Women and Poverty in Hamilton

SPRC
SOCIAL PLANNING & RESEARCH COUNCIL OF HAMILTON

United Way Agency

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Gender analysis reveals complex picture of incomes and poverty in Hamilton

Since the Social Planning and Research Council of Hamilton published its first report on women and poverty in Hamilton, women remain disproportionately affected by poverty in our community.

The last census showed that in 2005 just under 90,000 persons in Hamilton were living on incomes below Statistics Canada's "Low Income Cut-Off' (LICO)†, Canada's most commonly used poverty line. Of this number almost 40,000 were females 15 years or older. Women 15 and over represent 43% of Hamilton's total low income population, while men in the same age group age make up 32% of the total and children under 15 represent 25% of the total.

But the picture of poverty in Hamilton is multi-faceted and affects women from different groups in unique ways. In this report, we will show more detail and analysis to better understand the many realities of women across Hamilton living on incomes below the poverty line.

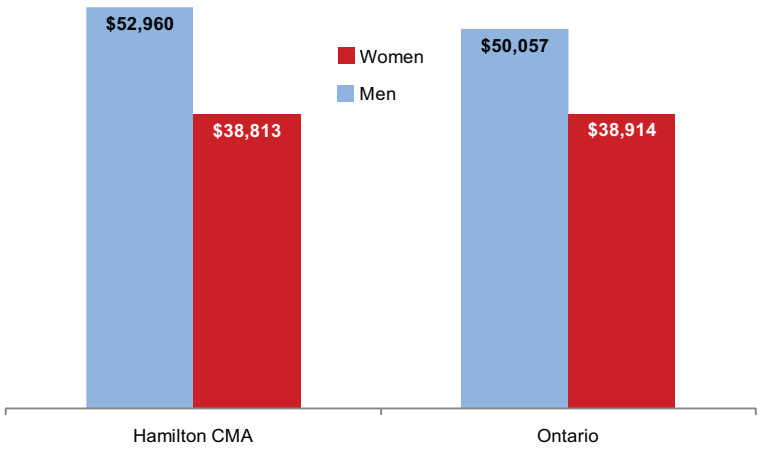
Women's income gap persists

The gap that continues to exist between women's and men's incomes in Canada is present in Hamilton as well.

As women's participation in the labour force and education levels have increased (and as women are having few children), there has been some increases in women's incomes, but there remains a significant gap between the sexes.

Even when we look just at full-time full-year workers, the gap between women's and men's incomes is substantial with women in the Hamilton CMA* earning 73% of men's wages and lower than the Ontario rate of 78% (Chart 1).

Chart 1. Median income for full-time, full-year workers, by sex, Hamilton CMA and Ontario, 2005

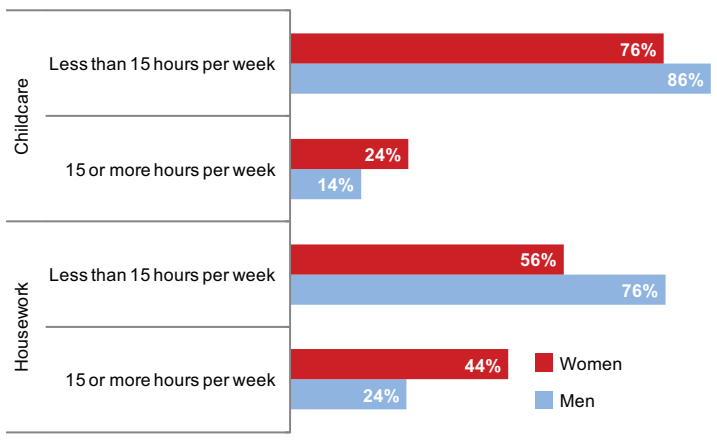


One of the most important reasons for the continuing gap in incomes is the ongoing segregation in employment between "men's work" and "women's work". Jobs primarily occupied by women are more often lower paid because the work they do is not as valued by the labour market.

> "The traditional role of women in society explain[s] in part the lower salaries paid to women.[…]
>
> Certain jobs or professions engaged in by women often require skills that were considered an extension of the work done by women in the home: helping others, availability, meticulousness, etc. Because these aspects of the work were seen as 'innately' female, they were ignored when came time to determine the women's salaries." – Quebec Pay Equity Commission (2005). *Are Salaries Still Based on Gender?*

The other major factor is that women continue to shoulder the main housework and parenting responsibilities, leaving less time for paid employment.

