RESEARCH HIGHLIGHTS:
A Profile of York Region's Low Income Population

INTRODUCTION

The following report summarizes Census 2001 data for York Region's low income population. Its purpose is to:

- Develop a statistical profile of the 1 in 10 York Region residents who lived in low income households in 2000
- Identify the implications of these findings on programs and services provided by the Community Services and Housing Department.

As Vision 2026 states York Region's human services maintain and promote a high quality of life for all residents. An essential part of this role involves responding to the needs of York Region's most vulnerable groups. While there are many circumstances and risk factors that can make people vulnerable, 10% of York Region's population can be classified as vulnerable based on their low income status. Understanding the barriers faced by low income residents is a first step to determining their needs and providing effective, responsive human services.

A recent report by the Federation of Municipalities concluded that while improvements have been made in employment growth, home-ownership, and education levels generally in many larger urban areas, the quality of life has deteriorated for a growing number of people, particularly those at the lower income levels. The profile provides details on this portion of York Region's population. Whereas York Region is a growing, affluent, and young population that continues to enjoy a high quality of life, not all residents have shared in the benefits of economic growth.

BACKGROUND

The Community Services and Housing Department is committed to plan, develop, provide, support and promote quality social services and partnerships that preserve and enhance the social and economic well being of residents of York Region. Continuous monitoring and assessment of community needs is a critical component of this. It also supports service providers, service managers and municipal policy makers to understand the changing situations of residents, anticipate the demand on services, and develop the appropriate responses through service planning, prevention initiatives, community funding and partnerships, and strategic policy development.

The 2001 Census is a key source of social and economic data of those living in low income households. The data summarized in this report was part of a collaborative effort between Community Services and Housing, Planning and Development Services and Health Services departments to identify the potential impacts of the 2001 Census on both the broad corporate level and on individual department business areas. Community Services and Housing took the lead role in developing a baseline population profile of York Region's low income groups.

This statistical profile is also intended for a broader purpose – to raise awareness of what economic disadvantage looks like in York Region. Perceptions of what it means to live on low income often reflect the conditions of larger more urbanized centres of Canada, where there are higher concentrations of people having low incomes and more visible signs of economic and social distress. Much less is known for areas like York Region – wealthy and economically vibrant, but facing rapid growth and a changing population. York Region is well positioned to pro-actively address the factors that can result in higher rates of low income by developing a better understanding of the challenges faced for those living on limited resources.

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This profile demonstrates that although there are groups that are more vulnerable to living on low income based on certain risk factors, York Region's low income residents share many of the characteristics of the overall population in terms of family structure, work activity, high levels of educational attainment, and the industries they work in.

METHODOLOGY

This profile is based on a series of Statistics Canada custom tabulations of Census 2001 data.

The profile uses Statistics Canada's before-tax Low Income Cut-Offs (LICOs) as a measure of low income. LICO refers to people living in "straitened circumstances". According to Statistics Canada, a census family that spends over 54.7% (20% more than an average family) of their gross income on food, shelter and clothing is considered to be below the low income cut-offs. This definition takes into consideration the size of the census family and the size of the area of residence. LICOs are adjusted for inflation and changes in Canadian spending patterns and is consistent over time.

The profile focuses on socio-economic characteristics that can be factors affecting a person's income and that are included in Census data: age, gender and family type; education levels; work activity; and source of income. Each characteristic is viewed in two ways: first as a potential indicator of risk, and then as a descriptor of York Region's low income population.

Identifying Risk Factors: Specific characteristics are identified as potential risk factors by calculating the incidence of low income for the population with that characteristic. The incidence of low income is the percentage of a population that is low income.

Describing York Region's Low Income Population: The description of York Region's low income population is based on the proportion, or percentage, of the low income population with specific characteristics.

All data reported in this profile, unless otherwise specified, refers to the characteristics of individuals in York Region living in low income households. As previously discussed, LICO is calculated using total income for a census family, so the low income status of an individual reflects the family in which they live. All members of that family are considered to be living on low income.

Please see Appendix for more description of LICO and Census variables.

