

## Briefing Note

**Report:** CFPC Report Card Issue Briefing – Child Poverty

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### Background & Purpose:

Children living in poverty are at high risk for poor health outcomes. The College of Family Physicians of Canada (CFPC) encourages the government **to support the elimination child poverty by 2020**. The end of child poverty was supported unanimously in the House in 1989 and the CFPC asks that this issue be revisited with the same level of support.

The CFPC urges the federal government to **establish a National Child Strategy** that will lead the provincial programs through setting national standards. The strategy should: create a robust mechanism for collection of data on the health of children and youth, including important areas such as early childhood development and mental health; set standards based on the data collected; and provide appropriate leadership and support to ensure care providers across the country are properly equipped to meet the goals set.

The affordability of child care is a barrier for many Canadian families. We urge the government to **renew the 2006 federal/provincial/territorial commitment on child care** that was supported and signed by all First Ministers.

Children are Canada's future and investing in their well-being is investing in the well-being of our country.

### Summary:

#### Measuring Poverty

Child poverty is usually measured as relative poverty, which is an internally-comparative index (% of children aged 0-17 living in households with equivalent incomes below 50% of national median). In many ways, this is a proxy measure for the degree of income and wealth inequality in a given society. Broadly speaking, it shows the proportion of children who are to some significant extent excluded from the advantages and opportunities which most children in that particular society would consider normal. Some sources also use a "Child Poverty Gap," which measures the gap between the poverty line and the median income of those below the poverty line – as % of the poverty line.

#### Deprivation vs. Relative Poverty

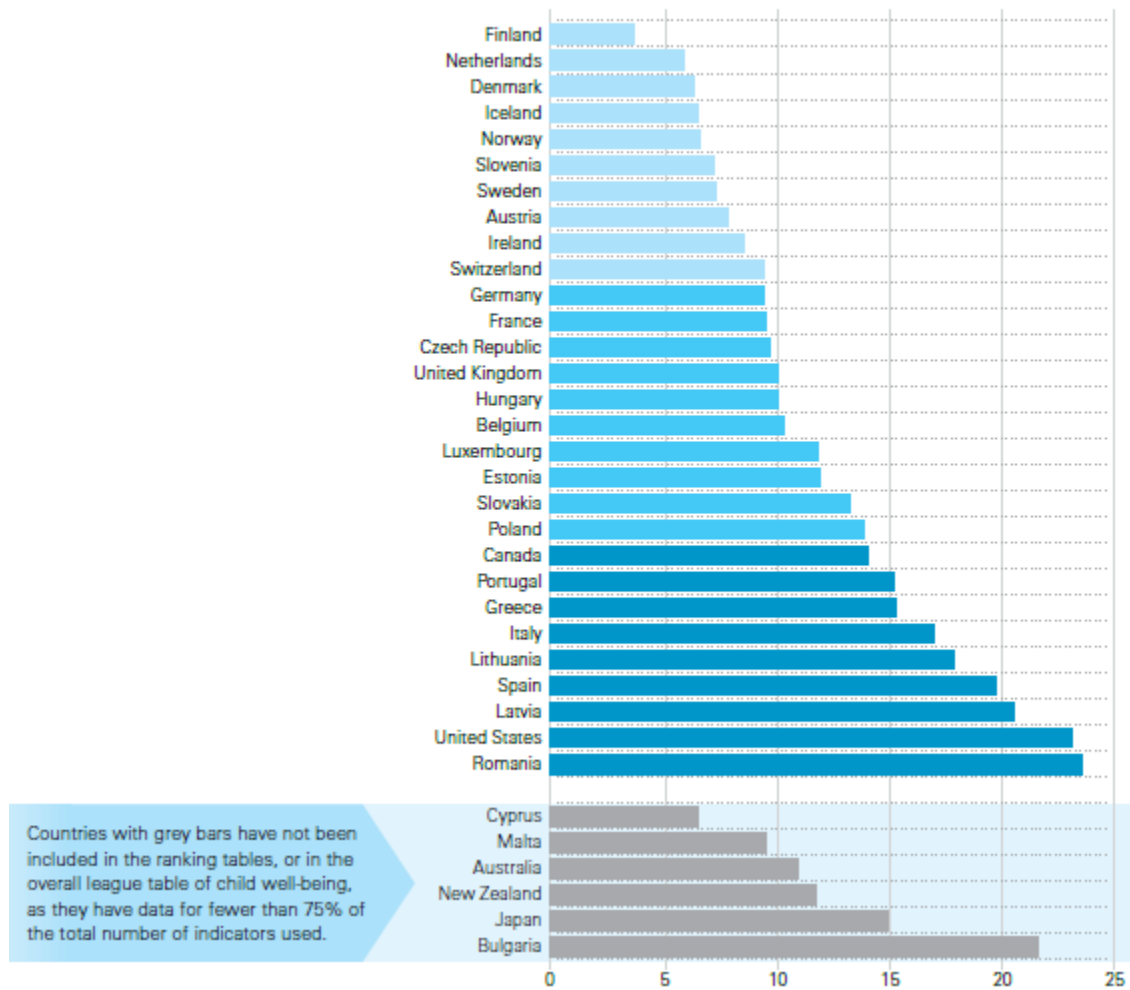
Many countries have taken to adopting a UNICEF Child Deprivation Index in recent years that measures childhood material deprivation (lacking two or more essential goods from a list of 14 items including: having 3 meals a day, money to participate in school trips and events, and two pairs of properly fitting shoes) - [See page 9 here for a full list](#). A University of Ottawa study examined child deprivation in Ontario and found that 11.7% of children were materially deprived (Notten 2013). Statistics Canada does not collect or measure data on material deprivation in the census. Rates of child poverty vary widely by geography and race across Canada. Note that for Status First Nations in Canada, fully half — 50% — of status First Nations children live below the poverty line. This number grows to 62% in Manitoba and 64% in Saskatchewan (CCPA 2013).

