



**SUBMISSION TO EMPLOYMENT AND SOCIAL DEVELOPMENT CANADA  
FOR THE DEVELOPMENT OF A CANADA POVERTY REDUCTION STRATEGY**

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The **BC Poverty Reduction Coalition** is an alliance of organizations that have come together to raise awareness about poverty and inequality in BC and improve the health and well-being of all British Columbians through the call for a comprehensive solution that addresses the systemic causes of these problems.

**We congratulate the federal government** for moving forward on critical commitments to a national housing strategy and poverty reduction strategy, and we look forward to working with you on these initiatives. With 4.8 million Canadians struggling to make ends meet, the time is now. This is about making Canada a better place to live and work for all of us.

**OVERVIEW**

British Columbia has the highest rate of poverty in Canada at 14.8% (using the Market Basket Measure) and has been the only province without a poverty reduction plan for many years. The BC Poverty Reduction Coalition was launched in 2009 in response to these critical issues, and has now gained the support of over 400 organizations throughout the province in the call for a comprehensive and effective **poverty reduction strategy with legislated targets and timelines** to significantly reduce poverty, inequality and homelessness in BC. We finally have a commitment from the new provincial government to implement a provincial poverty reduction plan.

The Coalition is made up of a diverse membership of over 80 organizations that bring their collective strength and support to this work, including community and non-profit groups, faith groups, health organizations, First Nations and Aboriginal organizations, immigrant service agencies, businesses, labour organizations, social policy groups, and grass-roots groups of people in poverty. Current members listed as an Appendix.

## HUMAN RIGHTS FOUNDATION

A federal poverty reduction strategy must be grounded in a human rights framework, and make explicit reference to international human rights obligations. The existence of poverty in Canada is a violation of human rights. There is not only a moral duty to eradicate poverty but also a legal obligation under international human rights law.

A human rights approach to poverty reduction is based on a fundamental respect for human dignity as opposed to a charitable approach, and is grounded in the experiences and engagement of low-income people and communities. It recognizes people in poverty as rights-bearers entitled to assert legal claims rather than being passive recipients of charitable aid.

Basic civil and political rights, such as freedom of speech and the right to vote, are relatively well protected in Canadian law, but economic and social rights to basic necessities such as food, water, housing, and education are routinely violated.

Without these rights secured, poverty is a barrier to accessing civil and political rights in a meaningful and effective way. This has a disproportionate impact on marginalized groups including women, LGBTQ communities, racialized and Indigenous persons, and people with disabilities, among others.

In 1976 Canada ratified the United Nations *International Covenant of Economic, Social and Cultural Rights*, which recognizes “the right of everyone to an adequate standard of living for himself and his family, including adequate food, clothing and housing, and to the continuous improvement of living conditions.” It’s time for our government to comply with their obligations under international law.

## THE ECONOMIC ARGUMENTS FOR A POVERTY REDUCTION PLAN

Canada has greater income inequality than most OECD nations, ranking 20<sup>th</sup> out of 36 countries.<sup>1</sup> Not only is inequality associated with multiple health and social problems with significant long-term costs, it also damages economic growth. According to a report from the International Monetary Fund, “inequality is strongly associated with less sustained growth,”<sup>2</sup> and the Conference Board of Canada warns that “inequality can diminish economic growth if it means that the country is not fully using the skills and capabilities of all its citizens or if it undermines social cohesion, leading to increased social tensions”<sup>3</sup>.

A study from the Canadian Centre of Policy Alternatives finds that “the costs of inaction are so large that they far exceed the costs of poverty reduction”<sup>4</sup>. According to this report:

Poverty is consistently linked to poor health, lower literacy, poor school performance for children, more crime, and greater stress for family members. It is society as a whole that bears the costs of poverty, through higher public health care costs, increased policing and crime costs, lost productivity, and forgone economic activity...

Homelessness, housing affordability, and lack of accessible and affordable child care are central issues, and therefore social housing and universal child care are key components of a poverty reduction plan. Although they are the items with the highest costs for government, the returns on these investments for government, business and families are clear.

Housing and child care are the two highest costs in a household’s budget so the unaffordability of both contributes to high stress and work-life conflict among employees. According to a position paper on Business and Families produced for the Surrey Board of Trade in March 2012 drawing from research from Paul Kershaw of HELP, work-life conflict for parents with young children causes problems for employers, including higher absenteeism, greater turnover, lower productivity, and increased use of extended health benefits<sup>5</sup>. For those employees with preschool-aged children, these issues add up to a cost of \$600 million per year for the BC business community alone. Investing in affordable, publicly funded services for families will reduce these costs significantly.

