

EXECUTIVE SUMMARY

MISSION FOR THE MILLENNIUM: A COMPREHENSIVE STRATEGY FOR CHILDREN AND YOUTH

Campaign 2000 Discussion Paper
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At the opening of Parliament in September 1997, the Prime Minister of Canada committed his government to work on assuring young people the prospects for a decent future. This Campaign 2000 discussion paper urges that the strong commitment of intent from the Prime Minister to Canada's children be matched by a significant commitment of means. It notes that the emergence of a *national children's agenda* provides a public framework for designating social investments in children and youth. Investments in children can occur however only if Canadians are assured that this will not lead to a new round of deficits. It is imperative that *fiscal stabilizers* including debt reduction measures be built into the federal budget in order to protect the sustainability of social investments in child and youth. Without stabilizers, and with a public unwilling to tolerate any new deficits, social spending will remain precariously exposed during the next economic downturn.

In relation to tax relief, the paper suggests that the emergence of the post deficit period provides an opportunity to reverse some of the past economic and policy trends that have harmed families with children. Low and modest income families have contributed disproportionately to deficit reduction through cuts to income security programs such as employment insurance, deindexed child benefits, and social assistance. It notes that many apostles of targeting in social spending become ardent universalists when it comes to tax cuts, with little benefit for low income families and that the Business Council on National Issues has become an important exception to this trend.

The paper describes two fundamental issues related to the economic well being of families and children which a national children's agenda should address.

- What kind of a labour market do we want to promote in Canada for family providers?
- What are the respective roles of the market sector and governments in creating sustaining employment opportunities for all family providers?

Particular attention must be given to these issues as significant disparities have emerged in the employment earnings of Canadians. While the shares of market incomes of poor, modest and median level families decline, those of more advantaged families grew. The paper documents troubling data which illustrates how the market economy fails to look after the economic requirements of growing numbers of Canadian families.

Without public initiatives as part of a national children's agenda to create a basic wage floor for working parents, moving families off welfare into employment will result only

in a shift from social assistance poverty to labour market poverty. It proposes that recent calls for a civic economy suggest the need to review local employment creation as an appropriate path for public investment to assure a sufficient supply of decent jobs. Likewise the shelter crisis faced by increasing numbers of poor families must be assigned significance in the national children's agenda.

The discussion paper identifies the 1998 federal budget as a critical test of whether the commitment made by the Prime Minister of Canada's children is a defining mission of the second mandate. The paper notes that the Minister of Finance has yet to place a fiscal plan for the second mandate before the people of Canada. Government must make progress in addressing child poverty during each year of the mandate. There is not the luxury of skipping a year. Specifically, the paper states that the 1998 federal budget should introduce a multi year fiscal plan to address child poverty. It should establish national benchmarks on projected progress in reducing the levels and depths of child poverty through each of the phases.

In 1998: An additional \$850 million in the supplementary child tax benefit for working poor families raising the initial federal contribution to fight child poverty to \$1.7 billion, hardly a substantial investment but a more credible down payment for a serious commitment.

In 1999: Provide the balance of federal contributions required to bring the supplementary child tax benefit to \$2 500 per child for low income working families by the year 2000.

In 2000: Provide a three to five year fiscal framework, to raise the child benefit level to \$4000 per child for all low income families, with significant benefits to be provided to modest income families.

The paper notes that the development of the above child benefit system will lay the foundation for a strategy to reduce child poverty. It also identifies other critical components as: a national envelope for early child development and child care; a youth education endowment fund; targets and plans to increase good jobs at decent wages; and concrete proposals to meet Canada's affordable housing needs.

To order a copy of Mission for the Millennium, the 30 page discussion paper, please contact Ms. Liyu Guo, Campaign 2000, c/o Family Service Association, 355 Church St., Toronto, M5B 1Z8. Phone 416-595-9230, ext. 244. Fax 416-595-0242, email liyuguo@web.ca, or check out our website at www.campaign2000.ca.