



BUDGET RESPONSE

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TORONTO –Budget 2017 makes inroads in some areas core to reducing child and family poverty, including addressing gender inequities and multi-year funding commitments to affordable housing and childcare and early learning. But the roll-out of funding is slow in the face of need for urgent and bold action against poverty. Over 1.3 million children live in poverty in Canada today: nearly 1 in 5 children overall, rising to 60% of status First Nations Children on reserve. Serious action and commitment are required to immediately end poverty. The glaring absence of funding to equalize spending for child welfare and social services for Indigenous children on reserve is unacceptable in light of the Canadian Human Rights Tribunal (CHRT) rulings. More immediate funding measures will be needed to ensure Canada’s upcoming Poverty Reduction Strategy can effectively address the realities of families and children living in poverty across the country.

“The budget boasts many positive signals and we applaud the inclusion of gender analysis and the allocation of funding to address gender-based violence that contributes to Canada’s high rates of homelessness and poverty. Given how crucial the early years are for children, we cannot delay implementing social policy measures and funding to support low-income children and families. We urge government to prioritize crucial investment in income security by immediately indexing the Canada Child Benefit instead of delaying to the start of the next decade in 2020,” says Anita Khanna, national coordinator of Campaign 2000. “Investments in access to post-secondary education for Indigenous youth and the allocation of \$3.4 billion for Indigenous peoples’ priorities over five years are welcome. Immediate compliance with the CHRT rulings to address inequities in funding for First Nations children, who live in the highest levels of poverty in Canada, is also required as an act of justice and reconciliation.”

Campaign 2000 welcomes long-term funding for early learning and childcare from the federal government. The budget provides provinces and territories with \$7 billion over the next 10 years. However, the increase in funding is only \$5 million next year. Greater funding is required in the short term to meet families’ demand for accessible, affordable and high quality care and to grow a system of childcare. “It’s very good to see the federal government back in the game on childcare. This, and commitment to long-term funding are very welcome. But a significantly higher financial commitment is needed to improve the access, affordability and quality of childcare and to bolster women’s entry into employment,” says Martha Friendly, Executive Director of the Childcare Resource and Research Unit.

Campaign 2000 urges further analysis of the gender and income inequities associated with extending maternity/parental leave to 18 months. “Spreading 12 months of the benefit over 18 months does little for low income mothers and families. Many parents do not qualify for EI due to precarious work realities while others are just unable to afford to live month to month on an even smaller fraction of their income and will see no benefit from this change,” Khanna says.

Housing investments pegged at \$11.2 billion dollars over 11 years are also welcome and significant. Access to affordable housing is a critical component of improving the lives of low income families. The budget allocated \$3.2 billion to provinces and territories to support renovation to existing social housing, construction of new units or rent subsidies, which will start to flow in 2019-20. A National Housing Fund of \$5 billion has been established (funding starting 2017), while \$300 million will be dedicated to Northern housing (starting 2018-19), \$225 million towards urban and rural Indigenous housing (off-reserve starting 2018-9) and \$2.1 billion to expand the Homelessness Partnering Strategy (starting 2018-19), while \$241 million has also been dedicated to housing research (starting 2018-19).

Unfortunately, Budget 2017 continues to stall the indexation of the Child Benefit to inflation until 2020, limiting the purchasing power of the benefit as food, housing and utility prices rise. Budget 2017 also fails to allocate funds for the development of the promised Canadian Poverty Reduction Strategy. “The Poverty Reduction Strategy is not mentioned once in Budget 2017 and no funds are allocated. Does this mean that nothing will happen in 2017?” asks Dr. Sid Frankel, Associate Professor, University of Manitoba. “This is a missed opportunity to demonstrate the government’s commitment to poverty reduction and understanding of the serious long-term work involved to turn the tide against child and family poverty in Canada.”

“When Canada invests in children, especially in the early years, we can bank on our success every time. We will work collaboratively to turn Budget 2017’s positive signals into robust anti-poverty measures to support children and families through the Canadian Poverty Reduction Strategy,” Khanna says. Campaign 2000 is a non-partisan, cross-Canada network of 120 national, provincial and community partner organizations committed to working to end child and family poverty. For more, visit <http://www.campaign2000.ca>.