Trends Analysis: Poverty

OVERVIEW

Poverty is a significant concern in Canada, with the rate of poverty being the highest among the world's wealthiest industrialized nations.[1] British Columbia (BC) is frequently cited as having one of the highest rates of poverty in Canada, with 9.9% of the population living in poverty.[2] In 2014, the Ministry of Children and Family Development and the Union of BC Municipalities launched a pilot project called the Community Poverty Reduction Strategies[3] which engaged several communities including Kamloops, New Westminster, Port Hardy, Prince George, Stewart, Surrey, and in our Columbia Basin-Boundary region, Cranbrook.

OVERVIEW CONTINUED

This project brought together existing community resources within those communities and encouraged innovative ways to address poverty at the local level, with the goal of helping to alleviate the effects of poverty on individual families. While the pilot project concluded in 2015, a Community Poverty Reduction Strategies initiative intends to continue.[3] BC is the only province that does not have a comprehensive Poverty Reduction Plan.[4] At the federal level, the Government of Canada recently released a discussion paper Towards a Poverty Reduction Strategy[5], and will be launching the *Tackling Poverty Together Project* in 2017 as part of the development of a Canadian Poverty Reduction Strategy.

Poverty is a complex issue that has impacts at the individual, family, community, and societal level. Repercussions associated with poverty are experienced across sectors – from health and social services, to education, and the economy. There is no official government definition of poverty, and no generally agreed upon, provincially supported set of indicators to measure poverty in and across BC. This trends analysis reviews a number of indicators associated with poverty, working with the data that is available at the regional and local level, but is by no means an exhaustive list.

Some of the indicators that provide a picture of the state of poverty in the Columbia Basin-Boundary region, and are contained within this report include:

- Low Birth Weight;
- Youth at Risk;
- Early Development Instrument;
- Low Income Measure;
- Market Basket Measure & Low Income Cut-Off;
- Living Wage;
- Income;
- Income Distribution;
- Unemployment;
- Employment Insurance & Employment and Assistance Recipients;
- Housing Affordability;
- Vacancy Rates;
- Subsidized Housing – Independent Social Housing; and
- Subsidized Housing – Rental Assistance in the Private Market.

These indicators are presented in detail below, including a description of each measure, importance of each measure, and where available, associated current data and trends.

LOW BIRTH WEIGHT

WHAT DOES THIS MEASURE & WHY IS IT IMPORTANT?

Low Birth Weight (LBW), defined by a weight of less than 2,500 grams, is an important determinant of mortality, morbidity, and disability in infancy and childhood, and can have long-term impacts on health outcomes in adult life.[6] While there are a variety of factors contributing to low birth weight among infants, there is a correlation between poverty and low birth weight infants, possibly due to a lack of access to prenatal and infant health care, as well as poor nutrition.

Due to the limitations of data collection, data on LBW is only available by Local Health Area (LHA)[i] as a total number for the years 2007 to 2011[ii]. Home births are excluded.

[i] Local Health Area Map: http://www.bcstats.gov.bc.ca/statisticsbysubject/geography/referencemaps/health.aspx

[ii] Valemount is not included as it forms part of the Prince George LHA.

WHAT ARE THE TRENDS & CURRENT CONDITIONS?

As shown in **Figure 1**, the LHAs of Windermere, Kimberley, and Grand Forks had the highest incidence of Low Birth Weight among live births, while the LHAs of Arrow Lakes, Fernie, and Kootenay Lake had the lowest incidence. The average incidence of LBW for the Columbia Basin-Boundary based on all LHAs is 53.6. This is slightly less than the provincial LBW of 55.6 low weight births per 1,000 live births.

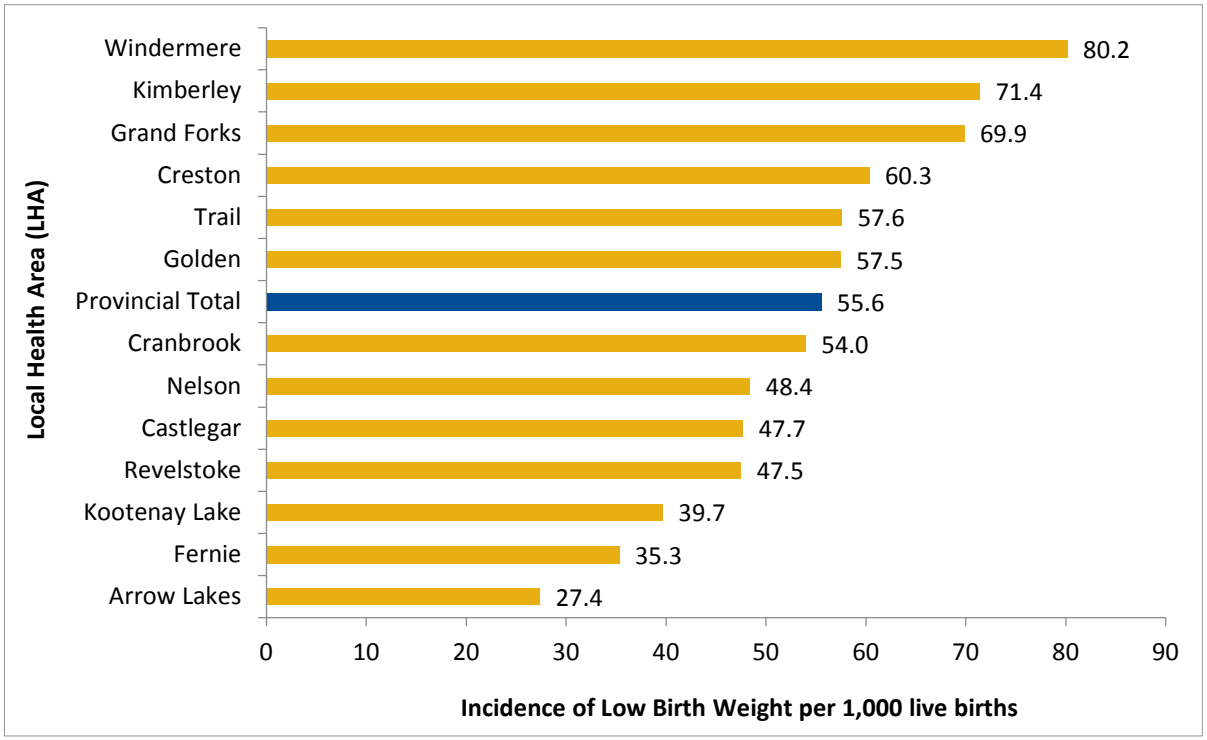


Figure 1: Low Birth Weight totals (per 1,000 live births) (2007 to 2011)[7]

EARLY DEVELOPMENT INSTRUMENT

WHAT DOES THIS MEASURE & WHY IS IT IMPORTANT?

The Early Development Instrument (EDI) is not a measure of poverty, but rather an indicator of early childhood development concerns that may be associated with poverty. The EDI questionnaire is administered by kindergarten teachers, and measures five core areas of early child development that are known to be good predictors of adult health, education, and social outcomes: (1) physical health and well-being, (2) language and cognitive development, (3) social competence, (4) emotional maturity, and (5) communication skills and general knowledge. The EDI assesses the developmental readiness of a group of children with an aim of identifying any vulnerabilities. To be vulnerable means that a child is at increased risk of encountering difficulties in the school years and beyond, when some aspect of their development is delayed at kindergarten entry.[8] Vulnerability is most often reported by the proportion of children who are vulnerable on one or more scales of the EDI, including physical, social, language, emotional, and communication scales.

In BC, the research team at the University of BC has established the Human Early Learning Partnership (HELP)[9] to help track and report EDI data. Data is collected in groups called 'Waves', where each wave is comprised of data collected from several consecutive school years. In order for data analysts to accurately measure statistically significant changes over time, school districts with smaller numbers of kindergarten students participate annually, while medium and larger school districts participate less frequently. Examining EDI scores over time allows us to assess trends in the percentage of kindergarten children in the region's school districts who are vulnerable.

The early years are crucial in influencing a range of health and social outcomes throughout one's life. Research shows that many challenges in adult society – mental health problems, obesity, heart disease, criminality, competence in literacy and numeracy, have their roots in early childhood. Understanding who the most vulnerable young children are and where they live allows us to allocate our resources and adjust policies to most effectively support all children in their early years.

WHAT ARE THE TRENDS & CURRENT CONDITIONS?

Based on the most recent EDI data (Wave 6), there are currently two school districts in the region, Boundary at 33% and Kootenay Lake at 35%, that have a higher percentage of vulnerable children on one or more scales than the provincial average of 32%. The remaining school districts have a lower percentage children vulnerable than the provincial average: Revelstoke (9%), Arrow Lakes (17%), Kootenay Columbia (22%), Rocky Mountain (29%), and Southeast Kootenay (30%). Generally, over the last five waves of EDI data, the majority of school districts in our region show lower than provincial average vulnerability rates.

Figure 2 shows the percent vulnerable on one or more scale for Wave 2 to Wave 6. Revelstoke consistently shows the lowest percent vulnerable in our region for all five waves. Provincially, the highest school district level vulnerability rate in 2016 (Wave 6) is 53% (Vancouver Island West), while the lowest is the Revelstoke school district with 9%, and the second lowest is Arrow Lakes at 17% (tied with the Nisga'a School District).[10]

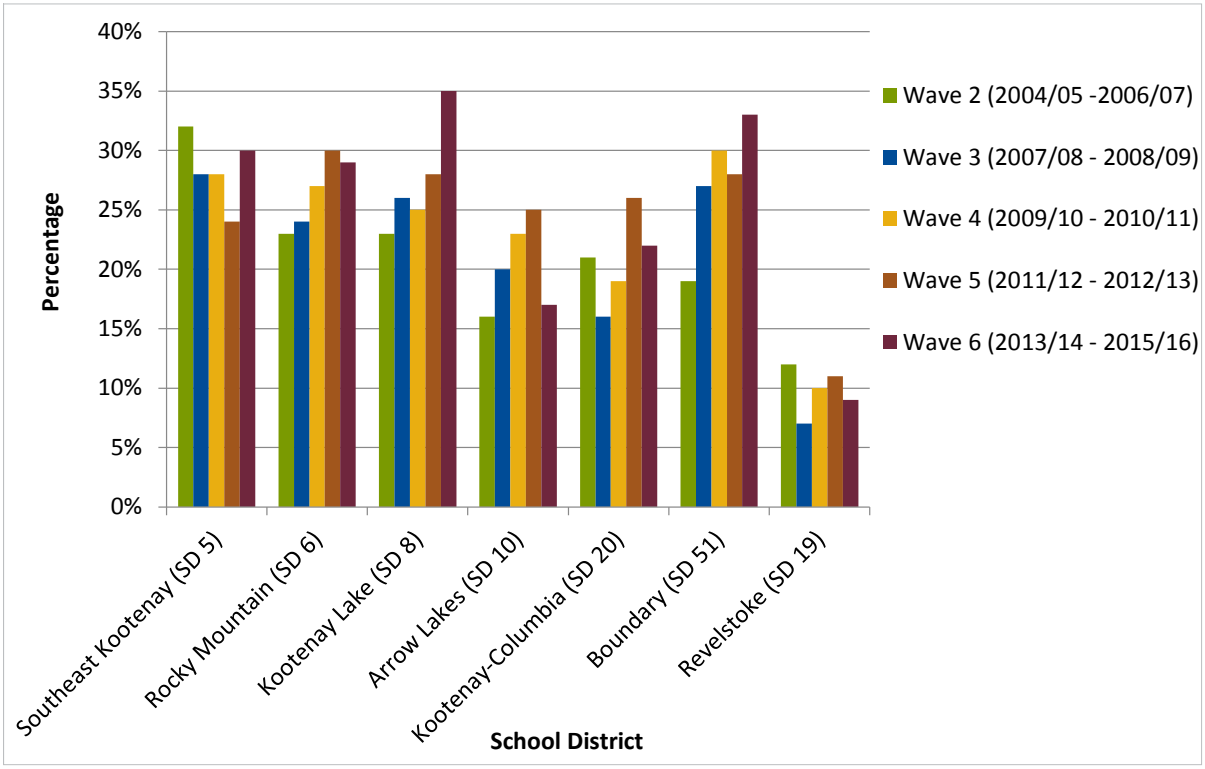


Figure 2: Percentage of children vulnerable in one or more domain for 2004/05 to 2015/16 [11]

As shown, between 2004/05 (Wave 2) and 2015/16 (Wave 6) school years, the number of kindergarten children who were vulnerable on at least one aspect of their development decreased in two of the seven school districts in the region; Revelstoke from 12% to 9% (25% decrease) and Southeast Kootenay from 32% to 30% (6.3% decrease). These two school districts countered the provincial upward trend in vulnerability, which is a 7.7% increase from Wave 2 to Wave 6. All other districts in our region show an increase in vulnerability over time. Some show small increases, namely Kootenay Columbia with a 4.8% increase and Arrow Lakes with a 6.3% increase. Others show much larger increases, including Rocky Mountain with a 26.1% increase, Kootenay Lake with a 52.2% increase, and Boundary with a 73.7% increase in vulnerability from Wave 2 to Wave 6.

