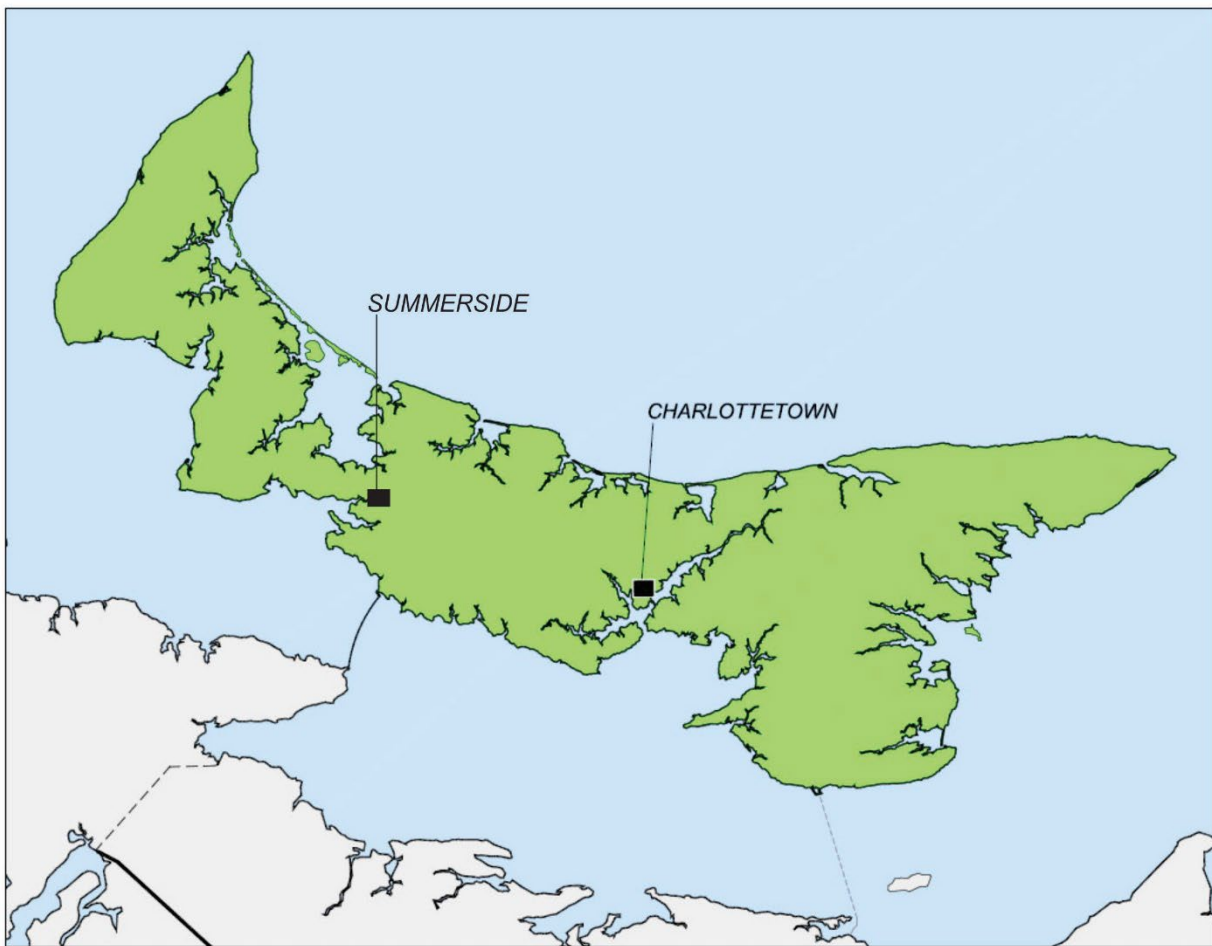


Pandemics, Inflation and Poverty

Child and Family Poverty on Prince Edward Island



**Ninth Annual Report on Child and Family Poverty on Prince Edward Island – 2022,
MacKillop Centre for Social Justice and PEI Coalition for a Poverty Eradication Strategy**

February 14, 2023

Pandemics, Inflation and Poverty

Child and Family Report Card on Poverty, 2022

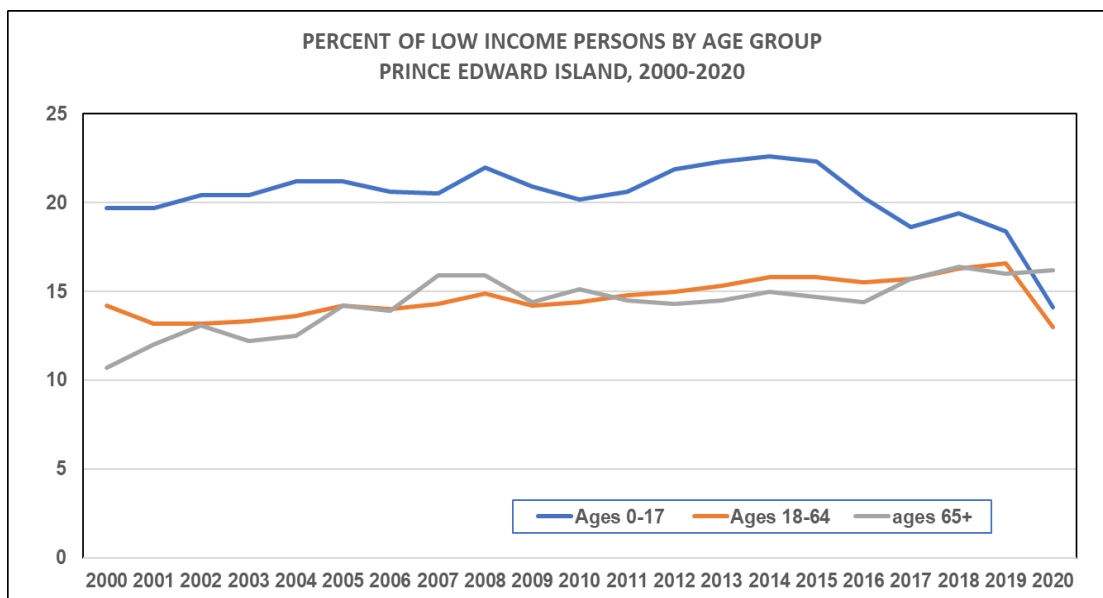
Introduction

The main story in this year's Child Poverty Report Card is the sizeable decrease in child and family poverty in 2020. The decline is related largely to COVID-19 supports which have now ended. What will the poverty rates be for 2022 and 2023? What will best enable low income people to overcome the many problems they endure when trapped in poverty, and enable them to make their positive and important contributions to society? This report card offers several concrete solutions that are possible and long overdue. In the final analysis it comes down to the question of what kind of society do we want? There are many marginalized groups in our society that have not been able to take their rightful place because of their poverty: First Nations, Inuit and Metis, urban and rural indigenous peoples, racialized people, those with disabilities, social assistance recipients, immigrants, newcomers, those with precarious immigration status, female-led lone-parent families, seniors whose fixed incomes are insufficient, and the unemployed. Governments have a huge responsibility to transform this situation.

Figure 1 illustrates the percentage of low-income persons by age group on PEI over the last 20 years. The biggest change by far happened in 2019 – 2020 when child poverty dropped from 18.4% in 2019 to 14.1% in 2020, a drop of 4.3% and the lowest drop in 20 years.

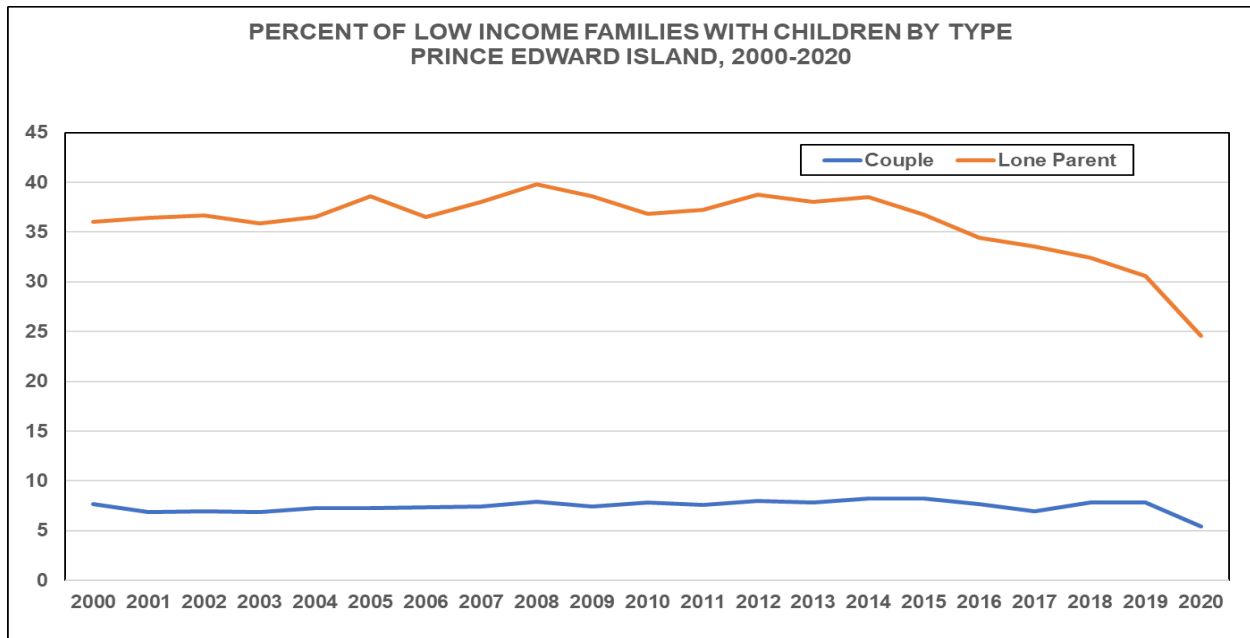
Working age people – ages 18 – 64 - also saw their poverty decline from 16.6% to 13%, a drop of 3.6%, the lowest since 2006. It is surprising, therefore, that the rate of poverty for people 65 and over is the highest since 2000. The improvements for workers and children are mainly due to federal government grants given especially to working age people during the first part of the COVID – 19 Pandemic. These percentages are encouraging, but there is still a long way to go to eradicate poverty. The high inflation rate in the last year and the cost of essential goods such as housing, rent, food and energy, along with slowness in implementing alternatives, indicate that poverty is likely to increase in the coming years. Canadians 65 years and over did not see the improvements of the other age groups. Their poverty rate actually increased by 0.2% in 2019 and 2020, the highest rate since 2000. In some cases the rate of senior poverty is in the mid-30's percent range.

Figure 1. Percent of Low Income Persons by Age Group in Prince Edward Island



PEI's overall poverty rate is 0.6% higher than the national average of 13.3. The table below shows that lone parent families in poverty dropped to 24%, the lowest since 2000 and the percent of low-income couple families with children dropped to 5.1%, also the lowest since 2000.

Figure 2. Percent of Low Income Families with Children by Type in Prince Edward Island



Comparison to other provinces and Canada

Compared to the other provinces and territories, PEI has the 7th highest overall percentage of poverty, placing slightly lower than the average, and lowest of the four Atlantic Provinces. Those with higher rates are Nunavut, Manitoba, Nova Scotia, Saskatchewan, N.B., and Newfoundland-Labrador. Provinces and territories with the least overall poverty are Yukon, Alberta, NWT, BC, Quebec, Ontario,

For low-income children, ages 0 – 17, PEI places 6th lowest at 14.1% and 0.6 % above the national average. Again this year, PEI has the lowest child poverty rate of the Atlantic provinces.

The poverty rate for children under six years on PEI is 14.8% or the 6th lowest in Canada. It is 0.6% above the Canadian average and the lowest in the Atlantic region.

For the working age group, 18 – 64, PEI has the 7th highest rate and is 0.1% below the Canadian average. It has the second highest rate in the Atlantic Provinces. Nova Scotia has the highest rate.

The data for Islanders 65 and over gives a different picture. The poverty rate for this age group on PEI is the third highest among the provinces and territories at 16.2% - 2.4 percentage points above the national average. Quebec has the highest percentage at 18.1% and New Brunswick is second at 16.9%, as illustrated below in Figure 3.

