

Manitoba Child
and Family Poverty

February 2024

Poverty Eradication

*There Are Ways,
So Where's the Will?*

CAMPAIGN **2000**
END CHILD & FAMILY POVERTY

In Honour of Ed Broadbent

On November 24th, 1989, Ed Broadbent introduced the House of Commons motion to eliminate child and family poverty in Canada by the year 2000. It passed unanimously. However, little to no policy to develop or implement a plan was then enacted by the government of the day or subsequent ones. Campaign 2000 launched in 1991 to hold all parties

accountable for the failure to prioritize progress against poverty. Mr. Broadbent acted as a trusted advisor and advocate for the campaign. Our loss with his death in January 2024 should have us all reflecting on how we must recommit to eradicating family and child poverty. There are ways, but is there the will?

REPORT CONTRIBUTORS

Hannah Owczar and Dr. Marni Brownell,
University of Manitoba

Dr. Sid Frankel,
National Campaign 2000 and Faculty of Social Work, University of Manitoba

Meaghan Erbus,
Harvest Manitoba

Christina Maes Nino, Cheryl Krostewitz,
Manitoba Non-Profit Housing Association

Josh Brandon, Rebecca Nicholls, Antonella Veiras,
Albert Boakye and Kate Kehler,
Social Planning Council of Winnipeg

Marie Christian,
VOICES: Manitoba's Youth in Care Network

Mary Burton
Fearless R2W

REPORT DESIGN

Sarah Peters, Galley Creative Co.

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The Social Planning Council of Winnipeg

