Beyond the pandemic: Rising up for a Canada free of poverty

2020 Annual Report Card of Child and Family Poverty

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Format: Report

Publication Date: 9 Dec 2020

AVAILABILITY

Access online [2]

Access full report [PDF] (child care pp. 20) [3]

Access press release [4]

Access media advisory [5]

Excerpted from website

12/09/2020 - Today, Campaign 2000 releases its annual report on child and family poverty: Beyond the Pandemic: Rising Up for a Canada Free of Poverty. New findings show that prior to the pandemic, over 1,330,000 children in Canada lived in poverty, and the child poverty rate declined less than half a percentage point between 2017-2018 from 18.6% to 18.2%. Nearly 1 in 5 children continue to experience the harsh long-term consequences that poverty and discrimination have on social, mental and physical health and well-being.

Of concern, the report finds that child poverty rates grew in several provinces and territories, including Nunavut, Prince Edward Island, Newfoundland and Labrador, Nova Scotia and Manitoba, and remained relatively unchanged in Alberta, New Brunswick and Saskatchewan. The rates declined modestly in Quebec, British Columbia, Ontario, Yukon and Northwest Territories. Examining the role of the Canada Child Benefit, we find that it had an important impact in the year it was first introduced, but the deteriorating effect on child poverty rates suggests that this impact was front-ended and waning.

Longstanding economic inequality and social and health inequalities have impacted the ability of many vulnerable families to weather the pandemic. Systemic discrimination, widespread precarious work, dismally inadequate social assistance rates, barriers to accessing government transfers, lack of available and affordable housing, childcare, medicare, and little movement towards true Reconciliation have left children and their families vulnerable to the negative health, social and economic impacts of the pandemic and excluded from emergency responses.

With today's report, Campaign 2000 releases a set of recommendations designed for the federal government to address longstanding inequities head on. Recommendations include emphasis on collaboration with First Nations, Inuit and Metis governments and organizations, targeted action to reduce poverty in communities marginalized by race, gender, ability and other equity dimensions with investments and policy reforms on income security, childcare, housing, youth, public health, decent work, and income inequality. These recommendations will ensure that all vulnerable families are included in short-term and long-term recovery efforts. Today's report is launched alongside provincial and, for the first time ever, territorial report cards in Yukon and the Northwest Territories, highlighting that poverty is a national issue, impacting the lives of children and families from coast to coast to coast.

Select key Findings from the 2020 National Report Card, Beyond the Pandemic: Rising Up for a Canada Free of Poverty

Nearly 1 in 5 children lived in poverty (1,337,570 or 18.2%) in Canada in 2018.

- The national child poverty rate declined by less than half a percentage point between 2017 to 2018, from 18.6% to 18.2%, representing 19,410 children fewer children in poverty.
- Poverty rates increased between 2017 to 2018 in several jurisdictions: Nunavut, Prince Edward Island, Newfoundland and Labrador, Nova Scotia and Manitoba.
- The Canada Child Benefit (CCB) had a significant impact on child poverty rates the year it was implemented, but this lack of progress suggests that benefits were front-ended and short lived. In 2018, the CCB protected 662,080 from falling into poverty.
- 1.2 million children were food insecure in 2017-2018, representing the highest number recorded since food insecurity monitoring began in Canada. The CCB has been shown to reduce severe food insecurity in families.
- Well-designed government transfers can reduce poverty. In 2018, total government transfers reduced the child poverty rate from 33.1% to 18.2%, reflecting a difference of 1,084,910 fewer children living in poverty. But transfers alone are not enough.
- Canada must aim to reduce poverty by 50% according to the CFLIM-AT calculated by taxfiler data by the year 2025 and must ensure the same rate of reduction for marginalized communities where prevalence is higher.
- · Pandemic recovery is dependent on the creation of a well-resourced, publicly funded universal childcare system, eliminating fee

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subsidy systems that create barriers to access for low-income families.

