



Child Poverty in Canada

Child poverty on the rise

On November 24, 1989, Canada's House of Commons unanimously passed a resolution stating that: "This House seeks to achieve the goal of eliminating poverty among Canadian children by the year 2000."

More than fifteen years later, and five years after the deadline of 2000, what has happened?

- One in six Canadian children is poor.
- Canada's child poverty rate of 15 percent is three times as high as the rates of Sweden, Norway or Finland.
- Every month, 770,000 people in Canada use food banks. Forty percent of those relying on food banks are children.

Poverty is *increasing* for youth, workers, young families, immigrants, and visible minority groups. Poverty among Aboriginal groups remains appallingly high both on and off reserve. In fact, if the statistics for Canadian Aboriginal people were viewed separately from those of the rest of the country, Canada's Aboriginal people would slip to 78th on the UN Human Development Index – the ranking currently held by Kazakhstan. (National Anti-Poverty Organization)

The Child Tax Benefit could help children escape poverty

The Make Poverty History Campaign has targeted a number of demands to achieve the elimination of child poverty in Canada within five years: affordable housing, an increase to the minimal wage, creation of decent jobs, and affordable child care. The Campaign is also demanding an increase to the Child Tax Benefit to \$4,900 per child per year and wants to ensure that all low-income children receive the full benefit of this program.

The federal government has committed to gradually increasing the Child Tax Benefit to \$3,240 by 2007. While the current program has made a positive difference in the depth of poverty of working poor families, benefit levels are not sufficient to help children and families *escape* poverty. Benefits must be increased to \$4,900 per child if the program is to have any effect.

The other problem is that most provinces clawback the benefit for families receiving social assistance. Since over 60% of the poor children in Canada live in families that receive social assistance, most of the child benefit tax will result in a clawback in the form of lower

social assistance benefits. We need to end the clawback that effectively denies this important benefit to children whose families receive social assistance.

Party Positions

Bloc Quebecois

The Bloc does not commit to increasing the Canadian Child Tax Benefit. The Party prefers a refundable tax credit of \$3,730.

Conservative Party

The Conservatives do not commit to maintaining the Child Tax Benefit. The Party prefers to introduce a \$2,000 child tax deduction that would do nothing to help poor people who don't pay any federal taxes. The Conservatives have not addressed the issue of clawbacks.

Liberal Party

The Liberals are on record supporting an increase in Child Tax Benefits. However the Liberal government has only budgeted for a limited increase in the Child Tax Benefit to reach \$3,240 by the year 2007. This amount is insufficient. Also, in 2003, the federal government announced that it would examine the clawback to see what could be done, but little has been done to date.

New Democratic Party

The NDP is committed to reaching the target of \$4,900 by 2007 and to putting an end to clawbacks.

Ask the candidates

Since the current level of the Child Tax Benefit is insufficient to significantly lower poverty levels of children, what will your party do to increase the level of child benefits going to low income families in Canada?

Do you personally support an immediate end to the clawback of the Canadian Child Benefit Tax Benefit from families on social assistance?

What specific actions will you commit to take to end the clawback with your caucus, the Prime Minister and key ministers, and in the House of Commons?



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