

Understanding Canada's New Poverty Line: The Market Basket Measure February 12, 2019 from 1pm – 2:30pm ET

Webinar Chat Transcript

Valentyn Kliuchnyk: How often MBM will be re-based?

Ruth Sanderson: Have any provinces adopted this poverty line or do you know if they will?

Cheryl Hitchen: How does a municipality practically use MBM as a poverty threshold when there is no document a resident can present with their disposable income? Or is there no intent for it to be used for this purpose?

doug foster: can you show us a map of the 40 regions?

doug foster: 50 regions, sorry.

Valentyn Kliuchnyk: How the homeownership costs will be estimated?

Ainslie Butler: Are Food Security and Unmet Healthcare needs to be extracted from the (future) Income Survey, in place of CCHS for these measures?

City of Airdrie: Can the MBM be adjusted for household size?

Pam Hanington: So, rural is one region then?

Ivan Sierralta: Will contents of Basket be updated?

Pam Hanington: what's a small town?

Andrew Esser-Haines: is there a reason that there is not a rural and a northern rural?

The City of Calgary: So, is the intention to use the 2018 MBM threshold for the 2021 census?

The City of Calgary: Are there any plans to engage with municipalities as part of the rebasing of MBM?

Ivan Sierralta: CDP should be a representative of the NGO/City user community

Michael Ditor: Question from Banff: How small communities who currently don't have



access to a local MBM are going to be part of this? The costs of our local market are quite different than other comparable communities (e.g., Canmore). Does the move toward the MBM mean they will conduct the survey in each community across Canada now? Many from our area have been advocating for years for them to include Banff in their methodology and of course it hasn't been possible to do everywhere.

Ainslie Butler: Is there a plan to gather further feedback on (finalized) 2018 measure before official release?

MatK: Does the basket reference the Fraser Institute's MBM work done by prof. S arlo?

Cynthia: What type of groups were included in the face-face focus gps?

Ruth Sanderson: Is it possible to add MBM to the health indicators that are provided for health regions?

Ruth Sanderson: This is link to health indicators : <u>https://www150.statcan.gc.ca/n1/en/catalogue/82-221-X</u>

doug foster: Can you tell us how many regions are within each Province/Teritory?

Gary: Do the definitions of Population centres correspond to the region scales described by MBM? (Small = 1,000 - 29,999), Medium (30,000 - 99,999), and Large urban (100,000+)? <u>https://www12.statcan.gc.ca/census-recensement/2016/ref/dict/tab/t1_13-eng.cfm</u>

Cheryl Hitchen: 100,000 - 500,000 is too large of spread!

The City of Calgary: Just to reiterate my question, will 2018 MBM thresholds be used for the 2021 census?

Pam Hanington: Does "other" include health costs?

doug foster: I see that Cape breton is an MBM. Is that the County of Cape Breton or the Island of Cape Breton?

Chantal: How would child care costs be factored in, as the reference children are of school age?

Ainslie Butler: How do you decide when an item is part of the basket versus being part of non-discretionary spending? I would think both are considered as necessary



expenses for a family, but those classified as non-discretionary spending might not apply to the entire population and might allow for more variance in the cost. Could you comment on the difference and the impact to an individual being considered in poverty?"

Laryssa Thompson: What about childcare expenses for families with young children?

The City of Calgary: We noticed when we were responding to the MBM online survey that the housing figures seemed quite low for our community., particularly for smaller family sizes. Will there be any consideration for the high cost of one-bedroom accommodation in specific communities like our own?

Ainslie Butler: The cost of healthy nutritious foods (especially fresh foods) vary seasonally - does the calculation of expenses account for this variation?

Andrew Esser-Haines: with the new food guide will the basket be updated in the 2018 mbm?

The City of Calgary: As well, based on the housing figures provided in the MBM survey, it seemed like one and two person families would need to live with roommates to be able to afford housing at the dollar thresholds provided. Is living with a roommate considered a "modest, basic" standard for a one or two person family?

Chantal: For the clothing component, how is the increased costs linked to the fast turn over for younger children being calculated?

Region of Waterloo - Public Health EHA team: Yes, update both

Brian Watson: On location cost how do you deal with the issue of availability. Inexpensive housing takes time to find so more expensive housing (or poor quality) may be required in the short term and raise the cost.

Andrew Esser-Haines: How are the prices adjusted for rural, northern or remote communities? Can you provide detail on this methodology?

Region of Waterloo - Public Health EHA team: Will CDP be able to provide retrospective MBM data for previous Census cycles?

doug foster: Cape Breton Regional Municipality is co-terminus with the County of Cape Breton. It is the most urban of four Counties on Cape Breton Island and it also includes the two largest Indian Reserves on Cape Breton Island. Are Membertou and Eskasoni



included in CBRM's population? There are also three additional Indian Reserves outside of CBRM - (Cape Breton County)

Chantal: To clarify as children grow faster, they will require clothing to be purchased more frequently.

The City of Calgary: For housing and transportation costs, are the costs for UNsubsidized options? We have both subsidized housing and subsidized public transit in our community, but we believe that people who are not in poverty should be "able" to afford full cost options.

doug foster: Transit service in the Cape Breton Regional Municipality only serves a portion of it's geography.

Ainslie Butler: Does this measure for transportation take into account the cost of taking cabs in rural areas to go to grocery stores, appointments, drug stores, etc where public transit is not available. People in low income in a rural community may not be able to afford a reliable vehicle and may rely on cabs as a main form of transportation

The City of Calgary: Is any transportation outside of the local area included in the transportation costs? For example, it may be reasonable for people to visit out of town family once per year?