- Access to adequate housing is key to maintaining public health. Substantial new investments are needed that meet the needs of
 diverse communities, and that fulfill the federal governments human rights obligations and gender-based plus (GBA+) commitments
 of the National Housing Strategy.
- Now is the time to implement universal pharmacare with new legislation and an initial investment of a \$3.5 billion annual pharmacare transfer to the provinces and territories with the condition of providing universal public coverage of essential medicines, with a shift to full pharmacare over 5 years.
- Economic fallout from the pandemic has affected already vulnerable workers and shone a light on abysmally poor labour standards. Canada must immediately implement \$15/hr minimum wage; legislate paid sick days; lengthen the duration and improve access to emergency measures; strengthen the Employment Equity Act and attach Community Benefit Agreements; and reform Employment Insurance over the longer-term.

For more information on the provincial report cards on child poverty, see the Campaign 2000 website [6].

Introduction

For over 30 years, Campaign 2000 has been tracking government progress to meet their all-party, unanimous objective to end child poverty by the year 2000. Each year, our child and family report cards call for urgent action, bold policies and appropriate investments that work together to end poverty, inequity and systemic discrimination.

Never before have these inequities been so apparent and the need to close gaps so dire.

Before the pandemic ensued, more than 1.3 million children lived in poverty. That is nearly 1 in 5 children in families experiencing the harsh long-term consequences that poverty and discrimination have on social, mental and physical health and well-being, despite Canada's enormous and growing wealth. First Nations, Inuit, Métis, racialized, immigrant children, children with disabilities and children in female led lone parent families are all overrepresented in rates of poverty, while income and wealth continues to concentrate at the top.

Using the latest income data available, this report reveals some troubling trends prior to the pandemic. The national child poverty rate declined by less than half a percentage point between 2017-2018. Child poverty rates grew in several provinces and territories, including Nunavut, Prince Edward Island, Newfoundland and Labrador, Nova Scotia and Manitoba, and remained relatively unchanged in Alberta, New Brunswick and Saskatchewan. The rates declined modestly in Quebec, British Columbia, Ontario, Yukon and Northwest Territories. Examining the role of the Canada Child Benefit, we find that it had an important impact in the year it was first introduced, but the deteriorating effect on child poverty rates suggests that this impact was front-ended and short-lived.

Widespread precarious work, dismally inadequate social assistance rates, barriers to accessing government transfers, lack of available and affordable housing, childcare, medicare, and little movement towards true Reconciliation have left children and their families vulnerable to the negative health, social and economic impacts of the pandemic and excluded from emergency responses. We agree with the federal government's proposal in the Fall Economic Update 2020 that an 'intersectional, feminist and green' recovery is required to build a thriving future state where no one is left behind. To build that vision, swift and courageous policies and investments will need to be made. The federal government must rise to this once in a lifetime opportunity to improve the lives of millions of children and families. This is our proposal on how it can be achieved.

Child Care

- Immediately set up the Federal Child Care Secretariat announced in the 2020 Fall Economic Update and mandate it to:
 - o work with the Indigenous Early Learning and Child Care Secretariat;
 - consult with the Minister of Families, Children and Social Development's Expert panel on early learning and child care, child
 care advocates, policy experts and civil society organizations including anti-poverty organizations and equality rights
 organization;
 - o develop a detailed multi-year plan to build a pan-Canadian system of early learning and child care in partnership with the provinces, territories and First Nations, Inuit and Métis Nation governing bodies.
- Immediately allocate \$2 billion (to supplement the \$625 million transfer to the provinces and territories for ELCC under the Safe Restart agreement) to assist with the safe recovery of licensed childcare. Such funds must be earmarked for restoration and expansion of the number of licensed childcare and early learning spaces; increases in compensation for the childcare workforce to ensure the return and retention of ELCC staff; and stabilization and reduction of parent fees.
- Allocate \$2 billion for ELCC in the 2021-22 budget and commit to increasing the allocation each year after by \$2 billion (that is, \$4 billion in 2022-23, \$6 billion in 2023-24, etc.) so that Canada can establish a high quality system of inclusive and responsive ELCC and gradually expand it to provide affordable ELCC for all who want it.

Region: Canada [7]
Tags: poverty [8]
funding [9]
universal child care [10]

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