

Factsheet on Poverty and Inequality in BC

- **BC has the highest poverty rate in Canada at 11.5% - that's over half a million British Columbians struggling to get by.**
- **BC's child poverty rate, at 10.5%, is the second highest in Canada.**
- Inequality in BC is the highest in Canada and increasing at a faster rate than most other places in Canada. In the last 10 years, the average household income of the top 1% in BC has increased by 36% while median incomes have stagnated. Inequality is linked to multiple health and social problems.
- **The consequences of poverty cost the province \$8-9 billion (health care, criminal-justice, and foregone tax revenue) while a poverty reduction plan costs about half that at \$4-5 billion.**
- **BC is now one of the last two places in Canada without a poverty reduction plan** – everywhere except us and Saskatchewan has one or is in the process of developing one. Alberta was the most recent to join the movement.
- **A poverty reduction plan includes both raising incomes (welfare and minimum wage) and providing public goods: social housing, universal childcare, education, and health care.**
- **Most poor people in BC are working.**
- Almost half (43%) of BC's poor children live in families where at least one parent has a full-time, full-year job, and this is the highest rate in Canada
- The minimum wage rate of \$10.45 an hour does not put a single person above the poverty line in Vancouver and other large cities in BC. In fact, it will leave them approximately \$1000 below the poverty line. We advocate for an increase to \$15/hour.
- Before the recent raise, the minimum wage had not been increased for the last 10 years so low-wage workers had been suffering more each year as the cost of living increased. We advocate for indexing the minimum wage to the cost of living. Indexing decreases the risk of job loss commonly associated with increasing the minimum wage.

- We support a living wage, which is above the poverty line but still only provides a bare-bones budget. It reflects what a family (two earners, two children) needs to meet their basic needs: food, shelter, clothing, a used car, child care expenses, health care not included in Medicare, MSP monthly premiums, and taxes. For Vancouver, it is now \$20.64.
- Income assistance (or welfare as it's commonly called) is \$610 a month for a single person in the "expected to work" category and \$906 a month for a person with a disability. These rates don't even cover basic needs of housing and food, and have not been increased since 2007.
- The inadequacy of these rates means that people have to work very hard just to survive. They are busy lining up for free meals, Food Banks, shelters, etc. It's almost impossible to look for a job under these circumstances.
- MLA Jagrup Brar lost 26 pounds through his month on welfare in January 2012. The health implications of malnourishment are severe and costly to us as a province.
- The majority of those on social assistance are exempt from employment expectations due to a disability or other barrier. The disability allowance is inadequate, especially given the extra costs of living with a disability.
- Poverty is concentrated in specific populations, such as Aboriginal people, people with disabilities, recent immigrants and refugees, single-mother households and single senior women.
- There are approximately 2600 homeless people in Metro Vancouver and an estimated 11,750 homeless people across BC.
- In a typical month last year, over 90,000 people in BC used food banks: 1 in 3 of them were children and 1 in 7 were Aboriginal.
- BC is the only province in Canada where people have to pay MSP premiums, a fundamentally regressive tax. The threshold for full exemption is very low at \$22,000.