



## SUBMISSION FOR THE DEVELOPMENT OF A POVERTY REDUCTION STRATEGY FOR BC

March, 2018

The **BC Poverty Reduction Coalition** is an alliance of organizations that have come together to raise awareness about poverty and inequality in BC and improve the health and well-being of all British Columbians through the call for a comprehensive solution that addresses the systemic causes of these problems.

**We congratulate the government for your commitment to implement a poverty reduction plan for BC.** After almost a decade of calling for action to address the root causes of BC's high poverty rates, it is good to see a government paying attention to the evidence. When the cost of poverty -- \$8-9 billion per year -- is double that of a comprehensive poverty reduction plan, it is smart policy to invest in eliminating and preventing poverty. We appreciate the opportunity to contribute to the development of the poverty reduction strategy through this submission.

We are also thrilled to see that a foundation of the government is the adoption of the UN Declaration on the Rights of Indigenous Peoples, the Truth and Reconciliation Commission calls-to-action and the Tsilhqot'in Supreme Court decision. We look forward to seeing how these principles are embedded in poverty reduction policies, programs and legislation.

### OVERVIEW

British Columbia has one of the highest rates of poverty in Canada with 557,000 people living in poverty and many more living one pay-cheque away. The BC Poverty Reduction Coalition was launched in 2009 in response to these critical issues, and has now gained the support of over 400 organizations throughout the province in the call for a **strong, comprehensive poverty reduction strategy with legislated targets and timelines** to significantly reduce poverty, inequality, and homelessness in BC.

This approach needs to raise the incomes of those living in poverty, but also build the social infrastructure, public services and assets that are vital to providing a path out of poverty and improving quality of life: social housing, universal child care, education and training, and community health care. Underlying this approach is the recognition that there are marginalized communities particularly affected by poverty, and there must be targeted efforts to address the structural barriers faced by indigenous communities, immigrants and refugees, people with disabilities, single mothers, single senior women, foster youth, and queer and transgender people.

The Coalition is made up of a diverse membership of over 80 organizations that bring their collective strength and support to this call, including community and non-profit groups, faith groups, health organizations, indigenous organizations, immigrant service agencies, businesses, labour organizations, and social policy groups. Current members listed as an Appendix.

## FUNDAMENTAL PRINCIPLES FOR THE POVERTY REDUCTION STRATEGY

Our provincial poverty reduction strategy must include the following five fundamental principles:

- Human rights foundation;
- Upstream focus to end poverty and inequity;
- Whole-of-government responsibility;
- Legislated targets and timelines;
- Poverty reduction as an economic investment for our province.

### Human Rights Foundation

**A provincial poverty reduction strategy must be grounded in a human rights framework, and make explicit reference to international human rights obligations.** The existence of poverty in British Columbia is a violation of human rights. There is not only a moral duty to eradicate poverty but also a legal obligation under international human rights law.

A human rights approach to poverty reduction is based on a fundamental respect for human dignity as opposed to a charitable approach, and is grounded in the experiences and engagement of low-income people and communities. It recognizes people in poverty as rights-bearers entitled to assert legal claims rather than being passive recipients of charitable aid.

In 1976 Canada ratified the United Nations *International Covenant of Economic, Social and Cultural Rights*, which recognizes “the right of everyone to an adequate standard of living for himself and his family, including adequate food, clothing and housing, and to the continuous improvement of living conditions.” It’s time for our government to comply with their obligations under international law.

BC’s welfare rate of \$710 per month is inadequate to provide an adequate standard of living, and the minimum wage of \$11.35 per hour is not enough to lift a full-time worker above the poverty line. “The UN Committee on Economic, Social and Cultural Rights has expressed particular concern about women’s poverty in BC, noting that inadequate welfare rates present an additional obstacle for women fleeing abusive relationships.”<sup>1</sup>

The United Nations *Declaration on the Rights of Indigenous Peoples* (UNDRIP) must be embedded in poverty reduction legislation and policy within British Columbia. Article 21 within UNDRIP states:

1. Indigenous peoples have the right, without discrimination, to the improvement of their economic and social conditions, including, inter alia, in the areas of education, employment, vocational training and retraining, housing, sanitation, health and social security.
2. States shall take effective measures and, where appropriate, special measures to ensure continuing improvement of their economic and social conditions.

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<sup>1</sup> West Coast LEAF’s 2014 *CEDAW Report Card*, Oct. 2014

Particular attention shall be paid to the rights and special needs of indigenous elders, women, youth, children and persons with disabilities.

In 2007, when the UN General Assembly first adopted UNDRIP, Canada was one of four states to oppose the declaration. However, in 2016, the federal government shifted its position, officially removing Canada's status as permanent objector to UNDRIP, and is now considering the implementation of the declaration within the laws of Canada. The BC government must play a leadership role in the provincial context as this is fundamental to true reconciliation.

The high rates of child poverty in BC violate BC's obligations to respect children's rights as enshrined in the United Nations Convention on the Rights of the Child. This includes "children's right to a standard of living adequate for their physical, mental, spiritual, moral and social development," which is far from being met by keeping children in poverty and malnourishment.

Basic civil and political rights, such as freedom of speech and the right to vote, are relatively well protected in Canadian law, but economic and social rights to basic necessities such as food, water, housing, and education are routinely violated. As human rights are all interdependent, people in poverty cannot fully enjoy all their other rights no matter how well the government is doing on other fronts. In other words, without economic and social rights secured, poverty is a barrier to accessing civil and political rights in a meaningful and effective way. This has a disproportionate impact on marginalized groups including women, LGBTQ communities, racialized and Indigenous persons, and people with disabilities, among others.

We welcome the re-establishment of a BC Human Rights Commission to ensure that individuals have an avenue to claim their rights and report violations and to report on systemic issues and highlight preventative approaches.

**We recommend amending the BC Human Rights Code to include social condition as a prohibited ground of discrimination.**

## Upstream Focus to End Poverty and Inequity

*In a small town, a group of fisher-folk gathered down at the river. Not long after they got there, a child came floating down the rapids calling for help. One of the group on the shore quickly dived in and pulled the child out.*

*Minutes later another child came, then another, and then many more children were coming down the river. Soon everyone was diving in and dragging children to the shore, then jumping back in to save as many as they could.*

*In the midst of all this frenzy, one of the group was seen walking away. Her colleagues were irate. How could she leave when there were so many children to save? After long hours, to everyone's relief, the flow of children stopped, and the group could finally catch their breath.*

*At that moment, their colleague came back. They turned on her and angrily shouted: "How could you walk off when we needed everyone here to save the children?"*

*She replied, "It occurred to me that someone ought to go upstream and find out why so many kids were falling into the river. What I found is that the old wooden bridge had several planks missing, and when some children tried to jump over the gap, they couldn't make it and fell through into the river. So I got someone to fix the bridge."*

There are over half a million people in BC desperately trying to make ends meet and keep their heads above water. An upstream, preventative approach focusing on the social determinants of health has the greatest impact in tackling poverty. Government should not be concerned with merely ameliorating the effects of poverty but needs to target their efforts at fixing the bridge.

Poverty is a fundamental determinant of both physical and mental health. In fact, the lack of resources and choices, social isolation and stress shaped by poverty make it one of the most significant contributors to ill health, and it has detrimental effects on all stages of life. This isn't surprising, given that living in poverty means you are more likely to live in cold, damp or unsafe housing, suffer more illness, have a chronic health condition, and die earlier. Health impacts of poverty directly affect 15% of the BC population, and high levels of inequality affect us all.

Child poverty is particularly concerning because poverty has a profound impact on the health and wellness of children as it hinders their physical, social and cognitive development.

According to the Canadian Medical Association, social determinants of health account for 50% of a person's health, which includes income, early childhood development, disability, education, social exclusion, social safety net, gender, employment/working conditions, race, Aboriginal status, safe and nutritious food, housing and homelessness and community belonging; all of which should be captured in a comprehensive poverty reduction strategy to ensure healthy people and healthy communities.

Poor health and poverty go hand in-hand but high levels of inequality negatively affect the health of even the affluent, because inequality reduces social cohesion, which leads to more stress, fear, and insecurity for everyone. So reducing income inequities not only benefits people in poorer communities but also people all the way up the social scale of our communities.

