

## **Poverty**

**Indicator Type: Social**

**Domain: Living**

Every child should have a right to those childhood experiences which best promote the chances of developing into a healthy, well adjusted and productive adult, regardless of the socio-economic status of their family and community (Report Card Working Group, 1999). Unfortunately, between the years of 1996 – 2001, the income gap between rich and poor families has been steadily increasing with a concomitant decline in average family income. While a smaller group of families have incomes, which could be construed as “rich”, more families are and continue to be classified as poor. The definition of poverty most commonly used in Canada is Statistics Canada’s low-income cut-off (LICO). According to Statistics Canada those families classified as living in poverty, according to LICO spend a significantly higher proportion of their income on food, shelter, and clothing than an average family of comparable size (Report Card Working Group, 1999). The results indicate that the economic circumstances of these families dictate that they must spend 54.7 percent of their income on basic necessities (Report Card Working Group, 1999).

### **Trends:**

Within Toronto, 94 of the city’s 477 Census tracts indicate poverty rates are such that children are at high risk of negative outcomes. Over the past decade, household income has been in decline with average income for a Toronto family in 1995 was \$58,939, down from \$60,319 in 1990 (Report Card Working Group, 1999). Corresponding with this drop in average income, it has been estimated from the 1996 Census that over 36 percent of all children under 10 years old were living in low-income families in Toronto (Report Card Working Group, 1999). The Report Card Working Group (1999) determined this to be a significant increase from 25.8 percent living below the poverty line at the time of the 1991 Census. Data from Statistics Canada support this statement as their studies indicate that 37.3% of children under the age of 12 were living in poverty (as determined by LICO) (Report Card Working Group, 1999). Coupled with those findings were the data from the 1996 Census, which showed that 22 percent of all children in the city were living in lone-parent families (Report Card Working Group, 1999). This is significant as lone-parent households are more likely to have lower incomes and could be one of the causative factors underlying the great number of children living below the poverty line. When looking at children at all age levels, Toronto is home to 45 percent of all children living in the GTA, and yet houses a disproportionate

66 percent of the regions poor children. When looking at this data in the aggregate, the trends indicate that poverty and in particular child poverty is on the rise in the GTA.

### **Linkages:**

The large number of children living in low-income families in Toronto suggests that many of the city's children are a risk of experiencing adverse or negative outcomes. The Report Card Working Group (1999) points to three indicators that are the best predictors of negative outcomes for children. The indicators include living in a lone-parent family; receiving social assistance; and living in subsidized housing. The negative outcomes that may arise out of poverty include psychiatric disorders, emotional or behavioural problems, and poor school performance (Report Card Working Group, 1999).

It is the position of many researchers in this area that low-income is not the sole determinant of adverse outcomes. Recent medical studies suggest that, in terms of brain development in children, early childhood years are the most critical in development and subsequent learning, behaviour and health (Report Card Working Group, 1999). Behavioural problems later in life can be attributed to the absence of this nurturing stimulation (Report Card Working Group, 1999). However, this lack of stimulation may be exacerbated and at times attributed to economic deprivation.

### **Action:**

In 1998, Toronto had amalgamated to form the new City of Toronto. The large scale restructuring that followed presented new opportunities to monitor and improve the situation of the city's children (Report Card Working Group, 1999). Toronto City Council appointed a Children and Youth Advocate and established a Children and Youth Action Committee (Report Card Working Group, 1999). An important initiative of the Children and Youth Action Committee was the development of a Report Card on the Status of Children in the City of Toronto. The Report Card was developed to measure the city's progress toward realizing the visions described by professionals and politicians of Toronto, using an extensive list of indicators.

### **Difficulties:**

- Data collection for the indicators was difficult. .. Due to the new amalgamation aggregating data proved complex as measurement methods and even the actual indicators themselves are not standardized across the GTA making meaningful comparisons and analysis of trends problematic at best

### **Future prospects:**

- Increase in local-area data to improve the scope of indicators for the Toronto Report Card on Children.
- An expanded list of indicators will emerge as data becomes more consistent

**Sources of Information:**

Report Card Working Group (1999) *Toronto Report Card On Children, 1999*.  
City of Toronto.

Government of Canada, 1996 Census, Statistics Canada