Chart 2. Unpaid childcare and housework by sex, City of Hamilton, 2006



In Hamilton, women are almost twice as likely than men to do 15 hours or more of housework (preparing food, cleaning, paying bills, etc) per week and 70% more women than men are doing 15 hours or more of unpaid childcare (Chart 2).

Childcare in particular is a major barrier for many women to participate more fully in the paid labour force. A KPMG audit found that lack of childcare is the most important challenge women face when trying to leave social assistance in Ontario.

Childcare fees in Hamilton for 2.5 to 5 year olds are in the range of $700-$900 per month, with even higher rates for younger kids. Lower income families can access the City of Hamilton's Childcare Subsidy Program, but the latest data shows there are 847 families on that program's waiting list due to demand outpacing the funding allocated to the program.

For women attending school on a part-time basis or working less than 20 hours per week, there is no choice but to pay full fees as they are not eligible for the subsidy program. Finding a part-time job is often easier than finding full-time employment, but for low income women with young children, the wages of a part-time job may barely cover childcare fees.

† For example, for a single mom with one child in 2005, the LICO was $25,884 in large cities such as Hamilton.

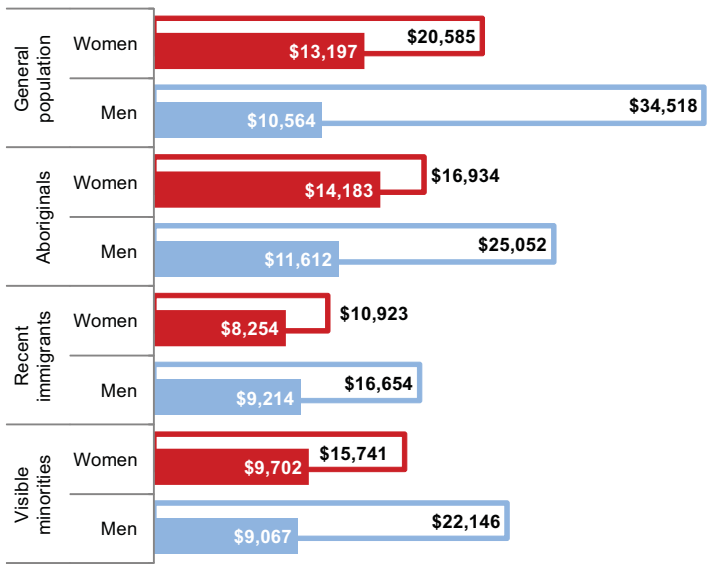
* CMA is the abbreviation for Census Metropolitan Area, and for Hamilton includes Burlington and Grimsby. CMA data is only used in this report when data for the City of Hamilton alone is not available. While the City of Hamilton makes up the largest part of the Hamilton CMA, the higher incomes in Burlington increases the income data for the Hamilton CMA as compared to the City of Hamilton.

Unless otherwise noted, all data is from the 2006 Census of Canada, Statistics Canada. (Charts based on income data are labeled 2005 as that is the year for which income was reported in the 2006 census.)

This report was produced by the Social Planning and Research Council of Hamilton, with the financial support of the United Way of Burlington and Greater Hamilton. Web: www.sprc.hamilton.on.ca Email: sprc@sprc.hamilton.on.ca Phone: 905-522-1148

Racialization of poverty evident in Hamilton

Chart 3. Median income by sex and selected groups, City of Hamilton, 2005



Hollow bars (numbers in black): Median income of **all persons in each group** who are 15 years of age and older with at least some income.

Solid bars (numbers in white): Median income of **only persons in each group living on incomes below the poverty line** who are 15 years of age and older with at least some income.

Chart 3 illustrates that newcomer women, visible minority and Aboriginal women in experience large income disparities as compared to other women in Hamilton.

More than half of low income newcomers and visible minorities (both females and males) have incomes under $10,000 per year.

Looking at the median income of low income persons within each group, we see that in most groups low income women have higher median incomes than low income men. The principal reason for this may be that for most families with children, federal and provincial child benefit income is assigned to women through the tax system and child benefits are a bigger proportion of low income women's incomes than for all women. The difference may also be due to the types of jobs that low income women and men are most often working.

Recent immigrants are the only group where low income women have a lower median income than low income men. This could due in part to recent immigrant families not being eligible for some child benefits for up to a year after they arrive in Canada. Some child benefits also require specific applications, and newcomers may not be aware yet of the steps to take to receive this income.

