



Region of Waterloo

Poverty Indicators in Waterloo Region:

STATUS REPORT 2014

**An Initiative of the Region's Comprehensive
Approach to Poverty Reduction**

What is Poverty?

Poverty is the experience of material and social deprivation that prevents people, communities and whole societies from reaching their full potential. Poverty is about not having enough money to meet basic needs including food, clothing and shelter but it is much more than just not having enough money. Poverty is a complex issue related to other key determinants of health and well-being and no matter how poverty is defined, it can be agreed that it is an issue that requires everyone's attention.

The Region of Waterloo's Comprehensive Approach to Poverty Reduction

Poverty is an issue in Waterloo Region. We recognize that we can do more to have a greater impact on poverty reduction. The Comprehensive Approach to Poverty Reduction has been developed to address poverty comprehensively across Regional departments and program areas to find sensible, innovative and lasting solutions for poverty reduction. An objective of the Comprehensive Approach is to maximize the Region's collective impact on poverty, recognizing that each department of the Region has a unique role to play in reducing poverty.

Many provinces across Canada have developed poverty reduction strategies. In 2008, the Government of Ontario released the province's first poverty reduction strategy titled "Breaking the Cycle: Ontario's Poverty Reduction Strategy".

Municipalities and local communities are also engaged in poverty reduction activities and there are many place-based strategies being developed and implemented across the country. During this period of significant change and financial restraints, there may never be a better time for the Region to address the issue of poverty comprehensively across program and department areas with a focus on using existing resources to maximize its corporate-wide impact on poverty reduction.

For more information about the Region's Comprehensive Approach to Poverty Reduction, see:

www.regionofwaterloo.ca/socialservices and search "poverty".



Purpose of this report

This report is intended for use by Region of Waterloo staff and community partners. Region of Waterloo recognizes that it is not solely responsible for taking action on these indicators or the related outcomes, and that there is a shared and significant role of the broader community in the work to reduce poverty. This report provides context as we work collaboratively and effectively towards reducing poverty in Waterloo Region. A common understanding of what poverty looks like is an essential foundation for this work.

National or provincial level indicators may not show important differences between geographic areas. Looking at poverty and its determinants requires a focus on information that is geographically relevant. The purpose of this report is to share a common understanding of factors related to poverty in Waterloo Region.

Although poverty always involves a lack of income, it has many dimensions such as education, employment, social and physical environments, healthy child development and social support networks. They are the living conditions in which people are born, grow, live, work, and age, and which impact health.¹ This status report includes poverty-related indicators selected to reflect different “dimensions” of poverty.

It is our hope that the measurement of these indicators will provide valuable information to keep

poverty reduction on the agenda, generate action over the long term, and to inform program planning, policies, and decision-making in Waterloo Region.

Why measure indicators related to poverty?

There are a number of reasons to measure poverty: to maintain focus on the issue, to monitor trends in order to be able to respond with appropriate interventions where possible and to monitor the effectiveness of projects and policy interventions geared toward reducing poverty. This vision of shared measurement fits with the Comprehensive Approach’s guiding principle of collective impact.

“It is important that we look at poverty in an integrated and coordinated way across the organization, so that we can better understand the issues, identify the most effective actions, and measure if we have made a collective impact to reduce poverty in our community”

Mike Murray, Chief Administrative Officer,
Region of Waterloo



Poverty Indicators in Waterloo Region

The following table presents poverty-related indicators selected for each of the ten dimensions. To provide additional context, a comparison between Waterloo Region and Ontario is provided for each indicator.

