.9%	
		2 children	2,310	700	30.3%	770	230	29.9%	
		3 or more children	1,790	890	49.7%	400	200	50.0%	
	Persons not in Census Families		12,190	1,400	11.5%	12,190	1,400	11.5%	
	Alberta (2014)	All Family Types	With or without children	3,891,740	432,030	11.1%	1,727,010	214,680	12.4%
			No children	1,571,930	166,510	10.6%	1,105,570	138,590	12.5%
1 child			763,370	75,020	9.8%	283,210	32,360	11.4%	
2 children			960,610	76,990	8.0%	250,180	22,370	8.9%	
3 or more children			695,390	113,510	16.3%	130,590	21,350	16.3%	
Couple Families		With or without children	2,968,240	191,400	6.4%	983,840	59,140	6.0%	
		No Children	932,710	55,820	6.0%	466,360	27,910	6.0%	
		1 child	590,840	30,890	5.2%	196,950	10,300	5.2%	
		2 children	840,240	39,480	4.7%	210,060	9,870	4.7%	
		3 or more children	604,440	65,210	10.8%	110,480	11,070	10.0%	
Lone Parent Families		With or without children	383,840	129,940	33.9%	146,500	44,860	30.6%	
		1 child	172,520	44,130	25.6%	86,260	22,070	25.6%	
		2 children	120,370	37,510	31.2%	40,120	12,500	31.2%	
		3 or more children	90,950	48,300	53.1%	20,110	10,290	51.2%	
Persons not in Census Families		639,220	110,680	17.3%	639,220	110,680	17.3%		

APPENDIX E: MEDIAN HOURLY WAGE RATES IN ALBERTA

Alberta, 2015, All Employees, 15 Years and Over by Occupation Category



Source: Statistics Canada. Table 282-0152 - Labour force survey estimates (LFS), wages of employees by type of work, National Occupational Classification (NOC), annual (current dollars), CANSIM (database). (accessed: March 17, 2016)