A Profile of Poverty in Edmonton

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Executive Summary

The city of Edmonton has experienced population and employment growth significantly above the national average almost continuously since the arrival of the new millennium. Today, Edmonton is the youngest major city in Canada with an increasingly diverse population.

Yet many Edmontonians have not shared in this prosperity. The most recent data from 2012 finds that one in eight Edmontonians experience poverty as a daily reality. The younger you are, the more likely you are to live in poverty. Just under one in five Edmonton children under 18 years of age live in a poor family. Just over one in three children living in a lone-parent family lives in poverty.

The provincial and regional economy is producing a lot of jobs. 248,400 additional jobs have been created in metro Edmonton between the years 2000 to 2014. Alberta has the highest rate of working poverty of any Canadian province. In 2011, over 59% of Alberta children in poverty lived in families where one or both parents worked full-time for the entire year.

Most Edmontonians have good jobs and make decent wages. However, a significant proportion work for low wages in occupations like retail trade, accommodation and food services, janitorial, private security and personal care. Reliance on paid employment for family income has increased since 2000, while the share of income from federal and provincial government income transfers has declined. Lone parents for instance earn almost $5 from employment for every $1 received in income transfers.

Edmonton neighbourhoods are diverse and often unequal in terms of measures such as prevalence of low income, household income, proportion of renters and unemployment. While vulnerable neighbourhoods are located in northeast, southeast and west sectors, there is a concentration in the north central area.

The city of Edmonton has Canada's second largest First Nations, Metis and Inuit (Aboriginal) population. With a median age of 26.3 years, the Aboriginal population is almost a full decade younger than the city's overall median age. Despite rising median incomes, Aboriginal people living in Edmonton experience poverty at about twice the rate as non-Aboriginals, and significantly higher rates of unemployment.

Reflecting Edmonton's strong economy, recent immigrants who have settled here in the last five years have employment rates almost as high as non-immigrants (Canadian born). Yet they earn significantly lower incomes. Finding a job is less of a problem for recent immigrants than finding a job that pays well and matches their qualifications and abilities.

At 28.6%, people of ethnic origins from African countries have the highest prevalence of low income (poverty) followed by those with West Asian and Middle Eastern origins at 21.2%. Unlike poverty rates, employment and unemployment rates were closer to the metro average for all ethnic groups regardless of their continent or sub-continent of origin.

One in eight Edmontonians experience poverty daily

One in five children live in a poor family

Many people work full-time but still live below the poverty line

Emerging trends impacting Edmonton poverty include:

- The city and region are relatively young and becoming increasing diverse with a growing Aboriginal and multicultural population;

- Working poverty must be more effectively addressed. Many Edmontonians work full-time for the entire year yet earn an income below the poverty line. Too many highly educated newcomers move to Edmonton only to find that their qualifications are not recognized;

- Housing is not affordable for many Edmontonians. Edmonton is second to Calgary in having the lowest rental vacancy rate in the nation, and trails only Vancouver, Toronto and Calgary in having the highest average rents;

- Many of Edmonton's low income residents rely on public transit. They are challenged in their ability to affordably get to and from places of employment;

- Income inequality in Edmonton is growing following national and provincial trends. Between 1982 and 2012, the bottom 50% of tax filers saw a 3% increase in their real (after inflation) median incomes compared to a 50% increase for the top 1%;

- Effectively addressing the social determinants of health (early childhood development, education, health and wellness remains a key to ending poverty; and

- Ensuring that a plan to end poverty is able to withstand the downs as well as the ups of Edmonton's economy.

The City of Edmonton's ability to significantly move the needle on ending poverty is limited. Most of the required investment needs to be made by other orders of government. Yet there are three specific measures that can be taken in the short-term as a demonstration of leadership in ending poverty. These are:

- Implementing a discounted transit pass priced at the same level as the existing Assured Income for the Severely Handicapped (AISH)transit pass for all low income Edmontonians regardless of income source;

- Ensuring sufficient land and suitable sites for affordable housing including designating some of the surplus school sites and reserving land in all new neighbourhoods for this purpose; and

- Implementing a living wage for City contracted services to ensure someone working full-time for the entire year does not live in poverty.

Moving the needle to end poverty

Introduction

Edmonton is one of Canada's fastest growing major cities. The 2014 municipal census found the city's population to be 877,962, an increase of 60,428 or 7.4% in two years (City of Edmonton, 2014a). This is the fastest rate of growth of any major city in Canada. Since 2001, the city's population has grown by 220,586, an increase of 33.6%. This rate of growth since the turn of the millennium trails only Calgary (City of Edmonton, 2014b).

Edmonton's rapid growth has been driven by a strong economy. Since 2000, metro Edmonton has added 248,400 jobs, an increase of 50.6% (Statistics Canada, 2014a). In 2012, Edmonton had the third highest median after-tax income in Canada of any census metropolitan area (CMA) after Calgary and Ottawa (Statistics Canada, 2014b).

With a median age of 36.0 in 2011, Edmonton is Canada's youngest major city. Despite a rapidly aging national population, Edmonton is the only major city that actually got younger between 2006 (median age 36.1) and 2011 (Statistics Canada, 2012a).

Edmonton is an increasingly diverse city. In 2013, 12,717 immigrants and refugees settled here, compared to 4,810 a decade earlier in 2003 (Citizenship and Immigration Canada, 2014). The National Household Survey found that in 2011, 205,445 Edmontonians were born outside of Canada (25.8%) and 238,755 (30.0%) were visible minorities. In addition, 41,985 Edmontonians had an Aboriginal identity, the second largest urban Aboriginal population after Winnipeg (Source: Statistics Canada, 2013a).

Purpose

A Profile of Poverty in Edmonton is intended to describe the landscape and examine the pattern of poverty in the city of Edmonton. Most of the investments required to end poverty will necessarily have to be made by the federal and provincial governments. This profile identifies some actions the City could take within its jurisdiction that would help move the needle on eliminating poverty.

This profile provides data and analysis to answer the following questions:

1. **What is the overall picture of poverty in Edmonton?**

2. **How does poverty vary across age, gender, household characteristics and neighborhoods in the city? What trends are we seeing among different population groups?**

3. **Who is impacted most by poverty? What population groups are at higher risk of being poorer than others? (i.e. Aboriginal people, recent immigrant/refugees, low income workers, women, children and youth)**

4. **What are the emerging trends impacting poverty in Edmonton or influencing the work on eliminating poverty?**

Edmonton

Fastest growing major city in Canada

Youngest major city in Canada

The terms poverty and low income are used interchangeably in this profile. After-tax is used as a measure because it most closely resembles family or household disposable income after taxes have been paid and government income transfers received. The terms Edmonton region and metro Edmonton are used interchangeably to refer to the Edmonton Census Metropolitan Area (CMA).

Methods

There are a number of data sources used to develop this profile detailed in the Citations/Sources section at the end of the profile. Most of the city level data, and all of the neighbourhood level data, is from the 2011 National Household Survey. Data on low income prevalence is from the Annual Income Estimates for Census Families and Individuals (T1 Family File) or T1FF for short. Starting with the 2010 tax year, the T1FF standard tables are available on CANSIM down to the Edmonton CMA level of geography. Because T1FF data is taken from tax records, it is considerably more accurate than the previous randomized income surveys used to calculate poverty rates.

Because the Mayor's Task Force is focused on the city, not the CMA, Statistics Canada provided the Edmonton Social Planning Council with custom tabulations of low income taxfiler data corresponding to city boundaries.

This poverty profile uses the After-Tax Low Income Measure (AT LIM) as its definition of the poverty line. AT LIM is the international standard used to measure poverty and deprivation and is increasingly being adopted by federal and provincial governments as the de facto Canadian standard.

Using LIM, those with after-tax incomes 50% or below the national after-tax median income, adjusted for family size, are considered to be living in low income. 2012 low income thresholds are $16,968 for a single person household, $28,846 for a lone-parent family with two children under age 16 to $33,936 for a two-parent family with two children under age 16. All of those below the annual income thresholds for family sizes and family types ($) described in Table 1 are considered to be living in low income. (Statistics Canada 2014c).

Number of Adults*	Table 1: Number of Children Less than 16 Years of Age			
	0	1	2	3
1	16,968	23,755	28,846	33,936
2	23,755	28,846	33,936	39,026
3	30,542	35,633	40,723	45,814
4	37,330	42,420	47,510	52,601

* Includes parents/spouses, children 16 years of age and over, and the first child in lone-parent families regardless of age (Statistics Canada, 2014, p. 9)

Using the most recently available data tells only a partial story and does not allow for the analysis of trends over time. In order to measure long-term trends, the year 2000 is the starting point for most of the trend data in this profile.

T1FF data divides families into three types using the same definitions as the federal census. Couple families include both married and common-law whether or not they have dependent children. Lone-parent families can be headed by either gender and have dependent children under age 18. Persons not in census families are also called

single adults whether they live alone or with others who are not immediate family.

This profile is intended to provide a baseline of data and trend analysis for the Mayor's Task Force to Eliminate Poverty in Edmonton. Updated data is made available on an ongoing basis. For example, October 2014 rent market and Homeless Count data should become available by the end of 2014. In order to be useful, a poverty profile needs to be updated on a periodic basis.