The overall total of low-income people of all ages on PEI is 21,190. The number of children in poverty, ages 0-17 is 4,090 while the number of working age people in poverty, ages 18 – 64, is 11,970, and the

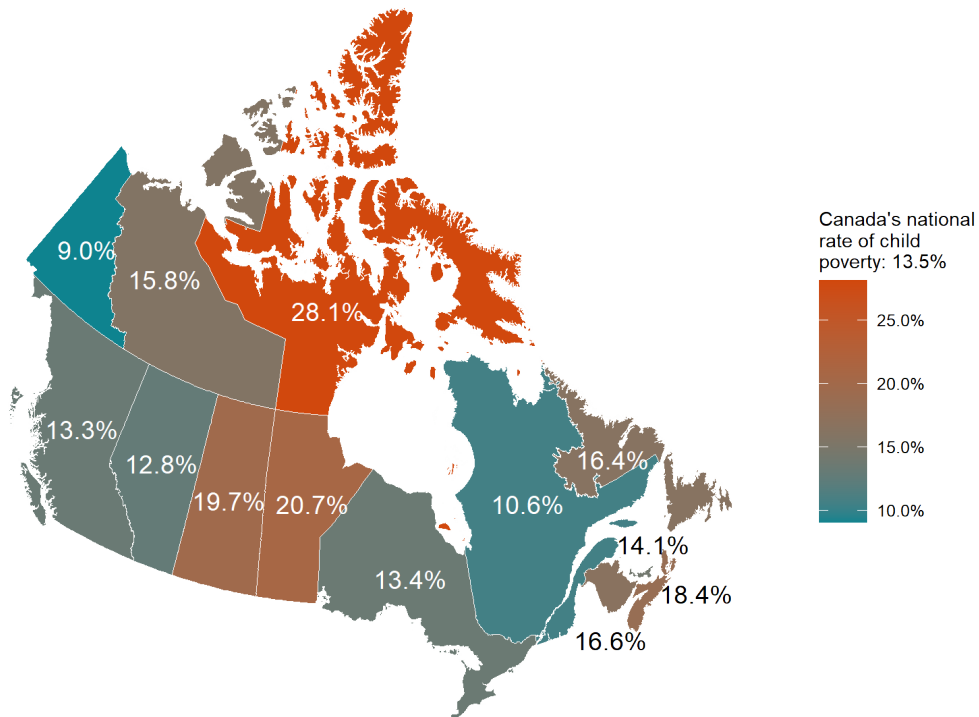
number of seniors in poverty, age 65 and over, is 5,130. The percentage for all age groups is 13.9% overall, age 0 – 17, 14.1%, age 18 – 64, 13%, and 65 and over, 16.2%.

Figure 3. Number and Percent of Low Income Persons by Age Group across Canada

Number and Percent of Low Income Persons by Age Group Canada, Provinces and Territories, 2020								
Place name - Nom de localité	All Ages		0-17		18-64		65+	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
NEWFOUNDLAND AND LABRADOR	71030	14	14310	16.4	38230	12.6	18490	15.7
PRINCE EDWARD ISLAND	21190	13.9	4090	14.1	11970	13	5130	16.2
NOVA SCOTIA	148200	15.8	31370	18.4	83830	14.9	33000	16
NEW BRUNSWICK	109440	14.4	23000	16.6	57820	12.9	28620	16.9
QUEBEC	1104270	13.2	175300	10.6	623040	12.5	305930	18.1
ONTARIO	1892480	13.4	377040	13.4	1199300	13.7	316150	12.5
MANITOBA	213630	16.1	64670	20.7	122260	15.4	26690	12.2
SASKATCHEWAN	172130	15.1	55310	19.7	94000	14	22830	12
ALBERTA	474500	11.1	130640	12.8	294050	11.2	49810	8.2
BRITISH COLUMBIA	644990	13.2	116500	13.3	406590	13.4	121910	12.5
YUKON	3380	8.9	710	9	2000	8.1	680	12.2
NORTHWEST TERRITORIES	5010	11.9	1760	15.8	2920	10.7	330	8.6
NUNAVUT	8690	23	4430	28.1	4130	20.2	130	8.5
CANADA	4868950	13.3	999110	13.5	2940130	13.1	929710	13.8

Source: Statistics Canada, Centre of Income and Socioeconomic Well-Being Statistics, Annual Income Estimates for Census Families and Individuals (T1 Family File), Custom Tabulation. Poverty decreased in every province and territory

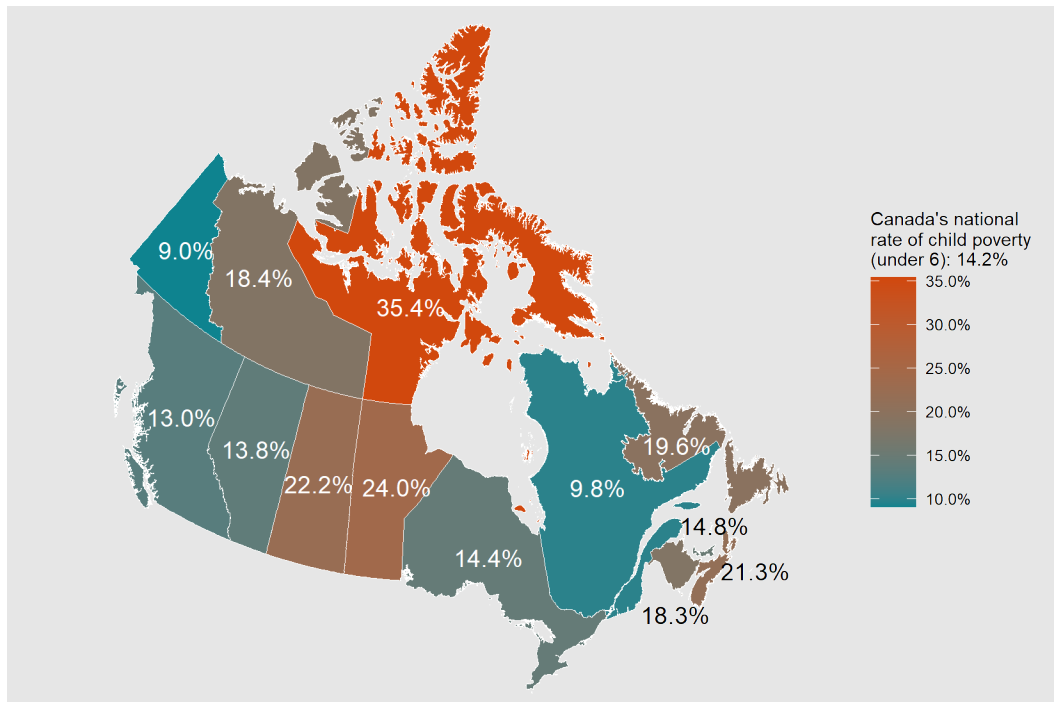
Figure 4. Child poverty rates across Canada, under 18, 2020



Source: Statistics Canada Table 11-10-0018-01. After-tax income status of tax filers and dependents based on Census Family Low Income Measure (CFLIM-AT), by family type and family type composition (T1FF), 2020.

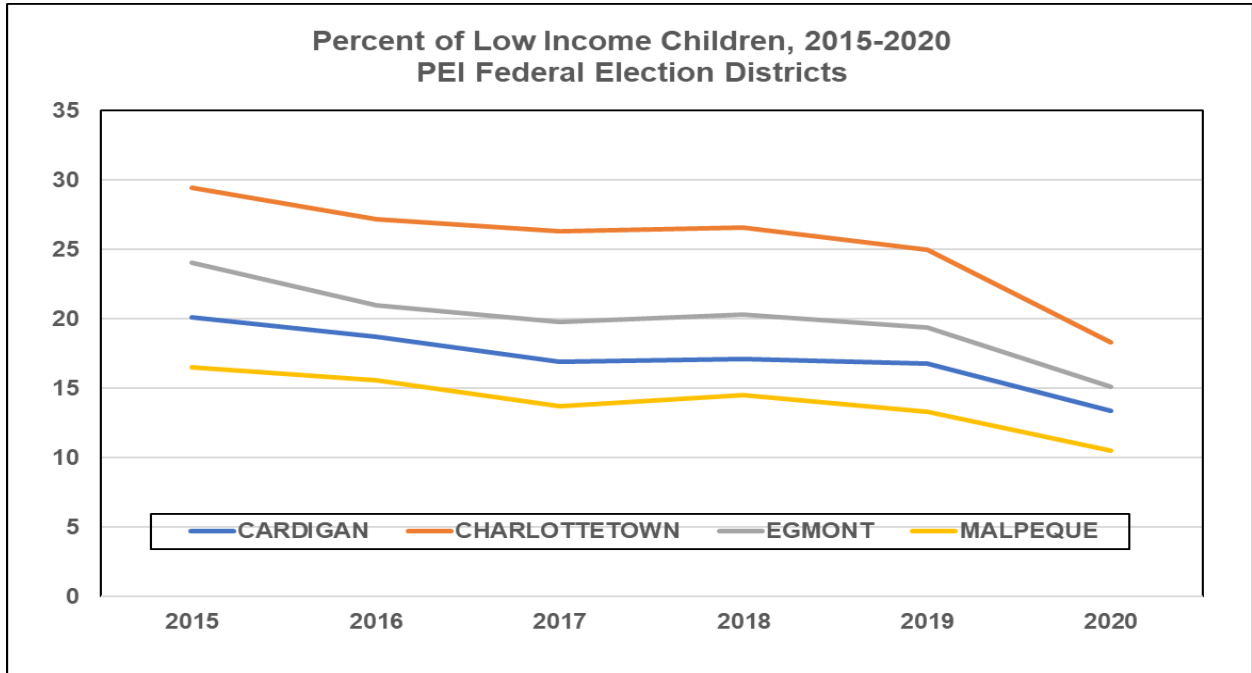
Figure 4 illustrates the geographic extent of child poverty in Canada by province and territory. The overall child poverty rate on PEI at 14.1% is the 6th lowest in Canada and the lowest in the Atlantic Provinces. Nunavut has the highest child poverty rate at 28.1% and Yukon has the lowest at 9%. Manitoba has the highest rate of the provinces at 20.7% and Nova Scotia stands out among the Atlantic provinces at 18.4%.

Figure 5. Child poverty rates across Canada, under 6, 2020



The poverty rate for children under six years on PEI is 14.8% (Figure 5). This is the 6th lowest rate in Canada and the lowest among the Atlantic Canada provinces. Nunavut has the highest rate at a shocking 35.4%. Manitoba has the highest rate of the provinces at a 24.0% followed by Saskatchewan at 22.2%. Nova Scotia has the highest rate among the Atlantic Provinces at a 21.3%.

Figure 6. Percent of Low Income Children in PEI Federal Election Districts, 2015-2020



The changes in the child poverty rate brought about mostly by COVID-19 funding illustrate the extent of poverty reduction in the four federal ridings. Charlottetown had the most dramatic poverty reduction at 20.2%. Egmont is next at 14.9%, followed by Cardigan at 14.8%, and Malpeque had a 13.2% reduction (Figure 6).

While child poverty rates decreased by dramatic percentages, Figure 7, below, shows that Island seniors benefited least from the COVID payments while child poverty rates decreased by large percentages. The decline in child poverty in Charlottetown was 28.1% and 22.8% in Egmont. In Malpeque the decline was 21.1% and Cardigan was lowest at 19%. For people 65 and over, Egmont had the highest increase in senior poverty at 7.1%, followed by Malpeque 6.8%. Cardigan had a 4.8% increase and Charlottetown had the lowest at 2.5%.