Visit the RDI's Digital Basin for a region wide map of EDI scores[12] over time. Data for each specific scale (physical, social, language, emotional, and communication) is available at the school district and neighbourhood level through HELP's EDI interactive map[13].

YOUTH AT RISK

WHAT DOES THIS MEASURE & WHY IS IT IMPORTANT?

The Composite Index of Youth at Risk is an index formed by the weighted averages of four indicators: (1) percent of youth (aged 15-24) on income assistance for one year or more (weight of 0.40), (2) percent of youth (aged 15-24) on income assistance for less than one year (weight of 0.20), (3) percent of 18 year olds who did not graduate (weight of 0.20), and offences per 1,000 population for total serious crime (weight of 0.20). Data for 2012 was available from BC Stats' Socio-Economic Indices[14], which summarizes social and economic conditions over a wide variety of indicators into a single composite index for each Local Health Area (LHA) within the province. The purpose of the Composite Index of Youth at Risk is to provide an indicator that reports on the relative well-being of youth at the regional level.[15]

WHAT ARE THE TRENDS & CURRENT CONDITIONS?

The Composite Index of Youth at Risk provides a numeric value for each LHA in the province. Positive numbers mean that a particular LHA is worse than the median while negative numbers mean the LHA is better than the median. The index value is used to rank the LHAs in the province as a way to compare areas. **Table 1** shows the LHAs within the Columbia Basin-Boundary[iii], including the index value and provincial ranking.

Local health area	Composite index of youth at risk	
	Index value	Ranking (least to most favourable)
Kimberly	0.15	28
Creston	0.11	31
Nelson	0.09	32
Grand Forks	0.00	39
Castlegar	-0.18	53
Cranbrook	-0.24	55
Trail	-0.28	57
Windermere	-0.42	62
Kootneay Lake	-0.51	66
Arrow Lakes	-0.58	69
Revelstoke	-0.62	71
Golden	-0.63	72
Fernie	-0.71	75

Table 1: Index value and ranking by LHA for Composite Index of Youth at Risk[14]

The provincial ranking is numbered from 1 to 77. Kimberley, Creston, and Nelson are all closely grouped with the least favourable index ratings in the Columbia Basin-Boundary region, while Fernie, Golden, and Revelstoke are all closely grouped with the most favourable index ratings in the region, as well as in the province. None of the LHAs identified in the Columbia Basin-Boundary region are in the bottom (least favourable) third of the provincial ranking, while nine of the LHAs are within the top (most favourable) third provincially. Grand Forks has a ranking of zero, which indicates that its ranking equals the median value.

[iii]An index for Valemount is not available as it falls within the Prince George LHA.

LOW INCOME MEASURE

WHAT DOES THIS MEASURE & WHY IS IT IMPORTANT?

The Low Income Measure (LIM) is a relative measure of low income. "The LIM is a fixed percentage (50%) of median adjusted household income, where "adjusted" means that household needs are taken into account. Adjustment for household sizes reflects the fact that a household's needs increase as the number of members increases. Most would agree that a household of six has greater needs than a household of two, although these needs are not necessarily three times as costly."[16]

A census family is considered to be low income when their income is below the LIM for their family type and size. This report provides a picture of the extent to which different families were impacted by poverty in each geographical area over a five-year time span (2010 to 2014). Data presented is from the after-tax income reporting obtained from Statistics Canada Taxfiler data. Family categories are as defined by Statistics Canada.[iv] The data presented is based on postal code, and therefore does not fully align with legal municipal boundaries, but rather includes the municipality as well as the general area surrounding that municipality. For detailed information regarding boundaries, please contact the RDI.

The impacts of low income on health and education have been studied extensively.[17] Persons living with a low income may have difficulties accessing safe and affordable housing, nutritious food, adequate child care, transportation, and other necessary goods and services. Relying solely on the LIM to measure poverty however, can be problematic according to social policy researchers. Poverty line indicators such as LIM can underreport income not captured within tax data (i.e. cash, informal economy, etc.), and otherwise not capture specific experiences such as assets, access to inexpensive housing, external financial support, and others. Given the limitations of the LIM, incorporating a complementary measure such as a material deprivation index is recommended to complement the information that is part of a poverty line measure and provide a more accurate picture of the level of poverty.[18] This type of measure however is not currently available.

[iv]Family Categories are derived from Statistics Canada:[55]

- **Census Family** classifies people in the following manner: *couples* (married or common-law) living in the same dwelling, with or without children and *lone-parents* (male or female) with one or more children. The residual population is called *persons not in census families* and is made up of persons living alone and of persons living in a household but who are not part of a couple family or lone-parent family.
- **Children** are taxfilers or imputed persons in couple and lone-parent families. Taxfiling children do not live with their spouse, have no children of their own and live with their parent or parents. The data available identifies children as 0 -17 years of age.[23]
- **Lone-Parent Family** is a family with only one parent, male or female, and with at least one child.
- **Couple Family** consists of a couple living together (whether married or common-law) at the same address, and any children living at the same address; taxfiling children do not live with their spouse, have no child of their own and live with their parent or parents.
- **Persons not in Census Families** Is an individual who is not part of a census family – couple family or a lone-parent family. These persons may live with their married children or with their children who have children of their own (e.g., grandparent). They may be living with a family to whom they are related (e.g., sibling, cousin) or unrelated (e.g., lodger, roommate). They may also be living alone or with other persons not in census families.
- **Seniors (65+)** is a grouping of persons 65 years of age and over.[23]
- **Total Persons** is a grouping of Census Families and Persons not in Census Families.[23]

WHAT ARE THE TRENDS & CURRENT CONDITIONS?

As shown in **Figure 3**, in 2014, 10 communities in our region had a percentage of low income persons above the provincial average of 15.9%. This includes Slocan (34.8%), Winlaw (22.1%), Silverton (23.3%), Greenwood (21.3%), Rock Creek (21.2%), New Denver (20.4%), Kaslo (20.4%), Salmo (18.6%), Midway (17.4%), and Creston (16.7%). Nelson is nearly equal to the provincial level at 15.2%. Notably, none of the above mentioned communities are in the East Kootenay, and this holds true when looking at all other family categories for the LIM.

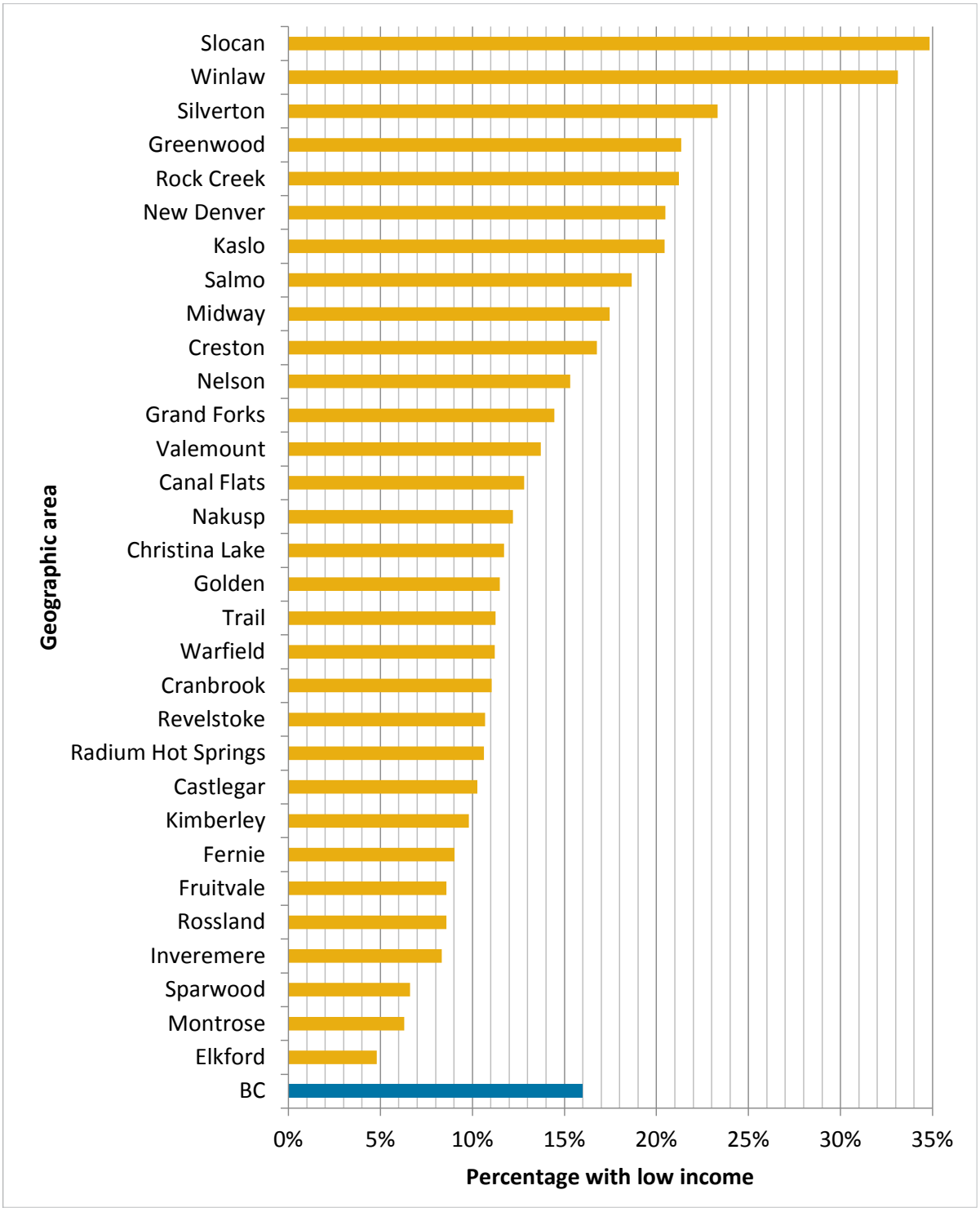


Figure 3: Percentage of low income total persons by community and BC for 2014[19]

When looking at the total persons at the regional level (**Figure 4**), the Central Kootenay had the highest percentage of persons with low income, followed by Kootenay Boundary, and then East Kootenay. East Kootenay and Kootenay Boundary have a lower percentage of total persons with low income compared to BC, while the Central Kootenay has similar values as the province as a whole. The percentage of total persons with low income has not changed much over the last five years, with just a slight decrease over time for all three regions and BC.

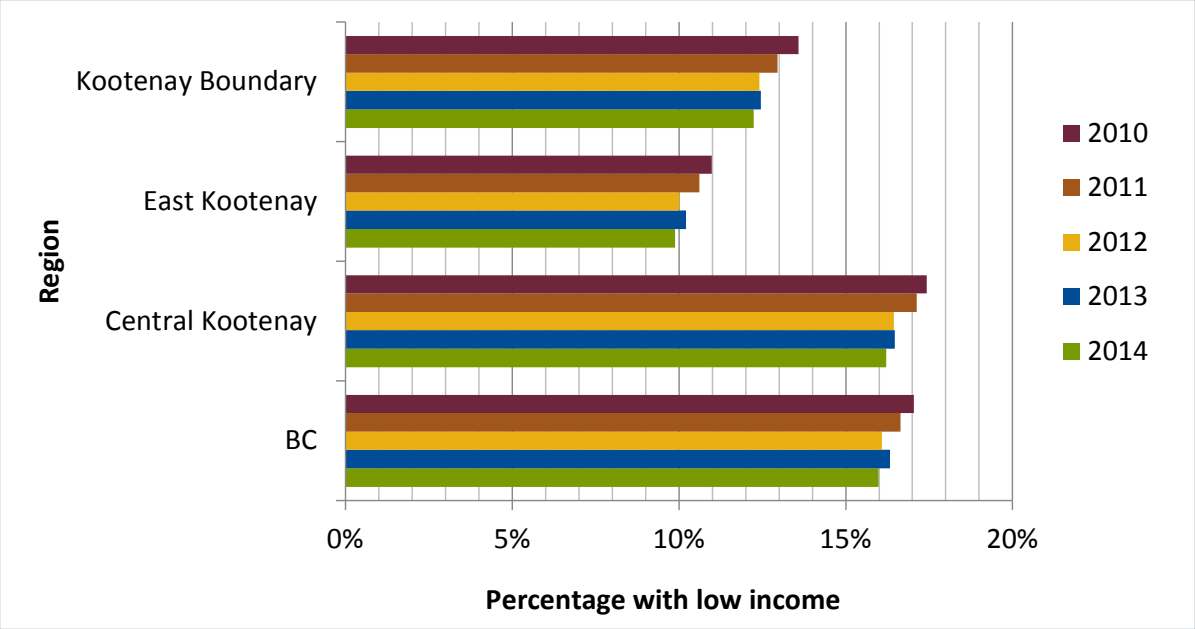


Figure 4: Percentage of low income total persons for 2010 to 2014[19–23]

When comparing family categories over a five-year period from 2010 to 2014, lone-parent families have the highest incidence of low income, with 40% of all lone-parent families living at or below the LIM in the Central Kootenay and more than 30% in the Kootenay Boundary and East Kootenay (see **Figure 5**).