Overall Picture of Poverty in Edmonton
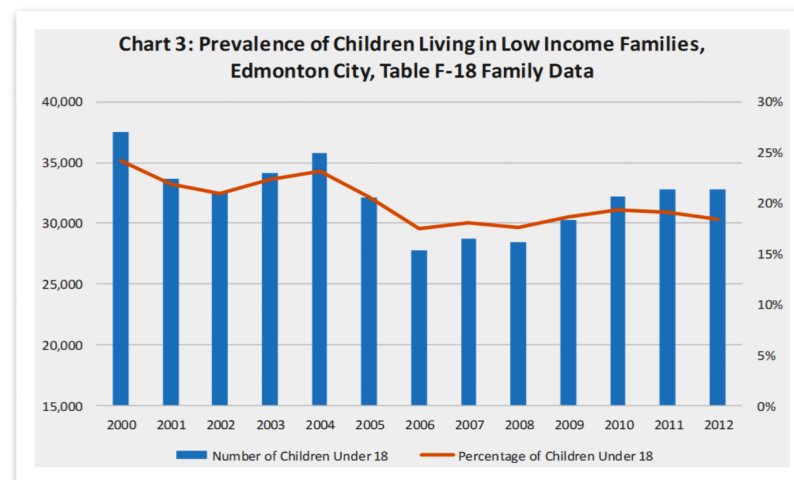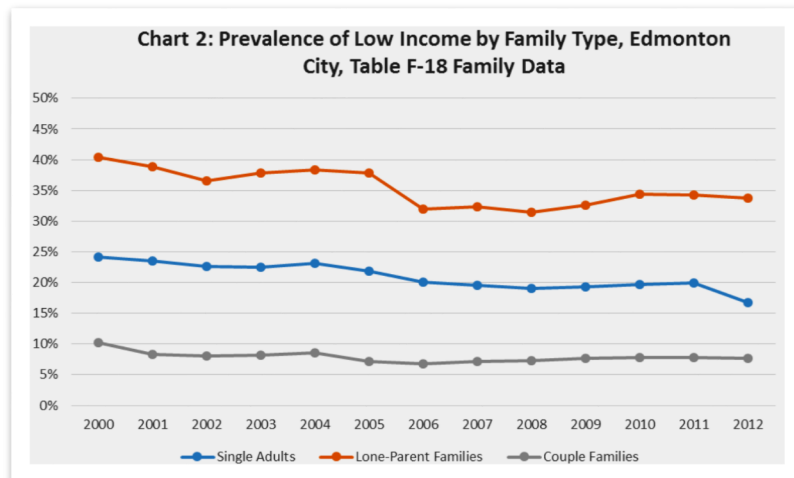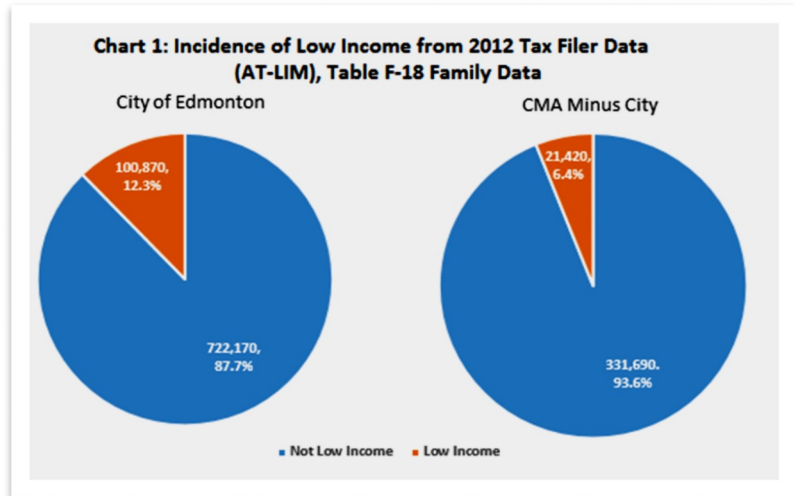
Low Income Incidence

The city of Edmonton has a disproportion-ately high low income rate compared to suburban communities within metro Edmonton. Chart 1 shows the low income rate in the city of Edmonton was 12.3% in 2012, almost double the 6.4% low income rate in the metro region outside city boundaries (Statistics Canada, 2014e).

In 2012, 100,870 persons lived in low income in the city of Edmonton, a rate of 12.3%. This included 44,200 persons in low income couple families, 30,600 persons in lone-parent families and 26,070 single adults (Statistics Canada, 2014e).

Chart 2 shows the prevalence (rate) of low income by family type in the city of Edmonton between the years 2000 to 2012 compared to all families of that type. The highest poverty rate is experienced by lone-parent families, followed by single adults and then couple families. Since 2000, there has been a modest reduction in poverty rates across all family types.

Child Poverty

Children are more likely to live in poverty than adults. In 2012, 32,830 children aged 0 to 17 years lived in low income in the city of Edmonton, a poverty rate of 18.4 %. Of this total, 14,470 lived in couple families and 18,376 lived in lone-parent families. Chart 3 shows both the number of children living in low income and the poverty rate have declined since 2000 but increased since 2006 (Statistics Canada, 2014e).

Chart 1: Incidence of Low Income from 2012 Tax Filer Data (AT-LIM), Table F-18 Family Data

Chart 2: Prevalence of Low Income by Family Type, Edmonton City, Table F-18 Family Data

Chart 3: Prevalence of Children Living in Low Income Families, Edmonton City, Table F-18 Family Data

Poverty by Family Size

The T1FF tax filer data in Chart 4 allows for the calculation of poverty rates by family size. While there is little difference in poverty rates for families with one or two children, poverty rates are higher for larger families with three or more children (Statistics Canada, 2014e).

Chart 4: Prevalence of Low Income by Family Size, Edmonton City, Table F-18 Family Data
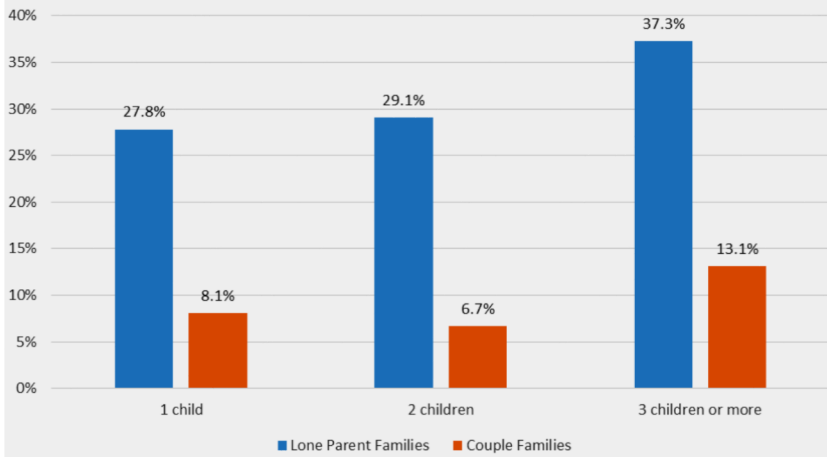
Families First Edmonton Study of Low Income Families

Numbers and percentages, while important, do not begin to tell the story of child poverty in our city. Families First Edmonton (FFE) is a collaboration of 14 partner organizations representing government, academic researchers, funders and community agencies. FFE worked with 1,279 low income families with children in our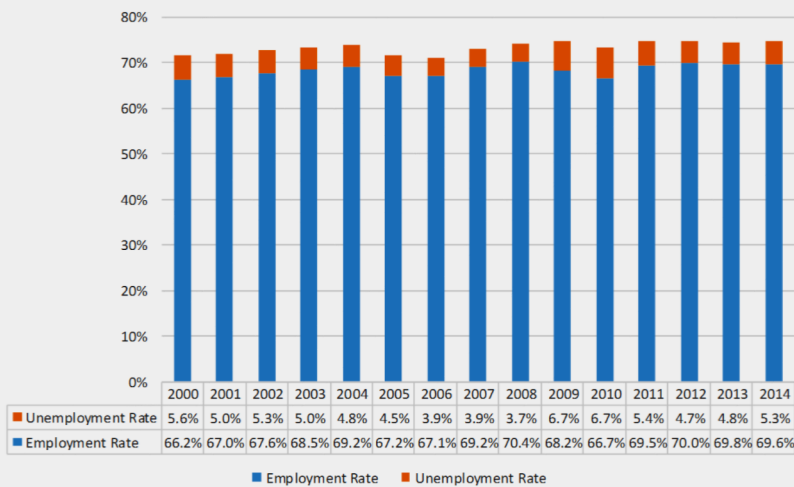 community during the mid-2000s. The focus was on achieving better social and health outcomes for low income children of diverse backgrounds with a view to improving services and approaches. The findings of FFE community partnership are detailed here: http://www.familiesfirstedmonton.ualberta.ca/use-research-now/data-on-low-income-families

Chart 5: Employment Status, 15 Years and Older, Edmonton CMA, Cansim 282-0110, 282-0116

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Unemployment Rate	5.6%	5.0%	5.3%	5.0%	4.8%	4.5%	3.9%	3.9%	3.7%	6.7%	6.7%	5.4%	4.7%	4.8%	5.3%
Employment Rate	66.2%	67.0%	67.6%	68.5%	69.2%	67.2%	67.1%	69.2%	70.4%	68.2%	66.7%	69.5%	70.0%	69.8%	69.6%

Strong Job Growth and High Rates of Employment

With the exception of a downturn caused by the global financial crisis in 2009 and 2010, the Edmonton region has experienced strong employment growth. The number of those employed in metro Edmonton has grown by 248,400 from 491,200 in the year 2000 to 739,600 in the year 2014. (Statistics Canada, 2014a).

The **employment rate** is the number of employed persons as a percentage of the population 15 years of age and older. The **unemployment rate** is the number unemployed as a percentage of the labour force (employed and unemployed). The employment rate has consistently been one of the highest among major Canadian cities, and the unemployment rate one of the lowest over this period.

Chart 5 shows the overall employment and unemployment rates from the years 2000 through the first 11 months of 2014. In 2014, metro Edmonton's population aged 15 and older was 1,062,300 of which 780,900 (participation rate - 73.5%) were working or actively seeking work. Of this total, 739,600 (69.6%) were working and 41,400 (5.3%) were unemployed.