Figure 7. Low Income Person by Age Group, PEI Census Divisions and Ridings

Number and Percent of Low Income Persons by Age Group PEI Census Divisions and Federal Election Districts, 2019-2020								
2019	All Ages		Ages 0-17		Ages 18-64		Ages 65+	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
CENSUS DIVISION								
KINGS	3380	19	670	20.9	1980	18.5	730	18.6
PRINCE	7540	15.8	1680	18.4	3950	13.9	1910	18.5
QUEENS	14430	17	2980	17.9	9210	17.6	2230	13.9
FEDERAL ELECTION DISTRICT								
CARDIGAN	6600	15.8	1420	16.8	3940	15.7	1250	15.2
CHARLOTTETOWN	8550	22.8	1600	25	5760	24.4	1190	15.7
EGMONT	6110	16.6	1360	19.4	3200	14.7	1560	19.3
MALPEQUE	4090	11.9	950	13.3	2260	10.8	880	13.5
2020								
2020	All Ages		Ages 0-17		Ages 18-64		Ages 65+	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
CENSUS DIVISION								
KINGS	2900	16.2	530	16.2	1590	15	780	19.1
PRINCE	6440	13.4	1280	14.2	3120	11	2050	19
QUEENS	11850	13.7	2280	13.6	7260	13.7	2300	13.7
FEDERAL ELECTION DISTRICT								
CARDIGAN	5620	13.2	1150	13.4	3170	12.5	1310	15.2
CHARLOTTETOWN	6820	18.1	1150	18.3	4460	18.9	1220	15.6
EGMONT	5200	14	1050	15.1	2480	11.4	1670	19.8
MALPEQUE	3550	10.1	750	10.5	1860	8.7	940	13.7
Change 2019-2020								
Change 2019-2020	All Ages		Ages 0-17		Ages 18-64		Ages 65+	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
CENSUS DIVISION								
KINGS	-480	-14.2	-140	-20.9	-390	-19.7	50	6.8
PRINCE	-1100	-14.6	-400	-23.8	-830	-21.0	140	7.3
QUEENS	-2580	-17.9	-700	-23.5	-1950	-21.2	70	3.1
FEDERAL ELECTION DISTRICT								
CARDIGAN	-980	-14.8	-270	-19.0	-770	-19.5	60	4.8
CHARLOTTETOWN	-1730	-20.2	-450	-28.1	-1300	-22.6	30	2.5
EGMONT	-910	-14.9	-310	-22.8	-720	-22.5	110	7.1
MALPEQUE	-540	-13.2	-200	-21.1	-400	-17.7	60	6.8

Poverty Measurement

Campaign 2000 continues to rely primarily on estimates using the CFLIM-AT, calculated by using the T1FF, as they are considered more reliable, available annually, and inclusive of people in communities with high prevalence of poverty such as First Nations, those living in institutions, parents under 18, and those living in the Yukon, Northwest Territories and Nunavut. In addition, the CFLIM After-tax measure takes into consideration government transfers, such as the Canada Child Benefit, and other tax adjustment and supports. The current national report card includes the range of pandemic emergency supports that were in place in 2020.

This year's 2020 poverty rates are also available based on data from the 2021 census. The Census-based LIM-AT gives estimates of child poverty that vary somewhat from the CFLIM-AT, as shown in the following figure 8 below.

Figure 8. Number and Percent of Low-Income Children in Canada and Prince Edward Island, 2020

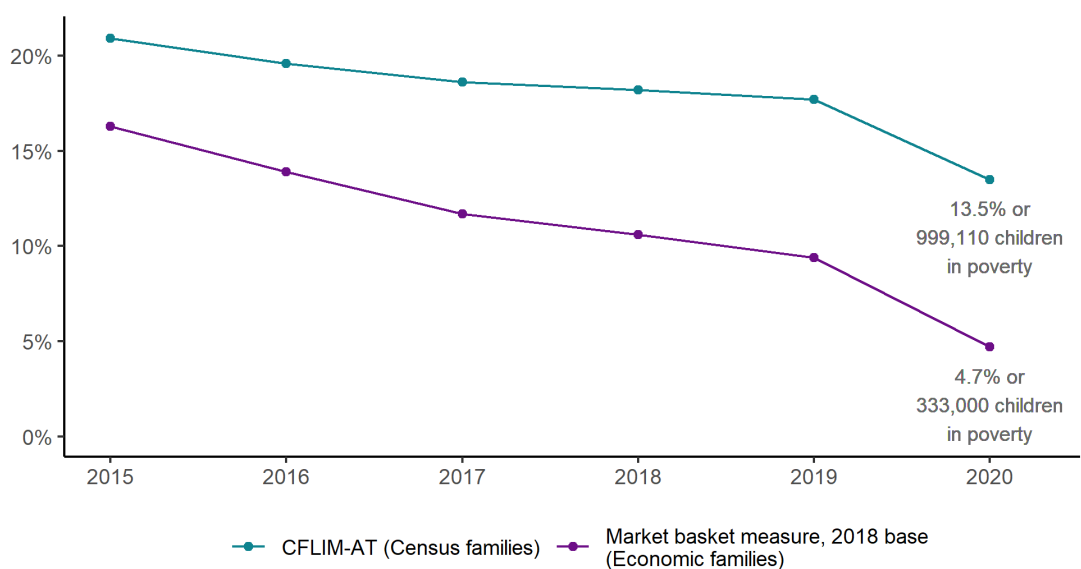
		CANADA		PRINCE EDWARD ISLAND	
		CENSUS LIM-AT	T1FF CFLIM-AT	CENSUS LIM-AT	T1FF CFLIM-AT
All Persons	Number	854565	999110	4455	4090
	Percent	11.9	13.5	15.5	14.1
Persons in census families	Number	826435	948980	4380	3900
	Percent	11.6	12.9	15.4	13.5
Persons in couple census families	Number	413935	363100	2260	1560
	Percent	7.3	6.3	10.2	7.1
Persons in one-parent census families	Number	412500	585880	2120	2340
	Percent	28.1	36.5	33.6	34.2

Our report card primarily relies on the CFLIM-AT. We use the LIM-AT to report on population groups such as visible minorities, immigrants and indigenous persons for which estimates are not available from T1FF data.

Based on these census measures, visible minorities, recent immigrants and indigenous persons exhibit disproportionately higher rates of child poverty than other population groups.

Figure 9 illustrates the discrepancies between the two measures. According to the MBM, the child poverty rate in 2020 was 4.7%, representing 333,000 children. According to the CFLIM-At the child poverty rate was 13.5%, representing 999,110. This is almost triple the MBM rate

Figure 9. Number and Percent of Children in Poverty, MBM and CFLIM-AT, 2015-2020



DEPTH OF POVERTY

From 2019 to 2020 there has been a decline in the depth of poverty on PEI. It declined in all four categories by over \$1,000. (See figure 10.)

Lone parents with 2 children experienced the biggest reduction, from \$9,543 in 2019 to \$7,608 in 2020, a reduction of \$1,934.

Couples with one child went from a poverty depth of \$11,482 in 2019 to \$9,878 in 2020, a reduction of \$1,604.

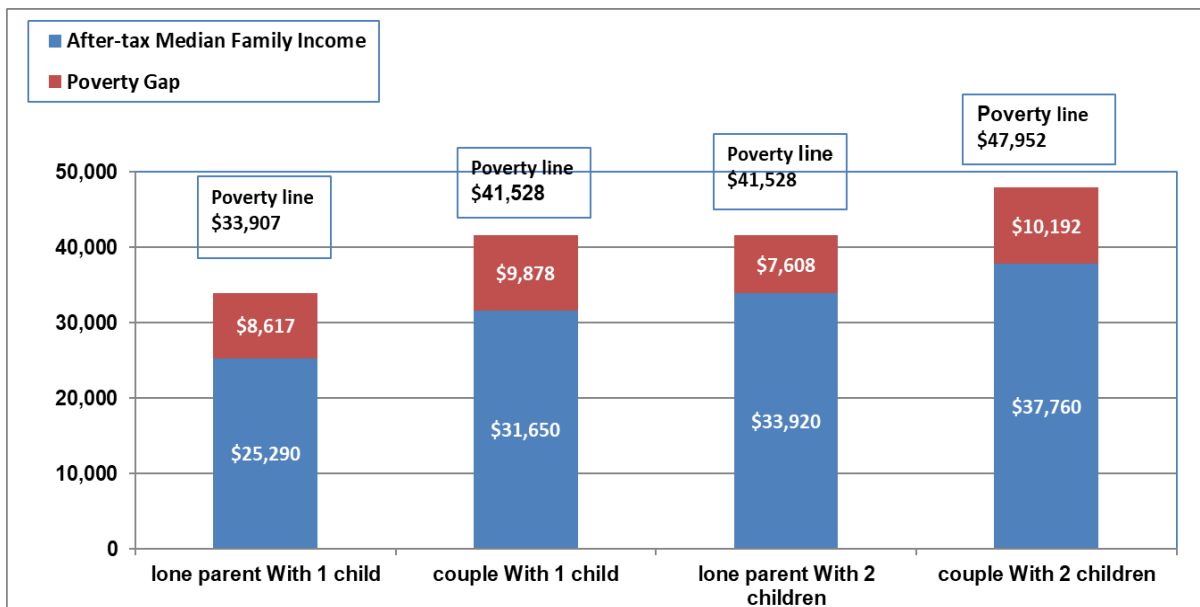
For couples with two children, depth of poverty went from \$11,586 in 2019 to \$10,192 in 2020, a reduction of \$1,394

Lone parent families with one child had the least reduction, going from \$9,705 in 2019 to \$8,617 in 2020 for a reduction of \$1,088. A trend that saw depth of poverty figures increasing in 2019 over 2018, has been reversed in that most families gained ground over 2018/19.

Each year these statistics cry out for a solution that has been disregarded in this rich country for decades.

If we compare the figures to the national level, PEI is unique in that single parents have the least depth of poverty. That does not excuse the fact that \$8,617 below the poverty line is a huge amount and a huge deficit for a single parent with two children. Single parents have few supports and their children are affected by many challenges including health, schooling, general discomfort level including social, and lack of opportunities in life. The way many Canadians view poverty also places children and adults in poverty at a disadvantage. Children in poverty are often the objects of short-term band-aid solutions, which do not touch the root causes of poverty. Depth of poverty needs to be addressed as a fixable problem, not an insoluble mystery that robs people of their human dignity and shortchanges their future. Poverty is caused by unjust economic, political and social structures and people in poverty are the prime victims of those unjust structures.

Figure 10. Depth of Low Income for Poor Families in Prince Edward Island, 2020

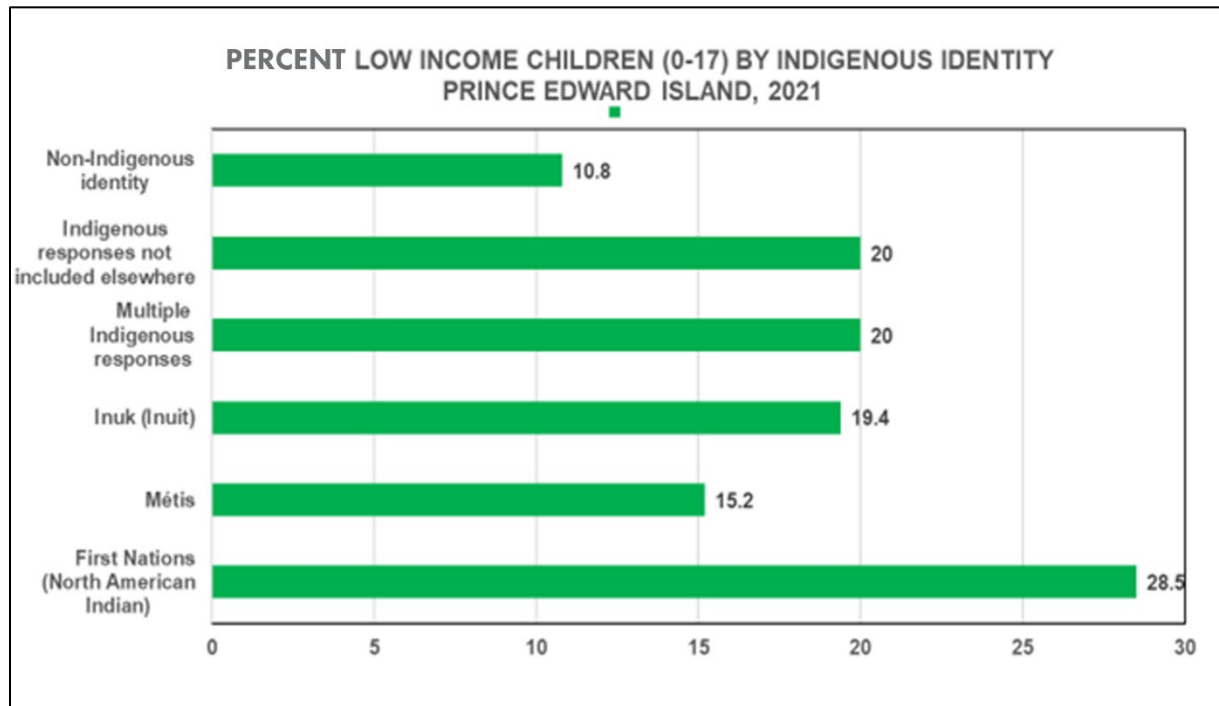


Indigenous Poverty

On Prince Edward Island, 28.5% of low-income children who identify as First Nations (North American Indian) are below the poverty line. This is the largest group. 19.4% identify as Inuk (Inuit) and 15.2% identify as Métis. Children of Non-indigenous identity have the lowest rate at 10.8%.

