

# RESEARCH UPDATE

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This policy brief on child well-being starts off by discussing some statistics regarding child poverty. Poverty is an issue that arises from a lack of many different resources, not just a lack of money. In the initial statistics, it discusses various means to which we can decrease poverty in families, which will result in the reduction of child poverty.

It starts off by discussing the impacts poverty has on the proper development of children, and how a lack of resources greatly hinders the child's development. By targeting poverty, the goal is to help alleviate the restrictions poverty creates and to, "foster sustainable inclusive growth in the future." (pg. 1) It discusses that child poverty measured by the "'anchored' poverty rate" (pg 2) has remained stable versus the "'relative' poverty measure" (pg.1) where child poverty is seen to be increasing. I think it is very important that they defined the difference between these two means of measuring poverty when discussing their research further. The research discussed is based on OECD countries and researching trends in child poverty from the Great Recession in 2007/2008. The first area of discussion is looking at the trends of family income, and seeing how that has changed over the years. They looked at various impacts that the parents had on the overall income of the family across OECD countries, including the impacts of just the father working, just the mother working, or both parents working. What I appreciated was the graphs depicting these findings looking at it from both an anchored child poverty rate and a relative child poverty rate. The findings were that there was not a drastic overall change in family income from 2007 to 2014. (pg 3)

The second topic involves looking at children in single-parent families. It starts off by explaining the dynamic of single-parent families. It seems to only be referring to heterosexual couples, but it states how when parents split, the child is typically left with the mother who tends to have a lower income than the father. This results in a greater risk of poverty for single-parent families. Most often the single parent is typically the mother who is either not able to work or has a low wage job.

It then goes into discussing the many ways poverty impacts children. I think this is one of the most important topics that is discussed. The importance of helping the parents overcome poverty directly affects the child and their development and their access to quality resources that assist in that development. Sometimes this might be overlooked when we look at child poverty, and that helping parents directly helps the children too.

It then provides ways of helping combat child poverty, and the importance of helping families in order to do so. Focusing on the importance of parental employment, if all parents were to be given employment, it would reduce the child poverty average by more than half. (pg. 6) It also discusses the importance of quality work and how full-time hours will help significantly with the reduction of child poverty.

These seem very self-evident; parents who get better jobs with better hours and better pay are more likely to not be in poverty, but it is important that the brief discusses what policies and procedures are actually implemented to make this a reality for low income families. As discussed, these include: removal of employment barriers, increases in taxable benefits, access to affordable child care, and helping improve employability skills. (pg. 6-7)

Increasing the spending on social programs has shown to reduce child poverty in the OECD countries, but unfortunately doesn't have much of an impact on jobless families as increases in spending will not be able to lift them out of poverty. These programs can act as an assistance, but they will still be experiencing poverty. Another reason being the way that low income is determined. It isn't based on wages as much as it is a "price-index" (pg.7) and this means that even with increases in minimum wage, the social benefits don't reflect this, and the relative-poverty line doesn't reflect this increase. So they are seen to be making more money than the poverty line indicates, when in reality they are still experiencing poverty. One way to address this is to make sure that social benefits grows at the same rate as wages, and increases in social programs like health care and education. These both would require a significant amount of spending. (pg. 7)

While increasing spending isn't always a readily available option, they discuss how we can achieve similar results by allocating funding differently. They discuss how we can still benefit children in poverty by distributing current funds in a way that will target the poorer families.

*Publication Source:*

*Organization for Economic Cooperation and Development (OECD). (2018) Policy Brief on Child Well-Being: Poor children in rich countries: why we need policy action. Retrieved from <http://www.oecd.org/els/family/Poor-children-in-rich-countries-Policy-brief-2018.pdf>*

**ABOUT THE RESEARCH REVIEWER:**

*Sara Boulos is an undergraduate in Sociology at the University of Alberta. In her studies she is learning about social concerns in Edmonton and the role policy makers play in preventing and addressing these concerns. In her spare time, she enjoys photography, carpentry and pottery.*

Written by Immigration, Refugees and Citizenship Canada (IRCC), the 2018 Annual Report highlights immigration trends in Canada from 2015-2017 and identifies targets for 2019-2021. In this year's report, IRCC integrated the Gender Based Analysis Plus (GBA+) Assessment throughout the report, rather than including a focused section near the end of the document. This approach keeps the unique challenges facing women and LGBTQ2S+ individuals at the heart of all conversations about immigration.

