



CANADIAN  
PUBLIC HEALTH  
ASSOCIATION

The Voice of Public Health

GOVERNMENT OF CANADA CONSULTATION ON THE  
**CANADIAN POVERTY  
REDUCTION STRATEGY**

Response from the  
Canadian Public  
Health Association

AUGUST 2017



# THE VOICE OF PUBLIC HEALTH

**The Canadian Public Health Association** is the independent national voice and trusted advocate for public health, speaking up for people and populations to all levels of government.

We champion health equity, social justice and evidence-informed decision-making. We leverage knowledge, identify and address emerging public health issues, and connect diverse communities of practice. We promote the public health perspective and evidence to government leaders and policy-makers. We are a catalyst for change that improves health and well-being for all.

We support the passion, knowledge and perspectives of our diverse membership through collaboration, wide-ranging discussions and information sharing.

We inspire organizations and governments to implement a range of public health policies and programs that improve health outcomes for populations in need.

## **OUR VISION**

A healthy and just world

## **OUR MISSION**

To enhance the health of people in Canada and to contribute to a healthier and more equitable world.

For more information, contact:

### **Canadian Public Health Association**

404-1525 Carling Avenue, Ottawa, ON K1Z 8R9

T: 613-725-3769 | F: 613-725-9826 | [info@cpha.ca](mailto:info@cpha.ca)

[www.cpha.ca](http://www.cpha.ca)



CANADIAN  
PUBLIC HEALTH  
ASSOCIATION

ASSOCIATION  
CANADIENNE DE  
SANTÉ PUBLIQUE

The Voice of Public Health  
La voix de la santé publique

POVERTY REDUCTION STRATEGY CONSULTATION

## Response from the Canadian Public Health Association

### INTRODUCTION

The Canadian Public Health Association (CPHA) is the independent national voice and trusted advocate for public health, speaking up for people and populations to all levels of government. We champion health equity, social justice and evidence-informed decision-making. We leverage knowledge, identify and address emerging public health issues, and connect diverse communities of practice. We promote the public health perspective and evidence to government leaders and policy-makers. We are a catalyst for change that improves health and well-being for all.

The World Health Organization has declared poverty – the lack of available funds to pay for the necessities of life – the single most influential determinant of health.<sup>1</sup> It affects all other determinants, including: housing, food security, early life, access to education, and employment and working conditions. Low income also influences other behaviours such as quality of diet, physical activity, and alcohol and substance use.

Besides being a result of poverty, poor health can lead to poverty thereby establishing a circular relationship. Poor individuals are more likely to fall into poor health, which in turn makes it more difficult for them to pull themselves out of poverty.

Similarly, a social gradient exists between income and health whereby those with lower socio-economic status experience worse health than those in higher income gradients. This pattern exists for each level of income where individuals in a quintile generally have better health than the quintile below, but worse health than the quintile above. Men living in the wealthiest neighbourhoods in Canada live an average 6.8 years longer than men in the poorest neighbourhoods, while mortality rates in Canada's poorest neighbourhoods are 28% higher than in more affluent neighbourhoods; suicide rates are double.<sup>2,3</sup> In addition, rates of chronic and communicable illnesses are greater for those living in less affluent neighbourhoods: the poor experience higher rates of cancer, cardiovascular disease, diabetes and mental illness.<sup>4</sup>

Poverty undermines quality of life; low income and impoverished populations have difficulty accessing food, shelter, employment and health care, and are less informed about their health. As a result, income is spent on combating the consequences of poverty thereby perpetuating the cycle. The social gradient that runs from the highest to lowest of the socioeconomic spectrum clearly demonstrates the correlation between those at the lower end of the economic gradient and diminished health.

