JOINT SUBMISSION TO THE STANDING SENATE COMMITTEE ON SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

On

DIVISION 20 OF BILL C-97

By

COLOUR OF POVERTY/COLOUR OF CHANGE and
CHINESE & SOUTHEAST ASIAN LEGAL CLINIC

June 3, 2019

Introduction

The Colour of Poverty – Colour of Change (COP-COC) is a province-wide initiative made up of individuals and organizations working to build community-based capacity to address the growing racialization of poverty and the resulting increased levels of social exclusion and marginalization of racialized communities across Ontario. COP-COC works to build concrete strategies, tools, initiatives and community-based capacity through which individuals, groups and organizations (especially those reflective of the affected racialized communities) can better develop coherent and effective shared action plans as well as coordinated strategies so as to best work together to address and redress the growing structural and systemic ethno-racial inequality across the province.

The Chinese & Southeast Asian Legal Clinic (CSALC) is a community based legal clinic which provides free legal services to the low income Chinese, Vietnamese, Cambodian and Laotian speaking communities in Ontario. Established in 1987, CSALC has become an important advocate for low income immigrants and members of racialized communities, in order to advance their legal, social, political & economic rights and interests in Ontario. CSALC is also a founding member of the COP-COC.

COP-COC and CSALC thank the Standing Senate Committee on Social Affairs, Science and Technology for the opportunity to comment on Division 20 of Bill C-97 concerning poverty reduction. As Canada has developed its first National Poverty Reduction Strategy (PRS) for our country, it is critical to ensure it is comprehensive and effective.

Social Exclusion of Racialized Communities

Based on current demographic trends, by 2031 it is estimated that 29% to 32% of Canadians will belong to a visible minority.¹

Racialized communities (both immigrants and Canadian born) have always been among the most marginalized and socially excluded communities in Canada. Increasingly over time, social exclusion as experienced by racialized group members and immigrants manifests in the racialization of poverty and other related issues, coupled with a decreasing level of socio-economic and political participation by members of these groups in Canadian society, despite their growth both in absolute number and as a percentage of the overall population in Canada.

Social exclusion as experienced by racialized communities are the product of the systemic and structural racism which is prevalent in our society and the corresponding governmental response – or lack thereof – to this fundamental problem. Therefore, in order for the National Poverty Reduction Strategy to be effective and inclusive, it is critical to understand the connection between race and poverty if we are to ensure that all people in Canada have what they need to live a good life.

Any conceptual framework employed by the Government of Canada in its Poverty Reduction Strategy must be guided by a “targeted universality” approach - a vision for equity which acknowledges the existence of the multifaceted and intersectional inequities in Canadian society as experienced by various marginalized communities, including racialized communities. It must also be equipped with appropriate indicators and outcome measures that will not only evaluate the process for building social inclusion but also the impact of any given policy measures towards this goal. Finally, the framework must include a rights-based approach guided by Canada's international human rights obligations.

**Racialization of Poverty**

While poverty can be a concern for anyone, its causes, forms and consequences are not the same. Racialized communities experience disproportionate levels of poverty as a result of the structural and systemic discrimination that exists in Canada.

Numerous studies have shown that among Canadians of colour, poverty levels are disproportionately high – in some ethno-specific cases six to seven the average – affecting their quality of life in all areas including educational outcomes, health status, employment opportunities, housing conditions, interactions with the justice system and life outcomes more generally.

These race-based inequalities persist for subsequent generations as well and cannot be explained away by the ‘immigrant effect”, nor can they be adequately addressed through a settlement and integration framework of analysis.

Racialized people in Canada are significantly more likely to live in poverty. The 2016 Census showed that 20.8% of peoples of colour are low-income compared to 12.2% of non-racialized people. In Ontario, while the poverty rate for the population was 14.4% in 2016, for people of colour it was 21.3% overall. Poverty rates for some specific racialized communities in Ontario
in 2016 were: South Asian (18.0%), Chinese (22.2%), Black (24.1%), Arab (40.6%), Southeast Asian (18.4%), West Asian (36.1%), and Korean (31.4%).

