


FEDERATION OF CANADIAN MUNICIPALITIES

QUALITY OF LIFE IN
CANADIAN COMMUNITIES

*Mending Canada's
frayed social safety net:
The role of municipal
governments*

THEME REPORT #6



“Social infrastructure priorities include serious contributions to affordable housing and public transit, strengthening services and programs for immigrants and refugees, recognising recreation as an essential urban amenity for health promotion and civic cohesion, facilitating the transitions of urban aboriginal peoples to urban life, and developing effective preventive approaches to community safety and security.”

(Clutterbuck and Novick, 2003: 32)

PRESIDENT'S MESSAGE



AS MORE PEOPLE FALL through the holes in Canada's traditional social safety net, our urban communities are struggling to fill the gaps with services that can make the difference between living with hope and falling through the cracks.

This trend is the principal finding of this new report from FCM's Quality of Life Reporting System (QOLRS), the sixth theme report in the series.

The report looks at the growing need for social services in the 24 urban communities that make up the Quality of Life Reporting System, a need made more urgent by the recent recession and the federal and provincial retreat from traditional social supports like employment insurance and welfare, which has shifted the burden to municipal governments.

This retreat is leaving more people on long waiting lists for affordable housing; making do with welfare payments that don't cover all of their basic needs; and struggling to get to work, find childcare or afford recreation programs. Tougher welfare requirements have led to increased homelessness and more "working poor" families.

In addition to direct social services, such as affordable housing, emergency shelters and subsidized childcare, municipal governments also support public services like transit, recreation and libraries. Together, these facilities, programs and services help fill the gap left by shrinking federal and provincial social assistance programs. They form the social infrastructure that a growing number of people rely on to earn a living, raise their families and cope with difficult times. For a growing number of Canadians, their city is their safety net.

Social infrastructure is particularly important to vulnerable people with limited incomes, including single parents, young families and new Canadians. But while the need for these services has increased, investments have not kept up.

That's because municipal finances are not robust enough to support this growing burden. The root of the problem is the imbalance between the growing range of services municipalities must provide and their limited resources.

This is caused in part by the unequal division of tax revenue among governments in Canada. Of every tax dollar collected, only eight cents go to municipal governments. With that they must deliver an ever expanding complement of human and physical services.

As Canada slowly recovers from the recent recession and governments contemplate balancing their budgets, this report makes clear the human cost of allowing the traditional social safety net to fray while ignoring the growing demands on our cities' social infrastructure.

From their position on the front line, municipal governments cannot turn away from need in their communities. Other governments have a choice: to retreat still further, exacerbating current trends, or acknowledge that all governments must share in helping Canadians and their communities through difficult times. Much depends on their choices.

Our thanks to all those who supported and assisted in the preparation of this report: the members of the FCM Quality of Life Technical Team, the 24 participating QOLRS communities, the consulting team from Acacia Consulting & Research led by Michel Frojmovic and InterChange Public Affairs.

Basil Stewart
President, Federation of Canadian Municipalities



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CONTEXT

This publication, the sixth theme report published by the Federation of Canadian Municipalities (FCM) as part of its Quality of Life Reporting System (QOLRS), focuses on the growing municipal role in filling the gaps in Canada's fraying social safety net.

As other Quality of Life theme reports since 2003 have shown, poverty and other inequalities persist among vulnerable groups in the 24 urban communities¹ that make up the QOLRS, and there is a continuing need for social services in these communities.

This report looks at the growing need for municipal social services, a need made more urgent by the recent recession and the federal and provincial retreat from traditional social supports, which has shifted the burden to municipal governments. The 24 QOLRS communities are home to more 17 million people, making up 54 per cent of Canada's population.

The report introduces the concept of social infrastructure, the support system provided by municipal governments and made up of direct social services, such as affordable housing, emergency shelters and subsidized childcare, as well as public services like transit, recreation and libraries.

Together these municipal services help fill the gap left by shrinking federal and provincial social assistance programs. They form the social infrastructure that a growing number of people rely on to earn a living,

raise their families and cope with difficult times. For a growing number of Canadians, their city is their safety net.

Social infrastructure is particularly important to vulnerable people on limited incomes, especially during a recession. The report finds that while the need for these services has increased, investments have not kept up.

The objectives of this report are:

- to demonstrate the importance of municipal services to the quality of life of vulnerable populations;
- to demonstrate the link between the federal/provincial retreat from social services and growing demands on municipal governments;
- to examine trends in the availability and use of social infrastructure;
- to provide indicators and analysis of poverty² and income inequality;
- to identify strategic issues and challenges facing vulnerable populations; and
- to describe how Canadian municipalities are meeting these challenges.

The reference period for this report is 2001–2006, with some inclusion of trends dating back to 1991. In some instances, more recent data have been used to report on trends and conditions that have undergone significant change during the past 12 months. However, unlike the 1991–2006 data, which report on municipal boundaries, the more recent data rely on Census Metropolitan Area (CMA) boundaries.

The information in this report builds on the findings of earlier reports prepared by FCM. Earlier analysis, along with research from local municipalities, points to the continuing presence of poverty and other inequalities among vulnerable groups in the QOLRS communities.

¹ While the 24 participants in the QOLRS are referred to throughout the report as "communities," their legal status differs. QOLRS members include a mix of municipalities, regional municipalities and metropolitan organizations. A guide to the QOLRS geography providing a more detailed description of these terms and associated issues is available at www.fcm.ca.

² Because Canada does not set a formal "poverty line," poverty in this report refers to the condition of individuals and families living with incomes below any one of a number of defined low-income thresholds. Inequality refers both to the ratio of high to low incomes and to the gap in rates of poverty and unemployment between the overall population and select sub-populations.

Rather than making comparisons among municipalities, this report is meant to offer a perspective on trends and issues facing all members of the QOLRS project. While the social, cultural and economic pressures facing municipalities vary, they are all filling gaps in the social safety net created by the retreat of federal and provincial governments.

In tackling these challenges, municipal governments are taking over a share of social-service costs once borne by federal and provincial governments but without additional resources, and funding them primarily through a regressive fiscal tool: the property tax.

This report also supports FCM's call for continued federal contributions to cities in the form of the GST refund, the permanent Gas Tax Fund and the various infrastructure programs now in place. These help to free funds to meet the growing need for social services and other public services that support vulnerable groups, such as public transit, recreation and libraries, but they are not a long-term solution.

Information on the QOLRS and earlier theme reports is available at www.fcm.ca.

REPORT HIGHLIGHTS

The report reveals a destructive dynamic in which poverty—aggravated by the growth of vulnerable groups—combines with shrinking federal and provincial support for social services to increase demands on limited municipal resources. This dynamic creates an urban environment where substantial numbers of people are disadvantaged, despite generally positive (until recently) economic conditions. The dynamic grows from the following trends.

The persistence of poverty despite economic growth, 2001–2006

Despite the period of economic growth preceding the recent recession, Canada's urban communities continue to face challenges in meeting the needs of vulnerable groups amid persistent inequalities. This report points to the persistence of poverty among vulnerable populations. While certain populations experienced relative improvements in their socio-economic situation (e.g., seniors, Aboriginals, people with disabilities), others were left even further behind (e.g., single mothers and families with young children, the working poor, immigrants and social-assistance recipients). This situation occurred during a five-year period of relative economic growth, from 2001 to 2006.

By 2008, this period of growth was followed by what has been termed the “great recession,”³ an abrupt economic downturn precipitated by international financial conditions. While this recession has affected many Canadians, some severely, the consequences are not fully reflected in this report.

The erosion of traditional social-policy tools

Traditional social policy tools to alleviate poverty and unemployment have eroded over the survey period. A recent study by the Organisation of Economic Cooperation and Development (OECD)⁴ on income

distribution and poverty in OECD countries has found that Canada spends less on cash benefits, such as unemployment benefits and family benefits than most OECD countries and that, partly as a result of this, taxes and transfers do not reduce inequality by as much as in many other countries.

The federal role in national social programs has declined, for example, funding for social housing, restrictions on Employment Insurance (EI) eligibility and the elimination of the Canada Assistance Plan (CAP).⁵ The National Council of Welfare⁶ has found that welfare incomes peaked in 1994 and have declined since, with some of the losses described as “staggering.”

Concurrently, provincial downloading of social-service costs and responsibilities to municipalities and the not-for-profit sector have, in many cases, further exacerbated the situation, leading to weakened municipal social infrastructure at the municipal level.⁷ While social infrastructure provision is one component that addresses the needs of vulnerable groups, the structural determinants of poverty, for which provincial and federal governments have primary responsibility, must also be addressed.

The fraying social safety net

Welfare income is increasingly less adequate to cover basic living costs. A combination of more restrictive administrative rules and lower unemployment led to a decline in the percentage of individuals and families receiving social assistance in QOLRS communities from 2000 to 2005.

Ineligibility for social assistance contributed to an increase in the number of working poor families and an increase in the incidence of homelessness. More restrictive EI rules over the past 15 years, both in

3 The term “great recession” has been used to describe the current economic recession in Canada by media outlets such as the *Financial Post* and *Toronto Star* and financial institutions such as the TD Bank.

4 OECD 2008:1

5 For example, under the Canada Assistance Plan (CAP), federal funding for social services was on an equal cost-shared basis with the provinces. However, in 1995, CAP was replaced with the Canada Health and Social Transfer (CHST), thereby creating a single block grant for health care, post-secondary education and social programs. This shift was particularly harmful for social-service provision and resulted in a \$7-billion federal funding cut, the removal of national standards and spending increases on health and education at the expense of social services (City of Toronto, p.7).

6 National Council of Welfare 2006: 2

7 *ibid*:3

terms of eligibility and amount of benefits, will affect the increased numbers of QOLRS residents facing unemployment as a result of the recent recession. As their EI is exhausted, many of the unemployed will turn to welfare, which is administered and financed by many of the QOLRS communities.

The municipal role in patching the social safety net

Social infrastructure is part of the social safety net and includes a wide array of municipal facilities, programs and services. This report highlights a range of social infrastructure with strong municipal involvement, including social housing, emergency shelters, public transit, childcare, recreation and libraries.

Together, these facilities, programs and services help fill the gap left by shrinking federal and provincial social assistance programs. They form the social infrastructure that a growing number of people rely on to earn a living, raise their families and cope with difficult times. For a growing number of Canadians, their city is their safety net.

The array of social infrastructure available within Canada's larger municipalities represents an impressive and important part of the services that contribute to quality of life. Table 1 summarizes a range of facilities, programs and services dealing with housing affordability, homelessness, transportation and mobility, childcare, active living and recreation and literacy.

Social infrastructure is a key component affecting quality of life and well-being in Canadian cities,⁸ both for vulnerable groups and the general population. Investments in social infrastructure and associated programs clearly have an important role in providing services to individuals. Equally important is the assumption that these municipal facilities, programs and services will help to remove obstacles to employment and bring diverse populations together. As a result, such community investments have been found to contribute to inclusion, trust, cohesion and enhanced levels of social engagement.⁹

While social housing offers an affordable solution to households in need of core housing, a limited supply and long waiting lists limit the ability to reach the desired population. Emergency shelters place municipalities at the front line of addressing absolute poverty, alleviating some of the most extreme impacts of poverty. The shelter system has expanded significantly since 1991 and now forms an integral part of the urban social infrastructure landscape across Canada's larger cities and urban regions.

People with the lowest incomes are most heavily dependent on public transit, which maintains a crucial link between home and place of work for the working poor and those seeking employment. While transit affordability generally improved in larger urban centres, transit's ridership share remained largely unchanged between 2001 and 2006, increasing from 16.7 to 17.3 per cent.

Affordable and adequate childcare facilities and programs are essential to enabling parents in the labour force to secure access to employment. This is true both for two-parent and single-parent families. In all cities, attempts are being made to offer subsidized childcare services. However, the extent to which childcare is made affordable varies. Some cities report a gap between spaces available and children served, suggesting a possible issue of affordability. There is evidence of an expansion of this service between 2001 and 2006, though this does not hold true consistently for all municipalities, with the availability of subsidized childcare growing at a far slower rate.

Municipalities are able to reach a significant proportion of the population through extensive and affordable recreation and library services. Close to 11 per cent of the population is registered in municipal programs in Canada's largest urban centres. This number does not include a larger proportion of participants reached through less formal drop-in programs or permitted activities. With libraries, the majority of QOLRS communities saw increases in the average amount of library use per person between 2001 and 2006.

⁸ The international Mercer Human Resources Survey (conducted annually since 1999) has placed four Canadian cities among the top 25 "best" cities in which to live. Slack et. al. (2006) find that "[t]he strong showing by Canadian cities is attributed to levels of social and cultural infrastructure..." (pg. 47).

⁹ Slack 2006:3-4

Table 1 — Locally-Delivered Social Infrastructure in QOLRS Communities

Social Infrastructure	2006 Numbers
Social Housing	386,259 units
Emergency Shelters	12,479 permanent beds
Public Transit	1,435,030 daily users (17.3% of all commuters)
Licensed Childcare	251,045 spaces or children served
Recreation	12,523 facilities
Recreation Programs	1,155,263 registrants (12% of total population)
Libraries	150,103,854 books in circulation

Municipal governments are important partners in the delivery and management of this infrastructure. However, the level and degree of municipal involvement varies from province to province, ranging from service delivery, management oversight, funding, and community partnerships.

The looming deficit in municipal social infrastructure

Cities have stepped in to fill the gaps in the social safety net left by federal and provincial governments as they retreat from funding social programs. But even with these investments, long waiting lists for services, homelessness and working poor families suggest that demand is outpacing the municipal capacity to respond. This is because the funding model that forces cities to pay for social and physical infrastructure with revenue from the property tax is flawed.

The Federation of Canadian Municipalities (FCM) has long held that property taxes, originally intended to pay for physical infrastructure, are an inappropriate and inadequate source of revenue for financing social services. An analysis by the Intergovernmental Committee on Urban and Regional Research (ICURR) for FCM found that Canadian municipalities receive just eight cents of every tax dollar collected in

Canada. With this they must meet growing and varied responsibilities, which include the costs of providing roads, sewers and water, as well as social infrastructure.

Increasing poverty and income inequality

Rates of poverty and income inequality in Canada increased dramatically during the past decade and are now reaching levels above that of the average for OECD countries.¹⁰

While there is a growing gap between rich and poor, both in terms of annual incomes and accumulated wealth, there is also evidence of a gap in spending patterns, such that “the 20 per cent of the poorest households live in worlds far removed from the richest 20 per cent.”¹¹

The main findings from this report relating to poverty, income inequality and vulnerability are the following:

- Poverty has an urban dimension, and Canada’s three largest cities stand out as having the highest proportion of families with income below the Low Income Cut Off (LICO).
- The QOLRS communities had significantly higher incidences of low-income families in 2006 than that of their non-QOLRS counterparts.
- Most QOLRS communities have seen an increase in the number of working poor families, a factor that correlates with the decreasing proportion of families receiving social assistance.
- The gap between rich and poor is increasing; high-income earners (90th percentile) have experienced far faster income growth than low-income earners (10th percentile).
- While unemployment rates generally fell between 2001 and 2006, vulnerable groups (immigrants, Aboriginals, persons with activity difficulties/limitations and female lone parents) continue to be

¹⁰ The income gap is pronounced in Canada — “the average income of the richest 10% is US\$71,000 in purchasing power parities, which is one-third above the OECD average of US\$54,000 [while the] poor and the middle classes are also richer than the OECD average, but by less — their average incomes are only 18 per cent above that of their counterparts in a typical OECD country” (OECD 2008:1).

¹¹ Kerstetter’s (2009) analysis of spending patterns from the 2007 of Statistics Canada’s Survey of Household Spending highlights growing social exclusion in Canadian society where the lowest quintile of earners often forego furniture, eye care, dental, movies, newspapers, magazines, Internet, and child care.

less attached to the labour market compared to the total population and are more likely to have low incomes.

- Data from the past 12 months show an increase in the rate of unemployment across all the QOLRS communities that is considerably greater than that affecting the rest of Canada.

Conclusion

Changing the dynamic described above requires tackling all of its components. The withdrawal of federal/provincial support¹² and the lack of a commitment to sustained funding has forced more people in the QOLRS communities onto services supported by the municipal property-tax base, which was intended to pay primarily for physical infrastructure.

As Canada slowly recovers from the recent recession and governments contemplate balancing their budgets, this report makes clear the human cost of allowing the social safety net to fray. Municipal social infrastructure provides a second line of defence, catching the increasing number of people who slip through gaps in the traditional safety net. If this second line of defence should fail, the consequences for Canada's most vulnerable will be severe.

From their position on the front line, municipal governments cannot turn away from need in their communities. Other governments have a choice: to retreat still further, exacerbating current trends, or to acknowledge that all governments must share in helping Canadians and their communities through difficult times. Much depends on their choices.

¹² Examples of this withdrawal from services include withdrawing from the federal-provincial childcare plan; the lack of commitment to a National Housing Strategy; changes to EI legislation that increased inequities and placed more EI exhausters onto the municipal welfare systems; the implementation of the Canada Assistance Plan (CAP), which provided block funding and greater discretion to provinces; and the devolution of programs (such as social housing) to municipalities.

PART 1 | POVERTY, INCOME INEQUALITY AND VULNERABILITY

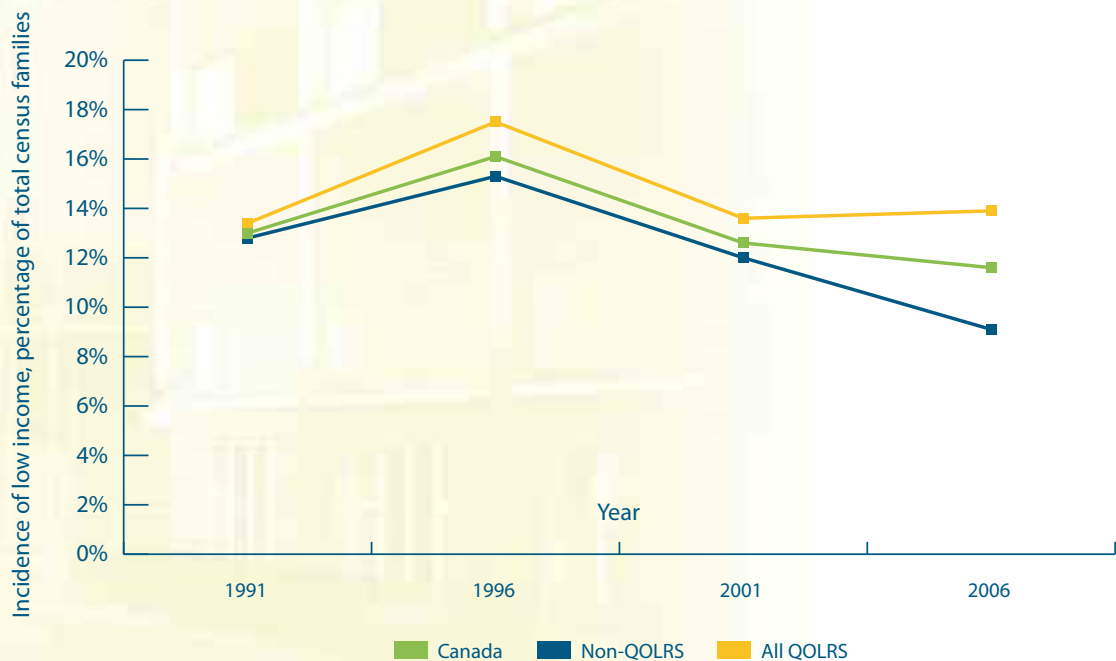
Measured for Canada as a whole, rates of poverty and income inequality increased dramatically over the past 10 years, after almost 20 years of continuous decline.¹³ They are now reaching levels above that of the Organisation for Economic Co-operation and Development (OECD) average (OECD 2008:1). As discussed in this section, these phenomena have a particularly urban dimension; the QOLRS communities — 24 of Canada's largest municipalities and metropolitan communities participating in FCM's QOLRS project — stand out as having a greater pro-

portion of low-income families than that of the Canadian average.

1.1 Poverty and financial security

While there was a convergence in 1991 in the incidence of low-income in families between non-QOLRS and QOLRS communities, this has since become increasingly differentiated, with QOLRS communities standing out as having significantly higher incidences of low-income families in 2006 than that of their non-QOLRS counterparts (Chart 1).

Chart 1 — Low-income families



Source: Statistics Canada, Census, 1991, 1996, 2001, 2006

¹³ Canada does not have a national definition of poverty (Canadian Fact Book on Poverty, 2000, p. 13) and different indicators are used to measure poverty — e.g., Statistics Canada commonly uses the Low-Income Cut Off (LICO) and the Low Income Measure (LIM).

BOX I — MEASURING POVERTY IN CANADA: LICO, LIM AND MBM

This report generally relies on the concept of the Low Income Cut Off (LICO) in order to report on poverty. LICO remains the most commonly used indicator in this regard and allows for comparability with other studies and reports.

There are a number of concepts in use in Canada to better understand the complex phenomenon of poverty: the Low Income Cut Off (LICO), Low Income Measure (LIM) and Market Basket Measure (MBM). None represents a universally agreed upon poverty line. For example, both the LICO and LIM, developed by Statistics Canada, identify people who may be living in “straitened circumstances.” However, the proportion of singles and families with incomes below the income thresholds defined by each of these measures can be treated as an indicator of the extent of poverty.

Low Income Cut Offs (LICOs) are income thresholds determined by analyzing family expenditure data. Families with incomes below these thresholds are likely to devote a larger share of income to the necessities of food, shelter and clothing than would the average family. LICOs are defined for five categories of community size and seven of family size. The after-tax LICO offers a better measure of the actual disposable income for families on basic necessities than pre-tax indicators.

Low Income Measures (LIMs) identify various sized households with an after-tax income lower than 50 per cent of the median income for all families in a given year. These measures are categorized according to the number of adults and children in families, regardless of city size.

A criticism of both the LICO and LIM is that neither accounts for the variation in the costs of basic necessities in different communities.

Market Basket Measures (MBMs) include estimates of the cost of food, clothing and footwear, shelter, transportation and other goods and services related to local costs of living. The MBM defines low-income Canadians as those persons living in families whose disposable income is below the cost of purchasing the basket of goods and services in their community or a similar sized one within a specific region.

The following table summarizes the differences inherent in these three measures, using numbers for 2006. The LICO (after tax) for a family of four was \$39,393 for a large city (500,000+). The LIM (after tax) of a similar-sized family (two adults and two children) was \$30,358. Finally, the Market Basket Measure for a family of four ranged from a low of \$25,944 in Montreal to a high of \$31,399 in Toronto.

Family of 4, After-Tax Income Thresholds

LICO	LIM	MBM
\$33,216 Large City (500,000+)	\$30,358 (all cities)	\$25,944 (Montreal)
		\$31,399 (Toronto)

A more detailed assessment of each of these measures was prepared for the City of Toronto (see Low 2008). A critical assessment of the LICO measure is available from Mitchell and Shillington 2009.

Most QOLRS communities have seen an increase in income disparities and the number of working poor families

Income inequality can be measured as the changing gap between the highest and lowest income earners. The classic definition of increased income inequality is the result of “the rich getting richer, and the poor getting poorer.” The QOLRS measures this inequality using a ratio of the average income at the top 90th percentile of all income earners, to average income at the lowest 10th percentile of all income earners. Chart 2 shows how the majority of QOLRS communities saw some increase in the ratio of 90th percentile individual income to the 10th percentile in a comparison of 2000 to 2005.¹⁴ Municipalities that saw the greatest increase in this indicator of income disparity were Vancouver (1.4 per cent), Calgary (0.7 per cent) and CMM (the Montreal Metropolitan Community) (0.7 per cent). Nine QOLRS communities saw a slight decrease in the income ratio over this time period, with Peel, Kingston and York experiencing the greatest reduction in relative disparities.

In comparison to the income gap among all income earners, the income gap among families is more dispersed. In nine municipalities, the percentage change in family income for the 10th percentile outpaced that of the 90th over the five-year period between 2000 and 2005 (i.e., Surrey, Edmonton, Sudbury, Halton, Peel, York, Durham, Kingston and CMQ [Quebec Metropolitan Community]). However, the remainder of municipalities saw a heightening of this indicator of inequality over this period, with Vancouver standing out as having the greatest such disparity. While family income in Vancouver for the 10th percentile increased by 15 per cent over the survey period, that of the 90th increased by 28 per cent — a 13-percentage point difference. This indicates that the highest income earners (those in the 90th percentile) were generally experiencing far faster rates of income growth than the lowest income earners (those in the 10th percentile).

While the effects of poverty and inequality are evident at a municipal scale, a far richer analysis of these factors is possible by focusing on smaller levels of geography. While neighbourhood analysis is beyond the scope of the QOLRS, Box 2 summarizes work being undertaken by several QOLRS members.

Increases in working poor in most QOLRS communities

One segment of the population that tends to be overlooked is that of people who are working at low-paying jobs. The QOLRS definition of working poor includes families with incomes below the after-tax Low Income Measure (LIM), and which have received less than half their income from government transfers. Based on this definition, most QOLRS communities saw some increase in the percentage of families considered “working poor” between 2000 and 2005. Only five municipalities saw slight declines over this period: Gatineau (-4.7 per cent), Kingston (-1.1 per cent), Edmonton (-0.8 per cent), Sudbury (-0.3 per cent) and CMQ (-0.3 per cent). In a comparison of figures for 2000 and 2005, Peel, Toronto and York stand out as seeing the greatest percentage point increases of working poor (at 1.7, 1.6 and 1.4 per cent respectively).