Significant Proportion of Jobs Pay Low Wages

Working poverty means being employed (often full-time) while earning an insufficient income to be above the poverty line. Alberta has the highest rate of working poverty in the nation. In 2011, 59.2% of Alberta children in poverty lived in families where one or both parents worked full-time for the entire year (Statistics Canada, 2014f). Due to limitations of the survey size, no comparable data is available for Edmonton but the results would not be expected to be significantly different than Alberta as a whole.
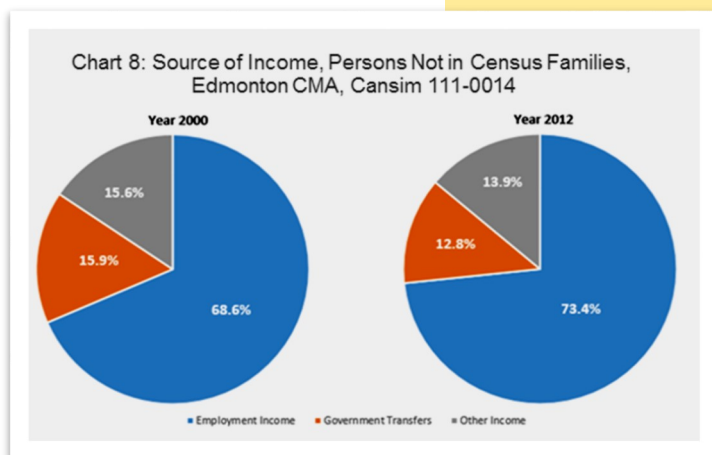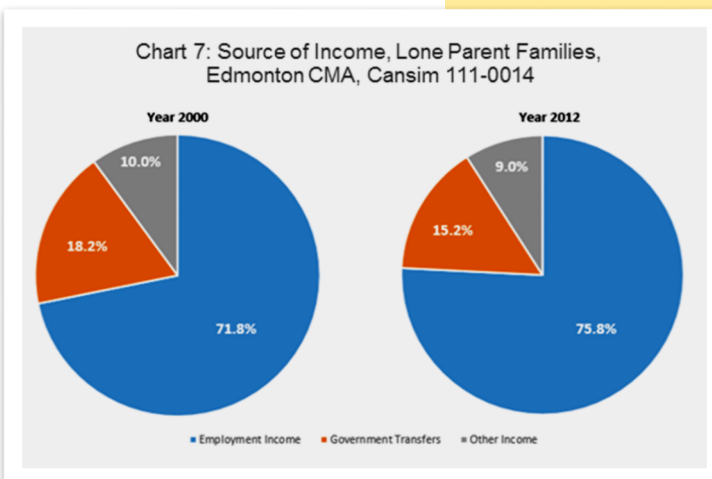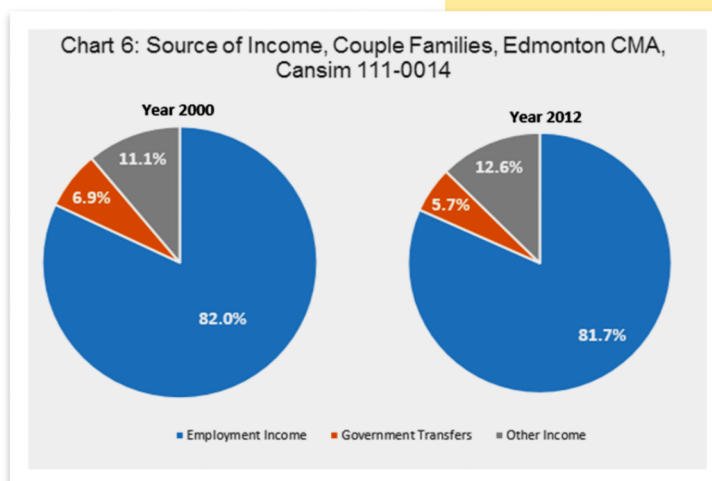
Working poverty results because while jobs in Edmonton are abundant, a significant proportion are low paying. Low paying jobs are often precarious lacking in job security and fixed hours of work. Low paying jobs also disproportionately lack benefits like employer paid pensions and prescription drug and dental coverage.

In 2013, over three-quarters (75.2%) of jobs in metro Edmonton are in the generally low paying services sectors, rather than in the better paying goods producing and construction sectors. Within the services sector, the largest occupation by number of employees is in retail and wholesale trade (119,200). Accommodation and food services (45,000), and services like janitorial, private security, and personal care (38,600) also tend to have disproportionately low wages (Statistics Canada, 2014g).

Most Income from Employment not Government Transfers

Employment income is from paid employment or net self-employment. Government income transfers include child tax benefits, social assistance, employment insurance, the GST tax credit, public pensions, and other payments to persons by the federal and provincial governments. Other income includes investment income, private pensions and child support payments by non-custodial parents (Statistics Canada, 2014h).

Edmontonians in all family types (couple, lone-parent and single adults) obtain most of their income from paid employment. Moreover, the trend between 2000 and 2012 has been toward a greater reliance on employment and less reliance on government transfers for family income. Charts 6, 7 and 8 show that, in all three census family

Chart 6: Source of Income, Couple Families, Edmonton CMA, Cansim 111-0014

Year 2000: Employment Income 82.0%, Government Transfers 6.9%, Other Income 11.1%

Year 2012: Employment Income 81.7%, Government Transfers 5.7%, Other Income 12.6%

Chart 7: Source of Income, Lone Parent Families, Edmonton CMA, Cansim 111-0014

Year 2000: Employment Income 71.8%, Government Transfers 18.2%, Other Income 10.0%

Year 2012: Employment Income 75.8%, Government Transfers 15.2%, Other Income 9.0%

Chart 8: Source of Income, Persons Not in Census Families, Edmonton CMA, Cansim 111-0014

Year 2000: Employment Income 68.6%, Government Transfers 15.9%, Other Income 15.6%

Year 2012: Employment Income 73.4%, Government Transfers 12.8%, Other Income 13.9%
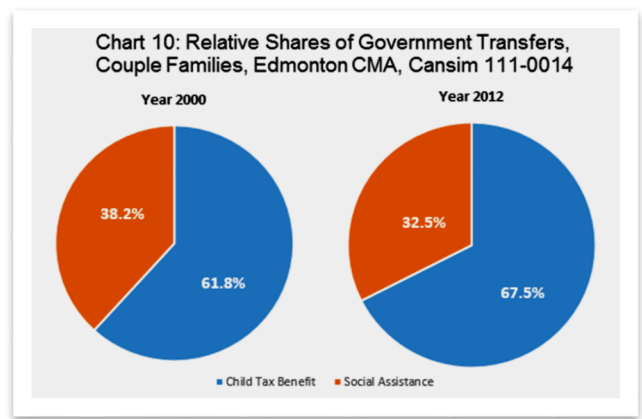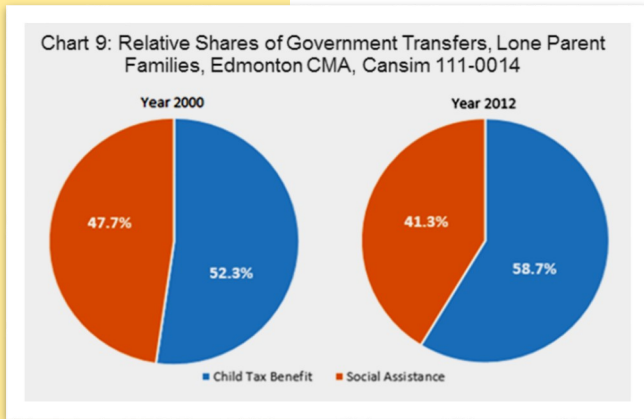
types, the proportion of income from government transfers decreased, while the share of employment income increased in importance for lone-parents and single adults. Lone-parents, for instance, earn almost $5 for every $1 they receive in all government income transfers.

Child Tax Benefits Most Important Income Transfer

The 2011 Census found there were 38,085 lone-parent families in the city of Edmonton, of which 30,045 (78.9%) were headed by females and 8,035 (21.1%) headed by males (Statistics Canada, 2012a).

In 2012, lone-parent families in metro Edmonton received $138.3 million in child tax benefits from the federal government including the supplement for low income

Chart 9: Relative Shares of Government Transfers, Lone Parent Families, Edmonton CMA, Cansim 111-0014

Chart 10: Relative Shares of Government Transfers, Couple Families, Edmonton CMA, Cansim 111-0014

families. This compares to $97.4 million received by Edmonton lone-parents in provincial social assistance (Statistics Canada, 2014h). Social assistance is mainly comprised of Alberta Works and Assured Income for the Severely Handicapped (AISH) income support benefits. This shows the importance of child tax benefits in reducing child poverty. Chart 9 compares the relative shares of government income transfers to lone-parent families and illustrates that child tax benefits play a more important role compared to social assistance in raising lone-parent family incomes.

Chart 11: Number of Homeless Persons, Edmonton City, October 2000-2014, Homeward Trust, 2014

Couple families in Chart 10 show a similar trend of increasing importance of federal child tax benefit payments compared to provincial social assistance. Since this includes couple families without children as well as those with children, the fact that, in 2012, couple families received over $2 in child tax benefits for every $1 dollar in social assistance is remarkable.
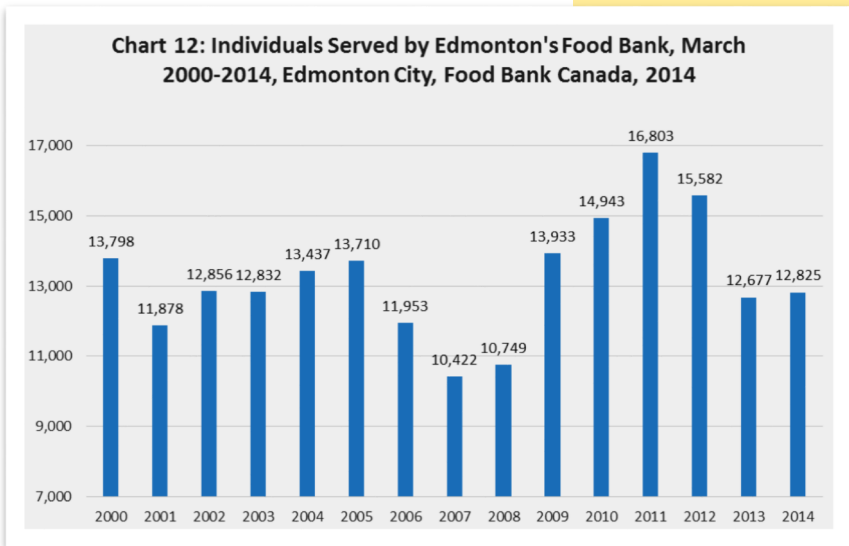
Housing and Homelessness

The biennial homeless counts conducted by Homeward Trust Edmonton found that homelessness in the city of Edmonton almost tripled between 2000 and 2008. (Chart 11) Due in large part to Edmonton's 10 Year Plan to End Homelessness adopted in early 2009, homelessness dropped from 3,079 in October 2008 to 2,252 in October 2014, a decrease of 27%. However, the October 2014 count found an increase of 3.5% since two years earlier in the number of homeless Edmontonians. Reflecting the success of outreach efforts, the number of unsheltered homeless declined 20% since 2012. However, the number of people staying in emergency shelters is up 26% in the same time period. A growing number of families and children are being placed in motels due to a lack of affordable permanent housing or suitable foster homes.

