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MEASURING: *The war over 'who is poor'*

The first two articles EM9328 and EM0302 reprinted in this Highlight #44 on pages HL44.1 to HL44.3 describe issues of *measuring* – here, measuring poverty – relevant to measurement *error*, which *we* identify as one source of limitations on (data-based) Answers to Questions – for example, see Statistical Highlight #38. The five articles EM9805 to EM9809 which follow on pages HL44.3 to HL44.7 provide additional illustrative data from the 1996 Canadian census; these data remind us of the usefulness of population attributes that are averages (and medians) as Answers to Questions.

EM9328: The Financial Post, August 4, 1993, page 9

The war over 'who is poor'

This is the second article in a three-part series that looks at how statistical information is used by interest groups and governments.

By Philip Mathias
Financial Post

An acrimonious battle is being waged between Conservative parliamentarians and anti-poverty activists for the right to decide which Canadians are poor.

The fighting reveals a minefield of "poverty" definitions – any one of which could explode in the face of a group that embraces it.

The "who is poor" war also involves big financial stakes – the $15 billion of public money spent every year on welfare.

A new poverty definition could ease or increase pressure to spend at a time when Canada's joint federal-provincial debt is $650 billion and its annual deficit is $50 billion.

The poverty fight is centred on three definitions:

- The ancient definition of poverty, which is "the lack of any item required to maintain long-term physical well-being." The poor have so little they suffer chronic bad health.

The number of Canadians living in poverty would drop to about 3% of the total population under this definition, according to some estimates. It would enable Canadians to compare accurately their society with Africa or Eastern Europe, where this measure tends to be used.

This standard is proposed by Christopher Sarlo, economics professor at Nipissing University, North Bay, Ont.

- A standard that defines what a Canadian needs to live in dignity amongst other Canadians.

The Commons subcommittee on poverty – headed by Conservative MP Barbara Greene – recommends a menu of "basic needs" items be created.

It would include food, shelter and clothing, reading material, the ability to give to others (classified as "religion/charity") and some entertainment, including cable TV, which the committee said is not "an unreasonable expense."

- Low Income Cutoffs, a set of numbers from Statistics Canada, which measure a low level of income relative to the Canadian average.

LICOs count the number of Canadians who are obliged to spend on their food, clothing and shelter 20% more of their income than the average Canadian.

By this standard, 10% to 15% of Canadians are "poor." Activists prefer this "poverty line," but LICOs are riddled with inconsistencies and StatsCan insists they do not measure poverty.

However, LICOs are now widely used by the media and some key federal departments to define poverty.

The "Who is Poor?" blaze was ignited last year by *Poverty in Canada*, a book written by Sarlo and published by the Fraser Institute of Vancouver.

"Estimates of the extent of poverty in Canada are grossly exaggerated," Sarlo wrote. "Poverty, as it has been traditionally understood, has been virtually eliminated ....."

The anti-poverty lobby was enraged.

The definition of poverty would provide a stable standard that remained unchanged year by year

"Changing the definition of poverty won't change the fact that babies born to parents who live under the existing poverty line have twice the chance of dying as other babies in Canada," said a spokeswoman for End Legislated Poverty, a coalition of B.C. social groups.

The issue became viciously political. "Supporters of the Fraser Institute ..... have a vested interest in downplaying poverty ..... so they can keep their tax breaks," charged the federal NDP's social policy critic, Chris Axworthy.

The Commons poverty subcommittee began its own examination last year. "Policies designed to eliminate poverty can only succeed if we have the means by which to identify the poor ....." the committee declared.

"The definition of poverty has implications for all government programs," Greene told *The Financial Post.* A tighter definition "would tell us more precisely what communities have people with inadequate welfare rates ....."

The available funds could then be targeted to real poverty, she said.

The committee called as witnesses two academics, eight federal officials, the director of a Montreal anti-poverty agency and a leading U.S. government statistician.

The committee's poverty definition – tabled in June – would provide a stable standard that remained unchanged year by year (only prices of the essentials on the menu would vary).

Sarlo's definition is minimalist and universal. Greene's approach took Canada's high living standards into account. Her committee drew the poverty line at the point where Canadians could feel poor in the midst of comfortable Canadians.

Anti-poverty activists want Canada to continue using LICOs, which arose in the 1970s almost by accident.

To set LICOs, StatsCan determines how much all Canadian families spend on food, shelter and clothing, most recently on the basis of 1986 information. (Answer: about 38% of gross income.)

Calculating LICOs then relies upon "a fancy, arcane, econometric methodology," said Michael Wolfson, director-general of StatsCan's analytical studies branch.

