

BRIEF TO THE HOUSE OF COMMONS STANDING COMMITTEE ON FINANCE

BY

THE WOMEN'S ACTION COALITION OF NOVA SCOTIA (WACNS)

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EXECUTIVE SUMMARY

The Women's Action Coalition of Nova Scotia (WACNS) is an independent non-partisan alliance of organizations and individual women. WACNS advocates for women's social justice and public policies that ensure equality, justice, dignity, peace and security for all. WACNS works within Nova Scotia and in solidarity with women's social justice groups around the world.

In this Brief we present evidence concerning women's vulnerability to poverty and violence and express our support for recent calls in Parliamentary and Senate Committee reports to develop a federal poverty reduction strategy to strengthen Canada's weak social and income security infrastructure. Until the economic insecurities experienced by many Nova Scotia women are systematically addressed, real gains for a national economic recovery, and return to good paying, stable and secure jobs for women and men in this country, will remain compromised.

We recommend immediate federal action and increased funding for housing and childcare. Action plans and increased funding in these two crucial areas for women would not only form the basis for a federal poverty reduction strategy and contribute to economic development and employment, but help women living in poverty and/or violent situations to improve the quality of their lives.

We also express concern that gender analysis—the economic and social implication of budget decisions on women's equality and women's contributions to social wealth and well-being are largely absent from the federal budget discourse and decision-making process. It is important to rectify this because budget decisions often have differential gender impacts that negatively impact women and in the long run are costly for governments. Conversely, budgets that take women's equality and social health and well-being into account can reap financial benefits. We recommend the immediate implementation of the 2009 Auditor General's Report recommendations on gender-based analysis in the 2012-13 budget.

WOMEN'S VULNERABILITY TO POVERTY AND VIOLENCE

The overall rate of poverty amongst women in Canada has declined since the 1970s.ⁱ Yet this decline masks disparities amongst women and the high rate of poverty amongst vulnerable groups—aboriginal women, racialized women, immigrant women, women living with disabilities, lone parent mothers and (increasingly) female seniors living alone. Economic disparities between women also increase depending on their geographic location and whether they are in urban or rural locales. In 2001, rural poverty was prevalent in most of Atlantic Canada and Saskatchewan, but less so in Ontario and Alberta.ⁱⁱ

The poverty rate for female lone parents has declined in Canada since the mid-1990s when it reached a whopping 52.9%, but in 2008 it still stood at 20.9%—the highest of any family type. Similarly, the rate of poverty amongst children declined, but in 2008 36% of all children living in low income families lived in families headed by a lone parent woman.ⁱⁱⁱ If the government is to live up to its commitment to “end child poverty” it must address family poverty and particularly amongst single mothers.

Poverty for women who must rely in full or in part on income assistance is especially dire. Social assistance has always been an unjust and stigmatizing income support system. It became worse after the federal government removed national standards in 1995 opening the door to provincial cuts to assistance and more stringent work requirements. The strengthening of the Child Benefit since 1998 has helped, but it is still too low to keep many single parent families out of dire poverty. In 2009 in Nova Scotia the total welfare income of a single mother with one child was \$14,992 or 70% of the Market Basket Measure—an amount governments themselves have

determined is required live. A single woman deemed 'employable' (fit to look for work) received just over 40% of the MBM. A disabled person received only \$9,179 or 60% of the MBM.^{iv} In these circumstances, higher accommodation, energy and food costs make for hard choices about whether to eat or pay the rent, leading to higher rates of homelessness and greater reliance on food banks. The situation is not much better for seniors. The OAS/GIS, once promoted as a way of ensuring no senior would live in poverty, is no longer adequate to protect the dignity of senior women living alone.

More mothers with young dependent children are now in the labour market, yet paid work is still not a reliable pathway to economic security for themselves or their families. Indeed, in families where the major income earner is female, 16% of individuals were living on low incomes in 2008. When the major income earner was male, the share was only 6%. In 2008, women employed full year/full time earned only 71% of what men earned—a situation that has not improved since the mid-1990s. Moreover, women account for 60% of minimum wage workers in Canada and it is estimated that 40% of women work in precarious jobs with no benefits, no pension, and little or no job security.

Women in Nova Scotia often find themselves in particularly precarious economic positions given the unique political economy of the region, and the specific economic challenges this province faces. These economic challenges are compounded because they are less likely to be employed, more likely to be in seasonal work, and have more issues with childcare than their urban counterparts. Women's average earned income overall in Canada is only 65% of men's, but in Nova Scotia it is closer to 60%.

