

National Poverty Reduction Strategy Submission - June 30, 2017

Feed Nova Scotia is pleased to submit the follow observations and recommendations to the National Poverty Reduction Strategy Recommendation and we look forward to continuing to support work to create an impactful strategy.

Poverty in Canada

When it comes to economic development, Canada stands amongst the top 20 countries in the world. It is, therefore, troubling that 8.8 percent (3 million people) of the country's population lives in poverty, based on the Low Income Cut-offs after tax (LICO-AT)¹. Poverty is a multi-dimensional issue that both impacts and is impacted by various factors such as housing, income, education, health, and food security. Groups that are most vulnerable to poverty include children, single parents, unattached people aged 45 to 64 years, recent immigrants, Indigenous people, and people with disabilities². Although the percentage of people living in low income has declined since the mid-1990s, there is more to do to effectively address poverty in Canada, and a National Poverty Reduction Strategy is a step in the right direction.

Why is a National Poverty Reduction Strategy important to Feed Nova Scotia?

Effectively reducing poverty should matter to all of us. Feed Nova Scotia's commitment to providing food to Nova Scotians in need and reducing that need means that we must address the root causes of food insecurity in the province. Part of that is addressing poverty and its influencing factors.

Progress made by the federal government to date in addressing poverty

- Housing – The federal government ramped up its funding for affordable housing in 2016, and has committed to investing an additional \$11.2 billion over 11 years. It is also currently in the process of formulating a national housing strategy.
- Canada Child Benefit (CCB) – In July 2016, the government introduced the CCB, which puts more money in the hands of families with children.
- Guaranteed Income Supplement (GIS) – In July 2016, the government increased the GIS top-up benefit by up to \$947 annually, which means an increase in income for the most vulnerable seniors.

What still needs to be done?

While it is imperative that many issues are covered in the poverty reduction strategy, this document highlights some particular issues of interest:

- The poverty reduction strategy will require national leadership that recognizes that no two provinces are the same, and should provide solutions that address the unique challenges of each province, as opposed to taking a "one-size-fits-all" approach.

¹ Government of Canada, *A Backgrounder on Poverty in Canada*, <https://www.canada.ca/en/employment-social-development/programs/poverty-reduction/backgrounder.html>.

² *A Backgrounder on Poverty in Canada*. Note: The cited source only refers to Indigenous people living off reserve as Indigenous people on reserve are not included in the Canadian Income Survey.

- The poverty reduction strategy must be developed and implemented in a timely manner, with measurable results and accountability.
- The poverty reduction strategy must be apolitical so that it can withstand changes in government and shifting priorities.
- The poverty reduction strategy should formulate a definition of adequacy when it comes to income.

Food Security

In 2014, 12 percent of households, or 3.2 million individuals in Canada experienced some form of food insecurity³. Food insecurity is one of the results of poverty, and the economic accessibility, or affordability of food should be addressed in the national poverty reduction strategy.

- Improving economic access to food requires food to be more affordable for households. One of the ways this can be done is through the government ensuring that low-income households have an income that allows them to purchase adequate and healthy food. This can be achieved through entry-level job training, which will better equip some for employment, greater money transfers, and the expansion of tax benefits, which should also be indexed to inflation.
- Agricultural policies, particularly those pertaining to genetically modified products and seeds, and the importation of food, should be designed and reviewed with a strong consideration of how they impact the cost of food.

Housing

According to the Canada Mortgage and Housing Corporation, Canadian households in core housing need represented 12.5 percent of the population in 2011⁴. Each year, over 150,000

Canadians stay in an emergency shelter, while almost 35,000 Canadians will experience homelessness on a night⁵.

- A “housing first” approach must be implemented in addressing poverty.
- Although the federal government has taken strides in addressing inadequate housing, only \$3 billion of the \$11.2 billion committed to affordable housing over 11 years will be spent over the next five years, which leaves many low-income households vulnerable for a longer period of time. Greater effort should be made to address housing needs in a timelier manner. This includes ensuring that the National Housing Strategy is rolled out with a sense of urgency.

