



June 28, 2017

The Honourable Jean-Yves Duclos Minister of Families, Children and Social Development Government of Canada

Dear Minister Duclos,

On behalf of the Ontario Public Health Association (OPHA) and the Association of Local Public Health Agencies (alPHa), we are writing to provide you with our response to your Poverty Reduction Strategy consultation process.

Together, our two associations have over 98 years of experience providing leadership in the provincial public health system. As not-for-profit member-based organizations, we represent 36 local boards of health and hundreds of public and community health professionals in Ontario. Our associations have come together to form a single 'Health Equity Work Group' (HEWG) to address inequities in the health of Ontarians from a systems perspective. The HEWG has taken the time to develop the accompanying paper containing specific recommendations for the development of a National Poverty Reduction Strategy.

We commend your government for initiating an extensive, multi-sectoral consultation process that addresses a critical public health issue. Given the myriad of evidence identifying the relationship between poverty and a range of health-related outcomes, a National Poverty Reduction Strategy is urgently needed. We are also pleased that your consultations are making special efforts to engage the participation of those with lived experience of poverty and precarious employment, as well as diverse sectors, including public health.

We hope that you find our recommendations to be helpful, and we would be happy to answer any questions you may have. Please contact us by telephone by calling Pegeen Walsh at 416 367-1281 or Linda Stewart 416-595-0006 ext. 22 or by e-mail at pwalsh@opha.on.ca or linda@alphaweb.org if we can assist you in any way.

Yours sincerely,

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alPHa-OPHA Response to Canadian Poverty Reduction Strategy Consultation

June 27, 2017

Response to the Canadian Poverty Reduction Strategy Consultation by the Association of Local Public Health Agencies and the Ontario Public Health Association

SUMMARY

Addressing the health impacts of poverty is strongly linked to the fundamental work of public health in Ontario, which aims to address the social determinants of health to reduce health inequities. In recognition of the detrimental role of poverty on the health and well-being of individuals and communities, the Health Equity Work Group (HEWG) of the Association of Local Public Health Agencies (aIPHa) and the Ontario Public Health Association (OPHA) has developed a series of recommendations for consideration in the development of a national poverty reduction strategy (PRS).

The HEWG supports a conceptual model for a Canadian PRS comprised of the following elements:

- ENSURING INCOME SECURITY FOR ALL CANADIANS. Although employment may be an ideal poverty alleviator for many, income security provides a fundamental safety net regardless of employment status. Key recommendations for ensuring greater income security supported by the HEWG include: indexing the new Canada Child Benefit to inflation in 2020; significantly reengineering the Employment Insurance Program so that all Canadians experiencing temporary unemployment are protected against poverty with an adequate income replacement; working with provinces and territories to enhance the Canada Pension Plan; and investigating the feasibility of introducing a Basic Income Guarantee (BIG) at the national level.
- PROVIDING FOUNDATIONAL SUPPORTS AND REMOVING BARRIERS TO EMPLOYMENT AND INCOME SECURITY. Whether barriers are described as logistical obstacles, human capital needs, or personal or family-related issues, the multiple dimensions of poverty require the removal of these barriers, and the provision of foundational supports. Necessary supports that are commonly cited include access to housing, education and training, childcare and/or early child development, transportation, and health services and benefits. Key foundational supports recommended by the HEWG include the development and implementation of a National Housing Strategy, a National Early Learning and Child Care Framework, a Universal Pharmacare Program, greater investments in skills training to lower unemployment, and greater investment in transportation infrastructure through provincial/municipal partnerships.
- **TACKLING SYSTEMIC DISADVANTAGE** EXPERIENCED BY CANADIANS MOST VULNERABLE TO POVERTY. Groups of Canadians who are systematically more likely to be poor include unattached people aged 45 to 64, single parents, recent immigrants, racialized populations and people with disabilities. Indigenous people in particular have experienced a long history of systemic disadvantage that has been extensively documented.

