



Honouring Our Promises

Meeting the Challenge to End Child and Family Poverty

2003 Report Card on Child Poverty in Canada



Fourteen years ago, the House of Commons unanimously resolved to *"seek to achieve the goal of eliminating poverty among Canadian children by the year 2000"*. Despite consecutive years of economic growth more than one million children, or almost one child in six, still live in poverty in Canada.

We must measure our progress by the standard of care that we set for the least privileged among us [...] The true challenge of leadership is to rally a nation to its unfulfilled promise. To build a society based on equality, not privilege; on duty, not entitlement. A society based on compassion and caring; not indifference or neglect.

Paul Martin, Prime Minister - Elect, Toronto, November 14, 2003

Children are everyone's responsibility, and everyone's future. Canadians want a society where all children grow up to be responsible, productive, healthy, and caring - a society where no child gets left behind.

Declaration from the shared vision for a National Children's Agenda on behalf of the federal government, nine provinces and 3 territories, and with the support of the Government of Quebec for the objectives expressed, May 1999

We [...] commit ourselves to implementing the Plan of Action through [...] effective national legislation, policies and action plans and allocating resources to fulfill and protect the rights and to secure the well-being of children [...].

'A World Fit for Children', Plan of Action signed by the Canadian government and other heads of state at the United Nations Special Session on Children in May 2002

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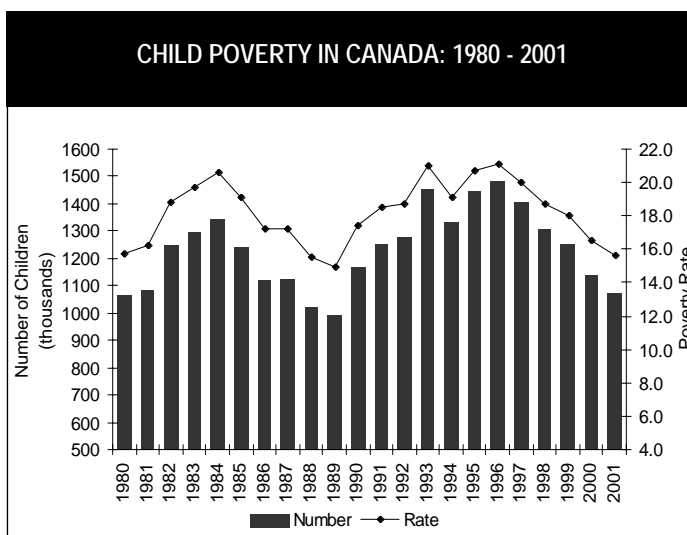
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Tackling Child Poverty: An End in Sight?

This year's child poverty report card delivers both good news and bad news.

The good news is that economic growth and government investments in child benefits are beginning to pay off: the rate of child poverty is continuing to go down, from 16.4% in 2000 to 15.6% in 2001.¹

The bad news is that 1,071,000 children, or almost one child in six, remained in poverty in 2001.² This is still higher than the rate of 14.9%, or one in seven, achieved at the peak of the economic recovery in 1989.



Source: Statistics Canada's *Income Trends in Canada*, 2001, 13F0022XCB.

	Rate	Number
Canada	15.6%	1,071,000
Newfoundland and Labrador	21.6%	24,000
Prince Edward Island	12.5%	4,000
Nova Scotia	19.2%	38,000
New Brunswick	14.5%	23,000
Quebec	17.8%	276,000
Ontario	13%	355,000
Manitoba	22.5%	58,000
Saskatchewan	17.6%	42,000
Alberta	14.1%	104,000
British Columbia	17%	146,000

Source: Statistics Canada's *Income Trends in Canada*, 2001, 13F0022XCB.

Lessons from the long-term perspective on child and family poverty

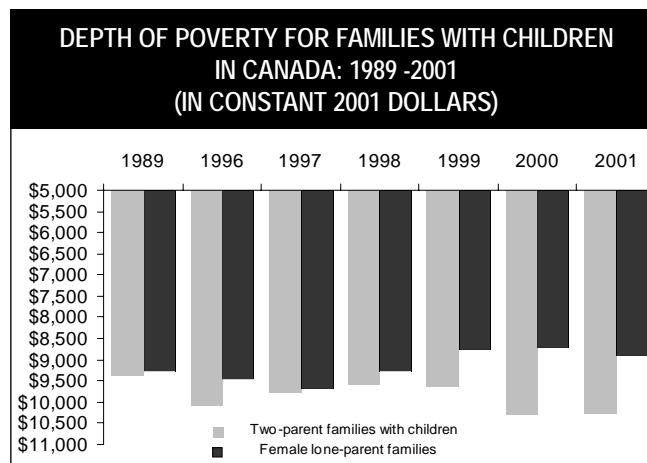
The structural level of child poverty has hardly changed in almost 30 years. In 1973, the child poverty rate stood at 16.4%, slid to 15.7% in 1980 and decreased further to 14.9% in 1989. By 2001, the child poverty rate was 15.6%. Child poverty grew to a record high in the early 1990s as Canada experienced a deep recession and high unemployment. Although the rate began to decline at the end of the 1990s, this did not happen as quickly or steeply as economic growth might suggest.

What lessons can we draw from this long-term perspective on child poverty?