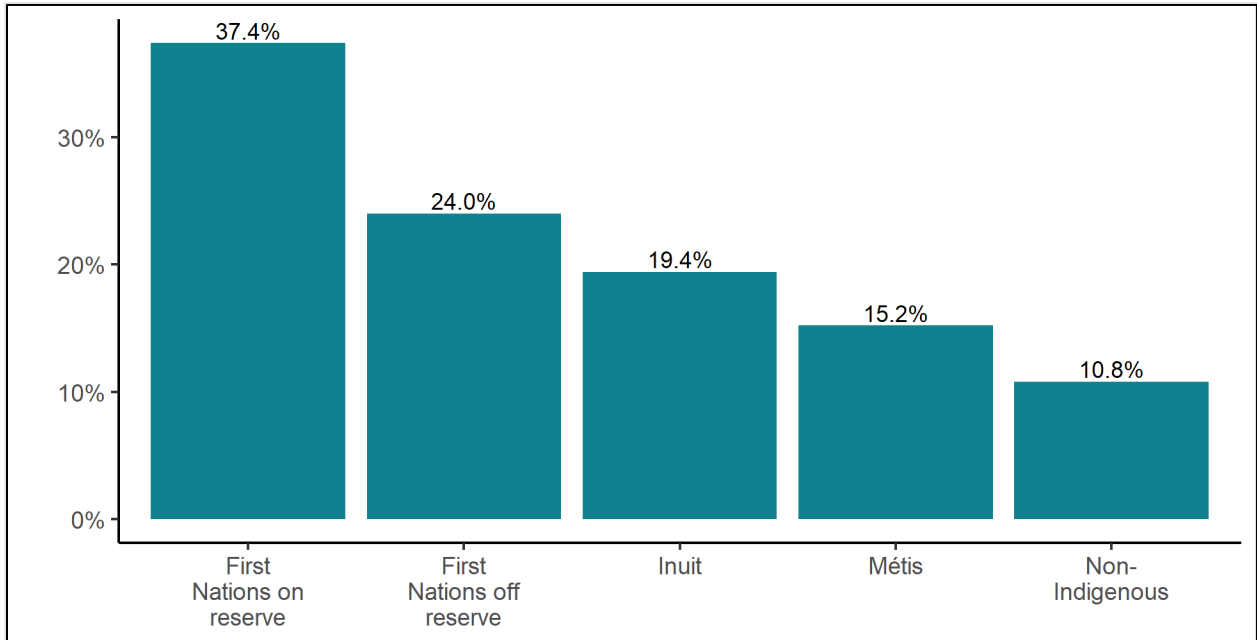
Collectively, there is a disproportionate rate of poverty among indigenous children compared to non-indigenous children. Children make up 11% of the population of reserves.

Figure 11. Child (0-17) Poverty Rates by Indigenous Identity in PEI, 2021.



The number of indigenous low-income children is way out of proportion to the rate of poverty in non-indigenous children. These figures outline the failure of the Canadian government to deliver a host of valuable programs to the reserves and indigenous communities. Fresh, running water, decent jobs and much needed housing are at the top of the list of needs and should be high priorities. Figure 12 shows clearly the extreme poverty suffered by indigenous peoples. There is a shocking difference between numbers of indigenous children in poverty and non-indigenous.

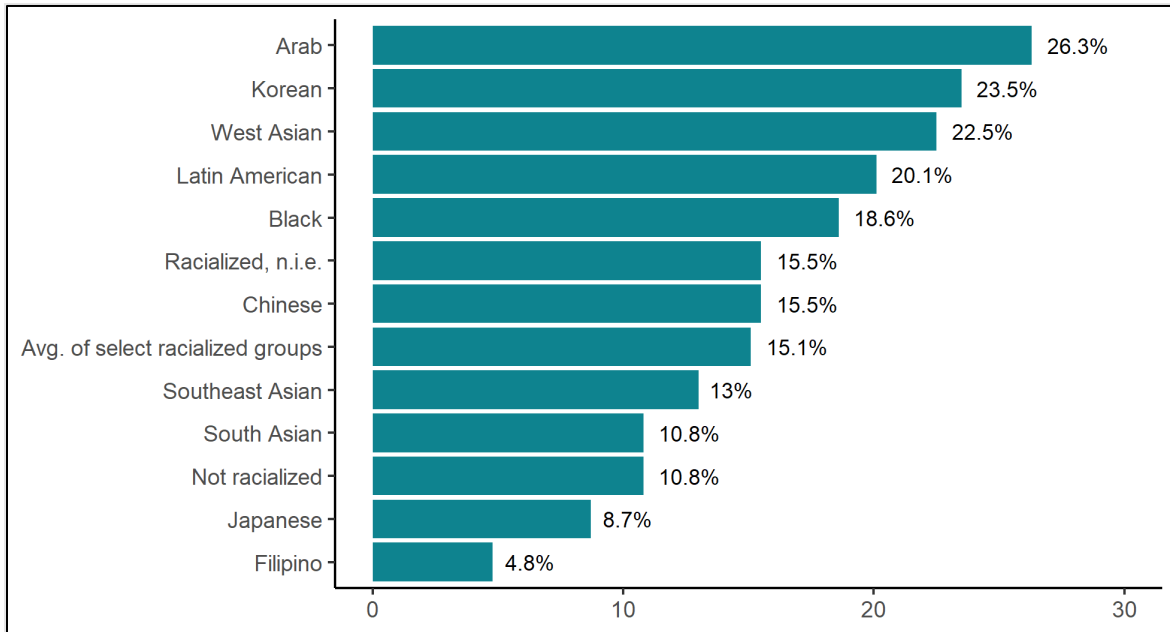
Figure 12. Child Poverty in First Nations, Inuit and Métis Communities, 2020



Racialized Canadians and Islanders

Here we see that relative newcomers to Canada endure a great deal of poverty compared to the long-term residents who also came as immigrants and refugees at one point in their lives. Of all the racialized groups, Filipinos and Japanese are faring the best, even ahead of the non-racialized. Arabs endure the most poverty, followed by Koreans, West Asians, Latin Americans and Blacks.

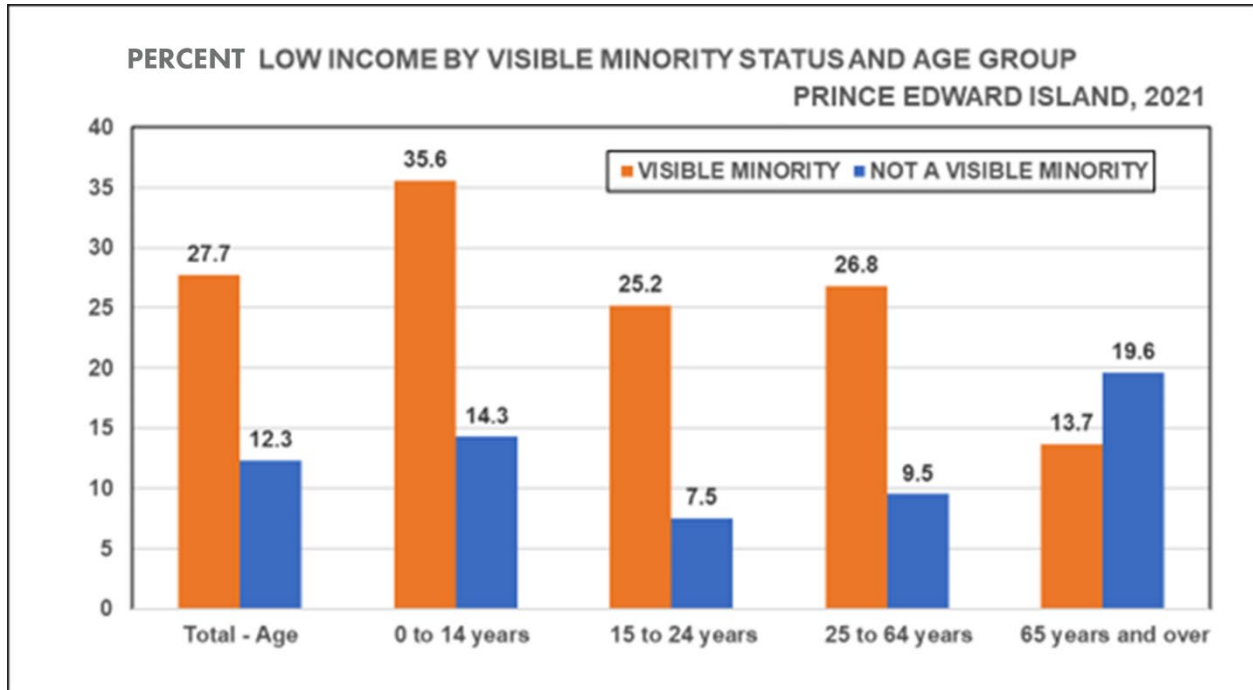
Figure 13. Child Poverty Rates by Select Racialized Groups, 2020



The comparison below of racialized Islanders by age, (census data), reveals that there are great discrepancies between racialized and non-racialized Islanders. The greatest age discrepancy is among youth, with a 21.3% difference between racialized and non-racialized children and a 17.3% discrepancy among racialized and non-racialized workers.

The biggest surprise was that non-racialized Islanders 65 and over have a higher poverty rate than the racialized 65 and over. Seasonal workers on PEI draw a smaller Canada Pension because they do not pay CPP when on EI, resulting in a lower CPP pension.

Figure 14. Comparison of Poverty Rates by Racialization and Age Group in PEI, 2021



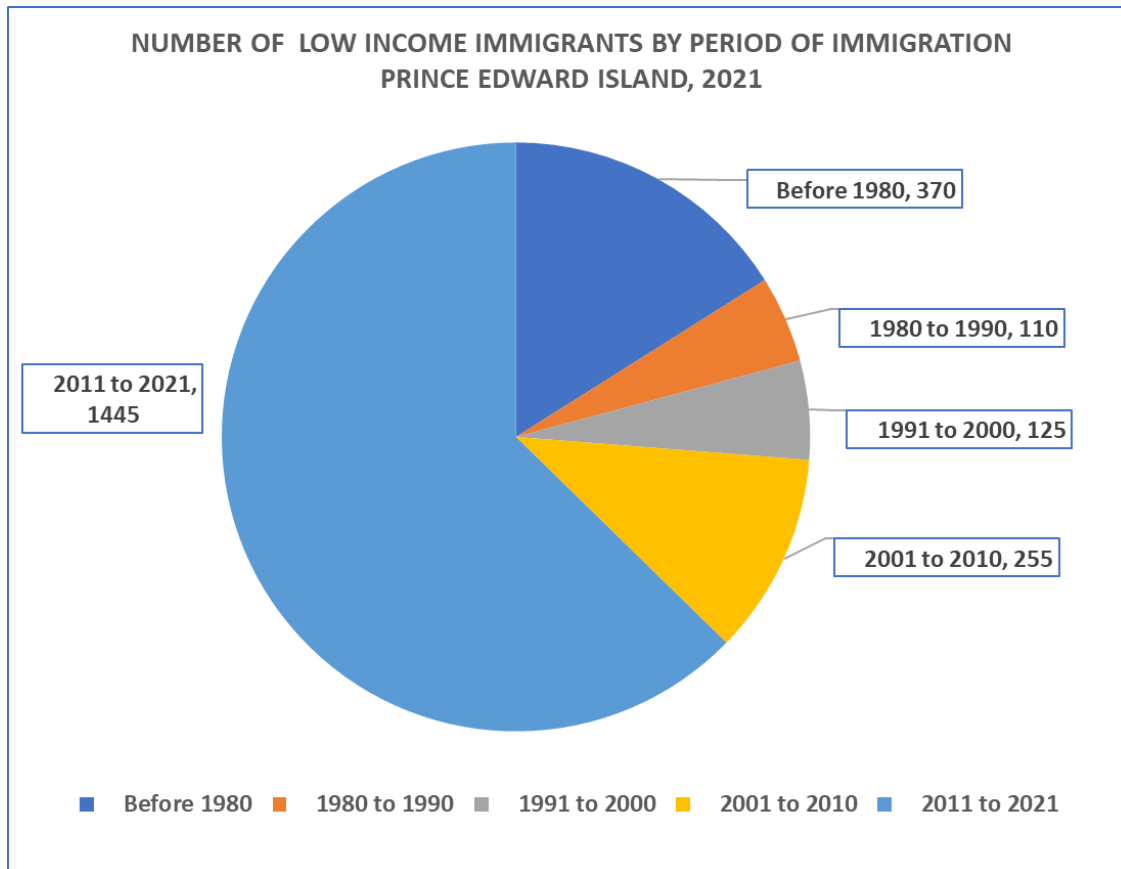
Low Income Immigrants

PEI has had predominantly low-income immigrants since 2011. It also has the lowest immigrant retention rate in Canada.