**Just as we pool our resources to provide public health care and education to all, the provincial government should provide and adequately fund public poverty reduction to provide universal basic services to end poverty and significantly reduce inequity in BC.**

## Whole-of-Government Responsibility

There are many different causes and symptoms of poverty so it is critical to develop the poverty reduction strategy with a comprehensive approach and proactively build in government structures that facilitate inter-ministerial communication, action and financing. Addressing poverty in a meaningful way includes considerations of: income assistance; minimum wage; housing; child care; health (including community health care, mental health and addictions); education (including K-12, post-secondary and apprenticeships); child welfare; indigenous relations; municipal roles; tax policy; transportation, and more. Therefore, all ministries of government must actively participate in the goal of ending poverty in BC and not continue to be 'silo-ed' in their approach to issues of poverty.

While the government has introduced some good initiatives, they tend to be isolated efforts. A laundry list of actions doesn't constitute a plan (as the BC Auditor General<sup>2</sup> and BC's Representative for Children and Youth have said). Real sustained progress requires a comprehensive and coordinated plan with all areas of government working together.

**We recommend legislating a poverty/equity lens that requires all ministries to consider the impact of any change to government policy, program or service on low-income people and prohibit changes that will have a negative outcome or exacerbate poverty and inequality.**

To enhance the level of understanding needed to apply this form of lens, relevant decision makers within government should be required to undertake key competency training in order to work from a fundamental perspective of informed knowledge about the intersectionality of poverty experiences and issues (links between human rights, anti-racism, impact of residential schools, nutritional fresh food security, to name a few). A similar model to the trauma-informed approach taken by many service providers in the Downtown Eastside, this poverty-informed approach will provide the necessary foundation from which to implement better policy, programs and services. Or, better yet, the government should take a leadership role in actively recruiting people with lived experience of poverty into decision-making roles.

The provincial government also has a significant role to play in advocating to the federal government for adequate investments and national standards to support provincial poverty reduction policies, services and programs, and in providing leadership and resources to support municipal governments in meaningful local initiatives.

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<sup>2</sup> Office of the Auditor General of British Columbia, *Homelessness: Clear Focus Needed*, March 2009, [www.bcauditor.com/pubs/2009/report16/homelessness-clear-focus-needed](http://www.bcauditor.com/pubs/2009/report16/homelessness-clear-focus-needed).

## Legislated targets and timelines

To ensure long-term sustainability of the poverty reduction plan, targets and timelines must be legislated. **We urge the provincial government to provide leadership, and to adopt and legislate poverty reduction targets and timelines with annual reports and other accountability measures to track their progress.** We recommend the following targets and timelines (using Statistics Canada's Market Basket Measure):

1. Reduce BC's poverty rate by 30% within four years, and by 75% within 10 years.
2. Ensure the poverty rate for children, lone-mother households, single senior women, Aboriginal people, people with disabilities and mental illness, queer and transgender people, and recent immigrants and refugees likewise declines by 30% in four years, and by 75% in ten years, in recognition that poverty is concentrated in these populations.
3. Within two years, ensure that every British Columbian has an income that reaches at least 75% of the poverty line.
4. Within two years, ensure no one has to sleep outside, and end all homelessness within eight years (ensuring all homeless people have good quality, appropriate housing).

**We urge the government to include targets for the *depth* of poverty (#3 and #4 above) and not merely the breadth of poverty, as failure to include such targets in the plan risks leaving the most poor and marginalized behind.** It would also absolve the government of necessary action in the areas over which it has the most direct responsibility, namely social assistance and housing.

## Poverty Reduction as an Economic Investment for our Province

Not only is inequality associated with multiple health and social problems with significant long-term costs, it also damages economic growth. According to a report from the International Monetary Fund, “inequality is strongly associated with less sustained growth,”<sup>3</sup> and the Conference Board of Canada warns that “inequality can diminish economic growth if it means that the country is not fully using the skills and capabilities of all its citizens or if it undermines social cohesion, leading to increased social tensions.”<sup>4</sup>

**The changes to the provincial tax system included in BC Budget 2018 signal a recognition of these issues and a commitment to reduce inequality in BC.** Medical Services Plan premiums have long been recognized as a particularly regressive tax in requiring lower-income households just above the threshold to pay the same as high-income households far above the line, thus having a far greater negative impact on low-income individuals and families. The reduction by 50% and the commitment to eliminate MSP premiums entirely is an important inequality reduction measure. The “wealth” taxes announced, such as the new speculation tax, the increase to the foreign buyers’ tax, and the introduction of a progressive property tax (one of the first in North America), are significant measures to reduce inequality through redistribution of housing wealth. **We recommend the government continue to introduce fair and progressive tax policy to address the high levels of inequality in BC.**

In relation to poverty reduction, a study from the Canadian Centre of Policy Alternatives finds that “the costs of inaction are so large that they far exceed the costs of poverty reduction.”<sup>5</sup> According to this report:

Poverty is consistently linked to poor health, lower literacy, poor school performance for children, more crime, and greater stress for family members. It is society as a whole that bears the costs of poverty, through higher public health care costs, increased policing and crime costs, lost productivity, and forgone economic activity...

The bottom line is that poverty in BC represents a direct cost to government alone of \$2.2 to \$2.3 billion annually, or close to 6 per cent of the provincial budget. The cost to society overall is considerably higher – \$8.1 to \$9.2 billion, or between 4.1 per cent of BC’s GDP. That is as much as \$2100 for every man, woman and child in BC, or \$8400 for a family of four, every year.

In contrast, the estimated cost of a comprehensive poverty reduction plan in BC is significantly lower. Homelessness and housing insecurity, as well as lack of accessible and affordable child care, are central issues, so it is good to see the government taking action in these areas as key components of such a plan. Although they are the items with the highest costs for the government, the returns on these investments for government, business and families are clear.

As housing and child care are the two highest costs in a household’s budget, the un-affordability of both contributes to high stress and work-life conflict among employees. According to a

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<sup>3</sup> <https://www.imf.org/external/pubs/ft/sdn/2011/sdn1108.pdf>

<sup>4</sup> <http://www.conferenceboard.ca/hcp/hot-topics/caninequality.aspx>

<sup>5</sup> [https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2011/07/CCPA\\_BC\\_cost\\_of\\_poverty\\_full\\_report.pdf](https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2011/07/CCPA_BC_cost_of_poverty_full_report.pdf)

position paper on Business and Families produced for the Surrey Board of Trade in March 2012 drawing from research from Paul Kershaw of HELP, work-life conflict for parents with young children causes problems for employers, including higher absenteeism, greater turnover, lower productivity, and increased use of extended health benefits.<sup>6</sup> Estimates calculated in a socio-economic study on child care from 2017 “find the turnover and absenteeism effects range between \$481.1 and \$539.7 million annually, while the total effect including productivity, but not reductions in health care premiums, ranges between \$992.9 and \$1.096 billion annually.”<sup>7</sup> Investing in affordable, publicly funded services for families will reduce these costs to the BC business community significantly.

**A poverty reduction plan contributes to a stronger provincial economy.**

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<sup>6</sup> <https://businessinsurrey.com/policy/social-policy/>

<sup>7</sup> [https://www.10aday.ca/economic\\_study\\_2017](https://www.10aday.ca/economic_study_2017)

## THE KEY PILLARS OF A POVERTY REDUCTION PLAN

Our provincial poverty reduction strategy must include the following seven policy action areas:

- Income assistance
- Low wages
- Child care
- Housing
- Education and training
- Health
- Equity

### **Income assistance**

The current income assistance system in BC is fundamentally broken. People in desperate need are being denied assistance, and if lucky enough to navigate all the structural and administrative barriers to welfare and have their application accepted, they are subjected to a life of “survival,” struggling to meet the most basic needs of shelter and food.

Data from Statistics Canada’s 2016 Canadian Income Survey shows that BC’s poverty rate is 12% (using the Market Basket Measure).<sup>8</sup> More detailed analysis is required but this reduction from the 2015 rate of 14.8% may be correlated with the introduction of the federal child tax benefit as all provinces (except Alberta) saw a significant decrease from 2015 to 2016; if so, this highlights the impact that strong policy can have. Before that, BC’s poverty rate had been effectively unchanged since 2005 when it was 15.4%. In contrast, poverty fell in a number of other provinces with the most dramatic reduction of almost 5 per cent in Newfoundland and Labrador, which had a robust poverty reduction strategy launched in 2006. One of the contributing factors was a substantial increase in income support rates (to the poverty line for single parents) and indexing rates to inflation.<sup>9</sup> Due to this and other measures included in their poverty reduction strategy, food insecurity of social assistance recipients in Newfoundland and Labrador dropped by almost 50% over 5 years, from 2007 to 2012.