Wolfson summed up the result this way: "Any family whose income is below the level at which families tend to spend 20 percentage points more [that is, 58% of gross income] on these three essentials is said to be a 'low income' family."

The number of people in such families was 4.2 million in 1991, which represents 16% of all Canadians, Wolfson said. StatsCan disavows LICOs as a poverty measure because they have many faults:

- LICOs mix up the ancient concept of poverty – a shortage of basic necessities – with the political concept of income inequality.

"When you really start to look at how – relative to other people – a significant part of our population is living, that can be characterized properly as a poverty level," claims Peter Clutterbuck, executive director of the Social Planning Council of Metro Toronto.

"We see inequality all over the place," Sar-

(*continued overleaf*)

lo replies. "We have movie stars who are much better looking than most of the rest of us. The inequalities we see in terms of intelligence ..... are quite startling. Whose job is it to rectify those things?"

- LICOs only measure spending on food, shelter and clothing. "We are well aware of the limitations of this concept of ..... basic necessities," Wolfson said. "[We] have pointed out that it leaves out such things as basic transportation, basic communication and other things."

- LICOs make no adjustment for spending by the wealthy on fur coats (clothing), caviar (food), restaurant meals and perhaps a vacation home (shelter), or an expensive condominium. Yet any family that falls to a point below this inflated average is considered poor.

- Standards of living in different locations are ignored. "Somebody with a $30,000 income in Montreal is better off than somebody in Toronto" because of the higher cost of living there, Greene said.

StatsCan differentiates LICOs by size of city of residence but makes no difference for standards of living between cities of the same size.

Wolfson takes the opposite tack to Greene: "We have been criticized for making too much allowance for living in different parts of the country," he said.

- Non-cash benefits, such as subsidized housing and bus passes for the elderly are not fully accounted for in StatsCan's calculations. This anomaly understates income for some "poor" families.

- Business losses are included in income calculations. A person with a high salary and a higher business loss is counted as having negative income. Savings from previous profits are ignored.

- Students with no income, living on government loans and supported by their parents can be included among the "poor."

"The LICOs have taken on a heavier role than they were originally intended to have [as social indicators]," Wolfson said.

Statistics Canada is accused by some of winking at this widespread misuse of its numbers. Wolfson said the agency is only suffering fatigue.

"There was a period of time in the early to mid-'80s when we were fairly aggressive in writing letters to the editor pointing out that newspaper articles had mistakenly identified the LICOs as poverty lines," he told The Post.

"But that activity has waned substantially in the last number of years. There's only so much energy one can devote to correcting" the problem.

The biggest problem with LICOs for any government is a political one – "poverty" is unlikely to be ever eliminated because the LICO poverty line just rises with average income.

"When the decade opened [in 1980], the overall individual poverty rate was 15.3%," said the National Welfare Council. "In 1990 ..... it was 14.6%."

Yet the income of average Canadians and "the poor" has risen in that period.

The council advises the minister of health and welfare. It admits that "Statistics Canada ..... does not promote [LICOs] as poverty lines." But the council uses them anyway.

The United Nations also recently embraced LICOs as a poverty measure – at the urging of Canadian social activists – and condemned Canada for making "no measurable progress" in alleviating poverty over the last decade.

But LICO-defined poverty is hard to combat.

"No national day-care program would change these statistics," Greene said. No national school-lunch program would change them ..... But all these programs are being sold as ways to eliminate poverty."

EM0302: The Globe and Mail, May 27, 2003, pages A1, A6

New yardstick places more people in poverty

Data reveal Vancouver as Canada's costliest city

BY MARGARET PHILP
SOCIAL POLICY REPORTER

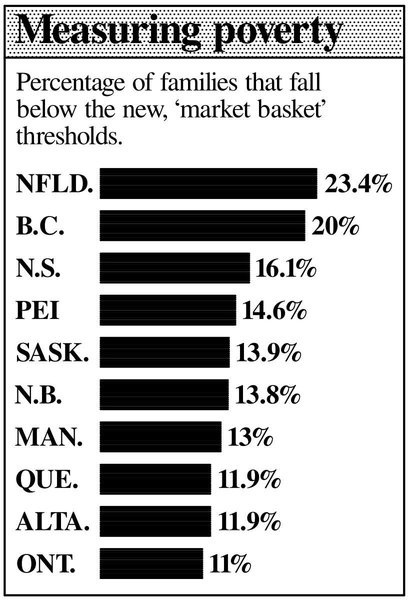
Ottawa will unveil a new measure today showing that one in eight people in Canada lives in poverty, a rate higher than Statistics Canada's previous calculations.