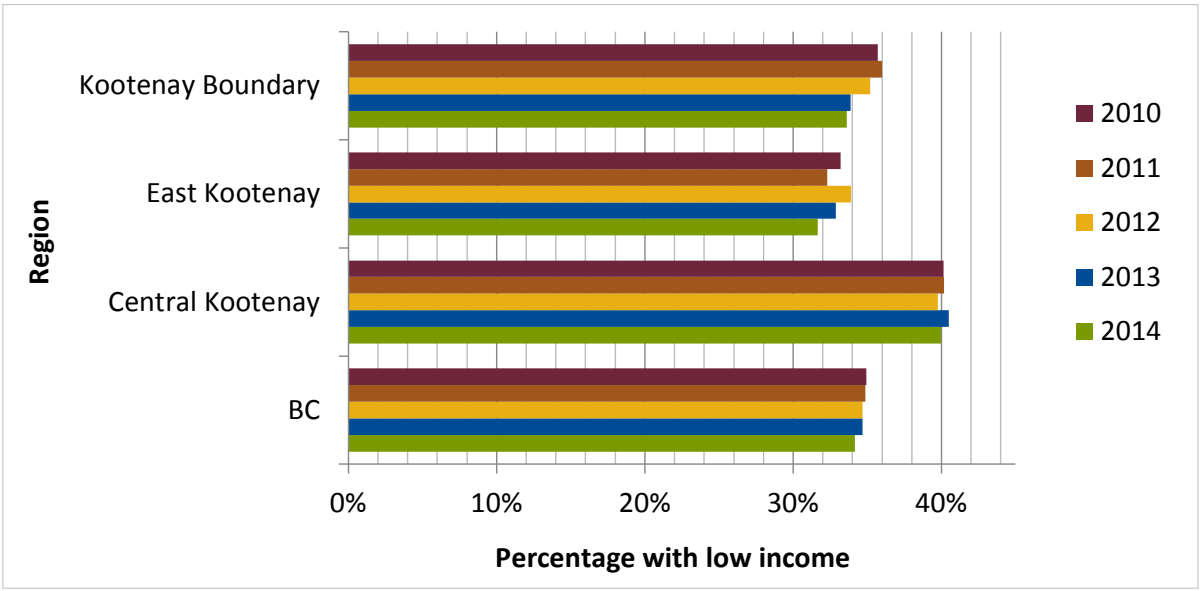


Figure 5: Percentage of low income lone-parent families for 2010 to 2014[19–23]

The Central Kootenay consistently shows percentages above the provincial average for low income lone-parent families. As with most family categories (see **Figure 6** to **Figure 9**), the number of lone-parent families with low income has slightly decreased between 2010 and 2014, dropping by 6% in the Kootenay Boundary and 5% in the East Kootenay. The number of lone-parent families with low income remained relatively constant in the Central Kootenay.

As shown in **Figure 6**, the percentage of persons not in census families considered to be low income was second highest after lone-parent families, with over 20% in the Kootenay Boundary and East Kootenay, and over 25% in the Central Kootenay over the last five years. While the Kootenay Boundary and East Kootenay show percentages below the provincial average, percentages for the Central Kootenay are higher for all five years.

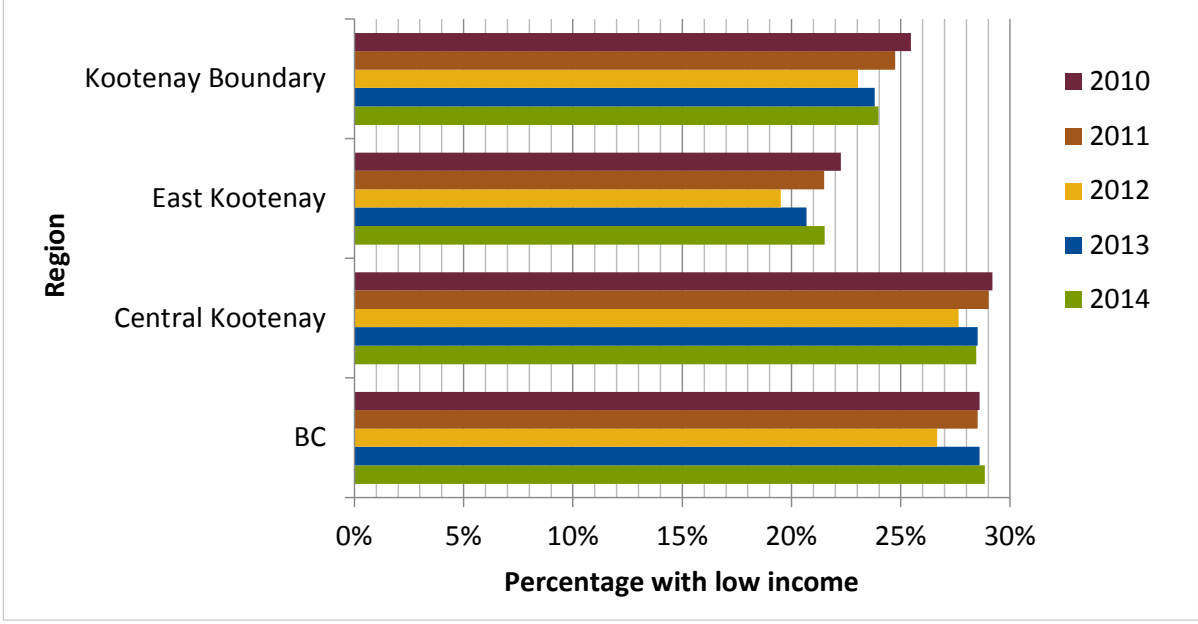


Figure 6: Percentage of low income persons not in census families for 2010 to 2014[19–23]

The percentage of children living with low income is 26% in the Central Kootenay, 19% in the Kootenay Boundary, and 14% in the East Kootenay for 2014 (see **Figure 7**). These percentages have decreased slightly over the last five years.

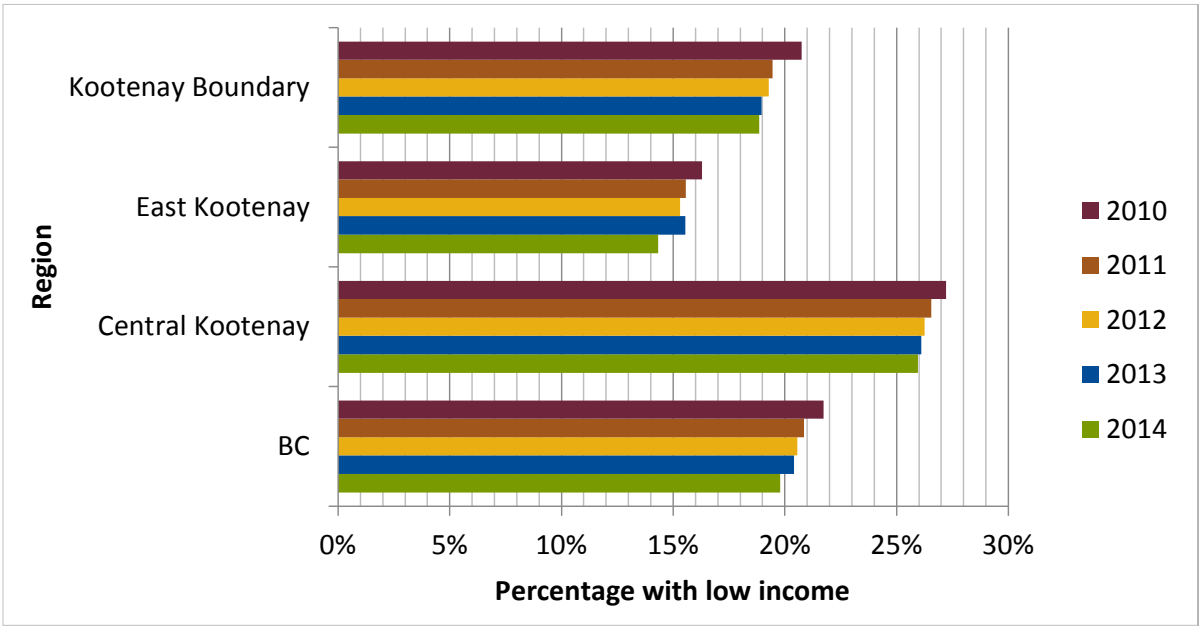


Figure 7: Percentage of low income children (ages 0 – 17) for 2010 to 2014[19–23]

The family categories of seniors (65+) (**Figure 8**) and couple families (**Figure 9**) experienced the lowest incidence of low income. The percentage of seniors with low income over the last five years has been consistently lower than the provincial average for all three regions, with the East Kootenay showing the lowest percentages. The number of seniors with low income did however increase by 11% in the Central Kootenay and 12% in the East Kootenay from 2010 to 2014. While the number of seniors with low income fluctuated in the Kootenay Boundary, the percentage of seniors with low income in 2014 is the same as in 2010.

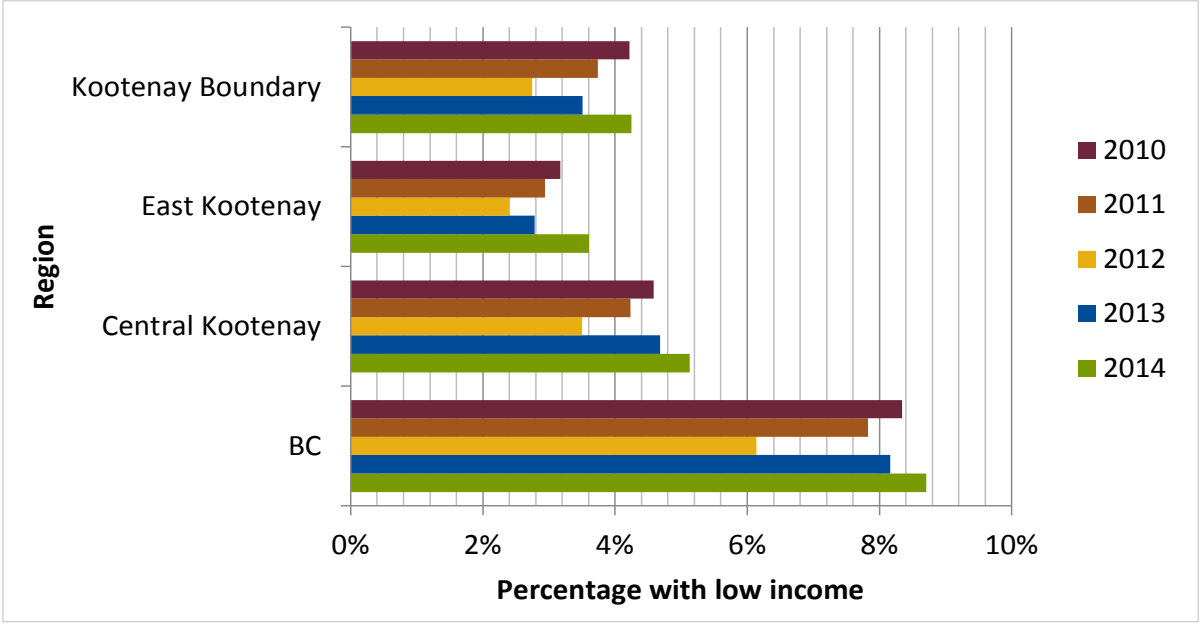


Figure 8: Percentage of low income seniors (ages 65+) for 2010 to 2014[19–23]

The percentage of couple families with low income (see **Figure 9**) is lower than the provincial average over the last five years for all three regions, with the East Kootenay showing the lowest percentages. The percentages have decreased over time, similar to the provincial trend.