According to the report, the intent purpose of immigration policy in Canada is to support economic growth, sustain the labour force, and stimulate innovation in Canada, articulating that "Canada sets an annual target for immigration and selects newcomers who best contribute to the country's economic and social well-being."

#### Statistical Highlights from 2017

In 2017, 286,000 people received permanent residency in Canada, 56% (159,000) of which were accepted through the Economic Class programs, 29% through family reunification programs, and 6.8% (44,000) as resettled refugees, protected persons, or people under humanitarian compassionate or public policy considerations. In each category, approximately half of all those accepted were women.

Of the 159,000 accepted through Economic Class programs, 65,500 received permanent residency through the express entry application management system. Every few weeks, the express entry program accepts the highest ranked candidates in a pool of applicants ranked by the Comprehensive Ranking System. Of those accepted through the Economic Class programs, 31% were accepted through the Provincial Nominee programs and 14% through the Caregiver's Program. Within the Economic Class programs, 48.5% of those admitted were female, however only 44% of all applicants were female, representing an unchanging 12% gender discrepancy in applications from 2015-2017. The average entry employment earning gap between men and women is even more alarming. In 2014, during their first year in Canada immigrant males earned \$56,000, compared to \$32,000 for females, creating a gap which continues to grow. From 2015-2017, the earnings of male principle applicants grew \$12,000, while the earnings of female principle applicants grew by only \$3,000.

In 2017, Canada welcomed 27,000 refugees and 14,500 protected persons, and 3,000 humanitarian admission, down a total of 17,500 from those accepted in 2016. From 2015-2017, Canada accepted a total of 94,000 resettled refugees, 51,000 of whom were Syrian. Of the refugees resettled in Canada in 2017, 62% were privately sponsored, 33% government assisted, and 5% were under the Blended Visa Office-Referred Refugee Program. Canada settled 1,400 survivors of Daesh (ISIS), most of whom were Yazidi women and children. In March 2017, IRCC designated \$5.6 million to global resettlement initiatives, supporting the United Nations Refugee Agency in screening and settling refugees around the world. The total number of asylum claims more than doubled from 24,000 in 2016 to more than 50,000 in 2017. Approximately 40% of these asylum claims were at the US-Canada border.

The number of individuals accepted through the Temporary Foreign Worker program remained relatively similar in 2017 as in 2016, at 78,788 people, 95% of which were male. The number of students holding study permits however continues to increase, growing from 265,000 in 2016, to 317,000 in 2017. In 2017, 5,371,162 visitor travel documents were approved, and international students and visitors contributed \$31.8 billion to the Canadian economy from 2016-2017. The average processing time for temporary resident visas was 22 days, and 66% of these were received within 14 days. Of those that applied using the electronic travel authorizations, 99% of approvals were received within five minutes.

## Developments in 2017/2018

There are number of new programs and approaches that took effect in 2017/2018:

- The Government of Canada (GoC) adopted a multi-year immigration plan, with the goal of receiving 340,000 immigrants by 2021, 60% of which will be in the Economic Class. In the past, the GoC has only offered single-year targets.
- Processing times have been reduced for family reunification from 24 months to 12 months, and caregiver applications are down to less than 12 months.
- The Atlantic Immigration Pilot was launched in January 2017 to support the demographic challenges, economic growth and fill labour gaps in the Atlantic provinces, as part of the Atlantic Growth Strategy. Since its launch, more than 2,000 graduates and skilled immigrants have received offers of employment, and more than 250 employers have benefited from the program.
- In March 2018, the Federal-Provincial-Territorial ministers responsible for immigration and the Canadian Francophonie approved an action plan to increase francophone immigration outside of Quebec.
- In 2017, the IRCC increased the points available for English and French Language skills on the Express Entry application management system for economic immigration.
- In April 2013, Canada launched a 5-year pilot Start-up Visa program, providing permanent residency to entrepreneurs with support from Canadian incubators, angel investors or venture capital funds. The program became permanent on March 31, 2018.
- IRCC improved healthcare for refugees by offering pre-departure healthcare for those resettling in Canada.

