

Fact Sheet #4

Poverty by Family Type and Number of Earners

As a result of three decades of stagnant earnings and the growing polarization of the labour market, two incomes are now essential to the economic security of most households. Even after taking into account the high cost of services such as child care, and the stress related to working long hours, relying on a single income significantly increases the risk of poverty among all families. And in today's economy, even two jobs is not a guarantee against poverty.

Single-earner families are at high risk of poverty

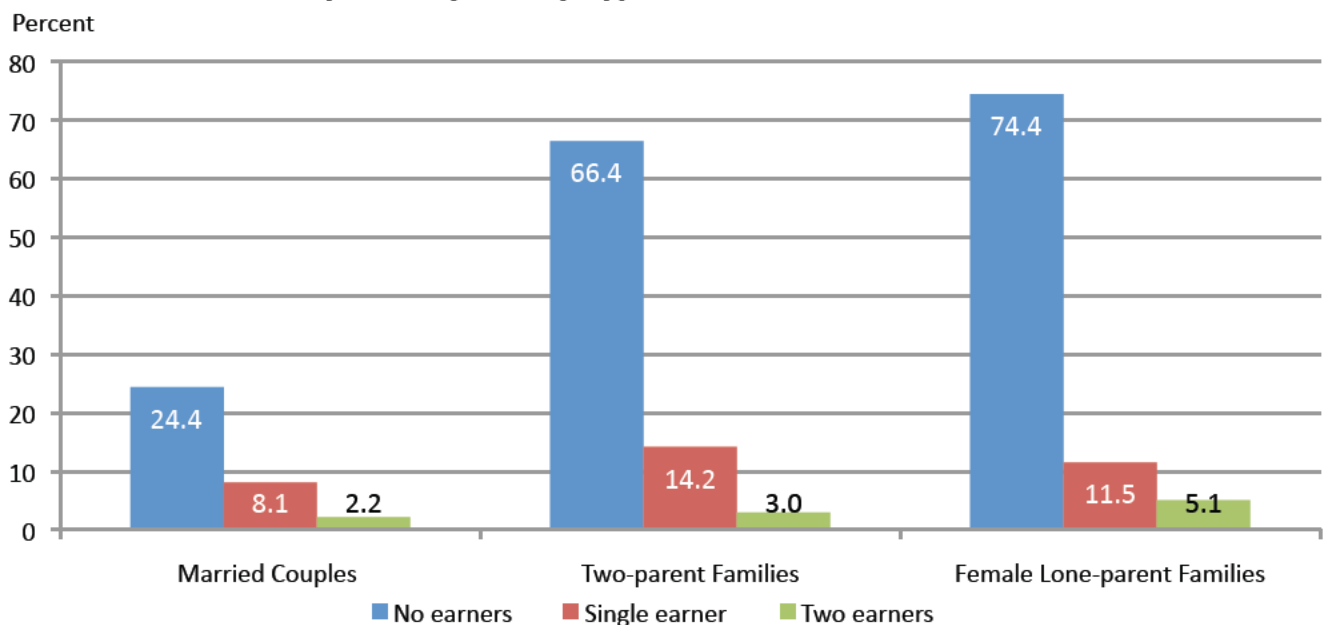
- The rate of poverty is much higher among single-earner families compared to families with two or more earners as some jobs simply do not pay well enough or offer sufficient hours to provide economic security.
- Over time, the gap in poverty rates between single-earner and multiple-earner families has widened as the gap between 'good' jobs and 'bad' jobs in the labour market has increased.

Having a job is no guarantee against poverty

- People living in households with one worker account for 39.1% of the poor in Canada, while households with two or more workers still account for fully 11.6% of this group.
- Canadians of working-age who live in households where no one works have a poverty rate of 64.9% – seven times the Canadian average for this age group.
- Inadequate income support programs for working-age individuals and families ensure a life of poverty for almost one million Canadians.

