

FIGURE 3.2 Low-Income Rates among Working-Age Main Income Recipients, Various Groups, 2010

Source: Employment and Social Development Canada, www4.hrsdc.gc.ca/3ndic.1t.4r@-eng.jsp?iid=23.

Why are these groups particularly susceptible to poverty? There is no simple answer, but a few contributing causes are clear. In the case of Aboriginal Canadians, discrimination can partly explain the higher jobless rate and lower incomes. Lower levels of education also are a factor for Aboriginals and for non-Aboriginal Canadians. They are particularly low among Aboriginals who live on reserves. Reserves tend to be small and far from major population centres, and employment opportunities are comparatively few. Likewise, educational aspirations and opportunities are much less prevalent than in off-reserve communities.²⁴

Regionalism and Inequality

Inequality in Canada also has an important regional dimension. Income levels and employment rates vary dramatically and persistently between provinces, as well as between regions within provinces. Personal incomes in what have traditionally been the poorest provinces (Newfoundland and Labrador, New Brunswick, and Prince Edward Island) are about 85–90 per cent of the Canadian average. These citizens have been more dependent than Canadians in wealthier provinces on transfer payments from government. The inter-regional variation in average personal incomes has narrowed over the last few decades, although it is still quite wide. The narrowing of the gap has been due mainly to government transfers that provide greater income benefits to the residents of the poorer provinces than to those of the richer ones. In the 2012–13 fiscal year, on average Ottawa transferred \$3,541 per person to residents of PEI and \$3,289 to those of New Brunswick, but only \$1,015 to each Albertan and \$1,244 per person to Ontarians.²⁵

TABLE 3.2 Individual Income by Region

	Poorest 20%	Lower-middle 20%	Middle 20%	Upper-middle 20%	Richest 20%
Canada	17,267	41,707	66,397	100,260	226,792
Newfoundland and Labrador	17,042	40,010	64,769	97,566	207,733
Prince Edward Island	16,135	35,954	56,895	84,381	171,197
Nova Scotia	16,468	37,562	60,001	88,822	175,234
New Brunswick	15,861	36,075	57,298	84,923	168,278
Quebec	15,726	36,023	57,447	87,225	185,155
Ontario	18,745	44,787	72,111	108,928	247,521
Manitoba	16,899	39,070	62,992	93,371	198,223
Saskatchewan	16,802	39,174	64,333	97,388	219,360
Alberta	22,457	51,964	81,663	122,294	291,260
British Columbia	16,769	40,276	64,699	97,511	212,944
Territories	22,384	55,743	90,020	129,492	242,262

Source: Statistics Canada, CANSIM, table 111-0008.

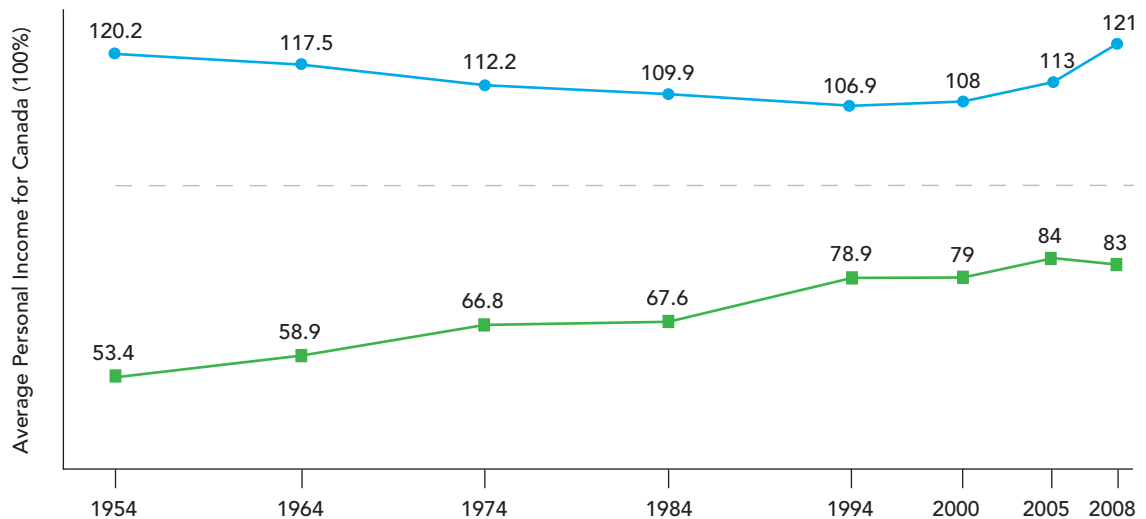


FIGURE 3.3 The Gap between the Richest and Poorest Provinces, 1954–2011

Note: Until 2005, the two provinces used in this comparison were Ontario and Newfoundland and Labrador. Newfoundland and Labrador has continued to have the lowest per capita income in most years since then, but Alberta has been the wealthiest provinces most years since 2005.

Source: Statistics Canada, Provincial Economic Accounts.