

December 9, 2020, 12pm EST

Slight Progress Made on Child Poverty in Parts of Country, Increases in Others, National Report Reveals

TORONTO – Campaign 2000: End Child and Family Poverty has been tracking government progress to meet their all-party, unanimous 1989 goal to end child poverty by the year 2000. This year’s report finds that prior to the pandemic, over 1,330,000 children in Canada lived in poverty. The child poverty rate declined less than half a percentage point between 2017-2018 from 18.6% to 18.2%, leaving nearly 1 in 5 children experiencing the harsh long-term consequences that poverty and discrimination have on social, mental and physical health and well-being.

The report finds a deepening relationship between growing economic inequality and social and health inequalities, which has impacted the ability of many vulnerable families to weather the pandemic.

“Poverty is drawn along equity lines. First Nations, Inuit, Métis, racialized, immigrant children, children with disabilities and children in female led lone parent families are all overrepresented in rates of poverty, while income and wealth continues to concentrate at the top,” said Leila Sarangi, National Coordinator for Campaign 2000 and author of the National Report Card. “This is why already marginalized families have been hit hard by the pandemic, they faced systemic barriers to accessing resources based on race, gender, ability and other factors from the outset, so they had fewer resources available to keep themselves safe when the pandemic hit.”

The new national report, *Beyond the Pandemic: Rising Up for a Canada Free of Poverty*, reveals troubling trends using the latest income data available, the internationally accepted Census Family Low Income Measure, After Tax (CFLIM-AT) calculated with taxfiler data. It finds that only 19,410 children across Canada moved out of poverty between 2017 and 2018, and that child poverty rates grew in several jurisdictions, including Nunavut, Prince Edward Island, Newfoundland and Labrador, Nova Scotia and Manitoba. Rates remained relatively unchanged in Alberta, New Brunswick and Saskatchewan, and declined modestly in Quebec, British Columbia, Ontario, Yukon and Northwest Territories. In examining the role of the Canada Child Benefit (CCB), the report finds that the CCB had an important impact in the year it was first introduced, but the deteriorating effect on child poverty rates suggests that this impact was front-ended and short-lived. Total government transfers lowered the national child poverty rate by almost half from 33.1% to 18.2%, showing that well-designed transfers can make an impact. These significant reductions due to government transfers are seen in every jurisdiction across the country, but these transfers alone are not enough.

“As the only province for which poverty has not declined between 1989 and 2018, the Nova Scotia government must do more,” says Christine Saulnier, co-author of the NS Report Card, and Director of the Canadian Centre for Policy Alternatives-Nova Scotia. “While the evidence shows that government intervention makes a difference, it is urgent that more is done especially for families who face discrimination and additional barriers that make them at greater risk of living in poverty, investing in proactive strategies developed in collaboration with these communities.”

The report emphasizes a suite of targeted investments and policy changes in income security, decent work, public services, among others. But without a progressive overhaul of the tax system, inequitable distribution of wealth and resources will continue to drive up child poverty rates as wealth accumulates at the top and the rest are left behind during the pandemic.

“Manitoba has a large structural child poverty problem ingrained in our economy and welfare state. The rate in 2018 is only .7 percentage points below the 1989 rate. With this level of progress, it would take another 1,179 years to eliminate child poverty in Manitoba,” says Sid Frankel, Associate Professor at University of Manitoba and co-author of the MB Report Card. “To end this chronic nightmare we need changes in the labour market to make work pay, in public services to provide decent affordable housing and accessible high quality child care and in income supports so that those on Employment and Income Assistance do not live in legislated poverty.”



“Progress in eradication of child poverty has gone at a snail’s pace over the years,” says Mary Boyd, author of the PEI report card and member of the PEI Coalition for a Poverty Eradication Strategy. “This year it is even worse as the small trend forward that we saw in the past four years has been reversed. The large percentage of working poor is shameful. It is evidence that governments are shirking their responsibility to provide needed income and decent jobs at decent wages. There are hundreds of thousands of such jobs begging to be created.”

“Campaign 2000 has spent decades tracking and reporting on child poverty rates and has been sounding the alarm on the need for structural change long before the pandemic and economic fallout hit already marginalized families. We agree with the vision proposed in the Fall Economic Update 2020 that an ‘intersectional, feminist and green’ recovery is required to build a thriving future state where no one is left behind,” Sarangi says. “To build that vision, swift and courageous policies and investments will need to be made. The federal government must rise to this once in a lifetime opportunity to improve the lives of millions of children and families.”

Campaign 2000 is a non-partisan, pan-Canada network of 120+ national, provincial, territorial 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 2020 National Report Card, *Beyond the Pandemic: Rising Up for a Canada Free of Poverty*

- Nearly 1 in 5 children lived in poverty (1,337,570 or 18.2%) in Canada in 2018.
- The national child poverty rate declined by less than half a percentage point between 2017 to 2018, from 18.6% to 18.2%, representing 19,410 children fewer children in poverty.
- Poverty rates increased between 2017 to 2018 in several jurisdictions: Nunavut, Prince Edward Island, Newfoundland and Labrador, Nova Scotia and Manitoba.
- The Canada Child Benefit (CCB) had a significant impact on child poverty rates the year it was implemented, but this lack of progress suggests that benefits were front-ended and short lived. In 2018, the CCB protected 662,080 from falling into poverty.
- 1.2 million children were food insecure in 2017-2018, representing the highest number recorded since food insecurity monitoring began in Canada. The CCB has been shown to reduce severe food insecurity in families.
- Well-designed government transfers can reduce poverty. In 2018, total government transfers reduced the child poverty rate from 33.1% to 18.2%, reflecting a difference of 1,084,910 fewer children living in poverty. But transfers alone are not enough.
- 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 where prevalence is higher.
- Pandemic recovery is dependent on the creation of a well-resourced, publicly funded universal childcare system, eliminating fee subsidy systems that create barriers to access for low-income families.
- Access to adequate housing is key to maintaining public health. Substantial new investments are needed that meet the needs of diverse communities, and that fulfill the federal governments human rights obligations and gender-based plus (GBA+) commitments of the National Housing Strategy.
- Now is the time to implement universal pharmacare with new legislation and an initial investment of a \$3.5 billion annual pharmacare transfer to the provinces and territories with the condition of providing universal public coverage of essential medicines, with a shift to full pharmacare over 5 years.
- Economic fallout from the pandemic has affected already vulnerable workers and shone a light on abysmally poor labour standards. Canada must immediately implement \$15/hr minimum wage; legislate paid sick days; lengthen the duration and improve access to emergency measures; strengthen the Employment Equity Act and attach Community Benefit Agreements; and reform Employment Insurance over the longer-term.



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