



## Poverty at Your Doorstep

### Winnipeg

### 2013

Economic pressures have been growing in Winnipeg for many poor families since the 2008-09 recession. Rising costs of living, especially for housing, is cutting deeply into family incomes. Poverty levels are still above those recorded before the recession, notably among lone-parent families,

Aboriginal peoples, and youth. Renewed economic growth is spurring the growth of average family incomes but significant disparities continue to exist between the affluent and the poor.



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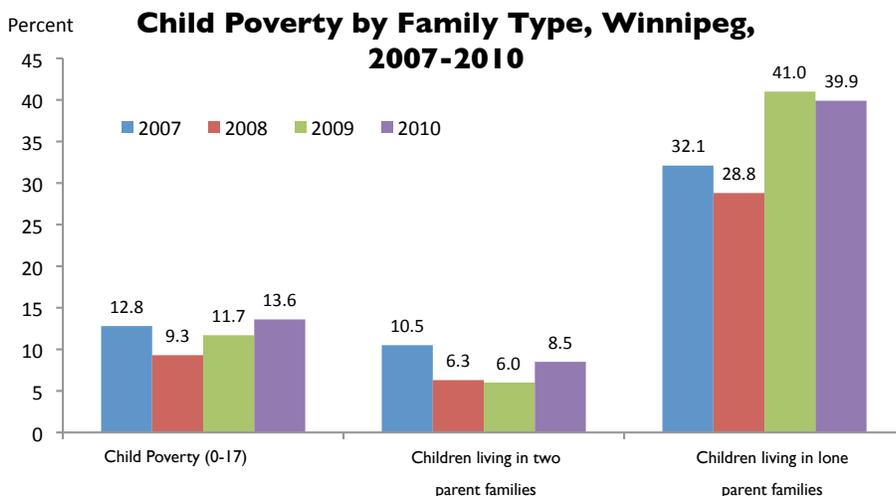
## Poverty in Winnipeg

Twenty years ago, Winnipeg had the highest levels of poverty in the country. In the early 1990s, one in four Winnipeg children lived in poor families. In the late 1990s, as the economy improved and market incomes rose, the rate of poverty started to fall. While Winnipeg continues to have one of the highest rates of urban poverty among in Canada, thousands of children and their families have moved out of poverty this past decade.

With the onset of the recession, poverty reduction ground to a halt. From a pre-recession low of 10%, the overall poverty rate rose to 11% in 2010, according to Statistics Canada's after-tax Low Income Cut-off.

The child poverty rate rose from a low of 9% in 2008 to 14% in 2010, the third highest ranking among large cities, behind Vancouver and St. John's. In 2010, Winnipeg's child poverty rate was six percentage points above the national average (8%).

The recession was particularly hard on lone-parent families in Winnipeg. The rate of poverty among children living in lone-parent families increased by 12 percentage points between 2008 and 2009, rising from 29% to 41%. In 2010, the rate fell back slightly to 40%. This is significantly higher than the overall rate for Canada (19%) and four and a half times higher than the poverty rate among Winnipeg children living in two-parent families (9%).



Source: Source: Statistics Canada. Table 202-0802 - Persons in low income families, annual. After-tax Low Income Cut-off.

Aboriginal peoples are dramatically overrepresented among the poor in Winnipeg. In 2005, Aboriginal peoples made up roughly 10% of Winnipeg's population, but they constituted 25% of those living in poverty. In total, 37% of Aboriginal peoples living in Winnipeg were poor.

## Labour Market Inclusion

Manitoba has experienced stable economic growth over the last number of years, with relatively low unemployment rates and improved average weekly earnings. Unfortunately, not all Manitobans have shared in this prosperity.

During the recession, unemployment in Winnipeg increased from 4.4% in 2008 to 5.4% in 2009, while the number of people receiving

Employment Insurance grew by 28%. Unemployment increased again in 2010 and 2011, reaching 5.8%, still relatively low compared to the experience in other areas of Canada. More recent monthly figures show little change in the unemployment rate in 2012.

At the same time, the employment rate fell by one percentage point, from 67% in 2008 to 66% in 2009. The rate was unchanged in 2010 and then fell in 2011 to 66%. The number of jobs in Winnipeg has been growing, but not fast enough to keep pace with the growing number of those searching for work.

The drop in the employment rate represents a shortfall of almost 12,000 jobs in Winnipeg.



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## Income and Earnings

Working-age families in Winnipeg experienced a steady increase in median market income between 2007 and 2010, from \$68,500 to \$74,000. In 2010, the market income of two-parent families was \$87,800, and among lone-parent families, \$34,000, placing Winnipeg in the middle income range of Canadian cities.

