



CANADA WITHOUT POVERTY  
CANADA SANS PAUVRETÉ

HEAD OFFICE: 410-383 PARKDALE AVENUE  
OTTAWA, ON K1Y 4R4  
613-789-0096 (1-800-810-1076)  
WWW.CWP-CSP.CA

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Registered Charitable #13091 6638 RR0001  
Organisme de charité enregistré #13091 6638 RR0001

**To eradicate poverty in Canada, for the benefit of all**  
**Éradiquer la pauvreté au Canada dans l'intérêt du bien commun**

August 12, 2011

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Thomas Allgoewer  
Development Associate

Dianne Denton  
Social and Economic Policy Associate

Kizzy Paris  
Program Officer

Rob Rainer  
Executive Director

Megan Yarema  
Director, Education & Outreach  
604-628-0525 (Vancouver office)

Mr. James Rajotte, Chair  
House of Commons Standing Committee on Finance  
Sixth Floor, 131 Queen Street  
House of Commons  
Ottawa ON K1A 0A6

Re: 2012 Pre-Budget Consultation Submission

Dear Mr. Rajotte:

To the members of the House of Commons Standing Committee on Finance, Canada Without Poverty welcomes this occasion to submit input to the 2012 Pre-Budget Consultation. Our submission focuses on how, through a national commitment to a common purpose, Canadians can overcome many policy frustrations over the past decade and help meet critical public objectives, such as economic recovery and balanced budgets, by addressing the root of most evil in society – *the poverty on the streets around us and within homes and communities from coast to coast to coast.*

Our sole, two-part recommendation in support of such objectives is for the federal government (1) to set targets and timelines for poverty reduction and elimination and (2) to study all fiscal mechanisms, federal as well as intergovernmental, available to help reach these targets and lay out options for the committee's consideration and consultation.

**About Canada Without Poverty**

Canada Without Poverty is a registered charity founded in 1971 as the National Anti-Poverty Organization. Our name expresses the end we seek – a Canada in which no person need suffer what Gandhi called “the worst form of violence.” Our mission is to eradicate poverty in Canada, for the benefit of all – eradication meaning getting to the root of the problem and “for all” *because not a person in Canada is untouched by poverty's massive impact.*

We envision poverty eradication being reached through collaboration between governments, businesses and civil society. Policies, legislation and programs will exist to ensure sufficient income, employment and social supports for everyone. Canada will have built a strong social foundation, such that everyone can pursue opportunities for achievement and fulfillment, embrace the responsibilities of citizenship and community opportunities, and live with a sense of dignity.

Canada Without Poverty is governed by a Board of Directors who individually have experienced poverty first-hand. Their lived experience and that of many of our members and supporters informs our mission, vision, values and work. We are supported by individuals and families and by business, labour, faith-based and foundation organizations. We do not rely upon and rarely pursue government funding. Our five eminent Honorary Directors provide us with advice based on their deep knowledge of the problem, of public policy, and of the institutions and mechanisms of government.

Poverty and Its Impact

A few data points should be enough to suggest the scale of the problem of poverty in Canada:

- Food Banks Canada reported that in March 2010, 867,948 Canadians turned to food banks for food security – *the highest level of food bank usage ever.*
- Statistics Canada data shows that one in five children lived in a low-income household in 2009 – *20 years after Parliament pledged to eliminate child poverty by the year 2000.* One in three of these low-income children had at least one parent who worked full time throughout the year and still lived in poverty.
- A team of economists, including Don Drummond, former Chief Economist at TD Canada Trust, determined in 2008 that poverty costs Canada \$72 to \$86 billion per year (about \$2,500 per household), factoring health care system, criminal justice system and economic productivity impacts. *That amounts to 5-6% of Canada's GDP.*
- The Elizabeth Fry Society of Canada estimates that four out of five women in prison are there for poverty-related crimes. *The cost of keeping one woman in a federal prison amounts to some \$334,000 per year.*
- A 2010 McMaster University study found a *21-year difference in life expectancy between people living in the poorest neighborhood and the wealthiest neighborhood of Hamilton.*

But enough about numbers: it is time to really see this problem and to ask – *Is this Canada?*



***Upper Left: Hands of a Canadian World War II veteran living in poverty***

***Upper Right: House at Cross Lake First Nation***

***Lower left: homeless in Toronto***

***Lower right: child food support at St. Felix Centre, Toronto***

The pathways into poverty are numerous, to give but a few examples:

- Those born and raised where most of the odds are against them.
- Those who are mentally ill with no supportive environment.
- Those who face discrimination.
- Those who are not financially literate and discover that the estate they thought existed did so only on paper and who upon the death of their spouse are plunged into destitution.

Our social security system, at best half complete, has proven insufficient even for some who have served in public office, those who upon electoral defeat – parliamentarians of all stripes – have faced the prospects of “swim or die.” You probably know a few personally.

### Connecting the Dots

The following hypothesis is submitted for your consideration:

Canada’s economic recovery and prosperity, and the strength of its state of public finance, depend heavily on the health and well-being of its people.

Poverty – the overarching determinant of health and a critical determinant of crime – undermines the nation’s economic and fiscal well being.

Sick people work less, die younger and draw heavily on health care systems.

Desperate people sometimes turn to crime, drawing heavily on criminal justice systems.

Success in health promotion and in crime reduction will strengthen Canada’s economy and improve public finance.

A critical key for this success is poverty reduction and elimination.

A sub-hypothesis is also submitted:

People who face poverty combined with other factors such as addiction, mental illness and discrimination, and who are mixed with those inclined to inflict evil on these victims, equals crime.