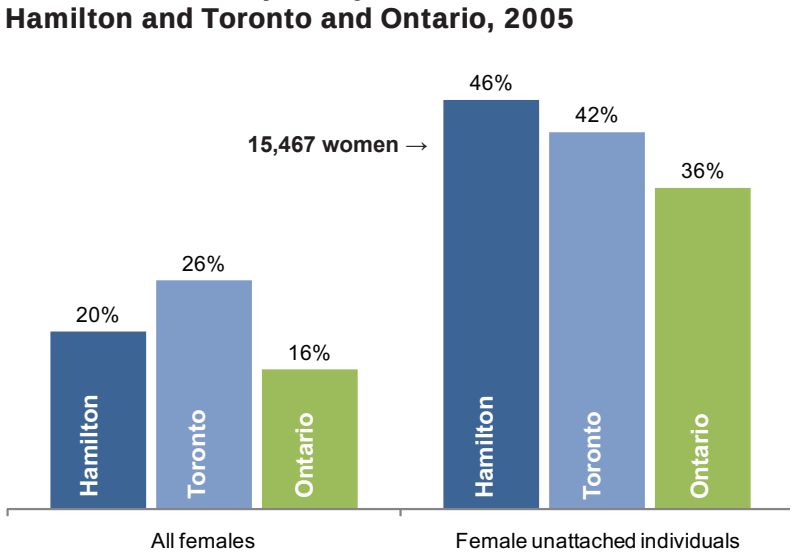
The racialization of poverty creates a layered effect for the most marginalized women in Hamilton with a woman's gender intersecting with her ethno-cultural background. These effects can be further exacerbated if she is an immigrant, a lesbian and/or has a disability.

Single women are particularly disadvantaged in Hamilton

The general poverty rate for women in Hamilton is 20%, higher than the provincial average of 16% but significantly lower than Toronto (25%). Hamilton's single women, however, have the highest poverty rates among Ontario's cities, including Toronto. Female unattached individuals, often women living alone or with roommates, in Hamilton have a poverty rate of 46%, more than four percentage points above the second ranked city, Toronto (Chart 4).

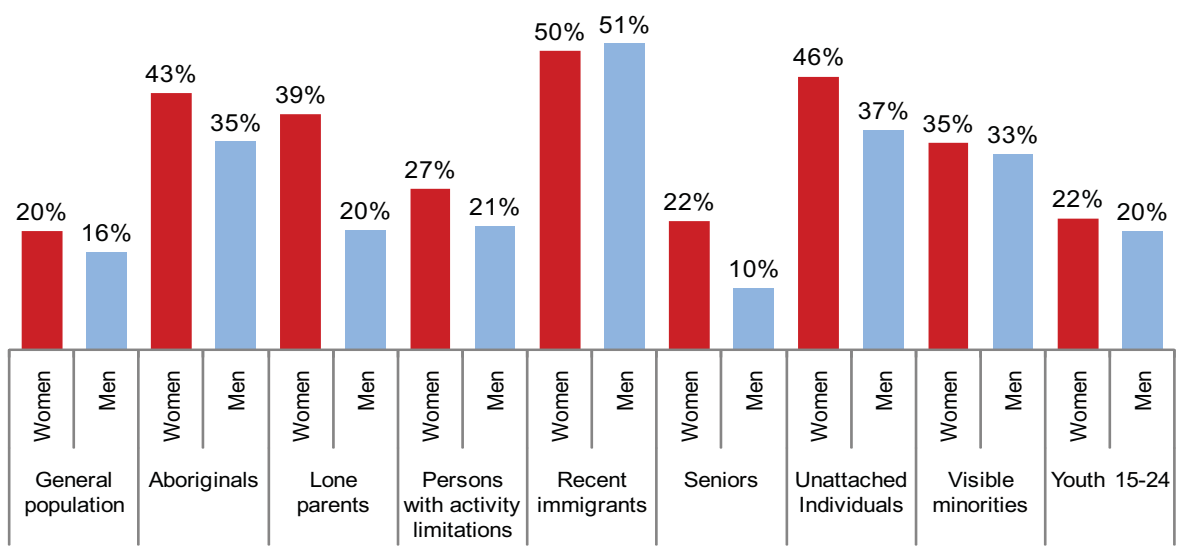
Part of the disparity is likely due to the educational differences between single women in Hamilton as Toronto. In Hamilton, single women are more likely to have no diploma (31%) than any university education (19%), while in Toronto the opposite is true (18% of single women have no diploma, and 37% have university education). The educational disparities between the cities are bigger for single women than women in general. This could be due in part to educated single women leaving Hamilton.

