

The Senate Report On Child Poverty

By Senator Lorna Marsden

Le rapport du Sénat sur la pauvreté dans l'enfance, La Pauvreté dans l'enfance : vers une avenir meilleure, l'un d'une longue série de rapports rédigés par le Comité sénatorial permanent des affaires sociales, des sciences et de la technologie, a tiré trois conclusions importantes : premièrement, il a révélé à quel point le problème de la pauvreté infantine était répandu ; deuxièmement, il a démontré que de s'occuper de ce problème immédiatement coûterait bien moins cher, à long terme, que de remettre les solutions à demain ; troisièmement, il a proposé un moyen de se servir de fonds qui existent déjà. Ici, Lorna Marsden examine quelques-uns des résultats du rapport.

The *Senate Report on Child Poverty* is one in a long series of reports that the Standing Committee on Social Affairs, Science and Technology has produced over the years. This series began with a study called *Child at Risk*, a look at the impact of child poverty on later behaviour. An analysis of the Child Care Act followed, before the Senate rejected the Government's 1988 bill. Several reports on child benefits were also published. The report excerpted here accomplishes three things: 1) establishes the extent of this poverty in Canadian society which is truly astonishing for a developed country; 2) shows that the costs of dealing with child poverty through income and services right now would save Canadians millions of dollars in taxes and benefits later; and 3) proposes a method to do this through the reallocation of existing funds.

What has been the result? Canadians are very well aware of the problem of child poverty. Our task was to define the nature of the solutions. The Senate report proposed a supplement to families living below the poverty line that would raise everyone to or above the poverty line. We also showed that income is important but not enough. Services in the schools to help with teenage pregnancies (such as paying the family allowance during pregnancy so that women in need have a proper diet); the use of food banks to create breakfast and lunch programmes in the schools to establish good nutrition; and, above all, the need to look specifically at the situation of Native children who face circumstances significantly worse than any other segment of the Canadian population.

One important aspect of this Report is the analysis that indicates the cost to the Canadian public of failing to move this generation out of poverty. The Committee commissioned studies which indicate that over the next twenty years approximately 187,000 students will leave school due to poverty; these high dropout rates will cost Canadians an estimated \$620 million in unemployment insurance and an additional \$710 million in social assistance payments. The study goes on to show that if all those students stayed in school, federal and provincial income tax revenues would rise by \$2.7 billion and consumption taxes by an almost equal amount with the GST in place. In addition, if the dropouts completed only an average level of education their incomes would be, cumulatively, \$23 billion. This research demonstrates that the costs of poverty are much greater than the costs of adequate benefits and income maintenance at this stage.