432 Ellice Avenue

Winnipeg, Manitoba R3B 1Y4

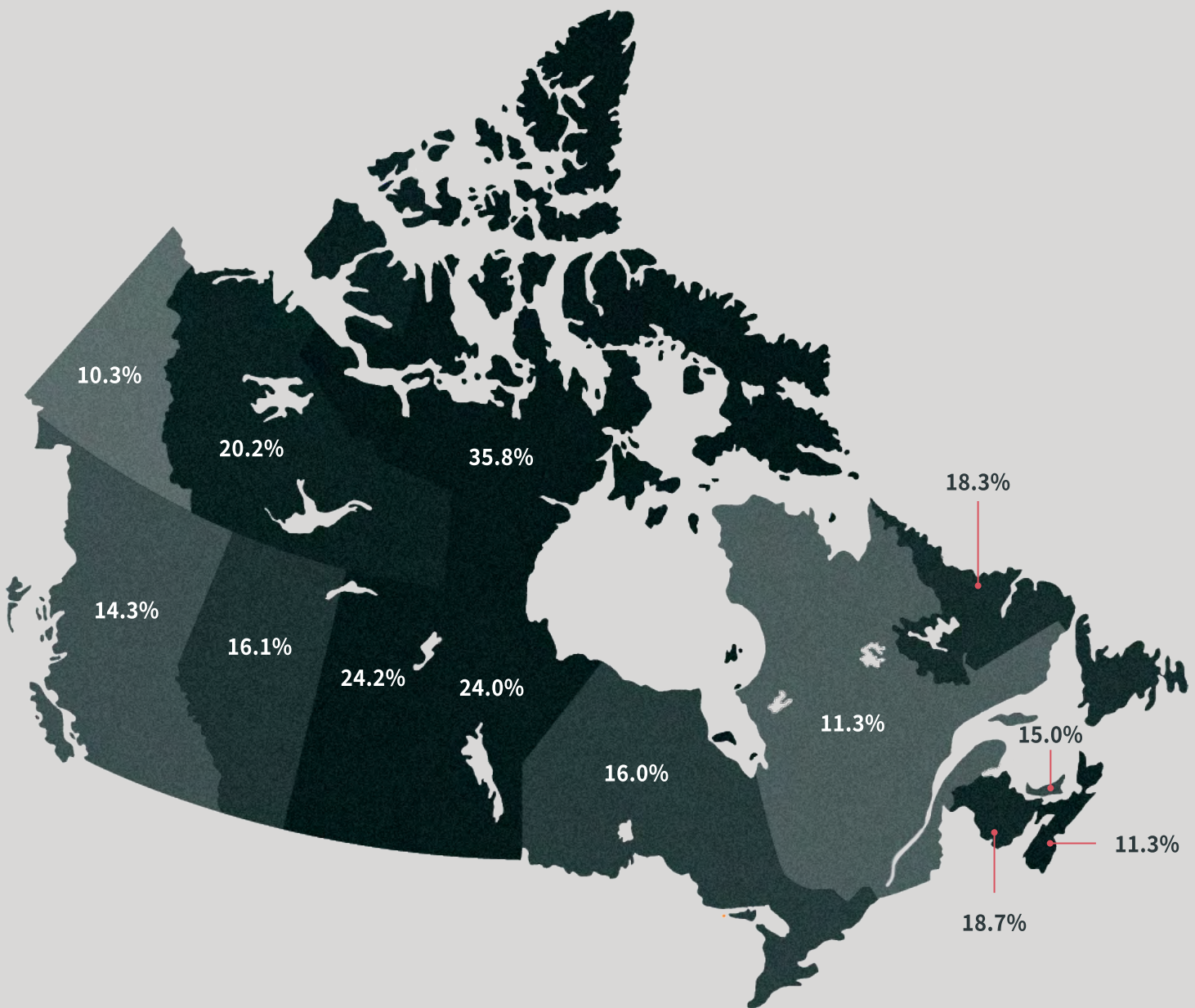


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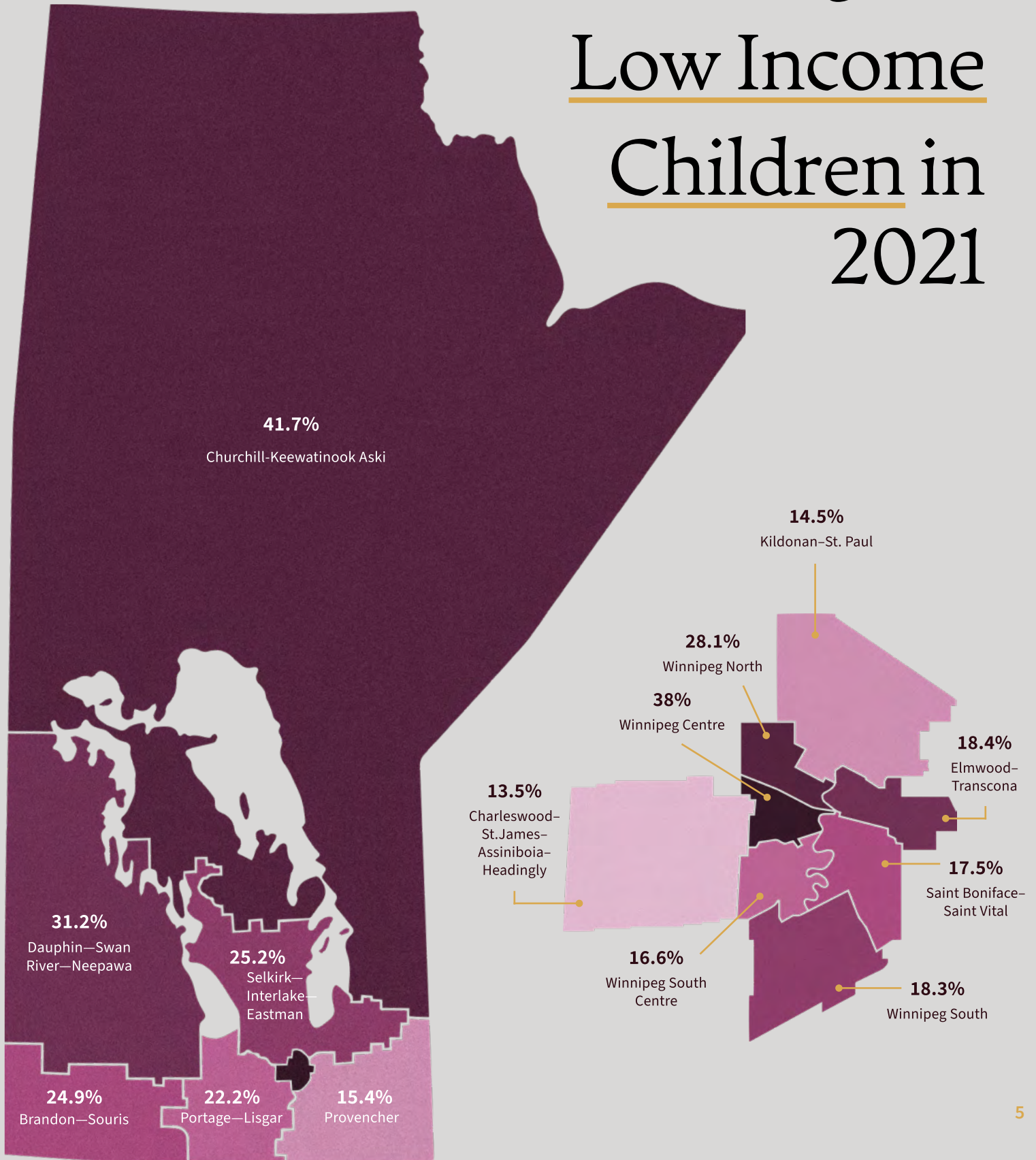
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Poverty Across Canada

