

**CAMPAIGN 2000**  
**END CHILD & FAMILY POVERTY**

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**METTONS FIN À LA PAUVRETÉ**  
**DES ENFANTS ET DES FAMILLES**

**Ending Poverty and Inequality as the COVID-19 Recovery Plan**

**House of Commons Standing Committee on Finance**

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## Recommendations

- 1) Strengthen the Poverty Reduction Strategy through strategic investments to meet more ambitious poverty reduction targets. An investment of \$6 billion should be allocated in Budget 2021 with the goal of reducing poverty by 50% between 2015 – 2025 based on the Census Family Low Income Measure After Tax (CFLIM-AT) using T1 Family File data.
- 2) Income security measures must be a) universally accessible and b) ensure individual and family incomes are brought up to a minimum floor, determined using CFLIM-AT based on 60% of median income to account for loss of income due to COVID.
  - Increase the Canada Child Benefit (CCB) in combination with creating a new, targeted Dignity Dividend of \$3,600 delivered to each adult and child living below the CFLIM-AT 60.
  - Repeal s.122.6(e) to ensure parents immigration status is not a barrier to accessing the Canada Child Benefit (CCB).
  - Remove bureaucratic barriers to make the CCB accessible to customary care, kinship, and families caring for children outside a formal care arrangement.
  - Create mechanisms for income support eligibility determination and benefit distribution for marginalized people outside of the personal income tax system.
- 3) Ensure all who are unemployed or underemployed have access to income security measures within a revamped Employment Insurance (EI) program that increases access, amount and duration of benefits.
- 4) Increase funding for the Canada Social Transfer (CST) by \$4 billion and remove arbitrary growth restrictions to support standards of adequacy for social and disability assistance programs, with conditions that stipulate no clawbacks of income support benefits, including pandemic emergency benefits.
- 5) Allocate funding toward immediate compliance with the Canadian Human Rights Tribunal (CHRT) ruling to a) provide equitable funding for child welfare services on reserve b) ensure the full application of Jordan's Principle.
- 6) Fund implementation of the 94 Calls to Action from the Truth and Reconciliation Commission and the 231 Calls to Justice from the National Inquiry into Missing and Murdered Indigenous Women and Girls.
- 7) In remaining 2020-2021, allocate \$2.5 billion of promised emergency transfers to provinces and territories for spending on early learning and child care (ELCC). Boost the federal allocation for ELCC to \$2 billion in 2021-22 and add a further \$2 billion each year thereafter, earmarking 20 per cent of the annual total to support implementation of the Indigenous Early Learning and Child Care Framework.
- 8) Enhance commitments in the National Housing Strategy (NHS) to end core housing need and homelessness. Commit to a fourth urban and rural Indigenous Housing Strategy as well as reassess the definition of "chronic homelessness" to capture diverse experiences. Double the federal investment in the Canada Housing Benefit to \$8 billion. Ensure that at minimum, 25% of all resources in Budget 2021 are allocated through a GBA+ framework as per NHS commitments. Fully fund mechanisms associated with supporting the Right to Housing.
- 9) Implement excess profit tax focused on pandemic windfall gains, corporate tax on any profits generated by corporations while receiving the Canadian Emergency Wage Subsidy (CEWS). Increase the minimum corporate tax applied to 'normal' profits. Earmark 100% of these revenues to fund poverty reduction initiatives.

## **About Campaign 2000**

Campaign 2000 is a non-partisan, pan-Canadian movement founded to build awareness and support for the 1989 all-party House of Commons resolution to end child poverty in Canada by the year 2000 with a diverse partnership of over 120+ spanning coast to coast to coast.

## **Child and Family Poverty in Canada**

Child and family poverty is a serious concern in Canada. Prior to the COVID-19 pandemic, more than 3.5 million people lived in poverty. Of those, 1.35 million were children below the age of 18, or 18.6% of all children, who suffered the indignity, hunger, insecurity, stress and social exclusion of poverty (Census Family Low Income Measure – After Tax, CFLIM-AT). Centuries of attempted cultural genocide and ongoing colonization means that these rates skyrocket for Indigenous children: 53% of Status First Nations children living on reserve, 43% living off reserve, 32% non-Status First Nations children, 25% Inuit and 22% Métis children live in poverty. Rates of poverty were above average for Black, racialized, immigrant, children, children with differing abilities and female-led lone parent households due to systems of discrimination that marginalize families and income inequality which has reached a new height.

The COVID-19 pandemic has impacted these families disproportionately. More women lost work early in the pandemic and are not recovering at the same rate as the economy re-opens. Migrant workers, racialized workers and diverse women in low-waged precarious segments of the labour market have been particularly impacted. With no national strategy for childcare, women's re-entry into the labour market will be hindered. Families on social or disability assistance were already struggling with income, housing and food insecurity and have not been provided with any additional emergency supports save for very minimal Canada Child Benefit and GST one-time top-ups. Anyone outside of the tax delivery system have not received emergency benefits, and with community and social services shuttered, other kinds of support are difficult or impossible to access.

Experiences of the COVID-19 pandemic have laid bare inequities, are amplifying inequality and bringing to light the inadequacies of our social and economic infrastructure to support families in crisis. The road to recovery must not lead us back to what we knew as 'normal'. That status quo left far too many behind. We must use this opportunity to reimagine a just, equitable, inclusive society, which is both good for the economy and is the right thing to do. Eradicating poverty is undoubtedly essential to promoting Canada's economic growth (Conference Board of Canada) while promoting population health, enhancing social cohesion and enabling fuller social and economic participation of all. To achieve this, we must invest in policies that equalize outcomes for families and children, including income benefits, Reconciliation, ELCC and housing for all.

