

# **From Promise to Action: Implementing Canada's Commitments on Poverty**

*Submission to the Human Rights Council's Universal  
Periodic Review of Canada*

September, 2008



## **Executive Summary**

1. Citizens for Public Justice believes Canada needs a federal poverty reduction strategy to tackle the persistent problem of poverty in Canada. Despite its endorsement of the human right to security of the person and its international commitment to eradicate poverty, Canada has not achieved any substantial change in domestic poverty rates. 1 in 10 Canadians currently live in poverty, thus prevented from fully realizing their other rights.
2. Canada's record on poverty is discouraging. There is no official measurement of poverty, although 10.5% of Canadians have incomes that are insufficient for meeting basic needs. While poverty rates have remained nearly the same for the past twenty-five years, poverty has deepened during that time. Not all Canadian workers receive a living wage for paid employment. Affordable and adequate housing is a major challenge that is currently being met by crisis management and short-term solutions. Aboriginal Canadians and newcomers/refugees experience higher than average rates of poverty, in addition to racism and discrimination.
3. Four of Canada's provinces have already implemented or are developing poverty reduction strategies, which provide an example of best practices to other Canadian jurisdictions. For the federal government and the other provinces, lack of coordination and coherence between policies, uneven access, the absence of investment and the failure of accountability represent a serious impediment to eradicating poverty.
4. The Office of the High Commissioner for Human Rights identified a number of elements for human rights-oriented poverty reduction, including progressive realization, a time-bound plan of action, intermediate targets and poverty indicators. Similarly, Canada's National Council of Welfare identified key components of successful anti-poverty strategies from around the world: a long term vision with targets and timelines, an action plan and a budget coordinated within and between governments, mechanisms of accountability, and poverty indicators. By adopting a strategy based on these elements, Canada could make significant strides in fully implementing its commitments to human rights and poverty eradication.

## **Recommendations:**

5. The federal government should adopt a national poverty reduction strategy, including a long-term vision with timeline and targets, an action plan and a budget, accountability measures and poverty indicators. It should also encourage jurisdictions in Canada lacking such strategies to follow this example.
6. The federal poverty reduction strategy should include:
  - long-term strategic planning with appropriate funding on affordable housing;
  - measures to ensure all Canadians workers receive a living wage;
  - ensure social security for all Canadians, even when they cannot secure all they need through paid work;
  - a genuine national childcare and early learning plan that is affordable and accessible to all Canadians; and
  - targeted support for Aboriginal Canadians and newcomers, including refugees.

## **Introduction**

1. Citizens for Public Justice is pleased to submit this brief to the Universal Periodic Review of Canada by the Human Rights Council. CPJ is a national, faith-based organization with members across Canada. As a Christian organization, CPJ's work is rooted in God's call to do justice and to love our neighbours.
2. Human rights commitments are founded on the basis of human dignity, recognizing that dignity can only be fully realized in the context of basic rights belonging to every person. As Christians, we believe that this inherent human dignity is the birthright of every human being, as everyone is created in the image of God. Every individual is gifted by God with rights and responsibilities, including rights to the basic resources necessary for well-being, and the responsibility of working to ensure everyone's rights are respected.
3. CPJ joins with an array of Canadian organizations that are concerned about Canada's failure to implement its international commitments at home, and the lack of transparency and public accountability that surround this failure. Canada is not living up to its human rights promises, including the commitment to security of the person.