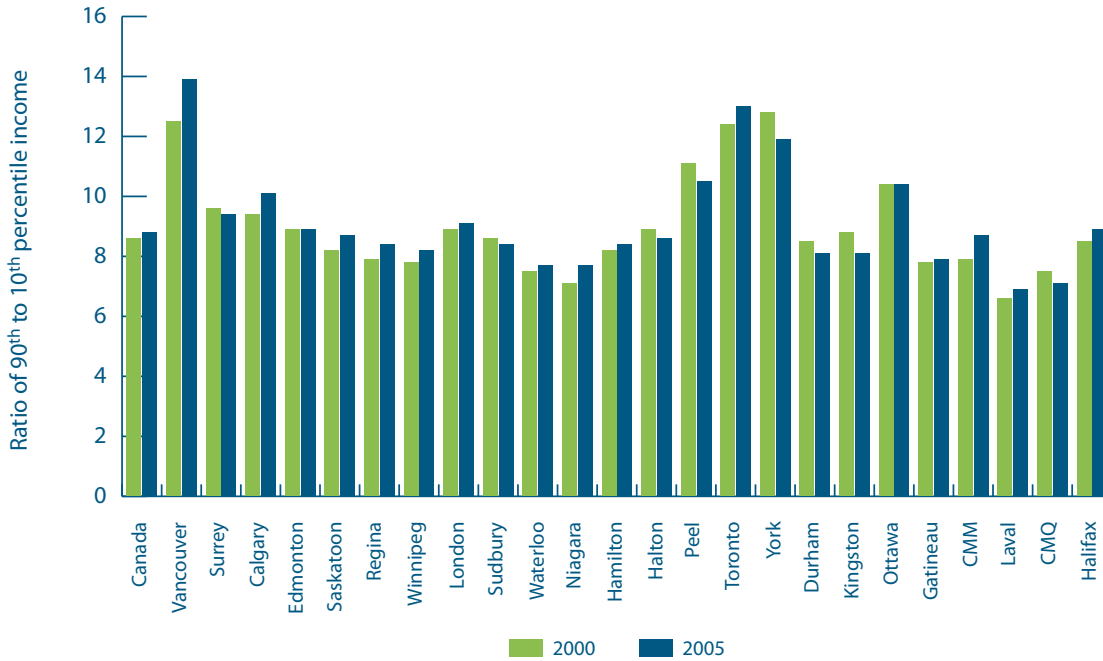
Canada’s three largest cities have the highest proportion of low-income families

QOLRS communities have a higher proportion of low income families than their non-QOLRS counterparts. The average for all QOLRS communities for this indicator was 13.5 per cent in 2006, as opposed to 9.0 per cent for non-QOLRS communities in the same year. QOLRS communities experienced a slight decline in the incidence of low-income families. In a comparison of 2001 to 2006 data, a large majority of QOLRS communities (19 out of 24)¹⁵ saw some decline in the proportion of low-income families. Increases in the proportion of low-income families were experienced in each of the five municipalities that make up the Greater Toronto Area.

14 The 2006 Census provides 2005 income data, while the 2001 Census provides 2000 income data.

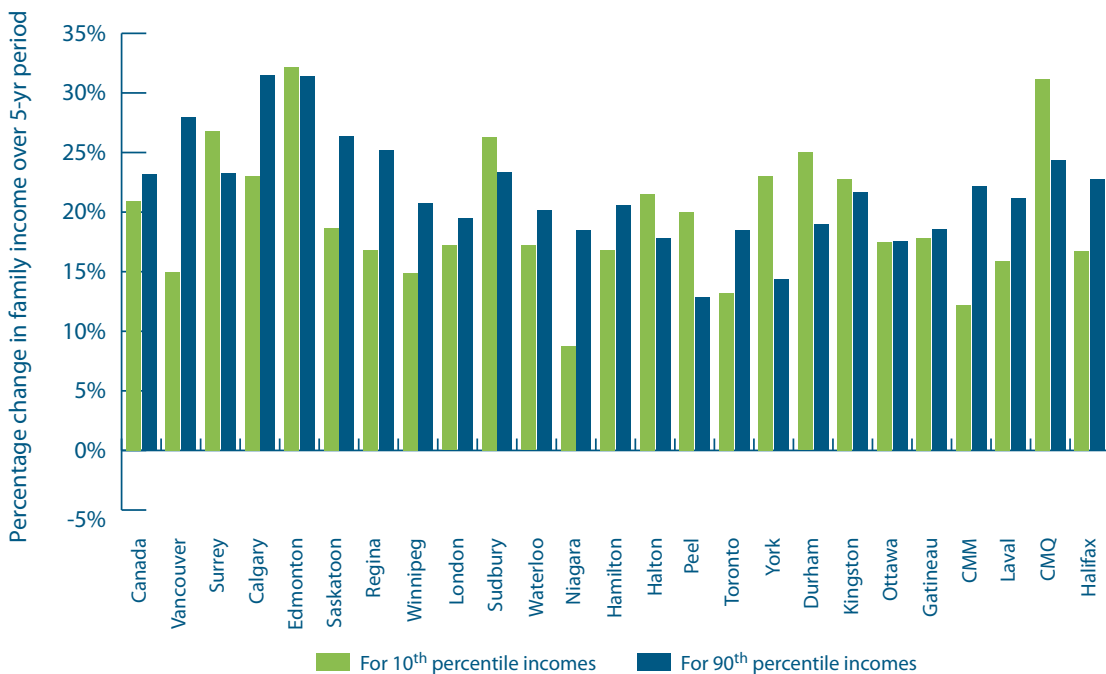
15 Note: Data missing for select municipalities.

Chart 2 — Income gap: A comparison of 90th and 10th percentile income



Source: Statistics Canada, Small Area and Administrative Data Division, 2000, 2005

Chart 3 — Change in family income, 2000–2005



Source: Statistics Canada, Small Area and Administrative Data Division, 2000, 2005

BOX 2 — PLACE MATTERS: ANALYZING AND MAPPING AT THE NEIGHBOURHOOD LEVEL

Aggregate numbers for municipalities are only part of the story; underlying these municipal figures are neighbourhood dimensions of poverty. QOLRS does not currently provide neighbourhood-specific income indicators, but a number of recent Canadian studies indicate a trend to more concentrated pockets of poverty within urban areas. For example, research conducted by the United Way of Greater Toronto and the Canadian Council on Social Development (2004) surveying the period 1981–2001 found a substantial rise in the rate of poverty¹⁶ amongst families in Toronto over the last two decades as well as an increased concentration of such families in specific higher poverty neighbourhoods. Initiatives such as the Community Social Data Strategy of the Canadian Council on Social Development (CCSD) allow municipalities and community-based organizations to access and analyze detailed research findings from Statistics Canada cost effectively.

Municipalities are taking steps to better understand neighbourhood dynamics so as to ensure targeted and strategic investments. The following initiatives serve to highlight spatial dynamics at the local level and provide tools for the public dissemination of neighbourhood level data.

In 2005, the City of Ottawa released a *Social Area Priorities Report* that contains over 140 maps and

data on 74 variables (City of Ottawa 2005). This report has facilitated community needs assessments and the prioritization of city program/service delivery by community or ward. Kingston has also created neighbourhood profiles based on census data that are available to the public on the municipality's website. Peel has recently launched online profiles for Service Delivery Areas (SDAs) through the Peel Data Centre. The Niagara Region has created neighbourhood profiles based on seven main indicators.

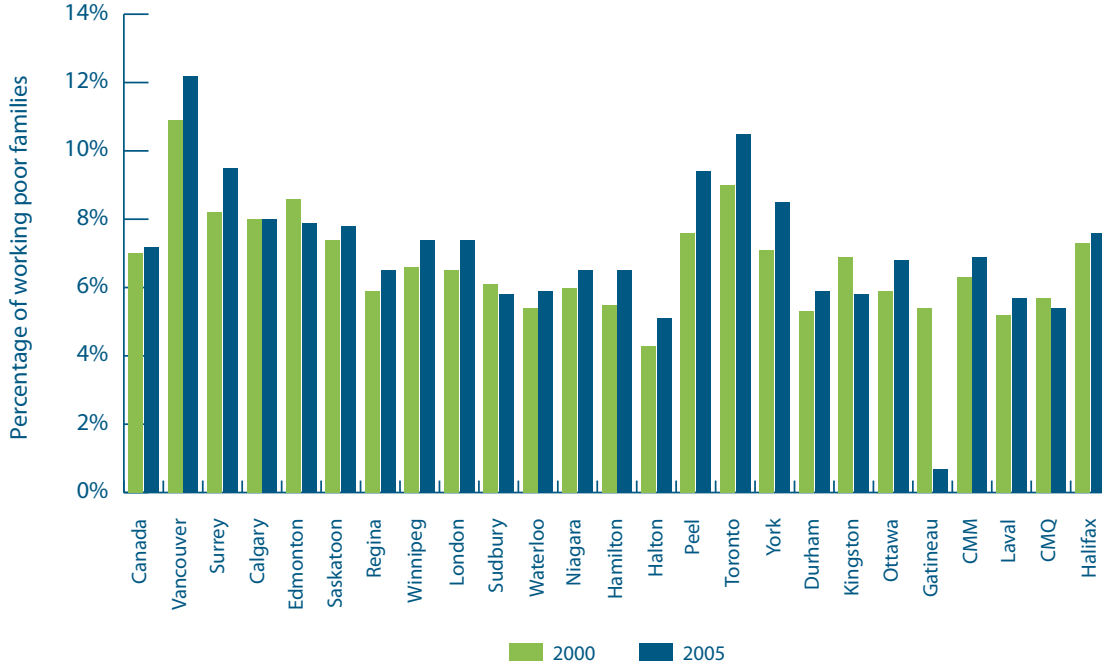
The City of Gatineau has put in place a Family Policy that includes actions to fight poverty. These actions are aimed at supporting community cohesion and sustainability, and reducing inequality through community participation. An integral part of this policy was the establishment, in 2009, of a community mapping tool, offering a socio-economic and health portrait of Gatineau's communities. The mapping tool provides the City with a better understanding of the differences between Gatineau's neighbourhoods, offers insights into the unique strengths and needs of each of the city's neighbourhoods, and enables the City to better design program interventions. The mapping tool is complemented by other services aimed at providing families with information about municipal programs supporting healthy lifestyles.

There is significant differentiation in the LICO between cities, with ranges from a low of 6.6 per cent of families with income below LICO to a high of over 20 per cent. The largest communities in the QOLRS — the City of Vancouver, the City of Toronto and the Montreal Metropolitan Community — have the highest proportion of families with income below LICO (20.9, 20.6 and 16.0 per cent

respectively). These cities are also the major destination for most immigrants to Canada, who have a higher propensity to experience poverty (see QOLRS Theme Report 5). Municipalities with the lowest proportion of families with income below LICO are Halton, Waterloo and Durham (with 6.6, 7.4 and 7.6 per cent respectively).

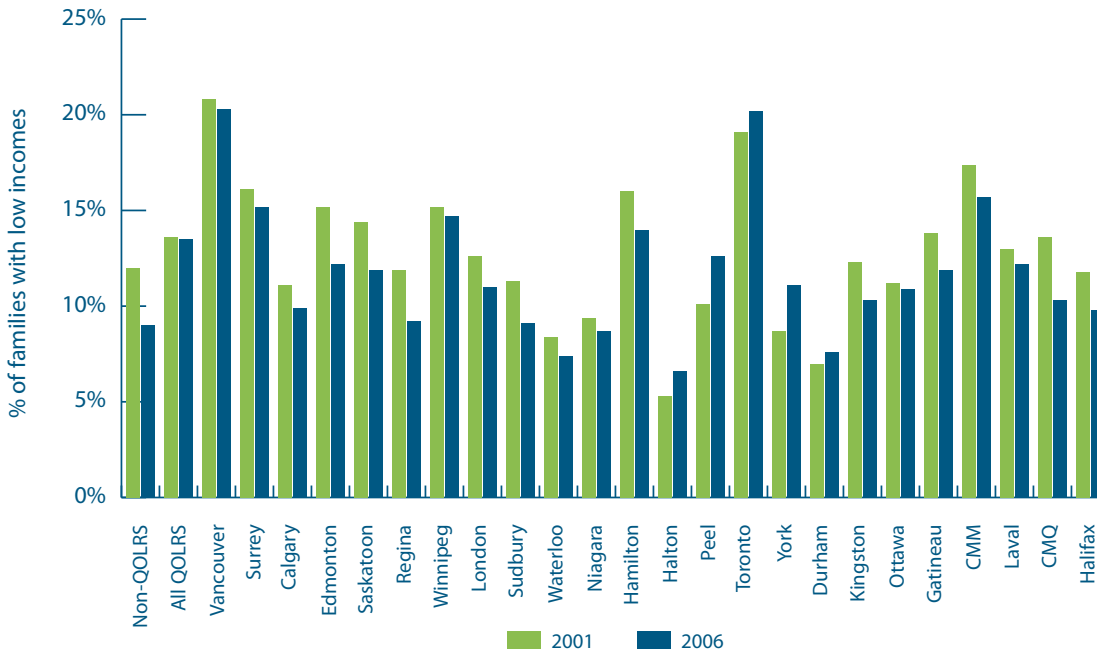
¹⁶ This report uses the Low-Income Cut Off (LICO) as a rate of poverty measure.

Chart 4 — Working poor families



Source: Statistics Canada, Small Area and Administrative Data Division, 2000, 2005

Chart 5 — Low-income families



Source: Statistics Canada, Census, 2001, 2006

BOX 3 — COMMUNITY ROUNDTABLES ON POVERTY REDUCTION

Municipalities often act as convenors, bringing together multiple players to address common challenges. There are numerous examples from municipalities across Canada forming collaborative initiatives to address poverty reduction.

In 2007, Kingston launched a Mayor's Task Force on Poverty. The final report titled *Ready to Do Better* both assesses the community's current responses to poverty reduction as well as outlines future steps (City of Kingston 2007). This task force has led to a lasting governance framework: a 24-member Community Roundtable on Poverty Reduction has been established to ensure that meaningful poverty reduction targets are met. This collaborative framework promotes community leadership, builds upon existing community capacity and ensures that the community and government are held to account. One outcome of the Task Force has been the adoption of community principles, such as the principle of a living wage for all employees.

The Peel Poverty Reduction Strategy Committee was formed in 2007 in response to the growing problem of poverty in Peel. It is co-chaired by the Region of Peel and United Way Peel Region and comprises a diverse number of agencies, grassroots organizations and stakeholders, as well as regional and local governments committed to reducing poverty in the region.¹⁷ The committee has set a target of reducing poverty by 25 per cent in five years, in line with the provincial target and has produced two reports, *Poverty in Peel, A Tale of Hardship* (2008) and *A Shaky Foundation: Peel's Housing Dilemma* (2009), aimed at creating awareness and mobilizing Peel residents and politicians.

In March 2009, the Business Education Council and the Department of Community Services convened a community roundtable for the Niagara Region with representation from communities across Niagara, including non-profits, government, educators, community leaders, the private sector, neighbourhood representatives and other stakeholders, to form an advisory committee. The Niagara Prosperity Initiatives Advisory Committee (NPIAC) was established to i) guide and direct investment on identified initiatives to alleviate poverty in all neighbourhoods across the Niagara region; ii) advocate for change that will reduce and prevent poverty in the community; iii) develop and enhance a collaborative relationship between stakeholders; and iv) engage people living in poverty in meaningful ways to ensure that investments reflect need and accrued tangible, measurable improvements to those residents.

In 2005, Hamilton convened a multi-stakeholder Roundtable on Poverty Reduction that has attracted the admiration of cities across the country and recently won the Canadian Urban Institute's (CUI) 2009 David Crombie Award. Some of the community impacts of the Hamilton Roundtable for Poverty Reduction (HRPR) include: a decrease in the LICO to 18.1 from 20 per cent; the returning of approximately \$2M in 2007 (\$1M in 2006) to 6,500 low-income families through the municipal portion of the National Child Benefit; and the collaboration of about 900 Hamilton organizations and businesses resulting in new health services, new early years programs, school-based programs, mentoring supports for at-risk youth, employment for new immigrants, home ownership and affordable housing programs (Canadian Urban Institute 2009).

¹⁷ The committee recognizes the important role local governments, agencies, organizations and residents play in preventing increased poverty, supporting those living in poverty and creating vibrant neighbourhoods that engage all residents. As a result, the committee works collaboratively with a number of organizations and networks including Peel Poverty Action (PPAG), Peel Newcomer Strategy Group, Peel Youth Violence Prevention Network, Neighbourhood Development Collaborative, Peel Children & Youth Initiative, and the Collaboratives Network all aimed at helping families in Peel thrive. In addition, the Peel Poverty Reduction Strategy Committee understands that poverty cannot be effectively addressed without working with provincial and federal governments to address the broader fundamental issues of income support, living wages, access to adequate employment for newcomers and racialized communities, training and education, child care, housing and effective social and community health supports.

QOLRS communities have a higher proportion of children living in low-income families than the Canadian average

Chart 6 examines the incidence of children living in low-income families in Canada, non-QOLRS and QOLRS communities for the years 1991, 1996, 2001 and 2006. QOLRS communities have consistently stood out as having a higher proportion of children living in poverty than that of the Canadian average or their non-QOLRS counterparts. In recent years, the percentage of children in low-income families has been decreasing in non-QOLRS communities and Canada, while the percentage is increasing in QOLRS communities.

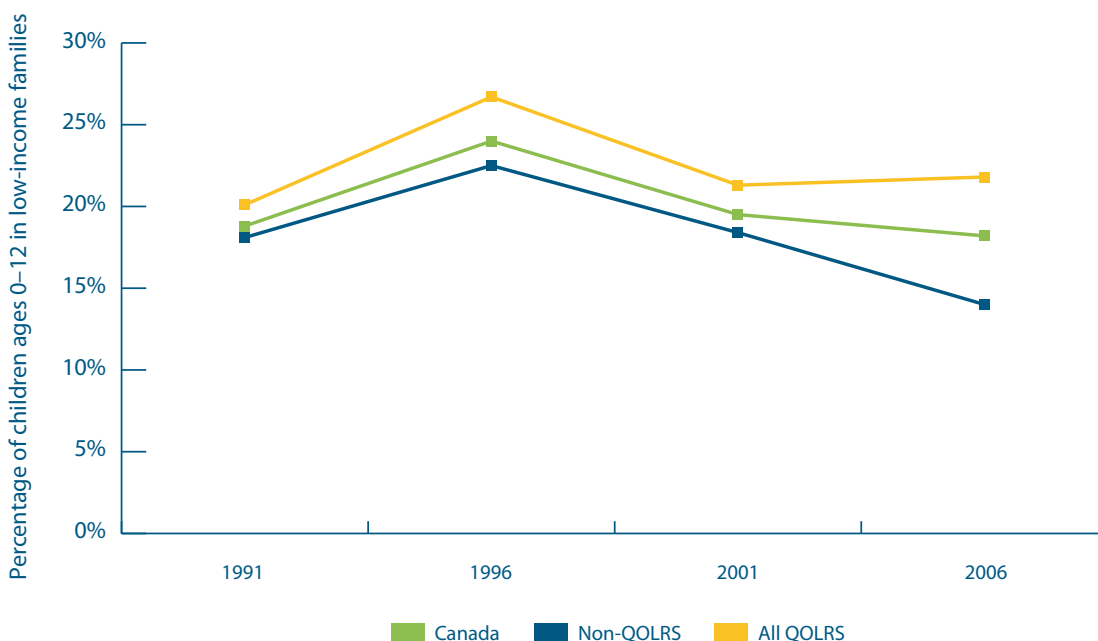
Slight decrease in the percentage of families receiving Social Assistance

Social Assistance (or Income Assistance) is a provincial function and as such, differs by jurisdiction.¹⁸ In certain instances, notably Ontario, municipal

governments have had to take on a more significant role in both administering and funding social assistance.

The percentage of families receiving social assistance in QOLRS communities generally showed a decrease in 2005 compared to 2000.¹⁹ Peel and York present an exception to this, where the percentage of families receiving social assistance shows a slight increase in 2005 over 2000 figures. In Halton, there was no change from 2000 to 2005 figures, which remained at 3.3 per cent; Halton has the lowest rate of families receiving social assistance out of all QOLRS communities. Vancouver and Surrey experienced the biggest drop over the five-year period. Arguably, this was the result of specific provincial policy changes occurring throughout the 1990s and again in 2002 in British Columbia aimed at reducing the welfare caseload. These policies made welfare harder to access, reduced benefits for many people and made the rules for

Chart 6 — Children living in poverty



Source: Statistics Canada, Census, 1991, 1996, 2001, 2006

¹⁸ While the federal government does not administer social/income assistance, it does administer Employment Insurance in the following areas: regular benefits; maternal, parental or sickness benefits; fishing benefits; or benefits for workers and/or residents outside Canada. An exception to this is the Federal Income Assistance Program of Indian and Northern Affairs Canada. However, even in this instance, the program has been largely devolved to First Nations for administration (see <http://www.ainc-inac.gc.ca/hb/sp/iap-eng.asp>).

¹⁹ The 2006 Census provides 2005 income data, while the 2001 Census provides 2000 income data. See footnote 9.

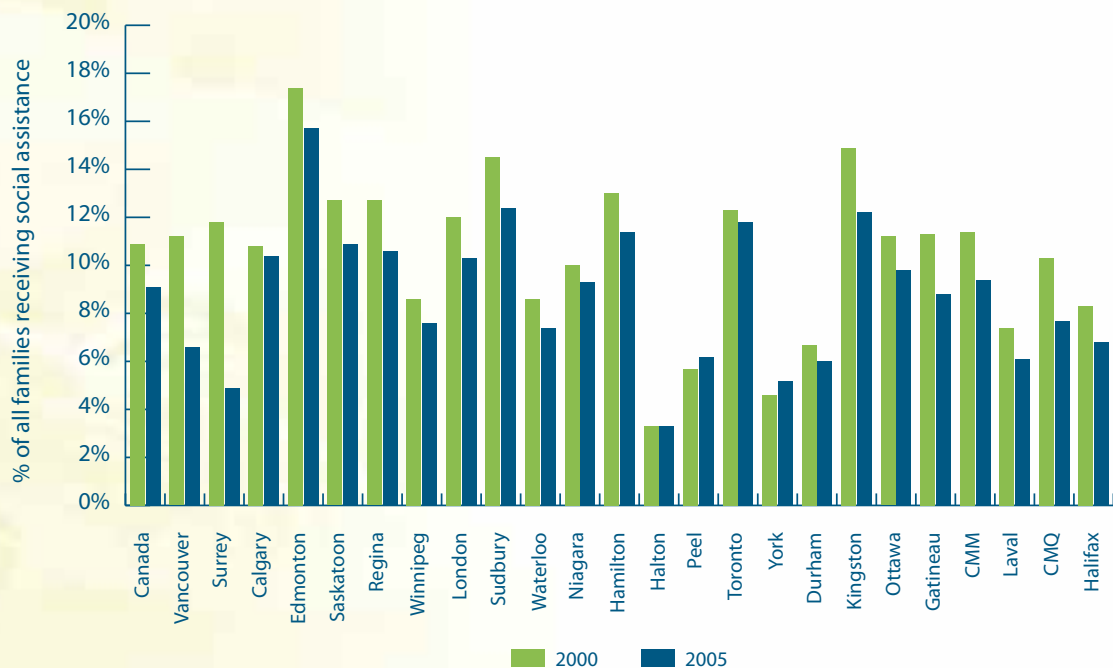
those receiving assistance more restrictive (CCPA 2006). Overall, QOLRS communities had an average decrease of 1.8 percentage points in the proportion of families receiving social assistance between 2000 and 2005.

The decrease in social assistance recipients as a percentage of the population is related to at least two factors. First, as suggested by the situation in Vancouver and Surrey, changes in provincial rules governing eligibility for social assistance were put in place over the past 15 years that have reduced the number of people who were eligible for this form of assistance. Second, in the years leading up to the current recession, there was a general decline in rates of unemployment, which contributed to an exit from social assistance.

Welfare income increasingly less adequate to cover basic living costs

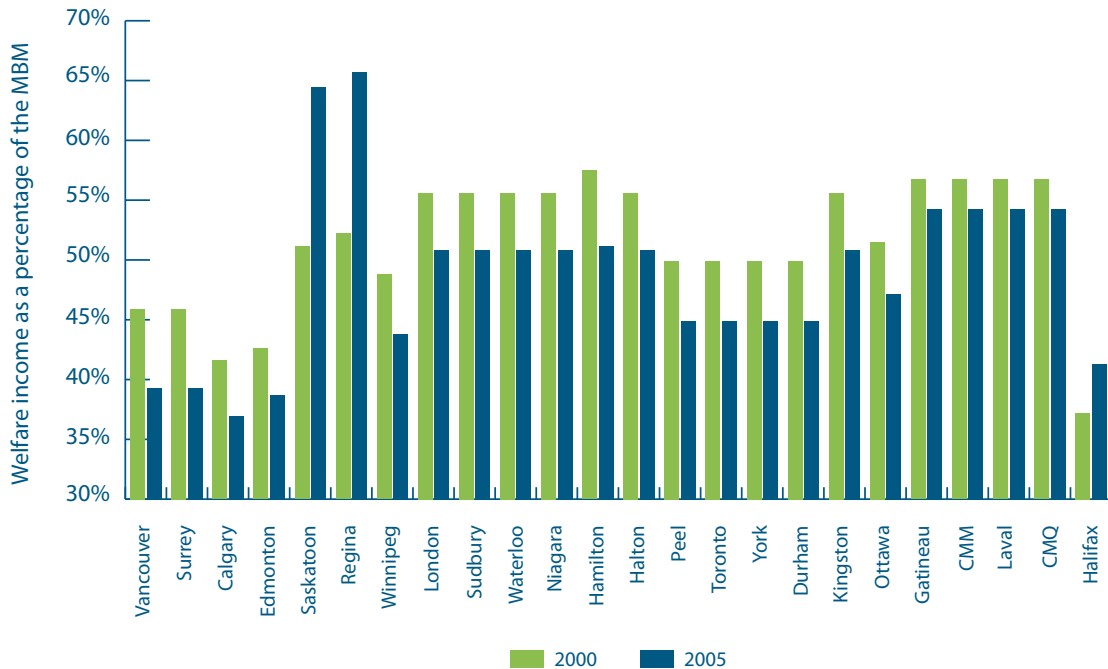
The ratio of welfare income to a cost of living measure can provide some indication of the extent to which welfare recipients can meet their basic needs. Chart 8 measures welfare incomes for individuals as a percentage of the Market Basket Measure (MBM) for QOLRS communities. In 2005, welfare incomes only covered between one-half and two-thirds of basic needs, with some welfare recipients affording less than 40 per cent of the cost of a basic basket of household goods. As the MBM offers the lowest income threshold for measuring poverty, comparisons using LIM or LICO would result in an even greater gap between welfare income and the cost of living.