Five years in the works, the Market Basket Measure has become the third yardstick of low income in Canada. It is the first to break down poverty rates by geography, taking into account that people living in big cities, with lofty rents and steep prices, are worse off than those with the same incomes in a small town in Saskatchewan.

Calculated using the new measure, 13.1 per cent of Canadians – almost four million – are poor.

Under Statscan's Low-Income Cut-Off, a complicated and much-maligned calculation of low income devised four decades ago and long treated as the unofficial poverty line, 10.9 per cent of Canadians are poor after taxes.

Expected to be less baffling for Canadians, the Market Basket Measure shows the number of Canadians unable to afford a col-



lection of goods – food, clothing, shelter, transportation and sundries such as telephone service and postage stamps – that the federal government has set as the minimum standard for decent living in Canada.

The new poverty lines are certain to place provincial welfare rates, which are far lower than the price of the market basket in every province, in a fresh light.

The provinces had pushed for a lower benchmark than the LICO to measure the impact of the National Child Benefit program introduced at the same time to reduce child poverty. But the resulting Market Basket Measure, with its higher poverty rates in almost every province, will provide powerful ammunition for antipoverty activists, who have long decried social assistance rates across the country as stingy.

The Market Basket Measure pegs Vancouver as Canada'a most expensive city, with the basket of goods setting the threshold for poverty at $27,800 for a family of four. Close on its heels is Toronto, where the ingredients of the basket cost $27,300. In Calgary, the line was drawn at $24,180; in Edmonton, it stands at $23,571. In St. John's, the same family would be considered poor if its disposable income falls below the $24,000 cost of the market basket.

(*continued*)

MEASURING: *New yardstick places more people in poverty* (continued 1)

The measure considers people to be low-income when their incomes after taxes, child support, daycare, payroll deductions, and out-of-pocket medical expenses slips short of the cost of goods as priced where they live.

The market basket is a list of remarkably specific items priced in 48 different parts of the country. Food includes the contents of an average grocery cart, such a strawberry jam and vanilla ice cream. Clothes are counted down to the number of pairs of underwear and socks for each child. Transportation includes the cost of bus and taxi fares for city dwellers, and the cost of operating a five-year-old Chevy Cavalier for those in the country.

Across the country, the measure shows 16.9 per cent of people under 18 to be poor, far higher than the 12.6 per cent who are considered poor after taxes under LICO. And it finds that 39.5 per cent of families led by single mothers are poor, while the age-old Statscan measure calculates an after-tax rate of 33.9 per cent.

Newfoundland and Labrador is the province with the greatest proportion of poor people, with 23.4 per cent of them unable to afford the basket of goods. British Columbia follows, with a low-income rate of 20 per cent. Ontario, with 11 per cent of the population surviving on incomes falling below the threshold, is the province with the lowest proportion of poor people.

But more than just the rate of low-income dwellers, the new measure also shows the depth of poverty among those who fall short of the threshold.

While Alberta followed Ontario as home to the fewest poor people, the median income of those who were poor was 29 per cent below the provincial poverty line, revealing deeper poverty than in most other provinces. (The median income is the point at which half of incomes are higher and half are lower).

No other country uses a yardstick of poverty such as the LICO, considered a relative measure that regards as low-income a family that spends a disproportionate share of its income on food, clothing and shelter compared with other Canadians, drawing a somewhat arbitrary poverty line at the point where families spend 64 per cent of their incomes on these necessities.

Constantly climbing with inflation, it has long been criticized by conservatives as exaggerating Canada's problem of poverty. Others dismiss it for lumping all Canadian cities together, ignoring the huge impact on incomes of the different costs of living.

Its other measure of low income – for years, the agency has avoided declaring anyone "poor" – is called the Low-Income Measure, which sets the threshold for poverty at half of Canadians' median income and is widely used for international comparisons.

Unlike its predecessors, the Market Basket Measure is more of an absolute measure of poverty, the first to regard poverty as the inability to pay for groceries, food, rent and transit fares, rather than expressing it as relative to the fortunes of other Canadians.

EM9809: The Globe and Mail, May 13, 1998, page A4

Toronto loses top status as incomes fall, poverty rises

BY JANE ARMSTRONG
The Globe and Mail

TORONTO – Canada's largest city has outperformed every municipality in the country in a new growth industry – the production of low-income households – new figures show.

Toronto experienced the largest jump in the percentage of residents who spend more than 54.7 per cent of their incomes on food, clothing and shelter, according to Statistics Canada.

In 1990, 15 per cent of households were classified as low-income. By 1995, that figure had jumped to 21.1 per cent.

