

# Child Poverty Update

Child poverty in British Columbia is on the rise, more than 5% higher than it was in 1989 when all parties in the House of Commons unanimously agreed to seek an end to child poverty in Canada by the year 2000. **Michael Goldberg** outlines the state of child poverty in B.C. and proposes some solutions.

THE LATEST STATISTICS on child poverty show that both the private sector labour market and government are doing a poor job on behalf of children in B.C. Governments are failing children by not providing adequate income supports, and the private sector is failing children by not providing enough jobs with decent wages and good working conditions for parents .

Child poverty rates rose slightly in 2002 after a trend of decreasing rates. In B.C., the rate of child poverty increased slightly in 2001 and rose

dramatically in 2002. The latest figures from Statistics Canada show that 19.6 percent of B.C. children were living in poverty in 2002. That is 167,000 children—more than the combined population of Nanaimo and Prince George.

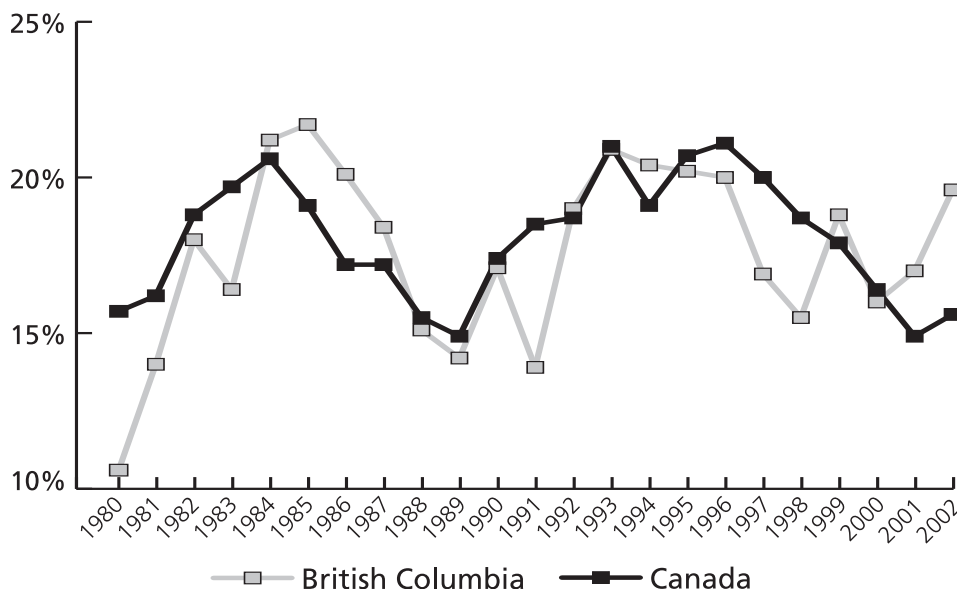
The B.C. child poverty rate was only 14.2 percent in 1989, when all parties in the House of Commons unanimously agreed to seek to eliminate child poverty by the year 2000.

B.C. had the third highest rate of child poverty among Canadian provinces. Only Newfoundland and Manitoba recorded higher child poverty rates in 2002.

Contrary to popular impressions, most poor children in B.C. live in families with annual incomes thousands of dollars below the poverty line. In 2002, the average depth of poverty for poor children was over \$10,000, the worst of all provinces in Canada.

Furthermore, only 18 percent of all poor chil-

Rates of Child Poverty in B.C. and Canada 1980 - 2002



Source: Income Trends In Canada 2001, Statistics Canada 13F0022XCB

dren in B.C. live in families with no market income, and 22% live in families that work full-time (30 hours or more per week) and full-year (at least 49 weeks).

This means that too many employers in the private sector offer low-wage, part-time, or part-year jobs that do not allow parents to earn enough to look after their families.

Meanwhile, welfare incomes in B.C. have been declining since 1994, after adjusting for inflation. The National Council of Welfare reported that B.C. welfare incomes fell to 15-year lows in 2003. While federal support for children on welfare has increased over the years, the increases have been more than offset by cuts in provincial support.

The eradication of child poverty in B.C. and Canada requires action on a number of fronts by both the federal and provincial governments.

#### *Income security through an enhanced Child Tax Benefit*

- Develop a multi-year plan with targets and timetables to consolidate the Canada Child Tax Benefit into a single program that provides \$4,900 per child per year.
- End the “clawback” of National Child Benefit funds from families on social assistance in B.C.

#### *A Canadian system of Early Learning and Child Care*

- Use designated federal funds to develop and sustain quality, universal, affordable, inclu-

sive, and *regulated* early learning and child care.

- Use federal funds only to supplement, not replace, existing provincial funding.

#### *A comprehensive Canadian housing strategy*

- Increase annual federal funding to \$625 million per annum over the period 2004–2008.
- Develop a minimum of 25,000 affordable units across Canada annually.

#### *Action to create good jobs with decent wages and working conditions.*

- Eliminate the \$6/hour training wage.
- Increase the minimum call out from two to four hours.
- Increase the minimum wage to \$10/hour.
- Repeal legislation (Bill 37) that reduced the work start age from 15 to 12.

#### *Increased and stabilized funding of the Canada Social Transfer (CST)*

- Focus CST on social services and social assistance.
- Increase federal funds.
- Establish enforceable principles that ensure adequate support is available to those in need.



#### **Online Resources**

Detailed fact sheets on child poverty in B.C. are available in the “What’s New” section of the First Call web site at [www.firstcallbc.org](http://www.firstcallbc.org).