Canada's National Rate of Child Poverty under 18 is **15.6%**



Manitoba's Percentage of Low Income Children in 2021



2021 Data in 2023/24 Context

“Child poverty is playing with the other kids you meet at the food bank. It is haircuts with the kitchen scissors. It is hand-me-downs that don’t fit and that other kids tease you for. It is being embarrassed at lunchtime when you have a smaller lunch than the other kids or no lunch at all. It is being hungry after eating at home because food has to stretch to next pay day. Child poverty is moving, often and frequently, due to unsuitable conditions or inability to pay the rent. Child poverty is always being the new kid. Child poverty is feeling like everything you have is temporary, no person or object can ever truly stay.”

So wrote community organizer, Michael Redhead Champagne in the 2020 Manitoba C2000 child and family report card *Broken Promise, Stolen Futures*. The 2020 report marked the 20th anniversary of Canada’s failure to fulfill the 1989 House of Commons pledge to end child poverty by the year 2000.

Here we are in 2024, mourning the loss of Ed Broadbent, the instigator of that House of Commons unanimous motion. Mr. Broadbent did not give up on this promise and neither should we. This and previous C2000 reports demonstrate progress can be made but when not prioritized, poverty prevails.

RECENT EXAMPLES

In 2009, the then NDP government announced their new poverty reduction strategy, *All Aboard*. They also legislated yearly reporting as well as mandating a review and renewal process of at least every five years. However, with no targets or timeline to meet, Manitoba has persistently been the province with the highest rates of child and family poverty.

2016 introduced the federal Canada Child Benefit and the full implementation of the provincial Rent Assist program. *Broken Promise, Stolen Futures* noted the decrease from 30.2% to 27.9%, between 2019 and 2020.¹ However, again Manitoba remained the province with the highest rates of child and family poverty. Unfortunately without further significant provincial investment, poverty began to rise again the very next year to 28.3%.²

2020 brought COVID 19 and government initiatives such as the Canada Emergency Response Benefit (CERB). The child and family poverty rate dropped from its 2019 level of 28.4% to 20.7% in 2020.³ Even with this considerable drop, Manitoba remained the province with the highest rates of child and family poverty. C2000’s *Poverty, the Pandemic and the Province* also noted, through a postal code analysis of who received CERB, it was clear that Manitoba communities with traditionally the highest rates of child and family poverty were also the most CERB dependent. We warned that with the removal

of these benefits, soaring interest and inflation rates, and the Government of Canada's refusal to consider an income tested CERB repayment amnesty for people near, at, and below the poverty line, rates would climb again. And they have.