In addition, the HEWG recommends a complementary range of measures to monitor the impact of current and recommended poverty reduction measures. These include: measures of both **relative and absolute poverty**, including the **Low-Income Measure** (LM), the **Low-Income Cut Off** (LICO) and the **Market Basket Measure** (MBM); **measures of income inequality** (e.g., the GINI coefficient); **indices of material and social deprivation**; and **indicators of health care utilization**.

The PRS should have an accountability structure with mechanisms for the federal government to engage in regular and iterative consultation with all stakeholders, strategy revision, and reporting of progress. The federal government should also consider establishing supportive centres in partnership with academia, other levels of government, and non-government stakeholders. These centres can produce and disseminate research and report products transparently and independently, and support decision-making for a variety of stakeholders.

alPHa-OPHA Response to Canadian Poverty Reduction Strategy Consultation

Prepared by:

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Context

The Canadian federal government has committed to the development of a Canadian Poverty Reduction Strategy (PRS), with broad consultations beginning in 2017¹. Addressing the health impacts of poverty is strongly linked to the fundamental work of public health in Ontario, which aims to aims to address the social determinants of health to reduce health inequities².

Objective

The following paper was developed by the joint health Health Equity Work Group (HEWG) of the Association of Local Public Health Agencies (alPHa) and the Ontario Public Health Association (OPHA). It provides a series of comprehensive recommendations for consideration in the development of a national PRS.

Scope of this Paper

The public health sector has a key role in leading, supporting, and participating with other organizations in policy analysis and development, and in advocating for improvement in health determinants and health inequities³. Given the extensive body of work on the issue of poverty in Canada, and the development of numerous policy recommendation 'blueprints' in recent years, from both government⁴ and non-government bodies⁵⁻⁸, this paper aims to highlight policy solutions that are relevant to the role and mandate of public health and that are within the jurisdiction of the federal government. Particular consideration will be given to any specific policy areas where alPHa or OPHA have already engaged in advocacy.

Poverty, as with health, is a complex issue with multiple determinants and impacts. This paper focuses on policy interventions with evidence of effectiveness and that are targeted towards specific drivers of poverty or specific dimensions of the poverty experience⁹. Given the well-established link between poverty and health outcomes¹⁰, this paper also highlights policy interventions with demonstrated health impacts.

Theories of the policy development process emphasize the need to consider events external to a policy subsystem (e.g. changes in socioeconomic conditions, changes in public opinion, changes in systemic governing coalition)¹¹, the important interplay of problems, policies and politics in the opening of a policy window¹² (i.e. how policy opportunities arise for specific issues amid a complex load of problems and potential policy solutions), and the strategic advantage of aligning the interests of coalitions¹¹. As such, this paper will begin by briefly describing how poverty is conceptualized within a Canadian poverty reduction agenda, and what the current context is for change. This will ground the subsequent consideration of policy responses, which will be presented according to eight key questions posed by the federal government's PRS discussion paper¹.

Conceptualizing Poverty in a Canadian Poverty Reduction Agenda

A brief description of how poverty is conceptualized is necessary to support an organized discussion of policy interventions that are effective and well-targeted.

Defining Poverty

In the Canadian poverty reduction discourse, poverty is generally described as a condition of inadequate income, which is experienced in multiple dimensions, such as food insecurity, social exclusion, inadequate housing, and lack of access to transportation and other services¹. More formally, poverty can be defined as "the experience of material and social deprivation that results from a lack of economic resources⁵." The measurement of poverty and its dimensions, and the related concept of income inequality, are addressed in a subsequent section of this paper.

Employment and Foundational Supports

In a Mowat Centre poverty report prepared by White et al. for the Ontario Ministry of Children and Youth Services, poverty is conceptualized as primarily arising from an inability to achieve success in the labour market⁷. Indeed, steady attachment to paid employment is a significant protective factor against persistent low income among Canadians who are otherwise particularly vulnerable to poverty: lone parents, unattached individuals aged 45-64 years, recent immigrants, and Indigenous people living off reserve¹³.

