

## THE PROVINCIAL AND TERRITORIAL ROAD TO POVERTY ERADICATION STATEMENT OF THE WINNIPEG ROUNDTABLE TO THE COUNCIL OF THE FEDERATION - AUGUST 4, 2010

*In August of 2010 provincial and territorial Premiers met in Winnipeg to hold their annual Council of the Federation meeting. Across the street, convened by Campaign 2000, Canadian Council on Social Development, Council of Canadians with Disabilities and the Social Planning Council of Winnipeg, another cross-Canada roundtable was underway whether in person or conferencing from communities across our land. As we continue the development of a Halton action plan on poverty eradication, I thought it important to share the statement ratified by the Winnipeg Roundtable and then communicated to the Council of the Federation. The statement begins with a message from across this land:*

***“We are calling on the Premiers to honour their responsibilities and put planning for poverty eradication on the agenda of the Council of the Federation.”***

*Joey Edwardh*

“That, with November 24th, 2009 marking the 20th anniversary of the 1989 unanimous resolution of this House to eliminate poverty among Canadian children by the year 2000, and not having achieved that goal, be it resolved that the Government of Canada, taking into consideration the Committee’s work in this regard, and respecting provincial and territorial jurisdiction, develop an immediate plan to eliminate poverty in Canada for all.”

***Resolution approved unanimously by the House of Commons on November 24, 2009***

This is the moment for government leaders to demonstrate commitment and to work together to eradicate poverty in Canada during the next decade. There is growing recognition within Canada and internationally that persistent poverty is a serious health issue, erodes the social fabric of communities, and is a moral blight on the democratic integrity of nations.

The persistence of poverty in Canada means that thousands of adults and children experience chronic cycles of hunger and hardship each month when money runs out to meet basic necessities. Unaffordable housing means that limited food money is used to pay the rent. Too frequently, adults and families find themselves in states of homelessness. Deprivation is the fate of the more than 40% of low income children whose parents work full time throughout the year only to have their families live in poverty. Disproportionately high levels of poverty afflict Aboriginal peoples, persons with disabilities, lone mothers, racialized minorities, and recent immigrants.

Over the years, government leaders have offered many reasons for deferring serious action on poverty. We have been told that tax cuts are essential to grow the economy in order to eventually address poverty. There are more pressing issues which demand government attention. Hard economic times with high budget deficits limit what governments can do.

There is a diminishing credibility to these excuses. Countries with high levels of wealth, such as the United States, also have the highest levels of poverty and disparities in the industrialized world. High tax Nordic countries with the lowest levels of poverty [and strong economies and sound green initiatives] have demonstrated the social efficacy of political will and collective action. They confirm that committed and competent governments can work on multiple priorities at the same time. High deficits during World War Two did not prevent the Government of Canada from introducing Unemployment Insurance and Family Allowances. During the high deficit period of the middle nineties, the federal government introduced and announced multi-year funding for the National Child Benefit Supplement and at the same time developed with the provinces a plan for higher premiums to protect the Canada Pension Plan. More recently, the Government of Ontario declared full day kindergartens a high priority to be funded at \$1.5 billion over five years concurrent with provincial deficit reduction.

Political will and collective action are at the heart of the Canadian advantage in health care, public education, and liveable cities. Major reductions in seniors' poverty during recent decades demonstrate what we are capable of our best when we act with determination. It is this legacy that makes poverty eradication a credible goal as we approach the 150th anniversary of Confederation in 2017.

We are encouraged that six provinces and one territory are pursuing poverty reduction initiatives. The House of Commons resolution of November 24, 2009 calling for a poverty eradication plan was adopted unanimously. Four of the five major federal parties have made addressing poverty important parts of their political agendas. A Senate Committee report in 2009, with Liberal and Conservative chairs, stated that poverty eradication was essential to a civilized democracy and a strong economy.