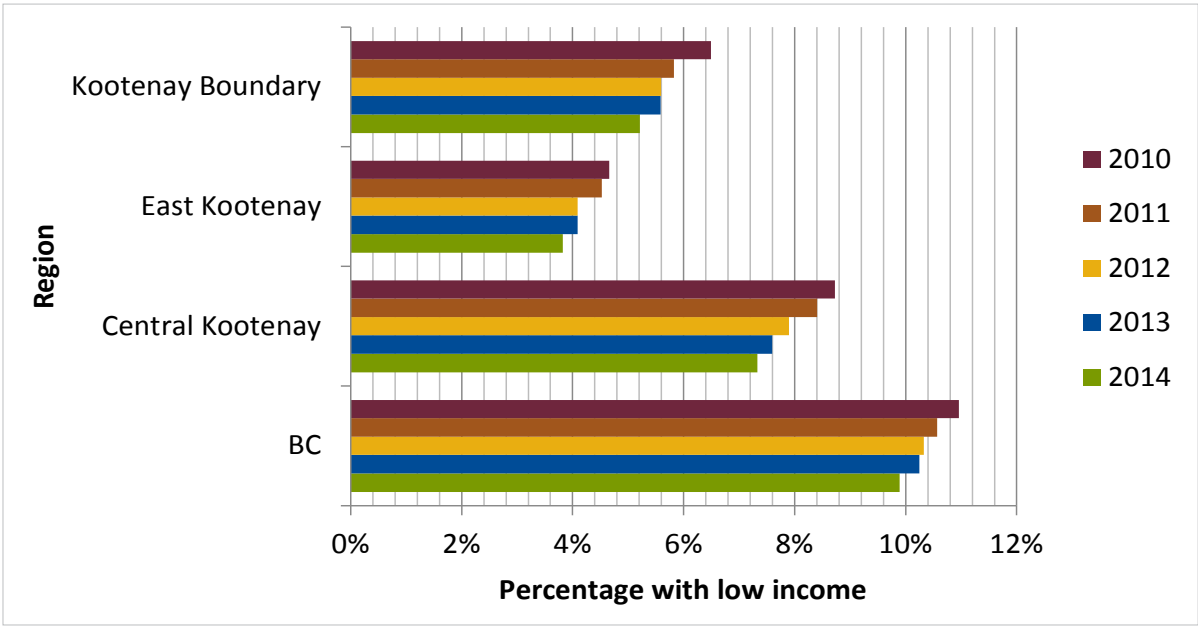


Figure 9: Percentage of low income couple families for 2010 to 2014[19–23]

MARKET BASKET MEASURE & LOW INCOME CUT-OFF

Additional measures for measuring low income include the Market Basket Measure (MBM) and the Low Income Cut-Off (LICO). The MBM is "used to represent a standard of living that is a compromise between subsistence and social inclusion that reflects differences in living costs across the country. The thresholds are produced for a reference family of two adults and two children for all sizes of area of residence in each province and for several cities"[24]. In British Columbia in 2014, the Market Basket Measure (MBM) threshold was calculated to be $36,047 per year in rural areas of the province and $36,062 per year in communities with a population less than 30,000 for a typical family of two adults and two children.[25] The MBM includes the costs of food, clothing, footwear, transportation, shelter and other expenses for a reference family of two adults aged 25 to 49 and two children (aged nine and 13).[26]

The City of Revelstoke completed an analysis for 2012 based on the MBM, which found that a two-adult, two-child household required a total household income of $66,000 per year before tax.[27] The MBM for Revelstoke is nearly double the provincial estimate provided by Statistics Canada. As indicated in the Revelstoke and Area Healthy Community Project report, the two primary reasons cited for this discrepancy are the high costs for rental housing and food.[27] The MBM for Revelstoke is nearly identical to the Living Wage calculation completed for a two-parent, two-child household living in the Lower Columbia area at $66,066 per year.[28] See more on Living Wage below.

The Low Income Cut-Off (LICO) is another measure produced by Statistics Canada, and is only available at a national level with no provincial differentiation, as is calculated with the Market Basket Measure. The LICOs are income thresholds below which a family will likely devote a larger share of its income on the necessities of food, shelter, and clothing than the average family. For rural areas, the after-tax annual income LICO was $13,188 for one person in 2014, and for census agglomeration areas with less than 30,000 inhabitants, the LICO was $15,093 for one person in 2014.[24]

LIVING WAGE

The 'Living Wage' is a national and international campaign to raise awareness of the costs of living, and is considered the minimum income necessary for a household to meet their basic needs. In Canada, the living wage for a community is commonly calculated based on the needs of a household consisting of two wage-earning adults and two children (aged four and seven). The needs taken into account include the actual local costs of shelter and other expenses such as utilities, nutrition, clothing, transport, child care, and education within any particular community. The Centre for Policy Alternatives provides the Canadian Living Wage Framework[29] as a methodology for the living wage calculation, thus ensuring consistency in process from one community to the next.

This calculation includes health related costs, including basic health insurance, assuming health insurance and sick leave benefits are not offered as part of one or both employment packages. The calculation also takes into account deductions and transfer payments for which a family of that size and income would be eligible, and the loss of two weeks of income, but otherwise does not include provision for savings or debt repayment. The living wage will vary from year to year, reflecting not only changes in the cost of local goods and services, but also changes in public policy at a senior level. For instance, increases in the cost of food, housing, or other expenses have been partially offset by the introduction of the Canada Child Benefit.

Community	Living wage (hourly)
Cranbrook	$14.16 (2010)
Lower Columbia	$18.21 (2016)
Revelstoke	$18.87 (2014)
Golden	$20.46 (2014)
Nelson	$18.21 (2015)

Table 2: Living wage calculations for five Columbia Basin-Boundary communities

Table 2 shows the hourly living wage for the five communities in our region who have completed the calculation. The community of Golden has the highest calculated living wage at $20.46, which is close to the calculation for Vancouver ($20.64). Neighbouring Revelstoke has calculated the living wage to be $18.87, while Nelson's calculation is $18.21. Cranbrook has the lowest calculated living wage in our region at $14.16. The Lower Columbia Region is the most recent calculation showing $19.90 per hour.

It is important to use caution when comparing numbers because of the different years in which calculations were made. It is suggested that living wage calculations be done consistently and annually, at the same time of year, which can allow for more accurate comparisons. There is an opportunity in our region to conduct calculations at the community level, and possibly at a regional scale. Nonetheless, all communities in our region who have done calculations show a considerably higher hourly wage required than the provincial general minimum wage of $10.85, which is set by the provincial government.

INCOME

WHAT DOES THIS MEASURE & WHY IS IT IMPORTANT?

This indicator includes both the median and average income for all families within the Columbia Basin-Boundary population. Median income values differ from average income values in that they represent the mid-point in an income distribution, meaning half of the population has incomes above that point and half below. The average incomes presented are based on the average for a census family[v], while the median income presented is per individual. Data was sourced from the Statistics Canada Taxfiler data, and includes a comparison of the years 2010 to 2014. The data presented is based on postal geography, and therefore does not fully align with legal municipal boundaries, but rather includes the municipality as well as the general area surrounding that municipality. This data also does not differentiate between people who earn their income in the community versus someone who travels outside their community for work. For detailed information regarding boundaries, please contact the RDI.

Income levels reflect relative opportunities in a local economy, and income is a substantial determinant of personal well-being. However, looking solely at income should not be construed as a measure of poverty as

[v] **Census Family** is classified in the following manner: 1) couples (married or common-law) living in the same dwelling, with or without children; and 2) lone-parents (male or female) with one or more children.

it does not include external supports that a family may have access to that are not represented in income tax data (e.g., inexpensive child care, education, medical costs), the family's ability to participate in the economy (e.g., seasonal employment, disability, unemployment), nor does it factor in regional differences in the cost of living (e.g., food, shelter, transportation).[18] Looking at the Market Basket Measure, Low Income Measure, or other material deprivation measures can provide a more accurate measure of poverty.

WHAT ARE THE TRENDS & CURRENT CONDITIONS?

As shown in **Figure 10**, average income for families in 2014 is highest in the East Kootenay communities of Elkford ($115,269) and Sparwood ($101,085), along with Rossland ($94,045) in the West Kootenay. The lowest average incomes for families in 2014 were found in the West Kootenay communities of Winlaw ($43,342), Slocan ($44,671), and Silverton ($46,324). The greatest increase in the average income between 2010 and 2014 was in Slocan, which experienced a 31% increase and Christina Lake, which experienced a 28% increase. The only community which saw a decrease between the average income in 2010 and 2014 was Silverton (-3%).

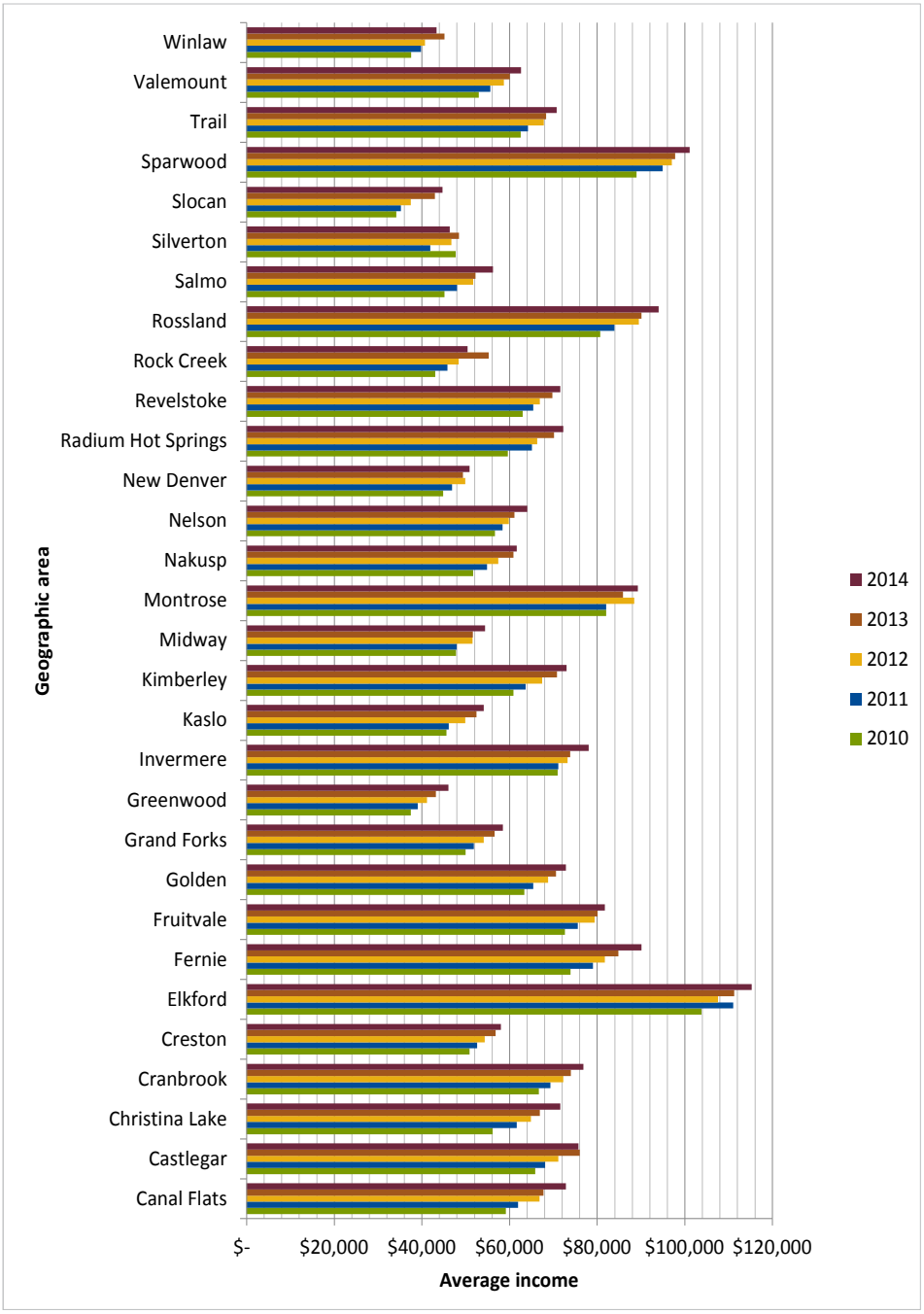


Figure 10: Average income for all families by geographic area for 2010 to 2014[32]

The provincial average income for families in 2014 was $74,003, an increase of 12% from 2010. The average in 2014 for the Columbia Basin-Boundary was $71,130, which is just below the provincial average.

However, as shown in **Figure 11**, when looking at each regional district, the East Kootenay is above the provincial average ($80,581), while both the Central Kootenay ($62,573), and Kootenay Boundary ($70,232.63) are below the provincial average.

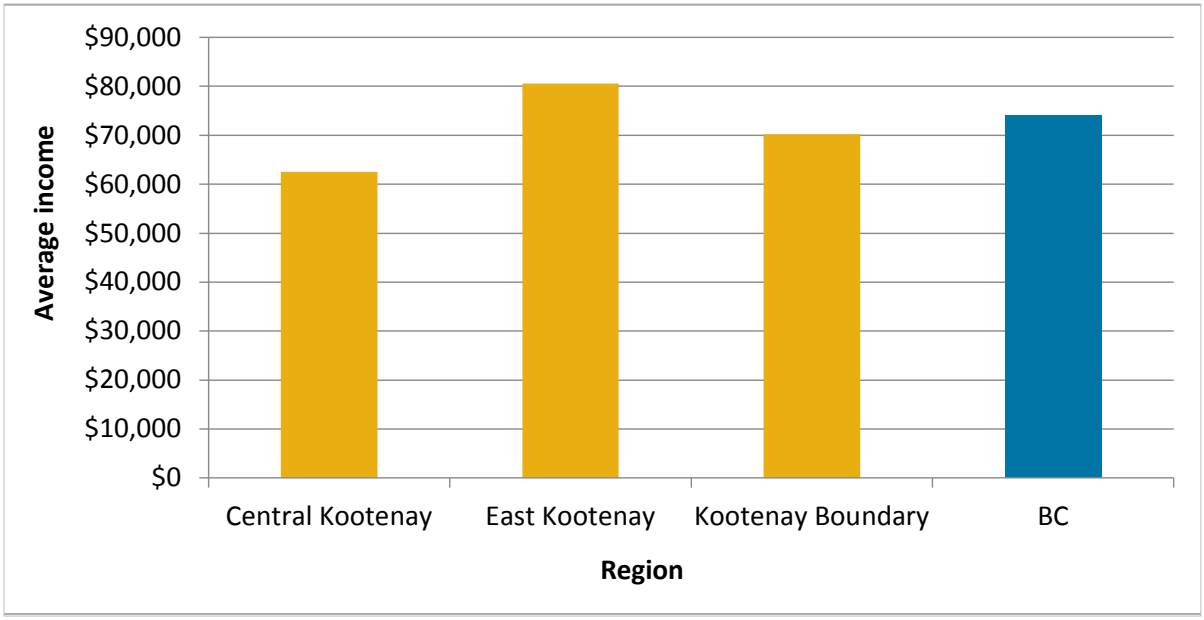


Figure 11: Average income for all families by regional district and BC for 2014[32]

Median income for individuals in 2014 mirrors the average income for families, with the highest median incomes in the communities of Elkford ($50,470), Sparwood ($39,660), and Rossland ($36,070). The lowest median incomes in 2014 were found in the West Kootenay community of Winlaw ($19,830), and the Kootenay Boundary communities of Greenwood ($21,100) and Rock Creek ($21,440).