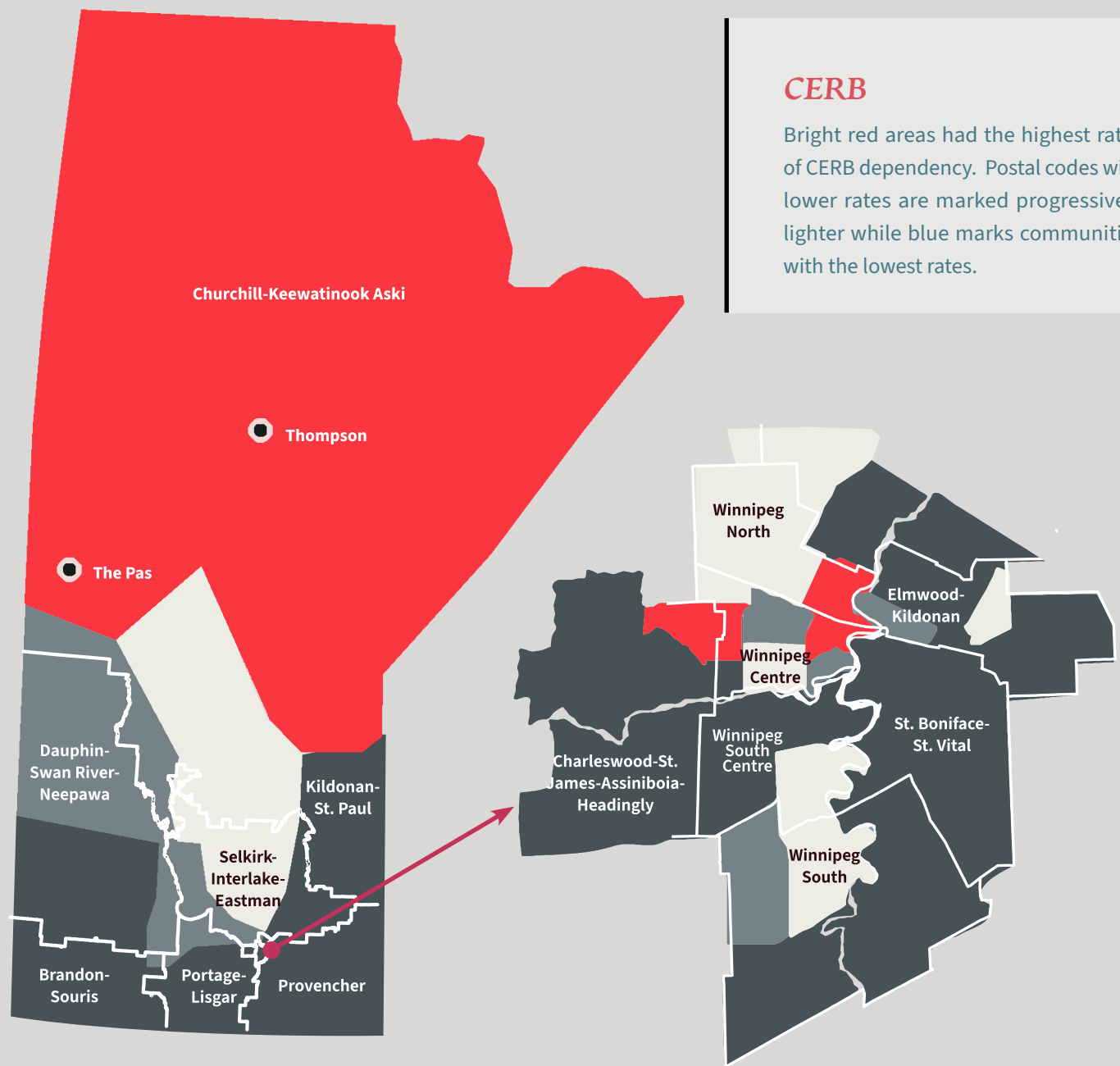
While Manitoba was not the province with the highest rates of child and family poverty in 2021, we were the second, 'besting' Saskatchewan by a mere 0.2%. Of the 'top' ten federal ridings with the highest rates, Manitoba has three with Winnipeg

Centre remaining the urban federal riding with the highest rate of 38% or 6,460 children living in poverty. Manitoba does remain the province with the highest rate of child and family poverty for children under the age of 6, at 27.2%. As noted later in this report, the health effects and damage done in these crucial developmental years can be long lasting.

National Ranking	Federal Riding	% of low income children 2021	# of low income children 2021
2	Churchill–Keewatinook Aski	41.7	13,620
3	Winnipeg Centre / Winnipeg-Centre	38	6,460
7	Dauphin–Swan River–Neepawa	31.2	7,080
15	Winnipeg North / Winnipeg-Nord	28.1	6,880
25	Selkirk–Interlake–Eastman	25.2	5,400
28	Brandon–Souris	24.9	5,380
45	Portage–Lisgar	22.2	6,610
97	Elmwood–Transcona	18.4	4,150
99	Winnipeg South / Winnipeg-Sud	18.3	4,430
119	Saint Boniface–Saint Vital / Saint-Boniface–Saint-Vital	17.5	3,340
135	Winnipeg South Centre / Winnipeg-Centre-Sud	16.6	2,320
166	Provencher	15.4	4,690
190	Kildonan–St. Paul	14.5	2,520
214	Charleswood–St. James–Assiniboia–Headingley	13.5	2,070