A poverty reduction plan contributes to a stronger national economy.

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<sup>1</sup> <http://www.oecd.org/social/inequality.htm>

<sup>2</sup> <https://www.imf.org/external/pubs/ft/sdn/2011/sdn1108.pdf>

<sup>3</sup> <http://www.conferenceboard.ca/hcp/hot-topics/caninequality.aspx>

<sup>4</sup> [https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2011/07/CCPA\\_BC\\_cost\\_of\\_poverty\\_full\\_report.pdf](https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2011/07/CCPA_BC_cost_of_poverty_full_report.pdf)

<sup>5</sup> <https://businessinsurrey.com/policy/social-policy/>

## ESSENTIAL ELEMENTS OF A POVERTY REDUCTION PLAN

The essential elements of a poverty reduction strategy include:

- Legislated targets and timelines in Poverty Reduction Act
- Lead Minister
- Cross-ministry committee with full representation
- Accountability mechanisms
- Adequate funding
- Shift from charity to justice
- Meaningful consultation with people in poverty

Many of the issues are within provincial or territorial jurisdictions; however the federal government has a role to play in providing strong leadership and conditional funding. The strategy must be legislated with targets and timelines, and hold provinces/territories to the same targets and timelines, including defined:

- Reductions in recommended poverty indicators: Low Income Measure (After Tax) supplemented with the Market Basket Measure using tax filer data
- Reductions in crisis measures including food bank use, homelessness counts, core housing need and food insecurity.
- Reductions in material deprivation using a well-defined index (see UNICEF for example but needs changes)
- Health indicators: reduction in opioid overdose and tobacco-related deaths, reduction in suicides, increase in life expectancy
- Reduction in inequality

Just as across Canada, we have here in BC a depth of poverty, where people on social assistance aren't merely in poverty – they are in *deep* poverty. Welfare has been frozen at \$610 per month since 2007, leaving little capacity to transition back into employment. The health care implications of keeping people in such deep poverty affect us all.

However, the *breadth* of poverty in BC is a low wage story. About half of the people living in poverty in BC have a job, or two, or three. Not surprising given that the minimum wage is about half the living wage (depending on the community), which reflects the actual cost of living. At BC's current minimum wage of \$10.85/hour, a single person working full-time and full-year would earn \$19,747 a year, which is still less than the poverty line. Full time work should provide families with a basic level of economic security and not keep them in poverty.

Families who work for low wages face impossible choices – buy clothing or heat the house, feed the children or pay the rent. The result can be spiraling debt, constant anxiety and long-term health problems. In many cases it means that the adults in the

family are working long hours just to pay for basic necessities, often multiple jobs. These workers have little time to spend with their family, much less to help their children with school work or participate in community activities.

An increase of the minimum wage would not only lift workers above any poverty line, it would benefit the government in terms of increased tax and consumption revenue. While there would be a cost to local businesses, they may also experience the benefit because low-wage workers would have more purchasing power and these workers largely spend within their local communities. Their increased spending drives demand for companies' products, in turn generating more employment and investment.

A federal poverty reduction strategy should include a federal minimum wage of \$15 an hour and tie a targeted portion of a poverty reduction funding transfer to provinces and territories to adequate increases in income assistance rates and minimum wage levels.

As well as needing to raise the incomes of those living in poverty, this approach also needs to build the social infrastructure, public services and assets that are vital to providing a path out of poverty and improving quality of life: social housing, universal child care, education and training, and investment in health care. The government would need to develop prioritization and a timeline of implementation. The strength of a poverty reduction strategy is its broadness and therefore its ability to get to the heart of the causes of poverty. It brings previously ad-hoc programs together in a comprehensive, strategic vision.

## POLICY RECOMMENDATIONS

The BC Poverty Reduction Coalition works in collaboration with multiple partners in campaigning for a poverty reduction strategy so we draw from those partners in detailing specific policy recommendations.