## **Implementing human rights commitments: The challenge of poverty**

4. Despite Canada's considerable affluence and resources, poverty continues to be a significant concern. 1 in 10 Canadians currently live in poverty, and this rate has not changed substantially over the past 25 years. Poverty prevents these Canadians from fully experiencing well-being, forces them to live in insecurity, and robs them of the opportunity to fully participate in their community. Poverty thus represents a serious challenge to human rights, undermining human well-being and security of the person, and preventing people from fully realizing their other rights. Canada's failure to respect and protect human rights also contributes to the prevalence of poverty.
5. Four of Canada's provinces have either implemented or are developing poverty reduction strategies. So have many Canadian municipalities. But Canada's federal government has not yet fully implemented its commitments to eradicating poverty and protecting the human right to security of the person.
6. Fulfillment of Canada's obligations under the relevant human rights instruments to this review would have a significant impact on poverty reduction. Additionally, Canada made a specific international commitment to poverty eradication at the World Summit for Social Development in 1995. This pledge entailed the creation of a national poverty eradication plan to be put into action at all levels of government with time-bound goals and targets. While the federal government's National Child Benefit program mirrored this commitment in several ways and represented a genuine attempt at action on child poverty, it fell short of being a full strategy and failed to address any other aspects of poverty.

## **Canada's record on poverty:**

7. *No official measurement of poverty*  
**Canada does not have an official measure of poverty.** Poverty is tracked unofficially by non-governmental organizations and academics by using the Low Income Cut-Off rate

(LICO), determined by Statistics Canada. This is the level at which families are likely to experience difficulties because they are spending a significantly greater portion of income on basic necessities than the average family of similar size.

8. *Income insecurity*

**10.5% of Canadians have after-tax incomes lower than the LICO.** These Canadians are forced to make hard choices between basic necessities or using foodbanks and other charities to make ends meet. Government programs and transfers currently don't ensure all Canadians have enough income for well-being, even when they are not able to secure all they need through paid work.

9. *Poverty deepening over time*

**Canada has not seen a significant change in poverty rates in the past 25 years,** with the exception of seniors who have benefited from targeted programs. The depth of poverty experienced by poor Canadians has gotten worse over time, however. The poverty gap per individual increased from approximately \$3300 in 1976 to \$4000 in 2006<sup>1</sup>. The amount needed to raise each and every individual above the poverty line in 2004 was \$12,942,000.

10. *Insufficient support for workers*

**Many Canadians living in poverty receive most or all of their income from paid employment.** For example, in 2004, 58% of two parent families living in poverty received their principal income from employment and received no social assistance or Employment Insurance (EI) payments. Not all jobs pay a living wage. And for workers who lose their jobs, not everyone can access Canada's EI program, even if they have paid premiums. In fact, in 2004, only 38% of unemployed Canadians had access to EI. Finding appropriate, accessible and affordable child care is also a significant challenge for many Canadian workers.

11. *Affordable and adequate housing*

**Approximately 1 in 6 Canadian households currently experience housing affordability challenges.** Many Canadians face dual challenges of both the rising costs of housing and insufficient income. Meanwhile, Canada's affordable housing policy has eroded due to the lack of a national strategy and a decline in annual investment from all levels of government. This has resulted in crisis management and short-term solutions rather than long-term, sustainable measures. The visit and report of the *UN Special Rapporteur* on adequate housing has yet to be acted upon meaningfully by Canada.

12. *Aboriginal poverty*

**Aboriginal Canadians experience significantly higher rates of poverty than other Canadians,** whether they are on reserve or in one of Canada's largest cities. In fact, the living conditions of some Aboriginal communities have been compared to living conditions in the developing world. While Aboriginal peoples confront many of the same challenges as other poor Canadians, their conditions and experiences also relate to their experiences of racism, colonialism and Canada's failure to implement Aboriginal rights. While the government of Canada has formally apologized for the legacy of residential schools,

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<sup>1</sup> Both in 2006 dollars.

addressing Aboriginal poverty requires much more action towards reconciliation and healing. Canada also needs to address the broad array of Aboriginal rights, including an international commitment to their rights as indigenous peoples.

13. *Newcomer/Refugee poverty*

**Newcomers and refugees also face higher poverty rates and chronically low incomes.** A 2007 Statistics Canada report showed that even after ten years in Canada, many newcomers had considerably lower incomes than other Canadians. Refugees and immigrants can experience discriminatory challenges in integration, entering the job market, recognition of foreign credentials and racism.