Chart 7 — Social assistance recipients



Source: Statistics Canada, Small Area and Administrative Data Division, 2000, 2005

Chart 8 — Welfare income and basic needs



Source: Statistics Canada, Small Area and Administrative Data Division, 2000, 2005

As indicated in Chart 8, most QOLRS communities show decreases in this percentage in a comparison of figures from 2000 to 2005, indicating that welfare income is increasingly less adequate to cover basic living costs.²⁰ The three municipalities for which this was the reverse were Saskatoon, Regina and Halifax, each of which saw an increase in this percentage in a comparison of the two periods. Rates of welfare income are provincially determined, hence, the regularities by province shown in the chart above.

1.2 Labour market attachment

Labour market attachment, measured in terms of levels of unemployment, is manifestly important to lowering rates of poverty. A 2008 OECD study has found that work is even more important as a way of avoiding poverty in Canada than it is in other

countries. While two-thirds of Canadians living in households where no one works are poor, the presence of one working person lessens the poverty rate to 21 per cent, while the presence of two or more persons lessens it much further to only 4 per cent (OECD 2008: 2).

While labour market attachment is important to lowering rates of poverty, poverty persists despite consistent declines in the unemployment rate. For example, despite significant declines in unemployment in larger Canadian cities between 2001 and 2006, the overall incidence of families with low incomes fell only marginally during this time. Furthermore, based on preliminary data available at the Census Metropolitan Area (CMA) level, the current recession appears to be having a negative impact on levels of unemployment in these same cities. In

20 The MBM basket of goods includes expenditures on food, clothing and footwear, shelter, transportation and other goods and services (e.g., household needs). For a further description of the MBM see HRSDC (2008), Low Income in Canada: 2000-2006 Using the Market Basket Measure — October 2008, Appendix A, Methodological Annex, http://www.hrsdc.gc.ca/eng/publications_resources/research/categories/inclusion/2008/sp-864-10-2008/page11.shtml

BOX 4 — WHO IS RESPONSIBLE FOR POVERTY REDUCTION?

Much of the poverty in Canada is a feature of urban areas, and yet it is largely orders of government other than municipalities that have access to the political, administrative and fiscal tools needed to address poverty.

A 2006 report by the City of Toronto, titled *Systems of Survival, Systems of Support: An Action Plan for Social Assistance in the City of Toronto*, outlines the extensive efforts of the City of Toronto in the provision of social services to its citizens and provides an Action Plan to improve necessary supports, many of which are outside of its own jurisdiction. The Plan “proposes a new direction for social assistance, one that would see the creation of a new child benefit program for low income families outside of the social assistance system, a fairer and more focused Ontario Works program that would help adults stabilize their lives and take advantage of opportunities to improve their prospects, and a disability program that is accessible to disabled people” (City of Toronto 2006: 11). In this manner, the City pursues an advocacy position for poverty reduction.

Similarly, a 2007 report titled, *A Legacy of Poverty? Addressing Cycles of Poverty and the Impact on Child Health in Niagara*, poses the question, “What can we do about poverty?” (Ari & Burke 2007: 49). A key

recommendation of the report is to advocate for “the coordination of a universal set of comprehensive healthy public policies that bring social assistance to a level that allows individuals and families to live with dignity” (ibid.:49). As the authors note, it is fundamentally the inequitable distribution of wealth and labour market opportunities that perpetuates cycles of poverty. Hence, “without a comprehensive, coordinated and universal approach to programs and healthy public policies with a long term vision of addressing poverty we will never reach the Canadian government’s 1989 goal of eliminating child poverty” (ibid.: 50). This is corroborated by 2007 UNICEF Report Card on Child Poverty findings that higher government spending on family and social benefits is associated with lower child poverty rates: “no OECD country devoting 10% or more of Gross Domestic Product (GDP) to social transfers has a child poverty rate higher than 10% [and] no country devoting less than 5% of GDP to social transfers has a child poverty rate of less than 15%” (ibid.: 50).

While municipalities pursue poverty reduction initiatives in collaborative and innovative ways, it is the structural determinants of poverty and the fundamental distribution of wealth in our society that will make the greatest impact. For this, the federal government must be a key actor.

order to reflect these emergent realities, some more recent figures (October 2008 to October 2009) are included in this section. Please note, figures for this period are reported for the Census Metropolitan Area (rather than for municipalities) and, therefore, a trend comparison of the two is a rough approximation.

Rates of unemployment over October 2008–October 2009 varied across CMAs

The unemployment rate is the percentage of the labour force that actively seeks work but is unable to find work at a given time.²¹ The unemployment rate in urban municipalities is typically lower than those

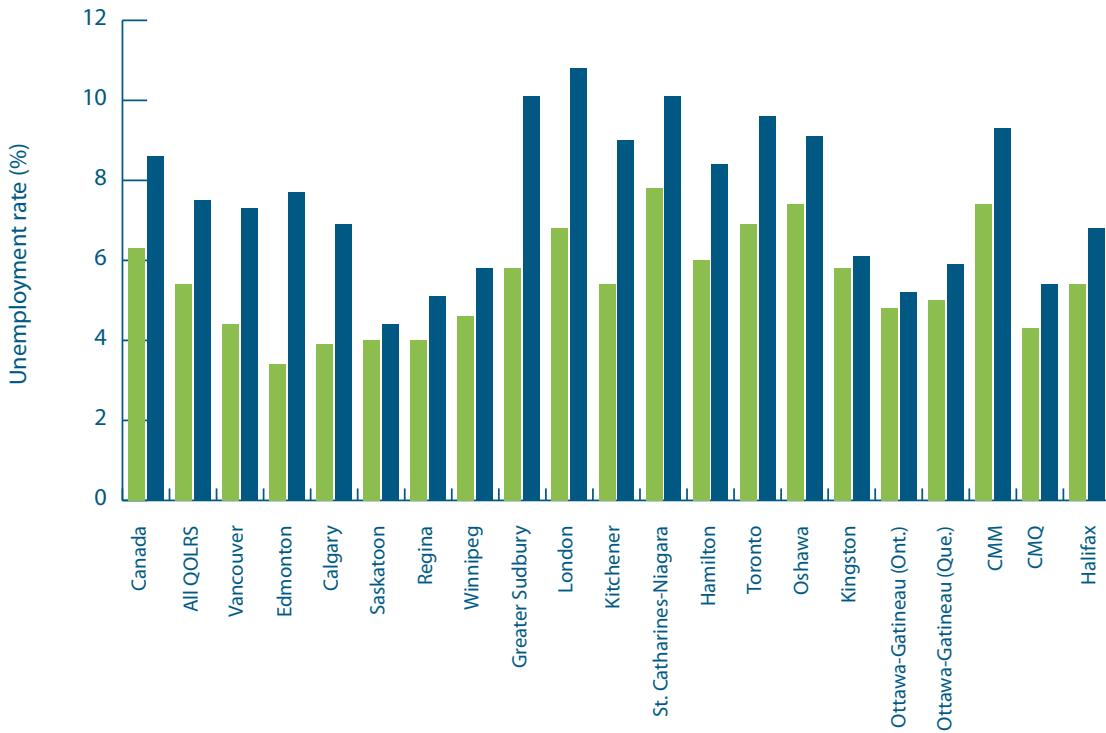
of the provincial average, reflecting a more robust urban labour market. However, recent unemployment data suggests that this gap is shrinking as a result of the current recession. The average unemployment rate for Canada increased by 37 per cent between October 2008 to October 2009, from 6.3 to 8.6 per cent. By comparison, unemployment rates in the QOLRS CMAs grew by 42 per cent.

Chart 9 shows the seasonally adjusted²² unemployment rate for select CMAs (as a proxy for QOLRS communities) in October 2008 and October 2009. These most recent figures illustrate significant

21 This excludes discouraged workers.

22 The term “seasonally adjusted” denotes that the unemployment rate has been adjusted to account for seasonal variations in unemployment (e.g., tourism-related occupations that peak in the summer months). Note: seasonally adjusted series still contain irregular as well as longer term cyclical fluctuations.

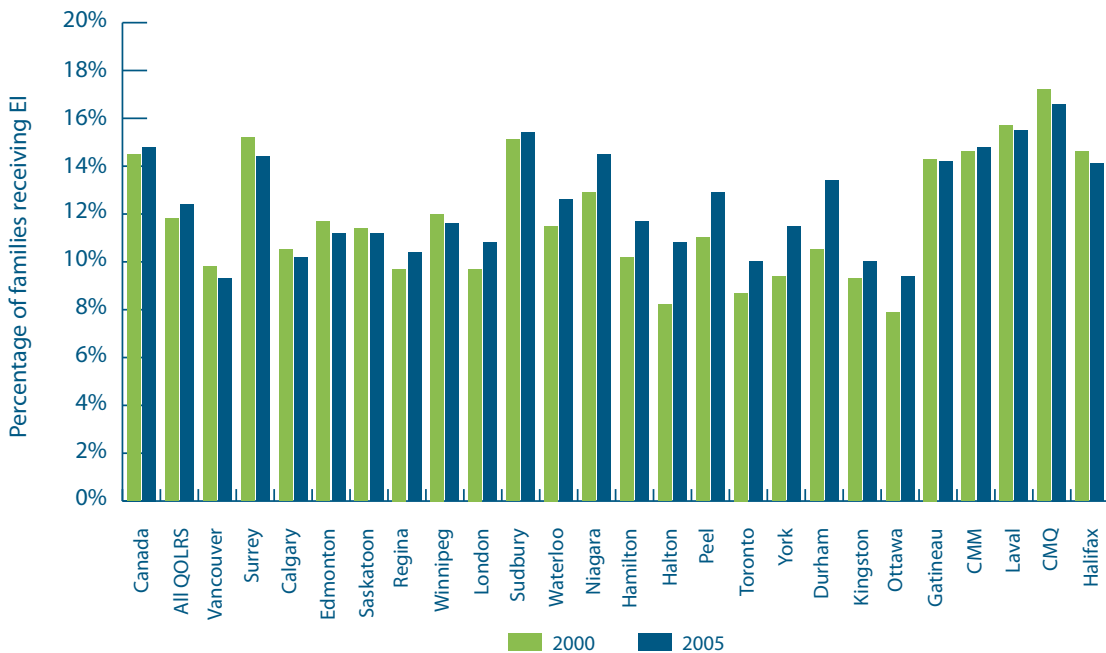
Chart 9 — Unemployment rates



Source: Statistics Canada, Labour Force Survey, 2009
 Note: Data provided by CMA.

2008 2009

Chart 10 — Families receiving employment insurance



Source: Statistics Canada, Small Area and Administrative Data Division, 2000, 2005

changes to the trend over the past 12 months. Comparing the change in unemployment rates, all QOLRS CMA saw increases over this period. The QOLRS CMA with the greatest increase in the unemployment rate over this period was that of Edmonton, which increased by 126 per cent, from a rate of 3.4 to 7.7 per cent.

The highest rates of unemployment in 2009 were in the CMAs of London, St. Catharines-Niagara, and Greater Sudbury (at 10.8, 10.1 and 10.1 per cent respectively). The lowest unemployment rates as of October 2009 were seen in Saskatoon, Regina, and Ottawa-Gatineau (Ontario portion) (at 4.4, 5.1 and 5.2 per cent respectively).

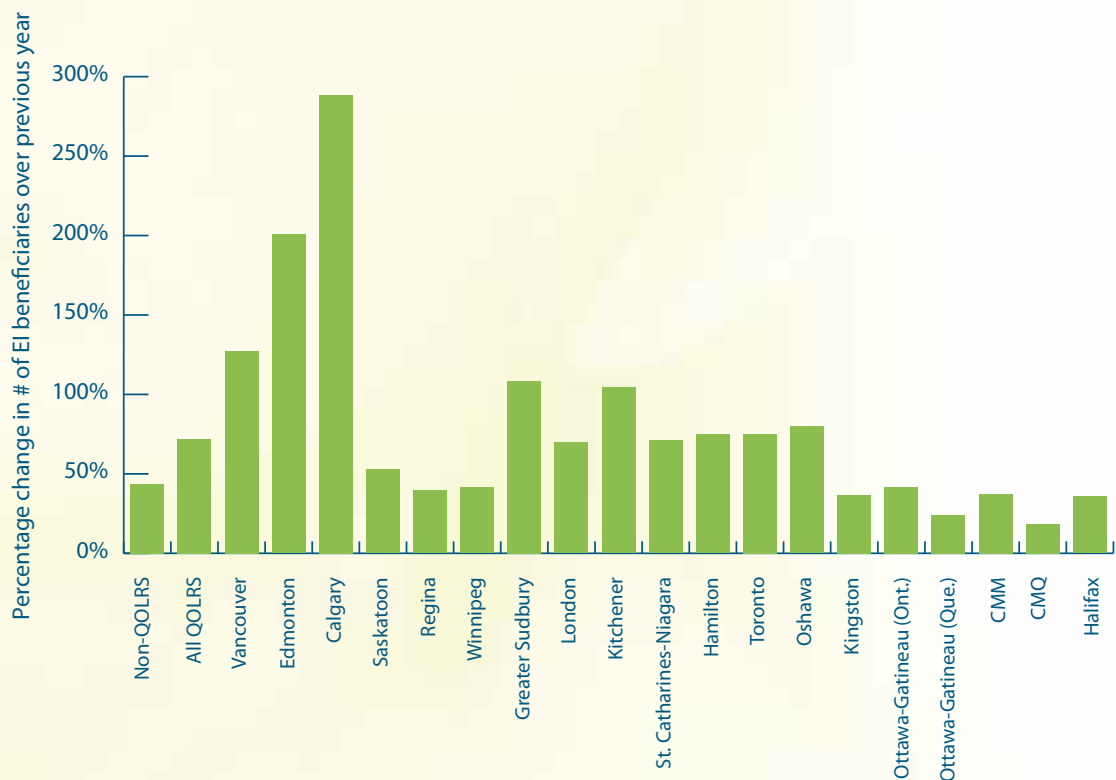
Slight increase overall in the percentage of families receiving Employment Insurance, 2000–2005

Employment Insurance provides temporary financial assistance for unemployed Canadians while they look

for work or upgrade their skills.²³ As an indicator of overall trends, this section reports on the proportion of families receiving employment insurance benefits. Families include lone-parent families, two-parent families and couples. Individuals, or non-family persons are not included in this indicator.

Most QOLRS communities experienced modest changes in a comparison of the percentage of families receiving Employment Insurance for the years 2000 and 2005. Both Durham and Halton saw the greatest increase in the percentage of families receiving Employment Insurance (increases of 2.9 and 2.7 per cent respectively). Overall, all QOLRS communities saw a slight increase in the percentage of all families receiving Employment Insurance of 0.7 per cent in a comparison of 2000 and 2005 figures. This upward trend is a notable contrast to declining levels of unemployment experienced during the same period.

Chart 11 — Change in employment insurance beneficiaries, 2008–2009



Source: Statistics Canada: Employment Insurance Statistics, 2009
 Note: Data provided by CMA.

23 It also provides benefits to Canadians who are sick, pregnant or caring for a newborn or adopted child or caring for a seriously ill family member.

Over the past 15 years, the percentage of families receiving Employment Insurance has been consistently lower in most QOLRS communities, compared to the Canadian average.

The impact of the current recession appears to have narrowed the unemployment gap between larger urban centres and smaller communities. Using data for the 19 CMA's home to the 24 QOLRS communities, the most recent figures on the number of Employment Insurance beneficiaries reflect a dramatic increase in unemployment in Canada's largest urban regions.²⁴ Between August 2008 and August 2009, the number of Employment Insurance beneficiaries receiving regular benefits increased by 72.0 per cent in these 19 CMA's and only 43.5 per cent for the rest of Canada (Chart 11). This is an indication that the recession has disproportionately affected urban communities. This is particularly the case for western-Canadian CMA's; the greatest percentage

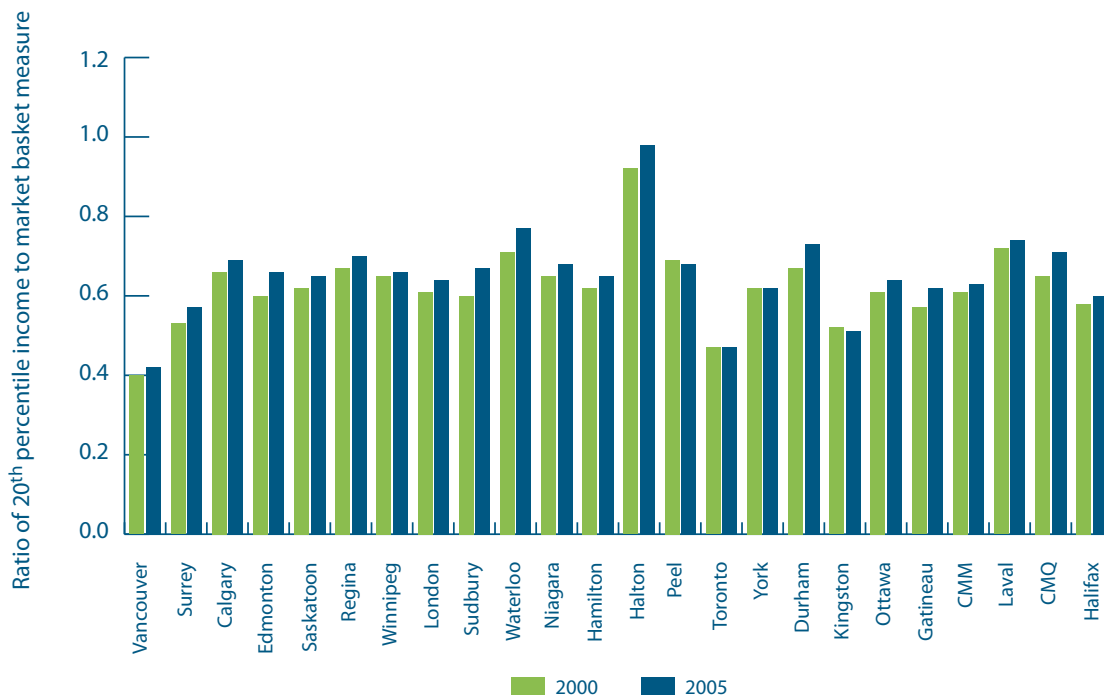
change increases over this period were seen in Calgary, Edmonton and Vancouver.

The tendency for some proportion of EI exhaustees to turn to welfare benefits suggests an imminent increase in social assistance rolls. In many provinces, social assistance is municipally administered and cost-shared with provincial governments. In this regard, the current recession will eventually translate into a greater burden for these municipal governments.

Community affordability

Despite labour market attachment, some groups still experience affordability challenges because of the inadequacy of their wages relative to local costs of living. Chart 12 provides a ratio of the 20th percentile income for all tax filers to the Market Basket Measure (MBM), for the years 2000 and 2005. An indicator of one would mean that the median income perfectly matched the MBM. An indicator of less than one

Chart 12 — Community affordability



Source: Statistics Canada, Small Area and Administrative Data, 2000, 2005

24 Note: this is a rough approximation given that the previous chart's data were for QOLRS communities while that of the most recently available figures are an approximation based on census metropolitan area and census agglomeration.

would indicate that an individual's income is inadequate in relation to the cost of a basic basket of goods and services in their community. By this measure, Vancouver and Toronto stand out as having the lowest affordability for individuals in this income bracket, while Halton, Waterloo, Laval and Durham are among the more affordable cities.

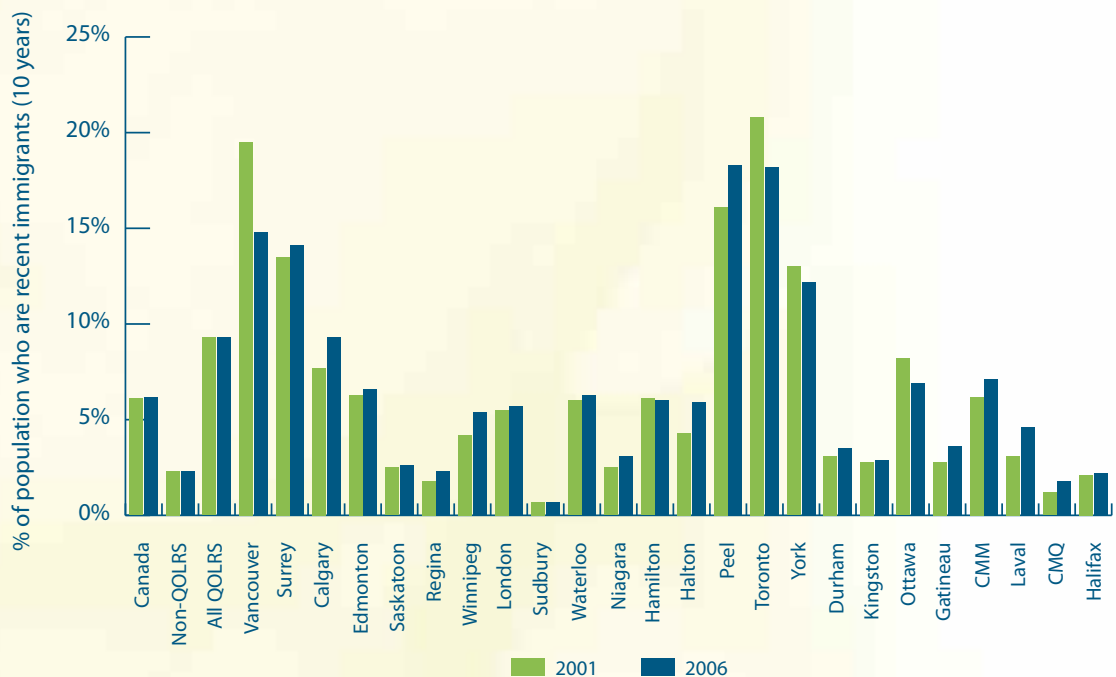
1.3 Vulnerable populations

The demographic composition of a city as well as its labour market dynamics are factors that influence a city's poverty rate. Certain demographic groups experience higher poverty rates on average, though there are variations between cities. For example, a recent OECD study has found a dramatic increase in income inequality in Canada in the past decade and that one-fifth of this is linked to changes in the age

and household structure of the Canadian population, such as growing shares of lone-parent households or single households (OECD 2008: 2).

The following section presents data on five different groups that have been shown to have a higher likelihood of experiencing poverty and other indicators of vulnerability: immigrants, Aboriginals, persons with activity limitations, female-headed lone-parent families and seniors. Descriptive data on the size of the population in comparison to that of the Canadian total are provided as well as indicators showing the proportion of the population with low incomes and the proportion of the population that is unemployed (excluding seniors). An understanding of differentiated poverty dynamics among vulnerable groups is important when considering place-based and

Chart 13 — Immigrant population arriving within the past 10 years



Source: Statistics Canada, Census, 2001, 2006

population-specific policy measures to address persistent inequalities.

Immigrants are more likely to be affected by poverty

Most newcomers settle in Canada's largest cities, many of which are QOLRS communities. For example, according to the 2006 census, the majority of immigrants arriving in Canada between 2001 and 2006 settled in the CMAs of Toronto (40.4 per cent), Vancouver (13.7 per cent), or Montreal (14.9 per cent).²⁵

The discussion of immigration and poverty focuses on two groups of immigrants, the most recent immigrants — those who have had five years or less to settle into Canada — as well as those who have spent 10 years or less. On average, both groups of immigrants have a higher propensity to be affected by poverty than non-immigrants. In an analysis of urban poverty in Canada, Lee finds that "...the proportion of recent immigrants in a city appears to be a notable factor in shaping that city's poverty rate" (2000: 83).²⁶ Corroborating this, Kazemipur and Halli find that "... immigrants in Canada are consistently overrepresented among the poor [and] that their poverty rates are particularly high in larger cities, which have larger concentrations of immigrants; and that among immigrants, the poverty rates are higher for visible minorities, who are mostly recent immigrants" (2001: 217).²⁷

The tendency for immigrants to settle in larger cities is illustrated in Chart 13, which considers immigrants who had arrived in Canada during the period 1996–2006. In 2006, the cities with the highest proportion of immigrants who had arrived in Canada within 10 years were Peel (18.3 per cent), Toronto (18.2 per cent) and Vancouver (14.8 per cent). Those with the lowest were Sudbury (0.7 per cent), CMQ (1.8 per cent), and Halifax (2.2 per cent).

Immigrant households who have been in Canada for five years or less experience low incomes "...at a proportion two to four times greater than that of non-immigrant households" (FCM 2009: 42). Chart 14 shows the percentage of immigrants who had spent five years or less in Canada with income below LICO for the years 2001 and 2006. The Canadian average for this indicator saw a slight decrease, from 42.7 per cent in 2001 to 41.8 per cent in 2006. The QOLRS average also declined during this period, though the proportion of low-income recent immigrant households was slightly higher than the Canadian average. The results for various municipalities over this period are mixed. A small majority of QOLRS communities saw some decreases in the percentage of recent immigrants out of the total population with low incomes (13 out of 24 municipalities) while the remainder saw increases in this indicator. Municipalities that saw the greatest percentage point increases in this indicator over this time period were Sudbury, Niagara and Laval, while those that saw the greatest decreases were Surrey, London and Halifax.