Racialization of poverty is getting worse in many cases. For example in Toronto, one third of racialized children (33.3%) in Toronto live in low-income families, while in comparison 15.1% of non-racialized children live in poverty. Greater proportions of racialized children live in poverty, and child poverty rates are unacceptably high among children who are West Asian (59.5%), Arab (58.8%), Black (43.6%) and Latin American (36.1%). More than 40% of children born outside of Canada (1st generation) live in low-income families compared to over 25% of children born in Canada with at least one parent who is an immigrant to Canada (2nd generation). Poverty rates are much higher for children from racialized groups compared to non-racialized groups for each generation. For example, among children who were born in Canada and whose parents were born in Canada (3rd generation or more), the poverty rate for racialized children is twice that of non-racialized children (22.8% vs. 10.7%). Shamefully, 84% of Indigenous families with children in Toronto live in poverty.

Women from racialized communities are further marginalized as they experience a higher level of poverty than racialized men. Much of this can be attributed to income gaps in the labour market. Racialized women are paid significantly less than non-racialized men and women. Racialized women earned 58 cents, and racialized men earned 76 cents for every dollar a white man earned in Ontario in 2015. The colour-code persists for second generation workers of colour.

**Shortcomings in the Current National Poverty Reduction Strategy**

Given this wealth of research and data which evidences significant and growing racialization of poverty and related race-based inequities, we are alarmed by the notable omission of peoples of colour (i.e. ‘visible minorities’) in the October 2016 Backgrounder on Poverty of Canada – which serves as the foundation for the PRS consultation strategy.

Specifically, under ‘Characteristics of Canadian More Likely to be Living in Low Income’, mention is made of children, unattached people aged 45 to 65, single parents, recent immigrants, Indigenous people, and people with disabilities. In the Backgrounder, peoples of colour (or visible minorities) are conflated with recent immigrants in a way that is both confusing and misleading, as not all visible minorities are recent immigrants – many communities have been

---


here for decades, if not centuries, and still experience poverty at a much higher rate than non-racialized communities.\(^5\)

More disconcertingly however, there is no strategy or plan of action in addressing colour-coded inequities and systemic discrimination and racism against communities of colour.

The Federal government has already enshrined into legislation recognition of the racial inequities in Canadian society. For example, section 2 of the Federal Employment Equity Act, 1995, states that part of the purpose of the Act is “to correct the conditions of disadvantage in employment experienced by women, aboriginal peoples, persons with disabilities and **members of visible minorities**”. (emphasis added)

Further, under the Chretien and Martin administrations, the Government of Canada has signed on and committed itself to delivering on the Declaration and the Programme of Action of the World Conference Against Racism (2001) by developing the Canada’s Action Plan Against Racism (CAPAR - 2005), a Plan that is now in serious need of a comprehensive reboot.

Therefore we respectfully call on the National PRS to ensure that a targeted approach to addressing racialized poverty through the Poverty Reduction Strategy will necessarily be grounded in the understanding that peoples of colour are among the groups which experience poverty at a disproportionately higher rates in Canada.

It is equally important for the National PRS to be developed and implemented with an equity lens to ensure that it benefits all people living in Canada equally. For instance, the Canada Child Benefit (CCB) is an integral part of the National PRS and as of July 2018, the CCB was indexed to keep up with the cost of living. On Feb. 26, 2019, the Honourable Jean-Yves Duclos, Minister of Families, Children and Social Development announced that the Government has met its first poverty reduction target a full three years ahead of schedule. With about 825,000 fewer individuals living in poverty. The success was attributed to CCB which resulted in higher incomes for families with children.\(^6\) As it now stand, however, many children in Canada – including those who were Canadian born – do not have access to CCB. By virtue of s.122.6 of the Income Tax Act, they are excluded from receiving this important benefit because of their parents’ immigration status. This exclusion affects refugee claimants, people on work permits, and people with precarious immigration status regardless of how long they have lived in Canada.