### *Publication Source:*

*Immigration, Refugees, and Citizenship Canada (IRCC). 2018 Annual Report to Parliament on Immigration. Retrieved from: <https://www.canada.ca/content/dam/ircc/migration/ircc/english/pdf/pub/annual-report-2018.pdf>*

### **ABOUT THE RESEARCH REVIEWER:**

*Michelle Sorenson's background is in elementary and special education. She recently completed an MBA at the University of Alberta focused on non-profit management and social entrepreneurship.*

REVIEWED BY NAV TEHERA

Millennials are less likely to own homes when compared to past generations. A report by the Urban Institute provides an in-depth and concise analysis of the factors that frames and shapes homeownership among millennials in the United States. Factors such as race, family wealth, and the local housing market significantly impact whether a Millennial will be a homeowner. Generally, young adults whose parents are homeowners with a combined income of over \$250,000 are more likely to own a home compared to their African American and Hispanic counterparts.

African Americans have the lowest rate of homeownership and household income when compared to other groups. This is the result of past laws which were designed to limit African Americans from freely obtaining a mortgage. Redlining was a policy designed to ensure African Americans were unable to obtain mortgages in certain areas of a city. Redlining was part of a larger plan to ensure low income whites, ethnic Americans, and African Americans ended up living in the less desirable areas of a city. As a result, many middle and low income African Americans were pushed to the less desirable areas. Many banks were unwilling to give mortgages to middle and high income African Americans who wanted to live in wealthier areas of a city.

By not being able to freely participate in the housing market, many African Americans were unable to develop intergenerational wealth. Housing is a significant asset that can help create an intergenerational wealth transfer. The issues of the past have framed contemporary struggles for African American and Hispanic millennials looking to break into the housing market.

Homeownership is a significant factor which can help families build wealth and pass on wealth to future generations. Both Canada and the United States incentivize and reward homeownership through the tax system. However, this report seems to suggest that current tools used to develop and promote homeownership are doing little for minority communities.

The issue of homeownership in America is influenced by history, public policy, geography, race, and family income. The proposed solutions fail to address the intersectional nature of this issue. The options that are proposed focus on supporting the monetary capacity of millennials. The report seems to suggest that homeownership among minority and low income millennials can be promoted through special tax-free savings accounts, education of existing down payment assistance programs and updating lending practises to help reach these excluded groups. However, these approaches fail to tailor unique policy solutions for minority millennials and address the contemporary impact past policy decisions.

Homeownership should not be the only option for millennials looking to build wealth and have a home. In cities with inflated housing markets such as Vancouver, Toronto, New York, San Francisco, and Chicago providing down payment assistance does not solve the problem of affordability. With housing costs well over the North American average, these cities need to develop programs and policies to support diverse housing options.



Municipal governments should support the development of purpose built rental units. Units that would be built for the purpose of rental and will be well regulated in terms of rent increases. This would require a significant paradigm shift in the thinking of residents, developers and municipal governments. As mentioned above, home ownership has been as a safe and low risk investment to help create wealth and pass wealth on to future generations. However, the current situation perpetuates poor policies of the past and penalizes the poor.

*Publication Source:*

*Urban Institute (2018). Intergenerational Ownership: The Impact of Parental Homeownership and Wealth on Young Adults' Tenure Choices. Retrieved from:*

[https://www.urban.org/sites/default/files/publication/99251/intergenerational\\_homeownership\\_0.pdf](https://www.urban.org/sites/default/files/publication/99251/intergenerational_homeownership_0.pdf)

**ABOUT THE RESEARCH REVIEWER:**

*Nav Tehera is passionate about community development and evidence-based decision-making. Nav works as a policy analyst with a keen interest in ensuring that all people have homes. By volunteering, Nav is getting a better understanding of urban issues in Edmonton.*

REVIEWED BY RYAN DEXTER

*Born to Win: Wealth Concentration in Canada since 1999*, written by David Macdonald, uses the *Canadian Business* magazine's Canada's Richest People rankings and Statistics Canada's Survey of Financial Security (SFS) to compare the network of Canada's 87 wealthiest resident families to the wealth of average Canadian families. This comparison is made over a 17 year period, but specifically in the years 1999, 2005, 2012, and 2016.