Ruth Sanderson: Could you add a cost of living % to 2016 shelter costs if used for 2018 base?

Ivan Sierralta: Yes, update Shelter Componet to any more recent data for starter

Brian Watson: Have you worked backward to determine what income would need to be earned to generate the disposible income in the MBM? It looks like in Halifax a family of 5 would have to earn \$50,000 pre tax per year.

Andrew Esser-Haines: Could you indicate how distance traveled and fuel costs are estimated for the rural areas?

The City of Calgary: Yes, including small holidays in the "other" category sounds reasonable and would cover the kind of trans we mentioned earlier.

Valentyn Kliuchnyk: Are you planning to add a cost of homeownership?

Nathalie Sava: Do shelter/other costs include home internet usage?



The City of Calgary: Do the shelter costs include any of the following: utilities, property taxes, insurance, or condo fees?

The City of Calgary: home repairs included in "other" or "shelter"?

Ainslie Butler: Consider the push in some regions for free vision screening, should there be consideration of the cost of vision care (screening is free, glasses are not)

The City of Calgary: Have you taken into account that many people may not report their health care expenses on their taxes due to no tax benefit for many Canadians?

City of Airdrie: What about post-secondary costs? E.g., loan repayments, tuition, textbooks, etc.

Ainslie Butler: Does the MBM account for income tax benefits that families with children qualify for that a single person working a minimum wage job/on social assistance would not be eligible for. This would lower their comparative income level -- does the re-basing consider variations in family structure and subsequent income costs based on income tax benefit eligibility?

Cheryl Hitchen: Relating to my earlier question, it is a challenge for local politicians to understand why MBM can't be a program eligibility threshold since it is the "official poverty line". Currently we use LIM-AT which is easy to show from a NOA. It would be good for Stat Canada to explain why MBM isn't useful or done for that purpose.

Brian Watson: We currently use LICO as a basis for the minimum wage. We looked at MBM but it was not helpful. Maybe an improved MBM might help. Also I think we need a pre tax and after tax MBM like LICO.

The City of Calgary: are dental costs included anywhere? What about orthodontics?

The City of Calgary: where are costs for private health insurance (through employer or individually) included?

MatK: Child care costs should factor in that only a small fraction of the population has t hem within a short period of time (5-10 years within 80 yr lifespan) This is not an annual recurring cost like food or shelter.

MatK: Especially given dropping fertility rates.

Ivan Sierralta: How is your org planning using MBM? VCC is revising Calgary's Poverty



Reduction Strategy and MBM will be used to express a key goal on poverty reduction (instead of LIM-AT)

PPH: It will be difficult to measure changes in poverty levels over time using this measure when the methodology for determining the threshold will change.

The City of Calgary: Agreed it would be very helpful for Statistics Canada to explain why MBM might not be useful as a threshold for income tested programs.

The City of Calgary: Perhaps para-medical (vision dental, etc) could be included as a separate component for the basket.

Pam Hanington: Have you looked at Living Wage calculations and methodology with respect to some of these costing issues?

kim: We currently use LIM-AT as a measure of poverty. Going forward we will use both...What do you think?

MatK:We will likely be using the MBM as part of our Poverty Reduction strategy at the City of Toronto.

kim: What level of geography is the MBM available at...postal code?

Claire: I will share with our programming team - we are developing literacy programs for the Pickering Library.

Ivan Sierralta: Andrew, thanks for your presentation and candid answers. I suggest that CDP should be consulted periodically

Andrew Esser-Haines: Very helpful, thank you. And thank you for taking the time to answer some many questions. We currently use the living wage calculations for much of our work and are looking into weather the mbm would be applicable as well.

Ivan Sierralta: as a conduit to the questions and comments from practitioners using Stast Can data. <u>ivan@vibrantcalgary.com</u> (587) 969-4826

Chantal: I am considered that several institutions will seek to try to use the MBM as a threshold for accessing certain programs that currently allow people in low income situations to reduce their expenses (ie. OESP and LEAP use the LIM, Food banks often use the LICO). I do have concerns that a MBM that is too low will have a negative impact on access to social support services. Is this being considered at all during the elaboration? There also seem to be several items (like childcare and insurance and non



covered medical costs) which would have a high impact on a person's ability no only to lead a modest life, but to be able to escape poverty.

The City of Calgary: As we are thinking this through, we think it may make sense to include communications expenses (internet, phone, etc) as a separate part of the basket., with and acknowledgement that the costs of somethings like internet will be pretty much the same per family, regardless of the number of members

The City of Calgary: The MBM is really useful for understanding poverty at a macro level. But it is very difficult for us to get our heads around having a poverty line where individual people can't actually tell if they are in poverty or not.

Geoffey Gilbert: Thank you! How is it limiting-reliance on the disposable income concept, which is difficult to use. How would we like to use MBM-to inform policy discussions related to wages and income. Advice to Statistics Canada -relate the basket item to the time costs of that the basket item choices entail (food preparation /cleaning time, commute time, etc.) to make sure that these are clearly to MBM-users and are realistic.

MatK: thanks.

pmarr@winnipeg.ca: Excellent session. Thank you.

Gary: Thank you

The City of Calgary: Thank you so much for your willingness to answer all our questions, Andrew. It was so helpful to go straight to the source! Your work is appreciated.

Ainslie Butler: Thank you for the presentation and for the thoughtful responses to our questions.

Claire: Thank you Andrew. Pickering Public Library is closing due to a winter storm. This was very informative and interesting - thank you!

City of Airdrie: Thank you

Andrea D: Big thanks Andrew

Yevgen: Thank you! Great session



Chantal: Thank you very much for your time and expertise!