

The AMSSA Info Sheet series has been created to inform and support our members and community partners. The Info Sheets cover a wide range of topics and highlight important facts and trends from across Canada and BC. Our goal is to assist organizations in navigating the rapidly changing landscape of the BC settlement sector.*

The Intersection of Poverty and Immigration in BC and Canada

British Columbia (BC) has the highest poverty rate in Canada with more than half a million people or 11.5% of the population living in poverty. Recent immigrants and their families are disproportionately affected by poverty and are three times more likely to experience poverty than persons born in Canada. Poverty and income inequality is a major issue in the upcoming provincial elections in BC in May 2013 and this AMSSA Info Sheet explores the correlations between poverty and immigration in Canada and BC.

Facts and Figures: Recent immigrants are 3 times more likely to live in poverty than Canadian-born persons

- ⇒ British Columbia had the highest poverty rate in Canada based on 2010 data, with 11.5% of the population or over 510,000 people living in poverty. BC's poverty rate is nearly 50% greater than Alberta's poverty rate of 6.8% and 30% larger than Ontario's poverty rate of 8.8%. The Canadian average is 9.0%.¹
- ⇒ Across Canada poverty rates have been decreasing over the last decade from 12.5% in 2000 to 9.0% in 2010. BC however has seen an increase in poverty rates every year between 2008 and 2012.²
- ⇒ Recent immigrants are disproportionately affected by poverty and are 3 times more likely to live in poverty than Canadian born persons. Data from the 2006 Census shows that while 9.7% of Canadian born persons fell below the poverty line, a notable 34.1% of recent immigrants (2 years or less) lived in poverty (see figure 1).³
- ⇒ In fact, 10 years after arriving in Canada, immigrants face poverty rates twice as high as Canadian born persons. It takes 20 years for the poverty rates of immigrants to equalize with the poverty rates of persons born in Canada (see figure 1).⁴

Figure 1 – % of immigrant population living in poverty, by years in Canada

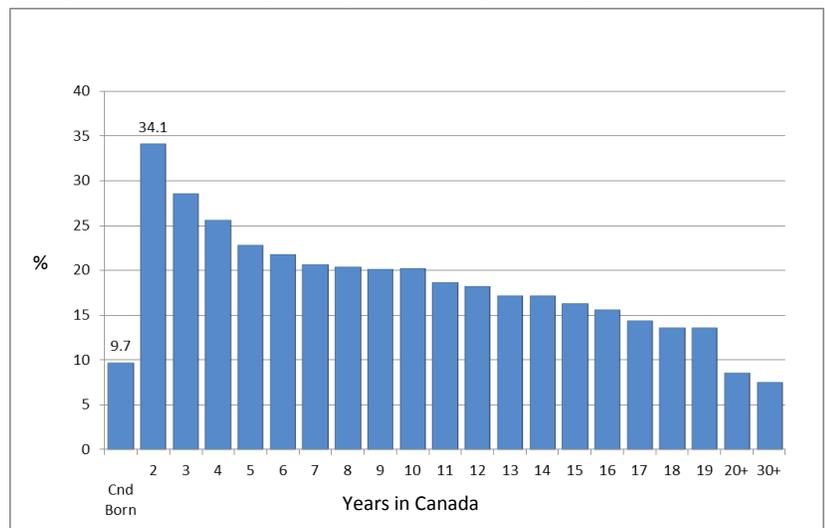


Table created by AMSSA. Data Source: Statistics Canada, 2006 Census⁶

- ⇒ Broken down by gender, the 2006 Census data shows that 32.1% of recently immigrated women, living in an economic family of two or more, lived below the poverty line. Comparatively, 7.4% of Canadian born women living in an economic family experienced poverty. Looking at men the numbers are 33.2% for recent immigrants and 6.4% for Canadian-born men.⁵

Poverty adds additional pressure on the integration efforts of recent immigrants

- ⇒ Immigrants and refugees arriving in Canada face many economic, linguistic and social barriers in their settlement process.
- ⇒ As one-third of recent immigrants fall below the poverty line, the intersections of the challenges associated with settlement and poverty greatly increase the vulnerabilities of immigrants in BC. For example, the challenges recent immigrants face when looking for housing or employment are compounded by their lower economic status and linguistic and cultural barriers.

1. Statistics Canada, 'CANSIM Table 202-0802, Persons in low income families', June 2012. Available at: <http://www5.statcan.gc.ca/cansim/a33?RT=TABLE&themelD=3874>. For the purposes of this Info Sheet, all poverty rates are calculated by LICO-After Tax. See the text box on page 2 for more information.

2. See above: Footnote 1.

3, 4. Statistics Canada, 'After-tax low income status of immigrants by number of years since immigration, Canada', 2005. Available at: <http://www12.statcan.gc.ca/census-recensement/2006/as-sa/97-563/table/t24-eng.cfm> (note: 2011 Census data will be available in late 2013).

