

# Canadians are Primed and Ready for Poverty Reduction Leadership

by Trish Hennessy

The volatility of global stock markets and an uncertain economic future has got Canadians wondering what will happen when hard times come knocking at their door. With poverty far from beaten in this country, new polling shows the majority of Canadians are primed and ready for political leadership, federally and provincially, to reduce poverty and income inequality.

The Canadian Centre for Policy Alternatives engaged Environics Research to conduct a national poll in the fall of 2008 to get a clearer sense of what citizens believe their governments should do about poverty and income inequality.

The results are definitive: Any government that acts to reduce the number of poor people in Canada will find favour with a resounding majority of Canadians.

As Canada teeters on the edge of a recession, the poll found a significant number of Canadians are worried about their own financial future.

The majority of Canadians (83%) say they are worried about the rising cost of living (only about 17% say they aren't worried). There is a strong income component to these responses: Canadians most strongly concerned about rising costs of living are households with incomes under \$30,000 (63%), while households with incomes over \$100,000 were least likely to be concerned (though 37% strongly agree they are worried).

Just under half (47%) of all Canadians admit they struggle to keep their personal debt under control, while the other half (50%) does not.

And 39% of Canadians say they are one or two paycheques away from being poor.

How does perception compare with reality? Data from Statistics Canada shows that, while there is some improvement in earned incomes for all Canadians compared to the mid-1990s (when labour markets were just starting the process of recovering from two profound recessions in as many decades), the richest 10% of Canadians saw the most rapid gains in earnings.



PHOTO: @Stockphoto.com/Bernardo

By 2006, the richest 10% of families raising children earned 71 times more than the poorest 10% – almost two-and-a-half times the ratio in 1976.

For decades, Canadians have been told we need to work harder, make Canada more competitive, grow the economy – and ‘a rising tide will lift all boats’. But it hasn’t happened. The lion’s share of gains from economic growth has gone to the richest 10%, not the majority.

Among families raising children in Canada, the bottom half earned 27% of total earnings on average during the period 1976-79. By 2003-06 that share had dropped to 20.7% – even though those families are today putting in more time in the workplace.

Up to 80% of families lost ground or stayed put compared to the previous generation, in both their share of earnings and after-tax incomes. Relatively little of the gains from this remarkable period of economic growth has trickled down to those in the bottom half of the income spectrum.

Household debt is at a record level high, while household savings are at a record level low. And the gap between rich and poor has been growing at a time when it should have been shrinking.

Growing inequality is a trend that usually unfolds during recessionary periods, when the bottom half of the labour market loses access to jobs or to hours of work. If inequality has grown so markedly over the past decade – a time of strong and sustained economic and job growth – what can we expect as we head for a recession?

For more than a decade Canadians have been told not to expect much from their governments, but when it comes to reducing poverty and income inequality, Canadians

## Snapshot of Child and Family Poverty in Canada

- Canada's after-tax child poverty rate appears stalled at 11.3%.
- Nearly one out every nine Canadian children lives in poverty.
- Child poverty is persistent across Canada. Rates of child and family poverty are at double digits in five out of ten provinces.
- Implementation of poverty reduction strategies in Newfoundland & Labrador and Québec continue to prevent and reduce child and family poverty in those provinces.
- A startling 40% of low-income children live in families where at least one of their parents works full-time year round – they're the working poor.
- Children in racialized, new Canadian and Aboriginal families as well as children with disabilities are at greater risk of living in poverty.
- Nearly one out of every two children (49%) living in a family that recently immigrated to Canada (1996-2001) lives in poverty.
- Poverty rates are a formidable barrier in Aboriginal communities. Almost one in two Aboriginal children (49%) under the age of six (not living in First Nations communities) lives in a low-income family.
- Families live deep in poverty. Low-income two parent families, on average, would need an additional \$7,300 per year to reach the poverty line. For lone parent mother-led families, the average depth of poverty is \$6,500.
- In 2007, 720,230 people in Canada used food banks, including 280,900 children. This is an 86% increase since the 1989 unanimous House of Commons' resolution to end child poverty.
- Government programs have an impact on poverty reduction. Without government transfers including the GST credit, Canada Child Tax Benefit (CCTB), Universal Child Care Benefit (UCCB) and Employment Insurance, child and family poverty would have been 10% higher in 2006.
- Canada is a laggard on social spending. Canada spends less money on benefits for families and the unemployed than other countries. Canada is now 25th out of 33 OECD countries in the percentage of GDP spent on social programs.