Source: Statistics Canada, 2001 Census Custom Tabulations, Catalogue #97C0001

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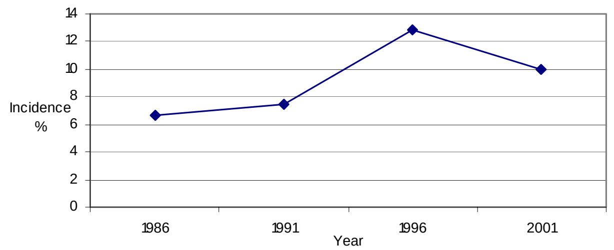
SUMMARY OF FINDINGS

LOW INCOME TRENDS:

The low income population has risen since 1991, albeit unevenly– a sharp rise in the population between 1991 and 1996, and then a slight decrease between 1996 and 2001. Both may have reflected the impact of the recession of the early 1990s and subsequent economic growth of the late 1990s. (Overall, the low income population increased from about 37,570 to about 71,600 in 2001.) We also know that generally in Canada, the people living at the lowest end of the income ranges have seen little or no increase in real incomes since 1991, particularly compared to those at the highest ranges.

Figure 1: Incidence of Low Income in York Region 1986-2001



The proportion of the population living in low income households was also larger in 2001 than in 1986 or 1991. This suggests that low income trends may also reflect that York Region has become a more complex and diversified region of urban, suburban, and rural communities since 1986 – and that the low income population is not likely to decline significantly. The areas that experienced the greatest change from 1991 to 2001 are among the fastest growing parts of the Region.

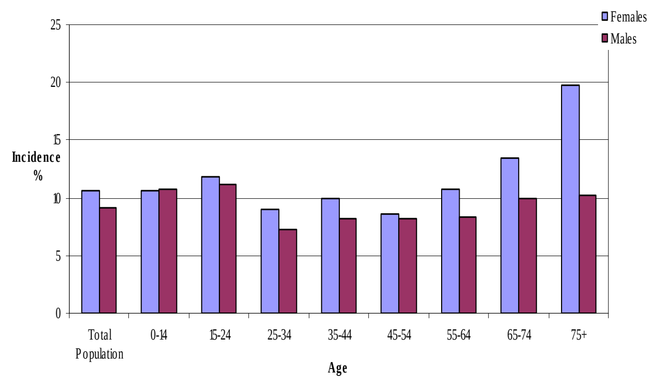
Figure 2: Incidence of Low Income By Municipality 1991-2001

	1991			2001		
Municipality	Total Pop.	Low Income Pop.	%	Total Pop.	Low Income Pop.	%
Aurora	28,880	2,240	7.8	39,665	2,405	6.1
East Gwillimbury	17,900	580	3.2	20,115	1,235	6.1
Georgina	29,260	2,730	9.3	38,730	4,005	10.3
King	18,015	1,020	5.7	18,425	910	4.9
Markham	152,750	11,405	7.5	207,700	26,230	12.6
Newmarket	44,430	3,800	8.6	64,920	5,570	8.6
Richmond Hill	79,550	6,875	8.6	131,380	16,580	12.6
Vaughan	110,680	8,210	7.4	181,475	14,880	8.2
Whitchurch-Stouffville	18,000	705	3.9	21,820	750	3.4
York Region	499,470	37,570	7.5	724,215	72,565	10

RISK FACTORS IN YORK REGION

Gender: Women in every age group 15 and over are more likely than men to be living on low incomes. The gap between incidence of low income for women and men grows as women age.

Figure 3: Low Income Population by Age and Gender



Age: Children and youth are more likely to live in low income households than people in their core working years (25-64). The risk of living on low income grows incrementally after age 64 (12% for those age 65-74) and is highest for seniors 75 and over (16%).

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Family Type:
Family type can have a tremendous impact on income based on the number of earners and dependants in a family. In the population 15 and over:

- 28% of people living alone and 18% of lone parents have low incomes;
- 8% of parents in couple families with children and 7% of individuals in couple families without children have low incomes.