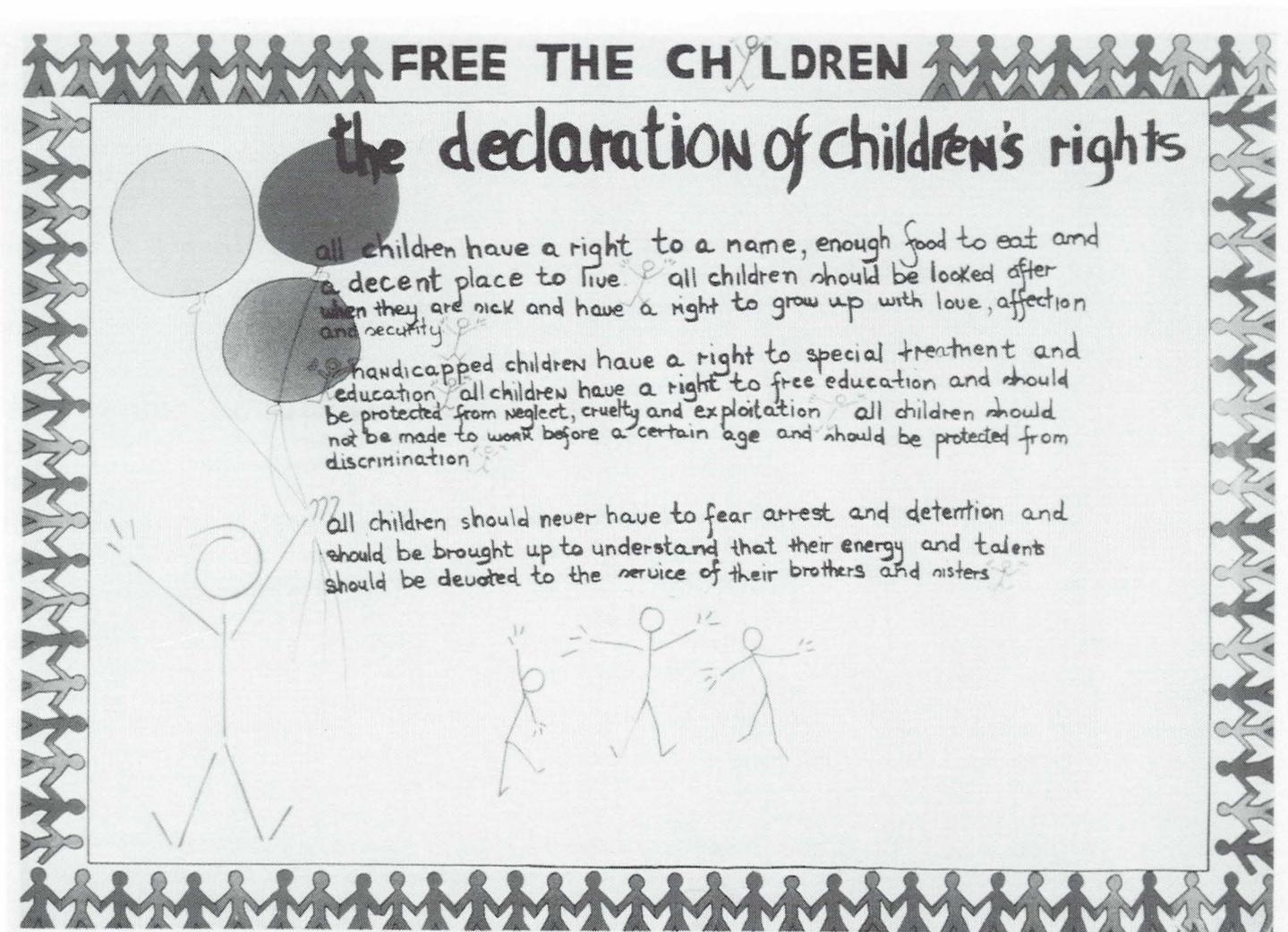
What has happened? The federal government has emerged with legislation to provide a child benefit. This benefit will begin in January 1993 and a sizeable cheque will be in the hands of parents with low incomes after that date. However, there will be no more universal family allowance. In other words, the state will no longer recognize the contributions of all those people who bring up their children and therefore contribute to the future prosperity of the country. Furthermore, since the benefit is not indexed, it will be rapidly eroded as inflation rises. Third, it is really an election ploy. The cheques will hit the mail boxes just as this Government moves into its electoral campaign and will help their campaign considerably, but those benefits will not be sustained.

Despite the electoral appeal of these cheques, will the benefit help? The benefit will help low income parents but it will not sustain

that help over the long haul. There is still no national child care programme. As the studies continue to show, child care is of significant benefit to the lives and future lives of young Canadians, especially when it is educational and developmental. There is still no employment strategy to help those low income parents earn sufficient money. Our report stressed the importance of increasing the minimum wage. Two parents working full-time, full-year, on the minimum wage, still live below the poverty line and put their children in need. One way to improve the situation significantly would be to raise the federal minimum wage, which is the lowest in the country. Another would be to improve employment equity practices and enforcement.

The Senate Standing Committee on Social Affairs, Science and Technology agreed in a non-partisan way that the issue of child poverty, which is really the poverty of their parents, is of first significance in this country. We also showed that something can be done about it. The Liberals favoured retention of the universal family allowance while the Conservatives favoured rolling it into the child benefit. The Conservative Government, not surprisingly, has chosen the Conservative option but without the other services and benefits that we all recommended. The proposed legislation is not nearly good enough for a country which is alleged to be one of the best places to live. It is not nearly good enough for the citizens of this country. The pressure to improve the lot of low income people and their children must continue.

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International Declaration of Children's Rights, 1987. Offset litho poster produced by the Free the Children Alliance, Johannesburg. Black, red, yellow, blue, and green.

Reprinted from Images of Defiance: South African Resistance Posters of the 1980s (Johannesburg: Ravan Press, 1991).

Children in Poverty

Toward a Better Future

A Disturbing Reality: 1 in 6 Canadian children live in poverty

A 1975 report of the National Council of Welfare describes what it is like to be a poor child in Canada:

To be born poor is to face a greater likelihood of ill health—in infancy, in childhood and throughout your adult life. To be born poor is to face a lesser likelihood that you will finish high school; lesser still that you will attend university. To be born poor is to face a greater likelihood that you will be judged a delinquent in adolescence and, if so, a greater likelihood that you will be sent to a “correctional institution.” To be born poor is to have the deck stacked against you at birth, to find life an uphill struggle ever after. To be born poor is unfair to kids.

Measuring child poverty in Canada

Despite the technical difficulties in precisely measuring the number of poor children in Canada, it is impossible to deny the fact that a significant number of Canadian children (one in six) live in circumstances which place them at greater social, physical and emotional disadvantage over both the short term and the long term. It is time for Canadians and their governments to rethink and confront this disturbing reality.