5. Statistics Canada, 'Prevalence of low income for economic family members, by immigration status', 2005. Available at: <http://www.statcan.gc.ca/pub/89-503-x/2010001/article/11528/tbl/tbl008-eng.htm> (Stats Can defines an economic family as a group of two or more persons who live in the same dwelling and are related to each other by blood, marriage, common-law or adoption).

Impact of poverty on families: 1 in 2 children of recent immigrant parents live in poverty

- ⇒ Children of recent immigrants along with children of single mothers and children of aboriginal identity are most at risk of living in poverty. Some statistics demonstrate that children of recent immigrants are at the highest risk in BC with 49.6% or 1 in 2 children living in poverty.⁷
- ⇒ The Canadian Teachers' Federation found that low-income children experience reduced motivation to learn, delayed cognitive development, lower achievement, less participation in extra-curricular activities, lower career aspirations, interrupted school attendance, lower university attendance, an increased risk of illiteracy, and higher drop-out rates.⁸
- ⇒ Children of recent immigrants face multiple barriers as the challenges of poverty overlap with the challenges in their settlement experience.

Hidden Homelessness: Experienced by 50% of recent immigrants

- ⇒ Housing costs add an additional pressure on recent immigrants, especially in Metro Vancouver where most newcomers pay more than 50% of their income on housing; 15% pay more than 75% of their incomes on housing.⁹
- ⇒ A recent Metropolis study found that 50.5% of recent migrants/immigrants experienced hidden homelessness, where families live in over-crowded living spaces or in temporary conditions such as churches or warehouses.¹⁰ 77.8% of the respondents in the study were refugee claimants, while 42.9% were economic immigrants.¹¹
- ⇒ Poor housing impacts the health of recent immigrants and can facilitate chronic diseases and infections and have detrimental effects on childhood development, nutrition, and mental health.¹²

How is poverty measured in Canada?

Canada has no official measurement of poverty. Low Income Cut Off (LICO after tax) is the measurement of poverty used in this report unless otherwise noted. While LICOs are calculated to measure inequality, not poverty, they remain the most commonly used measurement of poverty by analysts. Using this metric, a family is considered to be in poverty if they spend 63% or more of their income on food, shelter and clothing.¹³

In 2010, a family of 3 living in a large metropolitan area was considered below the poverty line if their annual income was less than \$28,430.¹⁴

Actions needed to eliminate poverty for immigrants and refugees

- ⇒ The Center for Policy Alternatives released a study on the cost of poverty which claims "that BC is spending between \$8.1 and \$9.2 billion per year to maintain the status quo of poverty. That's more than double the \$3 to \$4 billion needed to implement a comprehensive poverty reduction plan."¹⁵ According to this study the cost of poverty in societal resources devoted to tackling poverty's negative consequences would be much higher than implementing a poverty reduction plan. Such a plan would include reducing hidden and actual homelessness, improving pay and working conditions for low-income jobs, affordable child care and more access to training and education.¹⁶
- ⇒ Investment in immigrant and refugee settlement support such as settlement programs, employment services and family, youth and children programming, creates social and economic sustainability. Temporary foreign workers, refugee claimants and naturalized citizens already are/will become ineligible for settlement services come April 2014 and will need provincial support to access the services they need to succeed in BC.
- ⇒ This AMSSA Info Sheet shows that poverty in BC disproportionately affects immigrants and their families. Poverty adds barriers to the already difficult settlement process and any action plan to eliminate poverty should incorporate strategies that take into account the correlation between immigration and poverty and address the barriers to inclusion for recent immigrants and refugees.

7. First Call, '2011 Child Poverty Report Card', November 2011, page 7. Available at: <http://www.firstcallbc.org/pdfs/economicquality/3-reportcard2011.pdf>.

8. Canadian Teachers' Federation, 'Child Poverty and Schools', 2009. Available at: http://www.cft-fce.ca/publications/Briefs/FINAL_Hilddayleavebehind_eng.pdf.

9. Jenny Francis and Daniel Hiebert, 'Shaky Foundations: Precarious housing and hidden homelessness among refugees, asylum seekers, and immigrants in Metro Vancouver', November 2011, Table 41. Available at: <http://www.mbc.metropolis.net/assets/uploads/files/wp/2011/WP11-18.pdf>.

10, 11. See Footnote 9 above, at page 76.

12. CPRN, 'Housing for immigrants in Ontario's medium-sized cities', page 9, September 2008. Available at: http://www.cprn.org/documents/50555_EN.pdf.

13. Statistics Canada, 'Low-income cut offs', June 2009. Available at: <http://www.statcan.gc.ca/pub/75f0002m/2009002/s2-eng.htm>.

14. Statistics Canada, 'Low-income cut offs', August 2011. Available at: <http://www.statcan.gc.ca/pub/75f0002m/2011002/tbl/tbl01-eng.htm>.

15, 16. CCPA, 'Cost of Poverty in BC', July 2011. Available at: http://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2011/07/CCPA_BC_cost_of_poverty_full_report.pdf.