



Poverty Eradication Key to Canada's Economic Recovery

OTTAWA – Canada's economic recovery hinges on federal leadership to pull recession victims out of the poor house and prevent Canadians from plunging into deeper poverty, says Campaign 2000's new report card on child and family poverty.

Reduced Poverty = Better Health for All looks at the nation's most recent child and family poverty rate compared to 21 years ago, when Parliament unanimously resolved to end child poverty by 2000, and finds that 610,000 children (2008 LICO after-tax) and their families lived in poverty even before the recession hit. The child poverty rate of 9.1 per cent is slightly less than when it was 11.9 per cent in 1989. Lessons from past recessions tell us that poverty will rise before the recovery is complete.

"This is the moment for our government leaders to demonstrate their commitment to work together to eradicate poverty during the next decade. There is growing recognition within Canada and internationally that persistent poverty is a serious health issue which erodes the social fabric of communities and is a moral blight on the democratic integrity of nations," says Campaign 2000's Laurel Rothman. "We are encouraged that all political parties supported the new report *"Federal Poverty Reduction Plan: Working in Partnership Towards Reducing Poverty in Canada"* tabled last week by Standing Committee on Human Resources, Skills and Social Development and Status of Persons with Disabilities. This report recommends that the federal government commit to an action plan to reduce poverty and specific actions including Campaign 2000's long-standing call for an increased child benefit. This reflects an emerging consensus among all the parties that poverty must be addressed as a national priority."

"Poverty is a key determinant of health. The impact of dire living conditions during childhood, such as inadequate nutrition and crowded or unsafe housing, carries far into adulthood. Canada can do much better on reducing poverty than we are now. Research has clearly demonstrated that there will be significant economic savings and better health outcomes for all of us if we improve the incomes of people in poverty," commented Monique Bégin, Professor Emeritus, University of Ottawa and former Minister of Health and Welfare.

"Early childhood education and care (ECEC) programs – regulated child care, kindergarten and nursery school – can help to improve social determinants of health such as family income and children's well-being – *if* they are well-designed and have adequate public funding," adds Christa Jappel, Professor of Education, Université de Québec à Montréal.

The report card's key findings, available at www.campaign2000.ca, show Canada has a long way to go to prevent and reduce poverty:

- One in 10 children still lives in poverty in Canada. It's worse for children living in First Nations communities: one in four grow up in poverty;
- Employment is not always an assured pathway out of poverty: 1 in 3 low-income children lives in families where at least one parent works full-time year round and almost 400,000 adult full-time workers earn less than \$10 per hour.

- Child poverty is persistent across Canada: rates of child and family poverty (LICO before-tax) are in the double digits in all provinces.
- The gap between rich and poor has widened: On average, for every dollar the families in the poorest 10 per cent had, families in the richest 10 per cent had almost 13 times as much (\$12.66) in 2008.

“Public investments to eradicate poverty make good sense. Given the fragile economic recovery and the weak job market, now is not the time for spending cuts,” says Andrew Jackson, Director of Social and Economic Policy, Canadian Labour Congress. “Well under one half of Canada’s 1.5 million unemployed workers are collecting EI benefits today, even though the national unemployment rate is still almost 8%. Workers in hard hit communities across Canada tell us that job loss is affecting their families who are worried about the prospect of bankruptcy and welfare.”

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BACKGROUND

Highlights from *Reduced Poverty = Better Health for All*

- **Poverty affects children’s health:** Low-income children are more likely to have low birth weights, asthma, type 2 diabetes; children in working-poor families are unlikely to have benefit plans for prescription drugs, vision and dental care.
- **Poverty affects people differently:** Children in racialized, new Canadian and Aboriginal families as well as children with disabilities are at greater risk of living in poverty, fostering persistent social and economic inequality.
- **Canada is not meeting the housing needs of families.** Of 750,000 Canadians living in housing that is unaffordable, sub-standard and/or overcrowded, one half are children under 15.
- **Canada still lacks a national strategy for ECEC.** There are still only enough regulated child care spaces to cover about 20% of children aged 0 – 5 years.

Provincial Report Cards on Child and Family Poverty were also released today in BC, Alberta, Manitoba, Ontario, New Brunswick and Nova Scotia. Saskatchewan will report on Nov. 25. All reports available at www.campaign2000.ca.

Campaign 2000 is a non-partisan, cross-Canada network of 120 national, provincial and community partner organizations committed to working to end child and family poverty in Canada. www.campaign2000.ca

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