#	Dimension	Indicator	Definition	How it relates to poverty	Year reported	Waterloo Region	Ontario	Comparison to Ontario	What do the numbers mean?	Data source
1	Income	Low income measure	Proportion of the population with less than 50 per cent of the median income	Poverty always involves a lack of income.	2011	11.7%	15.1%	More favourable	In 2011, approximately 11.7 per cent of the population in Waterloo Region had low income, which is lower compared to 15.1 per cent for all of Ontario.	T1 Family File (income tax data), Statistics Canada
2	Standard of living	Ontario Deprivation Index	Proportion of households lacking two or more items on the 10-item list	Standard of living measures the issues of poverty that impact quality of life.	2011	10.7%	9.4%	Slightly less favourable	In 2011, approximately 10.7 per cent of households in Waterloo Region were materially lacking, which is slightly higher compared to 9.4 per cent for all of Ontario.	Survey of Labour and Income Dynamics, Statistics Canada
3	Food security	Food insecurity	Proportion of households that were food insecure in the past 12 months due to lack of money	A lack of money can directly impact the ability of families to afford adequate and healthy food.	2011–2012	9.7% (CI: 6.9–12.5)*	8.2% (CI: 7.6–8.7)*	Similarly favourable	In 2011–2012, approximately 9.7 per cent of households in Waterloo Region were food insecure for income-related reasons, a statistically similar proportion to Ontario.	Canadian Community Health Survey, Statistics Canada
4	Healthy child development	Early Development Instrument	Proportion of senior kindergarten students showing no vulnerabilities in readiness-to-learn in any of the five domains	When poverty affects families, children are vulnerable; their health and developmental potential can be affected.	2010 (Waterloo) 2010–2012 (Ontario)	70.0%	72.4%	Slightly less favourable	In 2010, approximately 70.0 per cent of senior kindergarten students in Waterloo Region had no vulnerabilities in readiness-to-learn, which is slightly lower compared to 72.4 per cent in 2010–2012 for all of Ontario.	Early Development Instrument, Kitchener-Waterloo Ontario Early Years Centre and the Offord Centre
5	Health	Birth weights	Proportion of babies born with healthy weight for gestational age	Poverty is a ‘determinant of health’; health in early life sets the stage for health throughout the lifespan.	2013	79.8%	80.5%	Slightly less favourable	In 2013, approximately 79.8 per cent of babies born in Waterloo Region were at a healthy weight for their gestational age, slightly lower than 80.5 per cent for all of Ontario.	Better Outcomes Registry and Network (BORN) Information System
6	Employment	Unemployment rate	Proportion of the labour force who are not employed	The local economy and employment within a society are directly linked with poverty.	2012	6.4%	7.8%	More favourable	In 2012, approximately 6.4 per cent of those aged 15 years or older in the labour force in Waterloo Region were not currently employed, a lower proportion compared to 7.8 per cent for all of Ontario.	Labour Force Survey, Statistics Canada
7	Education	High school completion rate	Proportion of 20 to 24 year olds who have completed high school	Achieving high school education is strongly associated with better outcomes.	2011	89.2%	91.3%	Slightly less favourable	In 2011, approximately 89.2 per cent of 20 to 24 year olds in Waterloo Region had completed high school or equivalent, slightly lower than 91.3 per cent for all of Ontario.	National Household Survey, Statistics Canada
8	Housing	Shelter-costs-to-income ratio	Proportion of households spending 50 per cent or more of their income on shelter costs	The affordability of housing within a community can strongly impact those in poverty.	2011	9.6%	11.8%	More favourable	In 2011, approximately 9.6 per cent of households in Waterloo Region spent half or more of their income on shelter costs, lower than 11.8 per cent for all of Ontario.	National Household Survey, Statistics Canada
9	Social inclusion	Sense of belonging to community	Proportion of population aged 12 years and older who describe their sense of belonging to their local community as somewhat or very strong	Those in poverty tend to have fewer social supports and feel less connected to their community.	2011–2012	60.6% (CI: 56.6–64.7)*	65.2% (CI: 64.4–66.1)*	Similarly favourable	In 2011–2012, approximately 60.6 per cent of the population aged 12 years and older in Waterloo Region reported a somewhat strong or strong sense of belonging to their local community, a statistically similar proportion to Ontario.	Canadian Community Health Survey, Statistics Canada
10	Income inequality	Gini coefficient	Coefficient value indicating the extent to which the distribution of income among households in a population deviates from perfect equality; (0 = perfectly equal distribution, 1 = perfectly unequal distribution)	How equally income is distributed within a society provides an indication of the relative burden of poverty and how disparate the means of the rich and the poor.	2011	0.33	0.34	Slightly more favourable	In 2010, the Gini coefficient for Waterloo Region was similar to that for all of Ontario, meaning the local distribution of income among households was similar to that for the entire province.	Survey of Labour and Income Dynamics, Statistics Canada

* Indicators 3 and 9 are both calculated using Canadian Community Health Survey data, and 95 per cent confidence intervals (CI) are provided with the estimates. When two confidence intervals overlap, no statistically significant differences can be attributed.

Selecting the indicators

There is no universally or nationally accepted measure of poverty and there is no single measure that addresses the complexity of poverty. For the purposes of this report, indicators specific to key determinants of health and well-being have been gathered to provide a high level summary. The list of poverty-related indicators in this report was selected to reflect the different “dimensions” of poverty. The indicators were selected through a collaborative process across the Region of Waterloo, led by the Leadership Team for the Comprehensive Approach to Poverty Reduction.

The list of indicators was developed from a combination of several sources: a) an environmental scan of poverty, health inequities or community well-being related

reports across Canada, b) the list of eight indicators used by Ontario’s Poverty Reduction Strategy², and c) a brainstorming session held by the Leadership Team. In total, 37 potential indicators were proposed, each of which was assessed based on a set of criteria.² The indicators were grouped under broader ‘dimensions’ of poverty and feedback from the Leadership Team and from staff from across the various Regional departments and teams was sought. The feedback was collated and a short list of indicators was proposed, with one indicator from each ‘dimension’ of poverty. A final round of feedback from across the Region was sought before the Leadership Team finalized and endorsed the list of ten poverty-related indicators.