Chart 12: Individuals Served by Edmonton's Food Bank, March 2000-2014, Edmonton City, Food Bank Canada, 2014

| Year	Individuals Served
2000	13,798
2001	11,878
2002	12,856
2003	12,832
2004	13,437
2005	13,710
2006	11,953
2007	10,422
2008	10,749
2009	13,933
2010	14,943
2011	16,803
2012	15,582
2013	12,677
2014	12,825

Food Bank Use

Food bank use in the city of Edmonton follows broader economic trends, increasing during times of higher unemployment and economic hardship and decreasing during better economic times. Chart 12 shows the number of distinct individuals served during March of each year through the Edmonton Food Bank's hamper program. People are allowed to access the food bank hamper program once per month so reporting a monthly usage number avoids double counting of the same people. About 40% of the people served by Edmonton's Food Bank in a typical month are children and youth under the age of 18 (Edmonton's Food Bank, 2014).

Poverty Characteristics

Poverty Rate by Age and Gender

Chart 13: Persons Living in Low Income (LIM-AT) by Age and Gender, Edmonton City, NHS 2011

	Total % of Persons Living in Low Income	Less than 6 years %	Less than 18 years %	18 to 64 years %	65 years and over %
Total	12.7%	18.1%	17.1%	12.2%	7.3%
Male	11.9%	18.2%	16.9%	11.3%	4.7%
Female	13.5%	17.9%	17.4%	13.0%	9.4%

Children are more likely to live in poverty. As Chart 13 shows, the highest rates of poverty are experienced by children less than six years of age (newborns to age five). Data for young children is not available from the T1FF taxfiler data set. Chart 13 from the 2011 National Household Survey is for the city of Edmonton. In this chart, the less than 6 years of age
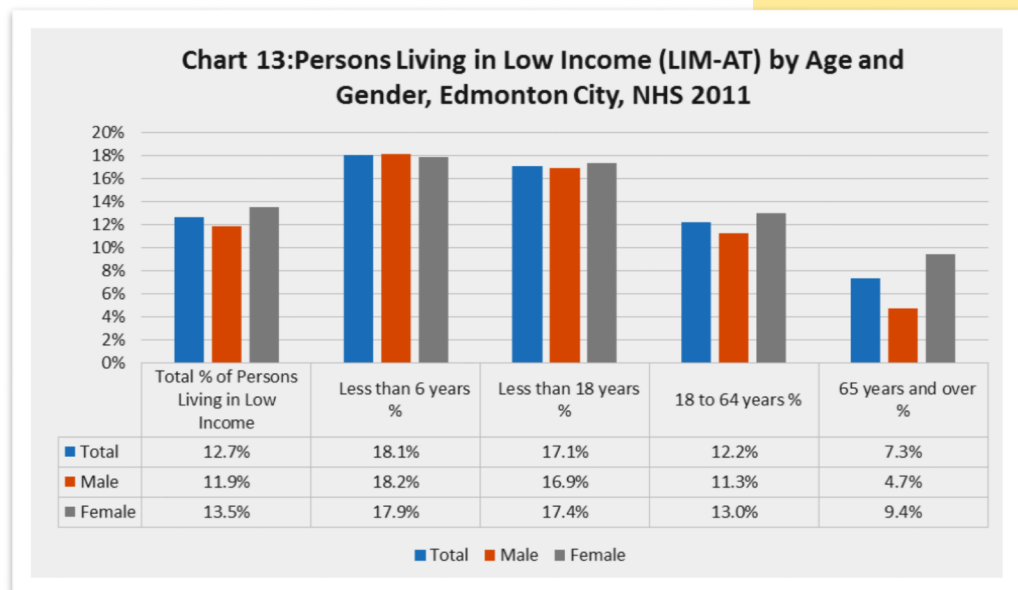
cohort is a sub-set of the less than 18 years cohort (Statistics Canada, 2013a).

Seniors 65 years and older are the least likely to live in poverty. For seniors who have lived in Canada for more than ten years, a strong social safety net consisting of Old Age Security, the Guaranteed Income Supplement and the Alberta Seniors Benefit provides an annual income close to the poverty line. This has allowed seniors to live with greater dignity than a generation ago when seniors' poverty rates were the highest of all age groups.

Among adults and seniors, there is a noticeable gender gap when it comes to living in poverty. While still low compared to other age groups, female seniors are twice as likely to live in poverty as male seniors.
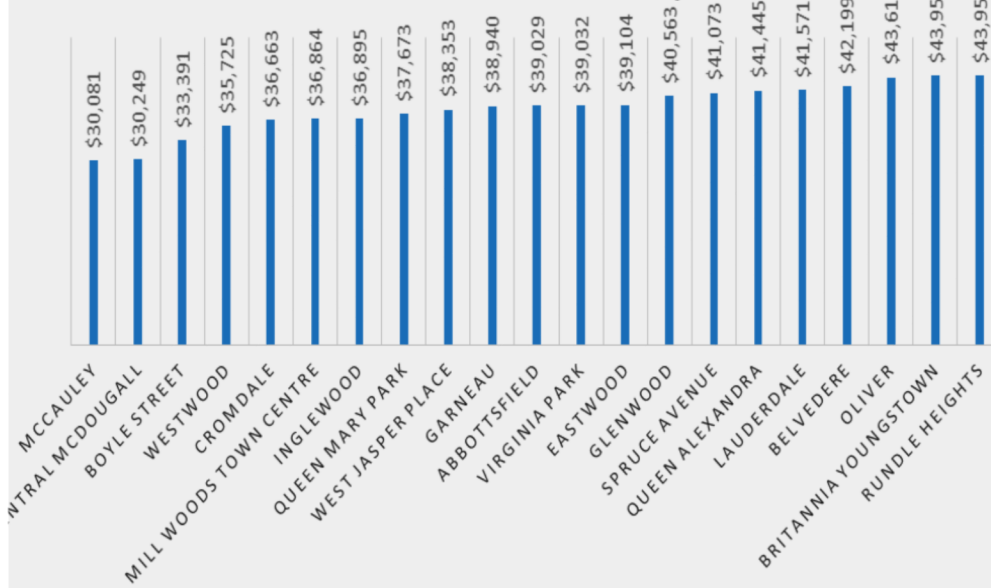
Neighbourhoods

Neighbourhoods are places where we interact most closely with other people; where we raise and often school our children; where we engage in leisure and volunteer activities; and where we sometimes work. Neighbourhood data needs to be included in a poverty profile because place matters. Some of Edmonton's highest and lowest income neighbourhoods are located mere kilometers apart. Yet the distance between them can be vast in other ways.

Edmonton neighbourhoods are diverse and often unequal when it comes to measures like household income, employment, prevalence of low income (poverty), and propor- tion of renter households. The data in this section is from the 2011 National Household Survey and was compiled for the City of Edmonton (City of Edmonton, 2014c). Spread- sheets were developed with data breakdowns for all of Edmonton's 251 residential neighbourhoods. This profile highlights the 20 neighbourhoods in each category for which the socio-economic measure associated with poverty is most significant.

Just because a neighbourhood could be considered vulnerable in some measures of socio-economic well- being, doesn't mean it can't be a great place to live and raise a family. Housing in these neigh- bourhoods is likely more affordable. Public transit service may be better. The urban forest may be more mature. Recreation facilities and shopping areas may be easier to get to.
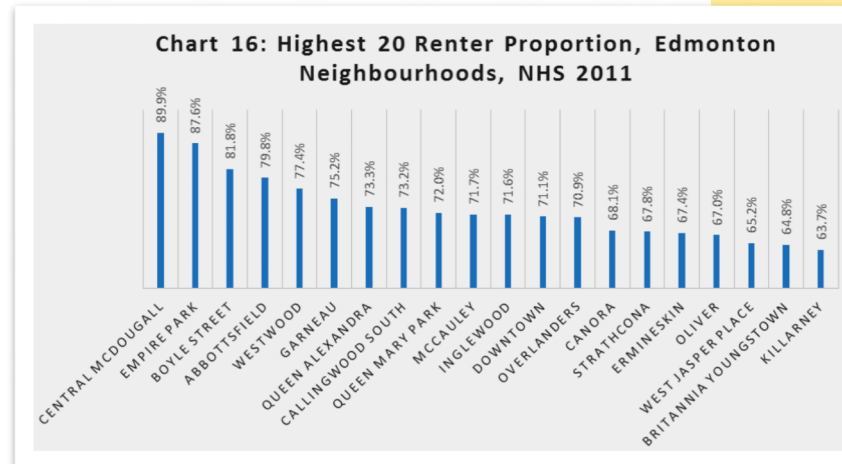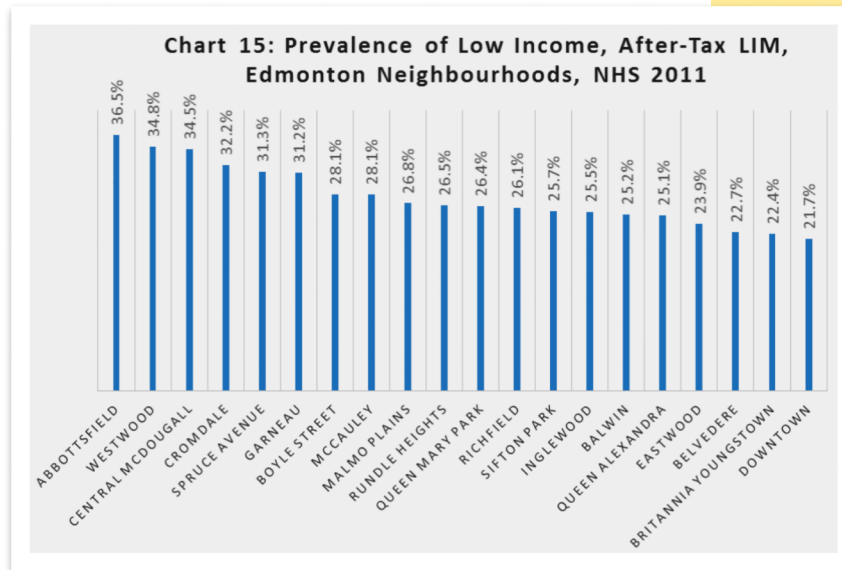
Median After-Tax Income

The median after-tax household income for the entire city was $62,877 in 2011. The poorest neighbourhoods

Chart 14: Lowest 20 Neighbourhoods, Median After-Tax Household Income, Edmonton City, NHS 2011

had household incomes only half of the City median income. Chart 14 shows the 20 poorest Edmonton neighbourhoods as measured by household income.