- Lesson 1: *We cannot rely on economic growth alone to have a major effect on reducing the rate of child poverty - social investments are crucial.*
- Lesson 2: *The structural sources underlying child poverty have remained the same for 30 years: a labour market that does not deliver the jobs or the wages to allow parents to raise their children in dignity, and an income security system that does not provide an adequate income floor to protect children from the vagaries of the economic cycle.*
- Lesson 3: *A job is no longer a guaranteed escape from poverty for families with children.*

How are Poor Families Faring?

Low income families with children remain far below the poverty line. Among female lone parent families, the average gap between income and the poverty line actually increased. Female-led lone parent families would still require, on average, an additional \$8,886 to lift themselves out of poverty. Two-parent low income families fell, on average, more than \$10,200 below the poverty line - a situation virtually unchanged from the previous year.



Source: Statistics Canada's *Income Trends in Canada*, 2001, 13F0022XCB.

Comprehensive public policies and a healthy labour market needed to bring the end of child poverty

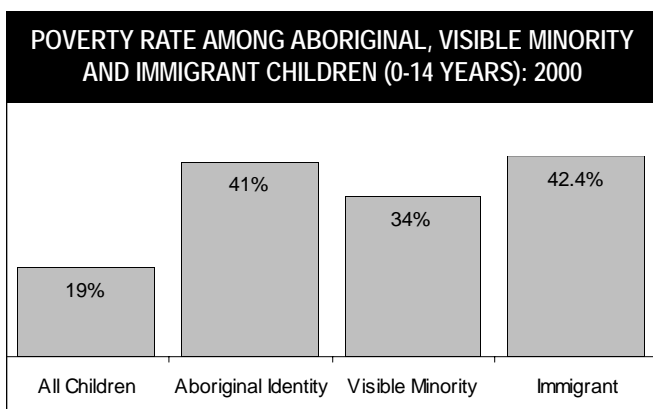
Although the current downward trend in child poverty is both welcome and encouraging, this is not the first time that the child poverty level has gone down, only to go up again the next time there was an economic crisis. To achieve a sustained reduction and virtual end to child poverty, governments need to adopt a comprehensive, multi-pronged social investment strategy. This strategy must include:

- ✓ Income security to protect families with children regardless of the ups and downs of the economy;
- ✓ Significant steps to improve the availability of good jobs with living wages and decent working conditions;
- ✓ A well-designed system of early childhood education and care;
- ✓ Affordable housing that meets the needs of families, including the most vulnerable.



Tackling Inequality is Key to Achieving Inclusive Communities

The erosion of Canada's social safety net has had a particularly negative impact on families that have historically experienced exclusion and disadvantage in society. Growing inequality among different social groups in Canada suggests that economic growth alone is not sufficient to achieve social inclusion and cohesive communities. Specific measures to promote equity are needed to reduce the disproportionate levels of poverty affecting many communities.



Source: Statistics Canada's *Canada Census 2001*, 97F0010XCB01047, 97F0009XCB01043, 97F0011XCB01046.³

Among Aboriginal children living off-reserve 41% live in poverty.⁴ The vast majority of Aboriginal children live in urban centres. Their living conditions continue to deteriorate as families find that even their most basic needs for food, clothing and shelter are not being met. Among children in First Nations, on-reserve communities, many do not have access to the essential public services that most people in Canada take for granted.

Aboriginal workers had the lowest average employment earnings compared to other groups. Average employment earnings of Aboriginal workers were only two thirds of the average employment income for all workers - \$21,485 compared to \$31,757 for the average worker.⁵

Children in recent immigrant or refugee families face significant hurdles to achieving social inclusion. The child poverty rate among immigrant children under 14 years old was 42.4% compared with 17.4% for non-immigrant children of the same age group.⁶

Economic growth in the latter part of the decade left many recent immigrants behind. Poverty rates among immigrant families with children have continued to rise over the past three decades as recent immigrant groups face steep barriers to achieve the earnings of Canadian-born families. Average employment earnings for workers who immigrated during the 1990s were only 78% of earnings for non-immigrants - \$24,775 compared to \$31,757 among all workers.⁷

Recent immigrant workers are likely to be over-represented in low income sectors and occupations. These workers face unequal access to employment opportunities, a lack of recognition of foreign credentials and are disproportionately found in contract, temporary, part-time or self-employment. The result is employment which is more likely to be low paid, with little job security and often with little or no benefits.

Among racialized groups, barriers to employment are compounded by discrimination. Workers belonging to a visible minority group averaged \$27,149 in employment earnings in 2000 - \$4,600 less than the average for all other workers.⁸

The rate of poverty for children under 14 years old who belong to visible minority groups is 34%, compared to 19% for all children in the same age group.⁹ Racialized families are over represented in low income neighbourhoods where the quality of living conditions and access to social programs including child care, health, education and recreation are often limited.

Children with an activity limitation were more likely than children and youth with no activity limitation to live in lower income households. Among children under 12 years of age with an activity limitation, 30% lived in families with incomes in the lowest 40% of all households compared with 18% of children under 12 years of age with no activity limitation.¹⁰

Children with disabilities and their families face barriers to full inclusion and immense financial, social and emotional stresses. Inadequate services and supports leave these families with lower incomes, more reliance on public transfers and more restrictions in labour market participation.

A strong, comprehensive system of social and income supports is necessary to strengthen and support all families across Canada through good times and bad. Investments are needed that can respond to the particular needs of disadvantaged populations while supporting all families through income security, affordable housing, quality community programs and good jobs.



Poor Jobs, Poor Wages Contribute to Child Poverty in Canada

We know quality of life when we see people working, with dignity, with good pay, with the opportunity to move ahead.