Canada Emergency Response Benefit (CERB) Dependency by Postal Code

Manitoba and Winnipeg, 2020



Based on postal code data obtained by Canadian Press and shared with Campaign 2000, we found that neighbourhoods with a higher prevalence of households below the LIM threshold were more likely to have higher rates of CERB dependence than neighbourhoods with lower incidence of

low-income households. We measured CERB dependence by multiplying the percentage of households who obtained CERB multiplied by the number of weeks they relied on the benefit. Areas with the highest CERB index ratings included inner city Winnipeg neighbourhoods, Centennial, Douglas East

and Chinatown/Exchange District, and Northern Manitoba. Communities in southern Manitoba such as Cartier, Altona and Winkler had the lowest CERB dependence scores.

2023/24 CONTEXT

Data from Harvest Manitoba demonstrates how difficult these times are for Manitobans and their families:

- Over 50,000 people attend a food bank somewhere in Manitoba every month
- Harvest Manitoba has seen a 150% increase in clients since 2019, with a 30% increase just this past year
- 49% are under the age of 18
- 40% of Harvest Manitoba clients are employed
- 68% of clients are women
- 70% of surveyed clients indicated an annual income between \$10,000 and \$20,000

Of special note, women, who remain the pre-dominate leaders of single parent families, are more likely to access food banks and work more part-time, lower-paying jobs when compared to men. They are more likely to face food insecurity due to factors such as a lack of accessible childcare and flexible work opportunities that can accommodate caregiving responsibilities.⁴

The provincial Rent Relief program, hosted by the Manitoba Non-Profit Housing Association, reports assisting 336 households with rent arrears issues, 114 with utility arrears and 114 with rental deposits. These numbers do not reflect those who applied to the program but did not qualify due to program restriction. This relatively new program continues to prove the need for this service and its expansion. Evictions, due to a temporary shortfall should not lead to anyone becoming unhoused. However, it cannot address the need for more affordable and rent-geared-to-income housing in the province.

“On a positive note, the proposed Bill 6, The Manitoba Assistance Act could be a game changer for many young people transitioning out of the care of the CFS system. We, along with others, have long advocated that education should be considered a viable choice for people on social assistance. Too many of our youth ‘graduate’ the CFS system without graduating high school and need time, support, and financial stability in order to complete grade 12 or a GED. Those who do complete high school before aging out would like to see a way to pursue higher education. Allowing people to receive EIA while studying is a much-needed move in the right direction.”