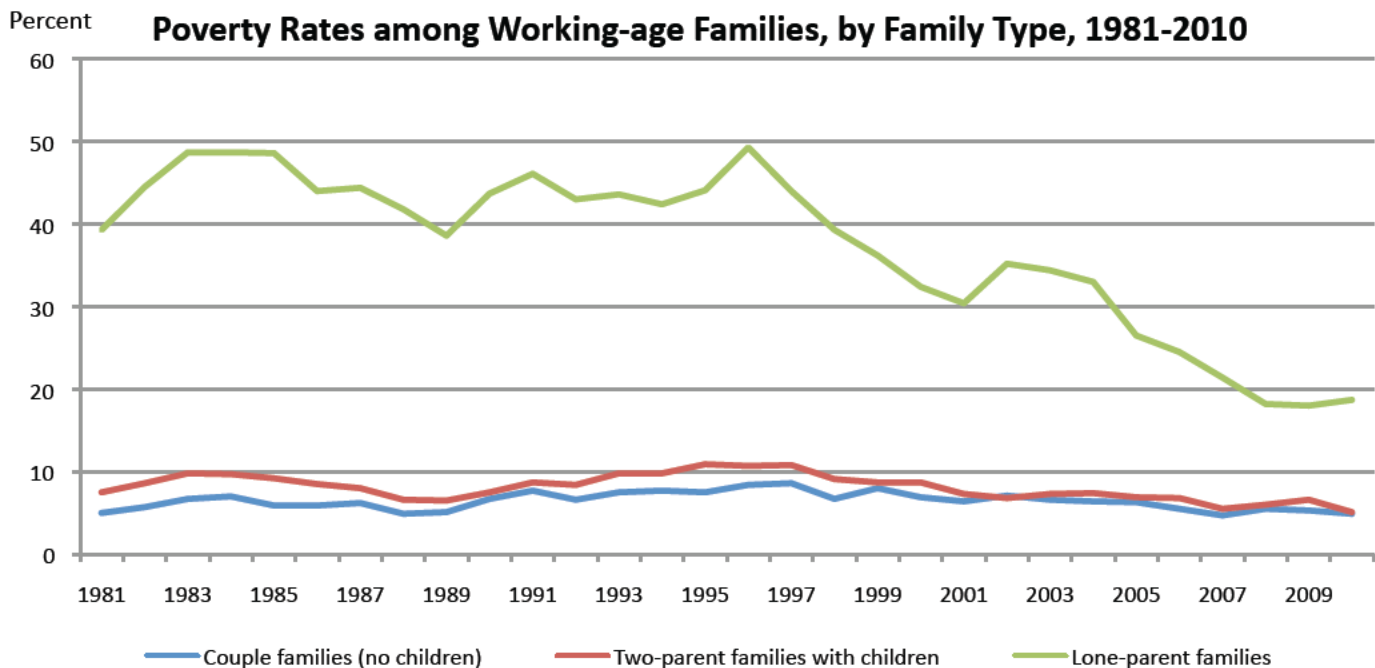
Having a job is no guarantee against poverty

Poverty Rate by Family Type and Number of Earners, 2010



Statistics Canada. Table 202-0804 - Persons in low income, by economic family type, annual. After-tax Low Income Cut-off

Lone-parent families post significant drop in poverty



Statistics Canada. Table 202-0804 - Persons in low income, by economic family type, annual. After-tax Low Income Cut-off

Lone-parent families are more likely to be poor than other families

- Lone-parent families also experience high levels of economic insecurity. In 2010, lone-parent families were three times as likely to be poor as two-parent families with children (18.7% vs. 5.1%).
- One in five children (21.8%) living in lone-parent families were living in poverty in 2010, compared to 5.7% of children living in two-parent families.

Lone-parents have made significant economic progress in the past decade

- Overall, there has been a significant reduction in poverty among individuals living in lone-parent families. Since the mid-1990s, the rate of poverty among lone-parent families has fallen by 62%, from a high of nearly 50% in 1996.