In Canada, the federal government and provinces/territories have distinct as well as shared roles in addressing poverty. Each level must be fully committed and engaged for major advances to occur. On January 28, 2010 the Premier of New Brunswick noted that his province could go further and faster in its poverty work if the federal government would develop a national poverty reduction plan. However, for Ottawa to outline its role in a national plan provinces and territories must develop a consensus framework on how they see their distinct and shared roles. This framework will need to recognize the particularities of how Quebec pursues social policy initiatives in the Canadian context. As well, it is essential that the federal government and provinces/territories secure Aboriginal perspectives on how each level should address high levels of poverty both on and off reserves.

We have learned sadly from the 1989 experience, when all parties in the House of Commons voted to work for the elimination of child poverty by the year 2000, that delay in acting inevitably leads to neglect. This must not be allowed to repeat itself in 2010. The civic, moral, and economic imperatives for poverty eradication are well established and understood among growing numbers of Canadians. Great social advances have come when provinces lead [as in medicare] and work with the federal government [pensions, child benefits]. Most provinces are engaged in poverty reduction. This is the time to build upon these commitments and help develop a plan for poverty eradication.

**Therefore, we are asking the Council of the Federation to:**

**A. Establish a working group to outline core provincial/territorial roles and expected federal contributions to a joint plan which would honour the intent of the November 24, 2009 resolution "to eliminate poverty in Canada for all." The working group would prepare a preliminary framework document for review by social services and finance ministers in early 2011, and submit a final report for adoption by the Premiers at their next annual meeting.**

**B. Request that the federal government delegate its senior officials to meet with the working group by early 2011 to propose terms of reference for a joint federal and provincial/territorial task force to implement the November 24, 2009 resolution, and to include processes for engaging First Nations' and other Aboriginal communities in the development of the joint plan.**

In submitting these requests, we are seeking the full commitment and participation of the federal government in work on the development of an immediate joint plan as called for in the all-party resolution of November 24, 2009. We trust that this participation will be forthcoming. If the current minority Government of Canada is unwilling to participate, it is even more critical that provinces proceed and demonstrate that planning for poverty eradication is a shared priority across Canada. It must be remembered that the three federal parties in opposition, with a majority of sitting members in the House of Commons, support serious federal action to address poverty. The federal government which emerges after the next election must reflect the majority will of members in the House of Commons, and be a full partner with the provinces in developing a joint plan for poverty eradication.

In a federal system, there can be confusion on how responsibilities are distributed among orders of governance. This confusion can deflect and subvert important initiatives such as the development of a plan for poverty eradication. Clarity on core federal and provincial/territorial roles and shared roles is essential if we are to avoid debates on who is responsible for what.

Roundtable participants are of the view that the basic division of responsibilities for social policy initiatives

focused on poverty are clearly established in constitutional frameworks and in the Social Union Agreement of 1999. We have developed some preliminary contentions on core and shared responsibilities which can guide work on a plan for poverty eradication.

### **Contention One**

*The federal government has a primary role in building basic income systems for adults and children across the life cycle.*

Three constitutional amendments in 1940, 1951, and 1964 have confirmed the basic income responsibility of the federal government in critical areas of Unemployment Insurance [now EI], Old Age Security, and the Canada Pension Plan [with a parallel plan in Quebec]. Federal-provincial agreements in the nineties established the federal responsibility to provide basic and supplementary income benefits for children. The Social Union Agreement at the end of the nineties confirmed that the federal government had a clear responsibility under its spending power for direct transfers to individuals.

The implications of this contention are significant. A serious plan for poverty eradication has to propose a phased and comprehensive strategy for basic income security that sustains all adults and children in dignity throughout a range of circumstances across the life cycle. A comprehensive basic income strategy might lead to variations of a guaranteed income, or to consolidation and enhancement of existing transfers.

### **Contention Two**

*Provincial governments have primary responsibilities for poverty eradication in three critical areas:*

- a) Labour markets with decent work that enables full time, full year earners to live above poverty;*
- b) Basic incomes through social assistance which contribute to a life out of poverty for non senior adults and parents with limited availability or access to employment;*
- c) Public schools from JK to 12 which assure children from Aboriginal and racialized minority origins the curriculum and resources essential to learn, thrive, and progress.*

Provinces have the statutory authority to set minimum wages, establish and enforce employment standards, and facilitate the collective representation of workers in low

wage sectors. A serious poverty eradication plan must set a social floor for decent work that lets people live above poverty. There is no credible evidence that most people living in poverty lack the motivation to work, and more evidence that too many adults and parents are in jobs that lead to poverty.