The BC government has taken a step in the right direction with an increase to welfare rates of \$100 after the basic rate was frozen at \$610 per month for a decade. Disability benefits also increased to \$1033 plus a \$52 transportation subsidy per month. However, income assistance rates remain vastly below what it costs to live in our communities and these deeply inadequate rates are a leading cause of increasing levels of homelessness in BC. Looking at the reality of housing costs alone, it’s clear that welfare rates need to be increased significantly not incrementally. But, without strong rent control, the \$100 increase, in some cases, went directly

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<sup>8</sup> Table 206-0041: Low income statistics by age, sex and economic family type, Canada, provinces and selected census metropolitan areas (CMAs), <http://www.statcan.gc.ca/daily-quotidien/180313/dq180313a-eng.htm?CMP=mstatcan>

<sup>9</sup> <http://proof.utoronto.ca/wp-content/uploads/2016/06/public-policy-factsheet.pdf>

to unscrupulous landlords so stronger rental protections including rent control on the unit also need to be implemented to ensure the money will directly benefit those in poverty.

The current welfare rate of \$710 is only 43% of the poverty line<sup>10</sup> leaving the 190,000 people on income assistance in a constant state of deprivation, stress and mere survival. We were disappointed not to see any increase announced in the recent budget and hope that this is a key pillar of the poverty reduction strategy moving forward in order to tackle the depth of poverty in BC.

**We recommend increasing income assistance rates to the Market Basket Measure to ensure that people can live with dignity.** Calculated by Statistics Canada, the Market Basket Measure represents a basic standard of living and is based on the actual cost of purchasing shelter (including utilities), a nutritious diet, clothing and footwear, transportation costs, and other necessary goods and services. Currently, this ranges from \$1477 to \$1669 a month in BC for a single person and from \$2953 to \$3337 for a family of four depending on the size of their community. Setting welfare rates below this remains a sentence of poverty and is very hard to bounce back from.

**The transition to employment is hard without access to robust training and education.**

Previously welfare recipients were able to access post-secondary education but, in 2002, this support was eliminated and, since then, there has been a shift to short-term job placements in low-wage employment. The job search requirements are onerous and often do not lead to a meaningful benefit for the welfare recipient; however, the government takes punitive measures, such as docking money off future welfare cheques, if people are found to be in non-compliance. Georgia Brown described her experience of this at the Vancouver Fair Wage Commission in November 2017, saying:

*On welfare, I'm pressured into contract low-wage jobs, which don't meet with my timing, like picking up the kids after school...And then I have to look for another contract job at the same time, going for interviews in my lunch hour. It's chaos out there! But my cheque is put on hold if I don't meet the Jobs Plan.*

*And I have to take my busfare out of my welfare cheque, which is hard on such a low income.*

The increase of \$200 to the earnings exemption in all income assistance categories, announced in September 2017, helps with transitioning into employment but, in reality, the majority of those on income assistance are unable to work due to a disability or other barrier. While paths to employment through education and training need to be enhanced, the bottom line is that those paths are hard to travel while rates are almost impossible to live on. A system that is supposed to help people bounce back on their feet more often keeps them down.

Other income is categorized as unearned and in many cases clawed back dollar for dollar from a person's welfare cheque. This was the case for child support until the BC government took the lead in 2015 and became the first province to allow single parents to keep their child support. However, this change has not happened for payments from the Canada Pension Plan – Disability

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<sup>10</sup> Using the Market Basket Measure (<http://www5.statcan.gc.ca/cansim/a26?lang=eng&id=2060093>), 2016 rate for Vancouver. That's for the reference family of 4 so apply the conversion rate to get the single rate (in this case, divide by 2); then divide by 12 to get the monthly rate of about \$1669; \$710 is approximately 43% of that figure.

(CPP-D), which is still clawed back. In fact, people on disability assistance (PWD) are required to apply for CPP-D early at 60 years, which then has the impact of reducing their pension payments when they reach 65 years. Further, if their CPP-D payment is higher than PWD benefits and they become ineligible for PWD, they are no longer eligible for benefits, such as diet supplements, monthly nutritional supplements, orthodontics, crisis grants and moving supplements.<sup>11</sup> **Other provinces have taken action on this issue so we recommend BC follow suit and stop the clawback of CPP-D.**

**Income assistance is also very hard to access.** The BC Public Interest Advocacy Centre has been documenting systemic accessibility issues for years<sup>12</sup> and reports that:

In recent years, BC's welfare ministry has radically altered its service delivery model in ways that have made it very difficult for the most marginalized people in the province to access basic services (i.e. closing ministry offices and reducing office hours, providing the majority of services over a centralized phone line, placing arbitrary limits on phone call length, requiring that the lengthy initial application be completed online).

Together, these changes create serious barriers for the most vulnerable people in the province to access essential funding for their basic needs. Individuals receiving income assistance have very little money. Many live in unstable housing and some are homeless. This means that many do not own a phone, and many that do own phones use "pay as you go" plans that run out quickly. Most income assistance recipients do not own a computer and many are not computer literate. For those that do have a computer, few can afford internet access.

As well as these challenges, there are other barriers that discourage, delay or deny people in need, such as the three-week work search, the two-year independence test, and low asset thresholds. As one of the participants said at the Vancouver poverty reduction consultation on March 10, "they give us the run-around and hope we give up." The access rules need to change, and the government needs to clearly signal a cultural change within the Ministry so that applying for help when in need will not be a cumbersome process that forces people to jump through unnecessary hoops and harms their dignity. In Budget 2018, \$6 million was allocated for addressing accessibility to welfare and we hope to see further investment in ensuring that the system is grounded in human rights and respect, and that income assistance is accessible to all when needed.

### **Recommendation: Provide adequate and accessible income support for the non-employed**

#### ***Priority actions:***

- *Significantly increase welfare and disability rates to the Market Basket Measure, and index them to the cost of living.*
- *Increase earnings exemptions, and remove arbitrary barriers and clawbacks that discourage, delay and deny people in need.*

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<sup>11</sup> <http://www.tapsbc.ca/taproot-article/cpp-d-pwd-requirement-“cpp-recovery-program”-0>

<sup>12</sup> <http://bcpiac.com/our-work/welfare>

## **Low Wages**

While the *depth* of poverty may be about deeply inadequate income assistance rates, the *breadth* of poverty in BC is about working poverty – it’s a low wage story. In fact, about half the poor in BC are either the working poor or the children of the working poor.

The latest Statistics Canada data shows that BC continues to have the second highest poverty rate in Canada for working age people (18-64 years) at 13.5%.<sup>13</sup> One of the factors driving the high poverty rate in this age range is the fact that our minimum wage of \$11.35 per hour leaves a worker living below the poverty line. Not just slightly below the poverty line but thousands below; for instance, according to the latest BC Child Poverty Report Card released in November 2017 by First Call: BC Child and Youth Advocacy Coalition, a single parent with one child working full-time for the whole year for minimum wage would have only earned \$18,761, leaving them about \$10,000 below the poverty line. A single worker is still \$4,300 below the poverty line.

Families who work for low wages face impossible choices – buy clothing or heat the house, feed the children or pay the rent. The result can be spiraling debt, constant anxiety and long-term health problems. In many cases it means that the adults in the family are working long hours just to pay for basic necessities, often at two or three jobs. These workers have little time to spend with their family, much less to help their children with school work or participate in community activities. Not only does that have a direct impact on those workers and their families, but we are all impacted by that loss within our communities and our society in general.

Approximately 1 in 4 workers in BC, 421,400 people, earn less than \$15 an hour, and they are predominantly women and racialized making this an issue of gender and racial justice:

- 62% of minimum wage earners are women and 59% of workers earning less than \$15/hour are women.
- In relation to precarious employment, women are 40% more likely than men to working multiple part-time jobs.
- New immigrants, racialized people, and indigenous people are over-represented in low-wage work and face a significant income gap.

In contrast to the view that low wage workers are teenagers still living at home working part-time just to earn some extra money, the reality is that many of them are trying to support families. Of workers earning less than \$15/hour:<sup>14</sup>

- 78% are 20 or older;
- Two thirds do not live at home with their parents and 76% are not students;
- Over half work full-time and over a third have worked in the same job for more than 2 years so these are long-term positions;
- 56% are the head of their household;

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<sup>13</sup> Table 206-0041: Low income statistics by age, sex and economic family type, Canada, provinces and selected census metropolitan areas (CMAs), <http://www.statcan.gc.ca/daily-quotidien/180313/dq180313a-eng.htm?CMP=mstatcan>

<sup>14</sup> <https://www.policyalternatives.ca/publications/reports/charting-path-15hour-all-workers—and-road-beyond>

- 47% have children under 24 and 11% are single parent families;
- 14% or 69,600 of these workers are over 55.