Worse, the economic fortunes of Toronto families as a whole declined by 10 per cent between 1990 and 1995, the largest such decrease in Canada. In 1990, the average family income was $71,180. By 1995, the total income dropped to $64,044.

Despite the increase in low-income families, Toronto ranked second behind Ottawa-Hull in a measurement of family incomes across the country. The average income in Ottawa-Hull was $64,243 in 1995.

The results came as a shock to many of Toronto's most experienced social workers – many of whom long have harboured suspicions that the economic recovery has not trickled to every financial class. The new data, which compared Canadian incomes in 1990 to those in 1995, confirmed this fear.

"This is what a deregularized economy looks like," said Andy Mitchell, a program director with the Community Social Planning Council of Toronto. "The economy is growing, but so is poverty."

The statistics also confirm what many people have feared, that full-time jobs are losing out to part-time work. The census showed that full-time jobs decreased 5.6 per cent from 1990 to 1995, and the number of people with part-time jobs jumped 5 per cent.

The article EM8909 above is reprinted on this page HL44.3 for convenience in the formatting of this Highlight #44, instead of *after* EM8904 on page HL44.7 where its content more naturally belongs.

The differing dates across the seven articles reprinted in this Highlight #44, from EM9328 on August 4, 1993, to May 27, 2003, may account, at least in part, for differences in detail; for example, percentages of 58 in EM9328 for 1986, 54.7 in EM9809 in 1996 and 64 in EM0302 (undated but possibly 2001) for the proportion of gross income spent on food, shelter and clothing, which is used as one criterion for being classified as "poor."

(*continued overleaf*)

EM9805: **The Globe and Mail, May 13, 1998, pages A1 and A5**

Canadians got poorer in 90s

Sweeping Statscan survey shows just how hard, how long the recession hit across nation

BY JANE GADD
The Globe and Mail

TORONTO – If you're feeling poorer, it's probably because you are.

Figures from the 1996 national census confirm what many Canadians have surely suspected as they sort through piled-up bills or visit the cash machine yet again: between 1990 and 1995, their incomes fell across the board.

Going down

Average family income dropped in the first half of the decade

	1980	1985	1990	1995
Husband-wife families	$55,945	$55,957	$61,053	$58,763
Male lone-parent families	46,133	43,478	45,557	40,974
Female lone-parent families	27,370	26,679	29,652	27,721

Note: In constant 1995 dollars. *Source: Statistics Canada* *The Globe and Mail*

The recession of the early 1990s wiped out the economic gains of the heady eighties, and by 1995 incomes had been chopped by 6 per cent from 1990.

The national average per-capita income of $25,196 in 1995 was almost identical to that in 1985.

"This is probably the first protracted period of income decline since the 1930s," John McCallum, chief economist for the Royal Bank of Canada, said yesterday.

Few Canadians were untouched by the economic decline. Incomes fell for all age groups, both genders, in all cities but two, and every type of family unit, Statistics Canada reported yesterday. Having an education eased but did not block the economic blow.

The reasons are no mystery.

The vigorous attacks on inflation and deficits by governments, along with widespread corporate restructuring, were expected to hit Canadians in the wallet.

"The bad news is that these adjustments led to poor employment and income performance," Mr. McCallum said. "The good news is that the adjustment is now largely complete ... So we can look to rising per-capita incomes from here on in."

Others see precious little good news in the latest figures, which are calculated in constant 1995 dollars.

"The whole story is bad news with only the occasional glimmer," said Susan McDaniel, a sociology professor at the University of Alberta.

The wave of baby boomers entering their highest-earning years masked the severity of falling incomes, she said.

Although women made some inroads into the 25 highest-paid occupations, they still overwhelmingly dominate the 25 lowest-paid jobs

Because of their detailed breakdown on geographic areas and population groups such as immigrants and visible minorities, the census figures offer greater insight than the usual income reports as to who is most affected.

For instance, while average earnings fell for all age groups over the five-year period, the youngest suffered the greatest drop – 20 per cent for Canadians aged between 15 and 24.

While average earnings fell in all education categories, the steepest decline – 8.2 per cent – was for people with less than a Grade 9 education.

And while two-parent families lost about 4 per cent on average, lone-parent families lost 8 per cent.

The census data also show, for the first time, how far behind are people in visible-minority and aboriginal groups.

About 10 per cent of the 15 million people receiving pay cheques in 1995 were members of visible minorities. Their average income was $22,498, about 15 per cent below the national average, Statscan reports.