### **From First Call: BC Child and Youth Advocacy Coalition<sup>6</sup> (see also the recommendations from their national partner, Campaign 2000<sup>7</sup>):**

1. Governments at all levels should ensure their direct and contract employees are paid a living wage that allows them to meet their basic needs, properly support their children and avoid chronic financial stress.
2. The federal government should ensure the new Canada Child Benefit reduces the child poverty rate by 50% in 5 years, implement indexation immediately and ensure access to the benefit for families living at higher rates of poverty.
3. Guided by the calls to action in the report of the Truth and Reconciliation Commission of Canada, and the rulings of the Canadian Human Rights Tribunal, the federal (and provincial) government should immediately increase funding for First Nations child welfare, education and community health services and services for urban Indigenous people, and develop a long-term poverty eradication strategy in collaboration with First Nations and other Indigenous organizations and communities.
4. The federal government should increase the maternity and parental leave benefit level to at least 70% of employment income and reduce qualifying hours to 300 over the best 12 weeks of the 12 months of work. All new parents (regardless of work status) should be included, and a secondary caregiver benefit should be developed to address gender disparities in care work within households.
5. The federal government should allow grandparents on CPP Disability who are raising their grandchildren to continue to receive the children's benefit after they turn 65.
6. The federal (and provincial) government should intensify their efforts to help immigrants and refugees adjust to life in Canada by enhancing employment assistance, removing long-standing barriers to qualification for professionals trained abroad, making more language training available, and improving employment standards and human rights protections and enforcement.
7. The federal government should extend the program that waives transportation loans for Syrian refugees travelling to Canada to all new refugees and immediately cancel all outstanding transportation loan debt.

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<sup>6</sup> <http://still1in5.ca/recommendations/>

<sup>7</sup> <http://campaign2000.ca/join-c2000-national-forum-poverty/>

8. The federal (and provincial) governments should do more to improve access to post-secondary education by further removing financial barriers for low-income students and lowering student debt levels beyond the measures announced by the Canadian government in July 2016. Policy options include reducing tuition fees, providing lower-income students with more grants instead of loans and making student loans interest-free.
9. The federal government should enhance Employment Insurance to expand access, duration and levels of benefits. Reduce the number of qualifying hours to 360 for all workers and enhance benefit levels over a longer benefit period of 50 weeks.
10. The federal (provincial and local) government should increase their efforts to provide housing for low-income people. This should include building more social and affordable rental housing and maintaining existing affordable housing stock to reduce the number of families in core housing need and to eliminate homelessness. The national housing strategy must include a long-term funding commitment to meet these goals.
11. The federal and provincial governments should work together to introduce universal coverage for all Canadians for prescription drugs, dental care and eye care as essential aspects of health care.
12. The federal government should address growing income inequality by continuing to restore fairness to the personal income taxation system and re-introducing the principle of taxation based on ability to pay.

### **From Raise the Rates<sup>8</sup>:**

**We need to restore national standards for welfare:** Prior to 1996 the federal government shared the cost of welfare payments 50/50 with provinces providing the provinces complied with 4 rules that guaranteed basic economic human rights:

- The right to adequate income when in need;
- The right to appeal decisions about welfare;
- The right to freely chosen work or training (not workfare);
- The right to get welfare regardless of the province that you are from.

When the Liberal government abolished the Canada Assistance Plan in 1996, provinces lost half of the money they spent on welfare and low income people lost these rights. Provinces began either cutting or not indexing welfare payments until, now, they are completely inadequate and people who rely on welfare have an extremely hard time subsisting. This is about the time that homelessness in Canada started becoming a major problem. Before 1996 welfare provided enough money that people in need could access it and have enough to pay rent.

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<sup>8</sup> <https://raisetherates.org/news/>

Therefore, Raise the Rates is calling on the federal government to again require national standards for welfare and contribute to provinces' welfare expenses.

Two other national standards should be added to the four above:

- That people have the right to assistance without discrimination based on sex, race, national or ethnic origin, sexual orientation, religion, age, mental or physical disability, drug use or source of income; and
- That provinces must have an easily accessible and respectful process for obtaining welfare when in need, a process that doesn't deter people who are not computer literate, and don't have phones, and have other needs that make it hard for them to deal with bureaucracies.

**End poor bashing.** The federal government should take a leading role in countering discrimination, stereotyping and poor bashing of people who are poor. For example, the government shouldn't just say it wants to help the middle class and people who want to be middle class. People who are poor are human too and there is no shame in not having a lot of money. The Canadian Human Rights Act should be amended to prohibit discrimination based on social condition including low income.

**Poverty of Indigenous peoples:** Land should be restored to Indigenous peoples. The theft of land has been proven again and again as the source of harm and poverty in Indigenous communities. The United Nations Declaration on the Rights of Indigenous People needs to be ratified and implemented immediately, and the federal government needs to uphold the rights it has granted Indigenous communities through land and title immediately. All resource and land development on unceded Indigenous lands needs to be returned, and Indigenous economies need to be encouraged to flourish. In the meantime, the basic human right to an adequate standard of living should be implemented immediately for all Indigenous people—clean drinking water, the right to speak Indigenous languages, raise their children, and live free from discrimination.