White et al. categorize barriers to successful employment into human capital deficits (e.g. education, work experience), personal or family challenges (e.g. health problems, traumatic experiences), and logistical obstacles (e.g. transportation, childcare). They argue that a PRS must target these barriers, and also include foundational supports such as income security and housing⁷. This model identifies barriers to employment as major drivers of poverty, and points to foundational supports as particularly essential for individuals unable to maintain employment. However, it does not address why certain groups are consistently more vulnerable to poverty.

Systemic Disadvantage

Dennis Raphael draws attention to the problem of systemic disadvantage, by noting that the employment market hierarchy stratifies individuals on the basis of social class, education, gender, race, disability status, and immigration status⁵. Thus, success in the labour market is not simply the attainment of employment, because those who are lower in the employment hierarchy are more vulnerable to lower wages and are systematically more likely to experience barriers to employment and income security⁵. In the recent past, the prevalence of poverty among those occupying lower positions in the employment hierarchy has been exacerbated by provincial government policies such as freezing minimum wage rates for considerable periods of time (e.g., as Ontario did between 1995 and 2003 and 2011 to 2015). This, in turn, erodes minimum wage value by the annual amount of inflation¹⁴.

Safety Nets and Springboards across a Positive Life Span Trajectory

Sherri Torjman presents an alternate conceptualization of the issue by reorienting the focus away from the problematizaton of poverty and towards an ideal positive pathway across the life span⁶. Torjman describes affordable housing, early childhood development, and education and literacy as forming the basic building blocks for training and employment. Employment is related to, but distinct from income

security, which comprises both income supplementation and income replacement. Beyond income, Torjman identifies additional contributors to poverty reduction to include asset creation, social infrastructure, and place-based interventions. Importantly, Torjman argues that a robust PRS must combine "safety net" elements that mitigate the impacts of low income, and "springboard" components that create opportunities for success over the long term⁶.

Also notable is the growing conversation around whether or not employment *should* continue to be a prerequisite to live free of poverty, in the way it currently is in Canadian society. This model values unpaid work such as care giving for one's children or parents, or volunteer work, and posits that society should provide a level of income security for all individuals whether they participate in the paid labour market or not¹⁵.

A Simplified Conceptual Model for a Canadian Poverty Reduction Strategy

A simplified conceptual model for a Canadian PRS may be considered as comprising the following elements:

- Ensuring **income security** for all Canadians. Although employment may be an ideal poverty alleviator for many, income security provides a fundamental safety net regardless of employment status.
- Providing foundational supports and removing barriers to employment and income security. Whether barriers are described as logistical obstacles, human capital needs, or personal or family-related issues, the multiple dimensions of poverty require the removal of these barriers, and the provision of foundational supports. Necessary supports that are commonly cited include access to housing^{1,4-7,16-18}, education and training^{1,4-6,18,19}, childcare and/or early child development^{1,4-7, 19, 20}, transportation^{4,6,7}, and health services and benefits^{4-6,19,21,22}.
- Tackling systemic disadvantage experienced by Canadians most vulnerable to poverty. Groups
 of Canadians who are systematically more likely to be poor include unattached people aged 45
 to 64, single parents, recent immigrants, racialized populations, Indigenous people, and people
 with disabilities²³⁻²⁴.

Current Context for Change

The problem of poverty is not new in Canada, and neither is the most recent call for national policies to reduce poverty^{4,5,19}. However, in recent years, there is growing recognition that Canada's core social programs and policies, many of which were designed in the mid-twentieth century, have not kept pace with the broad changes to Canada's society, economy, and labour markets⁸. The following describes the current context for a Canadian PRS, including recent shifts in the political climate for change.

Demographic Shifts

Canada's **aging population** creates a rising dependency ratio, which is projected to be as many as 50 seniors for every 100 workers by 2056²⁶. This significantly impacts retirement income security, burdens on caregivers, and health care costs, including out-of-pocket expenses on long-term care and home care^{8,21,27}.