Chart 4. Women's poverty rates, Cities of Hamilton and Toronto and Ontario, 2005



Biggest gender gap in poverty rates is between male and female seniors

Chart 5. Percentage of persons living on incomes below the poverty line, by sex and selected groups, City of Hamilton, 2005



Older women are more than twice as likely to be living in poverty as older men (Chart 5). This is in large part due to older men having more access to employment-related retirement benefits.

As discussed in the SPRC's 2009 Incomes and Poverty in Hamilton report, senior poverty rates have decreased significantly both in Canada and in Hamilton thanks to to increasing participation of women in the paid labour force and increasing number of seniors receiving the Guaranteed Income Supplement.

The senior women's poverty rate though remains above the average for the female population in Hamilton and included 8,390 women over age 65 in 2005.

A further analysis shows that the rates of poverty for single female seniors is much higher than for the general population of women 65 and older. In 2005, 44% of female seniors living alone in the Hamilton CMA were experiencing poverty, representing 8,715 women. Although the rate is still very high, it has also been dropping. In 2000 the rate was 55% representing 10,455 women in the Hamilton CMA.

Female lone parents' poverty rates vary significantly with age of children

Single moms with the youngest children face the greatest challenges in terms of income. More than 7 in 10 of female lone parents with children under 6 in the Hamilton CMA are living in poverty (Chart 6).

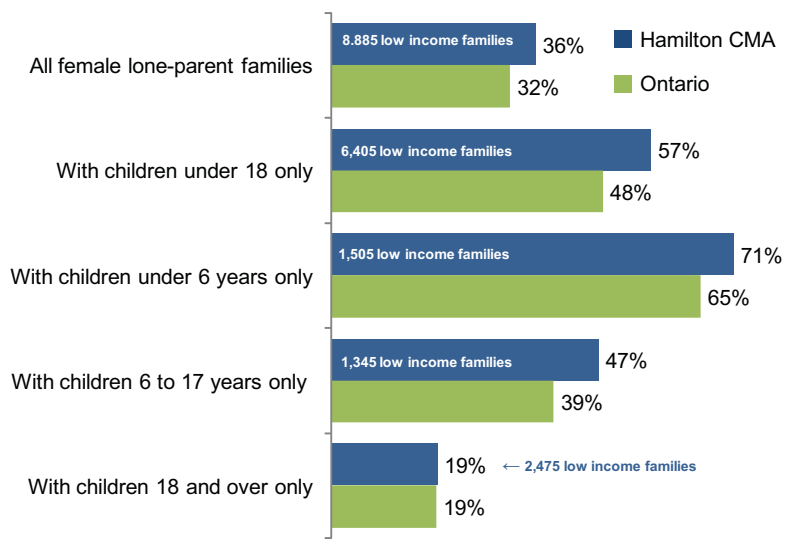
Across Canada, single moms have much higher poverty rates than single dads. In the Hamilton, CMA, 57% of female lone parents with children under 18 are living in poverty compared to 30% for male lone parents.

In the last decades female lone parent poverty rates have been decreasing in Canada and a Statistics Canada study attributed female lone parents earning more employment income because they are often older and better educated than in previous years. Younger female lone parents on the other hand experienced a decrease in their employment earnings in the 1980-2000 period. The National Council of Welfare has also credited government policies, especially changes to child benefits such as the National Child Benefit for some improvement in the economic wellbeing of female lone parents.

Since the 2006 census, the Ontario Child Tax benefit has been introduced and currently gives $1,100 per child to low income families.

For parents on social assistance, however, this money replaces some previous extra payments from their Ontario Works cheques and female lone parents in particular are seeing very little difference in their income with the new system. For example, a female lone parent of a child over 12 is only receiving $1 extra per month. Nevertheless, the advantage remains for families receiving Ontario Works that they can now keep this part of their income when they gain employment.

Chart 6. Poverty rates of female lone parents by age of children, Hamilton CMA and Ontario, 2005



Why are so many full-time working women in Hamilton still living in poverty?

In Hamilton's population as a whole, 7% of women who work full-time all year long have wages that still fall under the poverty line (Chart 7). In all other groups examined, the poverty rates of full-time workers are even higher.

Recent immigrants in particular have substantially higher rates of poverty among full-time workers, with almost one quarter of women working full-time for wages that don't even reach the poverty line.

Within the general population, aboriginals and persons with activity limitations full-time working women have higher poverty rates than full-time working men. This is in large part due to women in these groups working in types of occupations with lower pay than their male counterparts. Conversely, in the recent immigrant and visible minority groups full-time working men have higher poverty rates than full-time working women.