Prime Minister-Elect Paul Martin, Toronto, November 14, 2003

One of the primary sources of child poverty is a labour market that does not deliver the jobs, the wages and/or the benefits to enable parents to raise their children in dignity. Since the economic recovery began in the mid-1990s, Canada has been doing well in terms of the number of jobs that are being produced. The unemployment rate fell to 6.6% in September 2003 from 8.3% in May 1998.

However, many workers are being left behind because of increasing labour market vulnerability caused by the growth of non-standard employment; the erosion of labour standards; the polarization of jobs into good jobs and bad jobs; decreasing access to collective bargaining; and limited or no benefits.

The following table illustrates that the labour market, on its own, does not guarantee income security.

- In 2000, more than half of all low income children lived with parents who had earnings from employment.
- One out of every six low income children lived in couple families where both parents worked at some point during the year.¹¹

Children Living in Poverty by Family Type and Presence of Employment Earnings (2000)		
	Proportion of all children in poverty	Number of Children
Distribution by Presence of Earnings		
Children in families with employment earnings	56.6%	705,038
Children in families without employment earnings	32.5%	404,836
Other situations	10.8%	134,530
Total	99.9%	1,244,404
Distribution by Presence of Earnings and Family Type		
In couple families where both parents work	16.6%	206,778
In couple families where one parent works	20.8%	259,095
In couple families with no work	12.3%	153,215
In lone parent families where parent works	19.2%	239,165
In lone parent families without work	20.2%	251,621
Other situations	10.8%	134,530
Total	99.9%	1,244,404

Source: Statistics Canada, 2001 Census: Analysis Series, 2003. 96F0030XIE2001014.

Canada stands out as a low wage country: one in four workers employed in low wage jobs

As shown in the table below, nearly one in four workers, or almost 2 million adults in Canada, are low-paid. The incidence of low pay has remained virtually unchanged throughout the economic boom. The only noticeable change has been among part-time workers, more of whom are paid low wages. Canada is second only to the U.S. as a low-wage country among industrialized nations. By contrast, just one in ten workers in the Scandinavian countries and the Netherlands are low paid.¹² Low paid is defined as earning less than two thirds of the national median hourly wage, or less than \$10 an hour.¹³

Employment in Low-Wage Jobs in Canada: 1997 - 2002		
<i>Low wage defined as earning less than two-thirds the National Median Hourly Wage. Median Wage: \$14.00/hr in 1997; \$15.65/hr in 2002.</i>		
	1997	2002
All	25%	25.3%
Men	19.4%	19.4%
Women	31.1%	31.5%
15-24	68.7%	67.3%
25-54	16%	16%
55+	19.2%	19.8%
Men 25-54	10.3%	10.2%
Women 25-54	22.1%	22.2%
Full-Time	18.4%	18.2%
Part-Time	53.9%	57%
Union	7.1%	8.4%
Non-Union	34%	33%

Source: Labour Force Survey as cited in Andrew Jackson. *Good Jobs in Good Workplaces: reflections on medium-term labour market challenges*. July 2003. Caledon Institute of Social Policy, Table 2.



Women experience greater labour market vulnerability than men

Women are more likely to be in low-paid work: one in three women is low-paid compared to one in five men. Women continue to be more precarious in the labour market than men although the percentage of women in paid employment is higher than it has ever been. Between 1997 and 2002 the gap between the average hourly wages of women and men remained virtually unchanged - women's average wages made up only 81.6% of what men earned.¹⁴

Not only do women earn less than men when they work full-time, they are also more likely to be in part-time or non-standard employment. In 2002, only 44.5% of working women were in full-time, full-year jobs compared to 56% of men.¹⁵ They are also more likely to work in clerical, sales and service jobs which pay less than the 'blue-collar' jobs occupied by men.¹⁶

The pressure of balancing work and family life also has a disproportionate impact on women. Women are more likely than men to report high levels of stress related to time and work/family issues.¹⁷

The labour market does not currently provide a pathway out of poverty for most lone mothers and their children. The high risk of poverty among lone mother families stems from the fact that women still earn less than men, most lone mothers are low wage earners, and very few work full-time.

Jobs alone not a pathway out of poverty for lone mothers

Increased labour market participation by female lone parents led to reductions in the depth and rate of poverty in these families since 1996. The rate of paid employment among female lone parents jumped from 56% in 1991 to 67% by 2000.¹⁸

Yet labour market earnings have not been enough to address the disproportionate levels of poverty among female lone parent families. Of lone parents who reported wages in 2000, 62.4% were earning below \$10.00 an hour, with 42% earning below \$8.50 an hour.¹⁹

Despite positive trends, nearly one in two children still lives in poverty among female lone parent families, who make up nearly 85% of all lone parent families. Children in female lone parent families are four times as likely to be poor as children in two-parent families.²⁰

Income Security Programs Inadequate for Families

Unlike many European countries, Canada's income security system does not provide an adequate income floor to protect children and families during economic hard times. In recent years, this income floor has sagged further. Canada slashed program spending to below 12% from 16% of the GDP during the 1990s,²¹ giving rise to cutbacks and austerity measures that have affected most social programs in the country. Economic hardship has increased as a result of the erosion of social benefits, such as Employment Insurance (EI) and social assistance.

It is encouraging that the federal government plans to raise the Canada Child Tax Benefit to a maximum of \$3,243 per year by 2007. However, this amount will need to be at least \$4,400 to provide an adequate income floor for families, particularly for lone parent families. To make progress on reducing poverty, enhanced child benefits must be complemented with a strategy to improve wages.