Immigrants more likely to experience unemployment than non-immigrants

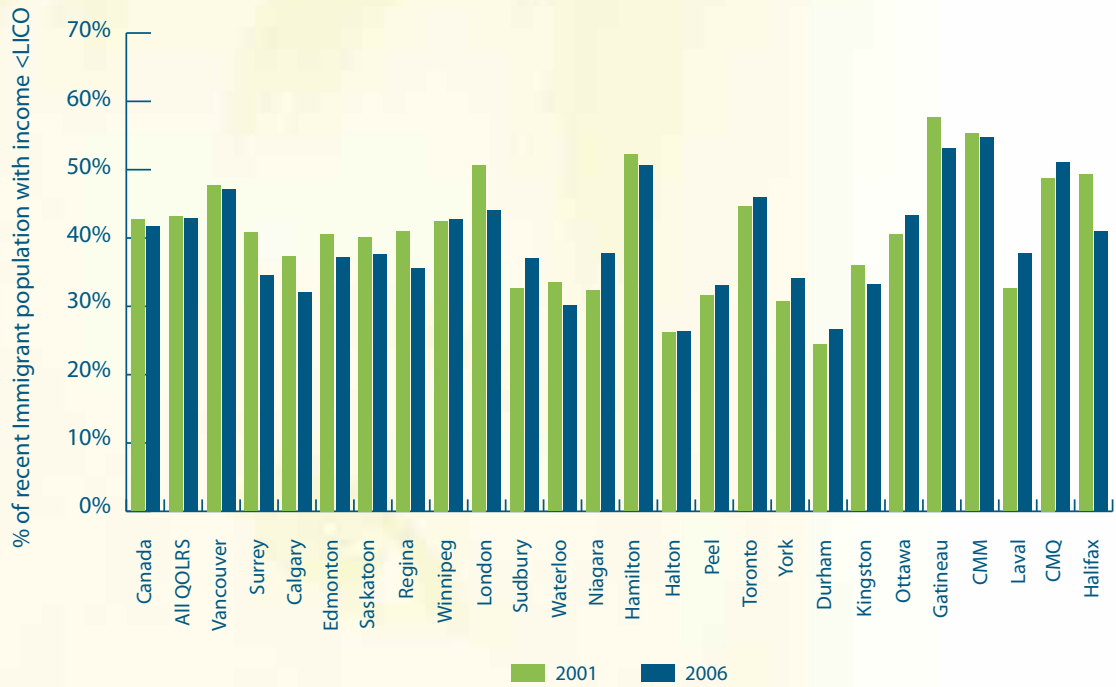
The unemployment rate for immigrants is consistently higher than that of the Canadian born population. This is despite the fact that immigrants are more likely than their Canadian-born counterparts to have a university education (FCM 2009: 21). Chart 15 contrasts the unemployment rate for the total population against the 2006 unemployment rate for immigrants who have spent 10 years or less in Canada. In all cases, the unemployment rate for immigrants is far higher than that of the total population.

25 Statistics Canada. *Population by immigrant status and period of immigration, 2006 counts, for Canada and Census metropolitan areas and census agglomeration*, available at <http://www12.statcan.ca/english/census06/data/highlights/Immigration/Table403.cfm>. For additional information, see *Immigration and diversity in Canadian cities and communities* (FCM 2009).

26 In an analysis of 47 Canadian cities, on average, 52.1 per cent of the recent immigrants to cities were poor — a figure that is much higher than its counterpart for the non-immigrant population (Lee 2000: 82).

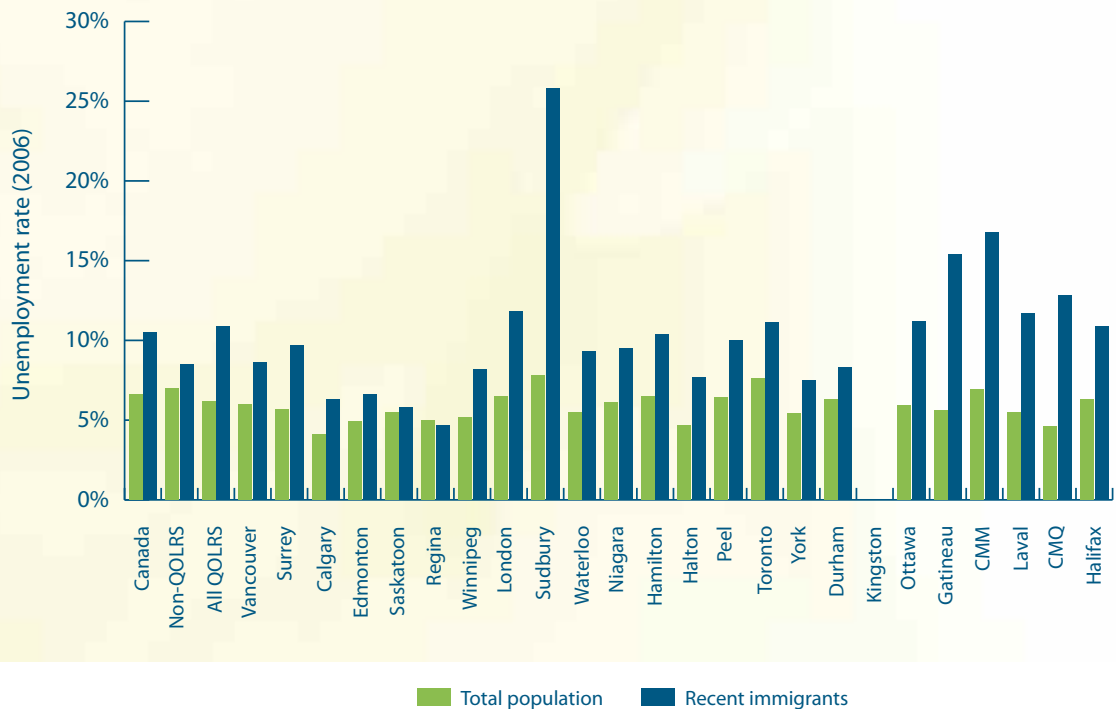
27 Kazemipur, Abdolmohammed and Halli, Shiva S. (2001). "Immigrants and 'new poverty': the case of Canada," *International Migration Review* 35(4), p. 1129.

Chart 14 — Low-income recent immigrants



Source: Statistics Canada, Census, 2001, 2006

Chart 15 — Total population and recent immigrant unemployment, 2006



Source: Statistics Canada, Census, 2006
 Note: Data for Kingston unavailable.

Aboriginal Identity Population

Aboriginal persons have among the highest incidences of low incomes among different demographic groups in Canada (Lee 2000: 83). Among QOLRS communities, the largest Aboriginal populations are located in cities in the Prairie provinces. A notable exception to this is Sudbury, which has also has a relatively high percentage of population reporting Aboriginal identity (6.2 per cent) in comparison to the QOLRS average (1.8 per cent).

Aboriginal population has a higher propensity to experience poverty than the general population

Chart 17 on page 26 shows the percentage of population in QOLRS communities with income below LICO and contrasts this with the percentage of Aboriginal population with income below LICO for 2006. In all cases, the proportion of Aboriginal population with income below LICO is much higher than that of the total population below LICO. However, the extent of these differences varies by municipality.

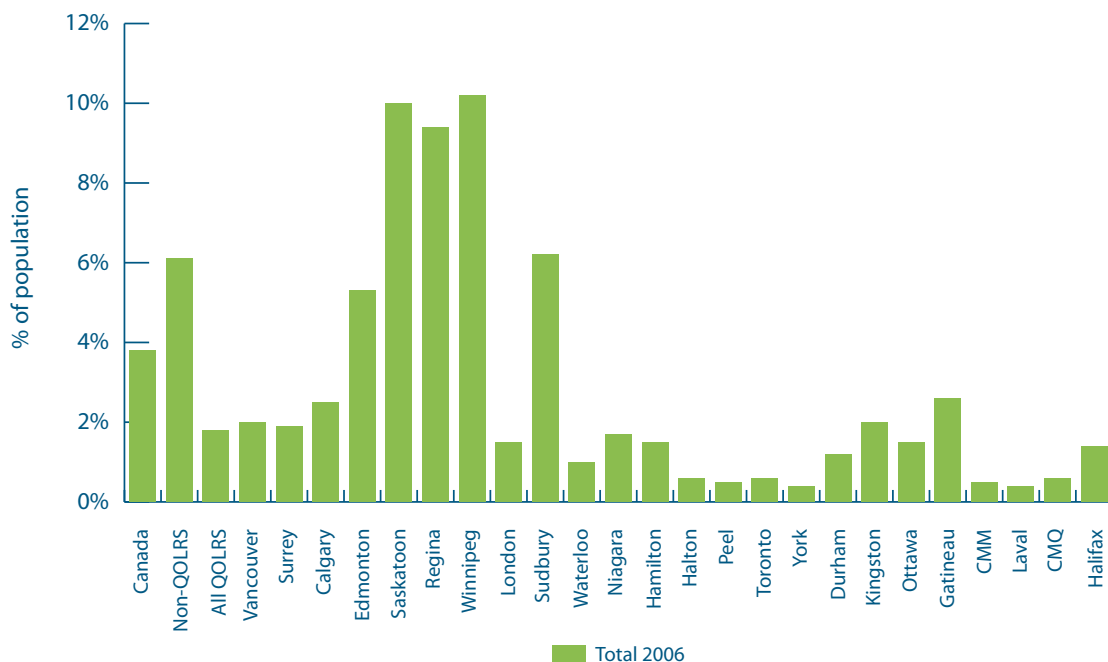
Decreases in the percentage Aboriginal population with income below LICO in some municipalities in 2006

As a positive sign, several municipalities saw a decrease in the percentage of the Aboriginal population with income below LICO in a comparison of 2001 to 2006. Halifax, Regina and Vancouver stand out as having the greatest such declines.

Aboriginal population more likely to experience unemployment than Canadian counterparts

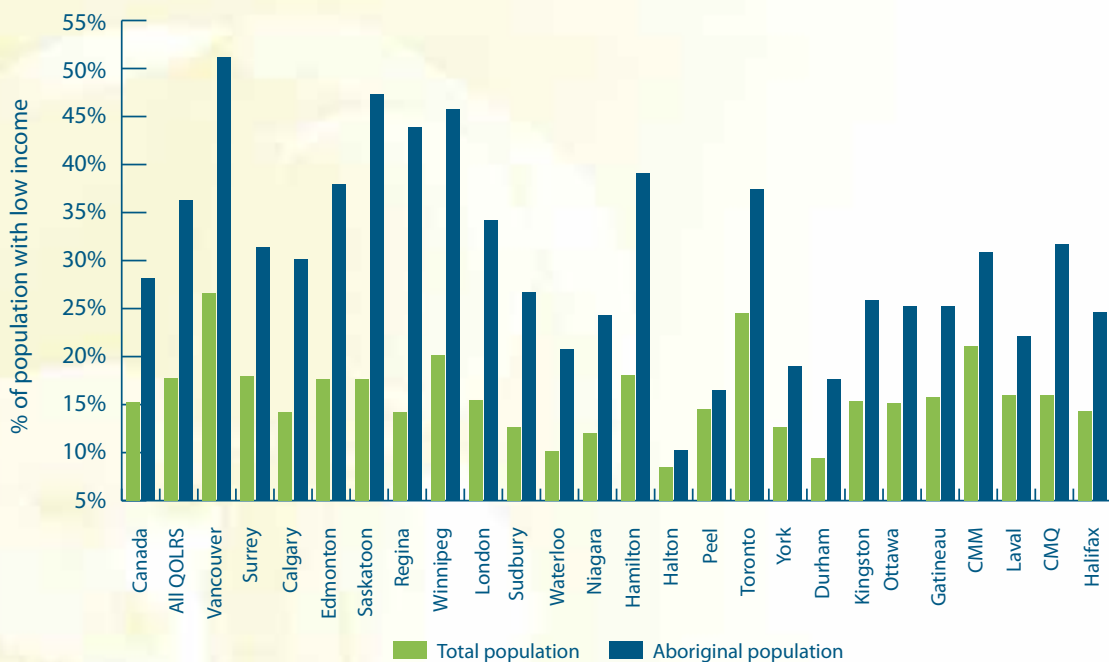
While unemployment rates among the Aboriginal population active in the labour force are high relative to the total labour force, Aboriginal unemployment rates declined significantly between 2001 and 2006. For Canada as a whole, Aboriginal unemployment rates fell from over 19 per cent to under 15 per cent.

Chart 16 — Aboriginal population, 2006



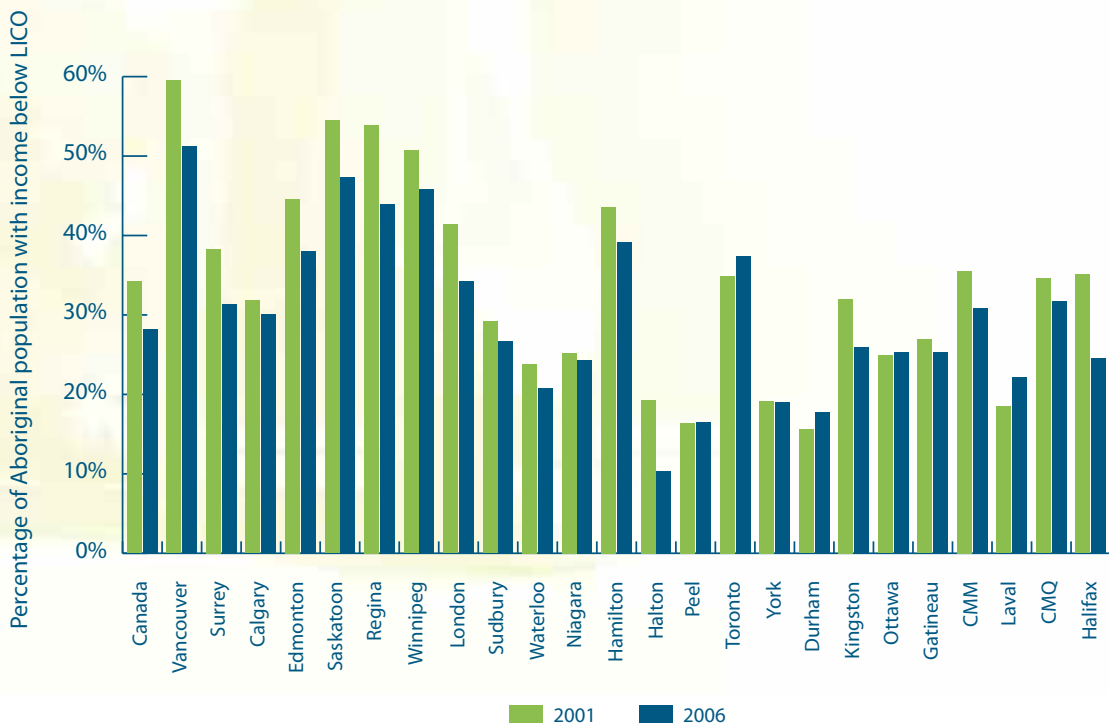
Source: Statistics Canada, Census, 2006

Chart 17 — Low-income populations, 2006



Source: Statistics Canada, Census, 2006

Chart 18 — Low-income Aboriginal population



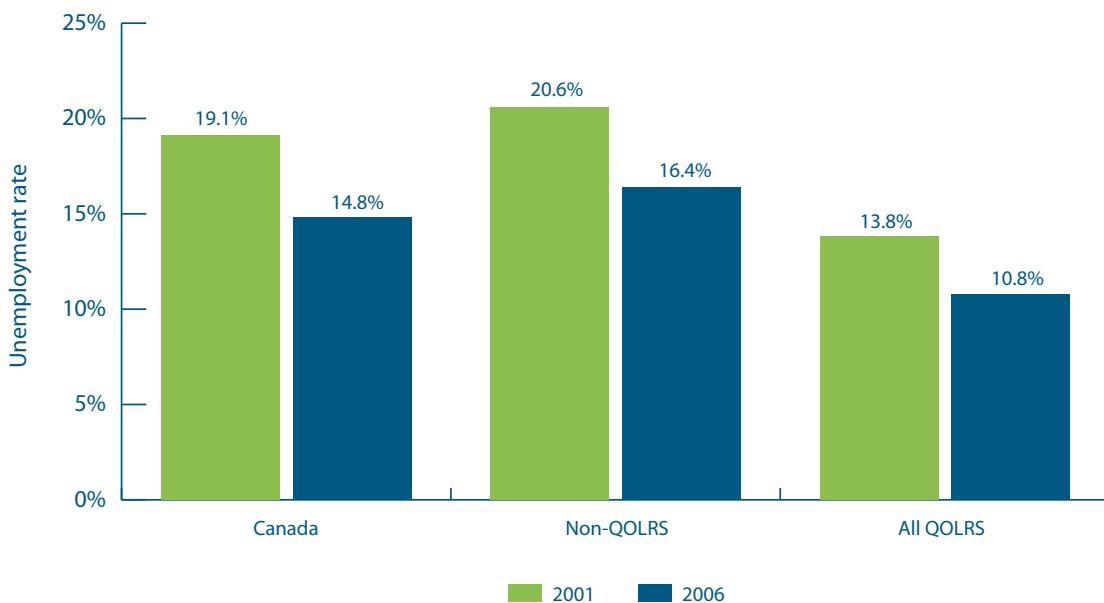
Source: Statistics Canada, Census, 2006

This overall decline masked significant variation between urban Canada and the rest of Canada. In general, the Aboriginal population living in the QOLRS communities faces far lower rates of unemployment than that living in the rest of Canada. In 2006, average rates of unemployment among the Aboriginal population in the QOLRS communities, at 10.8 per cent, were 1.8 times higher than the overall QOLRS average of 6.1 per cent. In that same year, the figure for the Aboriginal population living in the rest of Canada (16.4 per cent) was 2.3 times higher than the 7.1 of the general population living in the rest of Canada (7.1 per cent).

As illustrated by Chart 20, there is also significant variation in the Aboriginal unemployment rate across QOLRS communities, with a low of 5.9 per cent in

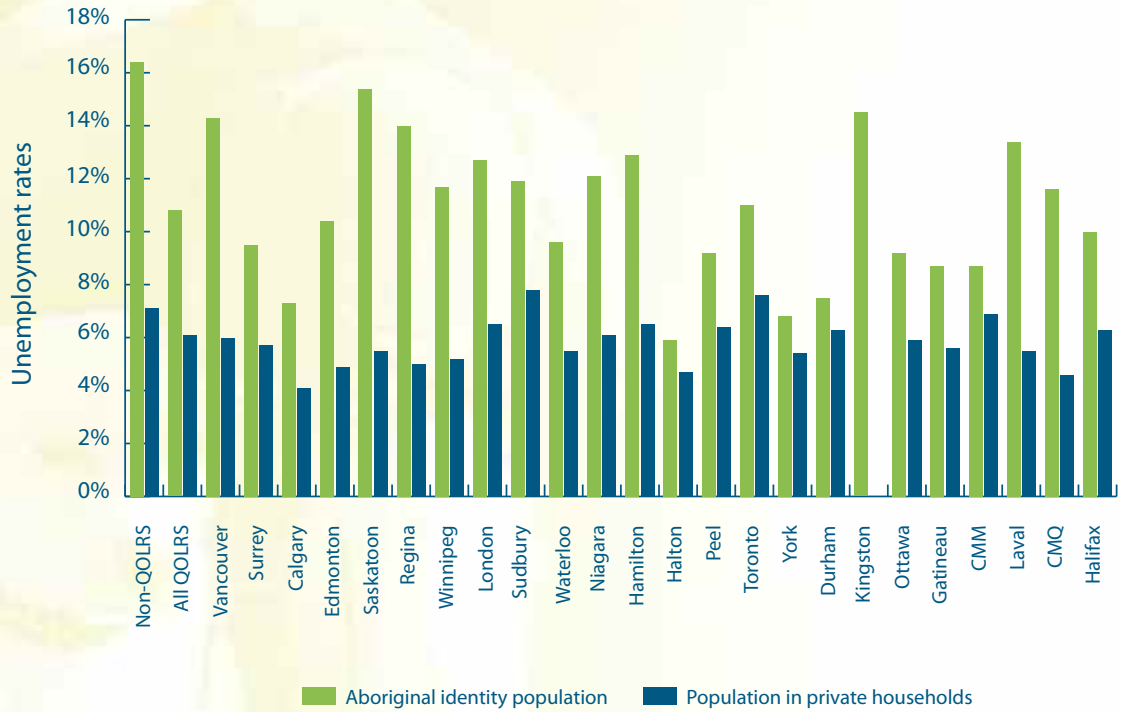
Halton and a high of 15.4 per cent in Saskatoon in 2006. While rates of unemployment among the general population are almost always lower than those among the Aboriginal population, the gap between these two rates also varies considerably at the level of specific municipalities. The widest gap in rates of unemployment is in Saskatoon and Regina, where Aboriginal unemployment rates were 2.8 times higher than those of the general population. At the other extreme, Aboriginal unemployment rates in York were actually lower than those of the general population. It is worth noting that the self-identified Aboriginal population accounted for about 10 per cent of the total population in Saskatoon and Regina, but closer to 0.5 per cent in Halton and York.

Chart 19 — Aboriginal population unemployment rates



Source: Statistics Canada, Census, 2001, 2006

Chart 20 — Unemployment rates for total population and Aboriginal population



Source: Statistics Canada, Census, 2006

Note: Unemployment data missing for Kingston's total population in private households.

BOX 5 — ADDRESSING YOUTH POVERTY IN GATINEAU

The City of Gatineau's Youth Commission has set aside funds to enable young people between the ages of 12 and 17 to undertake projects where money is a barrier to achieving their goal. "Manque pas ta chance" (Don't lose your chance) provides funds to support individual youth or groups of young people wishing to create — among other initiatives — a theatrical or dance performance, or renovate their youth association headquarters (Maison jeunesse). The process involves submitting a grant request available on the Commission's website. Youth counsellors located at local schools, or staff attached to the network of youth facilities or Maisons jeunesses located across the city, can help complete the application. In this way, the lack of funding should not be a barrier to youth projects.

Every two years, the City's Youth Commission organizes a "Meet Your Councillor" event to provide youth from disadvantaged communities with direct access to their elected officials. The event is designed to provide youth with greater access to their city councillor and to stimulate their interest in municipal affairs. The network of Municipal Youth Associations (Maisons jeunesses) and their members are invited to join the Youth Commission for an evening of discussion and debate. Young people are twinned with their municipal councillor. The event takes place at City Hall, with all expenses, including transportation and meals, provided by the Commission. The inclusive event is meant to inspire young people with the desire to bring about positive change, build their own self-confidence and add to a sense of hope about their own community.

Building on a program launched in 2001, the City of Gatineau has since 2003 supported legal forms of graffiti art carried out in a safe and secure environment. The City believes in the principle that graffiti is a form of artistic expression. At the same time, defacing surfaces not authorized for graffiti remains illegal. As a result, the Youth Commission, working in partnership with a restorative justice organization, local police and public works have initiated a Graffiti Walls project. As a first step, graffiti walls were installed in parks in neighbourhoods with a high concentration of graffiti. This was followed by the construction of additional walls in other municipal parks. The City is working to actively support graffiti art by hosting competitions and going as far as making art supplies available to the young artists. Support to local graffiti artists is also carried out in conjunction with neighbourhood events, where legal graffiti art is incorporated into the event organization in a safe and secure manner. As of late 2009, the City has made available 50 surfaces in 29 sites that offer legal spaces for the creation of graffiti art. Based on an agreement between the Youth Commission and a local restorative justice organization, these surfaces are repainted four times each summer by young people in trouble with the law, as a means of carrying out their mandatory community service.

Persons with activity difficulties/limitations

Chart 21 shows the percentage of persons with activity difficulties/limitations out of the total population for each QOLRS municipality. QOLRS communities have somewhat smaller proportions of this group than that of the Canadian average. For example, in 2006, the proportion of the total population reporting activity difficulties/limitations was 17.8 per cent versus 16.7 per cent for QOLRS communities.

In all cases, QOLRS communities have seen increases in this population group in a comparison of figures from 2001-2006. Sudbury and Kingston stand out as having a particularly high proportion of their population identify as having activity difficulties/limitations (at 23.3 and 23.2 per cent respectively).

QOLRS communities have a higher proportion of low-income persons with activity difficulties/limitations than other Canadian communities

While QOLRS communities have a slightly smaller proportion of this population than that of the Canadian average, rates of income inequality as

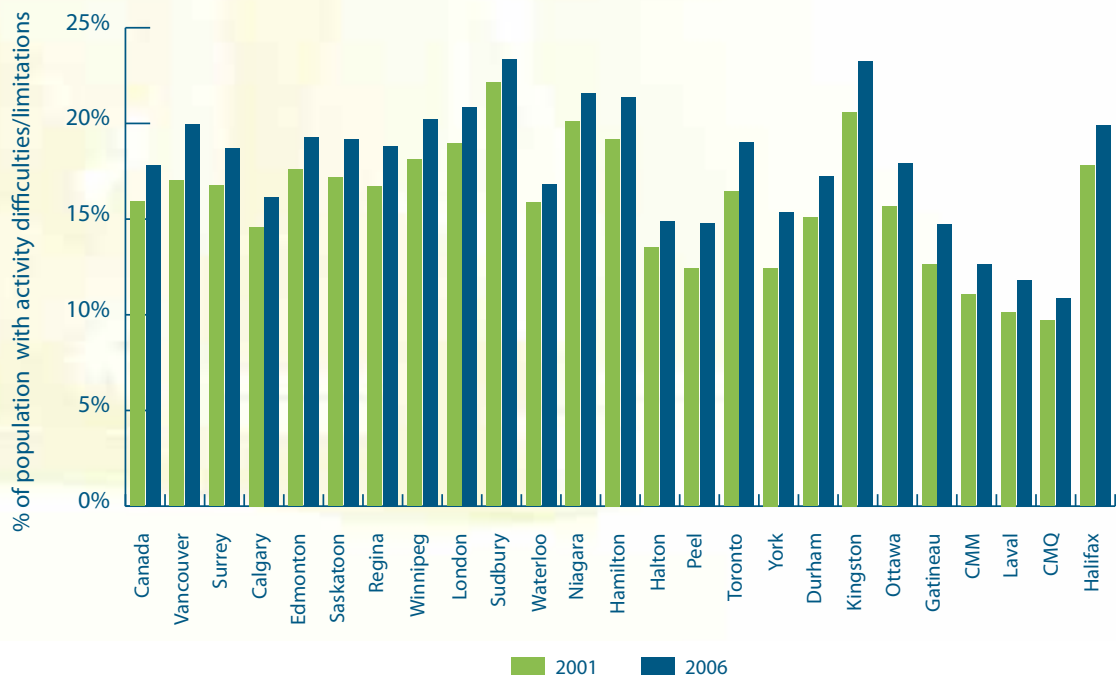
indicated by persons with incomes below LICO are higher for QOLRS communities than that of the Canadian average.

