



END CHILD & FAMILY POVERTY IN CANADA

MEDIA RELEASE

June 6, 2011

Poverty and Inequality: Opposition Gets It but Government Doesn't

Toronto Today's federal budget ignores the fact that poverty and inequality are a major drag on the economy and makes no proposal to do anything about it, says Campaign 2000. This raises major doubts about the government's ability to manage the economy. There is nothing for the most vulnerable families – especially the 610,000 low income children and their mothers – who feel the double burden of job loss at the workplace and increased economic stress at home. The economy has been robbed of their contribution and the state will bear the immediate and long term costs of their poverty.

The official NDP Opposition and Liberals have raised this concern. They understand the economic and social costs of poverty. Why do Mr. Harper and Mr. Flaherty lack the capacity to understand this aspect of the economy?

“This budget promises to accelerate deficit reduction and we worry about what this means for vulnerable people. There are no income supports that will prevent further poverty or reduce our 9.1% rate of child and family poverty. This budget is silent on early childhood education and care services and affordable housing. Nor is there any enhancement to the child benefit which low income working parents need to enable them to pay the rent and feed the children. Who says this is responsible management of the economy?” said Laurel Rothman, National Coordinator of Campaign 2000.

“The one measure to address poverty among seniors' is paltry,” said Gerda Kaegi of Canadian Pensioners Concerned. “The \$50 monthly increase to the Guaranteed Income Supplement for seniors is only available to those on the very least income. This proposed change is about one-third of what is needed to bring single seniors – who are mostly women - out of poverty. To administer this increase, the government is establishing a separate transfer mechanism, making the tax system more complicated,” she added.

“Poverty and inequality present risks to Canadians at all ages and stages. Canada ignores these risks at our peril. The budget reflects poor political and ineffectual social policy choices, hiding many of the real costs to Canadians. Maybe this is why they cancelled the long form census. It didn't establish a universally accessible child care system for families but it further reduced corporate taxes. Nor did the budget propose how to provide children in First Nations communities with a good education and clean water, but it committed to more costly prisons,” Sid Frankel, Social Planning Council of Winnipeg comments..

This budget does little to bolster the tattered safety net that has left Canadians in economic insecurity. Aboriginal people, sole support mothers, recent immigrants, racialized groups, and people with disabilities face greater risks. At the same time, inequality between the rich and the poor in Canada has grown more than in any other OECD country (except Germany). “We will continue to seek changes that reduce poverty and inequality and make the tax system more progressive”, added Dennis Howlett of Make Poverty History.

Campaign 2000 is a non partisan cross Canada coalition of over 120 organizations committed to ending child & family poverty in Canada. www.campaign2000.ca

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