Educations Levels:
The risk of living on a low income decreases as level of education increases. For the population 15 to 64 the incidence of low income was:

- 16% for those with less than grade 9;
- 13% for those with grades 9 to 13 without high school certificates;
- 11% for those with high school certificates;
- 8% for those with some post-secondary education; and,
- 6% of those with university degrees.

Work Activity:
People with more work activity are less likely to be living on a low income.

- 6% of those age 15-64 who worked live on low incomes compared to 24% of those who did not work.
- Those who worked full year, full time are the least vulnerable, while those who worked part-year, part-time are the most vulnerable.

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PROFILE:

The risk factors above indicate that people with certain socio-economic characteristics are more likely to live on low incomes. The following profile of York Region's low income population demonstrates that the groups with the highest levels of risk, do not necessarily make up the majority of York Region's low income population.

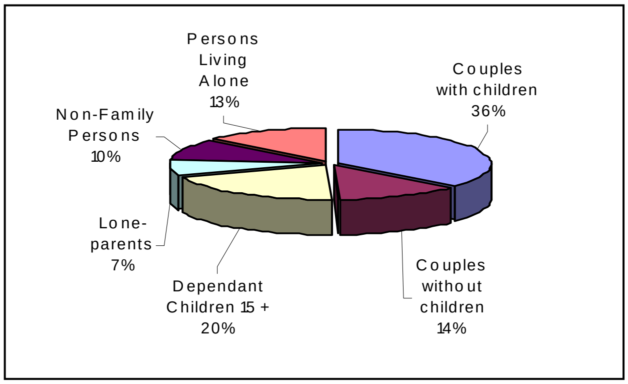
There are 71,600 low income residents of all ages in York Region (10% of the total population). Of these

- 23% are children 0-14;
- 16% are youth 15-24;
- 49% are 25-64 (core working ages); and,
- 12% are seniors 65 and over.

Low Income Population 15 and over by Family Type:

The chart below divides the low income population age 15 and over by the type of family an individual lives in. The highest risk groups, people living alone and lone parents, have fairly small populations in York Region (3,950 and 7,270 respectively).

Figure 4: Low Income Population 15 and Over by Family Type



Note: Because this data includes some dependant children age 15 and over, the number of dependants were derived and identified as a separate category.

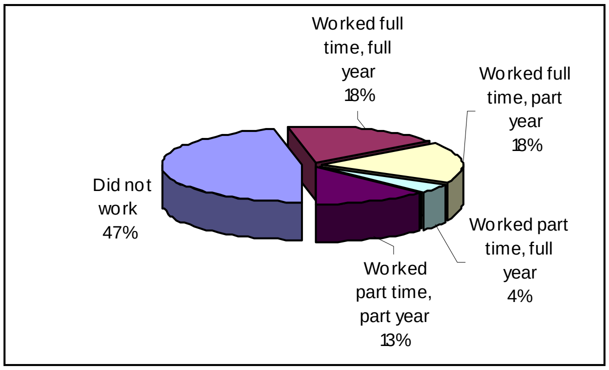
Level of education is varied among the low income population age 15-64:

- 15,330 of residents have not graduated high school. 35% of these are youth who may still be in school.
- 24,030 or 51% of low income residents have some post-secondary education or a University degree. 9.5% of these are youth who may still be recent graduates or still in school.

Just over half of the low income population age 15-64 worked:

- 24,830 or 53% of the low income individuals worked in 2000.
- 18% worked full time all year and 18% worked full time for part of the year.
- 4% worked part time all year, and 13% worked part time for part of the year.
- 60% of working low income residents age 15-64 have some post-secondary education or a University degree.
- 24% of working low income residents 15-64 have not graduated high school.
- Of these, about 20% or almost 5,000 were youth.

Figure 5: Work Activity of Low Income Population



Just under half of low income residents did not work in 2000:

- 21,820 low income residents did not work at all in 2000. Some members of this group will be members of a household where another family member works.

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- This includes residents who were unemployed and looking for work, about to start a new job, or on temporary layoff and expecting to return to work.
- This group also includes people who are not in the labour force. For example, students, people who stay at home to care for their family, and people with serious illnesses or long term disabilities.
- One third of those who did not work are youth age 15-24.
- 42% of low income residents 15-64 who did not work had some post-secondary education or a University degree.
- 43% of the low income population that did not work have not graduated high school. 5,560 of these residents are age 25 and over.