A low minimum wage makes it hard to transition off income assistance, especially for those with children. The increase to the earnings exemption bringing it now up to \$400 helps with that transition but, if a minimum wage job remains a sentence of poverty and now adds the cost of child care to the family expenses, it is unsustainable. An inadequate minimum wage keeps people in a cycle from welfare to low wage work and back again.

An increase of the minimum wage to \$15/hour not only lifts workers above the poverty line, it benefits the government in terms of increased tax and consumption revenue. While there is a cost to local businesses, they will also experience the benefit because low-wage workers will have more purchasing power and these workers largely spend within their local communities. Their increased spending drives demand for firms' products and services, in turn generating more employment and investment.

The government's recent announcement to increase the minimum wage to \$15/hour is good news for low-wage workers in BC but the long timeline delaying the final increase until 2021 will continue to keep workers in poverty for too long. At the Fair Wage Commission hearing in Vancouver in November 2017, a single mother talked about having to work two low-wage jobs and never seeing her 13-year old son; she was concerned about missing the next 3 years of his life as he tried to deal with teenage life on his own. We have failed that family and set ourselves up for failure as a society when we are hit with the long-term consequences of over-worked parents and children without support.

**We recommend increasing the minimum wage to \$15/hour by January 2019.**

We also join the Living Wage for Families Campaign in encouraging employers, including governments, to become living wage employers. A "living wage" is a powerful tool to address poverty. It is not the same as the minimum wage, which is the legal statutory minimum all employers must pay. It reflects what a family needs to bring home, based on the actual costs of living and raising children in a specific community. A living wage allows families to escape poverty and severe financial stress, participate fully in their communities, and ensure healthy child development.

**The employment standards protections for vulnerable workers, which cover areas such as overtime hours and vacation pay, are far too lax.** The Employment Standards Branch, now within the Ministry of Labour again, has the mandate and responsibility to enforce the employment rights of workers as detailed in the *Employment Standards Act* and the *Employment Standards Regulation*. However, according to the Employment Standards Coalition:

The Employment Standards Branch has failed spectacularly to effectively carry out its responsibilities under the *Act* for over a decade and a half. This failure is manifest in the closure of 8 regional offices throughout the province, a significant 51% reduction in enforcement staff, the creation of significant administrative barriers to the filing of complaints by workers, especially the requirement to complete a "self-

help” step before a complaint is accepted, and the absence of pro-active investigation and enforcement activities.<sup>15</sup>

The \$3 million assigned to the Employment Standards Branch in Budget 2018 is not enough to address these issues. We support the recommendations of the Employment Standards Coalition to:

- significantly raise the Ministry of Labour funding for the Employment Standards Branch to increase and support staff in conducting effective proactive investigations and enforcement;
- expand and enforce penalties for violations;
- extend the wage theft recovery period;
- address misclassification of contracted employment;
- provide benefits to precarious workers including paid sick leave to all;
- improve conditions of employment for children including increasing the minimum start age from 12 to 16 years old;
- establish rights and protections for migrant workers.

**Recommendation: Improve the earnings and working conditions of those in the low-wage workforce**

***Priority actions:***

- *Increase the minimum wage to \$15 an hour by January 2019 for all workers with no exemptions and index it to the cost of living.*
- *Follow the lead of many municipal governments and become a living wage employer of provincial government staff and contractors; and encourage other employers to adopt the living wage for families.*
- *Restore the coverage and enforcement of employment standards.*

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<sup>15</sup> BC Employment Standards Coalition *MLA Briefing Document*, February 2018.

## Child care

For parents to work or go to school, they need accessible, affordable child care, but child care in BC is in crisis. There is only a licensed child care space for about 20% of BC children. Child care is the second highest expense (after housing) for families in BC and, in some communities, the highest expense. Fees have increased substantially over the last few years while government subsidies have not kept up. Due to this, over the last 3 years, “the average number of children in lower-income families receiving fee subsidies dropped by almost 6,000, or 23%,”<sup>16</sup> as these families were increasingly unable to afford child care services even with the subsidy.

The benefits to families of providing universal, quality, affordable child care are clear but it is worth highlighting that the gains are particularly significant for single mothers, and help many families transition off social assistance, reducing government expenditure in that system and reducing income inequality overall.

A socio-economic analysis of the \$10 a day child care plan released in January 2017 projects that this universal child care system would generate sufficient revenue to the government to pay for the additional government spending required to build and operate the system.<sup>17</sup> According to the report, “the increase to GDP is close to 2.0 per cent or \$5.787 billion on full implementation,” and the analysis estimates “employment increases by 2.8 per cent, or 69,100 net new FTE jobs - an employment multiplier of 36.4 jobs per million dollars of spending. Both of these multipliers are well above the benefits the province conventionally expects to receive from other investments.”

**We congratulate the government on taking initial steps towards a universal child care system for BC in the 2018 budget.** Leading up to the budget, the Child Care Advocates of BC and the Early Childhood Educators of BC called for a substantial investment of new funds to lower fees, support the workforce, create more quality community-owned spaces and support an Indigenous led process to develop and implement of an Indigenous Early Learning and Care Framework. The budget addressed these issues and affirms the commitment to move towards a universal system. Highlights include:

- A commitment of over \$1 billion in provincial and federal funds over 3 years - enough to turn the corner on the child care chaos and begin to build a system.
- Fee reductions of up to \$350/month for licensed infant/toddler care and up to \$100/month for licensed 3-5 year-olds in programs that opt in with contractual requirements to pass the fee reduction on to parents; this is expected to benefit up to 50,000 families.
- New affordable child care benefit of up to \$1,250/month for families with pre-tax incomes of \$45,000 or less with reduced benefit for families earning up to \$110,000 a year; this is expected to benefit 86,000 families.
- \$136 million in a workforce development strategy with immediate increases in spaces in public post-secondary institutions to train Early Childhood Educators

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<sup>16</sup> *Policy Briefing Note*, March 2018, <https://www.10aday.ca>

<sup>17</sup> [https://www.10aday.ca/economic\\_study\\_2017](https://www.10aday.ca/economic_study_2017)

and expanded grants/bursaries; a commitment to address compensation in the workforce strategy but no immediate wage increase.

- 24,000 new spaces throughout the province in partnership with public bodies and non-profit organizations.
- Expansion of the Head Start program for indigenous families both on and off reserve.<sup>18</sup>
- Start up grants to encourage child care providers to become licensed in order to improve the quality of care.
- Prototype centres to build the model of reduced fees, supported ECE workers and early learning centres in a representative range of BC communities.

Attention and action must be directed towards supporting families currently accessing unlicensed child care in the transition to affordable, licensed child care. These families may be those who need the new benefits most urgently because, as unlicensed child care is not required to meet any standards for health and safety, it is often cheaper attracting lower-income families with nowhere else to turn. This requires government support for, in the short-term, transitioning unlicensed caregivers to licensed child care and, in the long-term, creating new, affordable licensed spaces. It is good to see that these pieces are part of the government's Child Care BC plan and we hope to see this investment supporting those families most in need.

**Recommendation: Continue to build universal publicly-funded child care**

*While this progress is significant, we recommend that government continue down this path by:*

- *Improving the wages of early childhood educators promptly with an interim stage of ensuring a living wage and a final goal of an average wage of \$25/hour plus 20% benefits (unadjusted for inflation) on full implementation.*
- *Continuing to increase the number of licensed child care spaces and support high-quality programming.*
- *Prioritizing the expansion of the fee reduction program so that the affordable child care benefit can be reduced over time until free child care is provided directly to low-income families.*

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<sup>18</sup> BC Aboriginal Child Care Society: *Indigenous-led child care in BC finally has the potential to be a reality:* [http://www.acc-society.bc.ca/files\\_2/documents/NR\\_BCACCSBCGovFebBudgetreaction\\_web.pdf](http://www.acc-society.bc.ca/files_2/documents/NR_BCACCSBCGovFebBudgetreaction_web.pdf)

## Housing

BC has a housing crisis throughout the province with thousands of homeless and people facing housing insecurity struggling to survive in our communities, spending a huge share of their income on rent and/or living in sub-standard, over-crowded housing. According to the BC Non-Profit Housing Association, 45% of renters in BC are living in housing insecurity, spending more than 30 per cent of their income on rent; and 1 in 5 renters are spending more than half their income on rent leaving them with little left over to support themselves and their families.<sup>19</sup>

The impacts of this are felt throughout BC but the Downtown Eastside (DTES) of Vancouver is one of the worst hit communities. According to Carnegie Community Action Project's 2017 *Hotel Survey and Housing Report*, "with an estimated 1,200 homeless people living in the DTES, with over 500 DTES residents evicted from their homes through no fault of their own, with only 21 new units of housing at welfare rate, with average rents in privately owned and run hotels ramping up to \$687 a month, and with the fentanyl overdose tragedies killing people weekly, the community is in deep crisis."<sup>20</sup> The increase in average rents is \$139 over last year's rate, the highest increase in 10 years. For those on welfare, this leaves only \$23 a month left over for food and other basic necessities.