The discrepancy for Canadian-born members of visible minorities is even more stark: they earn on average 30 per cent less than Canadians in general, although this is due in large part to their younger average age (nearly 45 per cent in this group were under the age of 25, compared with 18 per cent for other Canadian-born earners).

Aboriginal people earn 34 per cent below the national average. "There was a predominance of part-year, or part-time, work among aboriginal people," the Statscan report notes.

They are not alone. Although job creation has picked up since 1995, most new positions are part-time, low-paid and often temporary.

"During the last 15 years we've seen a major restructuring in the Canadian economy," said Kevin Lee, of the Canadian Council on Social Development. "Some people are doing quite well in the high-technology and business sectors. But people not able to break into these sectors are doing worse. They're having to settle for low-paying, part-time jobs with no benefits."

Another trend pinpointed by the census report is that slightly less income is from employment and slightly more from pensions, social programs and investments.

In 1995, 75 cents of every dollar came from wages, salaries or self-employment; 14 cents came from governments; and 11 cents from investments or pensions.

In 1990, 78 cents came from pay cheques. In 1970, it was 86 cents.

Between 1990 and 1995, the percentage of men working full time fell to 56 per cent from 58; for women, the numbers fell to 43 per cent from 44.

Men saw their incomes drop 7.6 per cent, while women's dropped 2 per cent. But, on average, men still earn almost double what women earn – $31,117 compared with $19,208.

In its breakdown of cities across the country, urban incomes were down everywhere except Victoria and Windsor, Ont. Ottawa-Hull supplanted Toronto as the richest city in 1995, with an average family income of $64,243. Toronto was second with $64,044, followed by Calgary with $63,586 and Windsor with $62,244.

The flip side of the income figures is urban poverty.

The Canadian Council on Social Development has applied the Statscan data and come up with a ranking of cities according to how many of their inhabitants live below Statscan's low income cutoffs, which are generally accepted as the poverty line.

The council's figures show an increasing number of people living in poverty in every metropolitan area. Quebec has four of the five poorest cities in Canada, and Toronto is the sixth-poorest.

In Montreal, more than one-fifth of families (22.6 per cent) receive less than the low-income cutoff. In Trois-Rivières, Chicoutimi-Jonquière and Quebec City the poverty rates are between 18.6 and 18.9 per cent. Vancouver ties Chicoutimi-Jonquière at 18.7 and Toronto ties Quebec City at 18.6.

Most disturbing for Torontonians, perhaps, is that the city rose to sixth place in the urban-poverty rankings in 1995, up from 15th place in 1990.

(*continued*)

MEASURING: *Woman climbing wage ladder* (continued 2)

EM9806: The Globe and Mail, May 13, 1998, page A4

Women climbing wage ladder

Despite gaining footholds at top, they still occupy nearly 70 per cent of bottom-rung jobs

BY MARGARET PHILP
Social Policy Reporter

TORONTO – At the Toronto District School Board, the principals have stopped dancing.

Not so long ago, when the senior public-school administrators got together for their annual fall conference, the split of men and women was almost even, so the principals would hold a dinner-dance.

No longer. After women started tipping the balance as Toronto school principals in the early 1990s, there was a sudden shortage of dance male partners.

"There were so many more women than men at the conferences, we weren't having dances any more", says Tanya Sterioff, principal for the past six years at Ossington-Old Orchard Public School. "The poor guys would have their feet danced off."

The movement of women into principals' offices in Toronto appears to be part of a bigger shift taking hold across Canada.

According to 1996 census data released yesterday by Statistics Canada, more women joined the ranks of the 25 highest-paid professions between 1990 and 1995, and female school principals and lawyers led the charge.

While women held 17 per cent of the jobs with the fattest pay cheques at the beginning of the decade, they flocked into all 25 top professions over the past few years, from doctors and professors to pilots and commissioned police officers, filling 22 per cent of those jobs on average by 1995.

At the same time, women continued in 1995 to dominate the lowest-paying professions in equal numbers as 1990, holding 68 per cent of jobs that include nannies, sewing-machine operators, and early-childhood educators.

Even with 60 per cent of classrooms led by female teachers, the administrative offices in Toronto schools were male bastions as recently as 1990, when nearly four out of five principals were men. By 1997, 62 per cent of the 120 elementary-school principals with the Toronto board were women – a rough match with the proportion of female teachers on staff.

With a salary of $85,000 a year (at the high end for a Toronto principal) Ms. Sterioff considers herself a bargain. A normal work week runs at least 50 hours, not including the usual round of evening meetings.

