



Submission for Pre-Budget Consultations in Advance of the 2019 Budget

August 3, 2018

First Call: BC Child and Youth Advocacy Coalition

About Us

First Call is a non-partisan, cross-sectoral coalition of 105 provincial and regional organizations who share a commitment to putting children and youth first in British Columbia through public education, community mobilization and public policy advocacy.

Based on research from a range of disciplines, we advocate for increased economic equality, knowing that the experience of living in poverty in a wealthy country is a powerful negative social determinant of child health.

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Part One: Tax Fairness and Income Support

Recommendation 1: The federal government should address growing income and wealth inequality by establishing a fairer, more progressive personal and corporate income taxation system.

Recommendation 2: The federal government should ensure the Canada Child Benefit reduces the child poverty rate by 50% in 4 years and ensure access to the benefit for families with higher rates of poverty, e.g. newcomer and Indigenous families.

Recommendation 3: The federal government should create a targeted GST credit top-up of \$1,800 per adult and child for those living below the poverty line.

Recommendation 4: The federal government should increase the maternity and parental leave benefit level.

Recommendation 5: The federal government should enhance Employment Insurance to expand access, duration and levels of benefits.

Recommendation 6: Government should ensure their direct and contract employees are paid a living wage.

Part Two: Targeted Initiatives for Groups Over-Represented in Poverty Data

Recommendation 7: The federal and provincial governments should immediately increase funding for First Nations, Métis and Inuit child, youth and family services.

Recommendation 8: The federal government should immediately cancel all outstanding refugee transportation loan debt.

Recommendation 9: The federal government should intensify their efforts to help immigrants and refugees adjust to life in Canada.

Recommendation 10: The federal government should allow grandparents on CPP Disability who are raising their grandchildren to continue to receive the children's benefit after they turn 65.

Part Three: Lower Barriers and Improve Lives Through Universal Programs

Recommendation 11: The federal government should introduce universal coverage for all Canadians for prescription drugs, dental care, eye care and hearing aids as essential aspects of health care.

Recommendation 12: The federal government should ensure affordable access to post-secondary education.

Recommendation 13: The federal government should scale up its funding to build thousands of new social and affordable rental housing units and maintain existing affordable housing.

Recommendation 14: The federal government should invest 1% of GDP in a national early childhood education and care system.

Part One: Tax Fairness and Income Support

Leveling the playing field for Canada's children and youth is one of the best investments government can make to ensure they thrive and become full participants in society and the economy. Inequality reduces social mobility, undermining the promise of a fair society and increasing social alienation for those left behind.

Recommendation 1: The federal government should address growing income and wealth inequality by establishing a fairer, more progressive personal and corporate income taxation system.

Currently, the richest Canadians are increasing their share of total national income, while the poorest and middle-income groups have been losing ground.

As a result socioeconomic position has become one of the most important social determinants of education outcomes and social mobility. And studies have shown that high rates of economic inequality negatively impact on *both* the rich and the poor on a range of health and wellness measures.

Beyond negative health effects, growing socioeconomic inequity erodes social cohesion, empathy and compassion, which leads to increased social isolation, stigmatization and marginalization of the poor, distrust, crime, stress and despair.

Recommendation 2: The federal government should ensure the Canada Child Benefit reduces the child poverty rate by 50% in 4 years and ensure access to the benefit for families with higher rates of poverty, e.g. newcomer and Indigenous families.

On average, social transfers in high-income countries reduce child poverty rates by about one-third.

Without government transfers, using only family market income, British Columbia's child poverty rate was 25.8% in 2015. It came down to 18.3% after government transfers.

Government interventions, as evidenced by recent increases to the Canada Child Benefit and indexing it to inflation, are one of the most effective ways to reduce child and family poverty.

Recommendation 3: The federal government should create a targeted GST credit top-up of \$1,800 per adult and child for those living below the poverty line.

The federal government currently pays a quarterly GST credit to low-income families and individuals. In principle, this payment recognizes the government's role in redistributing a portion of our collective taxes to alleviate hardship on those least able to pay.

We encourage government to use the pre-existing GST credit scheme to top-up the incomes of low-income families with the aim of bringing them over the poverty line.

Recommendation 4: The federal government should increase the maternity and parental leave benefit level.

Increase the benefit to 80% of employment income (maximum \$60,000/yr) and reduce qualifying hours to 300 over the best 12 weeks of the last 12 months of work. All new parents (regardless of work status) should be included, and a secondary caregiver benefit should be developed to address gender disparities in care work within households.

Recommendation 5: The federal government should enhance Employment Insurance to expand access, duration and levels of benefits.

Government should reduce the number of qualifying hours to 360 for all workers and enhance benefit levels over a longer benefit period of 50 weeks.