According to the Affordable Housing Plan for BC, the costs of inaction in tackling these issues is far higher than investing in and building truly affordable social housing.<sup>21</sup>

Investments made now can save billions in the future. For example, homelessness alone is estimated to cost Canadians \$7 billion annually, including \$1 billion per year in British Columbia. Research has found that for every \$10 spent on housing and supports for those who are chronically homeless, \$21.72 is saved in costs related to health care, the justice system, shelters, and other social supports...

The construction of affordable rental housing units will contribute thousands of jobs and billions in tax revenue for government. A 2013 report by LandlordBC and KPMG Canada found that BC's rental housing sector contributed \$10.60 billion to Canada's GDP, produced \$4.87 billion of labour income, and generated 82,851 full-time equivalent jobs across the province. Another study found that for every dollar government invested in residential building construction in Ontario, Canada's GDP increased by \$1.52...In addition, given that housing is the most expensive budget item for the average BC household, income support programs would increase disposable income for low-income households, creating even more economic activity.

**We congratulate the government in restoring significant investments in housing in BC in Budget 2018.** The total invested will be \$6.5 billion over 10 years for a promise of 114,000 homes, including \$1.6 billion over the first 3 years. Initial commitments welcomed include:

- \$445 million over 3 years (of a 10-year commitment) for 19,000 affordable rental units for the "missing middle," those with moderate incomes.

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<sup>19</sup> <http://rentalhousingindex.ca>

<sup>20</sup> <http://www.carnegieaction.org/wp-content/uploads/2018/03/CCAP-2017-Hotel-Report-1.pdf>

<sup>21</sup> [http://bcnpha.ca/wp\\_bcnpha/wp-content/uploads/2017/04/BC\\_Affordable\\_Housing\\_Plan.pdf](http://bcnpha.ca/wp_bcnpha/wp-content/uploads/2017/04/BC_Affordable_Housing_Plan.pdf)

- \$306 million over 3 years towards construction of 2,500 new units of supportive housing for the homeless and 1,500 units for women and children fleeing domestic violence.
- 1,750 units for indigenous people over 3 years.
- 5,000 units of student housing provided through borrowing program but **affordability issues on campus not explicitly addressed.**
- \$1 billion over 10 years in retrofits and renovations of existing social housing.
- Expanding seniors' benefits (SAFER program) and increasing Rental Assistance Program for working parents, which will benefit 3,200 new seniors and families.
- Changes to laws on renovations or demolitions but **no rent control on the unit.**
- Significant tax measures to redistribute housing wealth:
  - new speculation tax for Metro Vancouver, Greater Victoria, Fraser Valley, Nanaimo and Kelowna;
  - foreign buyers tax increased from 15% to 20% and also extended to those regions;
  - increasing property purchase tax and school tax rate for homes worth over \$3 million.

While this is a significant move in the right direction, more is needed. 2,500 new units of housing for the homeless over 3 years, in addition to the 2,000 modular units announced in September 2017, will not meet the need. We look forward to seeing the results of the first provincial homelessness count but estimates set the current level at over 10,000. Further, while modular units provide much more security and stability than shelters, they are not designed to be long-term homes. They are quicker to build but many have limited bathroom and kitchen facilities, and are not well-insulated from weather, noise and other environmental contexts. Long-term housing must be built at the same time as the government provides these modular shelter units. In addition, while extra support is needed for some, many homeless do not want or need the surveillance and lack of privacy built in to the supportive housing model. **Ensuring the right to housing for all requires grounding the government's approach in respect and dignity for homeless and under-housed people.**

The housing provided also needs to go further in focusing on specific populations and their needs. A set percentage of the housing to be built should be at welfare shelter rates and another set target should be tied to the senior shelter level. The government also needs to include specific units for accessible, adaptable housing options. Overall there is a growing aging population which is increasing within the homeless population, and there are many more who rely on wheelchairs, mobility devices and require accessible housing, washroom and kitchen facilities.

The government has made a shift from a primary focus on supporting home ownership to providing housing for renters, but protections for renters must be enhanced. Clearly, the cost of housing is already too high for far too many people in BC, and with inadequate rent control,

there's nothing to stop that increasing. When rent control is based on the renter not the unit, this means that when tenants move out, landlords can increase the rent as much as they like. This gives landlords an incentive to force tenants to move through harassment, neglect or any other means when they see an opportunity to charge higher rent, leaving all the power in the landlord's hands at the expense of the renter's long-term security in their home. Rent control attached to the unit instead has the potential to rebalance the power and protect renters from unscrupulous landlords. In BC, the situation is especially critical. So-called "renovictions" take place throughout BC and leave evicted families scrambling to find other affordable, adequate accommodation in a shrinking rental market. **Without stronger rent control, any increases to incomes implemented by the government (either minimum wage or income assistance) may (and often do) lead directly to higher rents so the extra money aimed at reducing the poverty of tenants goes to landlords instead.**

The BC government's elimination of fixed-term leases fixed a major loophole but further changes to the *Residential Tenancy Act* (RTA) are necessary to address other fundamental issues, including:

- The current RTA allowance of annual increases of CPI plus 2% means, compounded, rents have been far out-stripping inflation in recent years;
- The grace period for late rent payment is only 5 days in BC, much shorter than other provinces;
- Access to service through the Residential Tenancy Branch, particularly in rural areas, is limited because of closure of regional offices and long phone wait times;
- Fraudulent evictions (e.g. using the provision that the landlord is planning to house a family member) are common and the burden of proof is on the tenant rather than the landlord.

**We recommend the provincial government introduce stronger tenant protections including tighter limits on annual rent increases, tying rent control to the unit (not the tenant), adequately enforcing the *Residential Tenancy Act* (RTA), and extending tenant rights to include all non-profit social housing currently exempt from the RTA.**

**Recommendation: End homelessness and adopt a comprehensive affordable social housing plan**

*Priority Action:*

- *Recommit to building thousands of new social and co-op housing units per year. BC should be bringing on stream 10,000 such units per year.*
- *Enhance and enforce tenant rights including introducing rent control on the unit.*

## Education and Training

The connections between expanding education and reducing poverty are self-evident. Meaningful, long-term training and education must be offered and supported, so that low-income people can access stable, well-paying jobs.

The under-funding of public education has meant an increase in school fees, such as those now collected for field trips, supplies, sports and arts, and specific course materials. This causes great family stress, and children from low-income families often exclude themselves from activities and programs. The role of public education in giving every child an equal chance is seriously undermined by the inequity created by school fees.

Over the last 16 years, BC's public schools have faced devastating cuts and the Select Standing Committee on Finance and Government Services has, for the past 3 years, found that public funding is not adequately supporting public education. According to the submission from the BC Confederation of Parent Advisory Councils:

While annual funding dollars to education has increased, the allocation for public education has not kept up with inflation, increases in contract agreements or rising operational and maintenance expenses. In terms of per-pupil funding and percentage of GDP, BC has fallen behind the rest of Canada. A 0.9% decline in the share of GDP dedicated to education funding represents about \$2 billion per year.

BC lags behind the rest of Canada in terms of spending per student, growth in education expenditures since 2008-2009 and student to educator ratio. In the five-year period 2008-2009 to 2012-2013, the average expenditure per student in Canada increased 14.1% whereas BC increased only by 6.5%. The average expenditure per student nationally for 2012-2013 was \$12,377 while BC remained at \$12,113. If BC matched the \$12,377 average national expenditure, it translates to \$143 million more in funding for the province's 565,000 students.

While Budget 2018 committed an increase of \$212 million in operating funding for public schools, more funding is needed for specialist teachers and education assistants to properly support children with special needs.