See **Figure 12** for details on individual median income for all communities between 2010 and 2014. The greatest increase in the average income between 2010 and 2014 was 20% in Christina Lake, Fernie, and Sparwood. New Denver and Montrose saw the smallest increases in median income between 2010 and 2014 of just 7%. The provincial median income in 2014 was $29,290, an increase of 11% from 2010.

For information on wage by employment type, please see the RDI's Workforce Trends Analysis.

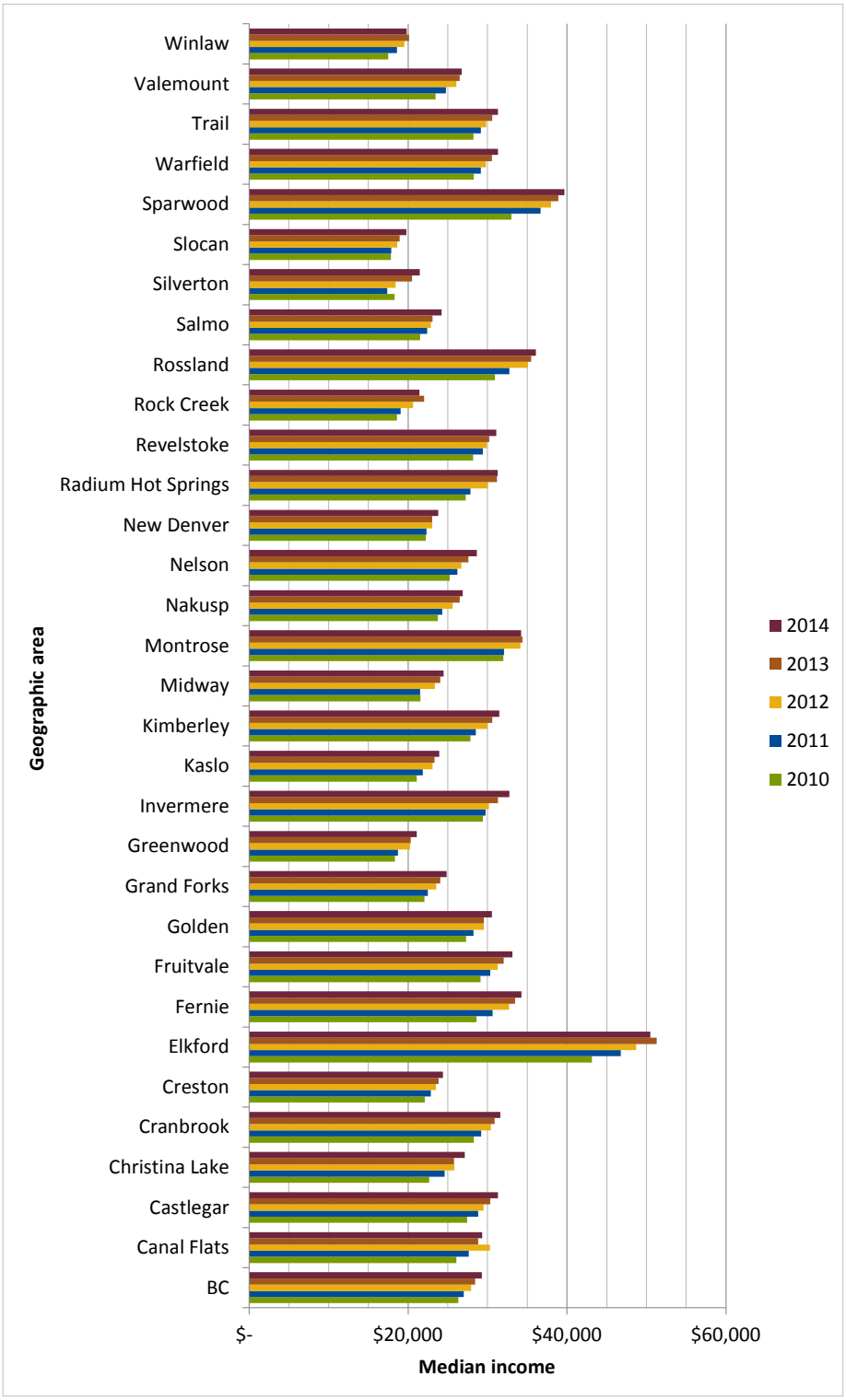


Figure 12: Median income for individuals by geographic area, 2010 to 2014[33]

INCOME DISTRIBUTION

WHAT DOES THIS MEASURE & WHY IS IT IMPORTANT?

This indicator tracks the distribution of personal income, by postal code, using the Gini Index. The Gini Index is a measure of inequality.[34] The RDI's analysis calculates Gini coefficients for after-tax incomes. Data for this indicator were gathered from Statistics Canada's Taxfiler statistics.[35] It is important to note that Statistics Canada distorts taxfiler data to protect the privacy of individuals filing returns, and small communities are impacted the most. Visit Statistics Canada for more information on data confidentiality and rounding and data suppression processes for the taxfiler statistics.

Information on the distribution of incomes shows how well our communities are doing at providing earning opportunities. The Conference Board of Canada notes that income inequality "is

an important indicator of equity in an economy, and has implications for other social outcomes such as crime and life satisfaction".[36]

WHAT ARE THE TRENDS & CURRENT CONDITIONS?

Figure 13 shows the Gini coefficient for each community in the Columbia Basin-Boundary region as well as for BC and Canada.[vi] Higher Gini values indicate higher inequality in a population's income. Perfect equality (where every member of a population has the same income) would be represented by a score of zero.

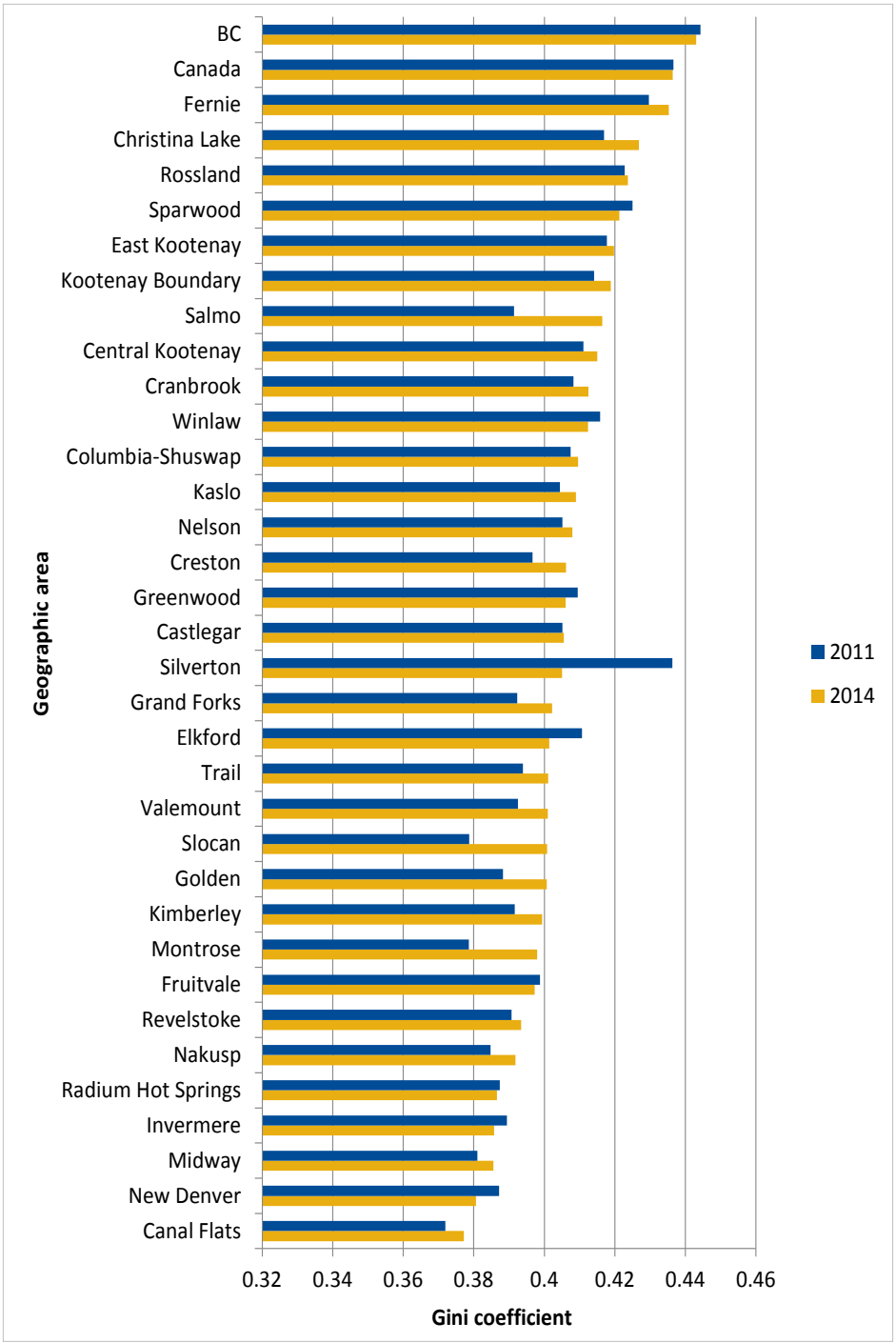


Figure 13: Gini Coefficient for 2011 and 2014 for communities in the Columbia Basin-Boundary[33]

Communities at the top of the graph (Fernie, Christina Lake, Rossland, and Sparwood) have larger disparities between high income earners and low income earners. Communities at the bottom of the graph (Canal Flats, New Denver, Midway, and Invermere) have more even income distributions. Of note is that BC and Canada have higher levels of income disparity than the communities in the Columbia Basin-Boundary. Slocan, Salmo, and Montrose saw the greatest increase in income inequality from 2011 to 2014, while Silverton saw the greatest change towards more income equality between 2011 and 2014. It is not possible to provide a rationale for changes without further research at the community level, and could be attributed to data distortion.

[vi]Note that the community of Warfield is not included as the data available was not representative.

The Workforce Trends Analysis also includes an indicator of dependency, which calculates the percentage of the population that is 'dependent' on the workforce by dividing the dependent population by the workforce population. Both child (under 15 years) and senior (over 65 years) dependencies are discussed.

UNEMPLOYMENT

WHAT DOES THIS MEASURE & WHY IS IT IMPORTANT?

This indicator tracks the unemployment rate by Development Region. The unemployment rate measures the percentage of individuals age 15 and older who are legally allowed to work in the labour force, that are actively seeking work, and that are not able to find work.[37,38] This analysis also presents data for the youth component of the population. Data for this indicator were sourced from Statistics Canada's Labour Force Survey and are presented by Development Region.[38]

The unemployment rate is a strong indicator of economic health. If our economy's purpose is to allocate our resources to the best uses, then unemployment rates give us a good indication of how well the economy is using one of our most important resources—people. However, it is important to note that the unemployment rate does not capture factors like those who are no longer actively seeking work, or those who are forced to move elsewhere in search of employment.

WHAT ARE THE TRENDS & CURRENT CONDITIONS?

The impact of the 2008/2009 recession is clearly seen in the unemployment graphs (see **Figure 14**). Unemployment remains higher than pre-recession levels in all of BC's Development Regions, although numbers have fallen since the recession. The reported estimates typically show an increase in unemployment in 2015 compared to 2014. The Kootenay Development Region has an unemployment rate higher than the provincial and national rates.