Low Income Prevalence

Families with low median incomes would be expected to have correspondingly high poverty rates. Chart 15 shows 20 neighbourhoods that have a low income prevalence (rate) more than double that of the 12.7% city wide average. Poverty is more deeply entrenched in some neighbourhoods than others. For instance, Garneau likely has low incomes and a high poverty rate due to its post-secondary student population and proximity to the University of Alberta.

Chart 15: Prevalence of Low Income, After-Tax LIM, Edmonton Neighbourhoods, NHS 2011

Chart 16: Highest 20 Renter Proportion, Edmonton Neighbourhoods, NHS 2011

Proportion of Renter Households

Neighbourhoods with a higher proportion of rental households tend to have a more mobile population as renters generally move more frequently than owner households. Renters also tend to have lower incomes. The most recent data shows that 25.5% of renters live in accommodation that is unaffordable, unsafe or unsuitable compared to only 5.8% of homeowners (CMHC, 2014a).

There has been a long-term trend toward a greater proportion of Edmontonians owning rather than renting their homes. The 2011 National Household Survey found that 35.1% of Edmontonians rent their homes, and 64.9% own their homes. However, housing tenure varies widely at the neighbourhood level. Chart 16 shows Central McDougall has the highest proportion of renter households at 89.9% and Killarney – in 20th position – still has a 63.7% proportion of renters compared to home owners.

Unemployment By Neighbourhood

Unemployment rate measures the percentage of people actively looking for work but not able to find it. It does not include full-time students or those not actively seeking employment due to disability or because of barriers like lack of confidence or
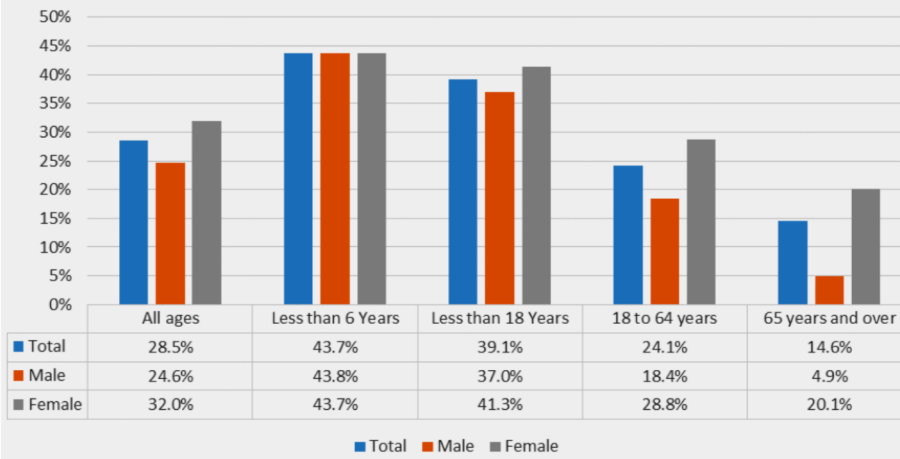
Chart 17: Highest 20 Unemployment Rates, Edmonton Neighbourhoods, NHS 2011

Chart 18: Prevalence of Low Income in 2010, After-Tax LIM, Aboriginal Population, Edmonton City, NHS 2011

	All ages	Less than 6 Years	Less than 18 Years	18 to 64 years	65 years and over
Total	28.5%	43.7%	39.1%	24.1%	14.6%
Male	24.6%	43.8%	37.0%	18.4%	4.9%
Female	32.0%	43.7%	41.3%	28.8%	20.1%

Chart 19: Employment Status of Aboriginals, 15 Years and Older, Edmonton City, NHS 2011

discrimination. Chart 17 shows the 20 Edmonton neighbourhoods with the highest unemployment rates in 2011. By comparison, the city's unemployment rate during the same period was 6.1%.

The lowest and third lowest neighbourhoods in terms of median household income (e.g. McCauley, Boyle Street) do not even show up on the list of neighbourhoods with the highest unemployment rates. This is likely because some residents of low income neighbourhoods are not actively looking for work due to barriers like mental illness. Other residents are likely working in low paying jobs with minimal benefits and job security.

Vulnerable Population Groups

Aboriginal Edmontonians

The city of Edmonton's Aboriginal population includes First Nations, Metis and Inuit. 41,990 Edmontonians (or 5.6% of the population) reported an Aboriginal identity in 2011. At 26.3 years of age, Edmonton's Aboriginal population is almost a full decade younger than the overall median age of 36.0 years (Statistics Canada, 2013b).
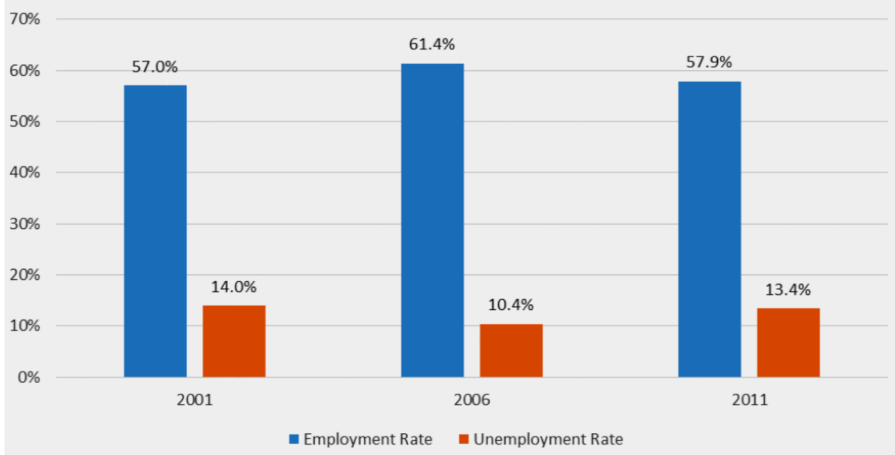
Chart 18 shows that Aboriginal people are more likely to experience poverty than Edmontonians overall. Moreover, the younger an Aboriginal person is, the more likely they are to live in poverty. 43.7% of young Aboriginal children ages 0 to 5 lived in poverty in 2011, more than twice the poverty rate of young Edmonton children overall (18.1%). Adult and senior Aboriginal women also have significantly higher poverty rates than Aboriginal men and double those of the overall Edmonton population.

As Chart 19 shows Aboriginal Edmontonians have significantly lower employment rates

and higher unemployment rates than Edmontonians overall (Statistics Canada, 2013b). However, there are over four Aboriginal persons working in 2011 for each Aboriginal person who is unemployed and looking for work.

Chart 20 shows the median after-tax income of Aboriginals over the last three federal censuses. This is significantly lower than the $32,060 median after-tax income of all Edmontonians in 2011. However, the 62% growth in after-tax income of Aboriginals was almost twice as fast as the 31% increase in inflation between 2001 and 2011 (Statistics Canada, 2014i).

Chart 20: Median After-Tax Income, Aboriginals 15 Years and Older, Edmonton City, Census 2001, Census 2006, NHS 2011
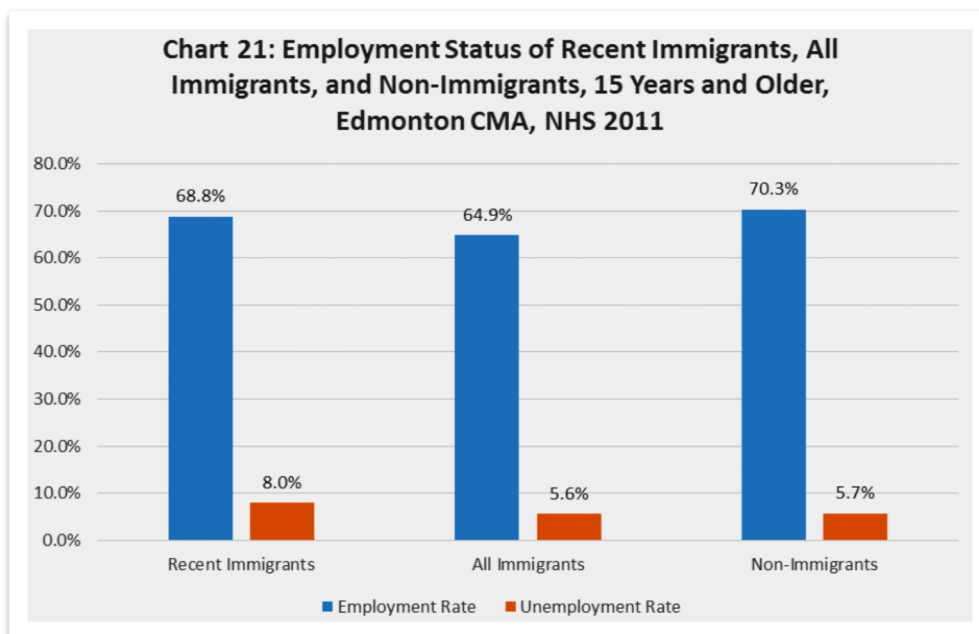
Year	Median After-Tax Income
2001	$14,431
2006	$18,769
2011	$23,118
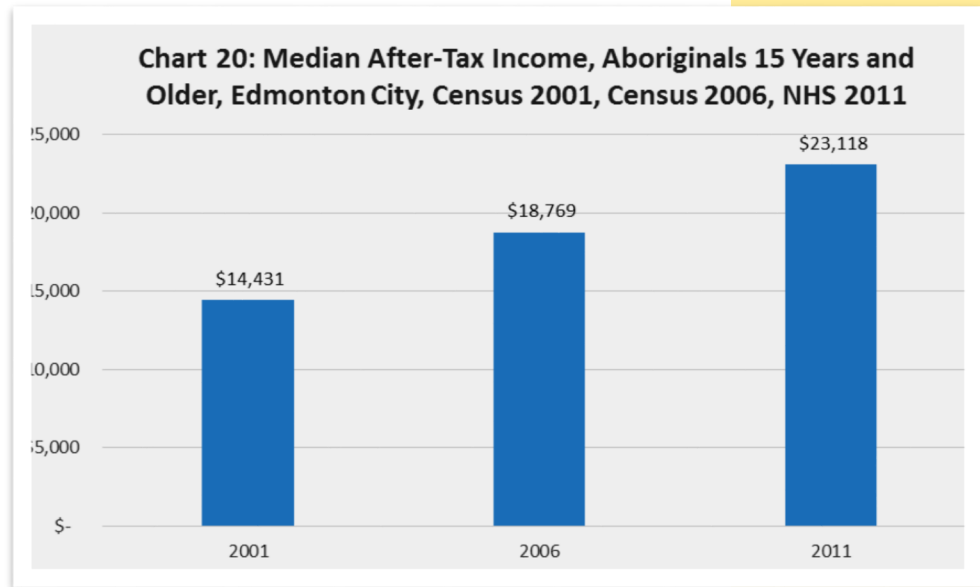
Immigrants and Refugees