Meanwhile, Canada's **young and growing Indigenous population** continue to experience stark disparities in opportunities and outcomes, which are a consequence of both historical cultural violence and ongoing systemic disadvantage^{28,29}. In 2011, Indigenous high school completion rates were 65%, and only 42% for First Nations on reserve, compared to the non-Indigenous rate of 90%²³. Overall, gaps persist between Indigenous and non-Indigenous Canadians with respect to key indicators, including median income (\$20,701 vs \$30,195), unemployment rate (15% vs 7.5%), and the share of the population living in dwellings in need of major repair (21.5% vs 6.8%)²⁵.

More women participating in the labour force has increased demand for services such as child care; however, supply has not risen accordingly to match need and child care costs have grown to prohibitive levels for many⁸. **Family structures have also changed**, such that 16 per cent of Canadian households are single-parent. The majority of these households are female-led, and are vulnerable to higher rates of poverty³⁰.

Newcomers to Canada and racialized populations, who experience unique challenges to successful workforce entry, form a growing proportion of the population⁸. Canada's foreign born population rose from 16% in 1991, to 20% in 2006, and Statistics Canada estimates that nearly one-third of Canadians will belong to a visible minority group by 2031³⁰. Even controlling for age and educational attainment data indicate that first generation, racialized Canadian men earn only 68.7% of what non-racialized first generation Canadian men earn; racialized women immigrants earn only 48.7 cents for every dollar earned by non-racialized male immigrants.³¹

Increasing chronic disease rates are contributing to a mismatch between publicly-funded Medicare services, and Canadians' need for outpatient prescription drugs, dental care, mental health services, and extended health and home care services^{8,20,21}. This phenomenon has implications for poverty, health, and health equity. Since 1997, out-of-pocket health care spending has risen for all households regardless of income, with the greatest relative increase for lower-income households³². In 2007, one in ten Canadians who were prescribed a medication reported nonadherence due to costs³³. More recent data from 2014 reveals that the odds of cost-related nonadherence was four times higher in low-income Canadians aged 55-64, compared to average income Canadians; however, this income-related difference was not significant in Canadians aged 65 and above – an age group which has greater access to public medication coverage in several provinces³⁴.

Trends in the Labour Market, Housing Market

Since the 1970s, Canada's labour market has experienced an **increasing share of precarious part-time and temporary employment**, which is exposing more Canadians to income instability and to unexpected financial hardships in the absence of benefits and retirement plans⁸. Effectively, simply being employed is no longer a guarantee of income security. Poor alignment between the current labour market and the design of Canada's Employment Insurance program is such that only 43.8% of unemployed Canadians are eligible contributors who can receive benefits³⁵. Furthermore, Canadian **labour market polarization**—a split into low- and high-skilled jobs with fewer in the middle—has contributed to widening inequality in wages and in income^{8,36,37}. Precarious employment opportunities are associated with reduced income security arising from lower wages on average, reduced access to benefits such as private pension plans and complementary health insurance, and greater uncertainty regarding future employment income. These types of jobs are also associated with poorer physical and mental health outcomes^{38,39}. In the past 20 years, **major social housing assets in Canada have deteriorated, and new investments in social housing have declined**. While the tax and regulatory environment created by federal and provincial policies have created favourable conditions for home ownership, they have discouraged new construction of purpose-built rental housing^{14,37,39}. As of 2011, over 1.5 million Canadian households were in "core housing need", where they could not obtain adequate and suitably sized housing without spending over 30% of their total pre-tax income⁴².

Political Shifts

The effectiveness of taxes and transfers in reducing income inequality through redistribution is well documented^{5,8,43-45}. However, beginning in the 1990s, the federal government decreased social spending in response to increasing deficits, and downloaded this responsibility to the provinces⁸. In 1993, when the federal government reduced rates of social assistance and Employment Insurance, there were subsequent rises in after-tax income inequality⁴⁵. Provincial variations in income inequality were also observed in the 2000s, partly due to differences in social assistance rates and their inequality-offsetting effects⁴⁵.

In 2009 and 2010, despite the release of two comprehensive reports on poverty from committees of both the Canadian Senate and the House of Commons, their recommendations for reform were not acted upon by the federal government at the time^{4,5,17}. Meanwhile, the poverty reduction agenda advanced at the provincial level, and by the time the current federal government formed in November 2015, nearly every province and territory had made a commitment to create an anti-poverty strategy⁴⁶.