The census data show there were more female principals and school administrators in 1995 than ever before – 8,300, a surge from 5,305 in 1990. Their average salaries rose from $57,779 to $60,394 (in 1995 dollars). Meanwhile, the number of male administrators slipped to 14,310 from 14,700; their incomes fell, too, to an average of $66,837 from 1990's $67,087.

John Gartley, senior research analyst with Statscan's census income statistics division, suggests the rise in both involvement and incomes of women in the most lucrative professions appears to be a natural evolution as high-paid, long-serving men start

Highlights

Almost all Canadians have taken an economic hit, according to the 1996 national census.

- Incomes of Canadians fell 6 per cent between 1990 and 1995, wiping out the gains of the late 1980s boom.
- Average earnings fell for all ages and levels of education, but the youngest were hardest hit.
- Single parents' incomes fell, on average, by 8 per cent.
- The average income for men dropped 7.8 per cent, for women 2 per cent.
- City-dwellers everywhere except Victoria and Windsor, Ont., have lost income. Toronto had the steepest slide, with its residents 10-per-cent poorer than in 1990. Toronto was also displaced by Ottawa-Hull as the city with the highest average income in 1995.
- Sixteen per cent of Canadian families are living in poverty, as defined by Statscan's low-income cutoffs, compared with 13 per ent in 1990.
- Incomes for members of visible minorities are 15 per cent below the national average. For those born in Canada, income is 30-per-cent lower than the average, mainly because they are younger.
- Aboriginal people's incomes are 34 per cent lower than the Canadian average, mostly because fewer work at full-time jobs.
- Only 75 cents of every income dollar comes from employment, down from 78 cents in 1990 and 86 cents in 1970. The rest comes from pensions, employment insurance, social assistance, tax benefits and investments.

-- Staff

Feeling poorer? You're right

Census figures (in constant 1995 dollars) show incomes fell

Top 10 highest and lowest paying occupations

10 highest paying occupations	**Men**	**Women**
Judges	$128,791	$117.707
Specialist physicians	137,019	86,086
General practitioners and family physicians	116,750	81,512
Dentists	109,187	71,587
Senior managers:		
• Goods production, utilities, transportation and construction	102,971	58,463
• Financial, communications carriers and other business services	104,715	71,270
• Trade, broadcasting and other services	84,237	48,651
Lawyers and Quebec notaries	89,353	60,930
Primary production managers (except agriculture)	78,421	48,479
Securities agents, investment dealers and traders	90,391	47,323
10 lowest paying occupations		
Sewing-machine operators	$20,664	$17,340
Cashiers	20,557	16,977
Ironing, pressing and finishing operations	19,297	16,499
Artisans and craftpersons	20,555	13,565
Bartenders	18,899	14,940
Harvesting labourers	18,683	14,465
Service attendants	16,520	14,947
Food-service counter attendants and food preparers	17,912	14,681
Food and beverage servers	18,192	13,861
Babysitters, nannies and parents' helpers	15,106	12,662

(*continued overleaf*)

to retire and women begin climbing the income ladder.

At the bottom end of the jobs, among the low-paid hairstylists, farm workers, and cashiers, 20-year-old Claire Yao stands behind the cash register at Baroli Caffé in Toronto's Eaton Centre, ringing in gourmet coffee and $6 sandwiches for shoppers.

She works 30 hours a week for $7 an hour (15 cents above Ontario's minimum wage), with no benefits.

"It's hard to find work. There's nothing out there. It's depressing, actually," says Ms. Yao, who lives with her parents and plans to return to school in September at McGill University. "And what I'm doing is pretty demoralizing work."

According to the census, Ms. Yao's job as a food-service counter attendant is the third lowest-paying in Canada, providing an average salary of $15,487 a year in 1995.

Of the 25 occupations at the bottom of the scale, women dominate all but five. There are 16,670 women working in jobs like Ms. Yao's, compared with 5,550 men doing so. And while the women made an average of $14,681 a year, the men took home $17,912.

"These are increasingly becoming the jobs that people take," said Paul Clifford, president of a Toronto local with the Hotel Employees and Restaurant Employees Union.