Given the deep levels of poverty facing low income Canadian families, it is no surprise that food bank use continues to rise every year and has more than doubled since 1989. In March 2003, more than 306,000 children relied on emergency food assistance.²²

Other countries protect families during economic hard times

Canada consistently ranks poorly in international comparisons of child poverty in developed countries. Most recently, Canada ranked 15th highest of 19 rich countries in the proportion of children living in poverty.²³ While Canada's child poverty rate clustered around 20% during the 1990s, the Nordic European countries kept child poverty below 5%, with Belgium, Netherlands Luxembourg and France only slightly higher.²⁴

The economic conditions contributing to child poverty in Canada are not unique to this country. Many industrialized European countries have been experiencing unemployment, wage inequalities and low wages. Yet, countries with strong social security systems have been able to protect children and families from the impact of labour market inequalities. In some cases, child and family benefits were not cut at all. In other countries, where government expenditures were curtailed during the 1990s, benefits have been replaced in more recent years.

Current European family policies in an era of "retrenchment" show that overall expenditures on child and family policies in the European Union and OECD countries have experienced an upward trend:

- Family allowances have been sustained or raised;
- Parental leaves have been extended and even newly introduced in several countries;
- Child care and early childhood education and care services have continued to increase in supply.²⁵

Weakened protection for unemployed families

Changes in Employment Insurance (EI) rules introduced in the 1990s mean that low income workers who find themselves without jobs are not likely to receive benefits. As recently as 2001, only 39% of people who were unemployed were receiving EI, down from 75% a decade ago.²⁶

Proportion of Unemployed Receiving Employment Insurance: 1990 - 2001

	1990	1993	1996	2001
All	74%	57%	42%	39%
Men	78%	59%	45%	44%
Women	69%	53%	39%	33%

Source: Canadian Labour Congress, *Falling Unemployment Insurance Protection for Canada's Unemployed*, March 2003.

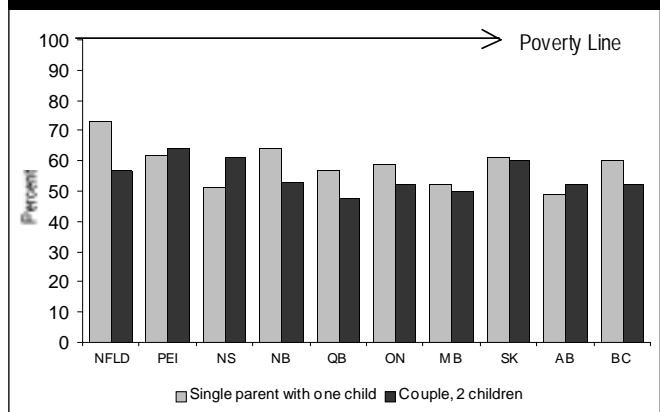
Employment Insurance has not kept up with a shifting labour market that has created many jobs that often do not fit qualifying rules. Workers in temporary, part-time, seasonal and temporary employment often do not qualify for any benefits, while others are only eligible for a short period of assistance.

The increase in hours and weeks of work needed to qualify and corresponding reductions in benefits have had a particularly profound impact on women. The changes to the EI system of benefits have meant that coverage for women has declined substantially since 1990. In that year, 69% of women received unemployment insurance benefits. By 2001, only 33% of unemployed women received unemployment benefits compared with 44% of men.²⁷ Female lone parents are falling through the cracks, as unemployment insurance disappears, social assistance rates go down, child care services are often non-existent and access to training and/or post-secondary education is difficult.

Most distressing and closely related to levels of child and family poverty is the fact that the largest number of women not covered by unemployment insurance are those in the 25-44 years age group, who are most likely to have young children.

When unemployment insurance failed, provincial social assistance systems did little to soften the blow. As shown in the following table, no province has welfare rates for families that come close to the poverty line. In 2002, welfare incomes ranged from a low of only one fifth of the poverty line in Canada to a high of almost three quarters of the poverty line. The gap between welfare incomes and the poverty line actually widened in five provinces between 2001 and 2002.²⁸ Only in Quebec did the gap narrow.

PROVINCIAL WELFARE INCOMES AS A PERCENTAGE OF THE POVERTY LINE BY FAMILY TYPE AND PROVINCE, 2001



Source: Prepared by the Canadian Council on Social Development using National Council of Welfare, *Welfare Incomes 2000-2001*, Spring 2002.

In March 2003, more than 544,000 children were forced to rely on social assistance in Canada; children and their parents make up 52% of Canada's social assistance recipients.²⁹ All governments need to show leadership to stem deepening poverty among families on social assistance. Instead of a race to the bottom, governments would do better to work collaboratively on a comprehensive anti-poverty strategy that includes improvements in minimum wages and welfare benefits.



Tackling Child Poverty: The Job's Not Done

The job of addressing poverty in Canada is not done. The federal government can and must play a central role in alleviating poverty, ensuring the health and well being of all children and fostering social inclusion. Now is the time to build on recent initiatives for vulnerable children that have been cautious, modest in scope and not sufficient to reduce child and family poverty. These initiatives include the National Child Benefit, Aboriginal Headstart, the extension of parental leave benefits, the Early Childhood Development Agreement, the Child Disability Benefit, the Multilateral Framework on Early Learning and Child Care, the Supporting Communities Partnership Initiative and the Affordable Housing Initiative.

