

This bulletin is a quick inventory of recent social research information. Its purpose is to promptly disseminate the most current external and internal research relevant to social policy.

From Great Recession to Great Reshuffling: Charting a Decade of Change Across American Communities by Economic Innovation Group, October 2018.

Amid the reshuffling wrought by the fractured recovery, educational attainment has emerged as the sharpest fault-line separating thriving communities from struggling ones. Urban areas are ascendant, rural areas are in flux, and suburbs retain their outsized claim on the map of U.S. prosperity. The returns to initial community advantage are increasing, as growth chases growth and recovery is slower to diffuse across the map than in the past.

- The Great Reshuffling has left more Americans enjoying prosperity. The number of people living in prosperous zip codes swelled by 10.2 million between the two periods to a total of 86.5 million
- While the overall population in distressed zip codes declined, the number of rural Americans in that category increased by nearly 1 million between the two periods
- The average state had 27 percent of its population in a prosperous zip code during the 2012 to 2016 period, well above the 14.5 percent the average state had in a distressed zip code

For link to the report:

<https://eig.org/wp-content/uploads/2018/10/2018-DCI.pdf>

Provincial Drug Coverage for Vulnerable Canadians by Bacchus Barua, David Jacques and Nadeem Esmail, Fraser Institute, October 2018.

Access to pharmaceuticals is a critical component of a properly functioning health care system. The reality that some Canadians have difficulty paying for their medications, combined with unqualified claims regarding Canada's approach towards drug coverage compared to its international peers has led to a perception that governments in Canada do not currently help Canadians— particularly vulnerable populations—pay for their prescription medications. Given the increasing importance and prominence of this public policy issue, an accurate understanding of existing provincial programs is critical.

- British Columbia's Fair PharmaCare plan, the province's main drug coverage program, covers 70 percent of the cost of eligible prescription drugs for families with a net income less than \$15,000
- In Alberta, families (with children) earning less than \$39,250 can access the province's Non-Group coverage plan by paying a monthly premium of \$82.60
- Quebec broadly has one of the more unique approaches to pharmaceutical coverage in Canada. It requires residents not covered by private group insurance to enroll in the government's drug insurance plan (RAMQ)
- The Ontario Drug Benefit Plan covers residents over the age of 65 plus those living in long-term care or special care homes, Ontarians on social assistance, and those with disabilities

For link to the report:

<https://www.fraserinstitute.org/sites/default/files/provincial-drug-coverage-for-vulnerable-canadians.pdf>

2018 Toronto Child & Family Poverty Report by Beth Wilson, Social Planning Toronto et al., October 2018.

In 2015, Toronto City Council unanimously adopted TO Prosperity: Toronto's Poverty Reduction Strategy, which aimed to create, by 2035, a city where "everyone has access to good jobs, adequate income, stable housing, affordable transportation, nutritious food and supportive services." The 2018 Toronto Child and Family Poverty Report draws on newly released census data to reveal a disturbing picture of child and family poverty in Toronto and in every single ward across the city. Key findings:

- Over one in four children live in low-income families, with much higher rates for children who are Indigenous, racialized and newcomers
- The highest rates of child poverty are among Indigenous, racialized and newcomer families
- The city of Toronto has higher rates of child poverty than the Toronto region for all groups of children

For link to the report:

https://d3n8a8pro7vhmx.cloudfront.net/socialplanningtoronto/pages/2079/attachments/original/1538147211/2018_Child_Family_Poverty_Report_Municipal_Election_Edition.pdf?1538147211

Effective Tax Rates and High Income Canadians, 2016 by Statistics Canada, October 2018.

Effective tax rates (ETRs) provide a measure of the size of various government tax programs relative to individual incomes. They are calculated by averaging every individual tax filer's ratio of taxes paid to their total income. Individual Canadian tax filers spent on average 11.8% of their total income on federal and provincial/territorial income taxes and employee contributions to Employment Insurance (EI) and the Canada Pension Plan/Quebec Pension Plan (CPP/QPP) in 2016.

- The ETR was 1.7 percentage points lower in 2016 (11.8%) compared with 1992 (13.5%). The bulk of the reduction was due to federal income tax rates, which fell from 6.9% in 1992 to 5.3% in 2016
- There have been three substantial year-over-year reductions in the federal income tax effective rate since 1992. The federal income tax ETR dropped roughly half a percentage point in 2001, 2005 and 2009
- The effective federal income tax rate rose from 5.0% in 2009 to 5.3% in 2015. The federal income tax rules changed little over this time and had little impact on the change in the rate

For link to the report:

<https://www150.statcan.gc.ca/n1/daily-quotidien/181025/dq181025b-eng.pdf>

A Roadmap to Municipal Reform: Improving Life in Canadian Cities by Benjamin Dachis, C.D. Howe Institute, October 2018.

To most Canadians on most days, the performance of their city, town or regional municipality matters more than that of any other level of government. More than four in five Canadians live in urban areas, a number that keeps rising. Housing, water and wastewater, transit and transportation infrastructure, safety – and, of course, municipal fees and property taxes – loom large in Canadians’ lives.

- Cities do not need additional tax powers beyond their traditional tax base of residential property taxes and user fees
- All governments should consider a move to a municipal party system. Party affiliation sends a strong signal to voters and helps councils to make better spending decisions
- High house prices have many consequences. Families are trapped in homes that do not fit their needs and, in some urban areas, poor people end up homeless

For link to the report:

https://www.cdhowe.org/sites/default/files/attachments/research_papers/mixed/Book_Road%20Map_Final_web.pdf

Previous issues of the SPAR Monitor can be viewed online at: <http://bit.ly/2iltgRQ>

Social Policy, Analysis and Research Information Resources:

Wellbeing Toronto: www.toronto.ca/wellbeing

City of Toronto Data, Research & Maps: <https://web.toronto.ca/city-government/data-research-maps/>