Different age groups had distinct work patterns:

- Most youth aged 15-24 did not work (58%) and of those who did, most worked part time, part year or full time, part year.
- Most 25-54 year olds worked (62%), either full time, full year or full time, part year.
- Most 55-64 year olds did not work (68%), and of those who worked, most worked either full time, full year or full time, part year.

Figure 6: Low Income Working Age Population by Industry, 2001

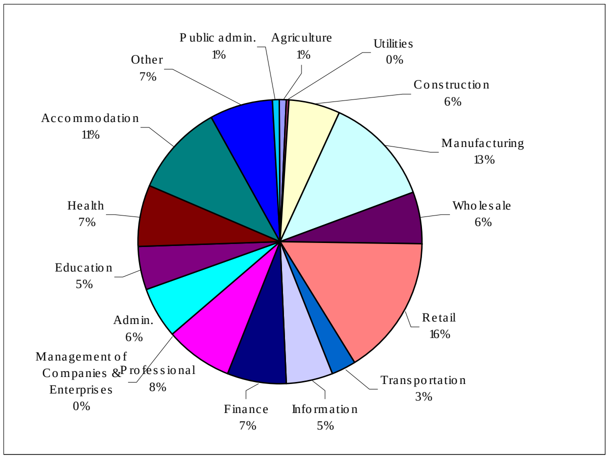
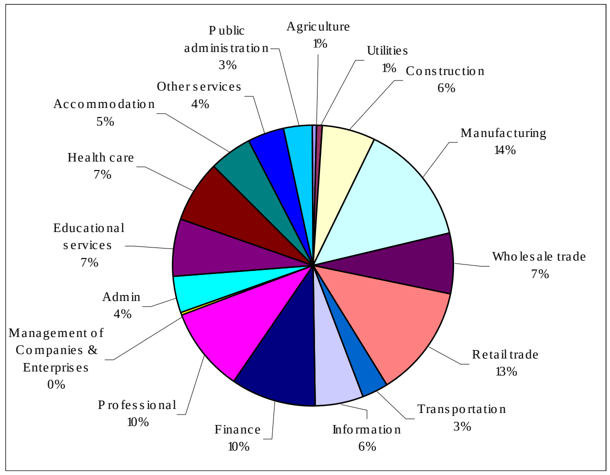


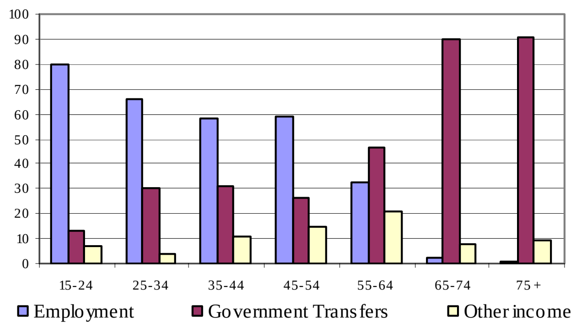
Figure 6.1: Working Age Population by Industry, 2001



The proportion of the low income population working in each industry does not vary much from the total population:

- A slightly higher proportion of the low income population work in retail, accommodation, administration and other services (e.g. repair and maintenance; personal & laundry services).

Figure 7: Sources of Income for the Low Income Population by Age



Compared to the total population, low income residents rely more heavily on government transfers:

- Working age low income residents rely on employment as their major source of income, however, their income is supplemented more heavily by government transfers than that of the total population.
- Government transfers include income from federal, provincial or municipal governments.

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These include Old Age Security and the Guaranteed Income Supplement, Canada Pension Plan, benefits from Employment Insurance, Social Assistance, workers' compensation, Canada Child Tax Benefits and other programs (e.g. employment supplements, refundable tax credits, veteran's pensions, training allowances)

- Low income seniors rely on government transfers for the majority of their income and are less likely to have investments, private pensions, or annuities than that of the total population.