This snapshot was taken in 2005, when Ontario's minimum wage was $7.45 per hour and had only increased 60 cents in the previous 10 years. More recently, there have been substantial increases to the minimum wage, and it now stands at $10.25. These increases will likely have positive impacts for the working poor in Hamilton, including women.

The most common occupations for Hamilton women include many types of service and assisting occupations (Table 1). These occupations usually pay lower wages than traditional male occupations in industries such as manufacturing and construction. This is a major reason we see the gap between women and men's incomes and poverty rates.

Table 1 also illustrates that the groups who have the highest poverty rates are over represented in highly insecure and low paid occupations. For example, 4.7% of Aboriginal women and 5.4% of recent immigrant women work as machine operators in manufacturing (such as sewing machine operators). The third most common occupation for female lone parents is assistants in health services, often personal support workers, among the lowest paid occupations in the health sector.

Some occupations in the top five list for women as a whole are more secure and better paid, such as teachers and nurses. These occupations though are absent from the top five list for Aboriginal women.

Chart 7. Percentage of full-time, full-year workers living on incomes below the poverty line, by sex and selected groups, City of Hamilton, 2005

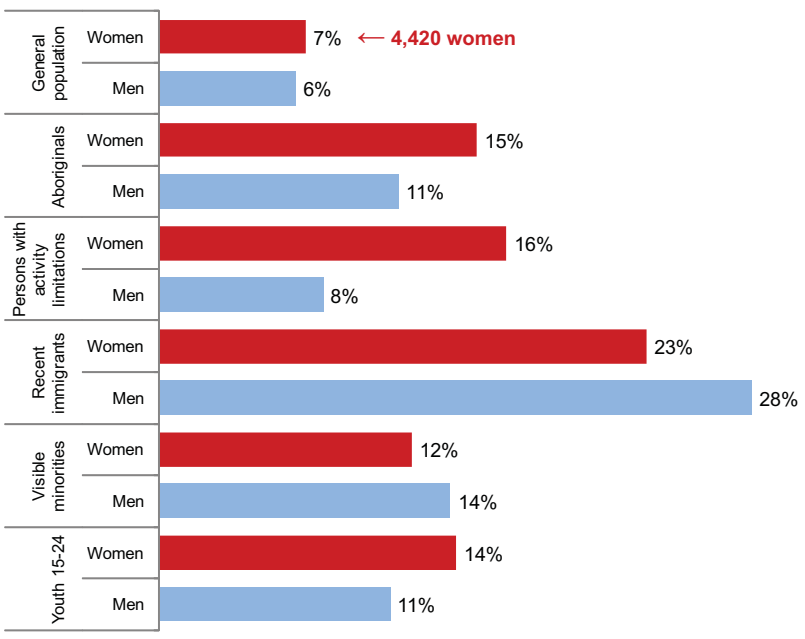


Table 1. Top five occupations for selected groups, City of Hamilton, 2006

Percentage of women in each group who work in each occupation

	All women	Aboriginal women	Recent immigrant women	Female lone parents	Women with activity imitations
Assisting occupations in support of health services				6.0%	
Cashiers		5.3%			
Clerical occupations	1st 14.2%	10.3%	8.3%	1st 15.3%	1st 14.3%
Machine operators in manufacturing		4.7%	5.4%		
Nurse supervisors and registered nurses	3.8%			4.6%	4.0%
Retail salespersons and salesclerks	5.9%	5.3%	6.4%	4.6%	6.4%
Sales and service not otherwise classified	10.5%	1st 13.1%	1st 11.7%	11.2%	12.4%
Teachers and professors	5.7%		5.1%		4.4%

1st *indicates most common occupation for each group of women*

Recessions and De-industrialization

Restructuring the economy and workplaces has devalued men's wages and made women's employment even more crucial

As the SRPC detailed in its 2009 Incomes and Poverty in Hamilton report, recent recessions have impacted men's incomes more heavily than women's incomes, largely due men occupying more jobs in manufacturing and related sectors. Chart 8 shows that the 1990s recession in particular was devastating to men's wages in the Hamilton CMA. Unlike in the 1980s recession, men's incomes in the 1990s did not recover once the recession was officially over.

The newest data for 2007 shows another precipitous decline in men's incomes, with their income now the lowest ever recorded in our region. We expect this trend to be intensified by the latest recession which started in the fall of 2008.