***Left: A drug-related arrest in Vancouver’s Downtown Eastside***

***Right: A death in Vancouver’s Downtown Eastside***



In 2008, the Regina Leader-Post did a good job of summing things up in their part of the country, in an article titled "Less poverty means less crime." The full article, focused on the link between Aboriginal poverty and Aboriginal crime, is appended.

And just last month came news that Edmonton became the "murder capital" of Canada, with analysis pointing strongly to poverty as a causal factor. As criminology expert Bill Pitt commented: "When you start looking at domestic violence, access to alcohol, access to weapons, marginalization, huge debt issues, unemployment etc., we've got a problem, and saying we don't have a problem doesn't make the problem go away."

The Governor General, in the June 2011 Throne Speech said that "in 2017, we will celebrate the 150th anniversary of Confederation, and I invite all Canadians to imagine ways to build a smarter, more caring nation as we approach this wonderful milestone. I believe that in order to achieve our vision, we must work together to support families and children..." and that "the Government of Canada has no more fundamental duty than to protect the personal safety of our citizens..."

In this context, Canada Without Poverty urges you to see that an effective strategy on crime must embrace a poverty reduction and elimination agenda, to truly ensure the human right to security of the individual, from violence, theft etc. This means supporting people with their right to food, housing, education and so forth. They are all part of the crime reduction agenda.

And it's far cheaper than most of the alternatives on the table. For example, the Chief Public Health Officer said in 2008 that "\$1 invested in early years (before the age of 6) saves \$9 in future spending on *health, welfare and justice systems.*"

### Recommendation

As noted at the outset, our two-part recommendation (in the spirit of the Governor General's invitation) is for the federal government (1) to set targets and timelines for poverty reduction and elimination and (2) to study all fiscal mechanisms, federal as well as intergovernmental, available to help reach these targets and lay out options for the committee's consideration and consultation. The government need not start at square one: major reports on poverty and its solutions, completed by Senate and House committees in 2009 and 2010, now set the stage for action. A process can begin now to set targets and timelines. Fiscal mechanisms could include expanding on Canada's existing system of basic income guarantees which more than anything have reduced poverty somewhat, notably for seniors.

Parliamentarians, you have the opportunity to leave a magnificent legacy. I am reminded of some lyrics by the famous Canadian rock band Rush: *And the men who hold high places must be the ones who start. Closer to reality, closer to the heart.*

I would welcome the opportunity to speak to these matters before the Committee.

Yours truly,



Rob Rainer  
Executive Director

Cc Members of the Standing Committee on Finance  
All other MPs  
All Senators

***Less poverty means less crime*** (Regina Leader-Post, August 25, 2008)

Poverty is having a serious effect on Canada's aboriginal people. We rank last in all of the social indicators related to poverty. We have the lowest income, the highest infant mortality rate and the poorest housing.

In 2006, a group of advocacy groups released a report citing statistics gleaned from Statistics Canada. The report states that one in four children in First Nations communities lives in poverty. The report also cites the following:

- One aboriginal child in eight is disabled, double the rate of all children in Canada;
- Among First Nations children, 43 per cent lack basic dental care;
- Overcrowding among First Nations families is double the rate of that for all Canadian families;
- Mould contaminates almost half of all First Nations households;
- Almost half of aboriginal children under 15 years old residing in urban areas live with a single parent;
- Close to 100 First Nations communities must boil their water; and,
- Of all off-reserve aboriginal children, 40 per cent live in poverty.

A discussion paper developed internally by the RCMP points to the fact that aboriginal poverty is the root of much of the crime in First Nations communities.

"If the status quo of aboriginal economic and educational initiatives continues, street gangs and violent activity will increase and already marginalized aboriginal populations will experience a diminishing quality of life," said the paper, which was obtained by the Canadian Press under the Access to Information Act. "The fallout from aboriginal poverty is all too obvious and will only get worse."

The paper recommends that Canada attack aboriginal poverty the same way that the Marshall Plan was created following the Second World War. The Marshall Plan poured millions of dollars in aid and development into Europe in order to rebuild it.

The report recommends spending billions on education and skills training, recruiting more young aboriginals into the force and turning the tide of despair plaguing many native communities. Intergenerational poverty leads to despair and this is the root of much of the gang violence and social dysfunction in today's aboriginal communities.

This report is coming from the RCMP, which must deal with the fallout. These guys know what they are dealing with. Over the years I have spoken to members of the force who have expressed their frustration at the conditions they have to deal with.

One retired member told me of the time they wasted arresting people for using alcohol on a reserve while just a few feet away white people were free to drink. They told me stories of fine young people who would turn to drugs and alcohol. They literally threw their lives away. There are also stories of RCMP members coaching soccer, ball or hockey teams on the reserve. Some would play on the men's team when they had the time.

Many aboriginal RCMP members can point to a positive relationship with an RCMP member who served as a role model. One young member told me recently that if "that guy could become a cop, I could too." As the report points out, gang activity is a direct result of frustrated youth who lack the skills to get ahead other than through crime.

Gang activity has reached crisis proportion in the cities and some communities. The Samson Band in Alberta has had three gang-related deaths in the past month. Clearly the gangs are out of control. In such cases, the RCMP is so busy solving murders that basic police work and community involvement become a luxury.

This report is for internal discussion and it goes beyond the RCMP's mandate as a law enforcement agency. But if there is one group that lives and works among us, RCMP members are the ones who should be able to see the problems and have a right to express their concerns.

In aboriginal country poverty and criminal activity are directly related. When a community gets access to the job market, such as northern mines or construction activity, the welfare rates fall along with the crime statistics. The RCMP has made an important observation and it should be read and acted on by all members of Parliament.