Source: Campaign 2000 National Report Card on Child and Family Poverty, *Family Security in Insecure Times: The Case for a Poverty Reduction Strategy for Canada*, 2008 – [www.campaign2000.ca](http://www.campaign2000.ca).

beg to differ. Times are changing, as the global economic meltdown is making abundantly clear, and the vast majority of Canadians want their governments to do more, not less, to reduce poverty.

In fact, 90% of Canadians say it is time for strong leadership to reduce the number of poor people in Canada. What's more, they say it would make them proud to see their Premier take leadership on poverty reduction in their province.

Without similar rates of economic growth, Great Britain, Sweden and other nations have managed to make significantly greater strides toward poverty reduction than Canada. The vast majority of Canadians (92%) agree that if other countries can succeed in significantly reducing their number of poor people, so can Canada.

In fact, 88% say Canada should try to distinguish itself in the world as a country where no one lives in poverty.

Canadians have long been fair and pragmatic people. The majority of Canadians (86%) believe that if government took concrete action, poverty in Canada could be greatly reduced; 89% say both the Prime Minister and the provincial Premiers need to set concrete targets and timelines to reduce the number of poor Canadians.

The majority of Canadians (81%) agree their provincial government should reduce poverty by at least 25% over the next five years – 55% of Canadians say a 25% reduction sounds just right but another quarter (26%) say that's not ambitious enough.

And Canadians are very clear about specific measures they believe their governments should take to reduce poverty and help families make ends meet.

Across Canada, there is majority support to:

- raise the minimum wage;
- improve income support programs to help poor families with the costs of raising children;
- create more low-cost child care spaces;
- create more affordable housing;
- make sure welfare rates keep up with the cost of living; and
- invest in more jobs and skills training for people who are in between jobs.

These findings cut across regional, demographic and partisan lines. While there are small variations in opinion, the overriding conclusion is that Canadians everywhere believe in the power of their governments to combat poverty and income inequality – and they want their governments to act now.

Some politicians claim they would like to do something about poverty but are constrained by the emerging downturn in Canada's economy. This view does not find favour with the majority of Canadians – they believe now is the time for action. Three quarters of Canadians (77%) say that in a recession, it's more important than ever to make helping poor Canadians a priority.

In light of the economic moment these polling results provide strong advice from Canadians to their governments: don't cut back public programs. In fact, they believe now is precisely the time to do something that can make a difference for Canada's most vulnerable.

Poised on the brink of recession, or at least economic slowdown, Canadians' desire for governments to act is not weakened, but emboldened. Canadians seem to be calling on governments to be less timid, more active. They want governments that will do them proud, at home and around the world.

The good news is that what Canadians say would be best for helping the poor in fact would benefit all of us.

Note: Environics interviewed 2,023 adult Canadians by telephone between Sept. 24-Oct. 21, 2008. A survey of this magnitude yields results that can be considered accurate to within plus or minus 2.2 percentage points. The full report on the poll, *Ready for Leadership: Canadians' Perceptions of Poverty* by Trish Hennessy & Armine Yalnizyan, is available at: [www.policyalternatives.ca](http://www.policyalternatives.ca).

Trish Hennessy is director of the Canadian Centre for Policy Alternatives' Income Inequality Project – [www.growinggap.ca](http://www.growinggap.ca).



## CTF working with teacher unions around the world to achieve gender equality

The Canadian Teachers' Federation (CTF) supports **Women's Networks** in Asia, Africa, the Caribbean, and Latin America - networks that are strong information lifelines for sharing experiences and strategies for action on women's equality within teacher unions, and that influence national policies on gender equality.

The **Girl Child Project** in Uganda addresses significant barriers, challenges and abuses many female students face, and encourages government, civil society and schools to take coordinated measures to support and safeguard female students. Canadian teachers are active partners.

Our work with Latin American teacher unions helps develop **non-sexist** and inclusive teaching practices and school curricula that is increasingly recognized by Ministries of Education in these countries.

In Canada, CTF works to address **gender inequity** in the teaching profession, by promoting discussion and action on increasing the number of women in leadership roles in education and eliminating barriers to promotion for female teachers.

As a lead organization in the Canadian Global Campaign for Education, CTF also promotes **Global Action Week** (April 2009), an annual awareness campaign to remind governments around the world, including Canada, to meet "Education for All" 2015 targets. Currently, 70 million children are out-of-school; two-thirds of them are girls.

**Find out more about the international and national work of CTF: [www.ctf-fce.ca](http://www.ctf-fce.ca)**



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