Marie Christian, VOICES

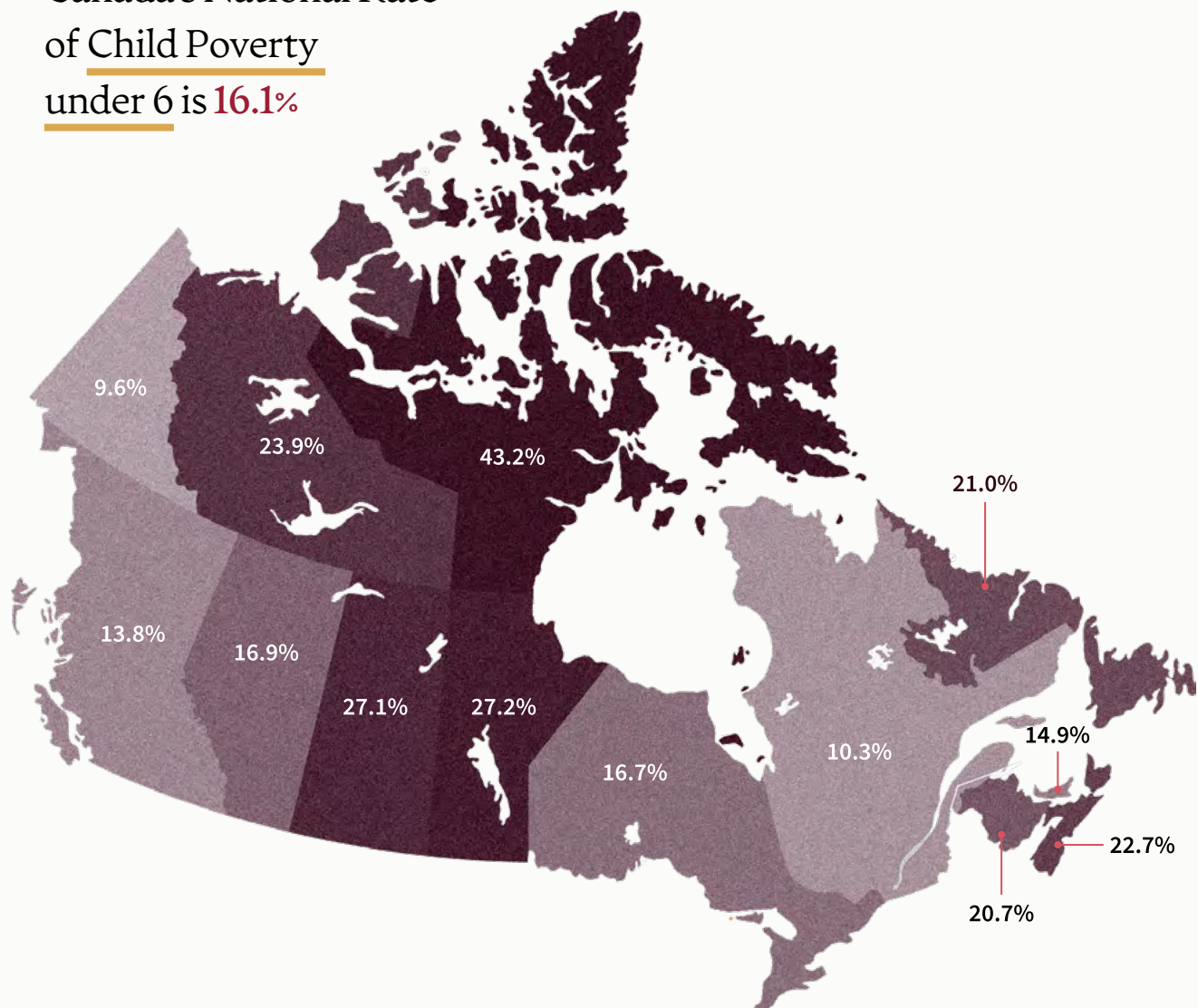
The new NDP provincial government will table its first budget in spring, 2024. Unfortunately the provincial election campaign focused on affordability measures, aimed far too broadly, over poverty eradication. Expensive measures such as the Fuel Tax Assessment Act, eliminating taxes paid on gas for a minimum of 6 months, and the pledge to continue the education property tax rebate while scaling back on the provincial commitment to build new low-income housing

indicates progress on ending poverty will be unlikely.

As this report demonstrates, the current government's focus on repairing health care will be that much harder to accomplish unless we stop over-burdening that system with largely preventable poverty related conditions. Likewise with the pledge to end homelessness in 8 years.

The 2015, 2018 and 2022 Winnipeg Street Census reports all found that family breakdown was the major cause of people becoming unsheltered with 18 remaining the most common age people first became homeless. Supporting families, through government services and programs, so they can remain whole and healthy would be a more comprehensive approach.

Canada's National Rate of Child Poverty under 6 is **16.1%**



Child and Family Poverty in Manitoba by the Numbers

This section presents a comprehensive picture of child and family poverty in Manitoba in 2021, the most recent available taxfiler data. It includes the percentage “rate”, the depth of poverty, the amount of poverty created in the market through inadequate earnings, investment or pension incomes. The percentage of child poverty that is prevented through income transfers from the federal and provincial governments is also calculated here.