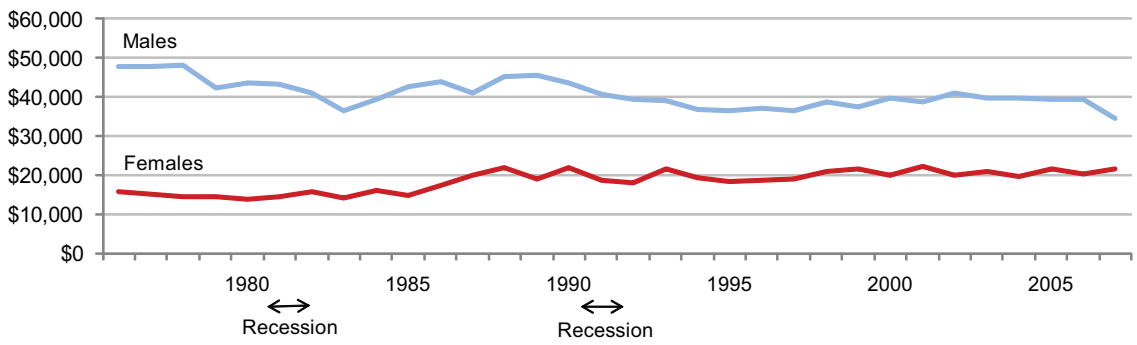
For families bearing the brunt of the "He-cessions", women's employment and incomes have become even more crucial to their economic survival, putting pressure on women as the primary wage-earners and men as the ones trying to regain a foothold in the labour market.

These income trends have impacts on family stress, family breakdown and family health. Precarious employment (unstable, short-term and/or part-time) is particularly harmful to family life. Wayne Lewchuck of McMaster University recently published a study showing a link between these types of employment situations and negative health outcomes.

Chart 8. Median incomes by sex, Hamilton CMA, 1976-2007

Adjusted for inflation using constant 2007 dollars

(Source: Statistics Canada, Survey of Labour and Income Dynamics)