These initiatives have begun to make an important contribution to the mix of income assistance and community services. Now is not the time to stop the momentum towards new investments. Instead, it is the time to think long-term and invest strategically and consistently to tackle the social deficit that results from not investing in children and families. Canada needs a sustained approach to improve the life chances for all children and to prevent families from falling into poverty.

The Committee reiterates its previous concern related to the emerging problem of child poverty [...] related to economic and structural changes and deepening poverty among women, particularly affecting single mothers and other most vulnerable groups, and the ensuing impact this may have on children.

Concluding Observations of the UN Committee on the Rights of the Child regarding Canada, October 3rd 2003



The Need for a Comprehensive Child Benefit System

Now is the time to develop a new, comprehensive child benefit system with the capacity to reduce child and family poverty significantly and to recognize the costs of raising children for modest and middle income families.

The announced increases to the Canada Child Tax Benefit in the 2003 federal budget signal that the federal government recognizes the strategic role that public policies play in reducing poverty and fostering social inclusion. Canada's child benefit is now scheduled to rise to a maximum of \$3,243 for the first child by 2007.

Increasing investments in the Canada Child Tax Benefit combined with an end to the clawback of the National Child Benefit (NCB) from families on social assistance would go a long way to bolster family income security in Canada. The majority of provinces are clawing back the National Child Benefit from Canada's poorest families, even as welfare incomes have steadily declined over the past decade. It is encouraging that in the 2003 Budget the federal government announced that it will examine the practice of clawing back federal child benefits.

Consolidating the Canada Child Tax Benefit into a single program that provides a maximum benefit of at least \$4,400 per child to families in poverty would significantly raise living standards and have a direct impact on the deep level of poverty facing families. A comprehensive Child Benefit System would vastly improve child benefits for modest income families struggling on limited budgets, and would better contribute to the costs of raising children for middle income families.



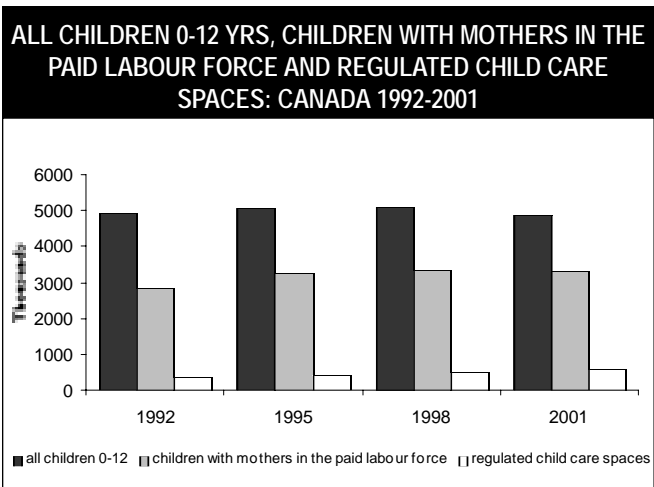
Investing in Early Childhood Education and Care

We must never forget that an innovative society rests on strong social foundations. A learning society like Canada understands, for example, the fundamental importance of early childhood development and of lifelong learning, which starts in infancy and continues well after the final degree or diploma, is granted.

Paul Martin, Montreal, September 18, 2003

A strategy for a well designed national system of Early Childhood Education and Care (ECEC) must be at the heart of a renewed social policy mission for Canada in the 21st century. While high quality child care services must be accessible for all children - not only low income children - they are an essential cornerstone of a strategy to reduce poverty. Early Childhood Education and Care services enhance children's well-being and development; strengthen the foundation for lifelong learning; support parents in education, training, and employment; and promote equal opportunities for women in the labour market.

Even though more than 70% of young children have mothers in the paid labor force, only 12% of children aged 0-12 have access to a regulated child care space.³⁰ The supply of high quality spaces is woefully short in every province and territory. High costs prevent many moderate to low income families from enrolling their children in ECEC services; of those children who are in regulated child care, only 22% have a fee subsidy. And although the quality of services is key to providing the developmental opportunities that provide a platform for lifelong learning, the quality of even regulated child care settings requires improvements.



Source: Friendly, Beach and Turiano, *Early Childhood Care and Education in Canada: Provinces and Territories 2001, 2002*.

The federal government set a historic precedent in the 2003 budget when it established dedicated funds, albeit very modest amounts, for Early Learning and Child Care (ELCC) over the next five years and

set conditions that services would be regulated and provinces/territories would provide public reporting. The annual allotment of federal funds begins with \$25 million for the first year, increasing to \$75 million in the second year and reaching an annual maximum of \$350 million in 2007-08. Campaign 2000 also was pleased that the provinces/territories, excepting Quebec,³¹ agreed to the Multilateral Framework on ELCC. While these two developments are cornerstones on which to build a sound implementation of a child care plan for Canada, a longer-term vision and well articulated public policy along with much more substantial fiscal commitments are needed.

Creating an effective ECEC system requires a process that begins with a vision of a pan-Canadian publicly funded system of universal ECEC that is shared by all levels of government. The policy process must include national legislation and principles with targets and timetables. This effective public policy framework should go hand in hand with sufficient funding to ensure high quality services that are universally accessible, inclusive, affordable, and not-for-profit. Over a period of time, all families would have access to seamless, high quality care and education services in their communities where services would respect cultural diversity and fully include children with disabilities.

90% of Canadians either strongly agree (44%) or agree (46%) with the statement "I believe government could do more to ensure that all Canadians have access to quality child care"³²

It's clear that early childhood education and care is on the political agenda. Now, this agenda must move forward to the next level, which means putting money directly into child care and making high-quality early childhood education and care a national/universal priority, while focusing on the children most in need. This investment in early education should be a coordinated effort to ensure program quality and to serve more children, including aboriginal children.