In contrast, individuals with a visitor permit to Canada can apply for CCB so long as they have met the 18-month residency requirement. The exclusion has a disproportionate impact on racialized communities as they are over-represented among those with no citizenship or permanent resident status in Canada.

---

\(^5\) *Ibid* at 16.

**Division 20 of Bill C-97**

Provisions under Division 20 of Bill C-97 provide the basic legislative framework for the implementation of the National PRS with two main purposes:

- The establishment of the Official Poverty Line for Canada; and
- The creation of the National Advisory Council on Poverty

We support both initiatives and the requirements that the Council consult with the public as well as persons with lived experience in poverty.

We believe that the Bill can be strengthened by the following measures:

- A recognition in the Bill that poverty affects different communities differently and that certain communities experience heightened risk of living in poverty including: women, Indigenous peoples, people of colour, people with disabilities, seniors and immigrants/refugees;
- The requirement that the National Advisory Council be made up of individuals that are reflective of the population of people living in poverty in Canada, including but not limited to communities of colour, women, and people with disabilities;
- The requirement that the Minister on poverty reduction collect disaggregated race based data relating to poverty and formulate poverty reduction policy measures based on such data; and
- The requirement that the poverty reduction legislation, and by extension the work of the Council, be guided by a set of principles including the principle of equity, the importance of communities, the importance of support and involvement of families, respect, and the importance of recognizing the potential of all people living in Canada.

In this respect, we ask the Senate to look to s.2(2) of Ontario’s Poverty Reduction Act, 2009, S.O. 2009, c.10, as a guide and incorporate similar wording into Bill C-97 that recognizes the need to eliminate barriers to ensure full participation in Canada’s economy and society by people who face discrimination on the grounds of their race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, age, marital status, family status or disability.

The Ontario’s Poverty Reduction Strategy Act further emphasizes the commitment of the Government to work in a collaborative way with non-profit sector as an integral part of its poverty reduction strategy. We recommend similar commitment be reflected in Canada’s first Poverty Reduction Act.

**Further Recommendations**

Meeting the needs of vulnerable Canadians requires a conceptual framework of ‘targeted universality’ that promotes equity and acknowledges the unique barriers and challenges facing racialized and immigrant communities. Therefore, we are making the following recommendations:
1. Examine any policy or proposal through the race lens to ensure that the process and impact of any policy or proposal addresses the needs of racialized and immigrant communities who are at higher risk of poverty.

2. Repeal s.122.6 of the Income Tax Act to remove immigration status as a ground for determining eligibility to Canada Child Benefits.

3. Incorporate the collection and analysis of disaggregated data by race, gender and other social-demographic information into the development of the National Poverty Reduction Strategy and any measurements and goals associated with such a strategy.


5. Strengthening the Federal Employment Equity legislative framework, including the contract compliance mechanism, to ensure it is more effectively applied and monitored.

6. Engage a broader range of experts including agencies that work with racialized and immigrant communities in the consultation process and advisory committee.

7. Work with municipal and provincial governments to provide vulnerable Canadians with socially inclusive, safe and affordable housing through the National Housing Strategy with targeted measures to address the core housing needs of racialized communities members.

8. Pursue further Employment Insurance reform to ensure that people working in part time and precarious jobs will have access to the Employment Insurance benefits that they pay into.

9. Improve access to justice through increasing federal contributions to provincial and territorial legal aid programs, so that all marginalized communities are better able to enforce their rights under the law and therefore better able to improve their life chances.

10. Target resources to address the issue of racialization of poverty in Canada and to eliminate the additional barriers facing racialized and immigrant communities in various areas rooted in poverty elimination including employment, education, health, housing, criminal justice, and social assistance.

11. Work with civil society to create an enhanced and more robust Canada Action Plan Against Racism (CAPAR).