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IMPLICATIONS FOR COMMUNITY SERVICES AND HOUSING

As the profile suggests, York Region's population under LICO is varied and requires different types of service responses. The following indicates key service demand pressures for Community Services and Housing based on the profile findings:

- **Employment supports to keep working families and individuals attached to the labour market.** While York Region's capacity to attract and retain good jobs is a key factor to address the needs of this population, supports that help maintain employment are also essential, such as child care fee assistance for those with children and Rent-Geared-to-Income (RGI) programs for low to moderate income working households. York Region's "working poor" are also at economic risk if faced with a significant disruption in their employment -- homelessness prevention services and short-term social assistance provide a key safety net to help people stay in their homes, stabilize family dynamics and find new jobs.

- **Assist people to re-integrate into the labour market.** People with low levels of education or little work activity face significant barriers to employment and also make-up a significant proportion of social assistance recipients in York Region. They often require more extensive re-employment and skills development services (as well as child care supports) through Ontario Works employment programs to promote self-sufficiency.

- **Provide longer-term supports and services to vulnerable groups.**

  - ➢ Sole support parents and people living alone often require more intensive and specialized supports to integrate into the labour market -- or meet basic needs and maintain quality of life if unable to work due to disability or health restrictions. Services can include RGI, social assistance, and supportive housing, as well as child care fee assistance and family strengthening programs such as recreation and parenting supports for parents and their children who are on social assistance or live in subsidized housing.

  - ➢ People living alone often lack strong social supports and other community attachments – and as a result can be at high risk of requiring emergency assistance and shelter if faced with a personal or financial crisis.

  - ➢ The needs of vulnerable clients are often beyond the mandate and/or resources of individual service areas, so collaboration is essential for developing effective supports. This requires coordinated service planning between Community Services and Housing, other corporate departments, community service agencies, and other levels of government.

  - ➢ Develop affordable housing options, including more diverse mix of housing and rental stock located close to public transit, employment and services.

It is important to stress that the profile provides one indicator of potential service need for Community Services and Housing, but does not necessarily reflect the actual demand for specific services. Other factors are also critical to service use, so any specific assessment will require greater integration of socio-economic data with other indicators of risk. Some moderate income households also access Community Services and Housing, so the potential demand reflects a broader range of income groups than those considered in this profile.

The supports provided by Community Services and Housing are responsive to the needs of low income residents, and have the following impacts on the broader community:

- Reduces non growth related human service costs in the long term by investing in prevention and mitigating the need for increased reliance on crisis intervention.
- Sustains a high quality of life for all residents

- Promotes economic prosperity – many of these residents are a critical part of a skilled, adaptive work force that is needed in a mature robust economy.

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Next Steps to Support Human Services Planning in York Region

Effective planning for vulnerable residents must also consider other factors related to a person's income and how these impact the potential demand for services.

- **Relationship between low income and other indicators of vulnerability:** Visible minorities, some recent immigrants, and people with disabilities can face multiple barriers that result in low income. Given York Region's increasing ethno-cultural diversity, understanding the socio-economic risks for newcomers and visible minorities is critical for service planning and delivery, particularly for those who face significant language, attitudinal, or professional barriers in fully participating in York Region's employment opportunities. Analysis of the employment and income situations for people with disabilities will also help inform accessibility planning.

- **Understanding the "working poor":** As recent work by the Canadian Policy Research Network suggests, a person's low income may reflect not just their individual education or skill level, but also local labour markets and types of employment. Understanding the industries, occupations, and workplaces of lower income residents can enhance service planning related to employment assistance programs. Providing clients with opportunities for longer-term and stable employment is an effective preventive measure to reduce future reliance on social assistance.

- **Depth of low income:** The profile uses Statistics Canada Low Income Cut-offs (LICO) as upper-limits for measuring low income, but the actual level at which low income households may fall below LICO levels can result in different degrees of risk. Identifying who lives at severe levels of low income is critical in planning for the most vulnerable in York Region.