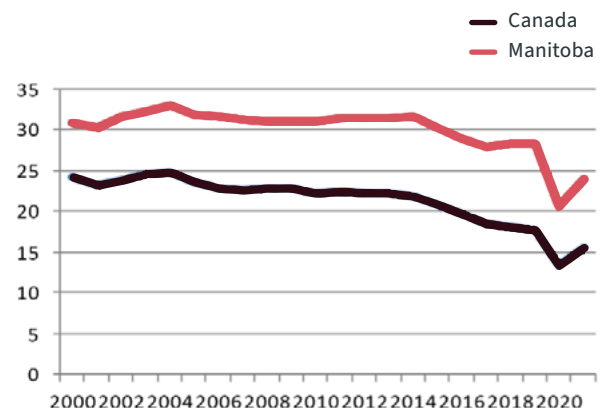
Several comparisons are also made to understand whether child poverty is increasing or decreasing over time and how Manitoba is doing in comparison with all of Canada, the other provinces, and the territories. We compare families of different compositions (lone parent versus two parent) and children of different ages (children under six versus all children)

In addition, we map out how poverty is distributed in social space based on race, Indigeneity, and tenure of immigration.

Last year’s *Poverty, the Pandemic and the Province* demonstrated an unprecedented 7.7 percentage point decline between 2019 and 2020. We predicted that because this decline was largely due to federal pandemic benefits we would see the child poverty rate increasing in 2021 as these pandemic benefits decreased.

Figure 1 | Child Poverty Rate Over Time

Child Poverty Rate, Canada and Manitoba (2000 to 2021)



Unfortunately, our prediction was correct. In 2021 the child poverty rate increased to 24.0%, a rise of 3.3 percentage points. This means that in Manitoba, there were 74,960 children living in poverty in 2021, 10,290 more than in 2020.

Manitoba’s rate (24.0%) is 8.4 percentage points above the national rate (15.6%). It is the second highest rate of any province, exceeded only by Saskatchewan.

In Manitoba, there were 74,960 children living in poverty in 2021, 10,290 more than in 2020.

In 2020, as it has for many years, Manitoba had the highest rate of any province. However, the 0.2 percentage point difference from Saskatchewan does not indicate improvement in Manitoba, but greater deterioration in Saskatchewan. Saskatchewan's child poverty rate increased by 4.5 percentage points between 2020 and 2021, while Manitoba's rate increased by 3.3 percentage points.

The highest rate was in Nunavut (35.8%), where Indigenous Peoples and their economies have been ravaged by historic and contemporary colonialism.

Statistics Canada defines market income as *“the sum of employment income (wages and salaries, net farm income and net income from non-farm unincorporated business and/or professional practice), investment income, retirement pensions, superannuation and annuities (including those from RRSPs and RRIFs) and other money income. It is equivalent to total income before tax minus all government transfers and is also referred to as income before transfers and taxes.”*

Poverty created in the market is higher in Manitoba (40.8%) than in any other province. It is 9.5 percentage points above the market income rate for Canada as a whole.

An important factor in Manitoba's high market child poverty rate is relatively low wages in Manitoba. In 2021 the average hourly wage for all employees in all industries¹ in Manitoba was \$27.25, \$3.42 below the average hourly wage for all of Canada. (\$30.67). Manitoba had the lowest average hourly wage of any province west of Quebec.

Question: “To what extent do income transfers from the federal and provincial governments prevent child poverty?” The answer is, to a great extent. In Manitoba, child poverty would be 45.9% higher without government transfers. However, Manitoba does not do as well as Canada as a whole (54.7%), which is 8.8 percentage points higher than Manitoba's rate of prevention. Manitoba's rate of prevention is the second lowest among provinces, with only Saskatchewan (40.2%) being lower.

Federal government transfers are consistent throughout Canada. This means that Manitoba provincial government transfers are not as effective in reducing poverty as those in most provinces. Considered together, figures 3 and 4 demonstrate that Manitoba's children experience a kind of double jeopardy. They are relatively disadvantaged when it comes to both market and transfer income.

Figure 5a describes the child poverty rate in two parent families, and Figure 5b displays the rate in single parent families, which are largely headed by women. All provinces and territories are included, as well as Canada as a whole.

First, we can note that the child poverty rate is much higher in single parent families than in two parent families. In Manitoba, it is 45.1 percentage points higher.