A declining proportion of the unemployed are eligible for EI. Additionally, the 55% benefit rate leaves lower-wage workers below the poverty line and means they have to return to work early from their allowed parental leave (see previous recommendation).

Recommendation 6: Government should ensure their direct and contract employees are paid a living wage.

Government should ensure that its own employees and contractors are able to meet their basic needs, properly support their children and avoid chronic financial stress.

Part Two: Targeted Initiatives for Groups Over-represented in Poverty Data

Data tells us that some groups are disproportionately represented in poor households. In many cases, government systems present barriers and exclude families and their children from both contributing to and benefiting from Canada's economy.

Recommendation 7: The federal and provincial governments should immediately increase funding for First Nations, Métis and Inuit child, youth and family services.

Working in collaboration with First Nations and other Indigenous organizations and communities the government should continue to enhance funding for child welfare, education and community health services for on-reserve and urban Indigenous people, and develop a targeted long-term poverty eradication strategy.

This should include enhancing a national early childhood education and care program which includes a policy framework guided by targets and timelines and supported by long-term, sustained funding.

Federal planning process and decisions should respect the rights of Indigenous communities to be supported to develop and deliver their own culturally relevant and traditional language-based programs.

Recommendation 8: The federal government should immediately cancel all outstanding refugee transportation loan debt.

Refugees are, arguably, one of the groups most vulnerable to vagaries of policy – both domestic and international. They are also an overrepresented group in Canada’s poor.

Determined by policy decisions to need a home in Canada, once here – often without any savings or resources – domestic policies trap families in poverty and debt.

Government’s 2015 decision to exempt some refugees from payment, eliminate the interest scheme and extend the ‘repayment’ period explicitly acknowledged that these loans were having a negative impact on the health and economic well-being of those affected. Now, government should take the next step and cancel any ‘loans’ related to the government’s decision to transport them to Canada.

Recommendation 9: The federal government should intensify their efforts to help immigrants and refugees adjust to life in Canada.

The government could ensure that newcomers are able to fully participate in the economy by enhancing employment assistance, removing long-standing barriers to qualification for professionals trained abroad, making more language training available, and improving employment standards and human rights protections and enforcement.

Recommendation 10: The federal government should allow grandparents on CPP Disability who are raising their grandchildren to continue to receive the children’s benefit after they turn 65.

In BC alone, there are estimated to be more than 13,000 children and youth aged 0-14 being raised by grandparents or other kin, with no parent in the home.

Like foster kids, children in kinship care families have often experienced trauma and many have physical, emotional, or behavioural challenges.

39% of kinship care families in BC alone live below the poverty line, some in deep poverty, and many others are using up their savings to raise these children, and will soon be living in poverty themselves.

This small change to an existing government program will help alleviate the financial burden placed on grandparents who are doing their best to ensure grandchildren have the best start in life.

Part Three: Lower Barriers and Improve Lives Through Universal Programs

Reducing poverty is about enough income but it’s also about affordable, low-barrier access to basic services including child care, education, transportation, employment programs and health care. A competitive economy requires a work force that is healthy, educated and securely housed.

No family should have to choose between food and prescription drugs.

Recommendation 11: The federal government should introduce universal coverage for all Canadians for prescription drugs, dental care, eye care and hearing aids as essential aspects of health care.

There is no more basic need than that of good health and, when needed, access to resources that ensure medical needs are met.

Issues related to Canadian's patchwork access to prescription drugs has been well documented by the Advisory Council on the Implementation of National Pharmacare and we look forward to its recommendations.

Provincial health care plans should also be supported to include dental and eye care, as well as hearing aids.

Recommendation 12: The federal government should ensure affordable access to post-secondary education.

Increasingly, students are graduating with higher amounts of student debt. Low-income students pay more for their education paying for both tuition costs and interest accumulated on student loans. This inequity is created by systems and presents a challenge to the full participation of low and middle income students. It also saddles young adults with unreasonable debt.

Government should remove financial barriers for low-income students and implement proactive measures to lower student debt levels.

Policy options include reducing tuition fees at public colleges, institutes and universities, interest-free student loans, and more non-repayable grants for low- and middle-income students.

Recommendation 13: The federal government should scale up its funding to build thousands of new social and affordable rental housing units and maintain existing affordable housing.

A competitive economy requires a work force that is adequately and affordably housed.

The national housing strategy must include a long-term funding commitment to meet these goals and targets for specific low-income populations and those at risk of homelessness.

Recommendation 14: The federal government should invest 1% of GDP in a national early childhood education and care (ECEC) system

Access to affordable, accessible, high-quality child care is fundamental to a competitive economy that values women's workforce participation.

1% of GDP is the international public spending benchmark for ECEC.

Federal policy must ensure that Canadian childcare shifts away from the current unequal market model towards an equitable, planned, publicly-funded system, with a long-term policy goal of developing sufficient high quality affordable services over time to include all families.