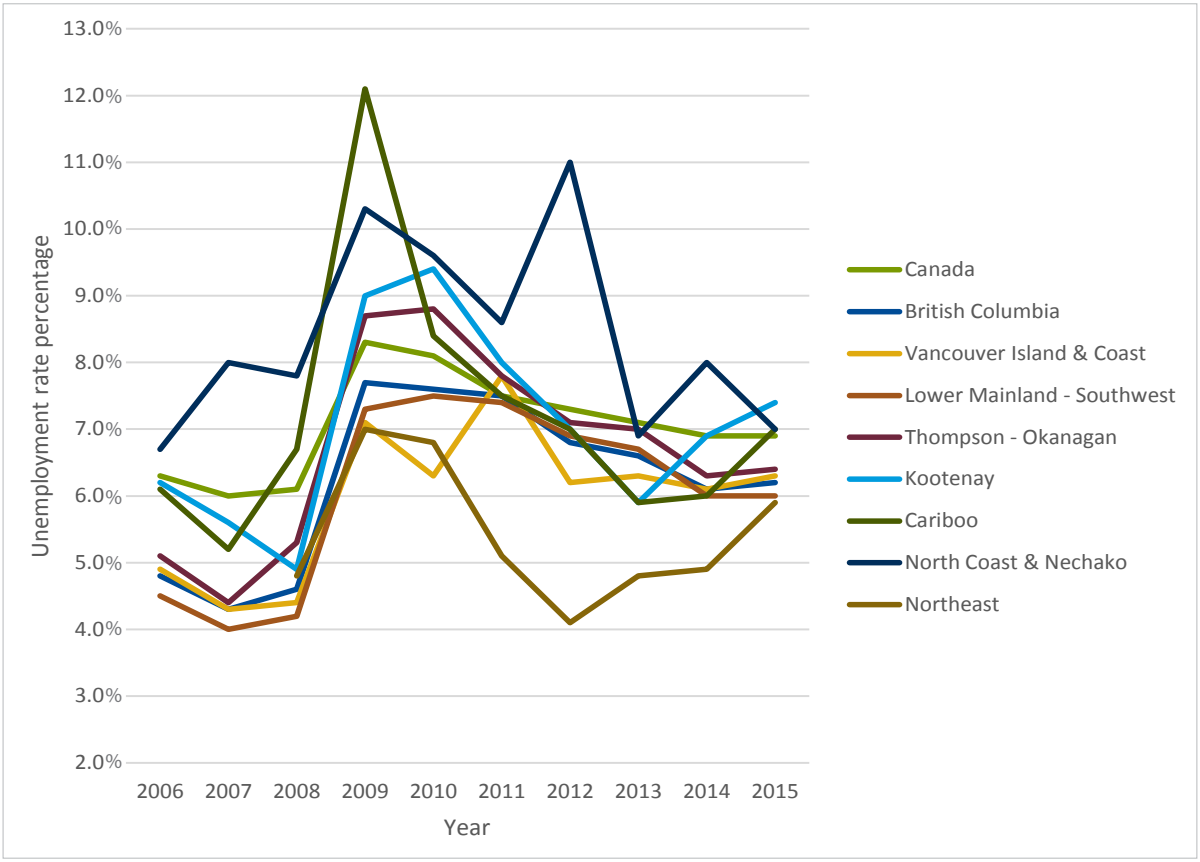


Figure 14: Total unemployment rate by Development Region (2006 to 2015)[38]

As with the employment numbers above, it is important to understand the limitations of the Labour Force Survey (LFS) data. The estimation used can be very accurate under favourable conditions. However, with smaller sample sizes, like those from rural places, variability and the likelihood of estimation error increase.

Youth unemployment refers to the unemployment rate for those individuals age 19 to 24 years. The youth unemployment rate is historically higher than the general unemployment rate reported above – something that is not unique to the Columbia Basin-Boundary, BC, or Canada.[39] Several factors contribute to the gap between youth unemployment and the general unemployment rates, including that this is often the first entry into the workforce, and with limited experience, there is typically a period of unemployment before finding a job.[39] Youth are also more likely to be laid off.[39] However, youth who become unemployed are also typically quicker to find new employment than adults.[39]

In 2015, the youth unemployment rate for Canada was 10.9%, higher than the BC youth unemployment rate of 9.9%.[38] Nationally and provincially the five year trend for youth unemployment shows 2015 levels have decreased from 2010 levels.[38] The variability issues recognized above are more pronounced with youth unemployment given the small size of this demographic. Indeed, for the Kootenay Development Region the LFS data show many years as '0.0%', indicating that data have been suppressed because they are below reliability thresholds.[38] Other sources estimate the 2015 youth unemployment rate for the Kootenay Development Region at 14.5%, which is higher than the provincial and national rates.[40–42] However, it is important to keep in mind that estimates on such a small sample size, likely have low reliability.

The RDI's Economic Trends Analysis also includes information about the total number of people employed in the Columbia Basin-Boundary's Development Regions. Data are reported by sector and industry.

EMPLOYMENT INSURANCE & EMPLOYMENT AND ASSISTANCE RECIPIENTS

WHAT DOES THIS MEASURE & WHY IS IT IMPORTANT?

An examination of the number of recipients of Employment Insurance (federal) as well as Employment and Income Assistance (provincial) can illustrate differing economic opportunities in a region. These two programs provide income to different client groups, but both share the common purpose of providing income support to those in need. Apart from economic opportunity, there can be many other reasons why a person may access either the provincial or federal programs, therefore this indicator should not be viewed in isolation, but rather in consideration of other labour, economic, and social indicators.

The indicator measuring Employment Insurance (EI) recipients is available for each Regional District within our region, and provides data monthly. The indicator for the number of Employment and Income Assistance recipients is available for six communities in the region on a monthly schedule. Data for both indicators was taken for the month of May for the years 2013 to 2016. The month of May was chosen as it was outside the winter and summer seasons when there may be variations in employment. Further detailed analysis of month over month or year over year data is possible.

WHAT ARE THE TRENDS & CURRENT CONDITIONS?

As shown in **Figure 15**, Castlegar saw the largest increase in the number of recipients of provincial Employment and Income Assistance of 21% between 2013 and 2016, followed by Trail with a 15% increase over that same period. Cranbrook shows a 12% increase, with a jump between 2015 and 2016 in particular, and Grand Forks shows a 10% increase from 2013 to 2016. Nelson saw only a 3% change from the number of recipients in 2013; however, there were two consecutive years of reduced numbers, followed by an increase of 10% between 2015 and 2016. The number of recipients remained relatively stable in Creston between 2013 and 2016, with some slight increases and decreases.

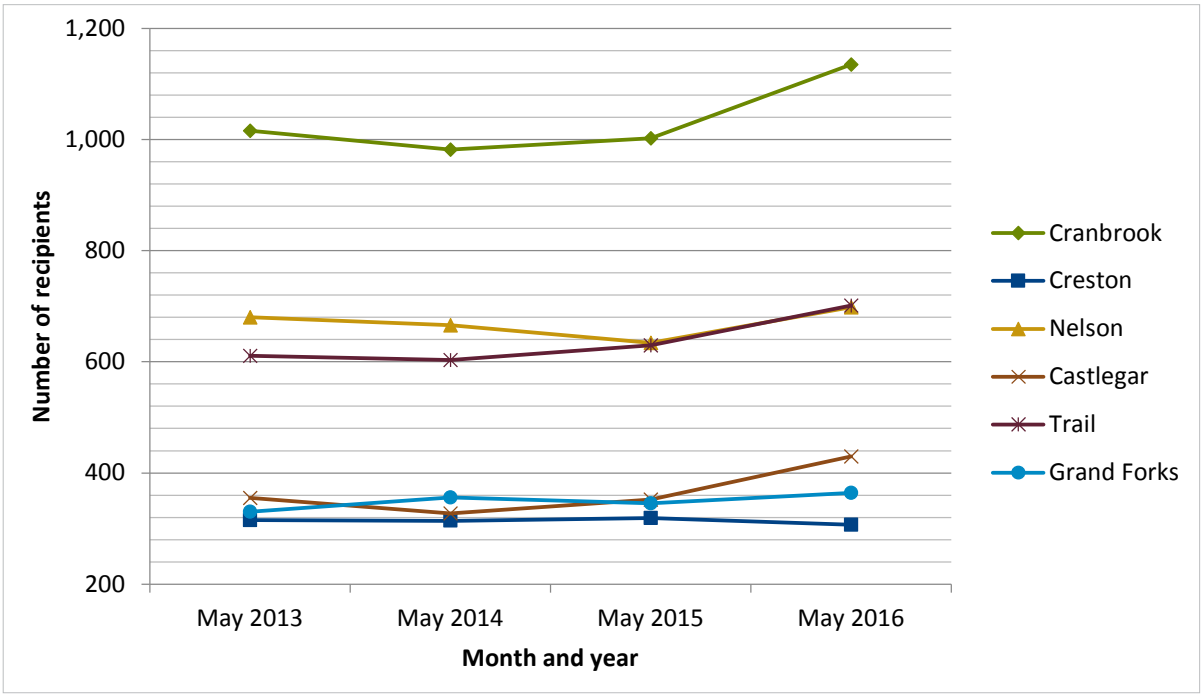


Figure 15: Number of recipients of provincial Employment and Income Assistance, May 2013 to 2016[43]

The general trend in the number of recipients[vii] of federal Employment Insurance across all regional districts is an overall increase from 2013 to 2016. As shown in **Figure 16**, the East Kootenay experienced the largest increase of 28% between 2013 and 2016, while the Central Kootenay experienced a 19% increase, and the Kootenay Boundary experienced a 16% increase. These are all much higher than the provincial level which indicates a 0% increase between 2013 and 2016.

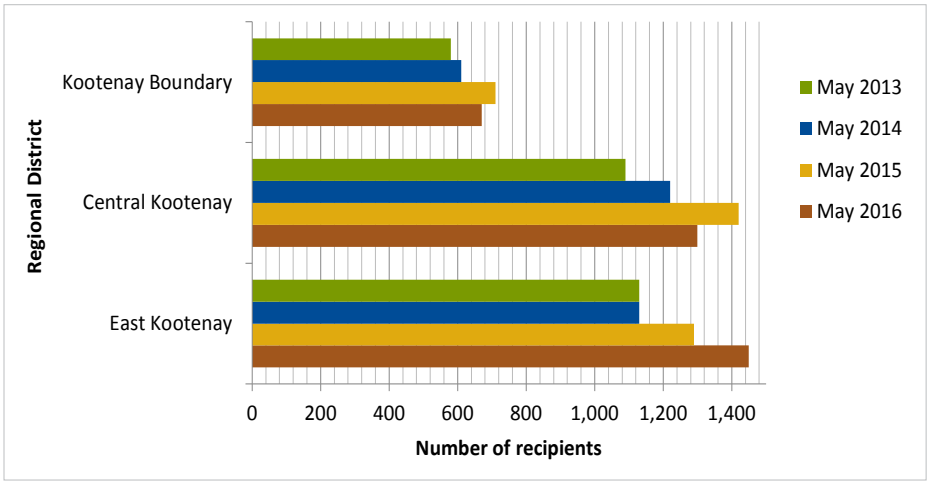


Figure 16: Number of recipients of federal Employment Insurance, May 2013 to 2016[44]

[vii]Recipients include both sexes and persons between 15 and 64 years of age.

HOUSING AFFORDABILITY

WHAT DOES THIS MEASURE & WHY IS IT IMPORTANT?

It is commonly agreed upon that when more than 30% of a household's pre-tax income is spent on shelter expenses, the housing is unaffordable.[45] As part of the National Household Survey, Statistics Canada gathers information to determine how many tenant and owner households are spending more than 30% of their income on shelter related expenses – or are considered in "core housing need". Those that spend 50% or more of their pre-tax income on shelter are deemed to be in "severe housing need".[46] Shelter expenses include electricity, oil, gas, coal, wood or other fuels, water and other municipal services, monthly mortgage payments, property taxes, condominium fees, and rent.[47] In addition to the affordability standard of 30%, the Canada Mortgage and Housing Corporation (CMHC) has also developed standards for adequacy (the housing does not require major repairs) and suitability (the housing is sufficient in size and has enough bedrooms) when evaluating a household's situation.[46]

Data from the 2011 National Household Survey is presented in **Figure 17** and **Figure 18** for available communities within the Columbia Basin-Boundary. Data for several communities (Radium Hot Springs, Greenwood, Golden, Silverton, Slocan, Canal Flats, and Salmo) was suppressed due to confidence and/or data quality. Future comparison with the 2016 Census will allow for additional analysis of trends over time.