#### Rates of Child Poverty in OECD Nations

The most recent iteration of UNICEF's *Innocenti Report Card*, which examines child well-being and poverty in rich countries, contains the most recent measures of child poverty in OECD Nations. The ICR-11 has a [useful interactive dashboard site](#) that displays countries' measures of health and well-being in both table and map format. See below for a graph of relative child poverty rates:

**Figure 1.1a** Relative child poverty rates

% of children aged 0–17 living in households with equivalent incomes below 50% of national median



Source : [Innocenti Report Card 11, p.7](#)

### Examples from Successful Countries

The European Commission runs a site that measures policies targeted at employment, social affairs and social inclusion in its member countries. Their [overarching recommendations](#) on child poverty from Feb 2013 (Entitled “**Investing in children: breaking the cycle of disadvantage**”) called on EU countries to:

- support parents' access to the labour market and make sure that work 'pays' for them
- improve access to affordable early childhood education and care services
- provide adequate income support such as child and family benefits, which should be redistributive across income groups but avoid inactivity traps and stigmatization
- step up access to quality services that are essential to children's outcomes – improve access to early childhood education and care including for children under 3, eliminate school segregation, enhance access to health, housing, social services
- support children's participation in extra-curricular activities and in services and decisions affecting children such as social services, education, alternative care.

The European Commission's approach stresses that child poverty is a direct result of having parents that live in poverty.

The relationship between government social transfers and poverty is well established. **No OECD country devoting 10 per cent or more of GDP to social transfers has a child poverty rate higher than 10 per cent. No country devoting less than 5 per cent of GDP to such transfers has a child poverty rate of less than 15 per cent (UNICEF 2006).**

Here are a few policy interventions aimed at improving child poverty:

In [Norway](#), the government and Oslo city council provided free core-time day-care for children aged 4 and 5, which has been shown to result in the improved performance of children when they reach the 10th grade and in lower rates of school drop-out. They also connected this to long-term labour market participation of immigrant children, due to their exposure to and development of language skills in a daycare setting. The government also sets aside large amounts of program funding for extra-curricular activities, irrespective of their parents' financial situation, and for helping young people with few or no qualifications to enter the labour market.

[Belgium](#) puts aside funds for each municipality to help promote the participation of young people in social and cultural activities. They also subsidize housing/living conditions through direct financial support for parents, educational support (e.g. homework classes) and help to meet healthcare needs (e.g. to help cover the costs of hearing aids or glasses).

In [Finland](#), general social transfers account for 20% of all household income. Family benefits add "a further 12% to the income of households with children, bringing the overall share of transfers to one third" of total household income. Finland's extensive income transfer programs are quite similar to approaches in other Nordic countries. In 1990, all children under three were granted the legal entitlement to universal daycare. This was expanded to all children under school age in 1996.

**Sources:**

- Ministry Of Social Affairs and Health, Finland, (2008). [Promoting Children's Welfare in the Nordic Countries](#)
- UNICEF, (2005). Innocenti Report Card 6, [Child Poverty in Rich Countries](#)
- UNICEF, (2013). Innocenti Report Card 11, [Child Well-Being in Rich Countries](#)
- European Commission - [Employment, Social Affairs & Inclusion](#)
- Notten, Geranda (2013). [Child deprivation in Ontario: A \(less than perfect\) comparison with Europe](#). Working Paper. UNU-MERIT.
- David Macdonald and Daniel Wilson (2013). [Poverty or Prosperity: Indigenous Children in Canada](#). CCPA.

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