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Election Issue Sheet on Poverty in Canada

Canada has enjoyed strong economic growth and an enviable fiscal situation for the past eight years. Corporate profits have set records year after year and CEO salaries keep on escalating. Despite our country's increasing wealth, the number of people living in poverty has remained high and for some groups increased. Currently, 4.7 million people are living in poverty.

The face of poverty today:

- Much higher rates of poverty among Aboriginal peoples, people with disabilities, racialized groups and recent immigrants.
- 1.2 million youth living in poverty and in danger of falling into a lifelong poverty trap.
- Almost 1.5 million adult women or one in seven living in poverty.
- Over 1 million (or 1 in every 6) children living in poverty.

Work is no guarantee against poverty. The value of the minimum wage has been so eroded that in no province does someone working a full-time, full year job at minimum wage earn enough to escape poverty.

Social assistance rates are appallingly low and eligibility rules have tightened.

Everywhere in Canada welfare rates fall far below the poverty line. A family of four in Ontario on social assistance falls \$18,937 below the poverty line. A single "employable person" on social assistance in New Brunswick is expected to survive on just \$3,168 a year.

Tougher eligibility rules for EI mean that only 43% of the unemployed qualify.

The causes of poverty are many and interconnected. Reduction of poverty will require more than vague promises: we need a comprehensive national poverty elimination strategy and concrete action in the following areas:

- Reinstatement of the federal minimum wage at \$10 an hour and index it to the cost of living.
- Improve the EI system by reducing qualifying hours to 360 and increasing benefits.
- Initiate a reform of the social assistance system in cooperation with the provinces and territories to raise benefits and improve integration with other programs.
- Increase the Canada Social Transfer to \$10 billion over the next 3 years supported by accountability and welfare rights legislation.
- A fairer tax system with a 25% increase in the value of the GST credit.
- Boost the combined Canada Child Tax Benefit and the National Child Benefit to \$4,9000 per child and end the claw-back of this benefit from families on social assistance.
- Increase and provide long-term the federal commitment to social housing to \$1.5 billion per year, enough to develop 25,000 affordable housing units.
- Increase the investment in childcare to \$5 billion per year within five years.

- Reintroduce grants for low-income students wanting to attend post secondary education.

This set of actions would go a long way to eliminating poverty in Canada.

Questions for Candidates

1. In order for a single person to live above the poverty line in an urban centre in Canada s/he must make \$10 an hour at full time full year work. The federal minimum wage was abolished in 1996 and replaced by provincial and territorial minimum wage rates, all of which are below the \$10 an hour rate needed to escape poverty. Will your party reinstate the federal minimum wage at \$10 an hour and index it?
2. The Canada Child Tax Benefit and the National Child Benefit Supplement are important income support programs for families. However, the funds they provide are not enough to lift many families out of poverty, and the NCBS is clawed back from families on social assistance. Will your party end the discriminatory NCBS claw-back and increase the maximum benefit of the CCTB to \$4,900 per child per year?
3. Since the federal government removed itself from the housing sector in 1993, affordable housing, particularly for people living in poverty, has decreased drastically across the country. Today, there are about 1.4 million people in core housing need. Will your party increase funding for social housing to \$1.5 billion per year, the amount needed to build 25,000 affordable units annually for the next 5 years?
4. Lack of affordable, quality childcare is one of the major barriers preventing families in low income from obtaining work. Lack of childcare also impacts disproportionately on women. The recently negotiated bilateral agreements between the Federal government and the provinces are a step forward but much more needs to be done. Will your party ensure increased, stable funding for child care of \$10 billion per year within 5 years?
5. With a child poverty rate of over 17% (or 1 in 6 children), Canada has one of the worst levels among wealthy industrialized countries. Many of these children are attached to the nearly one in seven women who are living in poverty due to low wages, part time precarious work, lack of childcare, disabilities, appallingly low social assistance rates, wage discrimination, etc. What will your party do to eliminate the systemic causes of poverty that disproportionately affect women and by extension their children?
6. Despite a healthy economy, the number of people living in poverty in Canada has remained high and for some groups, such as recent immigrants and youth, has increased significantly. Economic growth and tax cuts have not solved this challenge. What steps will you and your party take towards eradicating poverty in Canada? Would you support the development and implementation of a poverty reduction strategy for Canada?

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