Windsor, Victoria bucked the trend

Average income in constant 1995 dollars for 1990 and 1995

	Average Income ($) 1990	1995	% change
St. John's	56,140	52,054	–7.3
Halifax	57,937	54,241	–6.4
Saint John	52,215	49,138	–5.9
Chicoutimi-Jonquière	50,787	46,656	–8.1
Quebec City	54,953	52,570	–4.3
Sherbrooke	48,462	47,198	–2.6
Trois-Rivières	48,800	47,242	–3.2
Montreal	56,418	52,795	–6.4
Ottawa-Hull	68,726	64,243	–6.5
Oshawa	65,639	62,101	–5.4
Toronto	71,180	64,044	–10.0
Hamilton	62,945	60,899	–3.3
St. Catherines-Niagara	55,838	53,674	–3.9
Kitchener	61,244	59,658	–2.6
London	61,362	58,671	–4.4
Windsor	59,321	62,244	4.9
Sudbury	60,901	57,109	–6.2
Thunder Bay	61,486	58,731	–4.5
Winnipeg	55,414	53,759	–3.0
Regina	58,688	56,844	–3.1
Saskatoon	54,424	53,196	–2.3
Calgary	65,430	63,586	–2.8
Edmonton	59,154	56,090	–5.2
Vancouver	63,769	60,438	–5.2
Victoria	59,086	59,585	0.8

EM9807: The Globe and Mail, May 13, 1998, page A4

Windsor families richer, buck national trend

BY HENRY HESS
The Globe and Mail

Windsor, once an economic basket case, is rebounding with a vengeance, figures released yesterday by Statistics Canada show.

The gritty, southwestern Ontario industrial centre, known for automobiles and gambling, was the only major city in Canada where the average family had significantly more money to spend in 1995 than in 1990.

"We're an overnight success – after 10 years of brutally hard work," Roman Dzus, deputy development commissioner for Windsor-Essex, said in an interview.

According to the census, family income in Windsor grew by almost 5 per cent from 1990 to 1995.

Of Canada's 25 biggest cities, only Windsor and Victoria, where the increase was 0.8 per cent, showed any increase in family incomes.

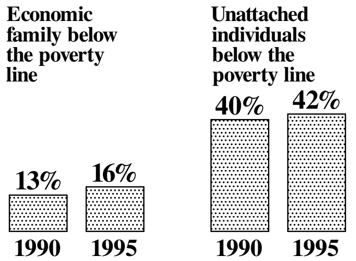
In Victoria, family incomes were maintained by the city's main employer, the provincial government.

David Baxter, of the Vancouver-based Urban Futures Institute, said yesterday that from 1991 to 1996, provincial employees' income increased 21 per cent – 50 per cent more than public-sector wages.

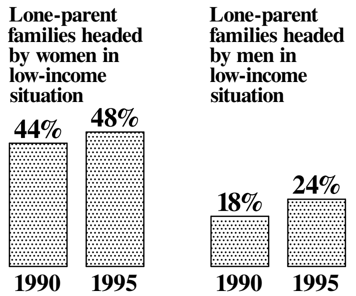
The growth in Windsor, spurred by $7-billion in capital investments by the Big Three automakers and the 1994 opening of the Windsor Casino, left the city with Canada's fourth-highest earnings in 1995 – at $62,244 and closing on the leaders: Ottawa-Hull ($64,243), Toronto ($64,044) and

Life below the poverty line

The general decline in incomes between 1990 and 1995 resulted in an increase in the incidence of low income.



While the number of all families increased 6% during 1990-1995, the number of low-income families increased 32%. In 1995, 12% of husban-and-wife families were below the poverty line, up 9% over 1990.



Education makes the difference

Average earnings by age and education in constant 1995 dollars

	15-24	25-34	35-44	45-54	55-64	65+	TOTAL
Total – 1990	**10,212**	**26,519**	**33,855**	**35,816**	**31,249**	**21,742**	**27,170**
Less than grade 9	9,005	17,273	21,661	24,138	23,092	15,547	21,100
Grades 9-13*	7,175	21,936	26,015	28,173	26,047	19,086	19,933
Grades 9-13**	11,136	24,055	28,627	31,347	29,102	21,406	23,655
Less than university degree	11,776	26,683	33,021	35,527	32,571	21,936	27,257
University degree	13,045	34,462	51,100	60,640	60,067	40,960	44,658
Total – 1995	**8,199**	**24,689**	**32,155**	**35,317**	**30,448**	**20,446**	**26,474**
Less than grade 9	8,178	16,197	19,416	22,412	21,442	13,696	19,377
Grades 9-13*	5,498	20,001	24,662	26,705	24,301	17,089	18,639
Grades 9-13**	8,938	22,163	27,006	29,434	26,978	19,199	22,846
Less than university degree	9,318	24,258	31,039	33,827	30,706	19,936	25,838
University degree	10,851	31,002	48,140	55,614	54,519	39,334	42,054

*without degree **with degree *Source: Statistics Canada* *The Globe and Mail*

(*continued*)

MEASURING: *Minorities don't share in Canada's boom* (continued 3)

Calgary ($63,586).