Conclusion

Overall, the poverty indicators reported here suggest that the picture of poverty in Waterloo Region does not greatly differ from the province as a whole. Of the ten indicators, four indicated a more favourable situation, two indicated a similarly favourable situation, and an additional four that indicated a less favourable situation compared to all of Ontario. This report will be reproduced over time as new data become available, in order to provide the most current ‘picture’ of poverty in Waterloo Region. Although there is value to maintaining the same set of indicators for comparison purposes, it will be important to look at opportunities and local priorities as they arise in order to improve the usefulness of the indicators over time.

¹ World Health Organization (2013). Social Determinants of Health.

² For more information, see ‘Breaking the Cycle: The Fifth Progress Report on Ontario’s Poverty Reduction Strategy – 2013 Annual Report’ available at: <http://www.children.gov.on.ca/htdocs/English/breakingthecycle/report/2013/index.aspx>.

³ The indicators were assessed based on the following criteria: relevancy to poverty, how measurable the indicator, whether the indicator was evidence-based, whether the data and data source were reliable, whether the indicator was statistically sound, whether the data were available in a timely manner, whether a provincial and national comparator was available, and whether the data were accessible at the Regional level.

Data notes and limitations

- Due to the voluntary nature of the 2011 National Household survey, caution must be used when interpreting the data. Further, due to changes in data reporting and survey methodology from 2006 and previous census years, direct comparisons, including the calculation of growth rates, percentage and absolute changes, should not be made.
- The Waterloo Region estimates for indicators 2 and 10 are considered statistically unreliable due to high sampling variability, therefore caution is needed when interpreting these estimates.
- Data for indicators 1, 5 and 6 are available on an annual basis; data for Indicators 3 and 9 are available on a bi-annual basis; data for indicators 7 and 8 are available every 5 years; the update schedule for Indicators 2, 4 and 10 is less certain but will be updated when new data are available.
- For more information on the Early Development Instrument, refer to the Community Fit for Children reports on the Early Years Info Waterloo Region website at: <http://www.earlyyearsinfo.ca/data-analysis-resources.html>.
- For more information on the Ontario Deprivation Index, see the Daily Bread Food Bank website at: <http://www.dailybread.ca/learning-centre/ontario-deprivation-index/>.
- For a more detailed explanation of the meaning of the Gini coefficient and how it is calculated, see the Income Gap Report produced in July 2013 by Region of Waterloo Public Health, accessible at: http://chd.region.waterloo.on.ca/en/healthyLivingHealthProtection/resources/INCOME_GAP_REPORT.pdf.

Data Sources

1. Table F-18 Family Data, T1 Family File. (2011). Statistics Canada. Accessed through the Community Data Program. Extracted May 8, 2014.
2. Custom data request, Survey of Labour and Income Dynamics. (2011). Statistics Canada. Received May 16, 2014.
3. Canadian Community Health Survey (2011-2012). Statistics Canada, Share file, Ontario Ministry of Health and Long-Term Care.
4. (Waterloo Region data) Custom data request, Early Development Instrument data (2010). Kitchener-Waterloo Ontario Early Years Centre. Received April 29, 2014; (Ontario data) Early Development Instrument data (2010). As reported in Breaking the Cycle: the Fifth Progress Report – Ontario's Poverty Reduction Strategy 2013 Annual Report. Accessed May 8, 2014 at: <http://www.children.gov.on.ca/htdocs/English/documents/breakingthecycle/2013AnnualReport.pdf>.
5. Custom data request (2013). BORN Ontario. Received May 14, 2014.
6. Table 1 – Labour force estimates by age group, annual average. Labour Force Survey (2012). Statistics Canada. Accessed through the Community Data Program. Extracted March 29, 2013.
7. Catalogue no. 99-012-X2011055, National Household Survey (2011). Statistics Canada. Accessed May 8, 2014 at http://www.statcan.gc.ca/cgi-bin/IPS/display?cat_num=99-012-X2011055.
8. (Waterloo Region data) Custom data request, National Household Survey (2011). Statistics Canada. Received May 20, 2014. (Ontario data) Catalogue no. 99-014-X2011031, National Household Survey (2011). Statistics Canada. Accessed May 9, 2014 at: http://www.statcan.gc.ca/cgi-bin/IPS/display?cat_num=99-014-X2011031.
9. Canadian Community Health Survey (2011-2012). Statistics Canada, Share file, Ontario Ministry of Health and Long-Term Care.
10. Custom data request via the SLID Retrieval System, Survey of Labour and Income Dynamics. (2011). Statistics Canada. Received June 6, 2014.



For more information about these statistics, please contact:

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For more information about the Region's Comprehensive Approach to Poverty Reduction, please contact:

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www.regionofwaterloo.ca/socialservices and search "poverty"

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*We are all part of the puzzle
– we all have a piece to play.*

