

Four in 10 Nunavik households are poor: new research

High prices, big families, taxes add to financial burden

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Pita and Maina live in a house in a Nunavik community. The couple, whose children no longer live with them, earn \$80,000 a year.

Down the street lives another couple, with the same total earnings — but in that household they support 11 people.

So, who's poor and why?

That's the question answered by Laval university researcher Gerard Duhaime during his May 28 presentation at the Kativik Regional Government meeting in Puvirnituq.

Duhaime used a collection of colourful stick houses to explain how income alone doesn't tell the whole story about who's poor and who has enough money to live decently in Nunavik.

Poverty, he said, is an economic condition, that is, when a household can't get the goods and services it needs, and, as a result, has a lower standard of living than the norm.

To show the poverty line in Nunavik — that is, the income level above which people need to live well — Duhaime used a line of stick houses to stand in for households and a bright red fence made out of sticks for his "poverty line."

Duhaime showed that after you divide households according to their income, the location of the line moves up as you adjust for factors such as the number of people they support and the cost of buying goods.

High prices and levels of dependency, that is, the number of people which a household's earnings support, mean nearly four in 10 households live below the poverty line, Duhaime said.

That's compared to an estimated 15 per cent who live below the poverty line elsewhere in Quebec.

This means you can earn \$21,100 a year in Quebec and be poor, but in Nunavik you can earn \$22,943 a year and be poor.

For his analysis Duhaime used figures from the Nunavik comparative price index from 2011.

These found that on average consumer prices for food products are 81 per cent higher in Nunavik than in Quebec City.

The index also determined that consumer products are 104 per cent higher and personal care products are 86 per cent higher in Nunavik than in Quebec City.

On average, prices are higher in all Nunavik communities when compared to Quebec City and they are higher in all communities when compared to Kuujuaq.

Take a bag of yellow onions. Duhaime's research shows you'd pay \$3.18 for that in Nunavik and only \$2.14 in Quebec City. And you'd pay \$4.51 for aluminum foil in Nunavik and only \$2.32 in Quebec City.

Using more conservative figures from the federal government, the calculation turned out to be "consistent," Duhaime said: prices are higher in Nunavik.

Taxes also add an additional burden, Duhaime said.

All this means that 37 per cent of people in Nunavik live below that poverty line, which Duhaime showed as he kept moving his "poverty line" up through the line of houses.

That's up from Duhaime's earlier studies, which found poverty affects 20 to 30 per cent of households in Nunavik, with elders and single parents with more than three children among the most affected.

Tackling poverty in Nunavik needs a more coherent and concerted effort that will include education, employment and measures to reduce the cost of living, Duhaime said.

To study poverty in Nunavik, Duhaime received \$250,000 in federal research money.

He told KRG councillors that when they meet again in September, he'll have more information to share.

"This is a tool we can use," said KRG chairperson Maggie Emudluk about Duhaime's study, because it will "convince the government that the cost of living is high"

Executive member Michael Cameron of Salluit, who is also the chairperson of the Kativik Municipal Housing Bureau, said he found the presentation an "eye-opener," adding that Pita and Maina, who earn a good salary, may also be carrying a large mortgage for a private home and may not be so well off after all.