- **Spatial analysis of the population living in low income households:** Recent research on low income trends in Toronto has shown increasing concentration of low income households in neighbourhoods bordering York Region. Further analysis of the relationship between low income and regional factors (e.g., local economic activity, settlement patterns, and neighbourhood amenities & services) will help identify areas for service planning, delivery, and community investments, as well as to inform strategic corporate and community planning initiatives.

- **Impact of low income on health:** Research into the social determinants of health has linked a person's work, income, and housing situations to their health status. Low income data can help identify populations that may face different risk factors in providing health promotion and family health programs.

CONCLUSION

Low income is often associated with certain risk factors -- low levels of education, little or no employment activity, lone parents, senior women, and singles living alone. 2001 Census data shows that while these groups face the highest likelihood of living on low income in York Region, many others reflect the broader demographics of York Region – they work, support families, have post-secondary education, and work in all industry sectors. Low income residents play a vital role in the community and provide a key part of the labour force along the continuum of skills and wages.

Providing opportunities for people who face income related barriers to participate in York Region's prosperity and high quality of life represents an effective preventive approach to long-term human services planning in York Region.

Appendix of Tables:

Table 1 York Region Incidence of Low-Income, by Age, 2001

	Total Population	Proportion of Total Population %	Low Income population	Proportion of Low Income Population %	Incidence of Low Income %
Total Population	722,035	100	71,635	100	9.9
0-14	155,045	21.5	16,505	23.0	10.6
15-24	100,910	14.0	11,505	16.1	11.4
25-34	95,050	13.2	7,720	10.8	8.1
35-44	131,575	18.2	11,950	16.7	9.1
45-54	113,430	15.7	9,555	13.3	8.4
55-64	62,550	8.7	5,925	8.3	9.5
65-74	39,700	5.5	4,690	6.5	11.8
75+	23,780	3.3	3,785	5.3	15.9

Table 2 York Region Incidence of Low Income for Individuals by Family Type, 2001

	Total Population	Proportion of Total	Low Income	Proportion of Low Income %	Incidence of Low Income %
Total Population 15+	566,990	100	55,130	100	9.7
Couples with children	254,625	44.9	19,825	36.0	7.8
Couples without children	108,930	19.2	7,450	13.5	6.8
Dependant Children 15 +	127,955	22.6	11,035	20.0	8.6
Lone-parents	22,175	3.9	3,950	7.2	17.8
Non-Family Persons	53,355	9.4	12,870	23.3	24.1
Persons living alone	26,060	4.6	7,270	13.2	27.9

Table 3 York Region Low Income Working Age Population by Education Level, 2001

	Total Population 15-64	Proportion of Population %	Low Income	Incidence of Low Income %	Proportion of Low Income %
Total Population 15-64	503,515	100.0	46,655	9.3	100.0
Less than grade 9	22,445	4.5	3,670	16.4	7.9
Grades 9-13 without certificate	87,625	17.4	11,660	13.3	25.0
Secondary school with certificate	68,080	13.5	7,300	10.7	15.6
Some post-secondary	201,610	40.0	16,430	8.1	35.2
University degree	123,750	24.6	7,600	6.1	16.3

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Table 4 York Region Low Income Working Age Population by Work Activity, 2001

	Total Population 15-64	Proportion of Total %	Low Income Population 15-64	Proportion of Low Income %	Incidence of Low Income %
Total Population 15-64	503,510	100	46,655	100	9.3
Did not work	89,975	17.9	21,820	46.8	24.3
Worked[1]	413,540	82.2	24,830	53.4	6.0
Worked full time, full year	247,025	49.1	8,530	18.3	3.5
Worked full time, part year	80,440	16.0	8,190	17.6	10.2
Worked part time, full year	29,910	5.9	2,030	4.4	6.8
Worked part time, part year	56,160	11.2	6,100	13.1	10.9

Table 5 York Region Population by Source of Income and Income Status, 2001

	Employment Income %		**Government Transfer Payments %**		**Other Source of Income %**	
	Total Population	Low Income Population	Total Population	Low Income Population	Total Population	Low Income Population
Total Population	84.9	44.6	5.9	44.7	9.2	10.7
15-24 years	92	79.9	3.7	13.3	4.3	6.8
25-34 years	94.5	65.8	3.2	30.1	2.3	4.1
35-44 years	93.7	58.4	2.3	30.9	4	10.7
45-54 years	91.8	58.6	1.7	26.4	6.5	15
55-64 years	77.6	32.6	5	46.8	17.4	20.6
65-74 years	28.6	2.1	36	89.9	35.4	8
75 +	6.1	0.4	46.7	90.4	47.2	9.2

[1] The proportion of the total population and low income population that worked is the sum of the other types of work listed below it in the table.