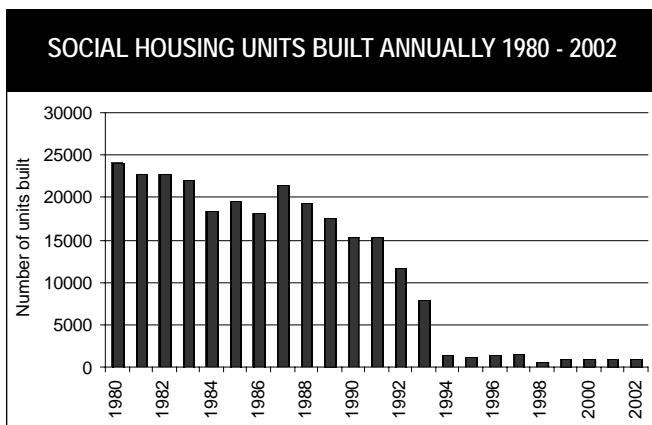
Charles Coffey, Executive Vice President, Government & Community Affairs, RBC Financial Group, Toronto Co-Chair, Commission on Early Learning and Child Care for the City of Toronto, September 2003



An Affordable Housing Strategy is Required

Canada's children require secure housing that anchors them in a community, increases their chances of success at school and provides a base for their parents' participation in the workforce, training or education. However, dwindling federal and provincial government support and declining private sector investment have combined to create a crisis in affordable rental housing across the country.

- ➔ Since 1996, an average of only 8,800 rental units have been built yearly in Canada - most with rents that are not affordable to the average Canadian household.³³
- ➔ Despite the fact that rental vacancy rates rose slightly to 1.7% in Canada's 28 metropolitan areas, a high proportion of families still spend a disproportionate amount of their income on rent. In 2001, almost 20% of renters paid more than half of their income towards shelter costs. Forty percent paid more than 30% of their income towards shelter.³⁴



Source: Prepared by the Canadian Housing and Renewal Association using Canada Mortgage and Housing Corporation data.

It is encouraging that the 2003 federal budget built on recently introduced affordable housing initiatives including an additional \$320 million over five years for affordable housing and an extension of the Supporting Communities Partnership Initiative of \$135 million annually.

At the same time, these announcements do not add up to a comprehensive national housing strategy. After a decade of neglect, affordable housing remains a growing problem, particularly for families in urban areas.

A renewed cross-Canada housing strategy with a substantially increased funding envelope is desperately needed. Given the backlog of affordable housing needs, a minimum of 25,000 new affordable units annually are required. In order to ensure access to shelter for the most economically vulnerable families half of all new affordable units created must be targeted to families who cannot afford market rents.

The Canada Social Transfer: Seizing the Opportunity

In the 2003 federal budget, the Government of Canada announced that it "will create two new transfers on April 1, 2004: A Canada Health Transfer and a Canada Social Transfer (CST) to increase transparency and accountability." The creation of the Canada Social Transfer is an occasion for rebuilding inclusive systems of welfare and social services.


When the federal government ended the Canada Assistance Plan (CAP), it discarded important principles and safeguards for social assistance programs. Taken with the dramatic cuts to federal transfer payments, the end of CAP opened the door to deep cuts in benefit levels and the introduction of restrictions that have excluded many Canadians from the social safety net of last resort.

The Canada Social Transfer can be a driver of policy and funding mechanisms to promote social inclusion in Canada. Introducing principles and accountability mechanisms that shape social policy across Canada would be a step in the right direction. Citizens and the voluntary sector would provide invaluable assistance in determining adequate, sustainable funding levels and designing program improvements.

A key to success of the CST would be to enhance federal investment in this most basic area of income security. One option for rebuilding the policy framework is to create incentive funding, linking new federal dollars to provincial and territorial actions that bolster social assistance and community-based support services.



Towards An Inclusive Canada: A Social Investment Plan for Families and Children



Let us resolve to measure our progress by the standard we set for the least privileged among us. Equality of opportunity - that is the Canadian way. And it is the only way I care to know.

Paul Martin, Montreal, April 27, 2003

We have made some progress on reducing poverty among families, but there is still much work to be done to ensure the well-being of children and their ability to participate fully in their communities. The federal government must take leadership in implementing a comprehensive agenda for children that fosters the inclusion of families in their schools, workplaces and communities. This agenda requires that governments at all levels, with all sectors of society, work together with the interests of children as a guiding principle for action and collaboration.

Campaign 2000 proposes the following priorities for social investment and policy development:

- ❶ **Income security through an enhanced Child Tax Benefit.** A multi-year plan with targets and timetables is necessary to consolidate the Canada Child Tax Benefit into a single program that provides a maximum benefit of at least \$4,400 per child. Provincial/territorial governments should end the clawback of National Child Benefit Supplement from families on social assistance while sustaining existing expenditures for child and family support services.
- ❷ **A cross-Canada commission, established by the federal government with the provinces/territories, to develop strategies which will improve the availability of good jobs with living wages and decent working conditions.** This review should ensure participation of employers, labour unions and civil society groups; assess the employment prospects of family providers and adults in poverty; and propose strategies to improve earning opportunities.
- ❸ **Increased and stabilized funding of the Canada Social Transfer.** The federal government should create incentive funding that encourages provinces/territories to maintain and increase the levels of social assistance and community-based support services and links new federal dollars to provincial/territorial actions that bolster social assistance and services. It should also establish a role for citizens and the voluntary sector in shaping the CST to become transparent and accountable, just as citizens and non-governmental organizations will have in the Health Council.
- ❹ **A well-articulated policy framework to establish a pan-Canadian system of Early Childhood Education and Care (ECEC) services with increased funding through the Multi-Lateral Framework on Early Learning and Child Care beginning with \$1 billion this year.** Ensure that provincial/territorial governments receiving designated federal funds use them to improve quality, accessibility and affordability of regulated ECEC services and that the federal funds supplement, not replace, provincial/territorial funding for ECEC services.
- ❺ **A comprehensive, cross-Canada housing strategy with increased annual funding of \$625 million over the period 2004-2008 and mechanisms to ensure provincial/territorial housing commitments are upheld.** This would assist in the development of a minimum of 25,000 affordable units annually.