- 
1. World Health Organization. 2017. Poverty and social determinants. Available at: <http://euro.who.int/en/health-topics/environment-and-health/urban-health/activities/poverty-and-social-determinants>.
  2. Pineault, L. 2016. The 2001 Canadian Census-Tax-Mortality Cohort: a Ten Year Follow-up. Statistics Canada, Ottawa. Available at: <http://www.statcan.gc.ca/pub/11-633-x/11-633-x2016003-eng.pdf>.
  3. Wilkens, R. 2007. Mortality by Neighbourhood Income in Urban Canada from 1971 to 2001. Statistics Canada, Ottawa. Available at: [https://www.researchgate.net/publication/242459852\\_Trends\\_in\\_mortality\\_by\\_neighbourhood\\_income\\_in\\_urban\\_Canada\\_from\\_1971\\_to\\_1996](https://www.researchgate.net/publication/242459852_Trends_in_mortality_by_neighbourhood_income_in_urban_Canada_from_1971_to_1996).
  4. Shimmer, C. 2015. Backgrounder: The impact of poverty on health. *EvidenceNetwork.ca*. Available at: <http://evidencenetwork.ca/archives/24642>.

CPHA, in collaboration with its partners in the [Canadian Coalition for Public Health in the 21<sup>st</sup> Century](#) (CCPH21), has investigated and developed evidence-based policy alternatives concerning three core issues that link poverty and the social determinants of health, including:

- **Early childhood education and care (ECEC)** where we define and argue for universal access to quality ECEC services with fees that are affordable for all those requiring such services and proportionate to their ability to pay;
- **Basic income** where we support, in principle, a basic income based on a negative tax model, but recognize the need for a cost benefit analysis and appropriate social experimentation (such as is being performed in Ontario) to determine the feasibility for such a system in the current Canadian fiscal environment; and
- **Housing improvements in Canada** that are focused on addressing homelessness through a *Housing First* model, and then to address core housing need<sup>5</sup> by improving the adequacy and affordability of existing housing stock, and providing new housing stock that meets Canada Mortgage and Housing Corporation's measures of adequacy, suitability and affordability<sup>6</sup>.

We also support the positions of [Food Secure Canada](#) and [the Dietitians of Canada](#) concerning the importance of income to reduce household food insecurity.

### Responses to the Government of Canada's Consultation Questions

With respect to the eight questions posed in the consultation document, CPHA's responses are as follows:

**1. *How do you define poverty? How should it be measured? Are there data gaps that need to be addressed to help improve our understanding of poverty in Canada?***

Poverty is the qualitative state in which individuals cannot meet their basic human needs. It is often defined in either absolute or relative terms using low income as its technical measure. For the purpose of this discussion, the terms poverty and low income will be used interchangeably.

Useful measures of poverty include the market basket measure (MBM) and the low-income cut-off (LICO) or Low Income Measure (LIM), as defined by Statistics Canada. CPHA supports the continued use of these measures.

It has been suggested, however, that up to 70% of those living in poverty may also be working. As such, we need to regularly calculate a "living wage" through a market basket measure, and develop better measures of labour dynamics, including the number of workers earning a minimum wage.

While 50% of low-income Canadians utilize Canada's social safety net, one in ten Canadians are still below the LICO.<sup>7</sup> We need to measure the dynamics of movement between low income and earning a "living wage". It is also necessary to measure the income gaps that exist among Canada's various existing social welfare programs, as well as the barriers to leaving them for employment.

---

5. *Core housing need* is an indicator developed by the Canada Mortgage and Housing Corporation to measure whether housing meets standards of adequacy (not in need of major repair as reported by the resident), suitability (has a minimum number of bedrooms for its residents based on the National Housing Standard), and affordability. (Canada Mortgage and Housing Corporation, 2009. The Geography of Core Housing Need, 2001-2006. Research Highlight: 2006 Housing Series, 2, 1-6.)

6. *Affordable housing* refers to housing for which the occupant pays no more than 30% of their total household income, including related housing bills.

