



Poverty Reduction must remain a Priority for Hamilton

Signs of Progress, More to be Done

Poverty in Hamilton
Statistics Canada – May 1, 2008 Income Data Release Backgrounder

Key Messages

- Progress is being made, but more must be done
- Poverty is a complex issue with many inter-related root causes which requires a multi-pronged approach with a focus on changing policies and systems. Effectively addressing poverty requires a solid understanding of the issue and impacts of poverty on our community and economic, human/social capital and infrastructure investments.
- Income data provides a frame of reference for identifying the number of people who live below the low income cut off but is only distributed every five years and does not reflect the many changes occurring in Hamilton focused on poverty reduction.
- The Statistics Canada income data continues to identify that Hamilton has a significant number of children, youth and their families living below the low income cut off. The Hamilton Roundtable believes that **this level of poverty is unacceptable** and that we need to continue to **work together as a community to find solutions** which will lead to prosperity for all citizens.
- The Hamilton Roundtable for Poverty Reduction is a catalyst bringing all sectors of the community together to address the issue of poverty, by working together we can break down silos and find solutions.
- Since 2006, there has been incredible momentum building in Hamilton through increased collaborative partnerships, 91 community-led solutions and a focus on policy and systems change.
- The City of Hamilton is viewed as a leading community with a strategic focus on the issues of poverty and prosperity.
- More research is required to fully understand the impact of the income data on targeted populations including children, youth, seniors, lone-parent families, individuals with special needs, the diverse communities and the Aboriginal community.

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Q: What information is being released on May 1 by Statistics Canada?

A: Statistics Canada will release income data which includes family type income data and income analysis for non-economic family status (single person by age). City of Hamilton data will reflect income reported in the 2005 calendar year. This income information will provide a summary profile of the citizens of Hamilton, their income levels and identify the number of citizens in Hamilton living above or below the Low Income Cut Off.

Q: What is the Low Income Cut-Off (LICO) and why is this relevant to understanding poverty?

A: Low Income Cut-Offs (LICO) - The LICO calculates the average cost of basic necessities (including housing, food, and clothing) for different sized households in different sized communities. The measure then adds an additional 20% to determine the low income cut-off for each family/household size. The additional 20% is meant to cover all expenses beyond food, shelter and clothing. This includes such things as heat, hydro, telephone, laundry, toiletries, cleaning supplies, school related costs, medications, transportation, and other unexpected costs.

Q: What was the LICO measure for Hamilton in 2006?

A: Hamilton's population grew to 505,000 in 2006 and therefore as a community, Hamilton has moved from the medium-sized to large city category. It will be difficult to compare 2001 and 2006 income data because of Hamilton's change in city size. LICO estimates for larger cities reflect the higher costs of housing and food in those cities and will require additional analysis locally. Below is the **2006 LICO Measure** before tax table provided by Statistics Canada.

	Community Size up to 499,999	Over 500,000
1 person	18,260	21,202
2 persons	22,731	26,396
3 persons	27,945	32,450
4 persons	33,930	39,399
5 persons	38,482	44,686
6 persons	43,402	50,397
7 or more	48,322	56,110

Source: Statistics Canada. Low Income Cut-Offs for 2006 and Low Income Measures for 2005.May 2007.

Q: How many individuals in Hamilton live below the LICO?

A: According to the 2006 Statistics Canada Census Income information, there are **89,676** citizens in Hamilton who live below the Low Income Cut-off.

Q: Is the rate of poverty increasing or decreasing in Hamilton?

A: Between 2001 and 2006, we have seen a decrease in poverty in Hamilton. The Hamilton Roundtable for Poverty Reduction and our community partners have committed to analyze the information released by Statistics Canada to understand the impact on various groups including children and youth, seniors, lone parent families, and members of the diverse and Aboriginal communities. The Roundtable considers the rate of poverty to be unacceptable. Poverty reduction must remain a priority for Hamilton.

Q: Is LICO the best measure for poverty?

A: The LICO measure provides us with a frame of reference for understanding the income levels of different individuals in the City of Hamilton. It is not a sensitive measure because the data is collected every five years. The Roundtable's Evaluation and Learning Working Group is currently developing a suite of community indicators which will help us understand if community efforts are moving the needle on poverty in Hamilton.

Q: What is Hamilton doing to address the issue and impact of poverty?

A: In 2005, the City of Hamilton and Hamilton Community Foundation convened the Hamilton Roundtable for Poverty Reduction, a cross-sectoral group representing business, government, voluntary sector and individuals living with low-income to address the issue of poverty. Since 2005, thousands of individuals and community groups have been working on strategies to reduce the impact of poverty on children, youth and their families in Hamilton. The community has identified that poverty is a complex issue that requires a multi-pronged approach and has rallied around initiatives like the Hamilton Roundtable for Poverty Reduction, the Income Security Working Group and the Jobs Prosperity Collaborative to name a few. The Roundtable has identified five critical points of investment in the lives of children, youth and their families as a means of tackling the root causes of poverty and preventing the generational impacts of poverty.

Q: What changes have happened to help people living in poverty?

A: The City of Hamilton has adopted poverty reduction and ***Making Hamilton the Best Place to Raise a Child*** as a strategic city focus. Council has approved a number of policies which have increased the income for individuals living in poverty including the return of the municipal portion of the National Child Benefit in 2006 and 2007 which impact 6,413 families, an Affordable Transit Pass Pilot Project for individuals who are working but earn below the low income cut-off, and increased investment in social housing. In addition, the City of Hamilton is working to support low income members move to home ownership, invested in early learning and child care programs, and increased support to individuals who experience financial crisis.

The Province of Ontario has committed to developing an Ontario Poverty Strategy in 2008 and has increased social assistance rates, developed the Ontario Child Benefit, increased investment in the areas of dental health for low income families, school nutrition programs, and social housing.

In addition, organizations, businesses and community groups in Hamilton have developed over 90 initiatives which Make Hamilton the Best Place to Raise a Child. This is a good start, but the next step is to scale up the investments so that all individuals living in poverty have access to the supports they and their families need.

Q: What impact will an economic recession have on poverty reduction?

A: An economic recession will have an impact on our community and those citizens living with low or limited income. We believe that Hamilton is better positioned to respond to the changing economy through our ability to work collaboratively and across sectors in the community. The Hamilton Chamber of Commerce is hosting an Economic Summit, the City of Hamilton is investing in economic development and human services planning and the community is leading a Jobs Prosperity Collaborative, an Immigration Strategy and is focused on Transforming Neighbourhoods and Downtown Renewal.

Q: **What are the next steps?**

- A:
- **Poverty Reduction must remain a Priority for Hamilton**
 - Further analysis is needed to understand the demographic impact of the income information for specific populations in Hamilton: children, youth, seniors, lone-parent families, diverse communities, and Aboriginal community members.
 - The Hamilton Roundtable for Poverty Reduction is developing a suite of community indicators to understand how circumstances are changing for people living in poverty.
 - Continued focus on poverty reduction strategies and policy changes at the municipal, provincial and federal government levels.
 - Continued broad-based community involvement is required to ***Make Hamilton the Best Place to Raise a Child.***

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For information about the Hamilton Roundtable for Poverty Reduction visit www.hamiltonpoverty.ca

The Hamilton Roundtable for Poverty Reduction is co-convened by The City of Hamilton and Hamilton Community Foundation