The persistence of child poverty in rich countries undermines both equality of opportunity and commonality of values. It therefore confronts the industrialized world with a test of both its ideals and of its capacity to resolve many of its most intractable social problems.

UNICEF. Child Poverty in Rich Nations. Innocenti Report Card, June 2000



Campaign 2000 Partners

NATIONAL PARTNERS include: Boys and Girls Clubs of Canada (Toronto), Campaign Against Child Poverty (Toronto), Canadian Academy of Child Psychiatry (Hamilton), Canadian Association for Young Children (Fredericton), Canadian Association of Family Resource Programs (Ottawa), Canadian Association of Food Banks (Toronto), Canadian Association of Schools of Social Work (Ottawa), Canadian Association for Community Living (Toronto), Canadian Association of Social Workers (Ottawa), Canadian Auto Workers (Toronto), Canadian Child Care Federation (Ottawa), Canadian Council for Reform Judaism (Toronto), Commission on Justice and Peace-Canadian Council of Churches (Toronto), Canadian Council on Social Development (Ottawa), Canadian Federation of Students (Ottawa), Canadian Feed the Children (Toronto), Canadian Housing and Renewal Association (Ottawa), Canadian Institute of Child Health (Ottawa), Canadian Jewish Congress (Ottawa), Canadian Labour Congress (Ottawa), Canadian Mental Health Association (Toronto), Canadian Psychological Association (Burlington), Canadian School Boards Association (Ottawa), Canadian Pensioners Concerned (Toronto), Canadian Teachers' Federation (Ottawa), Catholic Health Association of Canada (Ottawa), Centre for Social Justice (Toronto), Child Care Advocacy Association of Canada (Ottawa), Childcare Resource and Research Unit (Centre for Urban & Community Studies, University of Toronto), Child Poverty Action Group (Toronto), Child Welfare League of Canada (Ottawa), Citizens for Public Justice (Toronto), Family Service Canada (Ottawa), Jewish Women International of Canada (Toronto), Mazon Canada (Toronto), National Council of Jewish Women of Canada (Winnipeg), National Council of Women of Canada (Ottawa), National Association of Friendship Centres (Ottawa), Oxfam Canada (Ottawa), Pueblo (Toronto), Save the Children - Canada (Toronto), Specialink: The National Centre for Child Care Inclusion (Sydney), United Steelworkers of America (Toronto), YWCA of/du Canada (Toronto).

PROVINCIAL AND COMMUNITY PARTNERS include: Newfoundland Community Services Council (St. John's); Nova Scotia North End Community Health Centre (Halifax), Dalhousie Legal Aid Service (Halifax), Anti-Poverty Network (Halifax), Nova Scotia Council for the Family (Halifax), Nova Scotia School Boards Association (Dartmouth), Annapolis Valley-Hants: Community Action Program for Children (Canning); **New Brunswick** Human Development Council (Saint John), Centre de Bénévolat de la Péninsule Acadienne Inc. (Caraquet); **Prince Edward Island** Chances (Charlottetown); **Quebec** Moisson Montreal Harvest (Liess); **Ontario** Canadian Tamil Women's Community (Toronto), Ontario Campaign 2000 (Toronto), Ontario Federation of Indian Friendship Centres (Toronto), Ontario Social Development Council (Toronto), Interfaith Social Assistance Review Coalition (Waterloo), Registered Nurses' Association of Ontario (Toronto), Ontario Coalition for Better Child Care (Toronto), Ontario Psychological Association (Toronto), Ontario Association of Social Workers (Toronto), Ontario Association of Children's Rehabilitation Services (Toronto), Ontario Association of Children's Mental Health Centres (Toronto), Ontario Public Health Association (Toronto), Ontario Federation of Labour (Toronto), Ontario Public Service Employees Union (Toronto), Elementary Teachers Federation of Ontario (Toronto), Ontario Secondary School Teachers Federation (Toronto), United Steelworkers of America, District 6 (Toronto), Ontario Association of Family Resource Programs (Toronto), Ontario Association of Food Banks (Toronto), Provincial Council of Women of Ontario (Niagara-on-the-Lake), The Community Social Planning Council (Toronto), Children's Aid Society of Toronto/Metro Campaign 2000 (Toronto), Family Service Association of Toronto (Toronto), Nellies (Toronto), Somali-Multi Service Centre (Toronto), Halton Social Planning Council (Burlington), Social Planning Council of Peel (Mississauga), Peel Poverty Action Group (Mississauga); Children's Aid Society of Peel (Peel), Peterborough Social Planning Council (Peterborough), Durham Child Poverty Task Force (Ajax), 905-Area Faith Community Leaders; Grey Bruce Huron Perth District Health Council (Mitchell); **South Central Ontario** Social Planning and Research Council of Hamilton-Wentworth (Hamilton); **Eastern Ontario** Social Planning Council of Ottawa-Carleton (Ottawa), Ottawa-Carleton CPAG (Ottawa), Carleton University's School of Social Work (Ottawa), Children's Aid Society of Ottawa-Carleton (Ottawa); Hastings & Prince Edward Legal Services (Belleville); **South Western Ontario** Southwestern Ontario CPAG (London), Sisters of St. Joseph of London, Ontario (London), CAPC Niagara Brighter Futures (Welland); **Northern Ontario** Laurentian University (Sudbury), Office of Social Affairs - Diocese of Sault Ste-Marie (North Bay); **Manitoba** Social Planning Council of Winnipeg (Winnipeg), Native Addictions Council of Manitoba (Winnipeg); **Saskatchewan** Social Policy Research Unit, University of Regina (Regina); **Alberta** Edmonton Social Planning Council (Edmonton), Feeding Calgary's Children Initiative (Calgary); **British Columbia** B.C. Campaign 2000 has over 15 local and regional organizations, including Social Planning and Research Council (Vancouver), First Call!: B.C. Child and Youth Advocacy Coalition (Vancouver), and Federated Anti-Poverty Groups of B.C. (Dawson Creek); **The Yukon Territory** Yukon Anti-Poverty Coalition (Whitehorse).