Figure 16 shows that the poverty rate for immigrants is much higher than that of non-immigrants. The rate for Immigrant children ages 0 – 17 is 36.8%, whereas the poverty rate for non-Immigrant children is 13.7%. The total poverty rate among immigrants is 22.9% whereas the rate for non-immigrants is, 12.1%. The poverty rate for immigrants age 18 – 64 is 20.6% whereas the poverty rate for non-immigrants is 8.8%.

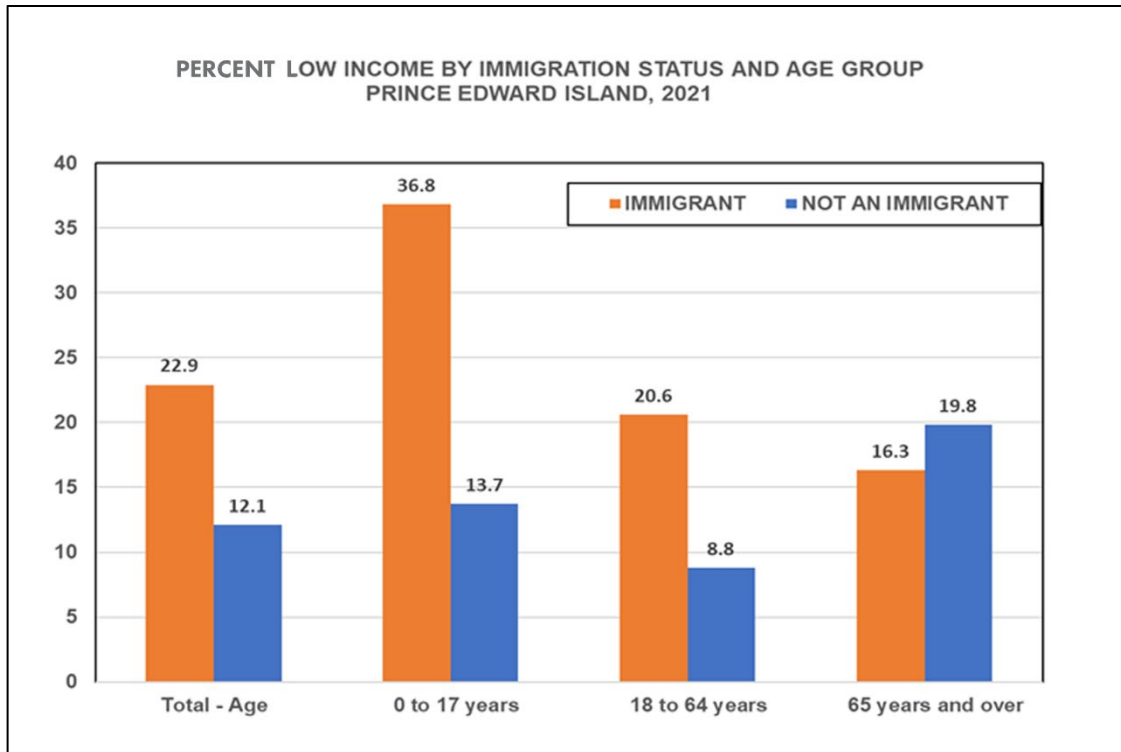
The rate for senior poverty gives a different story. The poverty rate for immigrants age 65 and over is 16.3% (PEI has a small number of immigrants who are over 65, around 10,000 people). The poverty rate for non-immigrant seniors is 19.8% - 3.5% higher than for immigrants. The poverty rate for immigrants over 65 in rural areas is 13.7% and 19.6% for non-immigrants.

Figure 15. Number of Low Income Immigrants in PEI by Period of Immigration



The poverty discrepancy between immigrants by age is illustrated below. For the total age group, there are 22.9% of immigrants in poverty compared to 12.1% for non-immigrants. The biggest discrepancy is in the 0 – 17 age group. For immigrant children, the poverty rate is 36.8%, and for working age, the discrepancy between immigrants and non-immigrants is 20.6% to 8.8%. The one exception is with people age 65 and over, as non-immigrants have a larger percent in poverty, 19.8%, than immigrants, at 16.3%.

Figure 16. Poverty Rate by Immigration Status and Age Group in PEI, 2021



Social Assistance

PEI has Social Assistance and an Accessibility Supports Programs (formerly Disability Support Program). Despite increases to several aspects of Social Assistance and attempts to improve the situation, the PEI government’s policy still falls far short of the poverty line, leaving recipients to grapple with a steep depth of poverty.

- A single parent with one child is entitled to receive \$26,639 in assistance despite COVID benefit losses (2021 figures) to cover what is deemed essentials. Most of it consists of a shelter allowance. According to the Maytree Foundation, this is considered to be \$1,851 above the Deep Income Threshold (DIP) and \$6,411 below the poverty line as determined by the Market Basket Measure (MBM). This means that the income was 107% of the MBM Deep Income Threshold (defined as 75% of MBM benefits), but 81% of the MBM. However, Campaign 2000 uses the CFLIM-AT, calculated by using the TIFF, which places the poverty line higher than the MBM low income line.
- A couple with two children are entitled to an income of \$39,686 in 2021 MBM figures. This is considered \$4,631 above the DIP threshold but \$7,054 below the MBM poverty line. It is 113% of the DIP and 85% of the MBM. A couple with two children is the only category of the four that experienced a decline in income, mostly due to loss of COVID benefits.
- Basic Social Assistance for Unattached Single Considered Employable recipients is 50% of the Low Income Measure (LIM), 73% of the LICO, at \$13,838.

- The Basic rate for Unattached Single People with a Disability is \$15,674. This is \$7,064.00 below the poverty line.

In December 2022, PEI Social Assistance recipients received an 8% increase, announced on November 3, to come into effect on December 1, 2022. The increase was given to help combat inflation, which is higher on PEI than in the rest of Canada. Basic unit rates which include existing travel rates for adults, increased by \$61.00 to \$511 total. Households with children had an increase to \$293, \$23.00 per child and \$29.00 for children 12 – 18, going from \$359 to \$388. The province states that the increases amount to \$1, 803 per month for necessities, and do not include shelter benefits for households of 4 composed of 2 adults and 2 children.

- The shelter rate ceiling now stands at \$500 room rental (up from \$377)
- \$850 for singles and couples with no children (up from \$794)
- \$1,000 for single parents and couples, with 1 child (up from \$961)
- \$1,241, for single parents and couples with 3 children (up from \$1,191)
- \$2,292, for single parents and couples with 4 or more children, (up from 1,241)
- The income covers food, shelter, medications, basic dental, glasses and funeral expenses.

If we compare these numbers to the CFLIM-AT, a single parent with one child has a depth of poverty gap of \$9,116.00 and a couple with 2 children has a depth of poverty rate of \$12,897, whereas the MBM would give a depth of poverty rate of \$6,411 and for a couple with four children, \$7,054 respectively. On PEI in March 2021, unattached singles comprised the majority of Social Assistance recipients. Single parents were second highest and 57% of recipients were female. The Accessibility Support is the second largest number of cases. It is comprised of couples with no children and 59% of cases in the Accessibility Support category are men.

During the height of the COVID-19 pandemic, the federal government introduced the CERB for workers who lost their employment. The program was announced hastily and left the impression with many that it was a grant to help them through the hardship of the CERB. Some people on Social Assistance applied for the \$2000 grant in addition to what they received on social assistance. Social and disability payments were not included.

If they received the CERB, it was clawed back in most provinces and territories in Canada. Provincial governments run social Assistance, but part of the funds come from the federal government through the Canada Social Transfer. The clawback was done against the federal government's advice not to clawback the money that went to social assistance and disability assistance recipients but the federal government did not mandate it. In fact, the PEI government clawed back the CERB at least in part. British Columbia did not claw it back and other provinces, including PEI, should have followed its example.

Canada Emergency Response Benefit (CERB) AMNESTY

The Parliamentary Budgetary Office reported that CCB Benefits were reduced on average by \$606 in 2021/22 because of pandemic benefits being counted into income calculations. As a result, over the

next three years, those clawbacks will amount to the federal government spending \$1.45 billion less in child benefit payments.

Although the CERB expired on October 23, 2021, families are still experiencing clawbacks to the CCB. Working mothers with moderate incomes experienced the largest clawbacks. Campaign 2000 gives the example of a mother with four children who had an earned income of \$33,000 and received the maximum amount of CERB in 2020. She would have had her CCB reduced by 23%, or \$2,760 for the 22/23 tax year.

Clawbacks have been experienced in all refundable tax credits with the exception of the Guaranteed Income Supplement, which is protected from reductions because of legislative change.

Employment Insurance Reform

There is an urgent need for Employment Insurance reform in Canada. Workers here face special problems including a seasonal economy, which makes the need for reform more acute. Since 2014, PEI has been divided into 2 EI zones. Charlottetown was carved into a new EI region called the Charlottetown Region, which extends well beyond the limits of the greater Charlottetown area. People in that region must find 14 weeks of work and require 700 hours to qualify for 14 weeks of benefits.

The PEI zone, which comprises anything outside the Charlottetown region remains as it was. In order to qualify for work and draw benefits, 560 to 595 hours are required and benefits last from 18 - 20 weeks. The largest number of people in poverty live in the Charlottetown area but many of them work in the other zone. Their home address requires them to work 700 hours, while their co-workers need only 560 hours and can draw for a longer time. This is blatant inequality.

The Harper government in 2014 made this division. It was a purely political move to win the Egmont seat. The attempt failed and the fallout continues. Despite calls for change, it still remains unchanged. People living on one side of the road in the same community may require 700 hours of work to qualify for EI while those on the other side may require 560. Workers in agriculture, fishing and tourism are especially vulnerable. In the federal election of 2015, Liberal MPs promised to restore PEI to one zone but nothing has changed yet.

At the moment, the Senate is debating Bill S-236, proposed by retired Island Senator Diane Griffin. Restoring PEI to one zone is the fair and just thing to do. However, in addition to this change, there is a great need for overall EI reform. We agree with the *Joint Community and Labour Statement on Employment Insurance (EI) Reform* that the winter of 2023 will be a difficult one, and that the temporary EI measures need to be extended as a bridge until permanent improvements take effect. These measures include:

- Setting a universal 360-hour (12 week) qualifying rule for Regular and Special Benefits
- Providing up to 50 weeks of Regular EI
- Ending harsh disqualification rules that leave many vulnerable workers without EI access
- Extending EI access to all migrant workers
- Ensuring misclassified self-employed workers have access to EI
- Extending the benefit period for combined Regular and Special EI (parental, etc.)

- Restoring temporary flexibilities (banked hours, no deduction of separation pay, etc.) and
- Providing EI income benefits for workers so long as they are in approved training.

In addition, there is a need to:

- Substantially increase the 55% benefit rate
- Set a reasonable minimum benefit.
- Restore annual government contributions to EI to help pay for improvements and to ensure EI acts as an effective automatic economic stabilizer especially in times of crisis.

Minimum Wage

The minimum wage for PEI increased by 80 cents on January 1, 2023 and now stands at \$14.50. The next increase will come on October 1, 2023, bringing it to \$15.00. This is an improvement but it is far from a living wage and does not make up for the deterioration in the value of workers' wages due to inflation.

Living Wage

In 2020, the Nova Scotia Centre for Policy Alternatives prepared a report with the MacKillop Centre for Social Justice on a living wage for Charlottetown. They reported that the rates for the rest of the province were probably similar. The research revealed that a living wage for Charlottetown would need to be \$19.30 for a family of four with both parents working. This would be enough to give the family a slight comfort level above the minimum level. However, the report was done over two years ago. Since then, PEI experienced the highest rate of inflation in Canada. It is obvious that \$19.30 would fall short of a living wage at this point.

