



Giving Hope Today

FOR INFORMATION

Date: September 2018

BRIEFING NOTE

Subject: Opportunity for All - Canada's First Poverty Reduction Strategy

Summary

After nearly two years of consultations, on August 21, 2018, the federal government released a Poverty Reduction Strategy. The Strategy marks the first national framework to reduce poverty in the country's history. Although no new funding or specific programs were announced, the Strategy provides a framework for existing mechanisms as well as new targets and definitions.

The Salvation Army has been witness to the debilitating effects poverty can have on individuals, families and communities across the country. We have also been engaged with all levels of government calling for greater action. The Salvation Army is pleased to see that many of the recommendations we made throughout the consultation period for the Strategy (as well as for many years prior) have been adopted into the framework.

I. Outline of the Strategy

The Strategy relies on three key pillars:

- Dignity
- Opportunity and Inclusion
- Resilience and Security

From these three pillars the framework sets out 5 additional focus points:

- Official Poverty Line
- Poverty Reduction Targets
- Data and Measurement Plan
- National Advisory Council on Poverty
- Poverty Reduction Legislation

Each of these areas will be discussed further below.

II. The Salvation Army's Response to the Poverty Strategy

The Salvation Army has been advocating for many years for greater engagement by government to address the realities of poverty facing too many Canadians. The Strategy put forward by the federal government is the first national strategy that attempts to address poverty and sets targets for determining effectiveness. We are pleased to see greater engagement by the federal government,



however, note that the Strategy has its limitations. One of the most crucial, especially for the Army, is that we are witnessing the realities of poverty today and are attempting to meet immediate needs. We are aware that for many individuals, families and communities waiting for 2030 is not an option. Further, while the Strategy provides a framework for programs, it does not increase funding to existing programs, nor does it create any new programs to address the needs of those experiencing poverty. Significant and sustained investments are needed to meaningfully address poverty.

The Salvation Army will continue to work with government to ensure that the Strategy and associated initiatives are implemented as effectively as possible and that individuals, families and communities needing assistance receive the services they need. As an organization we will also continue to call on all levels of government to ensure that their policies and programs meet the needs of those experiencing poverty and that the voices of those who are most affected are heard.

III. Key Areas of Focus

i. Canada's Official Poverty Line

As part of the Strategy, the federal government, for the first time, has set an official measure of income poverty. Canada's Official Poverty Line (COPL) will be calculated based on the costs of a "basket of goods and services that individuals and families require to meet their basic needs and achieve a modest standard of living."

The basket, currently known as the Market Basket Measure, includes items such as healthy food, appropriate shelter and home maintenance, and clothing and transportation, as well as other goods and services that enable engagement in the community. This basket measure is similar to the Human Needs Index developed by The Salvation Army and the Lilly School of Philanthropy in the United States. It was one of our key recommendations to the federal government as a more useful measure of poverty.

COPL will reflect poverty thresholds for 50 regions across Canada (including all three territories) and the basket will be updated regularly so as to reflect what Canadians need to meet their basic needs and achieve a modest standard of living.

ii. Poverty Reduction Targets

The second focus point of the Strategy is new targets for reducing poverty across the country. Using COPL and 2015 as the baseline, the government aims to:

- Reduce the rate of poverty by **20% in 2020**; and
- Reduce the rate of poverty by **50% by 2030**.



The 2015 baseline found that one in every 8 Canadians (or 12%) lived in poverty. The government will be relying heavily on already announced and, for the most part, implemented programs to meet these targets. Some of the programs include:

- Canada Child Benefit
- Increase to the Guaranteed Income Supplement
- Canada Workers Benefit (new program starting in 2019)

iii. Data and Measurement Plan

One of the most significant areas of focus for the Strategy is the improvement to poverty measurement. To date there has not been a clear nationally agreed upon definition of poverty. Beginning in 2018-19, the federal government is investing \$12.1 million over five years, and \$1.5 million per year thereafter, to address key gaps in poverty measurement in Canada. The goal of this investment is to provide governments, stakeholders, service delivery organizations, academics and the general public greater insight into what is working, what could be changed or enhanced, and what further support is needed to meet targets and improve the lives of all Canadians.

iv. National Advisory Council on Poverty

The Strategy proposes to establish an Advisory Council to advise the Minister of Families, Children and Social Development on poverty reduction and to provide a yearly public report on the progress of the Strategy. The Advisory Council will also be tasked with continuing a national dialogue with Canadians on poverty.

v. Poverty Reduction Legislation

As part of the Strategy the government proposes to introduce a Poverty Reduction Act. The Act may entrench the targets set out by the Strategy, COPL, and the Advisory Council into legislation. A draft of the legislation has not yet been made available.

IV. Conclusion

The federal government's Strategy provides communities, provinces and organizations like the Salvation Army with more tools and options for addressing poverty. It also helps create a more unified language and measurements from which to work which we hope will encourage greater collaboration and better understanding of the realities of poverty facing millions of Canadians.



Giving Hope Today

Public Affairs Briefing Note
Federal Poverty Reduction Strategy

The Strategy is, however, NOT a solution. It provides a framework but much work still needs to be done. The Salvation Army is committed to continuing to work with all levels of government and within communities across the country to help end poverty in Canada.

Provincial and municipal governments will play a large role in implementing the Strategy and achieving targets, Divisions are encouraged to reach out to local governments and engage in conversations about poverty reduction activities and opportunities.

If you would like more information about the Strategy please do not hesitate to contact the public affairs office.