**We urge the government to provide stable, increased operational and capital funding to mitigate inequalities, including ensuring adequate library staff and resources, and special needs assessment and support.**

**Post-secondary education (PSE) is also severely underfunded.** Tuition fees have increased substantially over the last 16 years, well outpacing inflation; and housing costs have skyrocketed while wages have remained stagnant, leaving students facing a huge burden of debt if they are even able to access PSE. According to a study referenced in the submission from the BC Federation of Students (BCFS), the average public student debt for a four-year program in BC is estimated to be \$34,866.<sup>22</sup> As the BCFS highlights, this impacts low-income students far more:

Students and families with the fewest financial resources have to borrow the most for post-secondary education. As a result, these same students end up graduating with higher debt levels, and end up paying more in interest payments, and

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<sup>22</sup> <http://www.wearebcstudents.ca/wp-content/uploads/2016/10/GR-BC-Budget-2018-Submission-1.pdf>

ultimately pay more for the same education than those who can afford to pay up-front. For these and other reasons, provinces such as Manitoba and Newfoundland and Labrador have eliminated interest on student loans, moving towards a more equal and accessible model of student aid.

In 2015 the Government of Newfoundland and Labrador announced the replacement of its entire student loan system with a grants-only model, meaning that student financial assistance in that province is now 100% non-repayable. By comparison, a 2008 report by the Millennium Scholarship Foundation found that non-repayable forms of aid in BC amount to only 12% of student financial assistance, the lowest such proportion in Canada.

There was little in Budget 2018 for post-secondary education:

- Dedicated funding for indigenous skills training;
- \$30 million in new dollars for additional supports for former youth in care (other funding for technical students, Adult Basic Education and English Language Learners, and former youth in care had already been announced);
- Nothing new on capital expenditures but a projected lift in operating grants of 3.4% per year.

However, with a projected 6.1% increase per year in revenues from tuition fees and with domestic tuition increases still capped at 2%, this means continued reliance on international students without adequate support for them to succeed. There was also a commitment to a \$450 million housing fund for institutions to borrow from for potentially 5,000 new units within residences but institutions must cover 25% of the cost and there is no assurance that this housing will be affordable. Nothing was included in the budget to address student loan interest rates. The Ministry is continuing to look at the issue at a cost of \$17 million per year.

**We recommend reducing tuition fees by at least 50% and increasing the availability of post-secondary grants for low-income students.**

Investing in education has both social and economic benefits. According to a study from the Canadian Centre for Policy Alternatives cited in the BCFS submission, “British Columbians with university education pay between \$80,300 and \$140,000 more in income taxes, and require between \$15,400 and \$18,100 less in government aid throughout their lifetimes.” Supporting those who can least afford to access post-secondary education provides the greatest returns to government investment.

However, in 2002, the BC government eliminated targeted funding to post-secondary institutions for income assistance students and changed the rules so that income assistance recipients could no longer attend post-secondary education without losing their benefits; instead, students were required to leave welfare and apply for student loans.<sup>23</sup> The emphasis has shifted to short-term job search with limited training opportunities. **Income assistance recipients should have access to post-secondary education and apprenticeships to enhance transition into living-wage employment not merely employment programs that lead to low-wage work.**

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<sup>23</sup>[http://www.policyalternatives.ca/sites/default/files/uploads/publications/BC\\_Office\\_Pubs/bc\\_2006/path\\_out\\_of\\_poverty.pdf](http://www.policyalternatives.ca/sites/default/files/uploads/publications/BC_Office_Pubs/bc_2006/path_out_of_poverty.pdf)

**Recommendation: Enhanced support for training and education for low-income people**

*Priority Actions:*

- *Reduce tuition fees by 50% and increase the availability of post-secondary grants for low-income students.*
- *Allow welfare recipients to attend post-secondary education and get apprenticeships.*
- *Adequately fund K-12 education to mitigate inequalities and to ensure adequate library staff and resources, and special needs assessment and support.*

## Health

Poverty is a fundamental determinant of health, and the health care costs of poverty add up to \$1.2 billion per year. So, all of the other policy recommendations outlined so far will have a direct impact on improving the health of low-income people. That said, government provision of essential health services, such as dental, optical, hearing and prescription drug coverage, as well as community health care — home care, home support, assisted living, long-term care, and community mental health services — should be enhanced and expanded.

According to the BC Health Coalition, seniors today “have less access to publicly funded home and community care services—including home care, assisted living, and residential care—than in 2001.”<sup>24</sup> In a 2018 report on residential care facilities, BC’s Seniors Advocate found that almost 85% of the province’s residential care facilities are understaffed in relation to the government’s own guidelines.<sup>25</sup> So we welcome the commitment in BC Budget 2018 of \$548 million for seniors’ care over three years, including funds for residential care. This investment will begin to repair many years of neglect of seniors care services. However, the government should stop contracting out assisted living and long-term care facilities to non-profit and for-profit contractors, and instead build and operate those facilities within BC’s health authorities.

The budget also committed \$105 million in funding toward eliminating or reducing deductibles for prescription drugs for poor and working class individuals and families. Without extended health benefits, many British Columbians cannot afford to fill prescriptions so this is a much-needed measure to address unaffordability and improve health. There is also a role to play for the provincial government in advocating to the federal government for a national pharmacare program for all, not partial drug coverage, as the federal government is discussing now. Canada is the only country with a public health care system that does not have a national public drug plan for all. Studies have proven that a single drug plan, covering everyone, would save up to \$10.7 billion dollars per year by negotiating lower drug prices and ending payments to insurance companies.

People in poverty often rely on walk-in clinics or emergency health responses due to the lack of accessible primary care, so it is good to see a recognition of this issue through a commitment to \$150 million over three years to expand coverage of primary care providers to improve access to team-based care. Also making a difference to lower-income people will be the complete elimination of MSP premiums by January 2020, saving families \$1,800 per year and individuals \$900 per year. We are pleased to see that the government has introduced a new employer tax as a fair way to replace part of the premium revenue so that we do not lose any fiscal capacity to pay for public services.

For years BC has had the dubious distinction of being one of the lowest investors in health care of any of the provinces. BC Budget 2018 starts to reverse that trend by increasing the Ministry of Health’s operating budget by more than \$1.5 billion over the next three years. There is also \$3.1 billion for health construction projects, upgrades to facilities, medical and diagnostic equipment, and information management technology systems but it is important that this money is allocated directly to public projects not public-private partnerships. We are pleased to join the BC Health

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<sup>24</sup> Budget 2018: Smart investments in public health care, BC Health Coalition e-newsletter, February 21, 2018

<sup>25</sup> <https://www.seniorsadvocatebc.ca/osa-reports/british-columbia-residential-care-facilities-quick-facts-directory-2018/>

Coalition and the Hospital Employees' Union in congratulating the government on their new strategy to tackle surgical wait times, which includes five specialized hip and knee replacement programs throughout the province.

**In September 2017, the government launched a new Ministry of Mental Health and Addictions, in part in response to the devastating reality that BC is facing an opioid crisis**, with about 4-5 overdose deaths each day. As the Public Health Association of BC (PHABC) state in their Opioid Action Plan Open Letter, “[w]hile not all people who use drugs come from a background of deprivation, opioid addiction frequently begins and ends in desperation: homelessness, poverty, unemployment, crime, chronic poor mental and physical health, chronic physical and emotional pain and an untimely death.” We support the PHABC in recommending a public health approach to this challenge and we have yet to see strong action from the provincial government.

The issues of mental health and addictions are also much broader than this crisis so it was disappointing not to see other mental health issues also addressed in BC Budget 2018. Further, while BC has very high rates of ER visits and repeated hospitalization related to these issues, the budget continues to rely heavily on crisis care rather than preventative measures. As the Canadian Mental Health Association has stressed, “all British Columbians should receive timely care for mental health and addictions before they are in crisis.”<sup>26</sup>

While \$290 million was announced in September 2017 in the Ministry of Health budget to support shifting from emergency response to a longer-term proactive and preventative strategy over the next three years, the details and timeline of this plan still remain unclear. The \$32 million also allocated to the Ministry of Public Safety and Solicitor General in association with this strategy continues the crisis response and criminalization of poverty. Budget 2018 only included \$10 million per year for the Ministry of Mental Health and Addictions to conduct research and make policy recommendations to the Ministry of Health and Ministry of Children and Family Development. Much more commitment and investment is needed to address the depth and breadth of these issues.