The data shows how the average net worth of the 87 wealthiest families in Canada "rose by 37% between 2002 and 2016 from \$2.2 billion to \$3.0 billion" (p. 4), while the average net worth of "middle class families increased by 16%" (p. 4) from \$264,000 to \$305,000 (p. 4). Said differently, "the 87 wealthiest families in Canada now have 4,448 times more wealth than the average Canadian family, and they collectively own the same amount as the lowest-earning 12 million Canadians" (p.4); the 87 wealthiest families in Canada have a net worth of \$259 billion, about the same as what everyone collectively owns in Newfoundland and Labrador, Prince Edward Island and New Brunswick combined, which is approximately \$269 billion (p. 4).

Extreme wealth inequality occurs because those with higher earnings have more discretionary income, which means they are able to save and invest more. Since returns on investment are higher for larger sums of money, then it is natural that the net worth of the highest earning families would outpace average Canadian families. Further, inheritance has come to make a more significant contribution, over the last 20 years, to the 87 wealthiest families total net worth: in 1999, 45% had passed down their wealth at least one generation, while in 2016, 53% had passed down their wealth at least one generation (p. 5).

David Macdonald states that "in general Canada's tax system is set up to encourage concentration of wealth at the very top" (p. 5) because Canada taxes income from wealth at lower rates than income from wages, and, unlike the other G7 countries, Canada has no tax on inheritance (p. 5). Therefore, Macdonald found that the higher one moves up the spectrum, the more extreme the inequality becomes. For instance, growth in the top 0.01% was greater than the 95<sup>th</sup> to 99<sup>th</sup> percentile (p. 6).

This is unfortunate because the more unequal a society becomes, the less a child's efforts to get ahead contribute to their station in life, as outcomes are more greatly tied to who their parents are (p. 7). Further, "more equal societies tend to be happier and healthier, and better at providing opportunities for low income people to move up the income ladder" (p.7).

*Publication Source:*

Macdonald, David. (July 2018). *Born to Win: Wealth Concentration in Canada since 1999*. Canadian Center for Policy Alternatives. Retrieved from: <https://www.policyalternatives.ca/sites/default/files/uploads/publications/National%20Office/2018/07/Born%20to%20Win.pdf>

**ABOUT THE RESEARCH REVIEWER:**

*Ryan Dexter has volunteered with ESPC for several years. He enjoys participating and being involved in social justice work in his local community and working towards positive social change.*

Funding Services for Homeless Youth in Canada, reported by Making the Shift, outlines the funding strategies utilized currently by the federal and provincial government in Canada to manage and eliminate homelessness. The report provides an evaluation of current practices and offers further recommendations to target youth and eliminate homelessness in Canada.

To begin the discussion on the funding practices by the government, the report outlines the two phases of the National Homelessness Initiative (NHI) and the two phases of the Homelessness Partnering Strategy, both established by the federal government. Each phase of the NHI was committed to a four year term, the first being from 1999-2003 dedicating \$753M towards the initiative and the second being from 2003-2007 allocating \$405M towards the second phase. The National Homelessness Initiative dedicated funds towards three projects, one being Supporting Communities Partnership Initiative (SCPI), two being the Urban Aboriginal Strategy and three, the Youth Employment Strategy. Both the Urban Aboriginal Strategy and Youth Employment Strategy existed prior to the National Homelessness Initiative. However, the SCPI was newly developed, evolving from the belief that communities, not government, could best decide the local strategy to eliminate homelessness.

Carrying on the intent of the NHI, Homelessness Partnering Strategy's first phase took place from 2007-2014, with designated funding of \$134.8 M per year. The HPS differed from the NHI in that it funded programs through four streams, Designated Communities (a continuation of SPCI), Aboriginal Communities (later Aboriginal Homelessness), Outreach Communities (later Rural and Remote Homelessness) and Federal Horizontal Pilot Projects. The federal government renewed the HPS for a second phase from 2014-2019 at \$119M per year. In the second phase, the Federal Horizontal Pilot Projects disappeared and Innovative Solutions to Homelessness took its place, establishing a stream to fund projects and studies to advance homeless solutions. The second phase shifted designated communities towards utilizing the community entity model, focusing on coordinating projects locally by either the municipal government or local organization, as opposed to the HPS monitoring and coordinating the projects on a national level.