7. Canada Without Poverty, n.d. Just the Facts. Available at: <http://www.cwp-csp.ca/poverty/just-the-facts>.

The distinction between poverty/low income and income insecurity/income inequality needs to be made as household budgetary shocks can quickly move low-income people into poverty. As such, we need to develop better models of the impact of such income shocks.

We need further understanding of the inter-sectionality of factors such as unequal power distributions and societal inequalities, including sex, gender and race, which can lead to income insecurity or exacerbate income inequality.

The causes and factors associated with poverty are abundant and varied, a discussion of which is beyond the scope of this consultation response. Though the majority of low-income individuals do not remain in this socioeconomic bracket, certain Canadians have a higher risk of being persistently low income than the general population. These groups include those with activity limitations, singles, lone-parent families, individuals with less than a high school education, certain Indigenous and racialized groups, and immigrants. More longitudinal analysis of persistent poverty is required.

When discussing poverty, it is also important to consider government policies that have been designed to alleviate poverty but may limit an individual's attempt to improve their own situation. Some programs decrease or eliminate the value of cash transfers and tax credits as an individual's income rises, and in doing so, reduce the recipient's net-income-gained from working. For example, when an unemployed person who has been on social assistance becomes employed s/he lose those benefits (e.g., dental and pharmaceutical supports), yet they may not regain similar benefits through employment, especially if they are receiving minimum wage for their work. This "welfare wall" could discourage individuals from working. Compounding this is the fact that poverty is generational, and despite an individual's best efforts s/he may not be able to escape their circumstances. The challenge is that many programs designed to assist those living in poverty have underlying policies that drift from that purpose, leading to persistent inequalities in populations, or have administrative constraints that affect a person's capacity to rise above these programs.

**2. *What will success look like in a Poverty Reduction Strategy? What target(s) should we pick to measure progress?***

A successful poverty reduction strategy would result in all those living in Canada having adequate income, income stability, and services to meet their human needs including core housing need, household food security, access to necessary health services in a timely fashion, and available, affordable and high quality ECEC. Steps will have been taken to address the "welfare wall" through the provision of transitional services, such as dental and pharmaceutical supports, while people transition to paid employment with benefits.

**3. *Which indicators should we use to track progress towards the target(s)?***

Poverty has the greatest effect on the morbidity and mortality of those living in poverty or low-income, and these measures should be compared to the results for those who are living with adequate income. These effects are most evident for average life span, and rates of non-communicable diseases such as cancer, cardiovascular disease, diabetes and mental illness.

The Household Food Security Survey Module, the national monitoring tool currently used by Statistics Canada, is the measure of household food insecurity in Canada; its use should continue and become mandatory for every cycle of the Canadian Community Health Survey.

Housing measures that appropriately quantify homelessness require further refinement. Core housing need is but one housing measure and other measures should be developed concerning the availability of adequate, suitable and affordable housing for all income levels.

Another measure must address the availability of ECEC, by measuring, for example, wait times for access to and costs of licensed, affordable ECEC, as well as measures of the performance of those facilities against defined quality standards.

Canada's Gini coefficient needs to be monitored in terms of income inequality and the various low income measures and other economic indicators will all help track progress.

**4. *On which groups should we focus our efforts? Which dimensions of poverty should be prioritized?***

Public health attempts to achieve impact by shifting the curve on population health; this means that the income distribution is shifted so that there are fewer people living in poverty, and the income distribution in Canada is somewhat narrowed to reduce the current situation of increasing income inequality. This will have a strong population-level impact on poverty reduction through income measures, and will noticeably improve the situation of those on social assistance and other government social safety net programs.

In addition, there is a range of groups that require special attention, first among these are Canada's Indigenous peoples. The influence of colonization on Indigenous populations is acknowledged and the results must be addressed.

Special targeting of the needs of the homeless should also be prioritized. Significant steps to improving their situation can be made by meeting their core housing need without preconditions. An example of such a program is the *Housing First* initiative.