Responses to the Federal Government Discussion Paper

The federal government's Discussion Paper presents eight questions as part of the consultation process. Our recommendations in response to these questions are grouped and presented below.

Measuring Poverty and Tracking Progress

Discussion Paper Questions

- 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?
- 2. What will success look like in a Poverty Reduction Strategy? What target(s) should we pick to measure progress?
- 3. Which indicators should we use to track progress toward the target(s)?

Responses for Consideration

- Poverty is defined by Dennis Raphael as "the experience of material and social deprivation that results from a lack of economic resources"¹. This definition is simple, appropriate for the Canadian context, and consistent with the global definition of poverty set by the United Nations⁴⁴.
- Well-established measures of both relative and absolute poverty should be used, including the low income measure (LIM), low income cut-offs (LICOs), and the market basket measure (MBM)¹. These commonly used indicators measure different yet important aspects of poverty, and should all be used to allow for valid tracking over time, such that meaningful comparisons can be made within Canada and internationally. Furthermore, indicators should be stratified by key socio-demographic factors that are relevant to poverty. Groups of Canadians who are systematically more likely to be poor include unattached people aged 45 to 64, single parents, recent immigrants, racialized populations, Indigenous people, and people with disabilities²¹⁻²³.
- As documented by Tarasuk et al, food insecurity is a key measure of deprivation strongly
 associated with health outcomes. It is important to measure and monitor this dimension of
 poverty to track progress. The Canadian Community Health Survey Household Food Security
 Survey Module is evidence informed and is rigorous and systematic in its implementation. Food
 bank data alone is insufficient as it underestimates the problem of food insecurity in Canada.
 (See <u>OPHA's submission to Ontario's First Food Security Consultation</u> for more detailed
 recommendations on ways to measure food security).
- Measures of income inequality, such as the Gini coefficient, should be used. As a related but distinct concept from poverty, income inequality is also associated with poor health^{50,51}. Tracking and comparing the market income Gini coefficient with the Gini coefficient after income taxes and transfers can reveal the redistributive impacts of poverty reduction policies and programs^{43, 44}.

- Indices of material and social deprivation should be used to measure the lived experience of poverty^{4,7}. Deprivation indices capture the multiple dimensions of poverty, such as health, education and housing, and they are increasingly being used in other jurisdictions by the Organization for Economic Development (OECD), the European Union, and the United Kingdom⁷. Within Canada, Deprivation indices have been developed in Ontario, Quebec and Alberta^{7, 52, 53, 54}.
- **PRS targets and indicators should be attached to specific policy interventions**, and should track progress in addressing income security (e.g. proportion of Canadians eligible for income supplementation or replacement), removing barriers to employment (e.g. proportion of unemployed Canadians eligible for skills training supports), access to foundational supports such as housing and childcare (e.g. units of affordable housing or number of licensed childcare spaces per child population), and redressing systemic disadvantage faced by vulnerable groups (e.g. per capita education spending on indigenous youth).
- Indicators of health care utilization that are sensitive to income levels should be used to track the short, medium and long-term impact of poverty reduction initiatives on the use of tertiary health services by low-income groups.⁶⁹
- Indicators should be tracked at the national, provincial/territorial, regional, and local levels. Local-level data is essential for organizations such as local public health agencies to identify and prioritize programming based on social determinants of health data⁵².
- A fully independent Statistics Canada⁴⁷, as promised by the current federal government party platform, may be an important step in strengthening the systematic and ongoing data collection that is vital to tracking progress on poverty reduction. Although the mandatory long form census has been restored, recent changes to a number of other surveys related to poverty reduction may have implications for data gaps⁷. In consultation with Statistics Canada and other stakeholders, the federal government should renew its **commitment to the collection and sharing of data for sound decision making**^{4,47}.