Inflation

The PEI inflation rate is 9.7%, the highest in Canada for the last 21 months. In May, it was 11.1%, up 8.9% from April. The consumer price index at 162.3 is also the highest in Canada and 8.3 points higher than the national rate. PEI has the highest overall costs in the country for the category called 'all services.'

Given the seriousness of food insecurity, which existed in PEI even before COVID - 19, PEI has a sizeable deficit when it comes to food insecurity. Some of the biggest drivers of price increases are energy costs, mortgage rates, food prices, and shelter costs. These and other major costs continue to increase. PEI food prices for November 2022 were up 12.4%.

Experts tell us that current inflation is caused by a number of factors: a collapse of supply due to COVID-19; a rise in the price of oil and shelter costs; food costs; also the Russia – Ukraine war and its effect on the price of energy, food supplies, and global warming that affects weather patterns and food production. On PEI, a housing boom, due to people from other provinces buying houses when the province was said to have less COVID, created a shortage of housing materials and escalated the cost of housing and building materials.

Food Banks

One of the indicators of food insecurity is food bank use. On PEI as in other areas of Canada, it is increasing dramatically. In August, the Charlottetown Food Bank announced a 50% increase in food bank

use. In a conversation on January 30/23, the Manager of the Charlottetown Food Bank shared that current demand is up around 30%. He noted that it has not been so busy since the provincial government gave a \$500 bonus to people to help to defray the cost of inflation. Use by children under 18 ranges between 35% and 37%. There are also a number of students and young adults who are getting established in work and life. There is a substantial number of immigrants but the whole population is represented in food bank use. Fortunately, supply in the Charlottetown Food Bank is keeping pace.

The results of a current study projecting that food bank use would increase 60% in the coming year came as no surprise to some food bank operators in other parts of the province. The manager of the Southern Kings and Queens Food bank based in Montague stated that even people with 2 and 3 incomes could not make ends meet. The Souris food bank had to double its hours of operation recently and food bank users state that they are getting fewer groceries, in some cases, half as many. Clearly, food banks were not meant to handle ongoing food problems. It is clear that they cannot. Furthermore, that is the responsibility of governments. Food banks are not designed to get to the root causes of poverty and not surprisingly they have not made a dent in the poverty rate since they were founded.

Unemployment Rate

The unemployment rate for PEI remains much lower than pre-COVID rates. The latest Labour Force Survey, released on January 6, 2023, places the rate at 5.6%, down 2.1 percentage points from December 2021. The unemployment rate in 2021 was 8.2%. The total Labour force decreased by 200 compared to December 2021 and was down minus 0.7 from November 2022. The report attributes the decline in the unemployment rate to an increase of 2,200 jobs, mostly in the service sector.

Market incomes for PEI

These incomes are calculated as income before taxes and transfers. They can also be explained as the sum of earnings from employment and net employment and net investment income, private retirement income, and other items under income. The minimum wage is gradually increasing and will be at \$15.00 by October 2023. Due to the seasonal nature of the Island economy, many Islanders rely on EI but it pays only 55% of their already low income. They have few other benefits. Those with children have benefited from the CCB and the CERB benefits. Both of these benefits helped parents but people age 65 and over who had no savings, in fact, experienced higher poverty rates.

Tax Loopholes

While Canadians with incomes below the poverty line struggled to meet their basic expenses, the wealthy and corporations actually increased their profit level. When we compare the differences in income levels between the lowest quintile, and the highest quintile, this difference is astounding. Overall, in Canada, the official corporate tax rate is 26.5%, but, thanks to loopholes, the average corporation paid only 15%. In fact the PEI corporate rate is only 16%.

One of the ways corporations increase their profits is through tax havens in overseas countries. These tax havens cost Canadians close to \$9 billion per year. Globally, Oxfam in its January 2023 briefing paper *Survival of the Richest*, writing about the World Economic Forum in Davos, Switzerland, notes:

“Greater taxation of rich people and corporations is the exit door to today’s polycrisis. It can avert austerity, it can be used to fight inflation and higher prices, and it can avoid the unnecessary cruelty of mass destitution and hunger. Greater taxation is a precondition for successful, strategic governments, giving them the resources to invest in universal healthcare, and education; happier, healthier societies; innovation, research and development; the transition of green economies; and the stopping of climate breakdown.”

Together with the Institute for Policy Studies, the Patriotic Millionaires and the Fight Inequality Alliance, Oxfam has used data from Wealth-X and Forbes to calculate that a wealth tax of 2% on the world’s millionaires, 3% on those with wealth over \$50 million, and 5% on the world’s billionaires would raise \$1.7 trillion dollars annually. This would be enough to lift 2 billion people out of poverty. In addition, it could fill the funding gap for emergency UN Humanitarian appeals and fund a global fund to end hunger. Beyond this, the tax could help with financing the loss and damage caused to low - and lower - middle – income countries by climate breakdown, and deliver universal healthcare and social protection for all the citizens of low and lower – middle – income countries (3.6 billion people).

Incredibly, during the peak of the pandemic, 95% of countries either did not increase or even lowered taxes on the rich people and corporations.

Housing

Rent increases are capped at zero for 2023. However, this does not completely protect tenants from increases. Landlords can still apply for an increase in rent through the Island Regulatory and Appeals Commission (IRAC), an independent quasi-judicial tribunal that administers a number of provincial statutes dealing with economic regulation and hears appeals under provincial planning, tax and residential rental property legislation. Members are appointed.

In 2021, rent increases were frozen at one percent, but IRAC proposed rent increases of 5.2% for unheated properties and 10.8% for heated properties. These rates, the highest ever proposed in the province, sent shock waves through tenants who were already struggling to meet the cost of rent. The Minister of Social Development and Housing announced there would be no rent increases in 2023. Landlords can qualify for tax breaks, – 0.75 per \$100.00 for properties heated with oil, and 0.375 where heat is not included or heated by a source other than oil. Tenants claim that their rent is still rising and evictions are still taking place. There is no rental registry.

At 0.8%, the vacancy rate for PEI is very tight and there is still a shortage of affordable housing and public housing. In spite of a housing boom in PEI, very little of it is affordable for low-income earners.

High rent increases, renovations and lack of repairs on units will probably continue in spite of the new Residential Tenancy Act. Tenants were hoping the Act would give them security and affordable rent but they believe it favours the landlords. They believe renovations and illegal rent increases will continue because no serious action has been taken on either of these. They had asked that the Act include a rent registry, which would openly provide information on the rent the previous tenant paid. This was not included. The PEI Coalition for Affordable Housing made 27 suggestions for improving the Act but only four were tabled.

The story of the struggle on PEI for fair housing goes back to the 1960s when Alex Burke led a strong coalition defending tenants’ rights. They issued newsletters and even chose the worst landlord for each

month. This was followed with efforts by the churches, the Charlottetown and other Christian Councils, and the Social Action Commission of the Diocese of Charlottetown. PLURA, an interchurch coalition on Poverty provided funds for the tenants group of the 1980s and 90s. Pressure was put on landlords to keep their places in repair. Some dwellings were condemned and landlords were not allowed to rent the units until they repaired their units to the approved housing standards. In spite of all these efforts, little progress has been made and the current coalition believes that the new Act has actually lifted some of the responsibility off landlords as far as keeping their units in repair.

In a country as wealthy as Canada and in PEI as well, people should not have to live in tents or live without basic needs. The provincial government has recently provided temporary shelter for the homeless by means of a heated room with a bed, TV, running water and bathroom. The temporary shelter also provides coffee and toast in the morning, a bus ride to the Outreach Centre and a hot meal in the evening. Those who lived in tents were relocated to the temporary shelter because the Charlottetown Fire Department considered it a potential fire hazard. In fact some of the people in makeshift shelters have jobs but cannot afford a house or an apartment. The biggest limitation with this new arrangement is that it is open only from 8:00 pm to 8:00 am. Residents have to find other places to spend time during the day.

One of the main complaints from residents of the tents about the way the provincial government handled the situation was that there was little dialogue with them about the process, the temporary housing, and the hopes of the homeless who cannot afford the rent rates. They have their dreams to live in adequate housing just as the rest of the population does. Housing the homeless in adequate social housing needs to be the next and most urgent step.

Their situation illustrates the seriousness of the shortage of permanent housing, social housing, and rent at affordable rates. High rent costs and shortage of affordable housing are also drivers of lengthening lines at food banks and soup kitchens. There are many people who cannot afford a regular, balanced diet for themselves and their children. They and their children are likely to develop health problems and children are likely to have trouble concentrating in school. Decent housing must become a basic right for all.

The following statistics capture the rate of child poverty in villages on PEI. It is noteworthy that there are more communities with senior poverty than child poverty.

Child poverty in villages on PEI:

New Dominion, 22.2% (40)
North Rustico, 37.5% (30)
Coleman, 21.1% (40)
Lennox Island, 21.2% (70)
Lennox Island 20% (80)
South Winsloe, 20% (20)
Georgetown, 22.2% (40)
Montague town, 19.1%, (220) children.
New Dominion, 22.2% (40)
St. Peters, 21.1% (40)
Belle River, 25% (20)
South Winsloe, 20% (20)

People 65 and over in poverty:

This report gives the number and percentage of all people 65 and over whose poverty rate is 20% or more.

The percentage of people in poverty, ages 65 and over in St Louis, Miminegash and Coleman stands out as their senior poverty rate is in the mid 30% range, forcing us to ask, why? The figures below also include the number of seniors by community.

St. Louis, 35.7% (100)
Miminegash, 34.4% (110)
Coleman, 33.3% (50)
O’Leary, 24.3% (170)
Tignish, 22.2% (165)
Alberton, 22.2% (140)
Belfast, 23.1% (60)
Elmsdale, 22.2% (40)
Georgetown, 21.1% (40)
Lower Montague 21.8% (320)
Montague Town, 21.8% (320)
Lennox Island, 20% (60) Lennox Island, 22.6% (70)
St. Peters, 20% (50)
Oyster Bed Bridge 20% (20)
Milton Station, 22.2% (20)
Albany, 20.8% (50)
Bedeque, 25% (20)
Belfast, 23.1% (60)
Bloomfield Station, 23.1% (30)
Borden-Careton, 20.8% (50)
Miltonvale Park, 23.5% (40)

In the fishing village of St. Louis of the 100 seniors, 35.7%, are below the poverty line and in Miminegash, 34.4% of the 110 people over 65 are below the poverty line. Residents attribute the rise in senior poverty to the seasonal economy, low wages, and therefore low payments to the Canada Pension Plan. In addition, people who draw EI do not pay into the plan when they are receiving EI. This also reduces their CP payments and reduces their incomes.

Priya Sibal of the University of Waterloo writing in the Canadian Review of Social Policy, Volume 82, 2022 explains that the growing inequalities among seniors results from differential access to Canada’s Pension Plan, employer sponsored and pension plans as well as growing inequalities between seniors and the working age population. “The MBM is not sensitive to these growing inequalities.” The author points to Canada’s undeveloped public pension system within the liberal welfare state’s preference for the private rather than public provision of economic resources. Research and action is needed.

Care Economy

Economist Pavlina Tcherneva states that the overwhelming majority of jobs in the care economy are what we broadly call care work: service sector employment that deals with nurturing and strengthening society. We transport ourselves, feed and clothe ourselves, entertain ourselves, and educate and heal ourselves. However, many of these jobs are undervalued and under paid. How can we do for service jobs what we once did for manufacturing jobs? Minimum wage and work safety laws are not enough.

The social safety net should be designed to provide economic security for those who work and those who do not. People with disabilities, caregivers, students, and the retired all need economic security. Other policies could be enacted or existing policies strengthened to address their needs – generous disability and caregiver assistance, universal child allowance, student debt relief, tuition-free public college, and a living retirement income are just a few possible remedies.

Migrant Workers

The number of migrant workers on PEI keeps increasing each year. But, it is difficult to get information on just how many there are. They work on farms, in fishing plants, and other businesses. One statistic puts the number at 1,919 but it is difficult to tell if this number includes only migrant workers or immigrants. Migrant workers run into a host of problems such as inadequate housing, low wages, maltreatment from bosses, problematic access to healthcare, and being tied to one employer and the employer having sign-off for renewable permits. Migrant workers live with certain fears such as sexual abuse, wage theft, and retaliation if they speak out. The system creates a two-tiered workforce that is easily exploited. Women who work in care are racialized, often live in the household of their employers and are vulnerable to exploitation. It is essential that migrant workers be given all the protections and rights enjoyed by Canadian citizens while they are living in this country.