Chart 22 details the proportion of the population who have reported activity difficulties/limitations and who also have income below LICO. While in 2006, the Canadian average for this figure was 21.6 per cent, the average for all QOLRS communities was higher at 24.8 per cent. Vancouver, CMM and CMQ have the highest rates for this indicator (at 36.2, 32.9, and 32.4 per cent respectively).

Persons with activity difficulties/limitations have a higher propensity for unemployment than the Canadian average

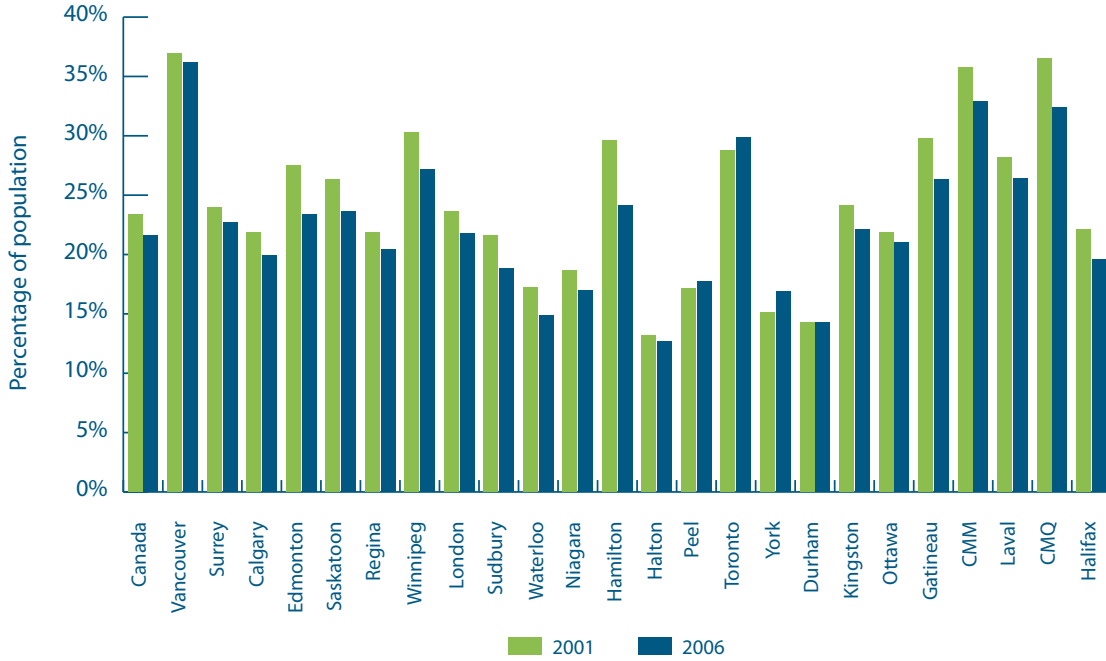
Akin to that of the Aboriginal and immigrant populations, the average unemployment rates for persons with activity difficulties/limitations are also above those of the general population. The unemployment rate for persons with activity difficulties/limitations was highest in 2006 in Montreal, Toronto and Sudbury (at 11.1, 10.1 and 9.4 per cent respectively).

Chart 21 — Population with activity difficulties/limitations



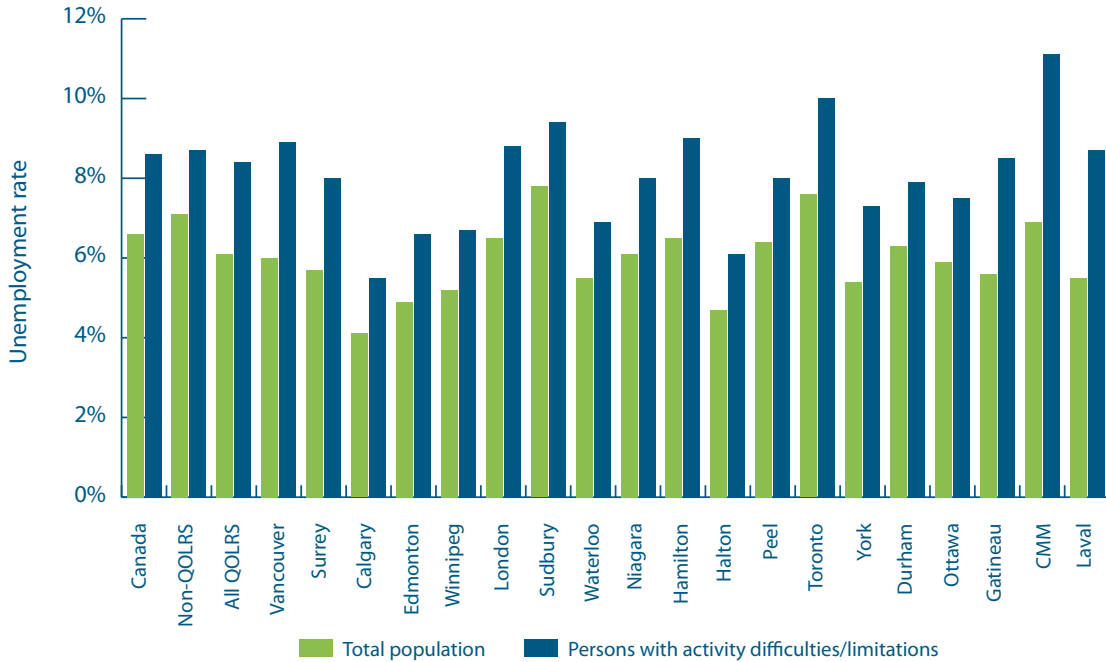
Source: Statistics Canada, Census, 2001, 2006

Chart 22 — Low-income population with activity difficulties/limitations



Source: Statistics Canada, Census, 2001, 2006

Chart 23 — Unemployment rates: total population and persons with activity difficulties/limitations, 2006



Source: Statistics Canada, Census, 2006
 Note: Data unavailable for Saskatoon, Regina, Kingston, CMQ and Halifax.

Seniors

Canada has an aging population — seniors make up the fastest-growing age group. Human Resources and Social Development Canada (HRSDC) estimates that by 2041, about one in four Canadians will be 65 or over (HRSDC 2009). While this trend is being seen across Canada, certain areas stand out as having a concentration of this growing population. For example, it is estimated that by 2031, the Atlantic Provinces will have the highest proportion of seniors (HRSDC 2009).

Chart 24 shows the percentage of population aged 65 and over in QOLRS communities for the years 2001 and 2006. There is significant variation in the size of this population across different cities, with a high of 17.4 per cent in Niagara in 2006 and lows of 9.0 per cent and 9.6 per cent in Peel and Calgary, respectively. The size of the seniors population in QOLRS communities grew between 2001 and 2006, both in absolute numbers and as a percentage of the total population. This trend was evident in all 24 QOLRS communities and reflects a positive reality that

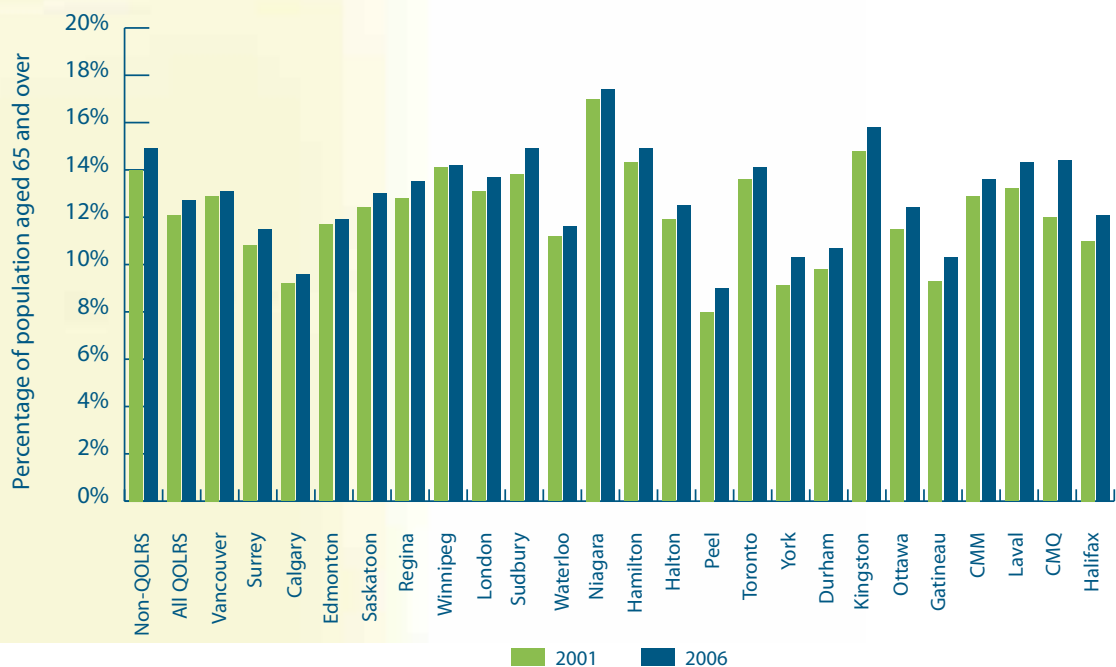
people are living healthier and longer lives. However, the shift toward a more active senior population is also increasing the demand for cultural, recreation, regular transit and other services.

Compared to the rest of Canada, seniors account for a smaller proportion of the total population in the QOLRS communities. Less than 13 per cent of the QOLRS community population was 65 years of age or older in 2006, as compared with over 15 per cent of the population in the rest of Canada. This difference reflects the presence of a relatively large proportion of families with children and young adults in larger urban centres.

Mixed relationship between seniors and propensity to experience low income

Chart 25 contrasts the total population with income below LICO, against that of the population aged 65 and over with income below LICO, for QOLRS communities in 2006. The proportion of seniors with low incomes was above the Canadian average in fewer than half of the QOLRS communities, 11 of 24.

Chart 24 — Seniors population



Source: Statistics Canada, Census, 2001 and 2006

Chart 25 — Low-income population: total population and seniors, 2006

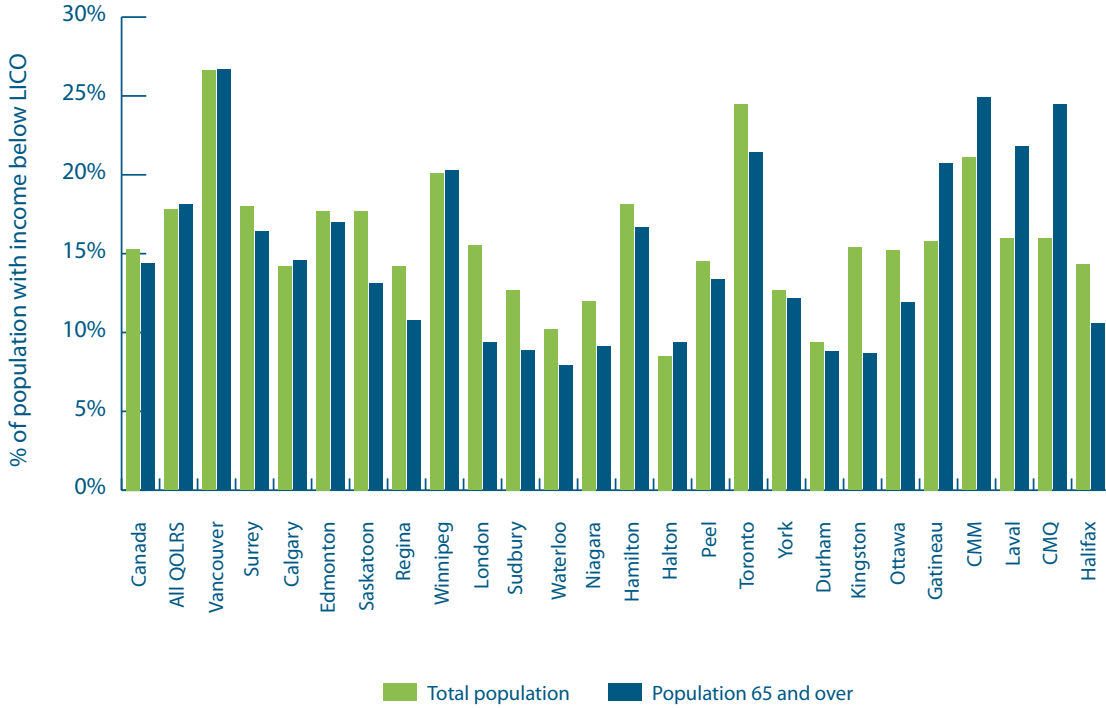
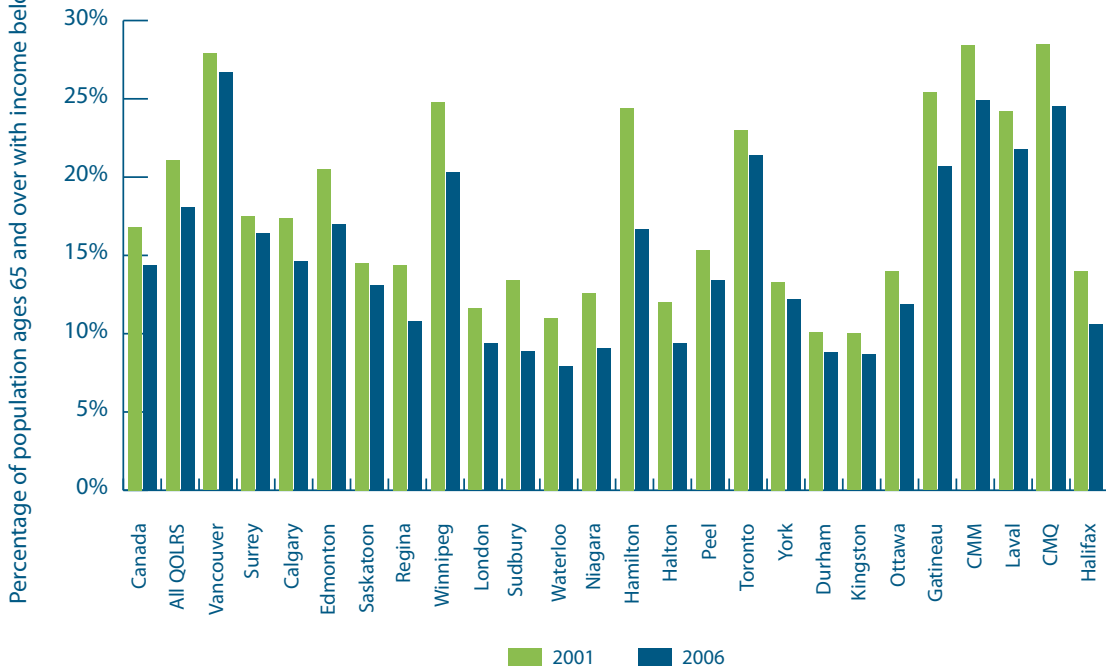
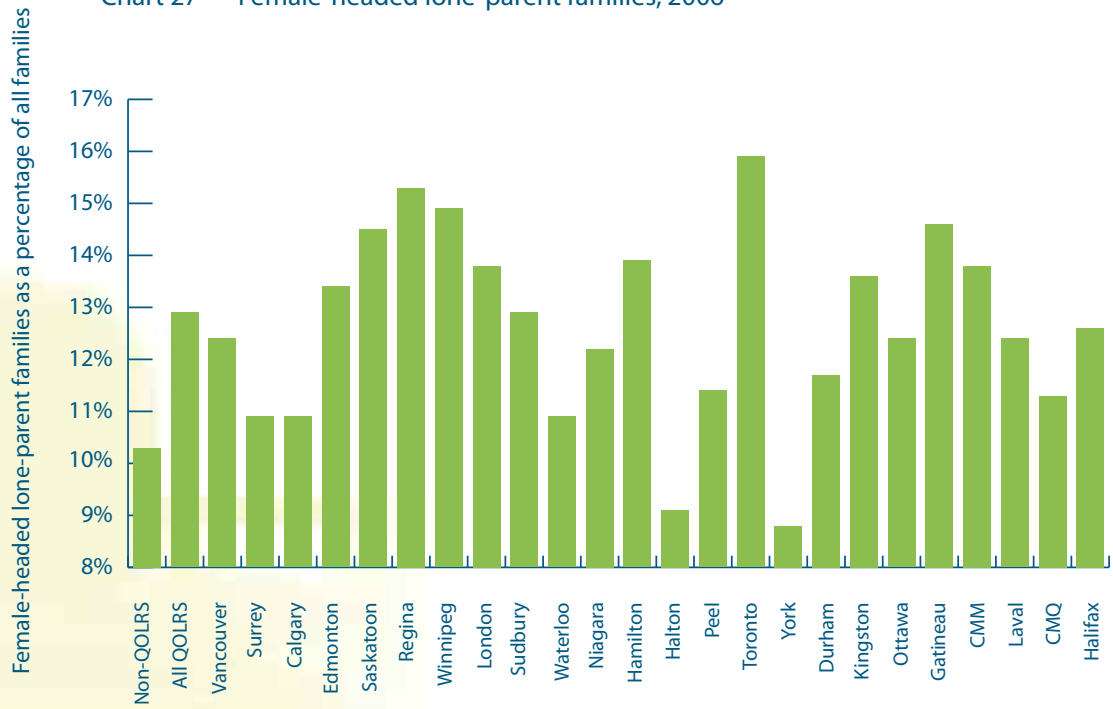


Chart 26 — Low-income seniors



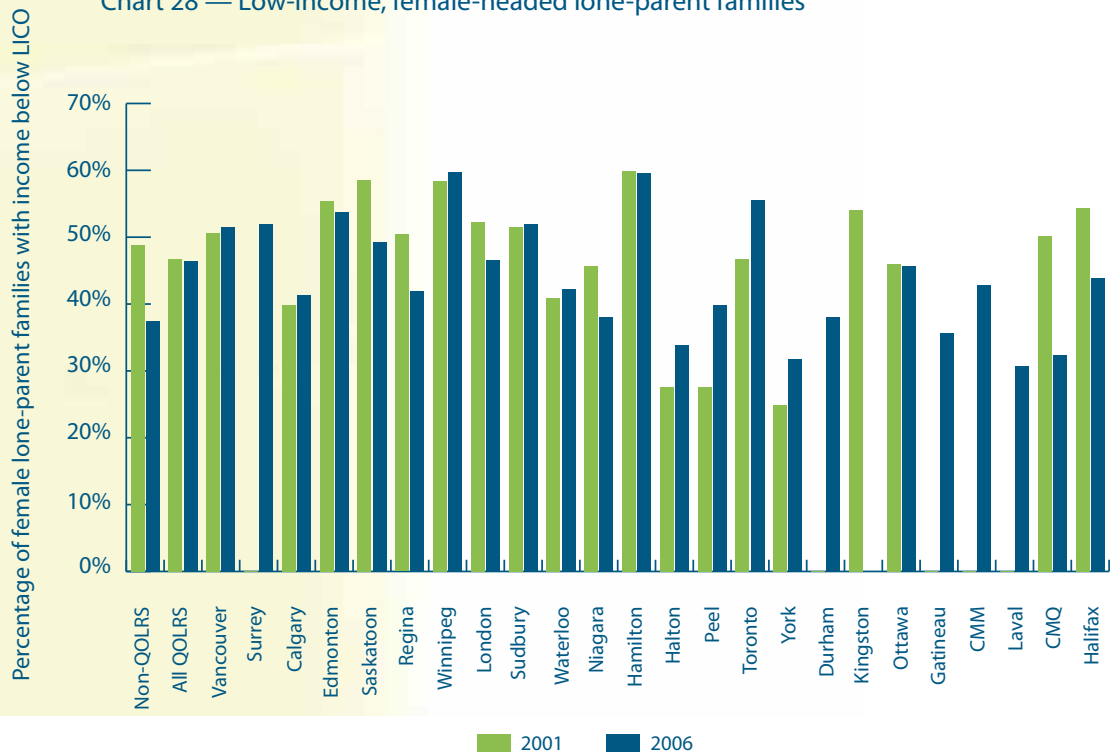
Source: Statistics Canada, Census, 2001, 2006

Chart 27 — Female-headed lone-parent families, 2006



Source: Statistics Canada, Census, 2006

Chart 28 — Low-income, female-headed lone-parent families



Source: Statistics Canada, Census, 2001, 2006

Note: Limited data available for Surrey, Durham, Kingston, Gatineau, CMM and Laval.

Cities with the highest percentage of population of seniors with low incomes were Vancouver, CMM and CMQ (at 26.7, 24.9 and 24.5 per cent respectively), while those with among the lowest percentage were Waterloo, Kingston and Durham (at 7.9, 8.7 and 8.8 per cent respectively).

As with other indicators, this chart illustrates the significant variation across municipalities. This is true both with respect to the variation in incidence of low incomes among seniors, as well as the gap between seniors and the general population.

Another phenomenon illustrated by Chart 25 is the relatively high incidence of low incomes among seniors living in Canada's larger cities. In 2006, 14.4 per cent of seniors in Canada were living under the LICO while for QOLRS communities this figure was 18.1 per cent.

In a comparison of seniors with income below LICO for the years 2001 and 2006, all QOLRS communities have shown declines in the percentage of low-income seniors over this period. It should be noted that within this population there can be significant variation, with unattached seniors and female seniors tending to have higher propensities for low income. This is consistent with a recent Statistics Canada report that found the proportion of seniors with after-tax low incomes had fallen from 10 per cent in 1996 to five per cent in 2006 (Statistics Canada 2009). However, despite this decline, the incidence of low income remains higher among elderly women living alone (16 per cent) (ibid).

Female-Headed Lone-Parent Families

Female-headed lone-parent families have a much higher propensity to be affected by poverty than that of any other family type. Chart 27 indicates the percentage of all families consisting of female-headed lone-parent families. In a comparison of QOLRS communities, York and Halton have the smallest percentage of this family type in relation to all families (at 8.8 and 9.1 per cent respectively), while Toronto and Regina have among the highest (at 15.9 and 15.3 per cent respectively).

QOLRS communities have a higher proportion of low-income, female-headed lone-parent families in comparison to the Canadian average, with the divergence increasing over 2001–2006. Among these groups, there is also significant variation between cities. Half of the select QOLRS communities in Chart 28 on page 34 showed declines in the proportion of female-headed lone-parent families with low incomes, while the other half saw increases during this time. The municipalities with the greatest proportion of low-income, female-headed lone-parent families in 2006 were Winnipeg, Hamilton and Toronto (at 59.7, 59.6 and 55.5 per cent respectively). The municipalities that saw the greatest proportional increases in this family type between 2001 and 2006 were those of Peel, Toronto and York.

PART 2 | MUNICIPAL SOCIAL INFRASTRUCTURE

Part 2 of this report focuses on the role played by the broad range of infrastructure and services—known collectively as “social infrastructure”—in backstopping the traditional elements of our fraying social safety net.

Traditional social safety net vs. social infrastructure

Traditional policy and program tools, such as social assistance and employment insurance, rely on cash transfers to individuals to combat poverty and inequality. Federal and provincial governments have retreated from these tools, forcing more people onto services provided by municipal governments.

Social infrastructure refers to the broad support system provided by municipal governments. This is made up of both direct social services, such as affordable housing, emergency shelters and subsidized childcare, and public services, such as transit, recreation and libraries.

Together these municipal facilities, programs and services help fill the gap left by shrinking federal and provincial social assistance programs. They form the social infrastructure that a growing number of people rely on to earn a living, raise their families and cope with difficult times. For a growing number of Canadians, their city is their safety net.

In all these cases, municipal governments play either an important facilitating role or are directly involved in delivering and funding the service. Social infrastructure is particularly important to vulnerable people on limited incomes, especially during a recession.

This section details some of the efforts made by the QOLRS communities to meet the needs of their vulnerable populations. As a result of this effort, many

communities are spending more on social services at the expense of their physical infrastructure and contributing to the already massive municipal infrastructure deficit.

Even with these investments, long waiting lists for services, homelessness and working poor families suggest that demand is outpacing the municipal capacity to respond. This is because the funding model that forces cities to pay for social and physical infrastructure with revenue from the property tax is flawed.

The Federation of Canadian Municipalities (FCM) has long held that property taxes, originally intended to pay primarily for physical infrastructure, are an inappropriate and inadequate source of revenue for financing social services. Since the property tax is regressive, it amounts to taxing low income earners to support other low income earners.

An analysis by the Intergovernmental Committee on Urban and Regional Research (ICURR) for FCM found that Canadian municipalities receive just eight cents of every tax dollar collected in Canada. With this they must meet growing and varied responsibilities, which include providing roads, sewers, water treatment and now social infrastructure.

2.1 Social Housing

A core component of social infrastructure is affordable and appropriate housing. Very little new social housing has been built in Canada during the past 15 years, due in part to the 1993 federal decision to stop funding new social housing.²⁸ More recently, some provinces—Ontario in 2001 for example—have shifted funding and administration of public and social housing to municipalities, which struggle to fund them. These factors combined with declining housing affordability have led to a significant need for adequate and affordable housing.²⁹

28 Swanton 2009: 1

29 Swanton 2009; Hulchanski 2006; Moore & Skaburskis 2004

The Municipal Fiscal Squeeze

As a result of the pressures of urbanization and offloading, Canada's municipal governments are providing much more than their traditional responsibilities of basic services to property. These new municipal responsibilities, like many of those described in this report, include everything from immigrant settlement programs, to affordable housing, to emergency preparedness and, in some jurisdictions, even daycare.

However, municipal governments lack the resources and fiscal tools they need to meet these new responsibilities. The numbers tell the story: currently, 50 cents of every tax dollar collected in Canada go to the federal government, while 42 cents go to provincial/territorial governments. Municipal governments are left with just eight cents out of every tax dollar.

The Property Tax and Social Services

In its 2002 report on the state of Canada's cities, TD Economics outlined some of the major structural weaknesses of the property tax. It noted that

the tax is regressive, inelastic and generally unresponsive to local economic conditions.

As of 2008, municipalities relied on the property tax for just over 50 per cent of their revenues, by far their largest revenue source. Most relevant to the context of this report, the regressive nature of the property tax makes it particularly ill-suited to funding redistributive social infrastructure and services like housing, immigrant settlement or social assistance.