Focusing on income security, foundational supports, and systemic disadvantage

Discussion Paper Questions

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

Responses for Consideration

- **Income security for all Canadians** should be prioritized, regardless of age, family status, or employment status. This would provide a universal safety net for all Canadians against poverty.
- **Groups facing systematic disadvantage,** who are more likely to experience poverty, should be prioritized. These include unattached people aged 45 to 64, single parents, recent immigrants, racialized populations, and people with disabilities.

- Indigenous people in Canada should be prioritized, in light of the significant and longstanding disparities they continue to face, the repeated calls to redress these disparities^{4,18,25}, and the primary responsibility of the federal government to work with Indigenous peoples toward their success and well-being.
- **Children** should continue to be a focus of poverty reduction efforts, given that their developmental stage makes them particularly vulnerable to the life-long impacts of growing up in low income⁵⁶.
- Beyond income, foundational supports to employment and income security should be prioritized. Critical supports include access to housing^{1,4-7,16-18}, education and training^{1,4-6,17,18}, childcare and early child development^{1,4-7,18,19}, transportation^{4,6,7}, and health services and benefits^{4-6,17,20,21,57,58}. As noted in previous joint OPHA-alPHa submissions ⁵⁶ and resolutions passed by alPHa ^{57,58}, access to these foundational supports can combat poverty by developing the human capital needed to achieve one's potential, removing logistical barriers to employment, and protecting all Canadians from the risk of poverty when personal or family issues arise.

Canadian policy interventions for poverty reduction

Discussion questions

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?

Responses for Consideration

Income Security: Income Supplementation & Income Replacement, and Systemic Disadvantage

- The new Canada Child Benefit is an income supplement for all Canadian families with children. For this group of Canadians, it is a powerful and effective contributor to income security because it is generous, progressive, tax-free, and inclusive and non-stigmatizing⁵⁹, and because it targets those most developmentally impacted by poverty - children. Previous evidence from Canadian child benefit programs demonstrates that they are associated with positive health and social outcomes^{60,61}. To ensure the ongoing effectiveness of the new Canada Child Benefit, the Canadian government should honour its commitment to **index the Canada Child Benefit to inflation in 2020**⁶².
- The Employment Insurance program is intended to provide income replacement to Canadians who are not in employment due to a number of specific reasons. However, there is a mismatch between the program's existing provisions and eligibility criteria, and the much changed labour market that faces Canadians seeking employment today^{8,35}. The Employment Insurance program is no longer an effective safety net against poverty because it does not reach all Canadians who are temporarily without employment, and the benefit rates do not prevent poverty for recipients⁵⁻⁸. The Canadian government should **significantly re-engineer the**

Employment Insurance program so that all Canadians who are temporarily unemployed are protected against poverty with an adequate income replacement⁴⁻⁷.

- The Old Age Security and Guaranteed Income Supplement programs provide income supplementation for all Canadian seniors and additional payments to low-income seniors, respectively. Both programs have been effective at improving health^{63,64} and reducing poverty^{6,7} for Canadian seniors, and, together with the Canadian Pension Plan/Quebec Pension Plan, have helped to reduce income inequality in Canada⁴⁴. The Canadian government should build upon recent enhancements to the Guaranteed Income Supplement and continue to strengthen these programs, including exploring a Seniors Price Index⁶⁴. Concurrently, the federal government should work with the provinces and territories to enhance the Canada Pension Plan, and explore additional policies and sustainable financing options that ensure income security for all seniors including those without workplace pensions^{66,67}.
- Basic Income is a cash transfer that replaces or supplements the income of Canadians, to a level that is sufficient to meet basic needs, regardless of employment status⁶⁸. As a safety net that assures income security for all, Basic Income can be a powerful lever to combat poverty and improve health outcomes, as has been demonstrated for injuries and mental health⁶⁹. As such, it has been endorsed as policy option for poverty reduction by both alPHa and OPHA⁵⁶. Basic Income would be particularly impactful to address the high rates of poverty amongst working age adults, as they are not typically eligible for child benefits received by younger adults or for seniors benefits⁷⁰, as well as for people with disabilities. The federal government should partner with Ontario in its provincial pilot of Basic Income, and should also investigate the feasibility of introducing a Basic Income at the national level^{56,68}.