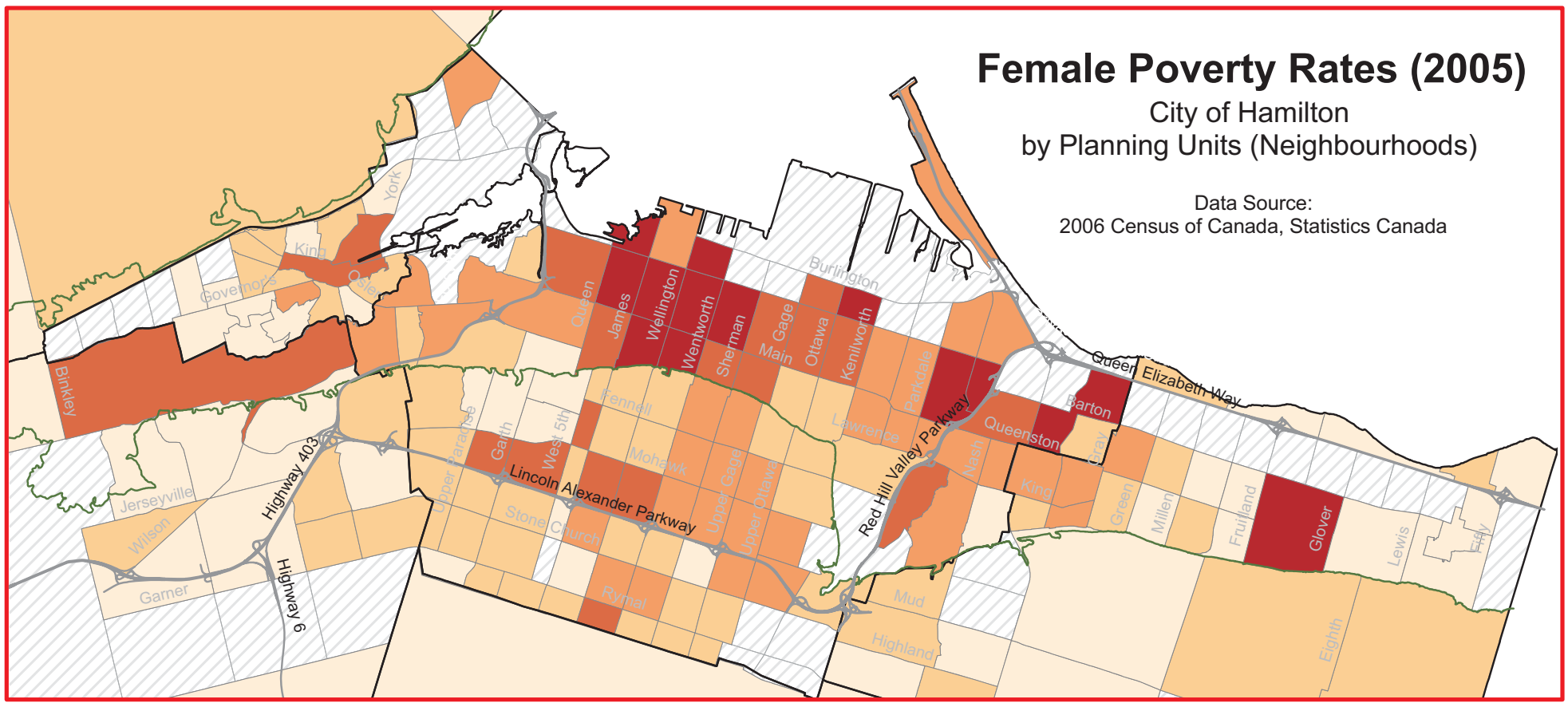
Women working for change in Hamilton

Women's Coalition

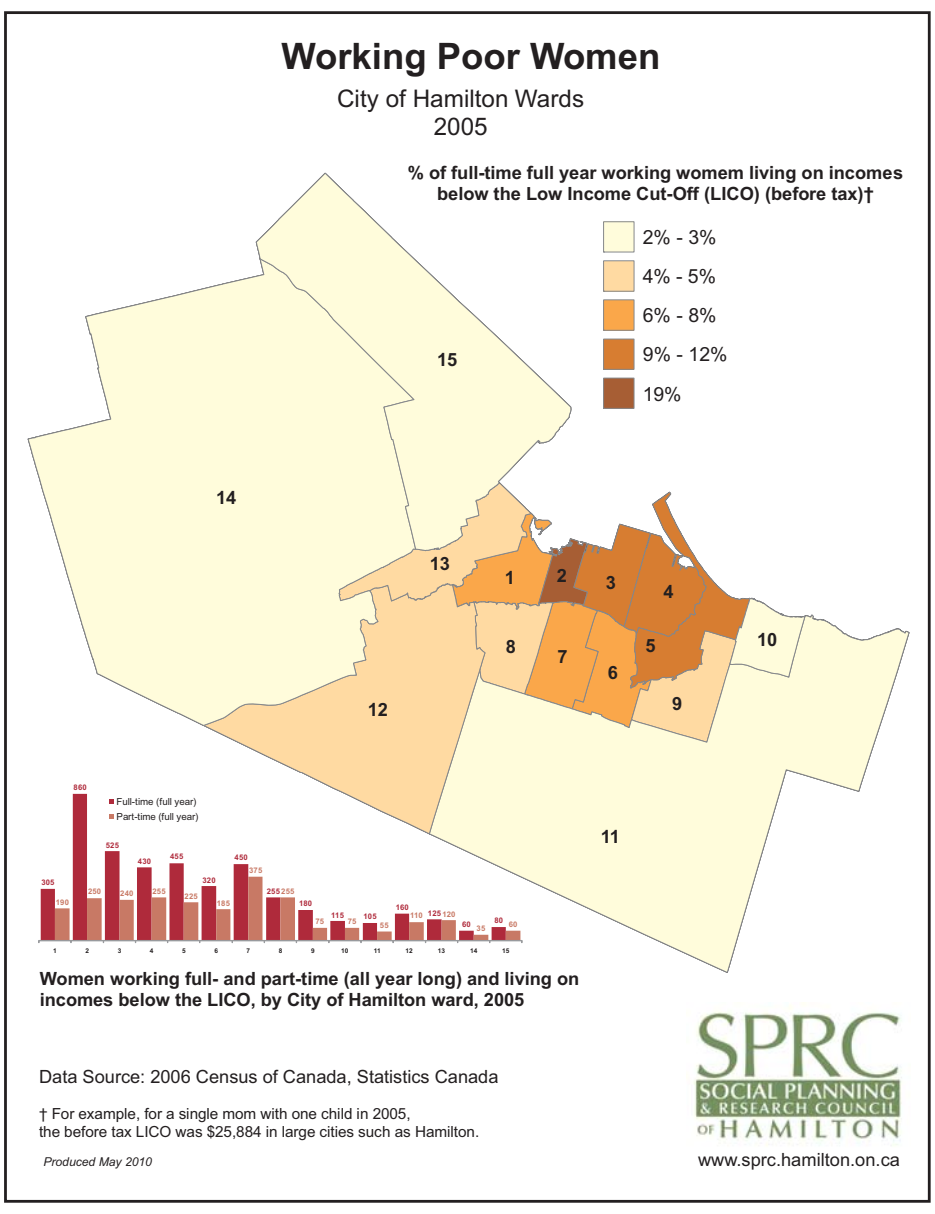
A feasibility study is currently underway to gauge interest and develop strategies for a Hamilton Women's Coalition. This effort is led the YWCA Hamilton and the Immigrant Women's Centre. They are seeking to track and report on indicators for women's progress, including women's poverty in Hamilton, and advocate for policies that improve women's lives and strategies to promote the status of women in our community, "The health and prosperity of this city depends on the well-being of its mothers, wives, sisters and daughters," says Ines Rios, Executive Director of IWC. "I am joined by this city's other community leaders to fight inequality and create a better future for us all."