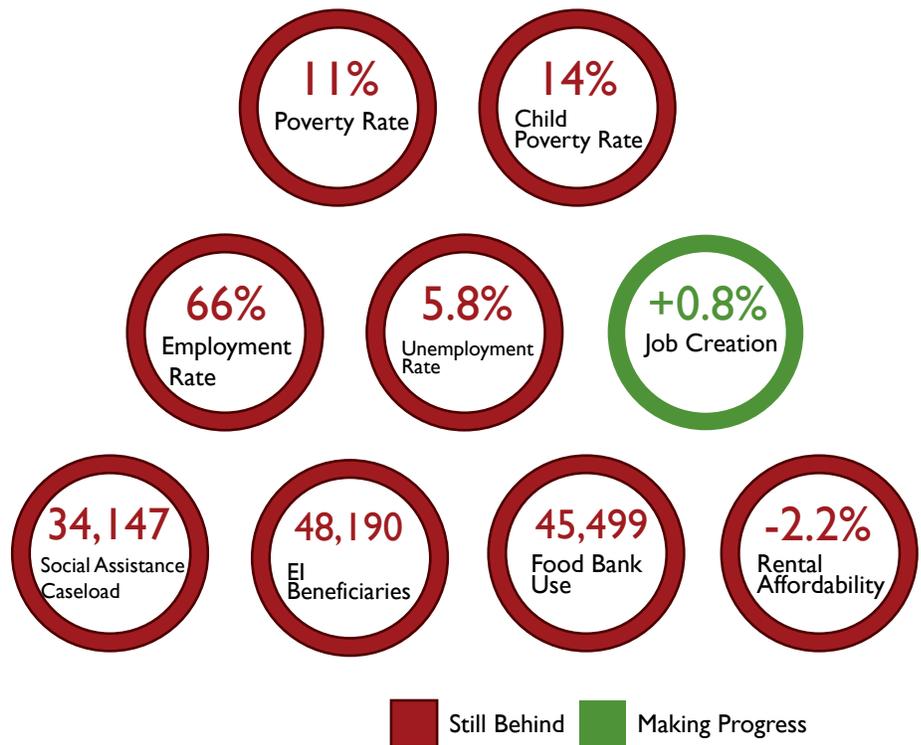
The incomes of lone-parent families have generally risen in Canada since the late 1990s – and this is the case in Winnipeg as well. Unlike two-parent families, however, the median market incomes of lone-parent families did drop significantly during the recession from \$36,900 in 2008 to \$28,600 in 2009. Incomes partially recovered in 2010, reaching \$34,000.

Overall, after-tax incomes have risen in Winnipeg since the mid-1990s, reaching \$69,700 in 2010, higher than the Canadian median (\$65,500) but lower than the median for all large cities (\$70,300).

Thanks to Canada's income support system, the after-tax incomes of lone-parents did not fall in lockstep with their market incomes between 2008 and 2009, but after-tax incomes did fall between 2009 and 2010. There was little change between 2009 and 2010 for two-parent families.

## Has Winnipeg Recovered from the Recession?

Most recent information for Winnipeg.



## Social Assistance and Employment Insurance

Winnipeg weathered the recession better than many areas of the country, but numerous families were still affected. The number of EI recipients rose by 84% between October 2008 and October 2009 – this despite the fact that only four in ten of the unemployed were able to make successful applications for benefits.

The number of Manitobans turning to the Employment and Income Assistance program also rose over the course of the recession and has

continued to rise each year since. In 2010/11, an average of over 60,000 Manitobans relied social assistance each month, an increase of 4% over 2009/10.

In 2011, as a result of the stronger economic climate, the number of people receiving Employment Insurance benefits in Winnipeg finally started to fall, but remains above pre-recession levels.

## Making Ends Meet

Winnipeg's housing market has historically been one of the most affordable in Canada, but housing costs have become a problem, especially for low-income families. Rental affordability has worsened since the recession, decreasing sharply by 13% between 2009 and 2011. In April 2012, the average rent for a two-bedroom apartment in Winnipeg was \$901, up from \$843 in April 2011, an increase of 7%.

Low vacancy rates and the loss of affordable housing are driving up housing costs for poor families. A growing number of Winnipeg renters are being forced to spend a larger share of their income on housing.

Poor families are also struggling with high food costs. The number of people using food banks in Winnipeg rose by more than 40% between March 2008 and March 2010, from 33,115 to 47,632. The number dropped back in 2011 to 45,499, still 37% higher than pre-recession levels.

## Sources

- » CMHC (2012), Rental Market Report Highlights: Canada.
- » CCPA, MB Office (2009), The View from Here: Manitobans call for a Poverty Reduction Plan.
- » CCPA, MB Office (2012), Rising Rents, Condo Conversions and Winnipeg's Inner City.
- » Social Planning Council of Winnipeg (2011), Child and Family Poverty Report Card, 2011.
- » Statistics Canada, CANSIM Tables 111-0020, 202-0203, 202-0605, 202-0407, 202-0802, 282-0110, 282-0116, 326-0021.
- » Winnipeg Harvest, Personal Communication, June 2012

For more information, see the national Poverty Trends Scorecard—Canada 2012 at [www.cpj.ca](http://www.cpj.ca). Check out Poverty at Your Doorstep reports for other Canadian cities at [www.worldvision.ca/canadianprograms](http://www.worldvision.ca/canadianprograms).

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## Partners in Action

### North End Family Centre

For many outsiders, Winnipeg's North End is defined by urban decay: large pockets of poverty, a high rate of crime, and a stream of vacant buildings. Almost half of its residents are newcomers to Canada and aboriginal families – and it is in the resilience of these families that the North End Family Centre celebrates hope for the future.

Matilda\* is a Mom who loves her children deeply, but reports that she can find it difficult to make healthy choices for herself and her family. She had survived significant trauma and shared how isolated and hopeless her life often feels.

Matilda first started coming to the North End Family Centre solely to use the community phone, as she was unable to afford a monthly phone bill. Finding the Centre's atmosphere to be welcoming and that staff and other community members were sympathetic to the challenges she faces, Matilda slowly began accessing more supports and contributing to Centre events.

She now reports that, for the first time in her life, she has healthy friends and positive supports. This newfound strength and optimism has propelled Matilda to earn her Grade 12 diploma, in hopes of pursuing further studies in the veterinary sciences. She sees a hopeful pathway for herself and her children, with the North End Family Centre community cheering her on.

\* Not her real name

[www.northendfamilycentre.org](http://www.northendfamilycentre.org)

## World Vision Canada

For more information about our programs and what you can do to close the poverty gap here at home, please see [www.worldvision.ca/canadianprograms](http://www.worldvision.ca/canadianprograms) or get in touch: [canadianprograms@worldvision.ca](mailto:canadianprograms@worldvision.ca), 1-800-268-5863, ext 2759.