Foundational Supports and Systemic Disadvantage

- Affordable housing should be prioritized as a crucial element of poverty reduction^{1,4-7,16-18} and as a fundamental determinant of health^{40, 71}. The federal government should use its regulatory and spending powers to create and finance a sustainable supply of affordable housing for all Canadians^{16,40}. In accordance with findings from national consultations, the federal government should **implement a National Housing Strategy** that ends homelessness, strengthens the social housing sector, promotes affordability of both owned and rented homes, supports Canadians in greatest housing need, improves housing for Indigenous peoples both on- and off-reserve and in the North, and shapes communities that are inclusive and sustainable⁷³.
- Access to affordable, high quality childcare represents a crucial logistical support to Canadian parents who are working or seeking employment; it also strongly supports a foundation of healthy early childhood development that is essential for Canadian children to learn effectively, and to build skills to succeed later on in life^{6,7,18,19}. The federal government should honour its commitment to **develop and implement a National Early Learning and Child Care Framework**, and work with provinces, territories, and Indigenous communities to deliver affordable, high-quality, flexible and inclusive childcare for Canadian families⁴⁷.

- Canadians with low income have disproportionately high out-of-pocket health expenses, and one in ten Canadians do not fill a prescription because of costs^{32,33}. The federal government should consider the **development of a national universal pharmacare program** as a long term strategy to ensure that all Canadians can access the necessary medications to both prevent and treat disease, regardless of the ability to pay^{4,20,57,74}. In the interim, the federal government should work with the provinces to concentrate purchasing power and further lower the fixed price point of generic drugs²⁰.
- The federal government should **ensure that skills training investments address structural unemployment and lower barriers to work for all Canadians**, and especially for Indigenous peoples, new immigrants, and persons with disabilities^{4,18,36}. Maximizing access to skills training may be achieved by decoupling it from Employment Insurance eligibility^{18,36,75}. To better understand the "skills gap" in some regions and industries, the federal government should continue to engage in cross-sectoral partnerships with industry, the education sector, and all levels of government, to refine local, sector-specific labour market information³⁶.
- Safe, reliable and affordable transportation is a necessity for all Canadians to access health care, education, childcare, community organizations, and employment, regardless of income, geographic location or disability status^{6,7}. The federal government should **partner with** provincial and municipal governments to invest in public transportation infrastructure that addresses the unique needs of all Canadians across rural, suburban and urban communities^{4,7}.

Innovation and dialogue: federal support and engagement at the provincial and local levels

Discussion Paper Questions

- 6. How can the Government of Canada align its Poverty Reduction Strategy so that it supports existing efforts by provinces, territories, municipalities and communities?
- 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?
- 8. How can the Government encourage an ongoing dialogue with other levels of government, community organizations, academia and businesses on its poverty reduction efforts?

Responses for Consideration

- Nearly every province and territory have committed to creating anti-poverty strategies⁴⁶. To allow for meaningful comparisons and evaluation of strategies, the federal government should work with provincial and territorial counterparts to achieve consistency in the use of key poverty indicators, and to ensure that the ongoing collection and dissemination of data is timely and relevant for all stakeholders^{4,7,18}.
- In developing a PRS, the federal government should strongly consider innovative policy interventions with demonstrated effectiveness in poverty reduction. For example, Quebec's Universal Low Fee Childcare Program—the most accessible in Canada—has increased women's labour force participation, which has raised Quebec's GDP by an estimated \$5 billion^{19,76}. The At

Home/Chez Soi project has also demonstrated that Housing First is a powerful approach to addressing multiple interlinked issues of homelessness, poverty, and mental health⁷⁷.

• The PRS should have an accountability structure with **mechanisms for the federal government to engage in regular and iterative consultation with all stakeholders, strategy revision, and reporting of progress**^{4,5,78}. The federal government should also consider establishing supportive centres in partnership with academia, other levels of government, and non-government stakeholders. These centres can produce and disseminate research and report products transparently and independently, and support decision-making for a variety of stakeholders⁷.

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