Similarly, the needs of lone-parent households living in poverty or at low income should be addressed followed by those who are living alone and in poverty. The requirements of refugees should also be met as the country has entered a social contract to help them succeed.

**5. *Which Government of Canada programs and policies do you feel are effective at reducing poverty? Are there programs and policies that can be improved? What else could we do?***

The federal government has made significant contributions to address the needs of Canadian seniors. The Old Age Security Pension and Guaranteed Income Supplement combined with the Canada Pension Plan lift many senior low-income Canadians above the poverty line and help them meet their basic needs. Seniors' pensions in Canada provide a platform for a basic income for all older Canadians and these programs could be a model for a basic income for all Canadians.

The commitments in Budgets 2016 and 2017, when fully implemented, should help address the needs of Indigenous peoples, and strengthen programs to provide housing for the homeless, and address core housing need in Canada.

The Canada Child Benefit appears to be a step towards improving the situation of parents and their children (as it has some of the features of a basic income program), while the enhanced Nutrition North program may provide some relief to those living in the North. These latter

programs are newer and evolving, thus time is required to determine if they will meet their respective objectives.

One further area that could fundamentally affect the landscape of poverty in Canada is the development of a pan-Canadian universal (available to all who want it) early childhood education and care program. Its goal would be to provide high quality ECEC for those who want or need it, where the fees are affordable and proportionate to the parents' ability to pay.

**6. *How can the Government of Canada align its Poverty Reduction Strategy so that it supports existing efforts by provinces, territories, municipalities and communities?***

A challenge with Canada's federated governance model is the current division of jurisdictional authority. While provinces and territories have the principal authority to meet the needs of their citizens, this limits the development of equitable programs from a whole-of-country perspective. Complicating this challenge is the multi-faceted nature of poverty, where solutions require actions from many programs that may not traditionally interact. One approach for addressing this inconsistency is to develop a national strategic framework with clear, agreed upon outcomes and associated performance measures for various target areas, which provide the provinces and territories, in conjunction with their municipalities and communities, the latitude to develop programs that meet their local needs. Federal funding is required to support provincial and territorial efforts.

**7. *What are some initiatives/innovations in Canada or elsewhere that other governments, community organizations, academia, or businesses have introduced or proposed to effectively reduce poverty?***

Other than the programs that are mentioned in response to Question 5, there are two provincial initiatives that appear effective at meeting specific provincial needs. The first is the Quebec model for provision of ECEC that provides a childcare network with fixed fee services for all children five years of age or younger, regardless of family income. Such a model would be appropriate for the rest of Canada to emulate. The second provincial program that appears successful (from a social determinants of health perspective) is the approach that British Columbia has pioneered with the establishment of the First Nations Health Authority. Although this model may not be appropriate for all provinces, it is an example of non-traditional program development and delivery that often results in social progress.

**8. *How can the Government encourage an on-going dialogue with other levels of government, community organizations, academia and businesses on its poverty reduction efforts?***

A two-part approach might be effective at encouraging on-going dialogue. The first would be to re-establish a formalized communication mechanism with the provinces and territories, potentially through the *Council of the Federation*, to develop goals and establish an overall poverty reduction strategy. The second part of such a strategy would require the knowledge and collective wisdom of those directly involved in the issues who should be invited to contribute to an on-going dialogue as the strategy moves to implementation.



CANADIAN  
PUBLIC HEALTH  
ASSOCIATION

The Voice of Public Health

**The Canadian Public Health Association** is the independent national voice and trusted advocate for public health, speaking up for people and populations to all levels of government.

For more information, contact:

**Canadian Public Health Association**

404-1525 Carling Avenue, Ottawa, ON K1Z 8R9

T: 613-725-3769 | F: 613-725-9826 | [info@cpha.ca](mailto:info@cpha.ca)

[www.cpha.ca](http://www.cpha.ca)