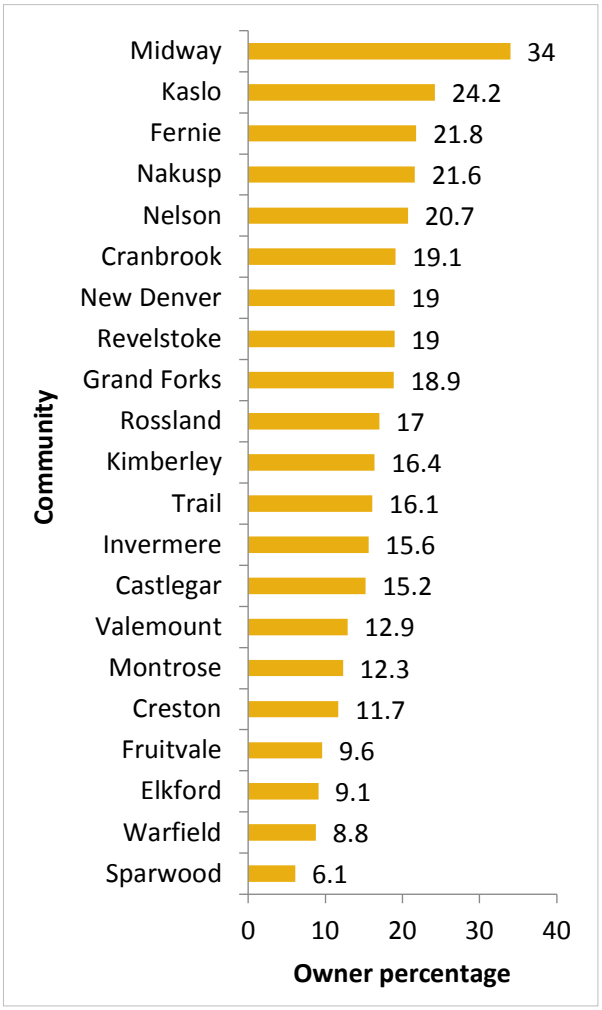


Figure 17: Percentage of owner households spending 30% or more of household total income on shelter costs[49]

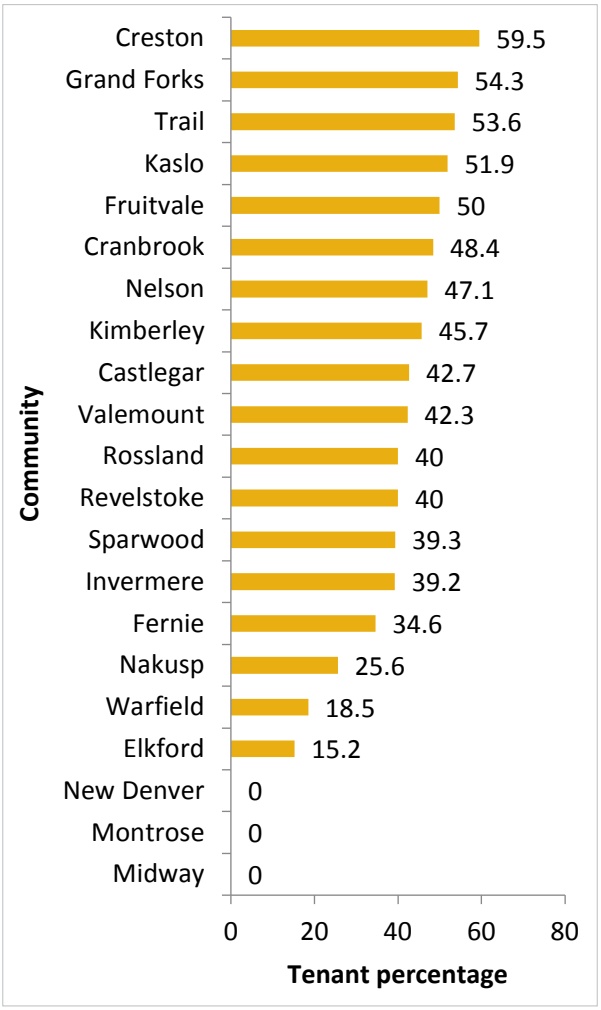


Figure 18: Percentage of tenant households spending 30% or more of household total income on shelter costs[49]

Affordable housing is a critical issue in addressing poverty. When access to affordable housing is challenging, financial strain is experienced, and consequently access to food, clothing, child care, transportation, and other necessities is difficult. Affordable housing is a basic foundation for well-being, and the right to adequate housing is enshrined under international law.[48]

WHAT ARE THE TRENDS & CURRENT CONDITIONS?

The communities of Midway, Kaslo, Fernie, and Nakusp show the highest percentage of owner households spending 30% or more of their income on shelter, while Sparwood, Warfield, and Elkford show the lowest percentage. The average percent of owner households who spent 30% or more of income on shelter costs in 2011 for our region was 17%.

Three communities (New Denver, Montrose, and Midway) all show 0% of tenant households spending 30% or more of their household income on shelter costs. This may be related to lower rents experienced, such as in New Denver, and higher incomes experienced in Montrose. Apart from these three communities, in all other instances, tenant households were more likely to be spending 30% or more on shelter costs than owner households. Creston, Grand Forks, and Trail all had the highest percentages of tenant households spending 30% or more of household income on shelter costs, and significantly, those amounts were in excess of 50%, and as high as nearly 60% for Creston, which suggests a high need for affordable rental housing. The average percent of tenant households who spent 30% or more of income on shelter costs in 2011 for our region is 36%.

VACANCY RATES

WHAT DOES THIS MEASURE & WHY IS IT IMPORTANT?

The Canada Mortgage and Housing Corporation (CMHC) conducts the Rental Market Survey (RMS) twice a year (April and October) to estimate the relative strengths in the rental market. The survey is conducted on a sample basis in all urban areas with populations of 10,000 or more, and targets only privately initiated structures with at least three rental units, and which have been on the market for at least three months. Due to these parameters, the only communities within the Columbia Basin-Boundary where the RMS is conducted are the City of Nelson and the City of Cranbrook. The data presented is for two bedroom units; data is also available for bachelor, one bedroom, and three bedroom units.

Vacancy[viii] and availability[ix] rates are important indicators of the difficulty in accessing affordable housing, as a low vacancy rate can impact rental rates. It is widely agreed that a balanced rental vacancy rate is 3%.[45]

WHAT ARE THE TRENDS & CURRENT CONDITIONS?

Vacancy and availability rates in both Cranbrook and Nelson are low. As shown in **Table 3**, both communities experienced rental vacancy rates that were below what is considered a balanced rate, with the exception of Cranbrook's experience in April 2014. The City of Nelson continuously experienced the lowest vacancy and availability rates, with the lowest vacancy and availability rates occurring in October of 2015. Nelson also shows higher average rental costs.

Community	Vacancy rate % (total)				Availability rates % (total)				Average rent $ (total)			
	Apr 2014	Oct 2014	Apr 2015	Oct 2015	Apr 2014	Oct 2014	Apr 2015	Oct 2015	Apr 2014	Oct 2014	Apr 2015	Oct 2015
Cranbrook	5.7	1.8	1.8	2.1	5.7	2.3	2.1	2.1	692	698	700	711
Nelson	2.6	0.6	1.6	0.4	2.6	0.6	1.6	0.4	737	742	751	739

Table 3: Vacancy rate, availability rate, and average rent for April and October 2014 and 2015 for Cranbrook and Nelson[51]

[viii] **Vacancy**: A unit is considered vacant if, at the time of the survey, it is physically unoccupied and available for immediate rental.

[ix] **Availability**: A rental unit is considered available if the existing tenant has given, or has received, notice to move, and a new tenant has not signed a lease; or the unit is vacant.

Cranbrook has seen an erosion of vacancy and availability rates from a more balanced position in the spring of 2014 (with 5.7% for both rates) to 2.1% in October of 2015. In comparison, the lowest vacancy rate in the province was in Squamish in October 2015 with 0.3% and average rent of $976 for a two-bedroom unit, while the highest vacancy rate in the province was in Dawson Creek in October 2015 with a rate of 14.6% and average rent of $1,102.[50]

Vacancy, availability, and average rents are measures that could be completed at a community level and may be worth pursuing to gain a better understanding of housing affordability across our region.

SUBSIDIZED HOUSING – INDEPENDENT SOCIAL HOUSING

WHAT DOES THIS MEASURE & WHY IS IT IMPORTANT?

The terms "affordable housing" and "social housing" are often confused. While all social housing is affordable, "social housing" refers more specifically to housing that is subsidized by a level of government.[46] Independent social housing is an important part of the housing continuum as it assists those who would not otherwise be able to access stable, safe, and affordable housing.[52] The provincial government, through BC Housing, provides programs and supports along the housing continuum that include emergency shelter and housing for the homeless, transitional, supportive, and assisted living, independent social housing, rent assistance in the private market, private market rental, and homeownership housing.[52]

Data acquired from BC Housing provides a snapshot of the number of independent social housing units[x] in each community in the Columbia Basin-Boundary region. The independent social housing units counted here include housing for low income families and seniors. While this does not provide an understanding of the need for affordable housing in each community, it does begin to round out the picture of the amount and distribution of social housing units within the region. This data only represents social housing units which have a financial relationship with BC Housing; other forms of subsidized or social housing are not included. Additional, more detailed community level research would be required to better understand social housing not supported by BC Housing.

[x]This is long-term housing with rent geared to income (30% of household total gross income, subject to minimum rent based on number of people) for people who permanently reside in British Columbia when applying, with gross household income below a certain limit. Client groups include: families, seniors, people with disabilities, and singles and couples.

As shown in **Figure 19**, the communities with the highest number of independent social housing units are Cranbrook (236), Nelson (155), Castlegar (126), Fernie (109), and Revelstoke (106). Salmo saw the biggest increase in the number of units between 2014 and 2016, with an increase of 28 units or 117%, and Kimberley saw a 40% increase of 12 new units over that same time period. Nakusp saw the greatest reduction of 86%, or the loss of 12 units, followed by Rossland with a 44% loss, or 19 units. Additional community level research would be required to determine the reason for the loss of these units.

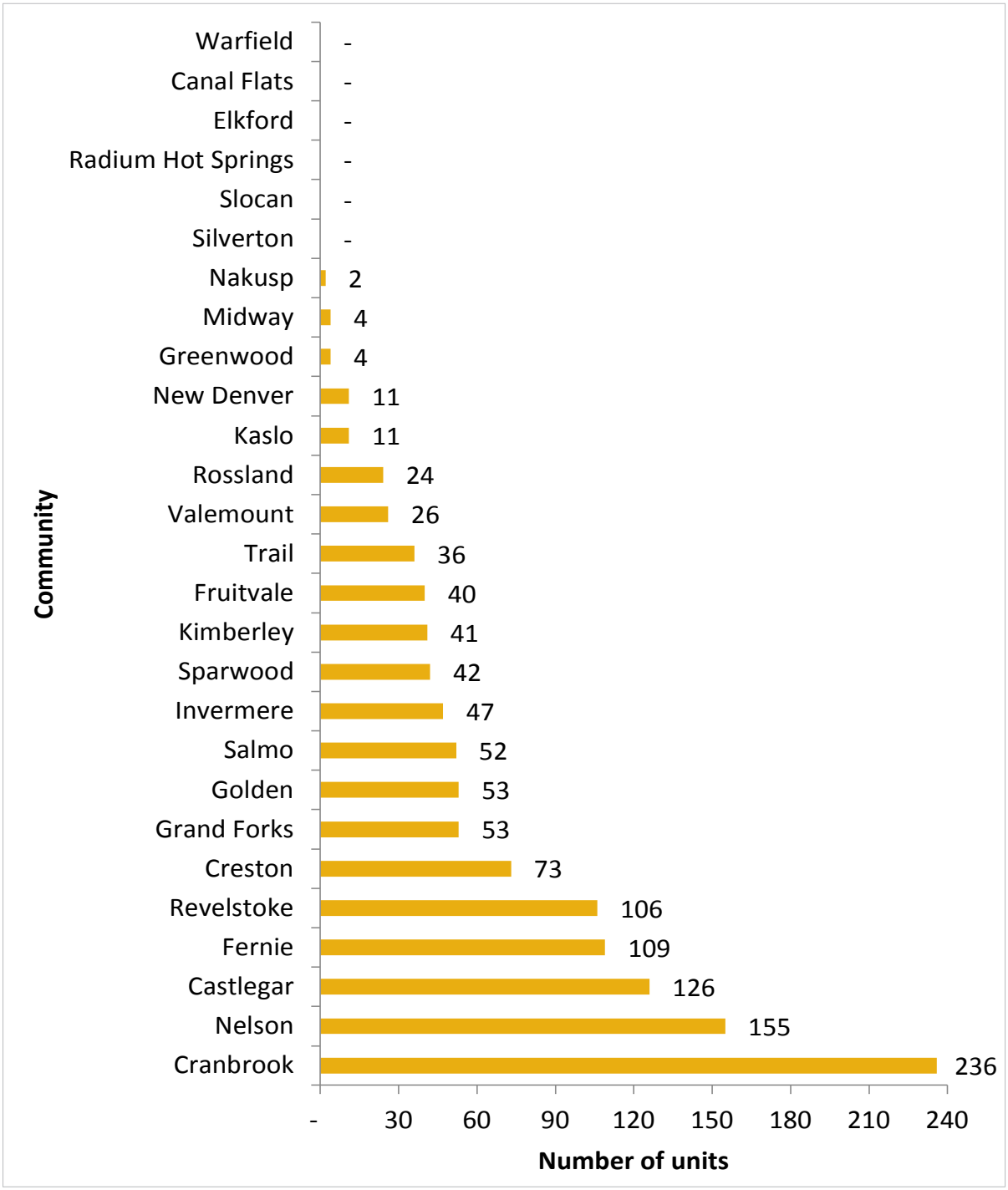


Figure 19: Number of independent social housing units for Columbia Basin-Boundary communities in 2016[53]

In 2014, there were a total of 1,278 units of social housing in the Columbia Basin-Boundary region, that number decreased to 1,259 in 2015, and to 1,251 in 2016.

While population data is only current to the last Census in 2011, BC Stats does have population estimates[54] for communities in our region. A more useful comparison of social housing units may be to look at the number of housing units per capita. **Figure 20** shows the social housing units per capita for communities in our region with social housing units. This per capita calculation uses the 2016 housing data and 2015 population estimates. The communities with the highest per capita number of units include: Salmo (0.044), Valemount (0.027), Fernie (0.025), New Denver (0.021), and Fruitvale (0.019).

