

# TWO PARENT FAMILIES

## Monthly After-Tax Income Compared to Poverty Line Two Working Parents with Two Children in Victoria in 2003

	After-tax income <sup>1</sup>	Low Income Cut Off Line (LICO) <sup>2</sup>	Difference from LICO	Market Basket Measure <sup>3</sup>	Difference from Market Basket Measure
Income Assistance	\$1461.73	\$2205.75	- \$744.02	\$2219.58	- \$757.85
Disability Benefits <sup>4</sup>	\$1802.52	\$2205.75	- \$403.23	\$2219.58	- \$417.06
Minimum Wage	\$2482.34	\$2205.75	+ \$276.59	\$2219.58	+ \$262.76
Low Wage <sup>5</sup>	\$2834.16	\$2205.75	+ \$628.41	\$2219.58	+ \$614.58

Please note after tax income includes GST and Child Tax credits, as well as tax deductions

This table does not reflect the experience of unemployed people who are unable to access government support. Numbers are not available to document the numbers of people in this category, but social services report anecdotally that this number is growing. *Imagine trying to make ends meet with no steady income.*

There were 71,535 two parent families in the Victoria Census Metropolitan Area (CMA)<sup>6</sup> in 2000. 94.7% were living above the poverty line.

### How many poor two parent families are there in our community?

3,780 two parent families in the Victoria CMA had incomes below LICO in 2000 (5.3% of two parent families) compared to 4,250 in 1995.<sup>7</sup>

In BC in 2002 two parent families were on average \$10,000 below the poverty line.<sup>8</sup>

### Some basic monthly costs of living for two parent families

\$905	Average cost of a three bedroom apartment <sup>9</sup>
\$552	Cost of a nutritious food basket <sup>10</sup>
\$556	Average cost of child care for a two year old <sup>11</sup>

### \$2013 Total

### Other basic costs to consider

Phone, Child Care, Dental Care, Medical Services Plan, Prescriptions, Transportation, Clothing, Footwear, School Supplies, Entertainment...

*"We had friends who were couch surfing for four months, and they were a family of four, but they couldn't find a place they could afford."<sup>12</sup>*

### What's happened since 2000?

In April 2002, income thresholds for child care subsidies were lowered, and many low and moderate income families no longer qualified. Income thresholds were raised in 2003, but are still not back to 2000 levels.<sup>13</sup>

On July 1, 2002 cuts to income assistance rates meant that a family of four on income assistance had their income cut by 9.2%.<sup>14</sup>

### Sources:

- 1 After tax income includes GST credit, Canada Child Tax Benefit, BC Family Bonus, CPP 4.95%, EI 2.1%, Eligible dependent tax credit, Disability tax credit, Provincial tax 6.05%, Federal tax 16%
- 2 Canadian Council on Social Development, After Tax LICO 2003
- 3 Human Resources Skills Development Canada (2003) *Understanding the 2000 Low Income Statistics Based on the Market Basket Measure*
- 4 Rates based on one adult with a disability
- 5 Based on a 40 hour work week, low wage \$10 / hour
- 6 The Victoria Census Metropolitan Area is similar to the CRD boundaries excluding the gulf islands and Port Renfrew.
- 7 Statistics Canada, 2001 Census
- 8 Statistics Canada, Income Trends in Canada, 2002
- 9 Canada Mortgage and Housing Corporation
- 10 Dietitians of Canada (2003). *The Cost of Eating in BC*
- 11 National Council of Welfare (2004) *Income for Living?*
- 12 Tim Richards and Nicole Lindsay (2003). *Viable Accommodations? Living in Poverty and the Dilemmas of Sharing Housing*, VIPIRG
- 13 BC Coalition of Women's Centres (2003) *Changes to low income family child care subsidy*
- 14 Together Against Poverty Society (2004). *Poverty Report Card*

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Bringing people together  
to create solutions in the areas of homes,  
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