Looking at 2003 data, the poorest 20 per cent of Canadians spend one of every 10 dollars they earn on property taxes, more than twice what they pay in income taxes. The wealthiest 20 per cent of Canadians spend less than two dollars out of 100 on property taxes. This is particularly troublesome in situations where the property tax is used for services that redistribute income. Yet, as this report shows, it is exactly these types of expenditures that are a growing municipal responsibility.

The Canada Mortgage and Housing Corporation's revised figures from 2006 indicate there are almost 1.5 million households in Canada in core housing need, representing 12.7 per cent of all households. This number is a slight increase in absolute terms since 2001, but a decline of one percentage point. Core housing need refers to households that are "unable to afford shelter that meets adequacy, suitability, and affordability norms."³⁰

Chart 29 shows the percentage of households in "core housing need" in the 24 QOLRS communities for 2001 and 2006. Toronto and Vancouver stand out as the municipalities with the highest percentage of population in core housing need, at 23.7 and

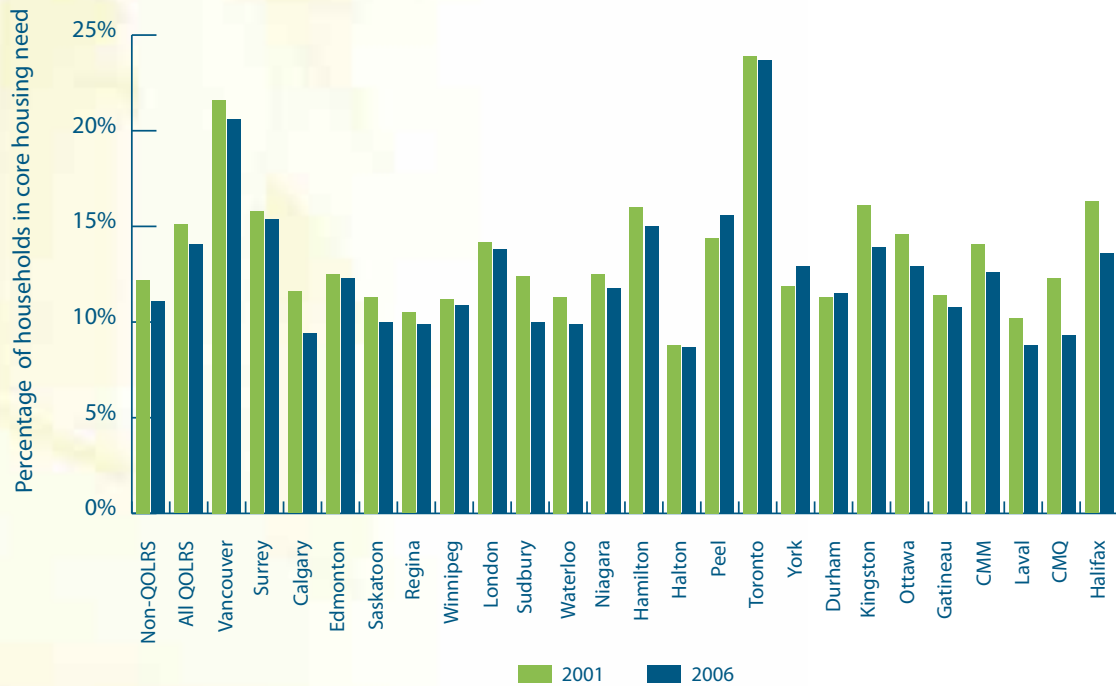
20.6 per cent respectively in 2006. A positive trend is the vast majority of QOLRS communities saw some decrease in core housing need in a comparison of 2001 and 2006; the exceptions to this are Peel, York and Durham.

One response to the constant need for affordable housing is the provision of publicly funded rental housing. Social housing managed by municipal, para-municipal and not-for-profit agencies remains an essential element of the overall rental housing stock in larger cities and urban regions across Canada.

Chart 30 presents the number of social housing units available for each 1,000 households in the

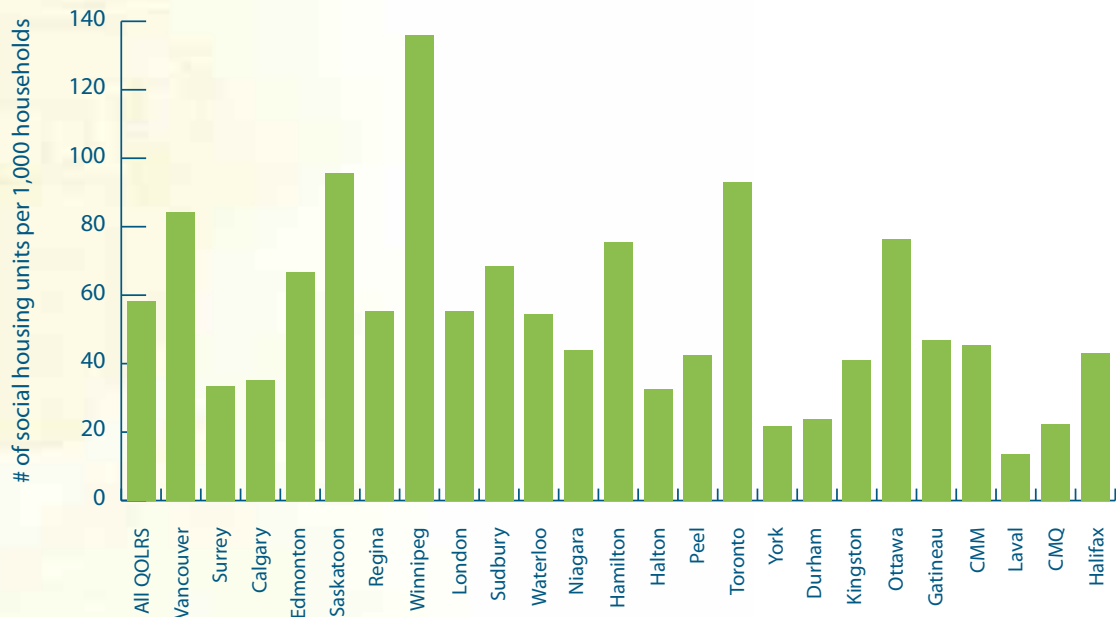
30 CMHC 2009b

Chart 29 — Households in core housing need



Source: Statistics Canada, Census, 2006, and the Canada Mortgage and Housing Corporation

Chart 30 — Social housing, 2006



Source: FCM QOLRS Municipal Data Collection Tool, 2006

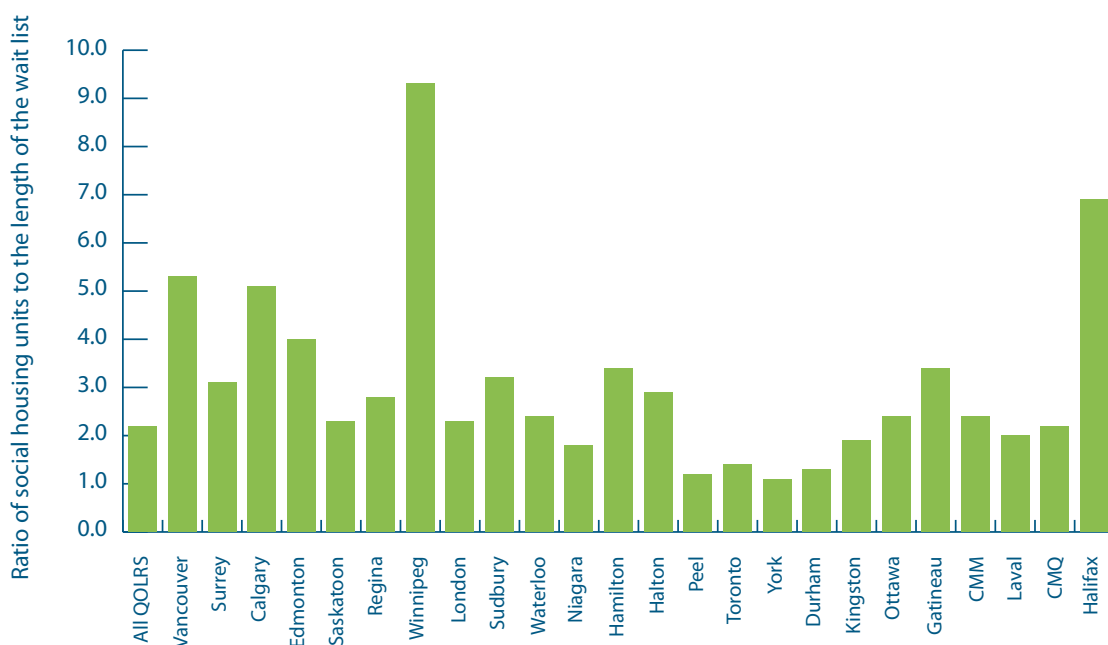
24 QOLRS communities. The relative size of the social housing stock varies, from a high of 136 units for every 1,000 households in Winnipeg to a low of 14 units in Laval. The 388,226 units of social housing in the QOLRS communities translate into an average of 60 out of every 1,000 households. As a result, social housing is a vital part of the solution for offering lower income households with the option of securing adequate and affordable accommodation within Canada's cities and urban regions.

Limited investment in social housing, combined with a lack of new construction of private rental housing, has translated into long waiting lists for households seeking affordable housing. In 2007, the 24 QOLRS communities reported a total of 175,371 households formally waiting for social housing, with four communities each reporting more than 10,000 households on their wait lists. The latter included Toronto (67,083 households), Montreal (28,000), Peel (12,389) and Ottawa (10,055).

Chart 31 presents a ratio of the overall social housing stock to the number of wait-listed households. The overall ratio of 2.2 reflects a ratio of the nearly 390,000 units of social housing to the 175,000 households on social housing wait lists. The smallest numbers represent those communities with a relatively large wait list compared to their stock of social housing, and are generally clustered in the Greater Toronto Area. Communities reporting the largest ratio of social housing units to wait-listed households — with relatively small waitlists compared to the supply of social housing units — were Winnipeg (with a ratio of over nine) and Halifax (close to seven).

A further indicator of the stress placed on the social housing system is the length of time required for households to wait before being placed in housing. QOLRS communities reported a very wide range of wait times, with the average household requiring a maximum wait time of five years and a minimum of less than two years (Chart 33).

Chart 31 — Social housing and social housing wait lists, 2006



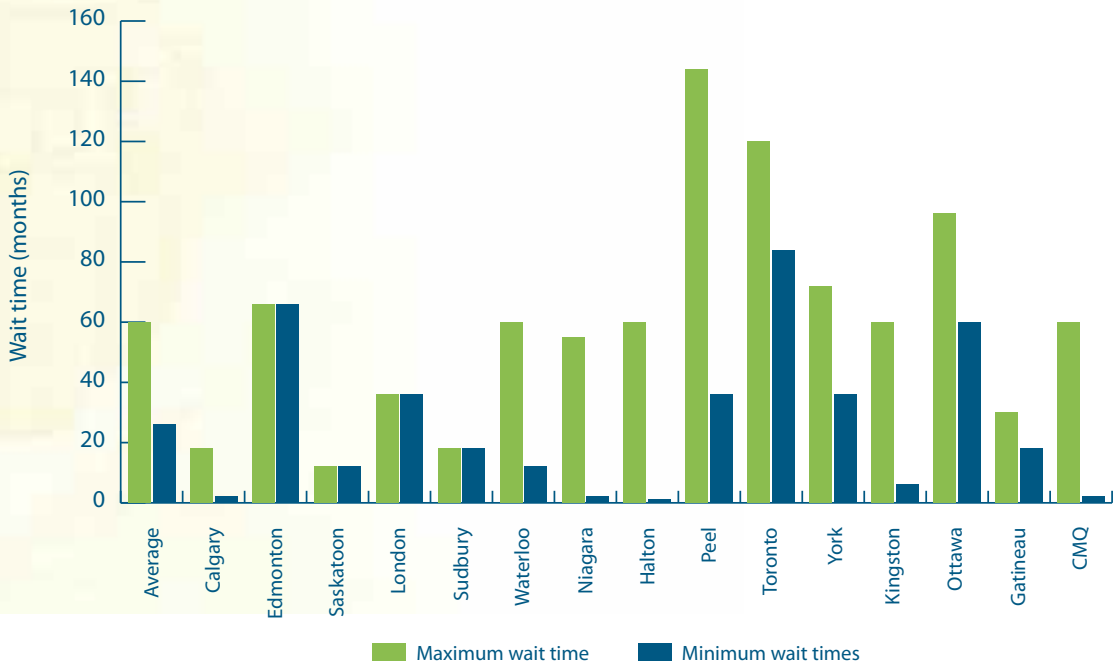
Source: FCM QOLRS Municipal Data Collection Tool, 2006

Chart 32 — Households placed in social housing, 2006



Source: FCM QOLRS Municipal Data Collection Tool, 2006

Chart 33 — Social housing wait times, 2006



Source: FCM QOLRS Municipal Data Collection Tool, 2006

BOX 6 — SPECIAL NEEDS HOUSING STRATEGIES IN EDMONTON AND GATINEAU

Edmonton's economic growth over the last five years and concurrent population growth has led to an increase in market rents and a shortage of affordable housing. The city estimates that there is a housing gap of approximately 20,000 emergency, transitional, and long-term housing units in Edmonton and approximately another 20,000 affordable housing units needed (City of Edmonton 2009).

Edmonton has a long history of involvement in the provision of affordable and special needs housing. Past strategies have included the formation of the Edmonton Joint Planning Committee on Housing (est. 1990); the formation of the Edmonton Homelessness Task Force (est. 1998) and report (1998); the development of a Community Plan on Homelessness 2000–2003; and the formation of the Edmonton Housing Trust Fund (1999) (City of Edmonton 2001: 1).

City Council's most current plan for affordable housing, *Cornerstones (2006–2010)* has established a number of grant programs to assist with housing affordability. These include building grants for new long term affordable housing projects, grants for the purchase or renovation of existing housing stock, a municipal fee rebates program for new multi-unit affordable housing projects and a rent supplement pilot program.

Guided by its Municipal Housing Policy, the City of Gatineau is highly sensitized to issues associated with socio-demographic change. These include an aging population and the goal of housing stability ("living-in-place") for persons with limited mobility. One project that can be highlighted is led by the

organization "Entre-Deux-Roues" (Between Two Wheels). The project involves the creation of a directory of properties — both for rent and for sale — appropriate for clients requiring accessible and adaptable housing. More specifically, the organization works to identify accessible and adaptable housing and responds to specific requests of homeowners and landlords interested in including their property in the directory. Before including a property in the directory, Entre-Deux-Roues visits each property in order to ensure that it meets the program's criteria. Individuals who consult listings in the directory may then make direct contact with landlords or property owners in order to either sign a rental lease agreement or offer to purchase the property.

Advantages of this service include its ability to greatly simplify the housing search for people with special mobility requirements. The service also offers property owners an incentive to make available units that are adaptable and accessible. Equally important is its contribution to preventing the loss of the existing accessible and adaptable housing stock, while encouraging renovations in support of accessibility. In this way, the service improves the return on investment both for private property owners and government agencies offering financial assistance aimed at creating accessible and adaptable rental apartments and homes.

This new service required an initial investment of \$40,000, including a \$13,000 contribution from the City of Gatineau. Since it began operating in January 2009, more than 1,100 housing units have been included in the directory, and approximately 10 of these have been either rented or bought.

The length of wait times are a factor of the total volume of wait-listed households, the turnover rate, the type of unit in demand, and the severity of need on the part of wait-listed households. For example, in Halton, the maximum wait time averages three to five years. However, victims of domestic violence can be housed in a matter of weeks.

Toronto's overall minimum wait time is generally 84 months, or close to seven years. However, priority households may wait only two to three months, while households waiting for a bachelor apartment or single room may only have to wait six months. In Gatineau, where overall wait times are as long as 30 months (2.5 years), the wait time for families is half that amount.

2.2 Homelessness

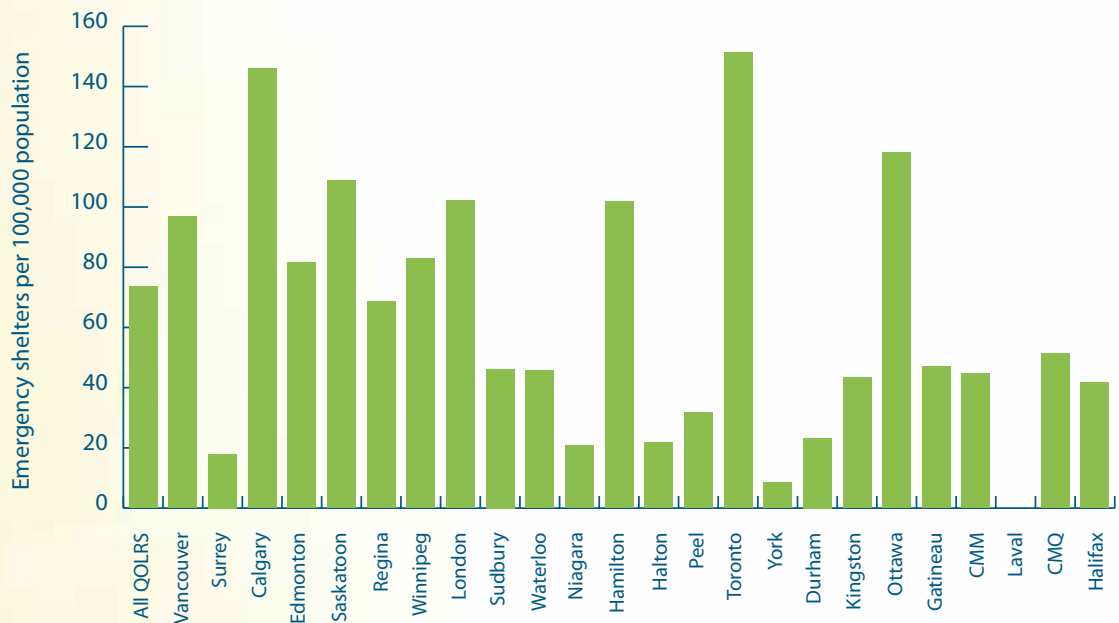
There are many different types of homelessness in Canadian cities, some more visible than others. Some municipalities across Canada conduct street counts, usually over the course of one day, to determine the street homeless population. Less visible types of homeless include those living in temporary accommodations such as persons staying with friends or relatives or those living in their vehicles.

One indication of the extent of homelessness is the number of emergency shelters and shelter beds. Data collected directly from the 24 communities that make up the QOLRS indicate that these larger cities and urban regions were home to 313 shelters that made available 12,479 permanent emergency shelter beds in 2006. Chart 34 highlights the number of

shelter beds per 100,000 population. The lowest density of shelter beds occurs in the more suburban municipalities, such as Surrey, York and Laval. Toronto has the highest density of shelter beds.

The diversity of the homeless population is important to understand. Chart 35 presents the distribution of shelter beds by type of user in 2006.³¹ While single men account for the largest proportion of shelter beds, more than half of the shelter system accommodates a range of other users. For example, more than one in five shelter beds are dedicated to a combination of single women and youth. Taken together, charts 35 and 36 emphasize the extent to which municipalities are responding to homelessness across Canada, as well as addressing the diverse needs of the homeless population.

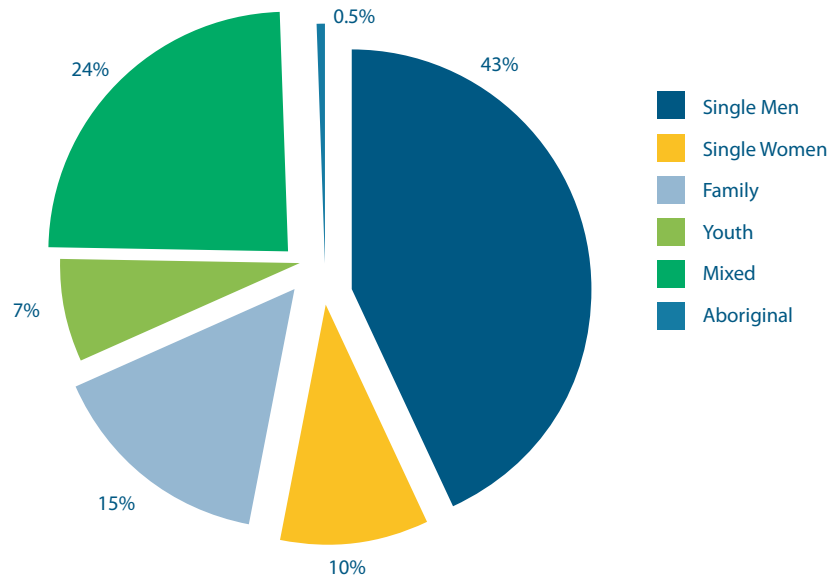
Chart 34 — Emergency shelter beds, 2006



Source: FCM QOLRS Municipal Data Collection Tool, 2006, and HRSDC Shelter Capacity Database, 2007

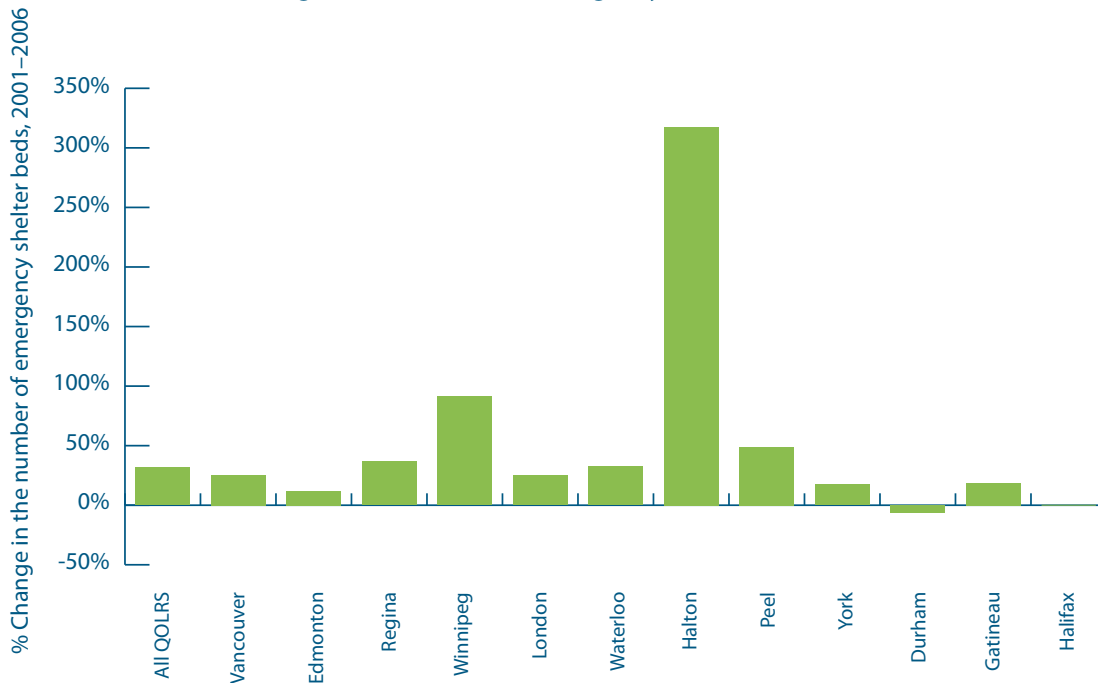
31 Emergency shelters include overflow or surplus shelters such as motels, hotels, hostels or military barracks. Where these facilities are used to shelter families, the lack of privacy and amenities for preparing meals can be very disruptive.

Chart 35 — Demographic distribution of emergency shelter beds, 2006



Source: FCM QOLRS Municipal Data Collection Tool, 2006

Chart 36 — Change in the number of emergency shelter beds, 2001–2006



Source: FCM QOLRS Municipal Data Collection Tool, 2006

On average, for QOLRS communities where data were available, there has been a significant increase in both the number of emergency shelters and the number of emergency shelter beds between 2001 and 2006. Chart 36 presents data for 12 municipalities, which reported an average increase of 32 per cent in the number of permanent emergency shelter beds made available. The significant growth evident in Halton Region involved an increase from a total of 32 to 96, due largely to 51 additional family shelter beds.

There is evidence that many shelters are having a difficult time meeting demand and that a count of beds could be a vast under-representation of the number of homeless.³² Similarly, homeless individuals or families may choose not to stay in shelters for a variety of reasons, making the shelter system a limited proxy for the true size of the population.³³

BOX 7 — ADDRESSING HOMELESSNESS IN GREATER VANCOUVER: VANCOUVER AND SURREY

Homelessness has been an issue in Greater Vancouver since the 1980s. Evidence from the most recent homeless count (2005) shows this is a persistent trend. Alarmingly, the most recent count has found that the number of street homeless people has grown by 235 per cent or 800 persons since the last count was conducted in 2002 (Goldberg et al., 2005 p. 1). Aboriginal people are disproportionately represented among the homeless population.

In March of 2000, the City of Vancouver and the governments of Canada and British Columbia embarked upon a multi-year agreement to promote sustainable social, economic and community development in the city's Downtown Eastside. This multi-level governance project has been cited as a best practice model for horizontal service delivery. In 2005, the Vancouver Agreement was one of eight recipients worldwide of a United Nations Public Service Award for improving transparency, accountability and responsiveness in the public service.

Also in 2005, the City of Vancouver adopted a comprehensive action plan for homelessness, which identifies roles for all levels of government as well as businesses and the broader community (City of Vancouver, 2005). More recently, a 2007 report prepared for the City of Vancouver examines international best practices and has proposed a homelessness

funding model that involved the upgrading of existing housing stock, the construction of new supportive housing, bylaw revisions as well as the creation of two new organizations, one to attract ethical investment and a second to focus on charitable fundraising (Dobell Advisory Services Inc. and DCF Consulting Ltd., 2007). Vancouver has been at the forefront among Canadian cities in adopting unique models and partnership approaches to address homeless and distressed urban areas.