The National Household Survey provides data on when a person arrived in Canada, not the immigration or refugee category under which they entered. Recent immigrants entered Canada within the five years before the NHS was taken. All immigrants refer to any person born outside of Canada regardless of period of immigration. Non-immigrants refer to any person born in Canada. A characteristic of Edmonton's immigrant communities is their dynamic complexity and diversity; whether they chose to settle here as immigrants or came as refugees fleeing conflict. These categories influence access to education and employment opportunities.

Chart 21: Employment Status of Recent Immigrants, All Immigrants, and Non-Immigrants, 15 Years and Older, Edmonton CMA, NHS 2011

Category	Employment Rate	Unemployment Rate
Recent Immigrants	68.8%	8.0%
All Immigrants	64.9%	5.6%
Non-Immigrants	70.3%	5.7%

41,990 Edmontonians report an Aboriginal identity

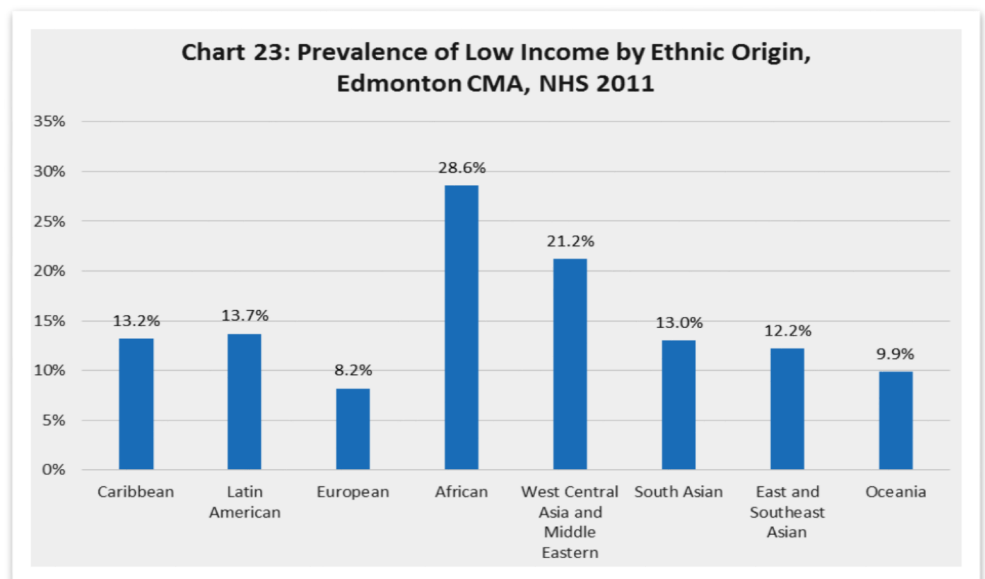Chart 21 reflects metro Edmonton's strong economy. 68.8% of recent immigrants have an employment rate almost as high as non-immigrants and higher than that of all immigrants (Statistics Canada, 2011a). This likely shows that a higher proportion of recent immigrants are of working age compared to all immigrants. At 8%, the unemployment rate for recent immigrants is just two percentage points higher than that of all immigrants and non-immigrants. This does speak to Edmonton's strong economy. In recent years, finding a job is less of a problem than finding a good job that pays well and matches the qualifications and abilities of newcomers to our city.

High levels of employment do not necessarily translate into higher employment earnings. Chart 22 shows that at $27,966 per year, the employment earnings of recent immigrants trail by a considerable margin the $38,205 per year earned by all

Chart 22: Median Employment Income of Recent Immigrants, All Immigrants, and Non- Immigrants, 15 Years and Older, Edmonton CMA, NHS 2011

	Recent Immigrants	All Immigrants	Non-Immigrants
	$27,966	$38,205	$42,091
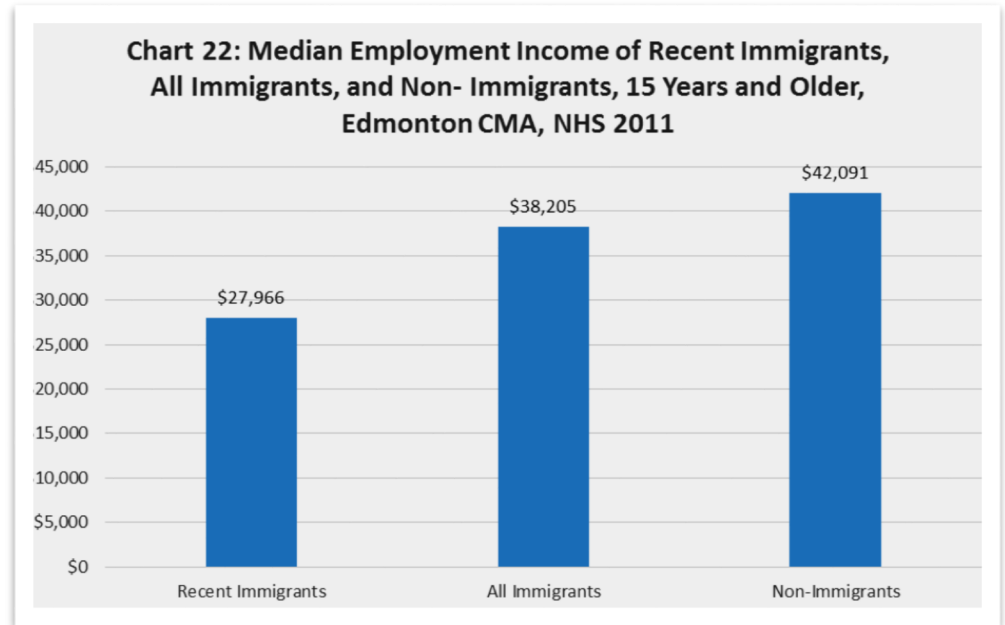
immigrants, and the $42,091 per year earned by the Canadian born (non-immigrants). Recent immigrants are therefore working for lower wages than other Edmontonians.

Edmontonians from many different ethnic origins

Chart 23: Prevalence of Low Income by Ethnic Origin, Edmonton CMA, NHS 2011

| Caribbean	Latin American	European	African	West Central Asia and Middle Eastern	South Asian	East and Southeast Asian	Oceania
13.2%	13.7%	8.2%	28.6%	21.2%	13.0%	12.2%	9.9%

Ethnic Origin

The 2011 National Household Survey identified many different ethnic origins for metro Edmonton (Statistics Canada, 2011b). Break-downs are not available for the city of   Edmon-ton.

Metro Edmon-ton's overall low income (poverty) rate in 2011 was 10.8%. Chart 23 shows the preva-lence on low income by ethnic origin based on continent or sub-

Chart 24: Employment Status by Ethnic Origin, Edmonton CMA, NHS 2011

continent of origin using categories developed by Statistics Canada. At 28.6%, people of African ethic origin had the highest prevalence of low income (poverty) followed by those with West Asian and Middle Eastern origins at 21.2%. There are likely a number of factors explaining this. Many of those from Africa and the Middle East have more recently arrived. Moreover, many fled conflict zones and came as refugees who faced trauma and disruption in their education and careers. It is not unusual that people from these origins struggle in the early years. They can take some inspiration from other communities who arrived facing similar traumas a generation earlier, but by 2011 had poverty rates closer to the metro average.