Single, Unattached Individuals

Unattached individuals aged 45-64 years are recognized as a group that is vulnerable to poverty, with 518,000 living in low income based on LICO-AT in 2014.⁶ Of these individuals, 72 percent were not working, while 58 percent of those not working were disabled⁷. Although there has been a decline in the percentage of seniors living in low income, the percentage of single seniors living in low income based on LICO-AT is higher than that of all seniors, at 11.3 percent, compared to 3.9 percent.⁸

Unattached individuals, both middle-aged and seniors, tend to be more vulnerable to poverty than those with attachments. They have also been unable to benefit from the introduction of the CCB, which has had a positive impact on the incomes of families with children. In Nova Scotia, 69 percent of those on Income Assistance (IA) are unattached individuals, and what they receive on IA, along with any other income, still leaves them well below any poverty measures.

³ Valerie Tarasuk, Andy Mitchell, and Naomi Dachner, *Household Food Insecurity in Canada 2014* (Toronto: Research to identify policy options to reduce food insecurity, 2014), 2. <http://proof.utoronto.ca/wp-content/uploads/2016/04/Household-Food-Insecurity-in-Canada-2014.pdf>

⁴ Canada Mortgage and Housing Corporation. *Households in Core Housing Need, Canada, Provinces, Territories and*

Metropolitan Areas, 1991 – 2011, https://www.cmhc-schl.gc.ca/en/hoficlincl/homain/stda/data/data_013.cfm

⁵ The Conference Board of Canada. *What We Heard: Shaping Canada’s National Housing Strategy*, <https://www.letstalkhousing.ca/pdfs/what-we-heard.pdf>

⁶ *A Backgrounder on Poverty in Canada*.

⁷ *A Backgrounder on Poverty in Canada*.

⁸ *A Backgrounder on Poverty in Canada*.

The poverty reduction strategy should, therefore, closely address the needs of unattached individuals, and promote social and economic inclusion.

- The Working Income Tax Benefit (WITB) should be reviewed and extended. Although the WITB will be increased in 2019 to offset the increase in CPP contributions, there should be an independent increase that will see an increase in individuals' 'take-home' income. WITB returns should also be automated in order to ensure that all those eligible benefit.
- There should be greater investment in job training, particularly entry-level job training, which will equip individuals with the skills that they need to enter the workforce, promoting both social and economic inclusion.
- The GIS should be indexed to inflation in order to maintain the value of its offered benefits to vulnerable seniors.

The Working Poor

In 2014, the number of Canadians living in a household with the primary earner being part of the working poor accounted for 3.1 percent of the population. The percentage of working poor has remained below 5 percent since the introduction of the WITB, but it has fluctuated between 3 and 4 percent since 2007⁹.

- As recommended for single, unattached individuals, the WITB should be reviewed, extended and automated.

Affordable Childcare

When it comes to the Organisation for Economic Co-operation and Development (OECD), Canada has one of the most expensive childcare costs out of the 35 countries. Childcare costs are high and often unaffordable for people living in low-income. Guardians of children are often forced to choose between working and/or going to school, and staying at home with their children. This limits the opportunities available to earn an

income, obtain or upgrade education, and develop work-related skills. The federal government will be investing \$7 billion over 10 years in early learning and child care and, while this is a much-needed improvement from many years of no additional funding, there is more that needs to be done to make child care more affordable for more low-income families.

- Index the Canada Child Tax Benefit to inflation.

Leadership and a Human Rights-Based Approach

The recommendations provided are, in no way, intended to be exhaustive, even within the identified issues. Changes at the federal level are not enough and need to be complimented by changes and improvements at the provincial and municipal level to effectively address poverty. Nevertheless, leadership at the federal level is imperative. The federal government should recognize poverty as a violation of human rights in that it denies those who are living in poverty basic necessities that are recognized as essentials for life, such as the right to adequate food, the right to adequate housing, the right to health, and the right to work.¹⁰ Effectively addressing poverty in the country will require a national poverty reduction strategy that takes a human rights-based approach. A human-rights based approach to poverty requires the following:¹¹

- Identifying those who are living in poverty, while understanding poverty is about more than just income
- Incorporating international human rights standards
- Consulting those who are living in poverty
- Promoting non-discrimination and substantive equality
- Setting timelines and goals
- Monitoring progress
- Ensuring accountability

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⁹ A Backgrounder on Poverty in Canada.

¹⁰ Canada Without Poverty, *Human Rights and Poverty Reduction Strategies: A Guide to International Human Rights Law and its Domestic Application in Poverty*

Reduction Strategies, <http://www.cwp-csp.ca/wp-content/uploads/2015/05/FINAL-Human-Rights-Guide-August-2015.pdf>

¹¹ *Human Rights and Poverty Reduction Strategies*.