The report indicates that provincial governments vary in their own initiatives to eliminate homelessness. The report states Alberta as the leader on this quest, followed by Ontario and Quebec. Alberta's Outreach Support Service Initiative funds homelessness in seven cities. These projects are managed by community-based organizations. In addition, Alberta released a youth (age 13-24) homelessness plan, the first in Canada to target a homelessness initiative towards youth. Ontario's Community Homelessness Prevention Initiative (CHPI) selects service managers to create and manage local projects, and alongside the CHPI, funds shelters and other elements of an emergency response.

The main role of governments, the central funders, is to pay for the projects. The report also outlines the process that central funders should abide by, setting outcomes and encouraging the tying of financial consequences to outcomes. This aims for success and positive results for the programs. Some funding abides to an outcome based approach, where payments are made by the government if the project succeeds, while some shelters are paid per diem, where the government pays the shelter per occupied bed per night. However, the report indicates that by paying by outcome or per diem only rewards the successful programs and those shelters high in demand, pushing the others to the margin.

Contrasting to the outcome-based approach, some funds are pooled straight to the communities, allocating a level of trust and control to local experts to make the decisions on the programming that is in the best interest for their community. The report indicates these often work the best, as they strengthen local systems, which in turn are found to be the most effective streams to respond to homelessness. However, the report notes that the federal government should advocate and use their influence and resources where needed. For example, Housing First had spread much faster under the HPS than if it were decided upon independently by each community. It is also noted that the federal government should be aware and pay more attention to smaller communities, who may not have the expertise and ability to cope with the responsibility of the programming.

Focusing on homeless youth becomes tricky. The funders and project managers must ask themselves who are defined as youth and how much money should be dedicated solely to youth. The report indicates although it may be difficult, it is important to start targeting youth, as their circumstances differ from adults as they are first learning independence, and noting that if targeting youth could prevent further and chronic homelessness, it is the start of a solution towards elimination. The report indicates that youth funding should not be treated any different or have more complex rules. Instead, youth funding should strive to fit as neatly in the local community's priorities as possible.

For further recommendations, the reports suggests an experimental approach that focuses on a rigorous evaluation and assessment of homelessness. As well as enforcing local systems to coordinate programming, and a cross-departmental fund for youth, there should be an emphasis on understanding that homelessness is linked numerous factors and circumstances of social systems and society outside the homeless sector. Although a cross departmental fund may introduce administrative problems, it may open a door to eliminating homelessness, tackling various facets of the underlying issues.

*Publication Source:*

*Duncan Farthing-Nichol (September 2018). Funding Services for Homeless Youth in Canada: Review and Recommendations. Retrieved from:  
[https://www.homelesshub.ca/sites/default/files/attachments/Funding\\_Review\\_13-09-18\\_0.pdf](https://www.homelesshub.ca/sites/default/files/attachments/Funding_Review_13-09-18_0.pdf)*

**ABOUT THE RESEARCH REVIEWER:**

*Jessica works as an Events Coordinator at the University of Alberta. She is also completing a Bachelor of Commerce after-degree focussing on natural resources, energy and the environment. Jessica enjoys volunteering and giving back to the community.*

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“Through our research, analysis, and engagement, we hope to create a community in which all people are full and valued participants.”

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—The Edmonton Social Planning Council

### *ABOUT ESPC*

The ESPC is an independent, non-profit, charitable organization. Our focus is social research, particularly in the areas of low income and poverty.

We are dedicated to encouraging the adoption of equitable social policy, supporting the work of other organizations who are striving to improve the lives of Edmontonians, and educating the public regarding the social issues that impact them on a daily basis.

### *OUR STAFF:*

**Susan Morrissey**, Executive Director

**Sandro Ngo**, Research Coordinator

**John Kolkman**, Research Associate & Volunteer Coordinator

**Justine Basilan**, Executive Assistant

### *THE RESEARCH UPDATE:*

The Edmonton Social Planning Council, in collaboration with our volunteers, strive to provide stakeholders and community members with up-to-date reviews on recently published social research reports.

Interested in volunteering? Email [johnk@edmontonsocialplanning.ca](mailto:johnk@edmontonsocialplanning.ca)