### **From the Canadian Coalition Against LGBTQ+ Poverty:**

In light of the disproportionate rates of poverty among LGBTQ+ people, CCALP recommends that:

1. LGBTQ+ people be explicitly identified as a group at risk for poverty in the CPRS;
2. LGBTQ+-specific data be collected to measure the success of CPRS activities in addressing poverty for LGBTQ+ people;
3. Preventing, reducing, and ending LGBTQ+ youth homelessness be a priority in the CPRS, including through collaborations with the provinces and territories;
4. Actions to address child poverty in the CPRS be accessible to all families regardless of parental gender and/or marital status;

5. Canada's Employment Equity Act be expanded to include protection on the basis of sexual orientation and gender identity, and that these protections extend to private sector employment;
6. Steps be taken to ensure that LGBTQ+ people are able to access the income supports to which they are entitled without fear of discrimination;
7. Poverty reduction initiatives targeting specific groups at risk for poverty attend to LGBTQ+- specific issues within those groups, and measure their success for LGBTQ+ people;
8. Initiatives be developed to enhance availability of Canadian economic data on LGBTQ+ people; and
9. LGBTQ+ people, and particularly those with lived experience of poverty, be consulted and included as key stakeholders in all aspects of the CPRS.

### **From Dignity for All<sup>9</sup>:**

The federal government should develop a comprehensive, human rights-based national strategy with strong policy addressing gaps in the following areas: income security, housing and homelessness, health, food security, employment, and early childhood education and care, including key policy priorities:

1. Index the Canada Child Benefit to inflation;
2. Increase funding for the development of safe, affordable housing, with particular focus on partnering with Indigenous communities for the immediate delivery of housing supports;
3. Include provisions for improvements to Employment Insurance (EI), including setting a national eligibility threshold of 360 hours.

Canada can do more to ensure that human rights and dignity for all are respected and no one has to live in poverty.

## **CONCLUSION**

We congratulate the government on the commitment to develop and implement a national poverty reduction plan, and we are happy to bring the knowledge and expertise of our Coalition members to support this process. This is a long term investment in the future of Canada for all Canadians.

If we had a national poverty reduction plan with legislated targets and timelines, kids would grow up healthier, people would be more productive, communities would be more vibrant, and Canada would be richer in so many ways.

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<sup>9</sup> <https://dignityforall.ca/contribute-to-canadas-anti-poverty-plan/#more-2491>

## Appendix A: Current Members of BCPRC

Basic Income Vancouver	Health Officers' Council of BC
BC ACORN	Health Sciences Association of BC
BC Alliance on Mental Health/Illness and Addiction	Hospital Employees' Union
BC Federation of Labour	Interspiritual Centre of Vancouver Society
BC Ferry and Marine Workers Union	Living Wage for Families Campaign
BC Food Systems Network	Megaphone Magazine
BC Government and Service Employees' Union	MOSAIC
BC Health Coalition	Move Up
BC Healthy Communities	New Westminster & District Labour Council
BC Healthy Living Alliance	North Shore Disability Resource Centre
BC Public Interest Advocacy Centre	North Shore Homelessness Task Force
BC Teachers' Federation	Oxfam Canada
BC Federation of Students	PIVOT Legal Society
Burnaby Community Services	Public Health Association of BC
Canada Without Poverty	Raise the Rates Coalition
Canadian Cancer Society – BC/Yukon	Richmond Poverty Response Committee
Canadian Centre for Policy Alternatives - BC	Single Mothers Alliance of BC
Canadian Federation of Students – BC	SPARC BC
Cedar Cottage Neighbourhood House	Streams of Justice
Check Your Head	Surrey Poverty Reduction Coalition
Citizens for Accessible Neighbourhoods	Together Against Poverty Society
Coalition of Child Care Advocates of BC	Union Gospel Mission
Community First Foundation	United Way of Greater Victoria
Community Legal Assistance Society	United Way of the Lower Mainland
Community Social Planning Council, Victoria	Vancity Community Foundation
Council of Senior Citizens' of BC	Vancity Credit Union
Disability Alliance BC	Vancouver & District Labour Council
Downtown Eastside Neighbourhood House	Vancouver Foundation
Faith in Action	Vibrant Abbotsford
Federation of Post-Secondary Educators of BC	WestCoast LEAF
First Call: BC Child and Youth Advocacy Coalition	Women Against Violence Against Women (WAVAW)
Gordon Neighbourhood House	