**Best practices, challenges and constraints**

14. Anti-poverty strategies have been used successfully in other countries to significantly lower poverty rates. Quebec, Newfoundland and Labrador, Ontario and Nova Scotia have already implemented or are developing provincial poverty reduction strategies. Many Canadian municipalities have also adopted local strategies. Canada's existing strategies have done some things well: coordinating government programs and eliminating counter-productive practices, and publicly reporting on progress, agreeing to be held accountable for their actions. Quebec and Newfoundland and Labrador have also committed to developing local poverty measures.

15. Within the jurisdictions without a comprehensive strategy, policies to combat poverty suffer from lack of coordination and overall coherence. These have contributed to the "welfare wall" that can make it difficult for Canadians to transition from social assistance programs to paid employment. There are additional problems of uneven access to programs and programs that do not deliver on their goals. Despite the considerable cost of poverty to both Canada's economy and society, there is little investment in reducing poverty. Above all, there is no accountability for the lack of progress on poverty.

16. While a parliamentary committee is studying the possibility of a poverty reduction strategy at the federal level, the federal government needs to do better. Canada should follow through on its international human rights commitments and adopt a federal poverty reduction strategy. The federal government should also work to support and build on existing provincial and municipal efforts to eradicate poverty, and encourage the rest of Canada's provinces and municipalities to follow this example.

**Four Cornerstones of an Effective Poverty Reduction Strategy**

17. *Human Rights and Poverty Reduction: A Conceptual Framework*, the 2004 discussion paper from the Office of the High Commissioner for Human Rights, identifies a number of elements to include in a poverty reduction strategy from a human rights perspective. These included the notion of progressive realization and space for priorities to concentrate efforts over time, accompanied by a serious commitment, time-bound plan of action, intermediate targets and poverty indicators.

18. Similarly, in 2007, Canada's National Council of Welfare identified four key components of successful anti-poverty strategies:

1. *A long-term vision and measurable targets and timelines.*  
The long-term vision serves as a guiding purpose and commitment for the strategy, directing policy efforts and providing a benchmark for accountability. It is an important symbolic statement of commitment, but also a clear target for policy efforts. The timeline should not be an excuse to delay action, but should provide space to consult with Canadians, especially those with experiences of poverty.
2. *A plan of action and budget that coordinates initiatives within and across governments and other partners.*  
Because poverty is complex and multi-faceted, it cannot be dealt with by one federal government department alone. Departments will have to work together, as will Cabinet, to ensure that priorities are identified and policy efforts are coordinated and achieved. Making poverty reduction a genuine priority must also include permanent and short term budgetary initiatives. In order to ensure the full success of a national strategy, full collaboration with the provinces, especially those that already have strategies, is essential.
3. *Accountability structures for ensuring results and for consulting Canadians.*  
Good poverty reduction strategies begin on the ground, talking to Canadians about their needs and priorities. Mechanisms to ensure ongoing accountability are also important, with public reporting on progress. Accountability does not need to be practiced in only one way; several mechanisms are a good way to ensure everyone is involved and invested.
4. *A set of agreed-upon poverty indicators that will be used to plan, monitor change and assess progress.*  
Poverty indicators are necessary to understand how much progress is being made. There are a number of poverty indicators that could be used to give a richer, fuller understanding of how poverty is manifested in Canada. These poverty indicators can also be used to track where poverty is located, the depth of poverty, and the most significant challenges confronting Canadians living in poverty.

### **Recommendations:**

19. The federal government should adopt a national poverty reduction strategy, including a long-term vision with timeline and targets, an action plan and a budget, accountability measures and poverty indicators. It should also encourage jurisdictions in Canada lacking such strategies to follow this example.
20. A federal poverty reduction strategy that respects Canada's international commitments would include:
  - long-term strategic planning with appropriate funding on affordable housing;
  - measures to ensure all Canadians workers receive a living wage;
  - ensure social security for all Canadians, even when they cannot secure all they need through paid work;
  - a genuine national childcare and early learning plan that is affordable and accessible to all Canadians; and
  - targeted support for Aboriginal Canadians and newcomers, including refugees.