It has been estimated that failure to address the root causes of poverty in Nova Scotia costs at least between \$1.5 and \$2.2 billion dollars per year.^v These costs are not merely borne by individuals and families but by the provincial and federal governments, through the economic costs associated with addressing high levels of crime and the effects of poor health and school dropout, as well as the lost productivity.

Yet women are not only vulnerable to poverty, many are also vulnerable to experiencing violence in their own homes and elsewhere. Although there are signs that some forms of violence against women are decreasing, for many groups of women violence remains endemic. One in two women in Canada over the age of sixteen will experience violence during her lifetime.^{vi} Girls are also at high risk of sexual assault both within and outside of the home. According to police-reported data, over half (59%) of sexual assault victims were under the age of eighteen, and 82% of those child sexual assault victims are girls.^{vii} In Nova Scotia the rate of spousal violence is 221 per 100,000 per year for women and 64 per 100,000 per year for men.^{viii} Rates of sexual violence in Nova Scotia stand at a staggering 4,000 per 100,000 per year, with an estimated 90% of sexual offences going unreported to the police.^{ix}

Personal security is also a necessary determinate of well-being and productivity. Indeed, the World Health Organization and national health agencies, including Health Canada and the U.S. Center for Disease Control have demonstrated that domestic violence has a significant impact on the economy.^x In the United States "the costs of intimate partner rape, physical assault, and stalking exceed \$5.8 billion each year."^{xi} The equivalent percentage of Canadian GDP would suggest an annual cost in 2010 of \$766,749,244.

THE ROLE OF GOVERNMENT POLICY IN WOMEN'S VULNERABILITY TO POVERTY AND VIOLENCE

Poverty does not cause the violence, but it does make the situation worse because it makes it more difficult for a woman without adequate means to leave and establish a life and home of her own, especially when services

and support are inadequate to meet the need. This situation is not inevitable, however. Governments choose whether or not to allocate public funds for social programs that can reduce and prevent poverty and violence.

Under the current federal block-funding scheme in place since 1995, provinces and territories receive money for social services and income assistance through the Canada Social Transfer (CST). However, while the 2009 federal budget provided for annual 3% increase in the CST through 2011, it did not address the adequacy of social assistance benefits provided by the provinces and territories.^{xii} According to the Department of Finance, the money provided by the CST is “notionally earmarked” for post-secondary education, child care services, and social assistance programs. Of these, social assistance received the smallest funding increase from 2007 to 2010. No conditions were attached to ensure that it is more than “notionally” funded under the CST, or that incomes delivered by the province adequately met the needs of the most vulnerable women.

Poverty and the provision of social assistance for women in Canada has been red-flagged by virtually every United Nations body that reviews Canada’s human rights performance, and the UN has asked the government to establish minimum standards for social assistance to be applicable at the federal, provincial and territorial levels.^{xiii} This has not happened.

This is partly why women’s and other social groups are calling on federal and provincial governments to develop poverty reduction strategies. Ideally, such strategies would have clear goals, include stable and sufficient funding for a variety of programs that help to lift people out of poverty, and accountability measures with measurable indicators. While some provincial governments have begun to heed this call, provinces cannot achieve real and lasting results on their own. There must be additional federal funding to achieve objectives.

We therefore believe that the federal government should reconsider its decision not act on the recommendations of the Parliamentary Standing Committee on Human Resources, Skills and Social Development or the Standing Senate Committee on Social Affairs, Science and Technology. As both these reports pointed out, poverty take a human toll in lost opportunities, poor health, and the effects of social exclusion. These affects of poverty also affect society as a whole and cost governments a great deal of money. We urge the federal government to consult with other governments, low income people, advocacy groups and the concerned public to develop a federal poverty reduction action plan using a human rights framework that also includes women.

One way to ensure that the situation of women is taken into account in public policy is to incorporate gender based analysis in all budgetary and policy decisions. Gender-Based analysis is an analytical tool that is used to assess how policies and programs may differentially impact women and men. It can also help to achieve the broader policy goal of gender equity. In 1995 the Canadian government committed itself to implement gender-based analysis throughout its departments and agencies. Yet recent history is replete with examples of budgetary decisions and policy shifts that have had negative impacts on women.

In 1995, the same year that the government adopted GBA, the federal government ended cost-shared funding and national standards for welfare provision under the Canada Assistance Plan (CAP) and made large cuts to social program spending. Women and others living in poverty are still feeling the effects of these cuts. There were also disproportionately negative impact s arising from the 1996 changes from unemployment insurance (UI) to employment insurance (EI), especially for women in seasonal work in Atlantic Canada .^{xiv} Another example is the uneven gendered outcomes of tax expenditures.^{xv} Recent changes to Status of Women Canada have not only had negative repercussions for women’s equality seeking groups, but also call into question

Canada's commitment to women's equality.^{xvi} The 2008 infrastructure program has also been criticized because there was little consideration given to gender equity.