Metro Edmonton's overall employment rate was 69.0% and the unemployment rate was 5.6% in 2011. Chart 24 shows that – unlike poverty rates – employment and unemployment rates were closer to the metro average for all ethnic groups regardless of their continent or sub-continent of origin. People from Caribbean, Latin American and Oceanic origins had above average employment rates. People from East and Southeast Asian origins had unemployment rates below the metro average.
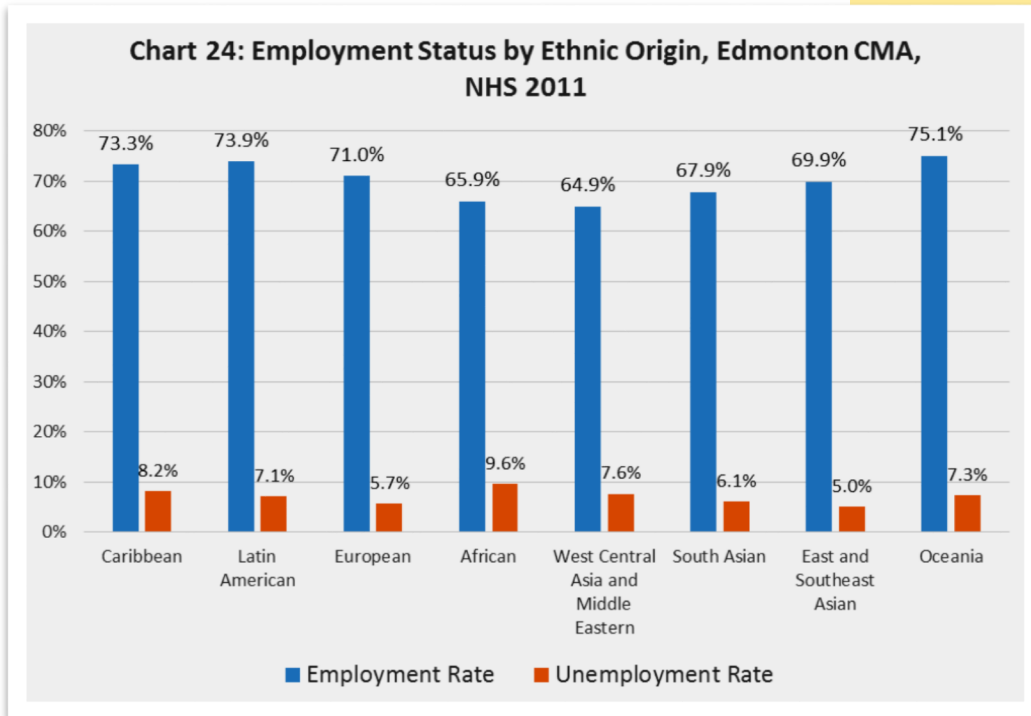
Emerging Trends Impacting Edmonton Poverty Work

Growing Diversity and Relative Youth

The city of Edmonton is becoming an increasingly diverse city with a growing Aboriginal and multicultural population. This represents a challenge but mostly an opportunity.

Edmonton's Aboriginal population is 10 years younger (median age 26.3) than the city's overall population (36.0 median age). With all the concerns about an aging

26.3

Aboriginal Median Age

36.0

Overall Median Age

population and the baby boomer generation overwhelming the health care and retirement security systems in the coming decades, the youthfulness of the Aboriginal population likely contributed to the city of Edmonton being the only major Canadian city that grew marginally younger from a 36.1 median age in 2006 to a 36.0 median age in 2011 (Statistics Canada, 2012a). Unless more effectively addressed, systemic discrimination and firmly held negative stereotypes can hold Edmonton's First Nations, Metis and Inuit youth from reaching their full potential.

Immigrants and refugees settling in Edmonton are also younger and more likely to be in their prime working years than Edmontonians overall. Immigrants and refugees have been arriving in Edmonton in record numbers in recent years. Yet federal and provincial funding for services like English language and employment readiness has not kept pace. These services are key to assisting newcomers to successfully integrate and become part of the mainstream in the shortest possible time.

Working Poverty

Too many Edmontonians work long hours for meagre pay and benefits. Too many highly educated newcomers move to Edmonton from other countries only to find their international qualifications are not recognized. They therefore end up in jobs that pay low wages and/or do not match their education, skills and abilities.

Recent data released by Public Interest Alberta found that 123,700 working people in metro Edmonton earned less than $15 per hour (19.5% of all employed Edmontonians). 62% of low wage workers are women, and 77% are 20 years and older (Public Interest Alberta, 2014). Recent research by Vibrant Communities Calgary found that to make a living wage and avoid living in poverty, a Calgarian working full-time for the ent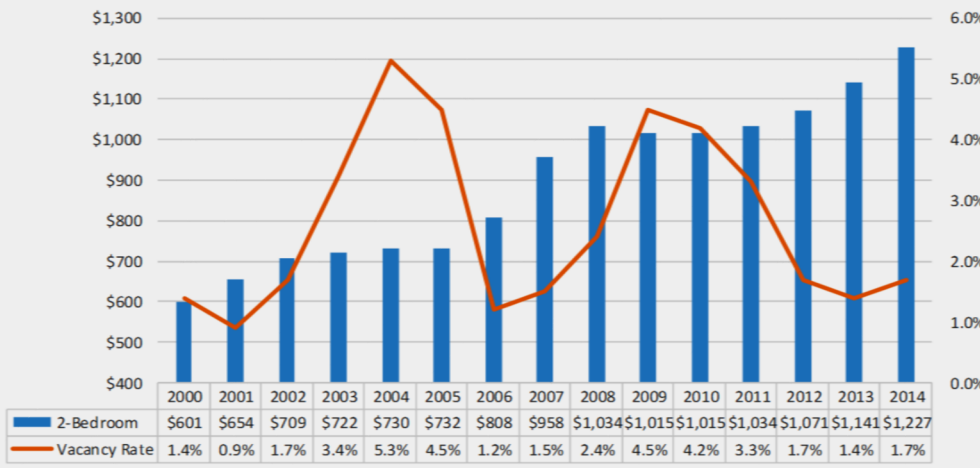ire year would need to earn at least $17.29 per hour without benefits and $16.14 per hour with benefits (Vibrant Calgary, 2014). Given the similarities between Alberta's two largest cities, an Edmonton living wage would likely be in the same range as that in Calgary.

Chart 25: Average Monthly October Rent and Vacancy Rate, Edmonton CMA, CMHC 2014

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
2-Bedroom	$601	$654	$709	$722	$730	$732	$808	$958	$1,034	$1,015	$1,015	$1,034	$1,071	$1,141	$1,227
Vacancy Rate	1.4%	0.9%	1.7%	3.4%	5.3%	4.5%	1.2%	1.5%	2.4%	4.5%	4.2%	3.3%	1.7%	1.4%	1.7%

The City of Edmonton needs to work collabora-tively with other orders of government, along with business, the labour movement, and non-government organizations to better reward the hard work of Edmontonians. The goal should be to ensure that no Edmontonian working full-time for the entire year lives below the poverty line.

Other than moral persuasion, the City of Edmonton has limited ability to effect wages and benefits in the private sector. Moreover, very few if any of the City's direct employees are not paid a living wage. The City does contract for services like custodial and private security which generally pay low wages. The City of Edmonton could make

paying a living wage a condition of its contracts for these and other services.

Housing Affordability

In the past two years, as shown in Chart 25, Edmonton is second only to Calgary in having the lowest rental vacancy rate in the nation, and trails only Vancouver, Toronto, and Calgary in having the highest monthly rents (CMHC, 2014b).

Lack of affordable housing supply and unaffordable rents threatens to overwhelm efforts to end homelessness in the city. While most of the funding for additional affordable housing units will need to come from other orders of government, the City can do its part by ensuring that suitable building sites are secured when funding does become available. Some of the surplus school sites should be designated for non-market housing. Land for affordable housing needs to be reserved in all new neighbourhoods in the city and region. Suitable sites need to be found for permanent housing with onsite supports which are the hardest to locate due to lack of neighbourhood acceptance.

Affordable Transportation

With such a high proportion of Edmonton's low income residents working, the ability to affordably get to and from places of employment becomes a key consideration. Currently, the City of Edmonton only provides discounted transit fares to Edmontonians receiving Assured Income for the Severely Handicapped (AISH) benefits. Other low income Edmontonians, including the working poor and those on Alberta Works, are required to pay the full adult fare. By contrast, the City of Calgary provides a discounted transit pass to all of its low income residents. (City of Calgary, 2014).

Providing a discounted transit fare to all low income Edmontonians, regardless of their source of income, would have many beneficial effects. This includes not only making public transportation more affordable but also increasing transit ridership. The Edmonton Transit System estimates that transit use by students in participating post-secondary institutions has doubled since the introduction of the discounted U-Pass (City of Edmonton, 2014d). A recent report found that providing a transit pass to homeless youth significantly reduced negative interactions with transit authorities and led to improved access to support services, employment and stable housing (Stewart, 2013).

Real Median After-Tax Income Growth (Edmonton CMA) 1982 to 2012

Income Group	Growth
Top 0.1%	137.2%
Top 1%	49.7%
Bottom 99%	7.3%
Bottom 90%	5.7%
Bottom 50%	3.3%

Growing Inequality

Over the past 30 years, income inequality in Edmonton has increased following national and provincial trends. This is most clearly seen from tax filer data broken down by income group and adjusted for inflation (Statistics Canada, 2014j).

Bottom 50 % see almost no increase in real income
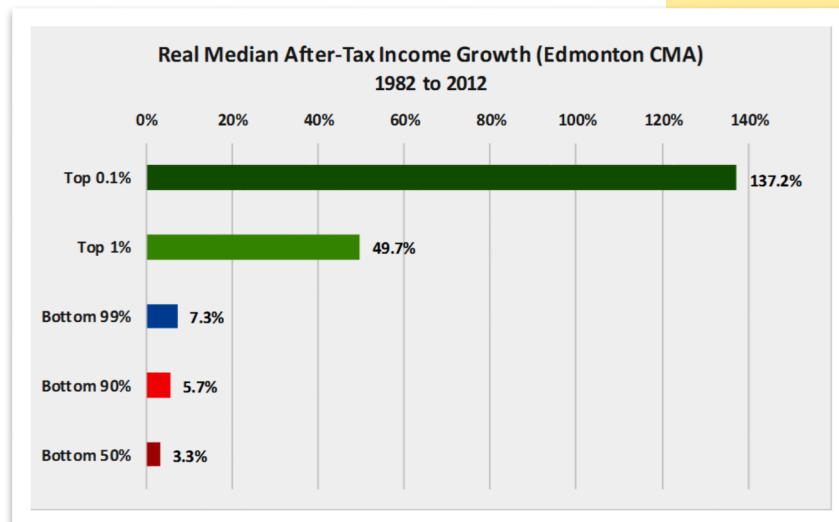
A rising tide is not raising all boats. Chart 26 shows that, after adjusting for inflation, the top 1% of metro Edmonton tax filers saw a 50% increase in their real after-tax incomes compared to only a 7.3% gain for the bottom 99% of tax filers over the period from 1982 to 2011. Even more dramatically the top 0.1% of tax filers experienced a 137% increase in their real incomes, compared to a 3.3% increase in the real incomes of the bottom 50% of tax filers.