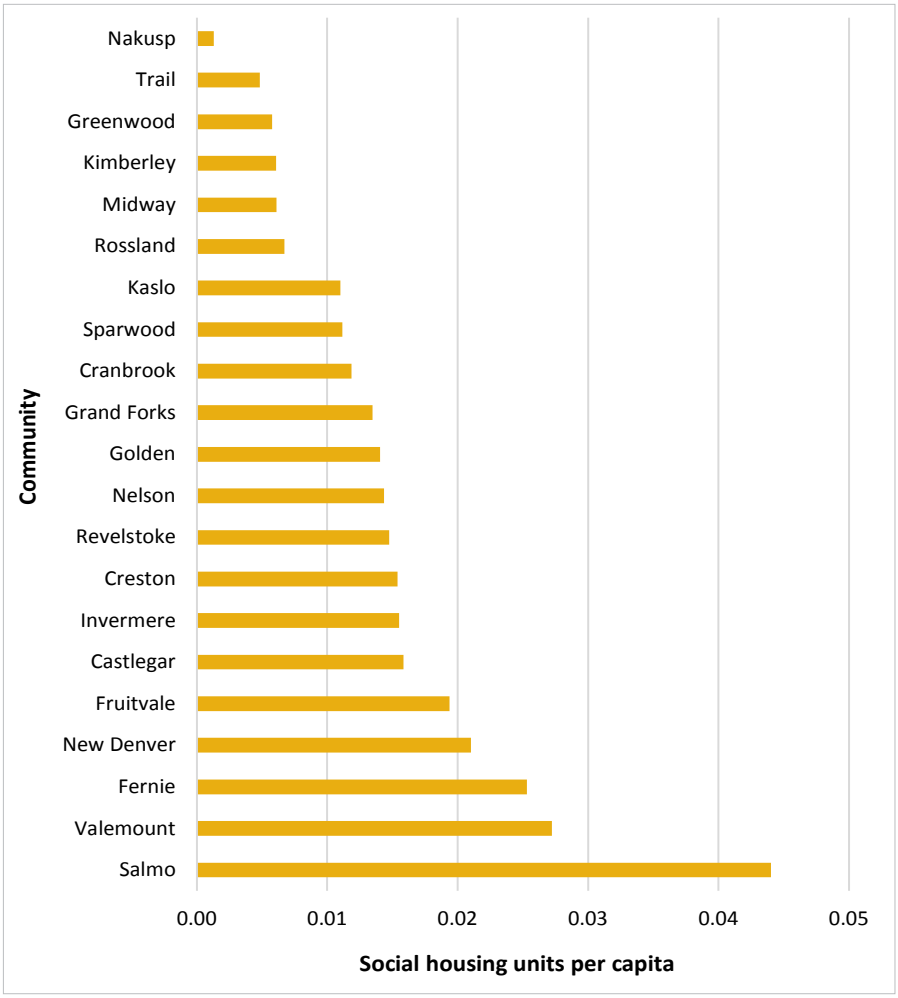


Figure 20: Social housing units per capita for communities with social housing units[53]

SUBSIDIZED HOUSING – RENTAL ASSISTANCE IN THE PRIVATE MARKET

WHAT DOES THIS MEASURE & WHY IS IT IMPORTANT?

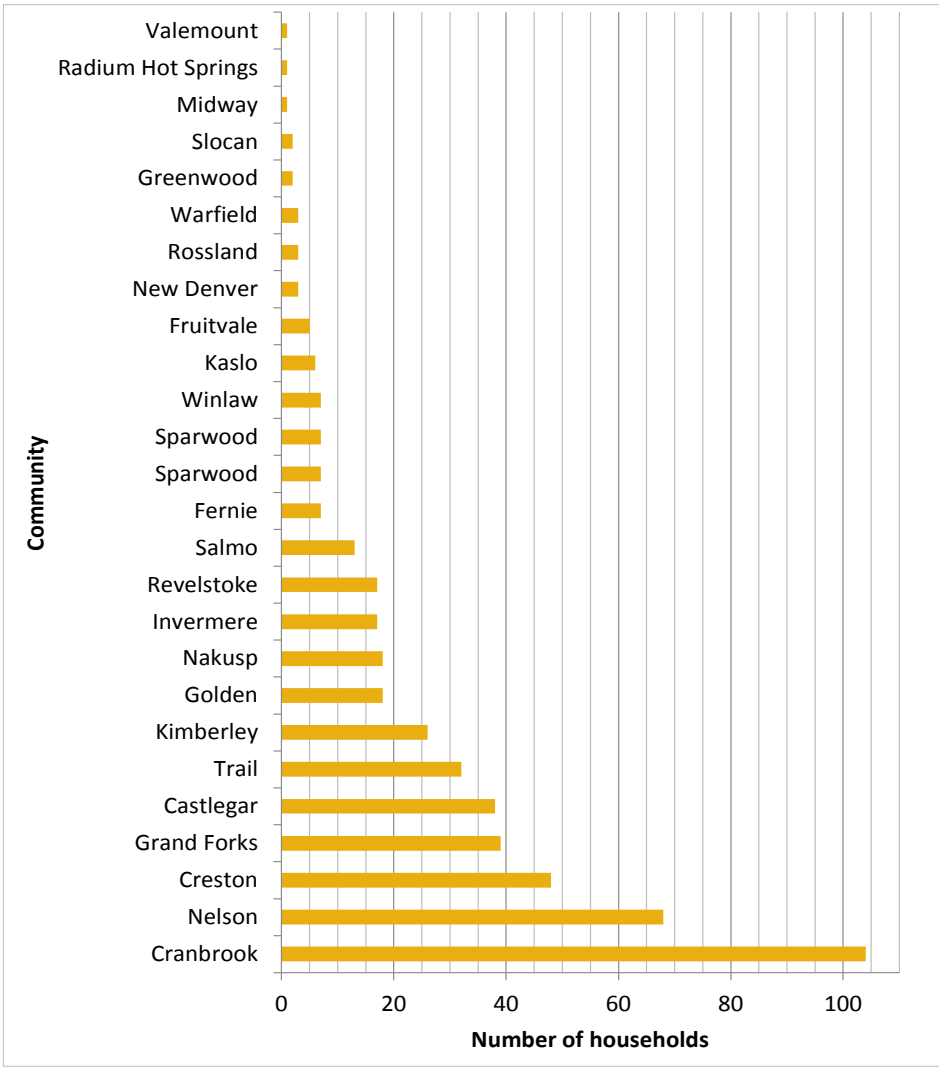
BC Housing provides two rental assistance programs in the private rental market: (1) Rental Assistance Programs (RAP) provide financial assistance to low income working families to assist with monthly rent payments, and (2) Shelter Aid for Elderly Renters (SAFER) provides financial assistance to low income seniors to assist with monthly rent payments. The number of households that access the assistance program could be used as an indicator of the need in a community. However, other factors such as the demographics and economics of each community, lack of awareness of the program, program requirements, accessibility barriers, and other variables could impact the number of households that access this program, and therefore should not be taken as the sole indicator of need in a community. Additional, more detailed research could help to further inform our understanding of housing need within each community or area.

As shown in **Table 4**, for 2016, the households within the Regional District of Central Kootenay (RDCK) received the highest number of rental subsidies (total of 347), while households within the Regional District of Kootenay Boundary (RDKB) received the least (total of 143). Households in the RDCK received the highest number of RAP subsidies (131) and SAFER subsidies (216), with households in the RDKB receiving the least number (52 RAP subsidies and 91 SAFER subsidies). The Regional District of East Kootenay received 101 RAP subsidies and 165 SAFER subsidies in 2016.

Regional District	Number of RAP subsidies	Number of SAFER subsidies	Total subsidies
Central Kootenay	131	216	347
Kootenay Boundary	52	91	143
East Kootenay	101	165	266
Total	**284**	**472**	**756**

Table 4: Number of rental assistance subsidies for 2016 by Regional District[53]

The total number of subsidies accessed for all three regional districts was 756 for 2016. This is a decrease from 2015, where a total of 768 subsidies were accessed, and an increase from 2014, which shows 729 subsidies for all three regional districts.



At a community level, Cranbrook households accessed the most number of SAFER subsidies (104), followed by Nelson (68), Creston (48), Grand Forks (39), and Castlegar (38), as shown in **Figure 21**.

Figure 21: Number of households by community who accessed SAFER program in 2016[53]

Nelson households accessed the highest number of RAP subsidies (70), followed by Cranbrook (52), Trail (24), and Kimberley (14), as shown in **Figure 22**.

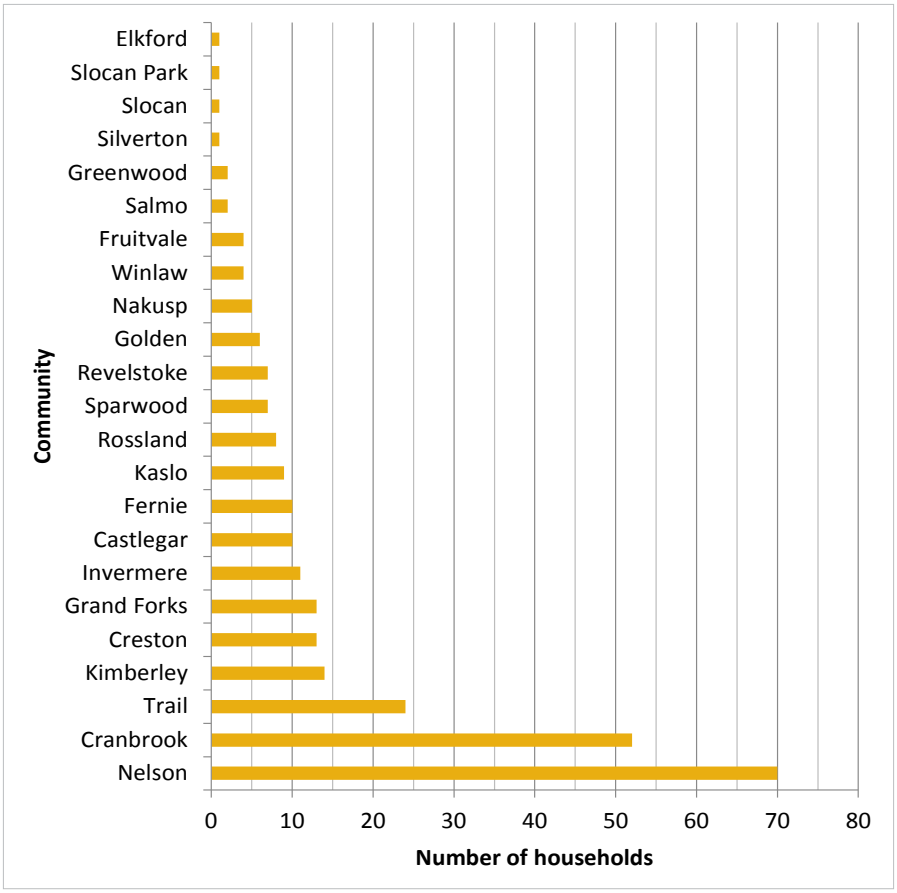


Figure 22: Number of households by community who accessed RAP program in 2016[53]

SUMMARY

Overall, Low Birth Weight rates are lower across our region compared to provincial rates. Most school districts show lower than provincial average percentages of children who may be vulnerable, with some districts in our region having the lowest EDI scores in the province. In some communities though, we are seeing an increase in vulnerability.

While communities in the East Kootenay have generally higher incomes than the Central Kootenay and Kootenay Boundary, there is enormous variation amongst the 28 communities in our region. When it comes to income distribution, BC and Canada have higher levels of income disparity than the communities in the Columbia Basin-Boundary. The Low Income Measure (LIM), a compelling indicator of poverty, shows that more than one third of communities in our region have percentages of low income persons above the provincial average. Lone-parent families have the highest incidence of low income with 30% to 40% of these families living at or below the LIM.

With respect to housing affordability, about one fifth of owner households across the region spend more than 30% of their income on shelter related expenses. There is a wide range across communities when it comes to tenant households, with some communities showing few to no tenants spending more than 30% of their income on shelter, while others show that the majority of tenants are. Based on data acquired from BC Housing, there are currently an estimated 1,251 social housing units in the region, which has decreased over the last three years.

The indicators of poverty presented here must be considered in relation to other social, cultural, environmental, and economic indicators. Poverty is contextually dependent, and it is difficult to understand the depth of poverty in each community. Calculating the Market Basket Measure and the Living Wage, and gaining an understanding of food bank usage, homelessness, child care, and other quantitative and qualitative indicators are opportunities for further study of poverty at both the regional and community scale.

POVERTY TRENDS ANALYSIS DETAILS:

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External Review: Alison Homer, Vibrant Communities, Tamarack Institute

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The Columbia Basin Rural Development Institute, at Selkirk College, is a regional research centre with a mandate to support informed decision-making by Columbia Basin-Boundary communities through the provision of information, applied research and related outreach and extension support. Visit www.cbrdi.ca for more information.