In the context of increasing economic uncertainty we are currently concerned about the government's 2011-12 budget commitment to accelerate the timeline for deficit reduction through cuts to government programs. These cuts could have direct and indirect impacts on women through the demise of public sector jobs (where many women work) or of programs that primarily serve women. We therefore urge the government to re-think this course of action.

Budgets that take women's situation into account, however, can in the long run save money and reap financial benefits. By reducing their economic vulnerability and providing women with more comprehensive social supports (e.g. for their educational advancement, health and wellbeing, and care for their children and families) women can continue to make, and inevitably will make substantial economic contributions. **With this in mind, we recommend action in three areas for the 2012-13 budget:**

1. Gender-Based Analysis and Budgeting

In 2009, the Auditor General of Canada published a report on the implementation of gender-based analysis within government departments and agencies.^{xvii} The Report found that although there are GBA 'champions' in central agencies, trained experts in GBA in some departments (including Status of Women Canada) and some departments have GBA frameworks, there is still no evidence that GBA is used in designing public policy or government-wide policy requiring it in government initiatives. Of sixty eight initiatives examined in the audit in only four was there any evidence that GBA had been integrated in the policy development process.

Without a full accounting of progress on ending women's poverty, closing the wage gap, and increasing the well-being of all Canadians, we cannot measure the effectiveness of spending. We believe, therefore, that the recommendations of the Auditor General's 2009 Report that gender based analysis should be conducted throughout government, including central agencies must be implemented without further delay.

2. A Federal Action Plan on Affordable Housing

The vulnerability of women to poverty in combination with the lack of homeless shelters and affordable housing puts women who are victims of family violence at a higher risk of not being able to leave or returning to an abusive relationship. The Senate Report on Poverty, Housing and Homelessness also found that poverty and the availability of affordable housing are inextricably linked, noting "there is a housing affordability gap tied to the shortage of supply of affordable housing and declining income at the lower end of the income spectrum."^{xviii}

Women are particularly affected by the lack of affordable housing because they have lower incomes, are more likely to be renters and spend a higher proportion of their income on rent than men. Sixty percent of sole support mothers compared with 40% of fathers and 29% of 2-spouse families spend more than 30% of their incomes on rent. Unattached women are also predominantly renters and many would qualify for subsidized housing if it was available to them. Two community based studies conducted by the Affordable Housing Association of Nova Scotia in 2009 and 2010 demonstrated that the shortage of affordable housing is a serious problem and provided evidence of considerable hardship it causes in both urban and rural areas. It is not only making it more difficult for low income people to cope, but is increasing the incidence of homelessness amongst vulnerable groups, including women. Numerous other studies show that Aboriginal women, recently immigrated women, young unattached women and women leaving abusive relationships are at risk of homelessness.

The Senate Report and most community based studies attribute the shortage of affordable housing to the withdrawal of federal involvement in housing policy and decline of federal funding during the 1980s and 1990s and, despite recent investments, the lack of a coherent strategy to tackle the problem. They agree that what is needed to tackle the problem of access to affordable housing is more federal funding and for the government to work with the provinces to develop a coordinated national affordable housing strategy.

3. A Federal Action Plan for Early Learning and Child-Care

Participation in Early Learning and Child Care (ELCC) is an important means of reducing poverty for both children and low income families. For children it provides a foundation for the future by developing social skills and learning readiness. For parents, especially women, it offers the freedom to pursue education or employment opportunities than can help lift families out of poverty.

In Canada, access to affordable regulated childcare is limited due to cost, availability of subsidized spaces, location, hours of operation, and recruitment and retention issues. In rural areas availability is also limited due to geographic distances and lack of public transportation systems. In Nova Scotia, it is particularly low not only because of availability, cost, and location but because governments have relied on unregulated care or more recently, large commercial operators, to fill the gap even though studies show that non-profit care is not only less costly, but also of better quality, with superior outcomes for children.

Concern has long been expressed about these issues by research and advocacy groups in Canada. They are confirmed by a 2005 OECD study that reported out of 20 developed countries Canada has the lowest ELCC rate. In 2008, about 70% of mothers of young children were in the labour force but of 55% of children in some form of non-parental care, only 20.3% had access to regulated care. In 2007-08 the number of regulated spaces only grew by 3%, about one-third of the growth experienced in the few years before a new national child-care plan was aborted by the current government. The lack of accessible, quality childcare therefore is a significant obstacle to women's participation in employment and the development of our children.