All industrialized countries have social assistance programs to address contingencies and emergencies in life circumstances. Even with a comprehensive basic income security system, some forms of social assistance will be necessary. The immediate challenge is to upgrade social assistance incomes so that vulnerable adults and children can live in health and dignity, while comprehensive reforms are being phased in.

### **Contention Three**

*While provinces/territories have primary responsibility for the administration of human services such as early learning and child care and affordable housing programs, the federal government has a direct responsibility to ensure that adequate funding is available for these essential resources.*

The federal responsibility to support provinces in their delivery of public services is enshrined in Section 36 of the Constitution on equalization. The Social Union Agreement recognizes the role of the federal spending power in providing transfers to provinces/territories to support the delivery of essential social programs and services. Adequate and sustained federal transfers are urgently required in areas critical to poverty eradication such as affordable housing, early learning and child care, extended health coverage [drug, dental, vision], and training.

### **Contention Four**

*A) The federal government and provinces must enhance the capacities of Aboriginal communities in urban settings and on reserve to direct and control poverty eradication initiatives which complement broader federal and provincial initiatives.*

For Aboriginal communities, poverty eradication is part of the struggle to overcome the legacies of colonial domination. Families and young people benefit when there are strong social infrastructures of support and opportunity among people who share a common history of violation and are engaged in common struggles for recognition and dignity. Direct federal and provincial funding for Aboriginal-controlled non-profit and co-op

organizations in the urban areas in which most Aboriginal people live can enhance Aboriginal prospects for poverty eradication through investment in critical areas such as labour market training, youth employment in green jobs, housing, and family support.

***B) First Nations children and families on reserve must be afforded equity of access to education, health, social and economic opportunities.***

The federal government has undisputed full jurisdiction for First Nations communities. Indian and Northern Affairs and Health Canada must ensure that it has recent agreements with provinces and First Nations organizations in place. These agreements must consistently define who is responsible for providing services required under provincial legislation, and what services will be provided. Jordan's Principle [<http://fnfcs.com/jordans-principle>] must be adopted by the two levels of government to ensure fair and equitable services to First Nations children. Jurisdictional disputes result in delays or disruption of services to First Nations children and families that are otherwise available to all other Canadians.

## **Contention Five**

***Federal and provincial governments must find ways of working together to develop a joint strategy for addressing the disproportionate poverty experienced by Canadians with disabilities.***

Poverty, exclusion, and isolation are a shared reality for too many of the 14.3% of Canadians who have a disability. While progress has been made over the past 25 years, too many Canadians with disabilities continue to live with the chronic hardships of poverty and face daily barriers to their full participation in Canadian

society. The personal, social and economic costs of deprivation and exclusion are too high to be ignored. Shared visions exist for an inclusive and accessible Canada. Innovative policies and programs which can implement the vision are known. Governments must develop frameworks for immediate and longer term investments in disability-related supports that address poverty and exclusion. Immediate measures include improved access to education and training, income security programs which enable a higher retention of net earnings, the expansion of EI sick benefits, and tax reform. Over the longer term, the development of a basic income support program for those who will not soon enter the labour market is essential. Particular attention must be paid to youth, Aboriginals with disabilities, and those moving out of institutions.

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We who are participants at this historic roundtable know that poverty eradication is not a utopian dream, but a credible goal that is achievable over the next decade. In concrete terms, poverty eradication means pursuing the lowest possible levels of poverty in the industrialized world, both in incidence and depth. Lowest levels in today's terms would mean the complete elimination of deep poverty [below 40% of median Canadian income] and general poverty levels [below 50% of median Canadian income] of no more than 4%.

In 1989, we made a commitment to eliminate child poverty by the year 2000. We failed because we never acted with conviction and determination. The commitment to eliminate poverty was renewed and extended in November 2009. Let us not dare to fail again. We implore the Premiers, and federal party leaders, to reflect the inherent decency of most Canadians and start to work on a plan for poverty eradication.



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