



**Inclusive Communities:
An Essential Pathway to Progress on Eliminating Child and Family Poverty**

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The tenacity of child poverty plagues Canada, the U.K. and the United States at the beginning of the twenty-first century despite well-developed research that demonstrates what is needed to improve the life chances for children. As UNICEF ably expressed it, “The persistence of child poverty in rich countries undermines both equality of opportunity and commonality of values. It therefore confronts the industrialized world with a test both of its ideals and of its capacity to resolve many of its most intractable social problems.” (UNICEF 2000) In Canada, more than one million - about one in six children - or 15.7% lives in poverty, while the rate is 19.8% in the U.K., and an astonishing 22.3% in the US. (These figures were used in order to provide an accurate comparison; more recent figures for each country may exist but are not comparable.)

At the same time, government leaders in all three countries have expressed commitments to reduce child poverty. Canada’s Parliament voted unanimously in 1989 to end child poverty by the year 2000, has continued to cite poverty reduction as a key objective in almost every subsequent government and has introduced some modest initiatives to reduce child poverty including the National Child Benefit. The Blair government’s pledge to reduce child poverty fifty percent by 2010 and eradicate it by 2020 is a high priority that is backed by significant social investments. In the U.S., President Bush commits to “no child left behind” and the Dodd-Miller Comprehensive Act to Leave No Child Behind aimed to end child poverty by 2010. Sadly, in each country there has been inadequate progress towards this all-important societal goal.

Campaign 2000, a broad coalition of more than 90 organizations that monitors progress on child poverty in Canada, recently reported that the basic level of child poverty in Canada has hardly changed in almost 30 years. In 1973, 16.5% of children under 18 lived in poverty and in 2001 the percentage was 15.6%. There have been cyclical variations in between, reflecting economic recessions and recoveries, but Canada has maintained an average poverty rate of one child in six. This can be called the structural rate of child poverty (Freiler, Rothman & Barata 2004). It is a constant pattern in the fabric of Canadian society, woven from the threads of social and economic inequality.

Why Has Canada Maintained a High Rate of Child Poverty?

Is it lack of knowledge about what to do? After two decades of child poverty advocacy, numerous research and policy reports by governments and others, and a solid store of cross-national knowledge and experience to draw on, this can hardly be true.

Is child poverty an inevitable and immutable fact of life? Certainly not. Other nations have managed to do much better than Canada. Child poverty rates vary greatly among industrialized countries, from well below 5% in the Nordic countries to over 20% in the United States.

Do Canadians accept a 16% rate of child poverty as normal and acceptable? Canadians consistently rank child poverty as a high priority in public opinion polls and governments at all levels and we continue to identify child poverty as an important challenge.

Have Canada’s efforts to reduce child poverty simply not worked? Efforts have actually produced positive results, as far as they went. Recent government investments in child tax benefits, for example, have made a difference – just not enough of a difference. The current plan is that the

National Child Benefit will reach a maximum of \$3,243 by 2007, which is about 64% of what is needed, according to Campaign 2000. An enhanced child benefit of \$4,900 (in 2005 dollars) combined with full-time work at a living wage of \$10.00 an hour is needed to help prevent the lone parent (mother) and child from falling into poverty.

Is it because low income parents aren't working hard enough? Lone parent families, who are usually mother-led, are among the most vulnerable even when they are in the labour market. Lone mothers who work full time to support their children in minimum wage employment cannot escape poverty without income supplements – most will not even come close. In 2001, 46% of all lone mother families were living in poverty, and 62% of low income working lone parents were earning less than \$10.00 an hour in 2000 (Freiler et.al .2004).

Is it because Canada cannot afford to reduce child poverty substantially? Compared to 13 other OECD countries in 2000, Canada's total tax revenue as a percentage of GDP was lower than 11 of them. There is room to do better.

What *is* the problem, then? The problem is the reluctance on the part of Canada's governments to act on lessons learned. Governments continue to offer piecemeal initiatives instead of the comprehensive social investment strategy that is clearly needed.