Healthcare

Without public universal healthcare, there would be much more poverty. Under Canada's system, Services provided in the doctor's office and in the hospital are free and paid for with our taxes. The current crisis, compounded by the COVID-19, has been caused mainly by a shortage of staff of all categories but especially professional staff such as doctors and nurses. The federal government has finally stepped up with more resources for the provinces, but it is essential that the help comes with strings attached because in the past some provinces have used healthcare money for other purposes.

The federal government is responsible to safeguard public healthcare by enforcing the Canada Health Act whenever a province or territory violates it through extra billing or user fees, etc. Unfortunately, the federal government is not taking firm action against provincial and territorial violations. they should be penalized by reducing dollar for dollar monies given them through transfers. When a province or territory allows extra billing, user fees and private delivery of health, it is not enough for the Prime Minister to respond as he did to Premier Ford with "I'm watching it." Action is needed.

Canada needs a universal public Pharmacare program and it needs it now. The majority of Canadians hope that it will be part of the upcoming federal budget. The current federal government promised a universal program and the Hoskins Report recommended it. The cost of medicines contributes to the poverty of all age categories in Canada. The federal government would save billions of dollars by implementing the program (See Canadian Health Coalition and Dr. Marc Andre Gagnon).

Food Insecurity

The study, Food Insecurity in Canada, May 2021, places the rate of food insecurity for PEI at 15.3% of Island homes - living without reliable access to enough affordable and nutritious food. Of these families, 5% are facing severe food insecurity. The Prince Edward Island Poverty Elimination Strategy Act, passed in the Legislature in the spring of 2021, aims at eliminating food insecurity by 2030. PEI is the first province to make a commitment in legislation.

A Fact Sheet published by Food Insecurity Policy Research (PROOF), states that a 1\$ increase in the minimum wage can help reduce food insecurity among workers by 5%. For social assistance recipients, a \$1000 increase in annual welfare income was associated with 5% lower odds of severe food insecurity and a one-percentage-point increase in the income tax rate for the lowest-income households was associated with 9% higher odds of food insecurity.

Canada and the International scene

Canada still does not fare well in comparison to OECD countries. Statistics are hard to find at the moment but recent OECD information places Canada at 19th of 26 OECD countries in its rate of poverty. Recent improvements may have some impact on our ratings but we are slower than most countries in eliminating poverty.

Systemic Racism

It is clear that poverty in Canada is a result of the economic, political and social structures that govern Canada and the provinces. These structures reflect neo-liberalism, which enables the rich to get richer and leaves the poor to get poorer. Some countries embrace the system more than others do. The United States, which has fully embraced the system, stands 26th in OECD countries for its poverty rate. Canada is not far behind at 19.

Government Transfers

Figure 18 below shows the extent of child poverty in Canada if there had been no government transfers such as the CCB, the one-time \$300 top up and without pandemic benefits. This figure illustrates the impact of federal government transfers on child poverty. Without those transfers, the child poverty rate would be more than double.

Figure 17. Child poverty rates (CFLIM-AT) with and without government transfers, 2020.

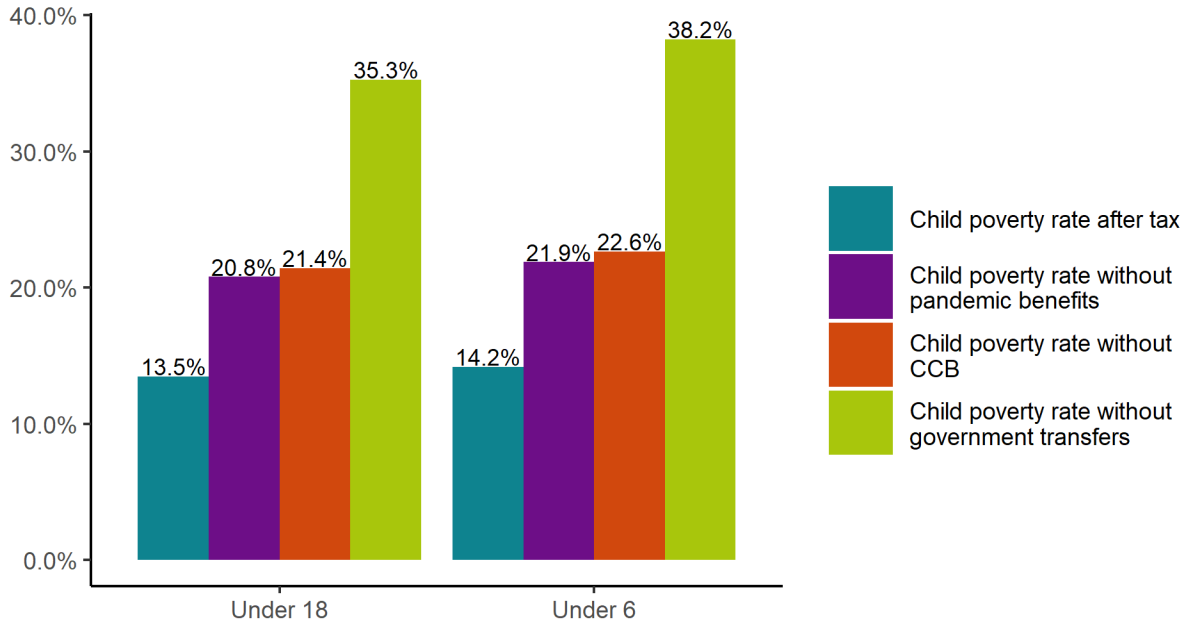
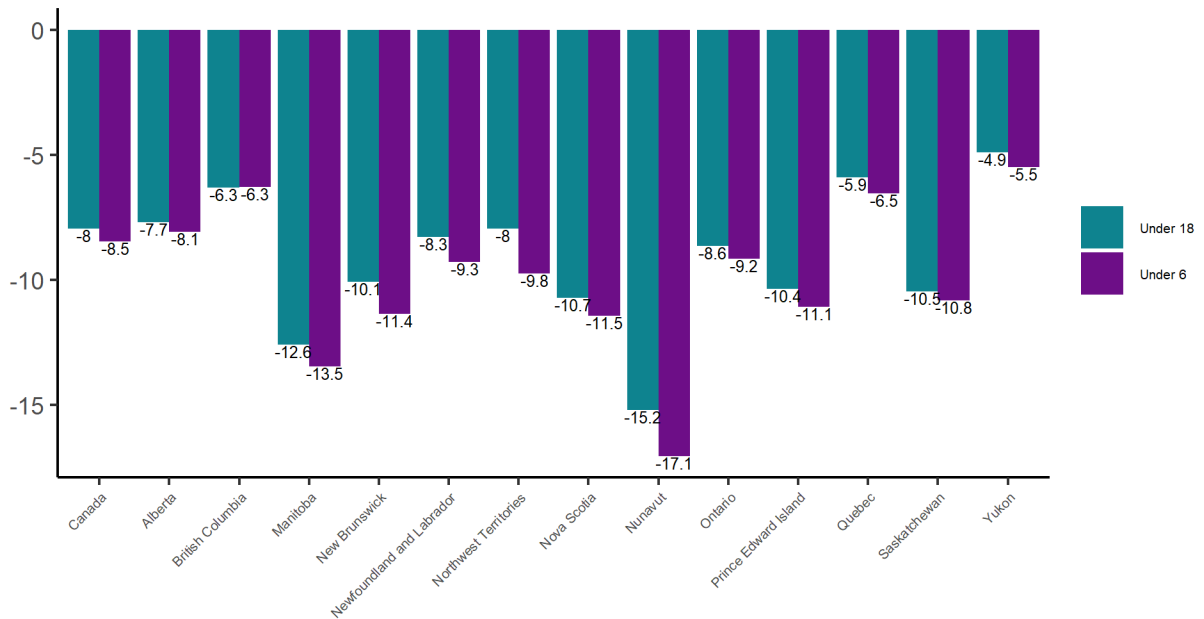


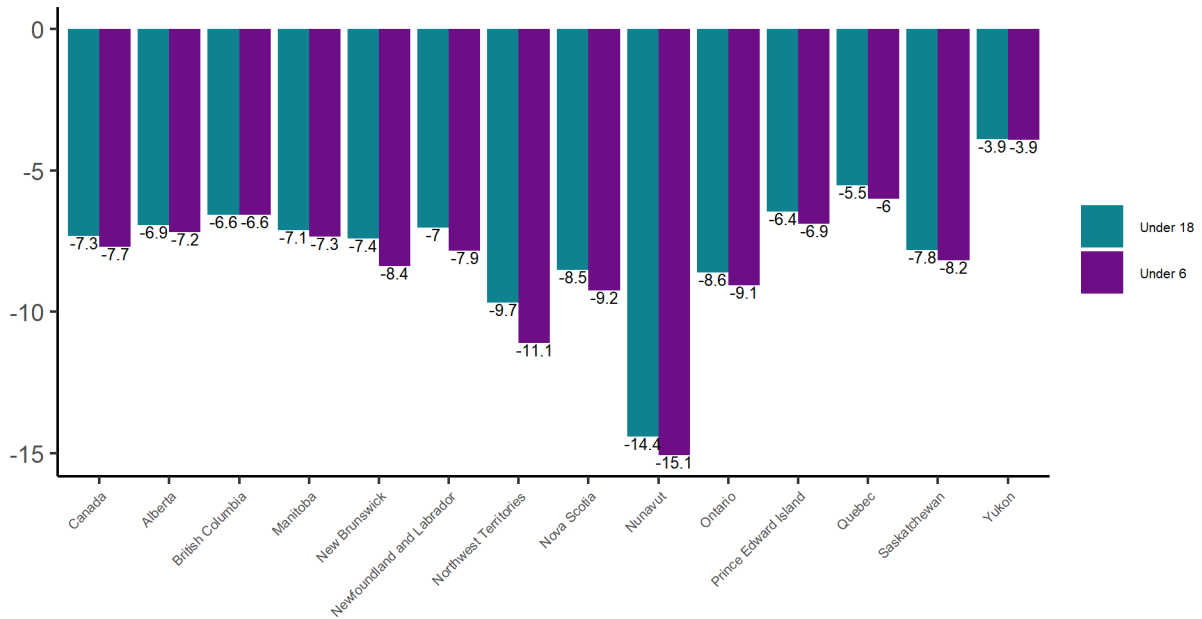
Figure 18. Effect of pandemic benefits on child poverty rates by province and territory



On PEI, COVID benefits reduced child poverty for children under 18 by 10.4% and for children under six years by 11.1%. This is a significant reduction.

For Prince Edward Island, the CCB reduced the overall child poverty rate for children under 18 years by 6.4 percentage points and the rate for children 6 and under by 6.9%.

Figure 19. Effect of CCB on child poverty rates by province and territory



PEI like other provinces and territories benefits greatly from government transfers. Figure 19 illustrates the impact the Canada Child Benefit, (CCB) had on child poverty in 2020. However, Campaign 2000 research found, “The CCB is losing its power to sustain an ongoing reduction in child poverty. In 2020, it reduced child poverty by 8 percentage points with the result that there were 589,560 fewer children in poverty in Canada in 2020. This was down from 2019 when the CCB reduced child poverty by 9.3 percentage points, representing 692,060 fewer children in poverty that year.”

Progress on the Child Care System

The Canada-wide Agreement on Early Learning and Childcare (ELCC)

The federal government committed almost \$34 billion over the next five years with a yearly breakdown of a minimum of an annual \$9.2 billion. On PEI, the popular name for the program is the ‘Canada-wide Agreement.’ An agreement with PEI was concluded July 27, 2021. The program itself is reported to be well underway with an aim of reducing the payments to \$10.00 per day by 2024. The plan was to cut the fees in half by the end of October 2022 when fees would drop to \$20.00 or 50%. Some parents do not have to pay any fees now and the \$10.00 daily fee is scheduled to be fully implemented in three years. There are also plans to expand the space to accommodate more children as there currently is a waiting list of 1,500 for this program, which will be universal and run mainly by non-profits and accredited places.

Decent Work

On PEI, many women work in low paying, seasonal and part-time jobs. When they finish their work at the end of the season, they draw 55% of that low pay for 12 – 14 weeks. After that, they may find themselves in the “the black hole,” meaning they have to go without income for several weeks before their seasonal jobs begin again. The number of low-income women outpaces the number of men in terms of both income inequalities and part time job occupations.