The City of Surrey has an innovative approach to housing and homelessness, through the Surrey Homelessness and Housing Society. The Society's mission is to raise, manage and distribute funds to support programs, projects and initiatives to make a difference in the lives of peoples who are homeless or at-risk of homelessness in Surrey. One of the City's councillors sits on the Board of the Society. In 2007, the City of Surrey allocated \$9 million from the City's Affordable Housing Reserve Fund to seed the Surrey Homelessness and Housing Fund; this was a response to the emerging trend of homelessness and lack of affordable housing in the City of Surrey. The fund is an endowment and will grow by donations. More information is available at <http://surreyhomelessnessandhousing.org/>

32 For example, on the day of Vancouver's homeless count in 2005 it was found that shelters, safe houses and transition houses had turned away 169 adults and six children (Goldberg et al., 2005, p. 1).

33 For example, Vancouver's 2005 homeless count found that 45 per cent of the street homeless surveyed said they did not want to stay in shelters (e.g., theft, lack of hygiene) (Goldberg et al., 2005, p. 2).

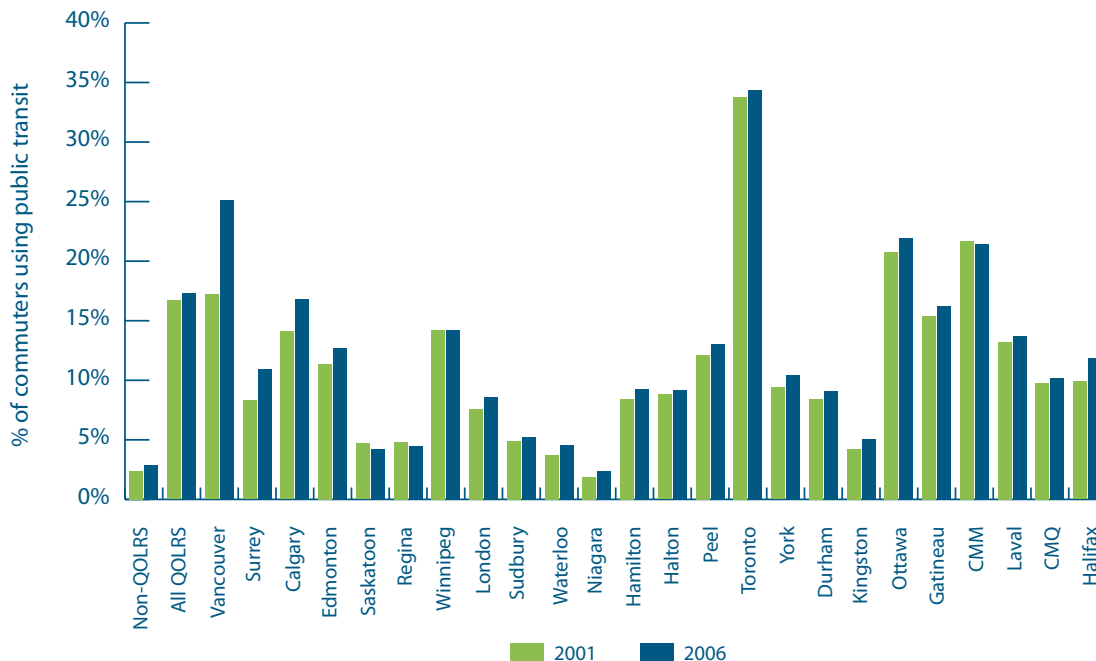
2.3 Public Transit

Accessible and affordable transit is an important component of social infrastructure, particularly where it meets the needs of low-income groups that would otherwise have limited mobility. Municipalities across Canada play an important role in delivering public transit services, particularly in larger urban centres. Public transit users accounted for over 17 per cent of all commuters in QOLRS communities in 2006, but fewer than three per cent of all commuters in the rest of Canada (Chart 37).

Access to public transit is particularly important for individuals and families with low incomes. Chart 38 compares the average income of all commuters to the incomes of two groups of commuters: drivers of private vehicles and public transit users. A clear trend

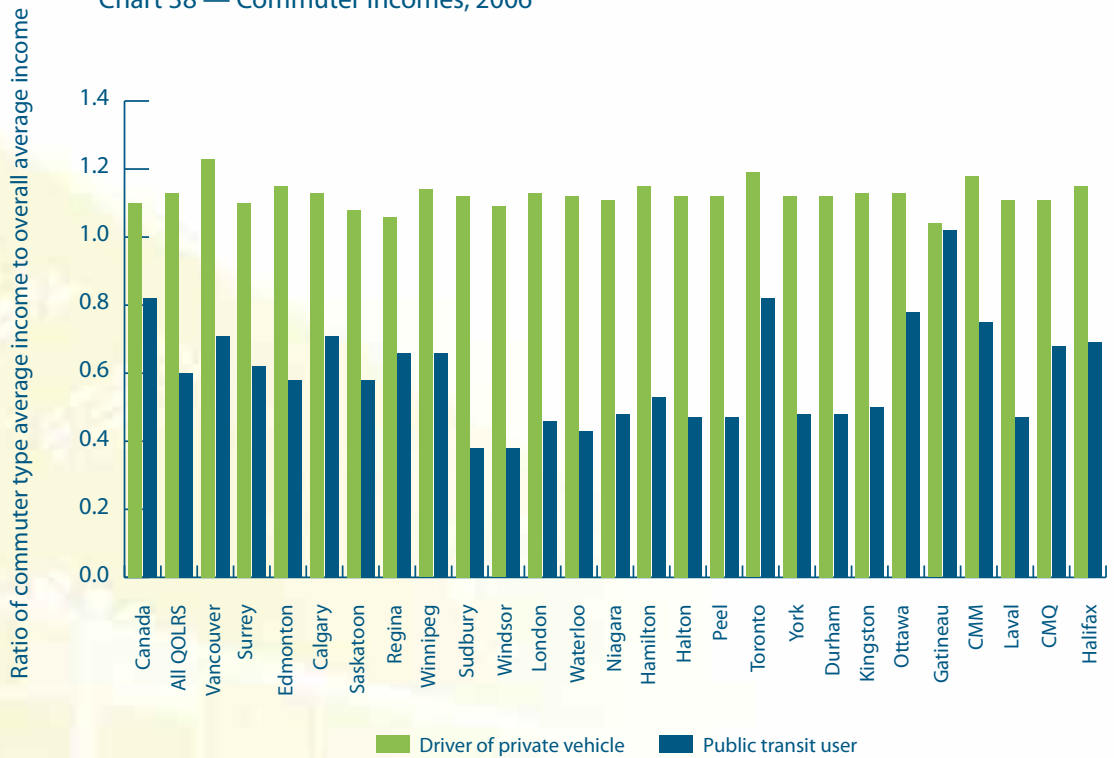
from this analysis is that drivers of private vehicles consistently have incomes higher than the average commuter. Public transit users, on the other hand, tend to have incomes well below that of the commuter average. This income gap is even greater in QOLRS communities compared to the national average. While the average income of public transit users in Canada accounts for just over 80 per cent of the average of all commuters, the income of larger city transit users accounts for only 60 per cent. A fair conclusion is that lower income households are generally more dependent on public transit for their commuting needs, especially lower income commuters in Canada's larger cities. Only one QOLRS member (Gatineau) reported public transit users with incomes exceeding the average income of all commuters.

Chart 37 — Commuters using public transit



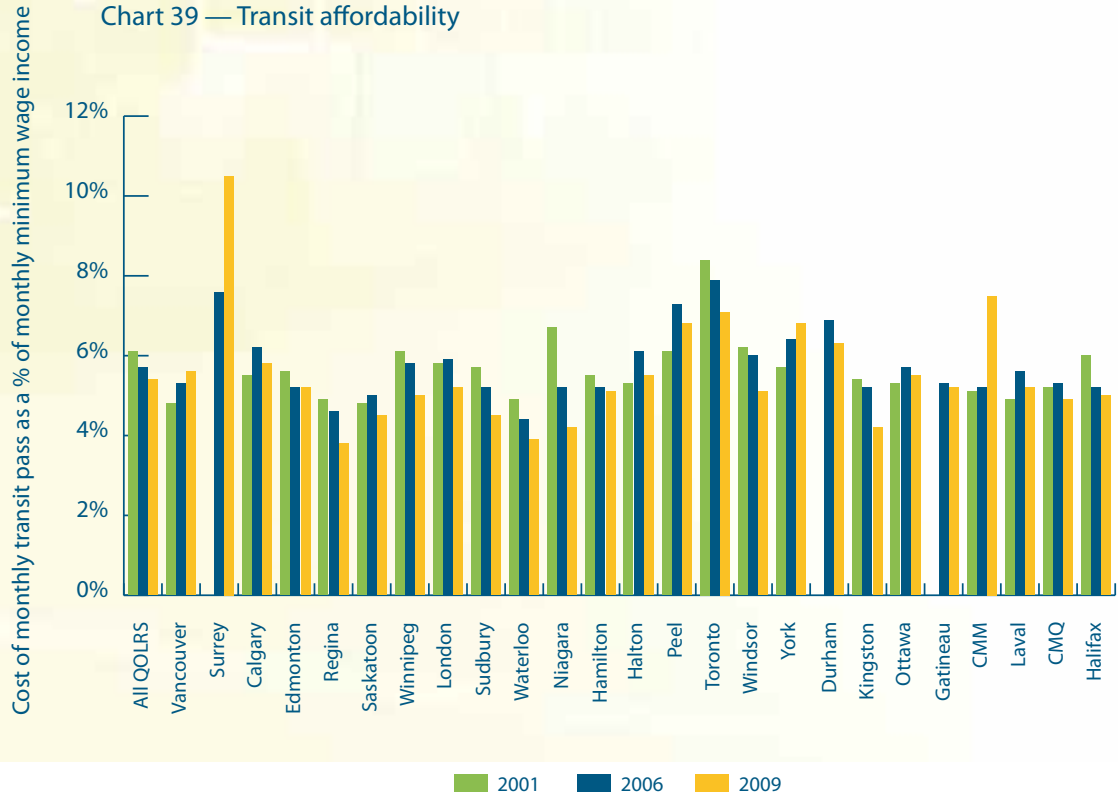
Source: Statistics Canada Census, 2001, 2006

Chart 38 — Commuter incomes, 2006



Source: Statistics Canada, Census, 2006

Chart 39 — Transit affordability



Source: Transit Pass Costs, Municipal Transit Providers websites; Minimum Wage Data, Human Resources Development Canada, 2001, 2006, 2009
 Note: 2001 data unavailable for Surrey, Durham, Gatineau.

At the same time, efforts are being made to keep transit costs affordable to their users. Chart 39 provides an indicator of transit affordability by measuring the cost of a monthly transit pass as a percentage of estimated minimum wage salary (monthly) for a single person for the years 2001, 2006 and 2009. In a comparison of figures, the majority of communities, 16 of 24, have seen improvements in transit affordability over this period. In 2009, the city with the least affordable transit system by this measure was Surrey (at

10.5 per cent), while the cities with the most affordable transit were Regina (at 3.8 per cent) and Waterloo (at 3.9 per cent).

In addition to general subsidies for transit use, municipalities have begun designing and delivering financial assistance programs tailored to the needs of specific demographic groups. Box 8 provides several examples of municipal government-led initiatives to introduce targeted subsidies for transit users.

BOX 8 — THE ROLE OF AFFORDABLE TRANSIT IN POVERTY REDUCTION

Many cities have recognized that affordable and accessible public transit is important for poverty reduction and social development. Persons with limited mobility due to low income may be socially excluded and have less viable employment opportunities.

Several cities in Canada have programs to help low income individuals afford public transit. For example, Ottawa has introduced a Community Pass program, offering heavily subsidized monthly bus passes to low-income Ontario Disability Support Program recipients. Similarly, Hamilton has an Affordable Transit Pass program that helps employed low-income residents receive a monthly bus pass for

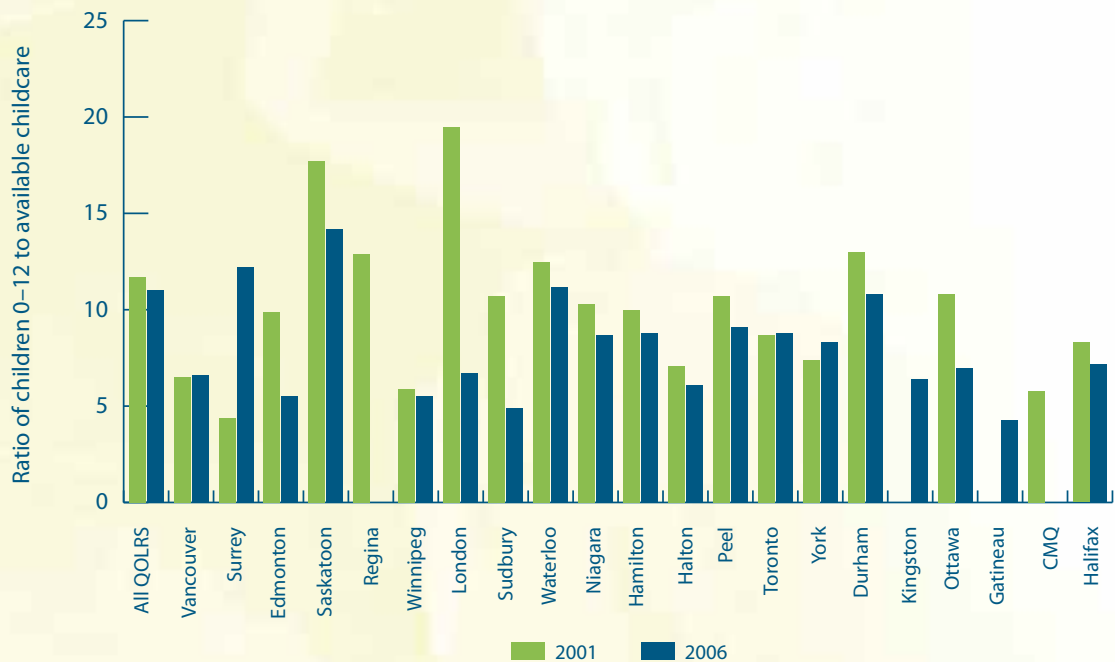
half price. Calgary's Low Income Monthly Transit Pass provides a discounted monthly adult transit pass for Calgarians with incomes lower than 75 per cent of the LICO. Since 2003, the City of Regina and the Saskatchewan Ministry of Social Services have partnered to offer discounted transit passes. Waterloo offers a Transit for Reduced Incomes Program (TRIP), providing a discounted bus pass to adults with reduced incomes. Finally, Kingston's recently adopted Affordable Transit Pass (ATP) program offers a subsidy to approved applicants in all fare categories to cover a percentage cost of a monthly transit pass.

2.4 Childcare

The Quality of Life Reporting System relies on a wide range of administrative data collected by municipalities. These include data measuring the availability of licensed childcare and subsidized childcare in QOLRS communities. Chart 40 shows the ratio of young children (ages 0–12) to the number of children making use of licensed daycares in select QOLRS communities in 2001 and 2006. Higher ratios suggest a relatively inadequate supply of childcare. Similarly, a declining ratio suggests an improvement in the provision of childcare services. In fact, a majority of QOLRS communities shown in the chart below experienced a declining ratio between 2001 and 2006. The exceptions were Surrey and York, with Vancouver and Toronto experiencing little change.

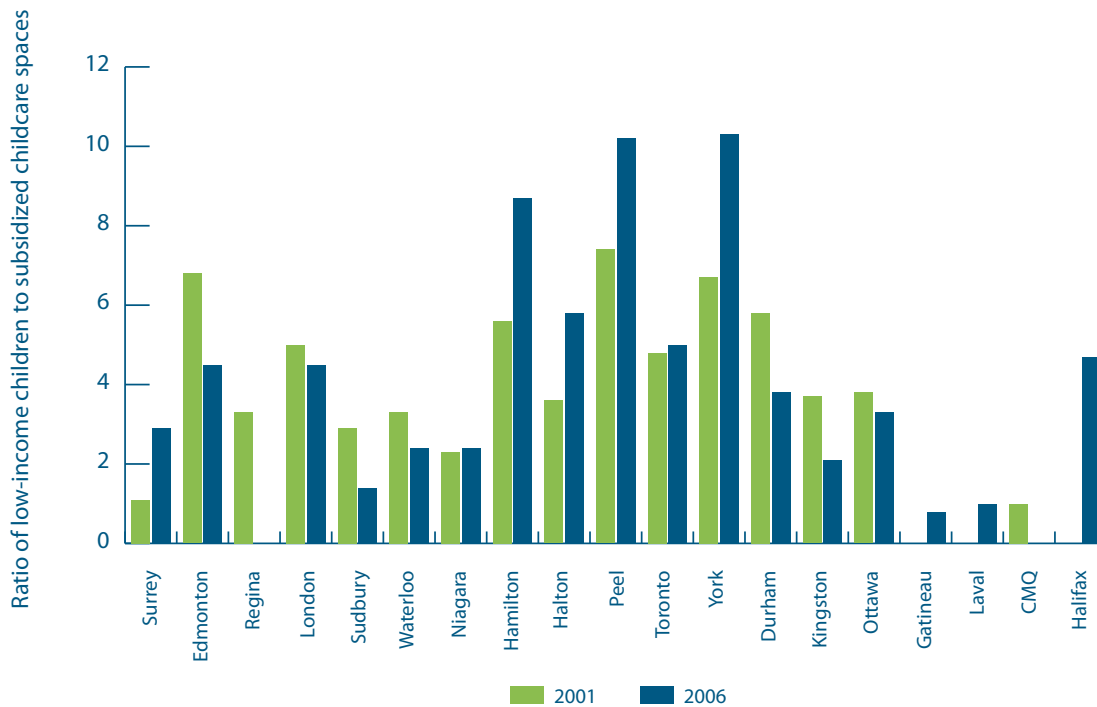
The cost of childcare remains an obstacle to many working families. Chart 41 provides an indication of the affordability of childcare in selected QOLRS communities, by comparing the number of young children living in low-income families with the availability of subsidized childcare. In contrast to improvements in the overall availability of childcare, access to affordable childcare deteriorated in a number of communities between 2001 and 2006. The municipalities of Peel and York stand out as having the highest ratio of low-income children to childcare services, both for 2001 and 2006. Both these municipalities also show a significant increase in this ratio between 2001 and 2006, suggesting a tighter supply of subsidized childcare. This situation was due to a rapid growth in the number of young children from low-income families, far exceeding the increase in the supply of subsidized childcare. In contrast,

Chart 40 — Access to childcare



Source: Municipal Data Collection Tool, 2006, and Statistics Canada, Census Division, 2001, 2006
 Note: Data unavailable for Calgary, CMM, Laval, Regina ('06), Kingston ('01), Gatineau ('01), CMQ ('06).

Chart 41 — Access to subsidized childcare



Source: Municipal Data Collection Tool and Statistics Canada, Census Division, 2001, 2006
 Note: Data unavailable for Vancouver, Calgary, Saskatoon, Regina ('06), Gatineau ('01), CMM, Laval ('01), CMQ ('06), Halifax ('01).

low-income families in Quebec municipalities enjoyed access to a relatively large supply of subsidized childcare.

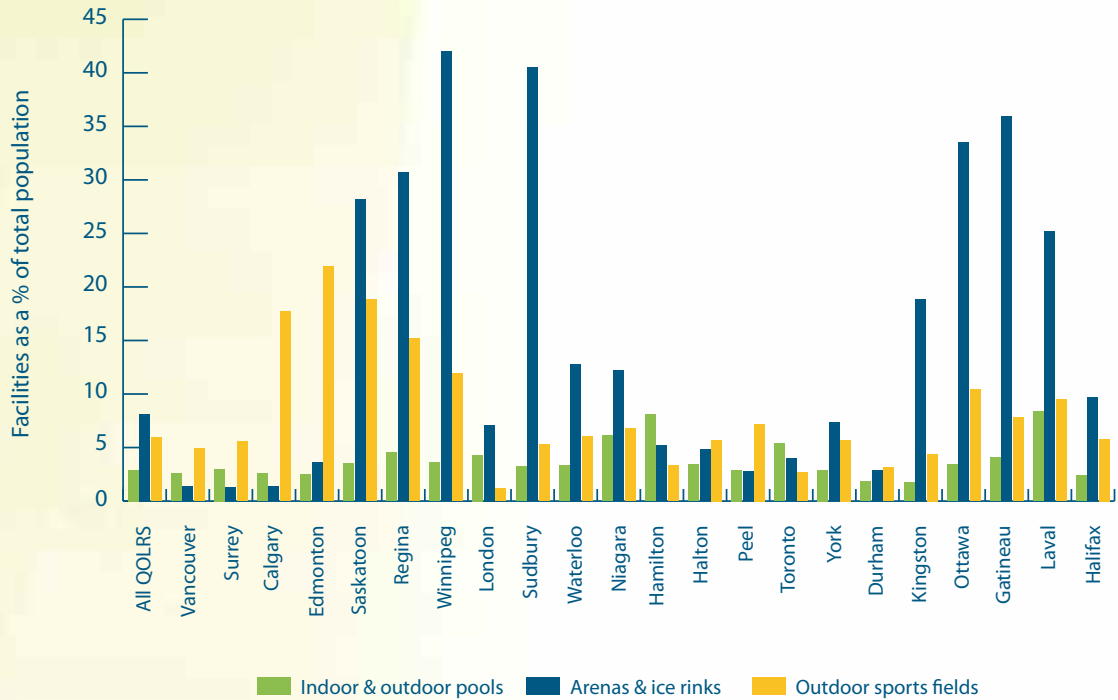
2.5 Recreation

The main purpose of this section is to demonstrate the extent to which municipal governments possess the capacity to reach a significant proportion of their population with relevant and needed services. In fact, Canada's largest cities and urban regions manage hundreds of facilities, reach a large proportion of the population, and provide affordable options for recreation and participation in society. Municipalities further expand their reach by building community partnerships. Examples of these are presented in Box 9. The cumulative result is an extensive network of facilities and programs reaching a broad cross-section of the population, cutting across incomes, ethnicity and class.

Administrative data collected by the QOLRS project identified 12,523 municipally owned recreational facilities in 22 communities in 2006. This represented an average of over 550 facilities in each community, including 23 indoor and outdoor swimming pools, 63 indoor arenas and outdoor ice rinks, 31 indoor gymnasiums and 457 outdoor sports fields. While there is significant variability in terms of the number of municipal recreation facilities per 100,000 population across the QOLRS communities, municipal governments consistently play a central and defining role in the area of recreation.

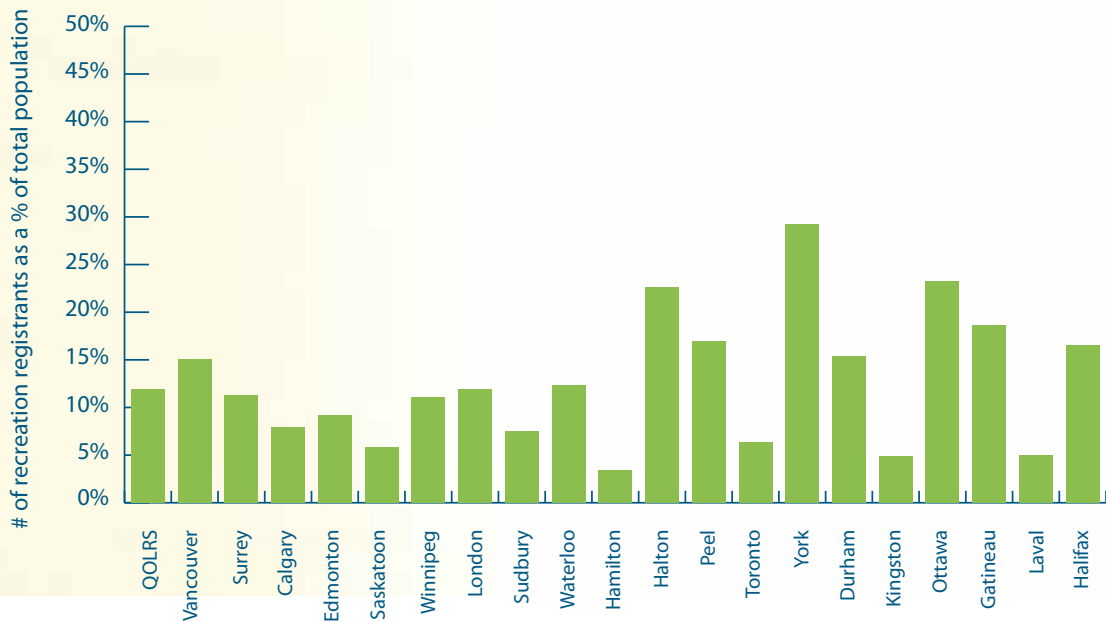
Chart 42 focuses on swimming pools, arenas and ice rinks per 100,000 population and outdoor sports fields per 10,000 population. Figures for 2006 suggest that the largest proportion of recreational facilities is concentrated in Prairie communities and communities east of the Greater Toronto Area. However, many factors contribute to the variability

Chart 42 — Selected recreational facilities as a ratio of population, QOLRS communities, 2006



Source: FCM QOLRS Municipal Data Collection Tool, 2006
 Note: data unavailable for CMM and CMQ.
 Pools and arenas/rinks per 100,000 population; sports fields per 10,000 population.

Chart 43 — Participation in municipal recreation programs, 2006



Source: FCM QOLRS Municipal Data Collection Tool, 2006
 Note: Data unavailable for Regina, Niagara, CMM, CMQ.

in the proportion of facilities, most notably the size of facilities. For example, the City of Regina has taken a neighbourhood approach to the development of recreation facilities. While some major facilities provide city-wide services, most of Regina's facilities are of a medium size and serve the surrounding neighbourhoods. In effect, this indicator measures geographic access to these facilities, as opposed to the volume of service provided.

Chart 43 presents the number of individual registrants in municipal recreation programs as a percentage of the total population for select QOLRS communities. Directly provided registered programs include those where residents register for structured activities such as swimming lessons or day camps. In some municipalities, this category may include house leagues. Registered programs falling under this category also involve activities that take place in a municipally owned or leased facility or area or involve municipal staff in either the direct delivery or planning of the recreation programs, but may be delivered or operated through community partnerships.