NOTES:

1. Latest available child poverty data is for year 2001. Child poverty data prepared by the Canadian Council on Social Development using Statistics Canada's *Income Trends in Canada*, 2001, 13F0022XCB. Poor children are those living in families whose total income before taxes falls below the Low Income Cut-Off (LICO) as defined by Statistics Canada. A child is defined as a person under the age of 18 living with parent(s) or guardian(s), excluding those who are unattached individuals, those that are the major income earner or those who are the spouse or common law partner of the major income earner. Statistics Canada data excludes those on First Nations reserves; those in the Yukon, Northwest Territories and Nunavut; and children living in institutions.
2. Low Income Cut-offs (LICOs) are adjusted by size of family and community. As an example, the before tax LICO for a lone parent with one child in 2001 would be \$23,551 in a city of 500,000 people or more; \$20,200 in a community with 100,000 to 499,999; \$20,060 in a community of 30,000 to 99,999; and \$18,666 in community of less than 30,000 people. Visit the Canadian Council on Social Development's website for more information about the LICOs at www.ccsd.ca.
3. "Aboriginal Identity" refers to persons who reported identifying with at least one Aboriginal group, i.e. North American Indian, Métis or Inuit (Eskimo), and/or those who reported being a Treaty Indian or a Registered Indian as defined by the Indian Act of Canada and/or who were members of an Indian Band or First Nation. Under the *Employment Equity Act*, members of "visible minorities" are persons, other than Aboriginal persons, who are not white in race or colour. "Immigrants" refers to people who are or who have ever been landed immigrants.
4. Prepared by Campaign 2000 from Statistics Canada, *2001 Census*. 97F0011XCB01046.
5. Among workers 15 years and over. Prepared by Campaign 2000 from Statistics Canada, *2001 Census*. 97F0019XCB01048.
6. Prepared by Campaign 2000 from Statistics Canada, *2001 Census*. 97F0009XCB01043.
7. Among workers 15 years and over. Prepared by Campaign 2000 from Statistics Canada, *2001 Census*. 97F0019XCB01047.
8. Prepared by Campaign 2000 from Statistics Canada, *2001 Census*. 97F0019XCB01057.
9. Prepared by Campaign 2000 from Statistics Canada, *2001 Census*. 97F0010XCB01047.
10. Canadian Institute of Child Health (2000). *The Health of Canada's Children: A CICH Profile (3rd Ed.)*. Ottawa: Canadian Institute of Child Health.
11. Statistics Canada, *2001 Census: Analysis Series*, 2003. 96F0030XIE2001014.
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16. *Ibid*.
17. Jackson (May 2003).
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19. Prepared by Campaign 2000 using Statistics Canada's *Survey of Labour and Income Dynamics*, 2000.
20. Statistics Canada's *Income Trends in Canada*, 2001, 13F0022XCB.
21. From Canada's Department of Finance, *The Economic and Fiscal Update 2003, Annex 1* (November 2003), cited in McQuaig, Linda, "Listen to Chretien's parting words", *Toronto Star*, November 16, 2003 p. A15.
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26. Canadian Labour Congress (March 2003). *Falling Unemployment Insurance Protection for Canada's Unemployed*. Ottawa: Canadian Labour Congress.
27. *Ibid*.
28. National Council of Welfare (Spring 2003). *Welfare Incomes 2002*. Ottawa: Minister of Public Works and Government Services Canada.
29. Prepared by Quantitative and Information Analysis Division, HRDC, October 2003.
30. Friendly M., Beach J. and Turiano M. (2002), *Early Childhood Care and Education in Canada: Provinces and Territories 2001*. Toronto: Childcare Resource and Research Unit, University of Toronto.
31. While the Government of Québec supports the general principles of the Early Childhood Development Initiative and the Early Learning and Child Care Initiative, it did not participate in developing these initiatives because it intends to preserve its sole responsibility on social matters.
32. Millward Brown Goldfarb survey, January 2003.
33. Canadian Housing and Renewal Association, Report to the Parliamentary Standing Committee on Finance. September 23, 2003.
34. *Ibid*.