

New National Report Card on Child and Family Poverty Sets the Stage for a Poverty-Free Canada

TORONTO – Thirty years after the first unanimous all-party promise to end child poverty, Campaign 2000's new report shows that over 1,350,000 children in Canada continue to live in poverty, with Indigenous children, racialized and immigrant children, and children in female-led single parent families disproportionately affected. The national child poverty rate has decreased exceptionally slowly over the last 30 years, from 22% to 18.6%. At the current rate, it will take another 155 years for the government to reach the goal to eliminate child poverty.

“Despite multiple commitments to end poverty, we still have exceptionally high rates of poverty and unjustifiable levels of income inequality for a country as wealthy as Canada,” says Leila Sarangi, National Coordinator for Campaign 2000. “This is, in part, due to the way in which the government has decided to measure poverty. The use of the Market Basket Measure, now entrenched in law, drastically underestimates the rate and prevalence of poverty, making it seem like we are further ahead in ending poverty than we really are.”

The new national report, *2020: Setting the Stage for a Poverty-Free Canada*, provides strong direction for ending child and family poverty. New analysis captures the uneven reductions in poverty across geographic jurisdictions and highlights the uneven rate of poverty across marginalized groups. Using the widely accepted Low Income Measure calculated from taxfiler data, the report card illustrates the breadth and depth of poverty in Canada and calls for bold targets to reduce poverty by 50% by the year 2025, among all groups.

“The percentage of Nova Scotian children living in low-income circumstances has decreased less than 1% since the 1989 promise to end child poverty,” says Lesley Frank, Associate Professor of Sociology at Acadia University. “The child poverty rate remains high, particularly in relation to the rest of Canada. Nova Scotia has performed very poorly in reducing child poverty despite the introduction of the Canada Child Benefit in 2016. These reports remind us of how many children we are leaving behind, how broken our social contract is, and the urgency to fix it.”

The report examines the impact of the Canada Child Benefit (CCB) on family incomes over the course of its first full year of implementation. While the CCB has prevented more than 684,000 children under 18 from living in poverty in 2017, some of the most vulnerable families are unable to access the Benefit, including children whose parents have precarious immigration status, women in shelters who are fleeing violence, and many First Nations communities. This finding is particularly damning when considered alongside the abysmally low social assistance rates in place across the country. Families who face barriers in accessing both the CCB and adequate income security programs have been left struggling to live one small step above destitution.

“Boosting incomes through government transfers is key to ending poverty. Enhancing these transfers is absolutely necessary, including increasing the Canada Social Transfer, removing arbitrary growth limits, and changing the Income Tax Act so that all families can receive the Canada Child Benefit,” says Sid Frankel, Professor of Social Work at University of Manitoba. “But ending poverty is not only about adequate income. We have a moral imperative to make sure that every child in this country starts their lives with every support that our society can provide. We need to keep building strong social infrastructure, including high quality universal childcare, adequate housing, and universal pharmacare.”

The report urges the federal government to make specific, targeted investments in order to tackle the deepest pockets of child poverty across the country. Campaign 2000 provincial partners in British Columbia, Alberta, Saskatchewan,

Manitoba, Ontario, New Brunswick, Nova Scotia and Prince Edward Island are also releasing province-specific report cards, underscoring the need for Canada's federal government to take action that will have strong and positive impacts on the lives of children and families across the country.

"We have the tools, we have the data, we know what needs to be done. The new minority parliament has a unique opportunity to collaborate on our shared goal to end poverty once and for all," says Sarangi. "We simply cannot afford to fail another generation of children."

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, hosted by Family Service Toronto. For all of Campaign 2000's report cards, visit <http://www.campaign2000.ca>

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Key Findings from the 2019 National Report Card, 2020: *Setting the Stage for a Poverty-Free Canada*

- Nearly 1 in 5 children live in poverty (1,356,980 or 18.6%) in Canada
- Poverty discriminates: Among Indigenous Peoples, status First Nation children on reserve and off-reserve experience poverty rates of 53% and 41% respectively; 32% of non-status First Nations, 25% of Inuit children and 22% of Metis children live in poverty.
- Among former or current landed immigrants or permanent residents had a poverty rate of 35% and racialized children had a poverty rate of 22%.
- The official poverty measure, the Market Basket Measure (MBM), underestimates the poverty threshold and therefore the rate and prevalence of poverty. According to the MBM, the national child poverty rate was 9% in 2017 compared to the Census Family Low Income Measure, After Tax (CFLIM-AT) which was 18.6% in the same year.
- Canada must aim to reduce poverty by 50% according to the CFLIM-AT calculated by taxfiler data by the year 2025 and must ensure the same rate of reduction for marginalized communities.
- The Canada Child Benefit (CCB) is an important mechanism for reducing poverty, but it is not a silver bullet. The CCB prevented 684,340 children from falling below the CFLIM-AT in 2017, but 1,356,980 children still live in poverty
- Well-designed government transfers can prevent poverty. Total federal, provincial, territorial and municipal transfers prevented 1,102,970 children from falling below the CFLIM-AT in 2017.
- Canada still needs a national childcare program. Fewer than 3 in 10 children under six can access regulated childcare spaces and fees remain unaffordable for most families.
- Canada needs a good jobs strategy and decent wages: The federal government should immediately implement a \$15/hour minimum wage within federally regulated industries that is indexed annually to inflation and improve access to Employment Insurance.
- Canada is the only country in the world with a public healthcare system that does not provide coverage for prescription drugs. In addition to universal public pharmacare, public healthcare programs must be expanded to include dental, vision and various rehabilitation services.

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