## **Budget 2021 Priorities**

### ***The Canadian Poverty Reduction Strategy***

Ending poverty must be a key strategy in the federal government's COVID-19 recovery plan. This goal must guide all economic, fiscal, taxation and social policy decision-making and budgetary priorities in the short and long term. The federal government must provide leadership in establishing targets and timelines and conditions for poverty reduction programs delivered by the provinces and territories.

- Strengthen the Poverty Reduction Strategy through strategic investments to meet more ambitious poverty reduction targets. An investment of \$6 billion should be allocated in Budget 2021 with the goal of reducing poverty by 50% between 2015 – 2025 based on the Census Family Low Income Measure After Tax (CFLIM-AT) using T1 Family File data.
- The Poverty Reduction Act should recognize the right to an adequate standard of living and contain mechanisms to realize these rights such as a well-resourced all-party appointed advisory council and a poverty reduction advocate who can investigate major systemic issues.

### ***Income Security***

All income security measures implemented must ensure that individual and family incomes are brought up to a minimum floor determined using the CFLIM-AT calculated with taxfiler data and based on 60% of median income. This 60% measure will account for the reduced levels of income due to pandemic job loss and that result in lower thresholds.

Benefits must be universally accessible. Lack of identification, SIN, immigration or citizenship status, a CRA account, or fixed address must not bar anyone including those engaged in precarious, casual or home-based work. There must be a delivery system for those who do not file taxes.

Campaign 2000 has long recommended boosting the base amount of the CCB so that it, in combination with a new benefit, the Dignity Dividend, work together to reduce child poverty by 50%. Functioning like the GST credit, the Dignity Dividend, as modeled in the Alternative Federal Budget Recovery Plan, would provide \$3,600 to each adult and child living below the CFLIM-AT 60.

For some children, their parents' immigration status is a barrier to accessing the CCB. To address this, amend the Income Tax Act by repealing s.122.6(e) which ties eligibility for the CCB to the immigration status of the applicant parent. Every parent in Canada who is considered a resident for tax purposes should be eligible for CCB, regardless of immigration status.

Enable different government agencies and departments to share information required for caregivers to access benefits for children, such as birth certificates. Expand the circle of people able to attest to residency to include charities so that impoverished families with children too young for school can meet the requirements to access federal benefits and ensure that kinship, customary care and families caring for children outside a formal care arrangement have access to any CCB top up.

Increase funding for the Canada Social Transfer by \$4 billion and remove arbitrary growth restrictions. Provide sufficient, stable and predictable funding that recognizes regional economic variations, and ensures that federal, provincial and territorial governments are accountable for meeting their human rights obligations to provide adequate income support. As part of this, require the development of minimum standards for income benefits and social services funded through the CST and make conditional that income supplements including the Canada

Child Benefit, Child Support Payments child related Employment Insurance benefits and pandemic emergency benefits are not deducted from social assistance. Require provinces/territories to reduce social assistance poverty by 50% as measured by CFLIM-AT by 2025 as a condition of the transfer.

### ***Eradicate Poverty among Indigenous Families***

Budget 2021 must provide equitable funding for child welfare services on reserve and fully implement Jordan's Principle. It must also provide implementation funding for the TRC's 94 Calls to Action and adopt and fund the MMIWG Inquiry's Calls to Justice.

Investments to improve uptake of the CCB among families on reserve are significant but inadequate. Additional funding to support First Nations' children access to the CCB is needed.

### ***Prioritize Universal High-Quality Early Learning and Child Care***

An equitable recovery will not be possible without a national childcare strategy that is universal, accessible, flexible and publicly funded that can do double duty by providing decent work for early child care educators and by enabling parents, especially mothers, to return to work. Campaign 2000 supports Child Care Now's Strategy For Recovery two phased approach. In the first phase, the plan calls for \$2.5 billion for ELCC in new federal transfers to the provinces/territories and Indigenous communities to support the safe and full recovery of regulated child care as part of the reopening of the economy. In the second phase, the plan proposes ELCC spending of \$2 billion in 2021-22, increasing each year by \$2 billion (that is, \$4 billion in 2022-23, \$6 billion in 2023-24, etc.). The federal funds would be used to move Canada towards a fully publicly funded system, in partnership with the provinces/territories and Indigenous governments.

### ***Housing for All***

Eliminating homelessness and core housing need must be central to federal recovery plans, including reassessment of the definition of 'chronic homelessness' to capture the experiences of children and families including women fleeing violence, immigrants and refugees and Indigenous Peoples. Immediate acceleration of the co-development of the three distinctions-based Indigenous housing strategies and commitment to a fourth complimentary strategy to address the needs of urban and rural Indigenous Peoples with an immediate priority to expand the availability of safe and adequate housing for Indigenous women, girls and gender-diverse peoples is required to address needs in these communities.

We recommend doubling the federal investment to \$8 billion for the Canada Housing Benefit to support families struggling to pay rent.

Ensure that 25% of all resources reach diverse women, girls and gender-diverse people as per GBA+ commitments in the NHS and work with impacted communities and organizations to develop accountability frameworks and metrics.

Prioritize and adequately fund the appointment of a strong, well-led Federal Housing Advocate and Housing Council to monitor compliance with the right to housing.