**Recommendation: Enhance community mental health and home support services, and expand integrated approaches to prevention and health promotion services**

*Priority Actions:*

- *Expand essential health services in the public system, such as dental and optical care and community mental health services.*
- *Expand home support and residential care services, and increase the number of residential care beds.*

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<sup>26</sup> <https://cmha.bc.ca/impact/influencing-policy/>

## Equity

Indigenous people, people with disabilities (including mental health issues), recent immigrants, refugees and temporary foreign workers (including farm workers and live in caregivers), single mothers, single senior women, queer and transgender people (particularly youth), and youth aging out of care have higher rates of poverty and homelessness. The poverty reduction plan must focus its efforts on the structural barriers faced by these groups.

Lone-parent families throughout BC, in particular single mothers, continue to face much higher poverty rates at over 30%.<sup>27</sup> Poverty rates have also increased since 2005 for youth between 18 and 24 years old and seniors over 65. Many of the measures included in other policy areas will have an impact on these groups but **we also support the Single Mothers' Alliance (SMA) of BC and the Council of Senior Citizens' Organizations of BC in their call for a low income transit plan.** SMA members have highlighted the need for a free transit pass for children 0-18 years of age to ensure full access to education and a low-income transit pass for adults. We also support First Call's Fostering Change (previously Vancouver Foundation's) campaign in calling for specific support for youth aging out of care.

SMA, West Coast LEAF and BC Public Interest Advocacy Centre have also raised the critical challenges with a severely under-funded legal aid system. Family law legal aid is restricted to low-income people fleeing domestic violence situations and there are limited caps on the hours of legal service provided.<sup>28</sup> As women are the primary users of family law legal aid, this leaves "a rising number of women representing themselves or shut out of the family law system due to their poverty and low income status."<sup>29</sup> **BC Budget 2018 only included \$5 million per year for legal aid, which does not go far in filling the \$40 million cut from the previous government.**

Children in BC face higher rates of poverty than the general population, which is of great concern considering the long-term physical, social and cognitive development implications, not to mention the cost to society as a whole. BC is the only province that provides a childhood tax benefit that stops at age 6, in comparison to the rest of the country providing support up to age 18. **In support of First Call's recommendation, we urge the government to redesign the BC Early Childhood Tax Benefit to cover children under 18 and increase the maximum to \$1,320 per child per year.**

Poverty rates for indigenous people are much higher than for non-indigenous people. Indigenous people have lower median incomes and are hugely over-represented among the homeless, making up 34% in the 2017 Metro Vancouver Homelessness Count. According to the report, "[t]he enduring effects of colonization, the legacy of the residential school system and the impact of child welfare and the foster care system continue to impact the daily experience of many Aboriginal Peoples and families, and directly contribute to the high incidence of Aboriginal homelessness."<sup>30</sup>

BC Budget 2018 contains many promising measures for indigenous communities including:

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<sup>27</sup> Table 206-0042, Low income statistics by economic family type, Canada, provinces and selected census metropolitan areas (CMAs), <http://www5.statcan.gc.ca/cansim/a47>

<sup>28</sup> [https://www.singlemothersbc.org/legal\\_aid\\_test\\_case\\_sma\\_et\\_al\\_v\\_gov\\_of\\_bc\\_lss](https://www.singlemothersbc.org/legal_aid_test_case_sma_et_al_v_gov_of_bc_lss)

<sup>29</sup> [https://www.singlemothersbc.org/access\\_to\\_legal\\_aid](https://www.singlemothersbc.org/access_to_legal_aid)

<sup>30</sup> <http://www.metrovancouver.org/services/regional-planning/homelessness/HomelessnessPublications/2017AboriginalHomelessnessCount.pdf>

- \$16 million over two years for the First Nations Health Authority to support mental health and wellness;
- 1,750 housing units over 3 years;
- Funding for Aboriginal Friendship Centres;
- Expansion of the Head Start program for indigenous families both on and off reserve;
- Specific Indigenous Skill Training Program;
- Investment in the preservation and revitalization of Indigenous languages in BC.

**However, the depth of the issues indigenous people continue to face will require significantly more investment and, more importantly, meaningful reconciliation and recognition of indigenous rights.** Tackling the challenges within the child welfare system, and acknowledging that many apprehensions are caused by poverty not neglect, must be a priority. The Huu-ay-aht leadership has declared a public health emergency over the issue and Bernard Richard, BC's Representative for Children and Youth, continues to urge the provincial government to do much more. We hope that the legislation the government is promising to bring forward will, in fact, keep indigenous children out of care through support for earlier involvement and planning with Indigenous communities.

Recent immigrants, refugees and temporary foreign workers (including farmworkers and live-in caregivers) are also over-represented in poverty. Refugees continue to have to pay back their transportation loan to travel to Canada to the federal government putting them in debt upon arrival. After federal support for one year, refugees then have to access provincial income assistance rates, which is a significant drop in income. Funding for language classes has been cut over the years and adequate, affordable housing is hard to find. Farmworkers and live-in caregivers under the Temporary Foreign Workers Program have few rights as they are attached to a single employer and often rely on them for housing and access to food and other necessities.

**We support the Migrant Workers Centre (previously West Coast Domestic Workers' Association) in their recommendation to the provincial government to implement legislation "to better protect migrant workers, including enhanced regulation of recruiters and proactive enforcement."**<sup>31</sup>

Queer and transgender people are more likely than heterosexual, cisgender people to live in poverty, according to data primarily from the US, UK and other industrialized countries. Unfortunately, research and data from Canada is limited but what we do have is consistent with this international data. "Researchers theorize that LGBTQ2S+ individuals are at heightened risk for poverty due to an interplay of multiple factors. These include, but are not limited to: structural inequities (e.g., homophobia, biphobia, transphobia, and other intersecting forms of discrimination), systemic inequities (e.g., inadequate legal protections for LGBTQ2S+ individuals), interpersonal challenges (e.g., familial conflict due to LGBTQ2S+-based discrimination), and resulting intrapersonal challenges (e.g., mental health problems, drug use, homelessness)."<sup>32</sup> Of

<sup>31</sup> Submissions to Minister Harry Bains on Employer Registry, and Licensing of Recruiters and Immigration Consultants with respect to the Recruitment of Temporary Foreign Workers, Rising Up Against Unjust Recruitment campaign, 14 February 2018

<sup>32</sup> Monitoring poverty in the LGBTQ2S+ communities: Recommendations for Canada's Poverty Reduction Strategy, unpublished at this time.

particular concern is the level of queer and trans representation among homeless youth with estimates ranging from 25-40%. **The BC government needs to take targeted measures to address these issues to have an impact on the lives of queer and trans youth and adults.**

As well as the appointment of a new Parliamentary Secretary on Gender Equity on February 15, other targeted measures in Budget 2018 include:

- Increased supports for youth aging out of care and increased age of coverage to 26 years.
- Commitment to build 1,500 units of housing dedicated to women and children fleeing domestic violence.
- Very modest annual increases for Community Living BC **continue to lag behind projected caseload growth of 5-6 percent annually.**

### **Recommendation: Address the needs of those most likely to be living in poverty**

*Priority Actions must include measures such as:*

- *Restructure federal and provincial funding to better address the needs of all indigenous people, including the large off-reserve population.*
- *Increase disability rates and index them to inflation.*
- *Guarantee access to income assistance for all regardless of citizenship status.*

## CONCLUSION

The strength of a provincial poverty reduction strategy is its broadness and therefore its ability to get to the heart of the causes of poverty. Through a poverty reduction plan, BC will save lives and money by tackling poverty directly rather than dealing with the negatives consequences of poverty later. BC Budget 2018 included \$1.3 billion for future priorities and, in addition, there is also approximately \$1 billion per year in contingencies and forecast allowances (as well as the overall conservative nature of the revenue estimates). So it is clear that we have the fiscal capacity as a province to invest significantly in upstream poverty reduction measures.

We look forward to working with the provincial government in the development and implementation of a strong, comprehensive poverty reduction plan aimed at eliminating poverty, inequality and homelessness in British Columbia.

## **Appendix A: Open Letter signed by over 400 organizations throughout British Columbia**

We call on the Government of British Columbia to launch a comprehensive and accountable poverty reduction plan aimed at dramatically reducing poverty, inequality, and homelessness in our province.