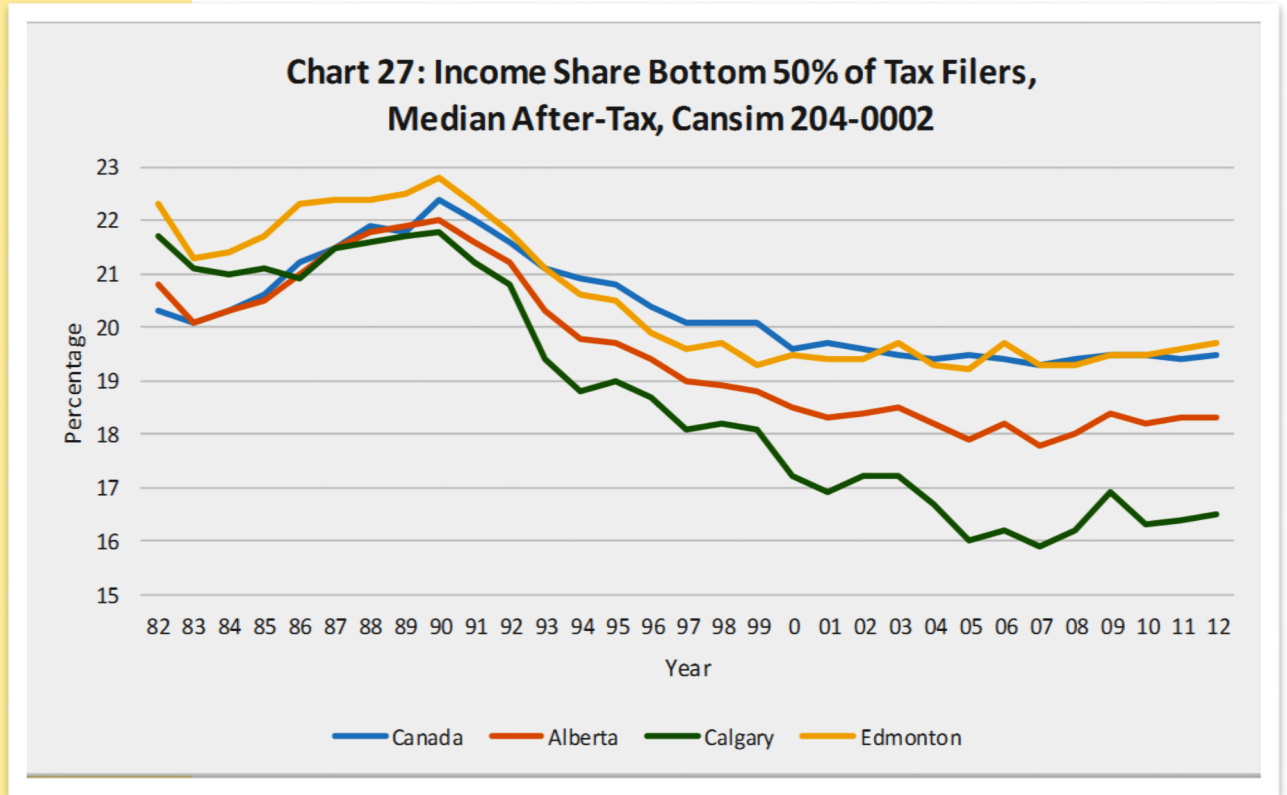Chart 27: Income Share Bottom 50% of Tax Filers, Median After-Tax, Cansim 204-0002

Chart 27 shows the income share of the bottom 50% of tax filers over the period 1982 to 2011 on an after-tax basis. There has been a steady decline in the income share of the bottom 50% nationally, provincially, and regionally. The decline has been most pronounced in the Calgary CMA with the decline in the Edmonton CMA being closer to the national average.

The City of Edmonton has very little ability to influence the national and provincial trends that are leading to greater inequality, especially the trend to reward the work of a relatively small number of people beyond any reasonable benchmark of the economic contribution they are actually making.

Growing inequality is also not inevitable. It is mostly the result of deliberate policy changes made by countries like Canada, the United States, Ireland, and the United Kingdom. These policy decisions include corporate tax reductions, making personal income taxes less progressive, introducing means testing for formerly universal programs, and eroding vital public services like health care, education, and the social safety net.

Education, Health and Wellness

Education remains a key to ending poverty. Chart 28 shows the 2010 median employment income of Albertans working full-time for the full-year at various levels of

educational attainment (Statistics Canada, 2011c).

Some health and wellness indicators are improving. As the graphic below shows, live birth rates show a significant long-term decline from 29.2 per 1000 teens aged 15 to 19 years in 1994 to 12.3 per 1,000 in 2013 (Alberta Health Services, 2014).

Youth obesity, on the other hand, has been on the increase. As shown in the graphics on the lower right, in 2013 26.3% of 12 to 19 year olds reported being overweight or obese. This increased to 44.3% for 20 to 34 year olds (Statistics Canada, 2014k).

Chart 28: Income By Education

Education	Income
No High School Diploma	$41,609
High School Diploma Only	$45,314
Post-Secondary Diploma Below Bachelor's Degree	$57,665
Bachelor's Degree or Above	$75,620

1994 29.2

2013 12.3

26% Age 12-19

44% Age 20-34

The Economy

For the past 15 years, with the exception of a short-lived downturn in 2009 and 2010, Edmonton has experienced strong population, economic and jobs growth. Edmonton's economy has a lot of positive momentum in the short term as evidenced by the number of construction cranes dotting the city's skyline.

In recent years, Edmonton's economy has benefitted from a construction boom in the oil sands, as well as new technologies to extract more conventional crude oil and natural gas from existing or deeper formations. Bitumen, conventional crude oil, and natural gas liquids production has steadily increased at attractive prices.

Recently there has been a downturn in oil prices. Should the City be prudent and plan for the possibility of a more prolonged slowdown in the energy sector? In the past several years, US crude oil production has been increasing at the rate of about one million barrels per year and this trend is expected to continue for at least the next few years (US Energy Information Administration, 2014). Could what happened with North American natural gas production, with prices in recent years trading at a third or less of prices in Europe and Asia, also happen to North American oil production?

The impact of a more prolonged economic slowdown on low income Edmontonians can be seen by looking back to the 1980s and 1990s. One benefit is housing would become more affordable. On the negative side, unemployment would increase especially among vulnerable workers without much job security. Poverty rates would increase, as would reliance on government income transfers especially federal employment insurance and provincial social assistance. An Edmonton poverty elimination plan must be resilient enough to be able to adapt to underlying changes in the local, regional and provincial economy.
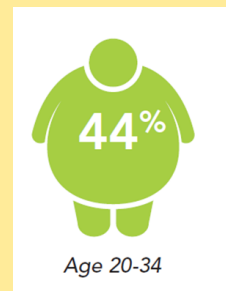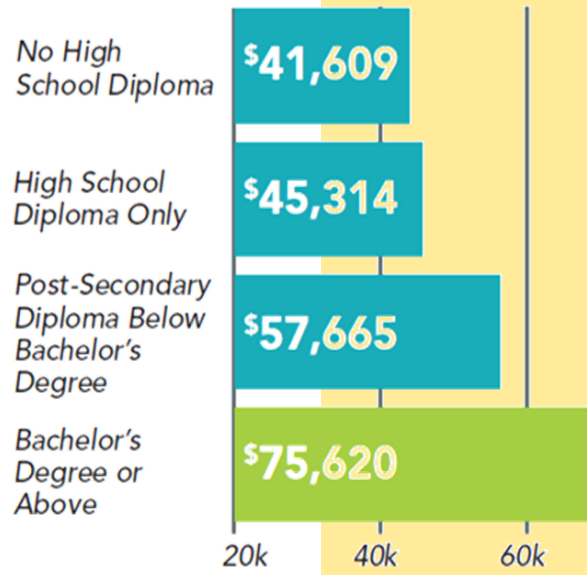
Conclusion

The City of Edmonton's ability to significantly move the needle on poverty elimination is limited. Most of the required investments will need to be made by other orders of government. However, knowing more about the characteristics of families and individuals who experience poverty in our community is essential to determining which solutions will have the deepest impact in addressing poverty.

Most Edmontonians experiencing poverty are working, often on a full-time, full-year basis. For those Edmontonians, providing higher levels of income support will not be helpful. However, increasing refundable federal child tax benefits, and introducing a parallel refundable provincial child tax benefit (neither of which discriminate based on source of income) would be very helpful. Focusing on children is also important because the younger you are, the more likely it is you will live in poverty.

More needs to be done to make sure no one working full-time for the entire year lives in poverty. This includes raising the provincial minimum wage closer to the poverty line. The provincial government policy to link Alberta's minimum wage to increases in living costs and average earnings is an encouraging first step. Also needed are living wage policies, initially for services contracted by the three orders of government.

Edmonton's rapid growth has led to high housing costs and a low rental vacancy rate. Providing sufficient federal and provincial funding to increase the supply of affordable housing, and increasing rental assistance for those with low and modest incomes, would similarly be very helpful. Ongoing investments in Edmonton's 10 Year Plan to End Homelessness are also required.

There are three specific areas where the City of Edmonton can demonstrate leadership to move the needle on ending poverty in the short-term. These actions are:

- Implementing a discounted low income transit pass priced at the same level as the existing AISH monthly pass. This matter is currently under consideration by City Council's Transportation Committee;

- Ensuring sufficient land and suitable sites are secured for affordable housing when funding does become available. On a policy level this includes designating some of the surplus school sites for non-market housing including permanent supportive housing. The City also needs to work with the province to make sure land is reserved for non-market housing in all new residential neighbourhoods similar to what is currently done for schools and parks. On a process level, the City of Edmonton's Finding Common Ground Initiative should help improve consultation processes around the location of non-market housing leading to greater community acceptance; and

- Implementing a living wage for City contracted services. To ensure someone working full-time for the entire year does not live in poverty requires an hourly wage of $16.14 with benefits and $17.29 without benefits (based on 2014 calculations).

Lastly, these actions could well be part of the 10-Year End Poverty Edmonton Plan that will be presented to City Council by the Fall of 2015.

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