



CANADA WITHOUT POVERTY
CANADA SANS PAUVRETÉ

Canada Without Poverty Submission to the Finance Committee's Pre-Budget Consultation

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i. Canada Without Poverty

Canada Without Poverty (CWP) is a non-partisan, not-for-profit, and charitable organization dedicated to ending poverty in Canada. The organization was created in 1971 as an outcome of the Poor People's Conference, a national gathering of low-income individuals, as the National Anti-Poverty Organization (NAPO). For over 40 years, CWP has been championing the rights of individuals experiencing poverty and marginalization through research, awareness-building campaigns, public policy development, and educational programming.

ii. Poverty in Canada

In Canada, 4.9 million or 1 in 7 people live in poverty, including 1.3 million children.¹ Poverty, homelessness, and food insecurity also disproportionately impact marginalized groups across the country, including persons with disabilities, single parents, women, racialized persons, Indigenous peoples, and LGBTQ2S youth. 25% of people living in low-income households are people with disabilities.² 21% of single mothers in Canada raise their children while living in poverty³ and 1 in 2 Status First Nations children lives in poverty.⁴

The high levels of poverty, food insecurity, and homelessness facing Canada are a primary obstacle to the country's economic growth. Socio-economic disparities account for 20% of total annual health care spending⁵ and poverty has been consistently linked with poorer health, higher health care costs, greater demands on social and community services, reduced productivity, and diminished educational and economic activity.

¹ Statistics Canada. Table 111-0015-Family characteristics, Low Income Measures (LIM), by family type and family type composition, annual, CANSIM

² DAWN-RAFH, "Women with Disabilities and Poverty", available here: <http://www.dawncanada.net/issues/issues/fact-sheets-2/poverty/>.

³ Williams, Cara, "Women in Canada, A Gender-based Statistical Report. Economic Well-being", (2010), Statistics Canada p.9.

⁴ Canadian Women's Foundation, "Fact Sheet Women and Poverty in Canada", Available here: <http://www.canadianwomen.org/facts-about-women-and-poverty>.

⁵ Public Health Agency of Canada (2004), Reducing health disparities – Roles of the health sector: Discussion paper. Ottawa. <http://publications.gc.ca/collections/Collection/HP5-4-2005E.pdf>

As noted in previous United Nations treaty body reviews of Canada, federal social spending as a share of Gross Domestic Product (GDP) is at its lowest level since 1949.⁶ Every year between 1950 and 2007, federal government expenditures exceeded 15% of GDP.⁷ Federal program spending for 2017 is at 14.6% of GDP.⁸ If Canada were to inch towards a similar percentage of GDP in government spending as nine years ago, even by a single percentage point (15.6%), this would make available \$21.6 billion to invest in Canada's international human rights obligations to ensure the rights guaranteed under article 28. For example, with the additional \$21.6 billion, Canada could invest in: on-reserve housing (\$1 billion), on-reserve drinking water (\$0.5 billion), on-reserve schools (\$2 billion), improvements to health care (\$5 billion), national pharmacare (\$4 billion), improvements to homecare (\$3 billion), a national housing and homelessness strategy (\$3 billion), a national poverty strategy (\$2.6 billion) and a violence against women strategy (\$0.5 billion).

iii. Poverty and Productivity: Recommendations for Budget 2018

The House of Commons Finance Committee is soliciting submissions to increase the productivity and economic contributions of people in Canada – particularly members of marginalized communities. The investment of \$21.9 billion over the next 11 years in social infrastructure outlined in Budget 2017 represented a shift towards reinvigorating important social programs, but failed to adequately address the challenges and needs of people living in poverty across the country.

The Canadian Centre for Policy Alternatives' Alternative Federal Budget encourages immediate commitments including the establishment of a federal minimum wage, increase in transfer payments to provinces and territories for social assistance, and indexing of the Canada Child Benefit. In comparison, Budget 2017 investment was targeted at programs was targeted to roll out over several years, meaning the positive impacts won't be felt by people in Canada for many years to come.

In the meantime, there are a number of immediate steps the government can take to support the economic contributions of people in Canada, including:

- Implementing a **human rights approach to Budget 2018**, which requires an analysis effect of spending on marginalized groups including women, persons with disabilities, racialized persons and others along with concrete measures to address equality and non-discrimination;
- Ensuring that the forthcoming **Canadian Poverty Reduction Strategy** uses a human rights approach with dedicated adequate funding in the 2018 budget;
- Increasing the amount of transfer payments to provinces and territories with earmarked sufficient funds for **social assistance**, and designate that payments are conditional on rates being set at levels that meet an adequate standard of living;
- Reinstating the national standard protecting refugees from a **minimum residency requirement** before receiving social assistance benefits;
- Setting **national wage standards** to meet a living wage indexed to the Consumer Price Index;

⁶ Statistics Canada, "Fiscal Reference Tables – 2015: Part 2 of 9", available here: <http://www.fin.gc.ca/frt-trf/2015/frt-trf-1502-eng.asp#tbl8>

⁷ Statistics Canada, "Historical Statistics of Canada", available here: <http://www.statcan.gc.ca/pub/11-516-x/3000140-eng.htm>

⁸ Statistics Canada catalogue 11-516-X, Fiscal reference tables, Update of Economic and Fiscal Projections (November 2016).

- Increasing federal **spending on childcare** with the ultimate goal of achieving the international benchmark of spending at least 1% of GDP on childhood education and care by 2020;
- Ensuring that the **Canada Child Benefit** is indexed and that **conditions** are made to prevent provinces and territories from clawing back the benefit;
- Develop a **national pharmacare** program that provides cost-effective prescription drugs at little or no cost;
- Dedicate adequate funding to implement a National **Right to Food Policy** with particular collaboration with First Nations, Inuit, and Métis peoples;
- Ensure adequate funding is dedicated in Budget 2018 to a **rights-based National Housing Strategy** which engages a variety of robust policy measures; and
- Increase capital gains tax on profits from selling secondary residences and implement a tax on foreign investment in property to be funnelled into affordable housing options to address **financialization of housing** and the perception of housing as a commodity rather than a human right.

The *Dignity for All* campaign's model anti-poverty plan⁹, developed through meaningful consultation with people with lived experience of poverty, has further recommendations on six key policy areas to eradicating poverty in Canada: income security, jobs and training, health, early childhood education and care, housing and homelessness, and food security.

iv. Moving Forward on Canada's Human Rights Obligations

While Budget 2018 must look towards solutions to the staggering rates of poverty in the country, Canada also has a legal obligation to address the violations of human rights that poverty, homelessness, and food insecurity represent. As signatory to the *International Covenant on Economic, Social and Cultural Rights* and other human rights treaties, Canada is obliged under international human rights law to meet the rights to housing, food, work, health, and an adequate standard of living. Adherence to these human rights obligations would also be an important step forward towards the commitment and further realization of the UN's Sustainable Development Goals.

While these rights may be progressively realized, poverty can only be completely eradicated through strategies which implement immediate actions alongside long-term goals. Canada must contribute its maximum available resources to fulfilling these human rights obligations.

⁹ Dignity for All Campaign, "Dignity for All: A National Anti-Poverty Plan for Canada", available here: https://dignityforall.ca/wp-content/uploads/2017/02/DignityForAll_Report.pdf