A total of 1.3 million residents of all ages living in the QOLRS communities were formally registered in municipal recreation programs in 2006. This accounted for 12 per cent of the total population of these communities. While the percentage of unique registered users may seem low in some cases such as Hamilton and Laval, municipalities also offer drop-in and permitted programs. Drop-in programs involve unstructured sports and recreation activities, as well as memberships to access these activities. Permitted programs include activities where residents and/or community organizations obtain permits or short-term rental of recreation facilities. While these programs typically reach an even wider segment of the population than directly provided programs, not all municipalities are able to collect statistics on unique users of drop-in and permitted programs.

In addition to maintaining an affordable cost structure, all the QOLRS communities included in the Municipal Data Collection Tool reported providing some type of targeted fee assistance for their recreation programs. These are discussed in more detail in Box 10.

BOX 9 — COMMUNITY PARTNERSHIPS IN RECREATION PROGRAMMING

Municipalities extend their capacity to deliver affordable recreational programming by working in partnership with community groups.

The City of Edmonton included 1,750 gymnasiums and sports fields in its 2006 inventory of municipal recreation facilities. This relatively high number is due to the fact that the City manages the local school board's facilities for use after hours. School facilities are booked through the City of Edmonton to community and sports groups, leading to over 100,000 bookings a year.

In addition to managing close to 500 recreation facilities, the City of Saskatoon also has a role to play indirectly in the delivery of programs in the community by providing program grant funding to the 43 community associations in Saskatoon. In 2006,

the 43 community associations collectively provided 15,131 hours of programming to 10,179 registrants.

The City of Greater Sudbury offers subsidies to qualified participants through the Human League Play Program, Sudbury Manitoulin Children's Foundation, Greater Sudbury Housing, Children's Services (City), Children's Aid Society and Child Care Resources.

Within the Waterloo Region, a majority of recreation programs available in the City of Kitchener are offered through community centres operated through local volunteer associations. These programs are not directly programmed by city staff and include playgrounds, recreation centre programs, and senior centres.

BOX 10 — ACCESSIBLE RECREATION FOR ALL

The benefits of participation in recreation and physical activity are well documented.³⁴ For example, physical activity can enhance “self-esteem, academic performance, peer and family relationships and prevents/reduces disease” (Canadian Council on Social Development 2001: 1). Recreation has positive benefits for all age groups.

It is recognized that there is great value in having accessible recreation programs for all. To this end, many Canadian municipalities have initiated subsidy programs to assist residents with the costs of municipal recreation and leisure program services and fees.

The City of Surrey’s Leisure Access Program (LAP) provides support for low-income families to obtain passes to local recreation facilities. The Program provides participants with an Annual Family Pass for unlimited access to drop-in activities at all City-operated Recreation Facilities. Drop-in activities, including swimming, skating (including helmet and skate rentals), weight room, fitness classes and sports drop-ins. The program also offers eligible residents with a 75 per cent discount on most Parks, Recreation & Culture registered programs. The Leisure Access Program is open to all permanent Surrey residents with after-tax family incomes falling below a threshold amount, dependent on family size. For example, eligibility would be open to all families

of four with net incomes at or below \$31,430. More information on the program is available at <http://www.surrey.ca/Living+Surrey/Parks+and+Recreation/Recreation+Services+and+Places/Leisure+Access+Program.htm>.

The City of Kingston’s Positive Recreation Opportunities (PRO) for Kids is an annual subsidy program provided to approved applicants 18 years of age or younger. The program is administered by recreation and leisure services and funded by community donations and the municipal operating budget. In collaboration with community recreation partners, it provides financial assistance to eligible youth to cover the cost of non-municipal recreation program fees, equipment costs and/or transportation costs. Subsidy amounts are determined by the cost of the program and the applicant’s ability to pay. Similarly, SPARK (Subsidy Program for Affordable Recreation in Kingston) is an annual subsidy program provided to approved applicants of all ages to assist Kingston residents with the cost of municipal recreation and leisure program registration fees. The program is administered by recreation and leisure services. The subsidy can be used for any structured or pay-as-you-go municipal recreation program until the maximum subsidy amount is reached or the end of the calendar year, whichever comes first. The City uses the current LICO (after tax) amounts to determine financial need.

34 “Recreation and Children and Youth Living in Poverty: Barriers, Benefits and Success Stories,” Canadian Council on Social Development (2001).

BOX 10 — ACCESSIBLE RECREATION FOR ALL (CONT'D)

The table below summarizes the recreation subsidies of several other Ontario municipalities. In each case, municipal governments are involved in the design, delivery and funding of these initiatives.

Municipality	Program	User Group	Available Programs	Amount Eligible
Markham (York Region) Pop. 300,000	Recreation for All!	Residents with low income	All municipal recreation opportunities	25–75% price reduction for one program per season
Ajax (Durham Region) Pop. 90,167	Financial Subsidy	Residents with low income	Programs and services delivered by Recreation & Culture — excluding contracted programs and program and services where discounts and subsidies already exist.	Maximum of 34% of a program's fee with the balance paid by the individual
Oakville (Halton Region) Pop. 165,613	Recreation and Connection Fund	All residents	Programs offered through the Recreation and Leisure Services department.	One activity per participant per season to a maximum of \$150
London Pop. 352,400	City of London Parks and Recreation Financial Assistance	Residents with low-income	All City of London, Community Services programs, memberships and pass plans offered through the spectrum guide.	Limited to a maximum value of \$150 per session per individual (\$300/year)
Waterloo (Waterloo Region) Pop. 120,800	Payment Assistance Program	Residents with low income	City of Waterloo, Recreation and Leisure programs and affiliated Minor Sport programs.	35% to 100% price reduction for one program per season

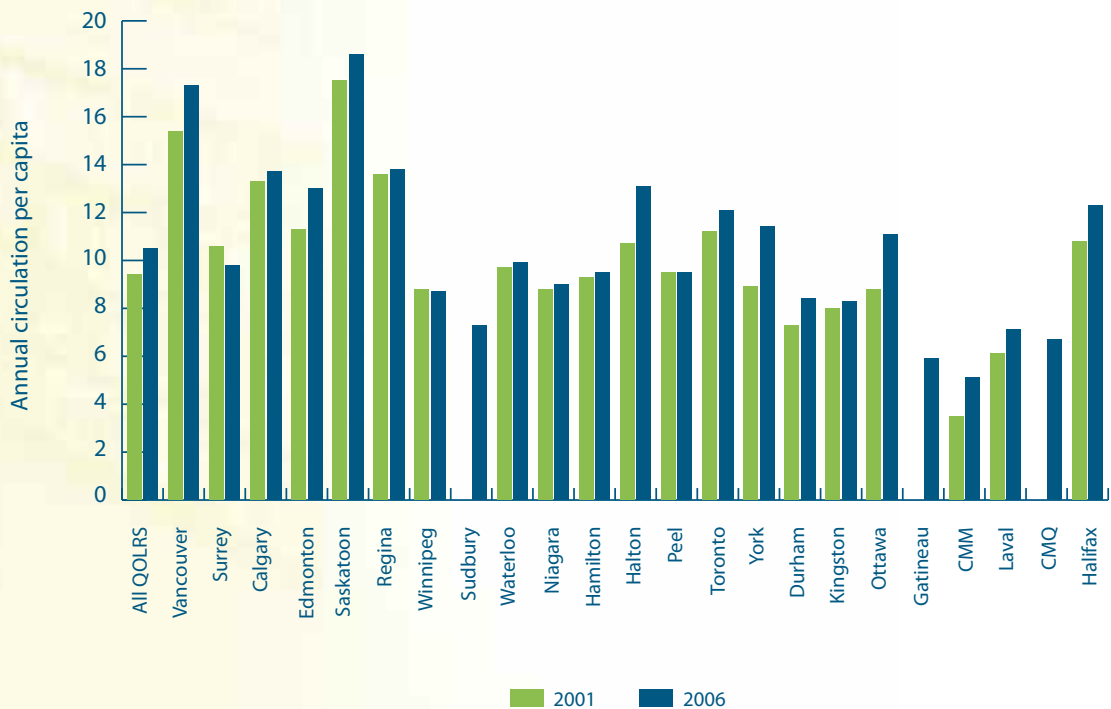
2.6 Libraries

The Quality of Life Reporting System measures the number of library uses per capita in each participating community. As presented in Chart 44, public library “use” refers to the total number of books circulated over the course of the year. Data for 2001 and 2006 indicate that per capita library use was on the increase, with 18 of 21 QOLRS communities experiencing increases in per capita circulations over this period.

There is evidence that these resources are being used more than ever in periods of economic decline, suggesting that the trend towards increased usage is continuing. In economic downturns, Canadians

often head to libraries to meet their education needs and facilitate job searches. There are estimates that public library demand increases by as much as 20 per cent during periods of economic downturn (Nova Scotia, 2009). A number of Canadian cities have experienced just this type of demand in recent months. For example, the City of Calgary’s libraries experienced a huge increase in use during 2008 and set a record for circulation, making it one of the busiest library systems in North America. However, current facilities remain under stress. For example, it is estimated that the City could face an \$18-million repair bill at the downtown library for urgent maintenance that has been put off by the lengthy search for a new central facility.³⁵

Chart 44 — Library use, 2006



Source: Canadian Urban Libraries Council, 2001 and 2006 Annual Statistics Reports; and Ministère de la Culture, des Communications et de la Condition Féminine, Bibliothèques Publiques Statistiques, 2006
 Note: 2001 data unavailable for Sudbury, Gatineau and CMQ.

35 Komarnicki, 2009.

APPENDIX 1 — FCM QOLRS INDICATORS

Demographic & Background Information (DBI)	Affordable, Appropriate Housing (AAH)	Civic Engagement (CE)	Community and Social Infrastructure (CSI)	Education (ED)	Employment and Local Economy (ELE)	Natural Environment (NE)	Personal & Community Health (PCH)	Personal Financial Security (PFS)	Personal Safety (PS)
DBI01 Population Growth	AAH01 Rental Housing Affordability	CE01 Voter Turnout	CSI01 Social Housing Waiting Lists	ED01 Education Levels	ELE01 Business Bankruptcies	NE01 Air Quality	PCH01 Low Birth Weight Babies	PFS01 Families Receiving Social Assistance	PS01 Young Offenders
DBI02 Household Size	AAH02 Homeowner Affordability	CE02 Women in Municipal Government	CSI02 Rent-Geared-to-Income Housing	ED02 Literacy Levels	ELE02 Consumer Bankruptcies	NE02 Commuting Distance	PCH02 Teen Birth Rate	PFS02 Families Receiving EI	PS02 Violent Crimes
DBI03 Family Composition	AAH03 Core Housing Need	CE03 Volunteering	CSI03 Subsidized Child Care	ED03 Classroom Size	ELE03 Hourly Wages	NE03 Mode of Transportation	PCH03 Premature Mortality	PFS03 Incidence of Low-Income Families	PS03 Property Crimes
DBI04 Average Income	AAH04 Substandard Units	CE04 Charitable Donations	CSI04 Community & Social Services Occupations	ED04 Composite Learning Index	ELE04 Change in Family Income	NE04 Density	PCH04 Infant Mortality	PFS04 Children Living in Poverty	PS04 Criminal Code Offences
DBI05 Renters & Owners	AAH05 Changing Face of Homelessness		CSI05 Recreation Facilities	ED05 Education Occupations	ELE05 Building Permits	NE05 Water Consumption	PCH05 Body Mass Index	PFS05 Income Gap	PS05 Police Per Capita
DBI06 Population Mobility	AAH06 Vacancy Rates		CSI06 Cultural Facilities		ELE06 Unemployment	NE06 Wastewater Treatment	PCH06 Smoking Status	PSF06 Social Assistance Rates	PS06 Weapons Violations
DBI07 Immigration	AAH07 Rental Housing Starts		CSI07 Long-Term Care Facilities		ELE07 Immigrant Unemployment	NE07 Waste Diversion	PCH07 Life Expectancy	PFS07 Working Poor	PS07 Drug Violations
DBI08 Language Spoken at Home	AAH08 Monthly Rent		CSI08 Recreation Programs		ELE08 Quality of Employment	NE08 Recreational Water Quality	PCH08 Physical Activity	PFS08 Community Affordability	PS08 Traffic Incidents
DBI09 Visible Minorities	AAH09 Cost of Housing		CSI09 Libraries		ELE09 Labour Force Replacement	NE09 Drinking Water Quality	PCH09 Prevalence of Asthma	PFS09 Transit Affordability	PS09 Emergency Services Occupations
DBI10 Aboriginal Population	AAH10 Overcrowding		CSI10 Access to Health Care Professionals			NE10 Ecological Footprint	PCH10 Mental Health	PFS10 Food Insecurity	

APPENDIX 2 — QOLRS MEMBERS

Table 2 — QOLRS Members³⁶

Community	Short Name	Province	Population (2006)
City of Vancouver	Vancouver	British Columbia	578,045
City of Surrey	Surrey	British Columbia	394,976
City of Calgary	Calgary	Alberta	988,195
City of Edmonton	Edmonton	Alberta	730,370
City of Saskatoon	Saskatoon	Saskatchewan	202,340
City of Regina	Regina	Saskatchewan	179,245
City of Winnipeg	Winnipeg	Manitoba	633,455
City of London	London	Ontario	352,395
City of Greater Sudbury	Sudbury	Ontario	157,910
Regional Municipality of Waterloo	Waterloo	Ontario	478,120
Regional Municipality of Niagara	Niagara	Ontario	427,420
City of Hamilton	Hamilton	Ontario	504,560
Halton Region	Halton	Ontario	439,255
Region of Peel	Peel	Ontario	1,159,405
York Region	York	Ontario	892,715
City of Toronto	Toronto	Ontario	2,503,280
Region of Durham	Durham	Ontario	561,260
City of Kingston	Kingston	Ontario	117,210
City of Ottawa	Ottawa	Ontario	812,130
Ville de Gatineau	Gatineau	Quebec	242,125
Communauté métropolitaine de Montréal	CMM	Quebec	3,532,575
Ville de Laval	Laval	Quebec	368,710
Communauté métropolitaine de Québec	CMQ	Quebec	711,735
Halifax Regional Municipality	HRM	Nova Scotia	372,860

³⁶ Note that these population figures exclude Census undercount.

APPENDIX 3 — DATA SOURCES AND LIMITATIONS

The QOLRS consists of 24 member communities in seven provinces (see Table 2). Data acquired for the QOLRS correspond to the actual boundaries of the 24 member communities. These include regional municipalities and lower-tier or single-tier municipalities, and are represented by census divisions and census subdivisions, respectively. The exceptions are the Communauté métropolitaine de Montréal (CMM) and the Communauté métropolitaine de Québec (CMQ), which comprise 82 and 28 municipalities respectively, and are represented by Census Metropolitan Area (CMA) data. Both the CMM and CMQ are similar in population and area to CMAs. For example, while the population living within the boundaries of the CMM was 3,532,554 in 2006, the Montreal CMA population was 3,635,571. Similarly, CMQ's Census population was 711,735, while the Quebec CMA population was 715,515. A full description of the QOLRS geography is available at the FCM Quality of Life Reporting System website.

Statistics Canada Census of Population

The Census provides consistent and reliable data which correspond accurately to the QOLRS member boundaries. The Census also offers an extremely rich array of variables that can be cross-tabulated.

Although Statistics Canada takes great efforts to count every person, some people are missed in each Census (e.g., people may be travelling, or some dwellings are hard to find). Some municipalities have identified the possibility that the Census may have undercounted more of the population than usual. This undercount would affect census data related to population and households. At the time of this publication, some municipalities are investigating this issue.

Statistics Canada Small Area and Administrative Data (SAAD)

These data are compiled using income tax forms completed by Canadian tax filers. Statistics Canada produces a wealth of annual economic and demographic data. These data are compiled at geographies as low as postal walks and therefore the report was able to obtain data matching the geographic profiles of QOLRS communities.

Municipal Data Collection Tool

The Municipal Data Collection Tool (MDCT) was created to facilitate the electronic collection, storage and retrieval of municipal administrative data. The MDCT allows QOLRS members to input data corresponding to nine quality of life indicators including homelessness, social housing, childcare, recreation, culture, long-term care, solid waste, recreational water quality and municipal elections. The MDCT functions as a database that can be added to, or amended, on an ongoing basis.

Canada Mortgage and Housing Corporation (CMHC)

CMHC compiles and publishes data corresponding to the cost and availability of housing across QOLRS member communities. CMHC's Rental Market Survey provides information on rents and vacancy rates for privately initiated rental apartment structures of three or more units, rented row units, publicly initiated rental and co-op housing, and rental units in condominium buildings in which over 50 per cent of the units are rented. CMHC's Starts and Completions Survey is carried out monthly in urban areas with populations in excess of 50,000, as defined by the most recent Census. All data obtained from CMHC were customized to meet exactly the geographic boundaries of QOLRS member communities.

Human Resources and Social Development Canada Minimum Wage Database

The Human Resources and Social Development Canada minimum wage database was referenced for all provincial minimum wages. This database contains historical data for all changes to provincial minimum wages since 1965, and future projections to 2014.

Human Resources and Social Development Canada Shelter Capacity Database

In June 2007, Human Resources and Social Development Canada's Homelessness Partnering Secretariat released shelter capacity statistics for all provinces and major cities. The database provides shelter and bed counts by shelter type for each of the 61 Homelessness Partnering Initiative's designated communities. A designated community is one that has been identified as having a significant problem with homelessness. This list in some cases does not match the lists maintained by member communities. The Homeless Individuals and Families Information System statistics are used as a baseline for shelter capacity in QOLRS communities; however, where available, this report uses member community data to supplement the HIFIS statistics. Data collected by HIFIS sometimes does not match perfectly the geographic profiles of QOLRS communities, the most notable example being that Laval numbers are included in the overall Montreal numbers in HIFIS and not reported separately.

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GLOSSARY OF TERMS

Aboriginal Identity Population – Refers to those persons who reported identifying with at least one Aboriginal group, i.e., North American Indian, Métis or Inuit, and/or those who reported being a Treaty Indian or a Registered Indian as defined by the *Indian Act* of Canada and/or who were members of an Indian Band or First Nation, in 1991 and previous censuses.

Census Metropolitan Area (CMA) – Area consisting of one or more neighbouring municipalities situated around a major urban core. A census metropolitan area must have a total population of at least 100,000 of which 50,000 or more live in the urban core. A census agglomeration must have an urban core population of at least 10,000.

Community Affordability – Defined as the ratio of prevailing income levels to the local cost of living. Compares the current income levels of the overall community population and the modest income population (the half of the population with incomes below the median point) with the cost of living typically encountered in the community. The local cost of living is measured in terms of the Market Basket Measure (MBM), a concept developed by Human Resources Development Canada (now called Human Resources and Social Development Canada).

Core Housing Need – Core housing need is a term developed by the Canada Mortgage and Housing Corporation as part of the National Occupancy Standard. A household is said to be “in core housing need” if: its housing falls below at least one of the adequacy, suitability or affordability standards; and, it would have to spend 30 per cent or more of its income to pay the average rent for housing that meets all three standards in the local market.

Cost of Living – Derived from a local pricing exercise based on Statistics Canada’s list of items for the Consumer Price Index. Weighting based on Statistics Canada’s family expenditure weights.

Economic Family – Refers to two or more household members who are related to each other by blood, marriage, common-law or adoption, and thereby constitute an economic family.

Employment Insurance (EI) – Comprises all types of benefits paid to individuals under this program, regardless of reason, including regular benefits for unemployment, fishing, job creation, maternity, parental/adoption, retirement, self-employment, sickness, training and work sharing.

Family Income – Refers to the total incomes of all members of a census family 15 years of age and over. A census family is a couple who are married or living common-law (with or without never-married sons or daughters living with them), or a lone parent living with at least one never-married son or daughter. Throughout the report, 2006 and 2001 Census income is reported for the years 2005 and 2000, respectively.

Household – Refers to a person or a group of persons (other than foreign residents), who occupy the same dwelling and do not have a usual place of residence elsewhere in Canada. It may consist of a family group (census family) with or without other non-family persons, of two or more families sharing a dwelling, of a group of unrelated persons, or of one person living alone. Household members who are temporarily absent on Census Day (e.g., temporary residents elsewhere) are considered part of their usual household. For census purposes, every person is a member of only one household.

Immigrant – Refers to people who are, or have been, landed immigrants in Canada. A landed immigrant is a person who has been granted the right to live in Canada permanently by immigration authorities.

Income Gap – The income gap is the differential between those in the highest income bracket versus those in the lowest income bracket, defined by, for example, income percentiles or deciles. A large gap

between those in the highest income bracket and those in the lowest income bracket indicates an inequality in the dispersion of wealth in society.

Low Income Cut Off (LICO) – LICOs are income thresholds, determined by family expenditure data, below which families will likely devote a larger share of income to the necessities of food, shelter and clothing than the average family would. To reflect differences in the costs of necessities among different community and family sizes, LICOs are defined for five categories of community size and seven of family size. Although LICOs are often referred to as poverty lines, they have no official status as such, and Statistics Canada does not recommend their use for this purpose.

Low Income Measure (LIM) – Are relative measures of low income, set at 50 per cent of adjusted median family income. These measures are categorized according to the number of adults and children present in families, reflecting the economies of scale inherent in family size and composition.

Market Basket Measure (MBM) – The MBM was developed by Human Resources Development Canada and includes estimates of the cost of food, clothing and footwear, shelter, transportation, and other goods and services related to actual local costs of living. Using the MBM, households are considered to be living in poverty when they do not have the income available to purchase the goods and services that make up the MBM basket.

Minimum Wage – The minimum wage is a provincially determined basic labour standard that sets the lowest wage rate that an employer can pay to employees who are covered by the legislation.

Persons with Activity Difficulties/Limitations – Refers to difficulties with daily activities and the reduction in the amount or kind of activities due to physical or mental conditions or health problems.

Quality of Life – Is influenced by a variety of factors, including the development of a vibrant local economy, the availability of affordable, appropriate housing, dependable community infrastructure, and reliable access to clean air and drinking water. All of these issues touch at the heart of the day-to-day lives of Canadians.

Recent Immigrant – In this report, the term “recent immigrant” is used to describe persons who have been in Canada for 10 years or less.

Rent – Defined by Statistics Canada as “the percentage of a household’s average total monthly income which is spent on shelter-related expenses. Those expenses include the monthly rent (for tenants) or the mortgage payment (for owners) and the costs of electricity, heat, municipal services, etc. The percentage is calculated by dividing the total-shelter related expenses by the household’s total monthly income and multiplying the result by 100” (Statistics Canada, 2006b).

Senior – In this report, seniors are defined as persons aged 65 and over.

Small Area & Administrative Data (SAAD) – A databank built from income tax records and other sources. For the most part, tax returns were filed in the spring of the year following the reference year. The mailing address at the time of filing is the basis for the geographic information in the tables. In 2000, about 71.8 per cent of Canadians (of all ages) filed tax returns.

Social Assistance – Includes payments made in the year on the basis of a means, needs or income test (whether made by an organized charity or under a government program). The value is reported on line 145 of the personal income tax return that has been available only since 1994 and was previously included in “non-taxable income.” Every province and territory uses a different method of calculating basic welfare that generally includes food, clothing,

shelter, utilities, and an allowance for personal and household needs. Welfare is a highly individualized program of income support, so every applicant could be eligible for a different amount of financial assistance because of the circumstances in his or her household.

Social Capital – Refers to the quality and value of the relationships among individuals and groups, and the extent to which these relationships promote trust, cooperation, and collaboration. Diverse leadership can strengthen the quality and value of the relationships among individuals and groups, leading to increased social cohesion, creativity and innovation, and productivity (Conference Board of Canada 2008: 1).

Unemployment Rate – The unemployment rate is the percentage of the labour force that actively seeks work but is unable to find work at a given time.

Visible Minorities – Refers to the visible minority group to which the respondent belongs. The *Employment Equity Act* defines visible minorities as “persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in colour.”

Working Poor – The QOLRS definition of working poor includes families with incomes below the after-tax Low Income Measure (LIM), and which have received less than half their income from government transfers.



FCM's Quality of Life Reporting System

This is one in a series of reports on quality of life in Canadian communities prepared by the Federation of Canadian Municipalities (FCM) using information derived from a variety of national and municipal data sources. The statistics used in these reports are components of a larger reporting system containing hundreds of variables that measure changes in social, economic and environmental factors. Taken together, these data form the FCM Quality of Life Reporting System (QOLRS). QOLRS indicator tables and reports are available at www.fcm.ca.

The analysis of trends affecting quality of life in Canadian cities relies on a framework defined by FCM, based on the understanding that quality of life is enhanced and reinforced in municipalities that do the following:

- Develop and maintain a vibrant local economy;
- Protect and enhance the natural and built environment;
- Offer opportunities for the attainment of personal goals, hopes and aspirations;
- Promote a fair and equitable sharing of common resources;
- Enable residents to meet their basic needs; and
- Support rich social interactions and the inclusion of all residents in community life.

Quality of life in any given municipality is influenced by interrelated issues concerning the state of affordable, appropriate housing, civic engagement, community and social infrastructure, education, employment, the local economy, the natural environment, personal and community health, personal financial security and personal safety.

The 24 communities participating in the QOLRS account for 54 per cent of Canada's population located in seven provinces. These communities comprise some of Canada's largest urban centres and many of the suburban municipalities surrounding them. By providing a method to monitor quality of life at the local level, the QOLRS ensures that municipal government is a strong partner in formulating public policy in Canada. Developed by FCM and municipal staff, each report is also intended to serve as a planning tool for municipalities. Each report considers quality of life issues from a municipal perspective and uses data segregated by actual municipal boundaries whenever possible, not Census Metropolitan Areas, as is often the case in other studies.

The reporting system is equally important as a tool for community organizations, research institutes, and other orders of government, allowing them to:

- identify and promote awareness of issues affecting quality of life in Canadian municipalities;
- better target policies and resources aimed at improving quality of life;
- support collaborative efforts to improve quality of life; and
- inform and influence decision-makers across Canada.

Federation of Canadian Municipalities

The Federation of Canadian Municipalities (FCM) has been the national voice of municipal governments since 1901. The organization is dedicated to improving the quality of life in all communities by promoting strong, effective, and accountable municipal government. FCM membership of more than 1,775 municipal governments includes Canada's largest cities and regional municipalities, small towns, rural municipalities, and the 18 provincial and territorial municipal associations.