International comparisons

While Canada's child poverty rate has remained relatively constant (at approxi-

mately 16 per cent) over the past number of years, among industrialized nations, Canadians have very little of which to be proud when it comes to the measures we have taken for safeguarding the well-being of our children.

Data taken from the Luxembourg Income Study uses a measure of relative poverty which estimates the number of households in a country that have disposable incomes (after taxes and including transfers) of less than one-half of the country's median disposable household income. This provides a more standardized measure which allows for comparisons among different countries. Using this data, Canadian child poverty rates of approximately 16 per cent have remained lower over the years than those of the United States, which has a child poverty rate of approximately 20 per cent. However, when we compare our rates to those of other industrialized nations, particularly the Scandinavian countries, this picture is not as encouraging, with Norway and Sweden exhibiting rates of 5.6 and 5.2 per cent respectively.

Poverty, poor education and low wage jobs

All too frequently poor children grow up to be poor adults. At least part of this process is attributable to the rates of school dropout among poor children and adolescents. Using current Statistics Canada information, research undertaken for the committee projects that over the next 20 years, approximately 187,000 students will leave school due to poverty.

Limited educational attainment leads to a disadvantaged employment future for poor children. Today we know that mini-

mum wage jobs provide only a portion of what one needs to meet even the most rudimentary living conditions. In 1975, a full-time worker earning the minimum wage would make 81 per cent of the poverty line. In 1990, this worker would earn only 42.4 per cent of the poverty line income.

Child Poverty: the Canadian picture

An accurate reflection of child poverty in Canada is complicated by regional differences and variations and it is also complicated by the particular problems facing Canadian aboriginal children.

The conditions associated with child poverty are well documented and for one out of every six children in Canada, such conditions are reality. Child poverty declined during the 1970s but increased again during the recession of the early 1980s peaking, in 1984, at 1,154,000 or 20.1 per cent of all children. Fortunately, child poverty is again on the decline. However, the rate and the numbers are still higher than they were prior to the recession in 1980. As indicated, there are marked provincial variations in child poverty rates from a high of 22.6 per cent in Saskatchewan and 20.7 per cent in Newfoundland, to a low of 11.9 per cent in Ontario.

In what kind of material conditions do poor children live? Undoubtedly, there are marked differences among poor families in Canada, but the conditions of child poverty are striking in their similarities. Poor children are more likely to live in inadequate housing or experience what is often referred to as “core housing need.”

What does “core housing need” mean

in concrete terms? These are the households where the proportion of household income required to pay for shelter is considered too high. The Committee was told repeatedly of situations where households were paying up to 50 per cent, or even as high as 70 per cent of their income for housing. This situation is a particular problem in large urban locations such as Toronto, Vancouver, Edmonton, and Calgary. If the family is lucky enough to pay only 30 to 35 per cent of their income on housing costs, the accommodations may be inadequate. Inadequacy may translate into any number of problems: substandard heating, not enough hot water, improper ventilation and unsafe living conditions, including a lack of space for children to play.

Core housing need may also mean that the family is living in concentrated blocks of subsidized housing with their attendant problems of high crime rates and vandalism. Such housing conditions contribute to an environment which puts poor children at higher risk to health, developmental and other problems.

How and what do poor children eat? The Canadian Association of Food Banks, in their March 1989 survey entitled "Hunger Count," estimates that children are twice as likely to need food assistance as adults. Children under the age of 18 account for 40 per cent of the 378,000 who used their food services monthly. These figures suggest that many poor children are inadequately fed and that some of them go hungry as they are forced to skip meals or survive on "fillers" such as rice, pasta and bread.

Multiple risk factors, which occur more frequently among poor children, especially among children in families that are persistently poor and live in areas of concentrated poverty, are frequently the precursors of adult social problems. Studies document the higher risk of low birth weight, poor nutrition, developmental disabilities, poor school performance, juvenile delinquency, and child abuse among poor children. Research also demonstrates the higher exposure of poor children to multiple risk factors such as these, helps to account for the link between child poverty and adult social problems such as unemployment, physical and mental illness and disability, illiteracy and criminal behaviour.

The Committee was also reminded that poor children are the sons and daughters of poor adults and that, therefore, child poverty cannot be viewed in isolation. In part, such poverty is a result of the fact that families with children in Canada are facing declining economic conditions. Witnesses told the Committee that, contrary to common belief, the majority of poor children live with both parents and their parents are among the working poor, the unemployed, the underemployed, the sick and the disabled. They said that many Canadian families who live in poverty do so simply because of the presence of their children. Tax increases and cuts in social benefits in recent years, as well as the lack of accessible and affordable child care alternatives, low educational attainment, lack of access to job training and retraining, and excessive housing costs, severely tax the capacities of many families.