Appendix – LICO and Census Data

Low Income Cut-Offs 2000 Before-tax, $'s
Community Size

Size of family unit	Rural areas	Less than 30,000	30,000 to 99,000	100,000 to 499,999	500,000 and over
1 person	12, 696	14, 561	15, 648	15, 757	18, 371
2 persons	15, 870	18, 201	19, 561	19, 697	22, 964
3 persons	19, 738	22, 635	24, 326	24, 497	28, 560
4 persons	23, 892	27, 401	29, 448	29, 653	34, 572
5 persons	26, 708	30, 629	32, 917	33, 148	38, 646
6 persons	29, 524	33, 857	36, 387	36, 642	42, 719
7 persons	32, 340	37, 085	39, 857	40, 137	46, 793

Source: Statistics Canada, Data Dictionary, Census 2001

York Region census sub-divisions (which are the same as our municipalities) fall into the LICO table based on population figures from the 2001 Census.

Size and Area of Residence
100,000 to 499,999: Markham, Richmond Hill, Vaughan
30,000 to 99,999: Aurora, Georgina, Newmarket
Less than 30,000: East Gwillimbury, King, Whitchurch-Stouffville

Please note that although York Region does have rural areas, LICO is applied at the Census Subdivision level (Area Municipal level) and as such the rural LICO column is not applied to any areas within York Region.

The profile also considers socio-economic factors related to low income situations and that are included in Census data:

- **Age, Gender, Family Type:** Age and gender often affect earning potential during a person's life – some age groups are more likely to face periods of lower income than others (students, youth, seniors), and women may have less opportunity to earn income due to family responsibilities, interruptions in employment due to child-birth and care, and other situations where women may not maintain continual attachment to the labour force or cannot access high-paying jobs. Families also play an important role in people's income status. Resources between family members are often shared and expenditures used to benefit all. People who lack these supports, such as people living alone or lone parents, may have fewer resources available to maintain employment, undertake education or skills development, or weather a financial crisis. Family size and arrangements can also impact low income status in cases where only one family member is supporting a household with many dependents, or where parents decide to split work-home responsibilities.

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- **Education Levels:** A person's pre-employment education and training can often be a factor in the amount of income they earn later in life. People with lower levels of education are more likely to face difficulties in obtaining and keeping well-paying jobs, particularly in an increasingly knowledge-based and adaptive labour market. Education is also increasingly seen in policy discussions as a measure of human capital investment by society – the better educated a population, the more innovative the economy. Education can also provide an indication of who are under-employed – people with a high level of educational attainment but work in relatively lower skilled or paying occupations.

- **Employment and Labour Force Participation:** Employment income is the primary source of economic security for most people between the ages of 25 and 64, both in terms of meeting immediate needs as well as saving for future costs. The level of security provided by earnings often depends on the types of employment a person has during their working years, such as, the industries or occupations they work in; whether or not they receive benefits, work full time or part time in permanent, temporary, or casual employment; and whether they pay into pensions. Some people also face challenges in maintaining on-going attachment to the labour force due to disabilities or health restrictions. Census data related to employment (work activity, labour force participation) provides some indication of how a person's work is related to their income status.

- **Source of Income:** Most individuals and families receive income from a variety of sources during the course of their lifetime, for example, employment earnings, interest and dividends from investments, private pensions/annuities, and various types of transfers from governments, such as public pensions, refundable tax credits and benefits, Employment Insurance/workers' compensation, and social assistance to name a few. Census data on the composition of income provides information on the proportion of income a population receives from different sources and how this may be related to their low income status.