We urge the provincial government to provide leadership, and to adopt and legislate poverty reduction targets and timelines. We congratulate the government in appointing Minister Shane Simpson as lead minister for poverty reduction (a champion for this initiative), and we encourage him to oversee a cross-ministry poverty action secretariat and have them report annually on their progress. We recommend the following targets and timelines:

- Reduce BC's poverty rate by 30% within four years, and by 75% within 10 years.
- Ensure the poverty rate for children, lone-mother households, single senior women, Aboriginal people, people with disabilities and mental illness, queer and transgender people, and recent immigrants and refugees likewise declines by 30% in four years, and by 75% in ten years, in recognition that poverty is concentrated in these populations.
- Within two years, ensure that every British Columbian has an income that reaches at least 75% of the poverty line.
- Within two years, ensure no one has to sleep outside, and end all homelessness within eight years (ensuring all homeless people have good quality, appropriate housing).

In order to achieve these targets, we call upon the province to commit to specific policy measures and concrete actions in each of the following policy areas:

1. Significantly increase welfare and disability rates, and index them to inflation.
2. Improve the earnings and working conditions of those in the low-wage workforce.
3. Address the needs of those most likely to be living in poverty.
4. Address homelessness and adopt a comprehensive affordable housing and supportive housing plan.
5. Provide universal publicly-funded child care by implementing the \$10/day child care plan from Child Care Advocates of BC and Early Childhood Educators of BC.
6. Enhanced support for training and education for low-income people.
7. Enhance community mental health and home support services, and expand integrated approaches to prevention and health promotion services.

A comprehensive approach needs to boost the incomes of those living in poverty, but also build the social infrastructure, public services and assets that are vital to providing a path out of poverty and improving quality of life. If we commit to a bold plan, a dramatic reduction in poverty and homelessness within a few short years is perfectly achievable.

## **Appendix B: Policy Actions within a Poverty Reduction Plan for BC**

A comprehensive strategy must focus on the following seven overarching policy areas and specific actions:

### **1. Provide adequate and accessible income support for the non-employed**

Welfare and disability benefits are far too low at \$710 for a single person and \$1033 (plus a \$52 transportation subsidy) per month for a person with a disability. And the eligibility rules and procedures make income assistance far too inaccessible for many.

Priority actions:

- *Significantly increase welfare and disability rates to the Market Basket Measure, and index them to the cost of living*
- *Increase earnings exemptions, and remove arbitrary barriers and clawbacks that discourage, delay and deny people in need*

### **2. Improve the earnings and working conditions of those in the low-wage workforce**

Most adults living in poverty have a job, and almost half the poor children in BC live in families with at least one parent working full-time. The employment standards protections for vulnerable workers, which cover such areas as overtime hours and vacation pay, are far too lax.

Priority Actions:

- *Increase the minimum wage to \$15 an hour for all workers with no exemptions and index it to the cost of living*
- *Follow the lead of many municipal governments and become a living wage employer of provincial government staff and contractors; and encourage other employers to adopt the living wage for families*
- *Restore the coverage and enforcement of employment standards*

### **3. Address the needs of those most likely to be living in poverty**

Indigenous people, people with disabilities and mental illness, recent immigrants, refugees and temporary foreign workers (including farm workers and live-in caregivers), single mothers, single senior women, queer and transgender people (particularly youth), and youth aging out of care have higher rates of poverty and homelessness. The poverty reduction plan must focus its efforts on the structural barriers faced by these groups.

Priority Actions:

- *Restructure federal and provincial funding to better address the needs of all indigenous people, including the large off-reserve population*
- *Increase disability rates and index them to inflation*
- *Guarantee access to income assistance for all regardless of citizenship status*

#### **4. End homelessness and adopt a comprehensive affordable housing and supportive housing plan**

BC has the worst record of housing affordability in Canada, and the numbers of homeless and under-housed people are increasing.

Priority Actions:

- *Recommit to building thousands of new social and co-op housing units per year. BC should be bringing on stream 10,000 such units per year*
- *Enhance and enforce tenant rights including introducing rent control on the unit*

#### **5. Provide universal publicly-funded child care**

The high cost of child care is a huge burden for many families and makes it completely inaccessible to others. Moreover, there is a shortage of child care spaces and the quality of care available is inconsistent across providers.

Priority Actions:

- *Improve the wages of early childhood educators promptly with a goal of ensuring a living wage*
- *Continue to increase the number of licensed child care spaces and support high-quality programming*
- *Prioritize expanding the fee reduction program so that the affordable child care benefit can be reduced over time until free child care is provided directly to low-income families*

#### **6. Enhanced support for training and education for low-income people**

Without meaningful long-term training and education, people cannot access stable and well-paying jobs.

Priority Actions:

- *Reduce tuition fees by 50% and increase the availability of post-secondary grants for low-income students*
- *Allow welfare recipients to attend post-secondary education and get apprenticeships*
- *Adequately fund K-12 education to mitigate inequalities and to ensure adequate library staff and resources, and special needs assessment and support.*

#### **7. Enhance community mental health and home support services, and expand integrated approaches to prevention and health promotion services**

Poverty is a fundamental determinant of health, and the health care costs of poverty add up to \$1.2 billion per year. So, all of the other objectives will have a direct impact on improving the health of low-income people. That said, government provision of essential health services and community health care — home care, home support, assisted living, long-term care, and community mental health services — should be enhanced and expanded.

Priority Actions:

- *Expand essential health services in the public system, such as dental and optical care and community mental health services*
- *Expand home support and residential care services, and increase the number of residential care beds*

## Appendix C: Current Members of BCPRC

ACORN BC  
Africa Great Lakes Networking Foundation  
Association of Neighbourhood Houses BC  
Basic Income Vancouver  
BC Alliance on Mental Health/Illness & Addiction  
BC Disability Caucus  
BC Federation of Labour  
BC Federation of Students  
BC Ferry and Marine Workers Union  
BC Food Systems Network  
BC Government and Service Employees' Union  
BC Health Coalition  
BC Healthy Communities  
BC Healthy Living Alliance  
BC Non-Profit Housing Association  
BC Public Interest Advocacy Centre  
BC Teachers' Federation  
Burnaby Community Services Society  
Canada Without Poverty  
Canadian Centre for Policy Alternatives - BC  
Canadian Federation of University Women BC Council  
Canadian Mental Health Association - BC Division  
Cedar Cottage Neighbourhood House  
Check Your Head: The Youth Global Education Network  
Citizens for Accessible Neighbourhoods  
Coalition of Child Care Advocates of BC  
Community Legal Assistance Society  
Community Social Planning Council, Victoria  
Council of Senior Citizens' Organizations of BC  
Cranbrook Social Planning Society  
Disability Alliance BC  
Downtown Eastside Neighbourhood House  
Early Childhood Educators of BC  
Exchange: Inner City  
Faith in Action  
Federation of Post-Secondary Educators of BC  
First Call: BC Child and Youth Advocacy Coalition  
Gordon Neighbourhood House  
Grandview Woodland Food Connection  
Greater Trail Community Skills Centre  
Greater Vancouver Food Bank  
Health Officer's Council of BC  
Health Sciences Association of BC  
Hospital Employees' Union  
Interspiritual Centre of Vancouver Society  
Jewish Seniors Alliance of Greater Vancouver  
Kiwassa Neighbourhood House  
Living Wage for Families Campaign  
Megaphone Magazine  
Metro Vancouver Alliance  
Mom2Mom Child Poverty Initiative  
MOSAIC  
MoveUP  
New Westminster & District Labour Council  
North Shore Disability Resource Centre  
North Shore Homelessness Task Force  
Parent Advocacy Network for Public Education  
PIVOT Legal Society  
Positive Living Society of BC  
Protein for People  
Public Health Association of BC  
Raise the Rates Coalition  
Revelstoke Poverty Reduction Working Group  
Richmond Poverty Response Committee  
Single Mothers' Alliance of BC  
Society for Children and Youth of BC  
SPARC BC  
Streams of Justice  
Surrey Poverty Reduction Coalition  
Together Against Poverty Society  
UFCW 1518  
Unifor BC Regional Council  
Union Gospel Mission  
United Way of Greater Victoria  
United Way of the Lower Mainland  
Vancity Community Foundation  
Vancity Credit Union  
Vancouver & District Labour Council  
Vancouver Foundation  
Vancouver Neighbourhood Food Networks  
Vancouver Rape Relief and Women's Shelter  
Vibrant Abbotsford  
Migrant Workers Centre (formerly West Coast Domestic Workers' Association)  
West Coast Women's LEAF  
Women Against Violence Against Women  
YWCA Metro Vancouver