Yet, partly due to lack of funding and reflecting the low-value society and governments place on "women's work", many child-care workers are themselves living in poverty. While this situation must change, ELCC is an important source of employment for many women. By addressing family poverty, supporting child development, and increasing jobs for women, federal investment in ELCC would pay important social and economic dividends in the short and longer term.

RECOMMENDATIONS:

We recommend that the 2012-13 budgetary process and all future budgets demonstrate gender based analysis and provide an evidentiary base for the development of more effective fiscal, economic and social policy that promotes women's equality.

We recommend that the federal government develop and implement a national plan for Early Learning and Child-Care with more adequate funding in the 2012-13 budget to increase the number of safe, affordable, non-profit child care spaces and better match the demand for child-care across Canada.

We recommend that the federal government develop and implement a national plan for affordable housing with more adequate funding in the 2012-13 budget to increase the number of affordable or subsidized housing units and better match the demand for affordable housing across Canada.

ENDNOTES

ⁱ Statistics Canada, *Women in Canada*, 2011.

ⁱⁱ <http://www.rural.gc.ca/RURAL/display-afficher.do?id=1247089339558&lang=eng>

ⁱⁱⁱ Statistics Canada, *Women in Canada*, 2011.

^{iv} Stats on welfare income are from National Council of Welfare, *Welfare Incomes 2009*.

^v Angella MacEwen, & Christine Saulnier, *The Cost of Poverty in Nova Scotia*, Halifax: Canadian Centre for Policy Alternatives-Nova Scotia, 2010. Available at <http://www.policyalternatives.ca/newsroom/updates/did-you-know-poverty-costs-nova-scotia-least-1-billion-year>

^{vi} Statistics Canada, "Women and the Criminal Justice System." *Women in Canada: A Gender-based Statistical Report*. Government of Canada, 2010; "An Overview of Women's Health." In *Canada Health Action: Building on the Legacy - Volume II - Synthesis Reports and Issues Papers*. Health Canada. http://www.hc-sc.gc.ca/hcs-sss/pubs/renewal-renouv/1997-nfoh-nfss-v2/legacy_heritage8-eng.php.

^{vii} Statistics Canada. *Child and Youth Victims of Police-reported Violent Crime*. Government of Canada, 2010; Statistics Canada. *Sexual Assault in Canada 2004 and 2007*. Government of Canada, 2008.

^{viii} Statistics Canada. *Family Violence in Canada: A Statistical Profile*. Government of Canada, 2009.

^{ix} Nova Scotia Advisory Council on the Status of Women. *Sexual Assault in Nova Scotia: A Statistical Profile*. Government of Nova Scotia, 2009.

^x Preventing Intimate Partner and Sexual Violence Against Women: Taking Action and Generating Evidence. Geneva, World Health Organization, 2010.

^{xi} Costs of Intimate Partner Violence Against Women in the United States. Centers for Disease Control and Prevention, 2003.

^{xii} Canada's Economic Action Plan: Budget 2009. Department of Finance, Government of Canada, 2009.

<http://www.budget.gc.ca/2009/pdf/budget-planbugetaire-eng.pdf> on November 7, 2009.

^{xiii} Committee on Economic, Social and Cultural Rights, Concluding Observations of the Committee on Economic, Social and Cultural Rights: Canada, May 19, 2006, E/C.12/CAN/CO/5 at paras. 15, 44, 52, 53; Human Rights Committee, Concluding Observations of the Human Rights Committee, 20 April 2006, CCPR/C/CAN/CO/5, at para. 24; Human Rights Council, Universal Periodic Review, Report of the Working Group: Canada, 3 March 2009, A/HRC/11/17, at para. 45.

^{xiv} Martha Macdonald, "Women and EI in Canada: the First Decade" In Alexandra Dobrowolsky, *Women and Public Policy in Canada: Neoliberalism and After?* Toronto: Oxford University Press).

^{xv} Janine Brodie and Isabella Bakker, *Where are the Women? Gender Equity, Budgets and Canadian public Policy*. CCPA, 2008.

^{xvi} Between 2004 and 2008 the word "equality" was removed from the Department's mandate, 43% of the budget was cut, most regional offices closed and approximately 50% of staff were laid off. Organizations that provide women and girls with an opportunity to bring their concerns forward were eliminated or silenced by new funding criteria and regulations that precluded support for advocacy. As a result, important national women's rights organizations dedicated to advocacy, law reform and systemic change were forced to close down.

^{xvii} Government of Canada, Report of the Auditor General to the House of Commons, Spring, 2009.

^{xviii} The Standing Senate Committee on Social Affairs, Science and Technology. Report of the Sub-Committee on Cities. In *From the Margins: A Report on Poverty, Homelessness and Housing*. Government of Canada. 2009.