At the same time, decent work with decent pay gives people an identity and dignity that reflects on their general well-being and the well-being of their families. Traditionally in Canada, Maritimers were given the role of ‘hewers of wood and drawers of water.’ Now much of that role seems to have been handed to immigrants and migrant workers who make up the majority of Islanders in low paying jobs for example, grocery stores, fast food outlets and fishing and agriculture industries.

Two years ago, a study by the CCPA Office in Halifax and the MacKillop Centre for Social Justice revealed that a decent, livable income would amount to \$19.30 per hour for a family of four with both parents working a 35-hour workweek. That was before inflation set in and interest rates increased. Rent and housing costs including building materials were not as high either and the cost of energy was much lower.

In comparing Canada and with other countries, especially the top three countries that lead in poverty eradication, Iceland, the Czech Republic and Denmark, job satisfaction is an important factor. The Nordic countries serve as a model in that they all have sturdy social safety nets giving access to necessary services – free education, free healthcare, and a tax-funded social assistance system. Iceland had the least poverty in the world in 2017. One of the keys in these countries is a high rate of unionization, which contributes greatly to job satisfaction, and salaries in the Nordic countries are at the high end for both male and female, as part of an equity program. Added to this, workers have good pensions and benefits and good family and child allowances. The Czech Republic aims at affordable living for everyone. It concentrates on a strong economy and has expanded manufacturing as part of the plan.

Conclusion

Campaign 2000 was founded in 1991 because of lack of government progress in addressing child poverty in Canada. Over the years many excellent recommendations have been made offering governments ways to eliminate Canada’s high poverty rates. In spite of this, little progress has been made. A major cause is a political and economic system that allows the wealthy and corporations to thrive even in times of crisis. This happened during the COVID-19 pandemic. Failure to recognize and tackle the root causes of poverty has left too many Canadians suffering from homelessness, poor housing, inadequate social assistance and pensions, food insecurity, lost opportunities and other forms of inequality. These people are deprived of living their lives fully and having the opportunity to develop their talents in order to make their own contributions to their society. We are still far away from realizing Justice in society. There are some notable improvements since Campaign 2000 was founded: Canada Child Benefit, a proposed Disability Act, movements toward a National Pharmacare program, slight increases in minimum wages, the Early Learning Childhood (ELCC) program, and more awareness in the public about Indigenous rights and the need for reconciliation. A strong social safety net and decent jobs with liveable wages are needed. The taxation program prepared by Oxfam for the World Economic Forum 2023, holds a lot of promise for creating more equality of income and strengthening the social safety net both in Canada and world-wide.

The PEI Coalition for a Poverty Eradication Strategy and the MacKillop Centre for Social Justice strongly endorse the Campaign 2000 recommendations:

Recommendations

We agree with the recommendations made in the 2022 Campaign 2000 Report Card.

We recommend the following to the Prince Edward Island government

- That the PEI government continue to make investments in programs that effectively reduce and eliminate food insecurity on PEI and that the programs are aimed at the root causes of the problem.
- That the PEI government take immediate steps to end homelessness and unaffordable rent and establish a serious program of social housing construction as well as taking more serious steps to stop renovations.
- That the right to housing as a human right will form the basis of all housing plans in PEI and nationally and that all homeless people be provided with permanent housing.
- That a formal support system be established by the provincial government to support tenants who have legitimate complaints, and need backup support to help them present their grievances and be heard and taken seriously.
- That the new Residential Tenancy Act be amended to include a Rent Register to provide information on the rent the former tenant paid.
- At a minimum, bring employment incomes up to the CFLIM-AT. Equal pay and benefits for all workers, regardless of employment status, gender, racialization, and immigration status, must also be legislated.

Federal and Provincial

- That the PEI and federal governments create employment strategies that meet the great need for decent jobs with liveable incomes as a means of eliminating poverty.
- That the PEI and federal governments establish a Job Guarantee Strategy based on public work in public service in communities, led by and administered from the bottom up, and financed by the federal government for anyone who wishes to work, and adequate support for those who are unable to work.
- That the PEI and federal governments step up their efforts to provide new, adequate, affordable, energy efficient social housing units in order to assure availability and affordability for all citizens.
- Ensure that all children can realize the right to an adequate standard of living by creating a trauma-informed plan of action to eliminate poverty by 2030 based on the Census Family Low Income Measure, After Tax (CFLIM-AT) calculated with T1 Family File data.
 - Commit to achieving a sustained reduction in poverty rates by 50% between 2015 and 2026.
 - Pass legislation for the Canadian Disability Benefit, substantially increase the amount of the children's disability benefit, and create a caregiver's benefit, such that these benefits enable people with disabilities to meet their needs. Ensure that benefits reach those with low incomes with expanded criteria, are refundable, allow workers to keep earned income and work towards ending disability poverty.
 - Create an Anti-Racism Act for Canada that provides a legislative foundation for the Anti-Racism Secretariat. Create a National Action Plan Against Racism that is well-funded, results-oriented and produces long-term, sustainable change that addresses all forms of racism.
 - Work with provinces and territories to implement set (daily) fees on a sliding ability-to-pay scale, from \$0 to a maximum of \$10, replacing full user fees and individual parent fee subsidies

through operational funding of childcare programs. Ensure that operational funding of childcare services factors in decent, fair compensation for staff.

- Convene a Canada-wide process to develop Early Learning and Child Care (ELCC) workforce strategies that address wages and working conditions, credentials and training, career advancement and professional opportunities.
- Require provinces/territories to develop public expansion strategies to ensure sufficient public and non-profit service expansion including equitable coverage in low income, high need and less densely populated communities. This will require enhanced public funding through the ELCC Infrastructure Fund. Attach community benefit agreements to infrastructure investments.
- Expand funding for community-based mental health and wellness programs accessible to youth, with funding reserved to provide culturally responsible supports for First Nations, Inuit and Métis Peoples, Black, racialized, 2SLGBTQQI+ and marginalized youth.
- That PEI and the federal governments establish a Universal National Pharmacare Program based on the same principles as the Canada Health Act, and based on the recommendations of the Hoskins Report and that the plan is set in motion in 2023.

Federal

- Enhance the Canadian medicare program to include pharmacare, dentistry, vision and physical rehabilitation services.
- Enforce the Canada Health Act and strengthen universal health care by investing more in the public system rather than contracting out to private clinics and private specialists.
- Amend the Canada Labour Code to permanently ensure workers have access to ten permanent paid sick days with an additional fourteen days available during public health emergencies.
- Create plans to eliminate poverty for marginalized children and adults who experience higher rates of poverty, including First Nations, Inuit and Métis Peoples, urban and rural Indigenous Peoples, Black and racialized people, people with disabilities, immigrants, newcomers, people with precarious immigration status and female-led lone-parent families along the same timelines, by 50% by 2026 and eliminate poverty by 2030.
- Entrench the right to an adequate standard of living within the Poverty Reduction Act and include mechanisms to realize these rights, such as an all-party appointed advisory council and a fully resourced poverty reduction advocate who can investigate major systemic issues.
- Mandate a data-collection strategy that collects data disaggregated by First Nation, Inuit and Métis identity, ability, race, gender, migrant status and 2SLGBTQQI+¹ identity, among other sociodemographic identities. Detailed data are critical for poverty reduction planning, monitoring, evaluation and budgeting. Strengthen and refine intersectional gender and rights-based policy and budget analysis using both quantitative and qualitative data.

¹ 2SLGBTQQI+ represents Two Spirit, lesbian, gay, bisexual, trans, queer, questioning, intersex peoples. Often a “+” symbol follows to include all other sexual orientations, identities and fluidities.

- Consider the development of a Strategy for Children and Youth that compliments the Poverty Reduction Strategy and reflects new ambitious targets to end child poverty and advance the right for all children to an adequate standard of living.
- Invest \$6.4 billion to create a Canada Child Benefit End of Poverty Supplement (CCB-EndPov) targeted to families in deep poverty. Broaden access to the CCB for families with precarious status by repealing legislation tying eligibility to immigration status. Expand the circle of people able to attest to a child's residency, ensuring that kinship, customary care and families caring for children outside a formal arrangement have access to the CCB.
- Reverse CCB reductions due to receiving the Canada Emergency Response Benefit (CERB) for moderate income mothers and protect the CCB from future clawbacks with legislative amendments. Implement CERB Repayment Amnesty for everyone living below or near the CFLIM-AT.
- Invest \$2 billion into the Canada Social Transfer (CST) to support social assistance adequacy and remove arbitrary growth restrictions as first steps towards ensuring that social and disability assistance programs bring incomes up to the CFLIM-AT. Require the development of minimum standards for income benefits and social services funded through the CST. These minimum standards must include binding conditions stipulating that income supplements – including the CCB, Child Disability Benefit, child support payments and child-related Employment Insurance benefits – are not deducted from social assistance.
- Research and develop a parallel community-based benefit eligibility and delivery system for low-income, marginalized non-tax filers. The federal government must look to international jurisdictions for best practices on financial inclusion, while building on informal practices developed by community organizations locally. Delivery methods can include prepaid reloadable credit or debit card systems or mobile and digital transfers. Any cash transfer system must be co-created and co-led by locally trusted organizations who can help to mitigate barriers to government systems faced by marginalized groups.

First Nations, Inuit and Métis Children

- Entrench Nation to Nation, government to government and Inuit-Crown relationships by ensuring respect for inherent rights, treaties, title, and jurisdiction; full participation in economic growth; sufficient, predictable, long-term funding to achieve well-being; and evidence-based closure of socio-economic outcome gaps by collecting data in ways that honour the First Nations Principles of Ownership, Control, Access, and Possession (OCAP) to support measurement and reconciliation.
- Implement post-care financial and social services to First Nations, Inuit and Métis youth who were in child welfare and extend Jordan's Principle past the age of 18. Reduce inflows into homelessness by implementing a targeted housing strategy and establishing a national framework for extended care and support for youth in child welfare, in collaboration with First Voice Advocates, territories and provinces.
- Pay full compensation to the First Nations children, parents and grandparents who were harmed by inequitable funding for child welfare services on reserve and lack of adherence to Jordan's Principle. Fully implement The Spirit Bear Plan to end inequities across public services.

- Accelerate implementation of the recommendations from the 2017 United Nations Report of the Working Group of Experts on People of African Descent on its Mission to Canada so Black communities and families can fully and equally participate in all aspects of society.
- Address growing income inequality and generate revenue for poverty reduction programming by eliminating or reducing highly regressive and expensive tax loopholes, closing tax havens, taxing extreme wealth, and implementing an excess profit tax focused on corporate pandemic windfalls.
- Introduce a pan-Canadian workforce development strategy for the Care Economy. These jobs need to be rebuilt from the bottom up with a focus on the most vulnerable workers. In long-term care, this strategy would include enhancing new minimum standards and public ownership, include enforceable standards for pay, working conditions, full-time staffing levels and skills development support.
- Provide permanent resident status on arrival for migrant workers to ensure access to labour protections, income support and health benefits.
- Strengthen the federal Employment Equity Act and attach community benefit agreements to all federal infrastructure investments. Implement disaggregated data collection strategy to inform, monitor and evaluate these expenditures and ensure racialized and underrepresented groups have equitable access and benefits.
- Honour, fund and fully implement the Indigenous Early Learning and Child Care Framework.
- Take immediate action on the commitment to ending homelessness as part of Canada's international human rights obligations. Reassess the definition of 'chronic homelessness' to capture the experiences of women and gender diverse people fleeing violence, immigrants, refugees, First Nations, Inuit and Métis Peoples, families and youth.
- Adapt the National Housing Strategy to ensure it meets Canada's obligations to realizing children's rights to housing outlined in the UN Convention on the Rights of the Child and the National Housing Strategy Act.
- Accelerate the co-development of the three distinctions-based Indigenous housing strategies and commit to a fourth complementary Urban and Rural Indigenous Housing Strategy to effectively address the needs of off-reserve Indigenous Peoples.
- Enhance the Canadian Medicare program to include Pharmacare, dentistry, vision and physical rehabilitation services and evaluate the dentistry program each year to improve and expand it.

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In our last two report cards we expressed confidence in a Job Guarantee as one of the most effective ways to eradicate poverty. One of its strong points is, in the words of Dr. Pavlina Tcherneva: "That it is a crucial mechanism for heading off economic instability whether this stems from structural shifts in globalization, technological change, or garden variety recessions, swelling in times of greatest need, when prices, incomes, and private income are declining and shrinking when other parts of the economy furnish their share of well-paying jobs... unlike other stabilizers, it has the potential to help remake the economy."

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