That is a far cry from 1990, when Windsor languished far down in the pack, with little reason for optimism. The auto industry, long the foundation of its economy, was in the doldrums. Parts plants were closing almost daily, pushing unemployment to almost record levels. The average family income of slightly more than $59,000 (measured in 1995 dollars) lagged far behind other cities.

Statscan analyst John Gartley said part of the explanation for Windsor's recent advance is historical.

Elsewhere, 1990 marked the rebound from the recession of the early 1980s, but Windsor's recovery was slow. While other Ontario cities posted double-digit increases in family income, Windsor lagged at 4 per cent. Its rank among Canadian cities slipped to 11th in 1990, from 8th in 1985.

Then things turned around, Mr. Gartley said. "While everybody else was losing these last five years, [Windsor] managed to move up."

The improvement has been reflected in a dramatic reduction in the city's welfare rolls. The case load – which peaked at 6,854 cases in 1993 – declined by 12 per cent in 1994 and a further 17.5 per cent in 1995 and now sits at slightly more than 3,900 cases, said Susan Ellis of Windsor's social services department.

City administrator Chuck Wills said signs are ripe for continued prosperity. "Basically, what you're seeing now is people have got jobs, paid off their bills" and are starting to spread their money around, he said

With a report from Craig McInnes in Victoria.

EM9808: The Globe and Mail, May 13, 1998, page A4

Minorities don't share in Canada's boom

Whether non-whites are born here or immigrate, they take home less pay

BY BRIAN LAGHI
Alberta Bureau

EDMONTON – Although she hates to think it, Ruth Bimba sometimes wonders whether her black skin and thick African accent may be the reason she cannot find a decent-paying job.

Given Alberta's booming economy, and her own experience as financial manager in a Liberian hospital, the 35-year-old mother of four believes she is qualified for more than the volunteer work and other part-time jobs she has had to take since coming to Canada 15 months ago.

But hints about her accent and the rude manner of some people she has encountered has left her curious as to whether Canada is the tolerant oasis she always believed it to be.

"Sometimes they see your résumé and they're impressed and they'll call you," Ms. Bimba said. "But then when they see you, maybe they aren't quite so impressed."

Ms. Bimba and her family find themselves within a group that Statistics Canada said yesterday is earning below the national average income.

The agency reported that in 1995, the 1.5 million Canadians who consider themselves visible minorities earned an average employment income of $22,498 per year, about 15 per cent below the national average.

About 10 per cent of those who reported employment income were visible minorities. Of that group, four out of five were immigrants, the study said.

The Bimba family, who arrived in Canada in February of 1997, currently survive on the $24,000 Mrs. Bimba's husband, Nathaniel, earns as a chaplain. The family also takes in $369 per month in child tax benefit support.

It's just enough, Ms. Bimba says, to pay the rent for an apartment on Edmonton's north-east side.

But she believes the family could be doing much better if she could put her skills to work.

Despite three interviews for various office jobs, and completing a nine-month course in computer processing, last winter she had to take weekend work at a gas bar for $6.50 hour. She has since gone back to school.

Ms. Bimba said that after a recent interview for an office administrator's job, she was told her accent disqualified her because she would have to deal with people on the phone.

"If it was a problem with grammar I would understand, but it's not," Ms. Bimba said.

Officials say Ms. Bimba's experience is not an isolated one, and that non-white immigrants may have more difficulty finding work.

"Our anecdotal experience is that there still exists a fair bit of racism in this society," said Laurel Borisenko, executive director of the Edmonton-based Mennonite Centre for Newcomers.

Aside from visible minorities who come from outside Canada, Statscan reports that visible minorities born in the country also earn less, as do aboriginals. Canadian-born visible minorities, a group much younger than other Canadian-born earners, took home an average income of $18,565 in 1995, about 30 per cent below the level reported by Canadian-born earners.

The aboriginal portion of the study found that the average wage was $17,382, 34 per cent below the national average. Statscan also found that the aboriginal population has a preponderance of part-time workers.

In 1995, just over one-third of aboriginals in the work force reported working at full-time, year-long jobs, compared with half of the total Canadian population. In addition, they had education levels associated with lower earnings.

Brian Bechtel, head of an agency which studies poverty in Edmonton, said Alberta's economic recovery has not helped a number of Albertans on the low-end of the socio-economic ladder. Government cuts to welfare and other benefits have hurt, he added.

"The recovering economy has been very selective in who it helps," said Mr. Bechtel of the Edmonton Social Planning Council. "The labour market is quite discriminatory."

Of the seven articles reprinted in this Highlight #44, all except EM0302 on pages HL44.2 and HL44.3 are used in Figure 2.2f of the STAT 332 Course Materials.