Elect More Women

The Federation of Canadian Municipalities has received funding from the Federal Government's Status of Women Office to help cities achieve the goal of electing 30% women in municipal seats. This effort is being promoted locally by Elect More Women a non-partisan coalition of Hamilton women who training and supporting women candidates in the upcoming municipal elections, supported by the City of Hamilton's Status of Women Advisory Committee. Compared to other jurisdictions in Canada, Hamilton has a very low rate of female elected officials - in the 2006 municipal elections, only 16% of candidates were women. A United Nation report showed that electing more gender balanced legislatures leads to policies that improve women's lives such as increases to minimum wage and better childcare programs.



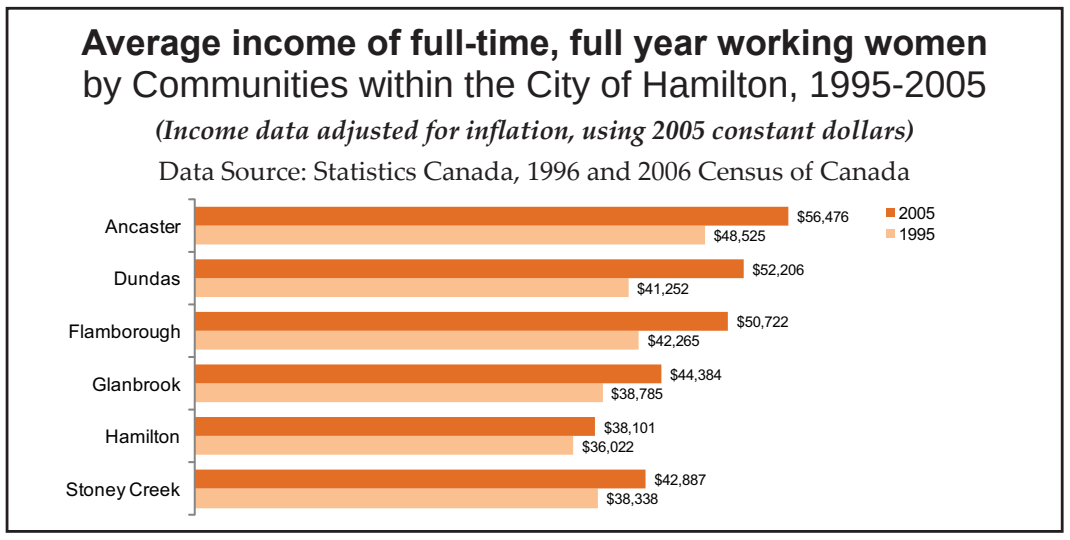
Women's poverty rates vary across Hamilton



Women's poverty is not evenly distributed in our city. As compared to the map of overall poverty in the SPRC's 2009 Incomes and Poverty report (page 11), the distribution of female poverty is very similar, with highest rates downtown and parts of east Hamilton and lowest rates in Ancaster, Flamborough and Glanbrook. However almost all communities within the city have areas of above average poverty rates.

The map "Working Poor Women" shows that the distribution of the women who are are working full-time but earning less than poverty wages follows a similar geogrpahical pattern. Ward 2 has the highest rate of full-time working women living in poverty (19%). This represents 860 women in this ward, with an additional 250 part-time (full year) working women living in poverty.

The size of the gap between the richest and poorest areas of the city has also been increasing in recent years. While in 1995, Ancaster's full-time full year working women were making on average 34% more than working women in the former municipality of Hamilton, by 2005 this gap had grown to 48% (after adjusting for inflation). Dundas' full-time working women have seen the largest increase in their incomes, from $41,252 in 1995 to $52,206 in 2005, a 27% increase. The corresponding increase in the former municipality of Hamilton was only 6%.



The maps in this report were made possible by funding from the Ontario Trillium Foundation for the SPRC's Community Mapping Service.
The Ontario Trillium Foundation / La Fondation Trillium de l'Ontario