Child and family poverty is a structural problem that exists because the economy creates inequalities in resources and opportunities. This means that the risks of poverty are systemic, not the result of demographic trends or the behaviour of parents. The persistence of high rates of child poverty in Canada points to the gross inadequacies of the labour market and the income security system. In both Canada and the U.S., the majority of children living in poverty have parents who are working. (Freiler et. al., Children's Defense Fund)

Thus, it is not surprising that Canada stands out as a low-wage country, second only to the U.S. among industrialized countries. One in four workers (1 in 3 women, and 1 in 5 men), or 2 million adults, are in low wage employment in Canada. Compare this to 1 in 20 in Sweden or 1 in 8 in Germany. Low paid is defined as earning less than two-thirds of the national median hourly wage. In Canada, this is less than \$10 an hour (Jackson, 2003c).

Canada will never be able to end child poverty unless families are prevented from falling into poverty in the first place. Unless the structural sources of child poverty are addressed, there will always be a new vulnerable group that ends up in poverty and replaces others for whom progress is being made. This is demonstrated by recent data showing that, for the last two decades, child poverty rates have been going down for young children with Canadian born parents, but going up among children with immigrant parents (Statistics Canada, 2003a).

There is no simple or low-cost solution to ending child poverty. Countries with the lowest levels of child poverty have the highest rates of social investment. Economic growth by itself is not enough. Canadian and international research is now showing that neither labour market strategies nor income programs *alone* can end child poverty. A successful strategy for ending child poverty requires a comprehensive package of initiatives, including labour market, income security, housing, and early childhood education and care programs.

The Ultimate Goal for Canada: Lessons from Population Health

The ultimate goal for Canada should be to create environments where children can thrive – not simply survive. This means developing the talents, skills and capacities of children to benefit from and contribute to community life and to assume a range of social responsibilities. Poverty and income inequality are major barriers to the healthy development of children, to the cohesion of our communities, as well as to the social and economic well-being of Canada as a whole.

For individual children and adults, the effects of poverty and inequality include not only the results of poor nutrition, inadequate shelter and environments degraded by pollutants, but also psychological reactions to a lower position in the socio-economic hierarchy (Marmot, 2002). This is because the definition of a person's standard of living is a social process. It involves 'a conception of where you are in relation to others' which Wilkinson (1996:51) characterizes as: "What matters now is what people feel about their circumstances and what differences in their circumstances make them feel about themselves".

A recent major report by the Canadian Population Health Initiative reinforces this point. *Improving the Health of Canadians* (2004:154) argues that, in order to promote much-needed change, new choices must be made based on three themes:

- expanding public knowledge and shifting attitudes to emphasize "upstream" determinants of health (such as income, early childhood development and decent housing);
- concretely focusing on ways to reduce health inequalities;
- dedicating everyone at all levels of society to working together.

Inclusive Communities a Key Pathway to Progress on Child Poverty

Stable and affordable housing is an essential part of the strategy to end child poverty and improve life chances for all children. Children require secure housing that anchors them in a community, increases their chances of success at school and provides a base for their parents' participation in the workforce, training or education.

Housing brings children both shelter and a social environment. It is now widely recognized that neighbourhoods with a mix of income and occupational status are better in supporting educational attainment than settings of concentrated disadvantage. Living in mixed neighbourhoods confers a greater sense of civic equality and responsibility, as children become part of a common life irrespective of their backgrounds. Yet across Canada's urban centres, a pattern of concentrated poverty in neighbourhoods is growing. In Toronto, while the median income of the richest neighbourhoods grew by 25% between 1995 and 2001, it fell by 8% among the city's poorest neighbourhoods (Toronto Community Foundation, 2003).

Making Progress Through Multiple Pathways

There are multiple pathways to progress. By that, we do not mean that Canada can choose this or that and get somewhere. Downpayments are no longer enough. A comprehensive, well-funded, multi-year, multi-jurisdictional plan is required to make significant and measurable progress to end child poverty in Canada.

Many families will need to pursue several pathways at the same time. Some families will need increased income support and high quality, reliable child care to stay out of poverty; others, particularly those in our largest cities, will also need stable, affordable housing.

The opportunity to work in good jobs with living wages, decent working conditions and benefits will give some families the chance to get out of poverty. Some will need to pursue further education and training. At other times, families may require the assurance of a reasonable standard of living when parents are not able to be in the paid labour force.

All families must be part of safe, vibrant communities with well-developed community infrastructure, such as public libraries, accessible recreation/cultural services and well-resourced public schools. It is in healthy, inclusive communities where parents can sustain environments in which their children can thrive, not merely survive.

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