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Aboriginal child poverty

No discussion of child poverty in Canada is complete without a discussion of the circumstances facing Canada's aboriginal children. As this report indicates, contemporary estimates of child poverty are not truly representative of the extent of child poverty in Canada because they do not include figures on child poverty among the aboriginal population. Since Confederation, Canada's record with respect to aboriginal people in general, and aboriginal children in particular, has been poor. This fact is borne out in research sponsored by the Laidlaw Foundation which suggests that 51 per cent of all aboriginal children are living in poverty and that the figure is not significantly different be-

tween children living on-reserve and off-reserve. The higher rates of child poverty among aboriginal children reflect the fact that, in general, poverty rates for aboriginal peoples are significantly higher than those of Canada's non-aboriginal population. According to the 1986 census, approximately 85 per cent of all Native families have incomes below \$10,000, as reported to the Committee by witnesses from the Assembly of First Nations (AFN).

While such rates of poverty are telling in and of themselves, they do not adequately describe current living conditions. The Committee was provided with facts that go some distance toward illuminating the scope of aboriginal poverty. Disadvantaged conditions begin at birth and follow throughout the life cycle.

At birth, an aboriginal person's life expectancy is eight years less than that of the non-aboriginal Canadian population. For infants, the incidence of death in the first year of life is four times the national average and the rate of infant mortality is twice the national average. As young children grow up, they are more likely to die as the result of an accident between the time they reach one year of age and their nineteenth birthday. Accidental death and injury account for approximately 73 per cent of the deaths of young Native people, as compared to a national average of 56 per cent. A Native child who reaches his or her nineteenth birthday is six times more likely to have lost a friend of his or her own age cohort as a result of suicide than is a non-Native youth in Canada.

Can the problem of child poverty be solved?

Assuredly, the answer to the above question is yes. However, due to the complex network of interrelated factors contributing to child poverty, no one single or simple solution is available. We know that growing up poor places children at risk to a number of conditions. These include poor nutrition and poor physical and mental health, poor school performance and early school drop-out patterns, juvenile delinquency and a variety of conduct disorders such as withdrawal and aggression. Child development research indicates that both children and society can benefit from a preventive approach.

A preventive approach implies both

adequate income for families with children and a philosophy of service delivery that will adequately address the diverse nature of their needs. A two-tiered approach combining income support and services is required. The Committee believes it is possible to "break the back" of child poverty in the short term through the implementation of a revised income support system and appropriate services. Over the longer term it is important to recognize that eliminating child poverty is a process which requires ongoing management, assessment, and readjustment.

Income and Services: a two-tiered approach

Solutions which provide income are a first step in addressing child poverty. It is also clear that income alone is not enough.

In addition to programmes which provide economic resources to poor families with children, programmes providing services are indicated. These programmes should have objectives which include affordable, adequate housing and integrated, appropriate child services which are available on a continuous basis throughout the life-cycle of the child, *i.e.*, prenatal care, child care, nutrition, education, recreation and special needs programmes.

Both income and service programmes must be sensitive programmes, that is, they must not stigmatize children and their families and create further problems for them. This is not always the case with existing programmes. Witnesses involved in the Ontario Child Health Study suggest that the stigma and conditions associated with being "on welfare" translate into a higher incidence of childhood and adult social problems for children of families receiving social assistance.

To successfully deal with child and family poverty will require both long and short-term strategies. Long-term strategies will require structural changes in Canadian society, the longitudinal effects of which will minimize and prevent poverty. These changes will involve a reallocation of responsibilities and benefits between the advantaged and less advantaged, a labour force strategy and a consideration of the inter-generational obligations of adults without children for adults with children.

In the short term, there must be strate-

gies to supplement the capacities of families to meet their needs until the impacts of the long-term strategies can be felt. This plan requires that both long-term and short-term strategies be initiated swiftly and simultaneously. The strategic elimination of child poverty will occur in stages as programmes of both income and services become more preventative than curative.

In addressing the problem of child poverty, we must be prepared to accept that solutions will entail social expenditures and require ongoing management. Income programmes are the jurisdiction of the federal government while services are primarily the purview of the provinces and/or municipalities. These realities necessitate that inter-governmental communication and cooperation be given a high priority.

The ongoing management of child poverty entails a recognition that as the structure of the economy changes over time, poverty rises and falls among different groups within society. Certain groups are particularly vulnerable to poverty, *i.e.*, seniors, particularly elder women, lone-parent mothers and children. Encouraging progress has been made with respect to poverty among seniors. We must now do the same for our children.

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