Figure 2 | Child Poverty Rate by National Geography

Child Poverty Rate Under 18, (Canada, Provinces and Territories) 2021

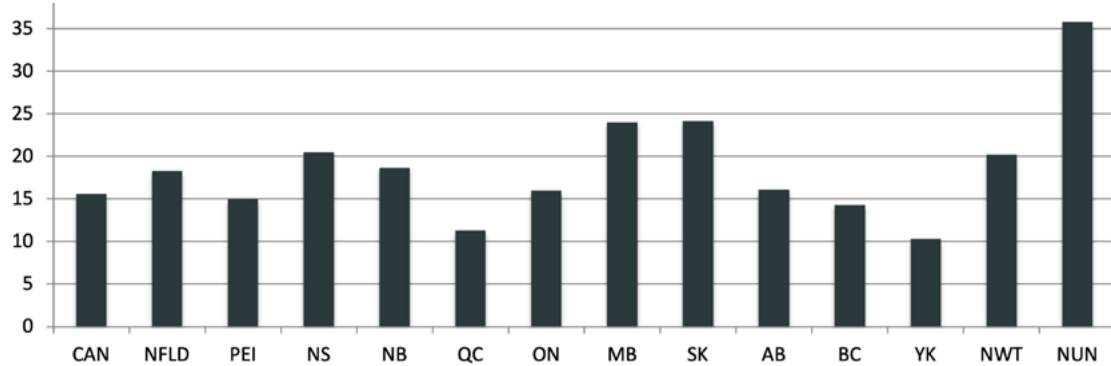


Figure 3 | Market Income

Children with Market Income Below LIM After Tax Threshold, 2021

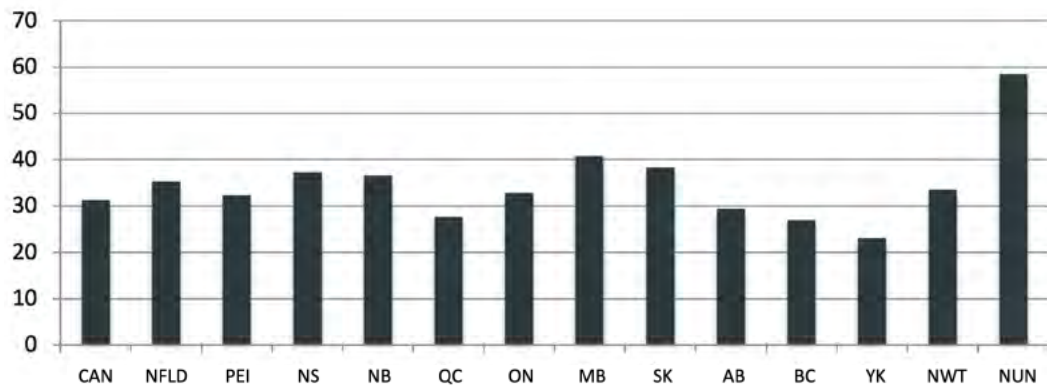
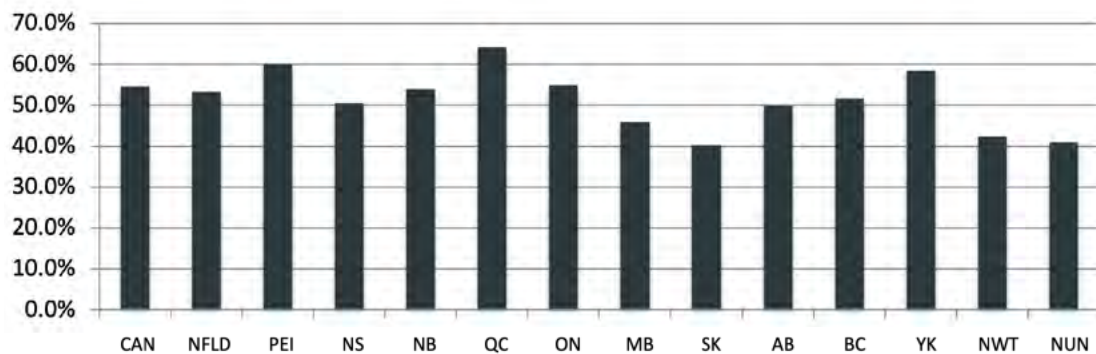


Figure 4 | Improvement Due to Government Transfers

Percent Improvement in Poverty Rate Due to Government Transfers



Second, we can note that for both two parent families (12.2%) and single parent families (57.3%) Manitoba's rate is much higher than the rates for Canada as a whole. In the case of two parent families, Manitoba's rate is 4.5 percentage points higher and in the case of single parent families it is 16 percentage points higher.

Third, in both cases Manitoba has the highest rate of any province.

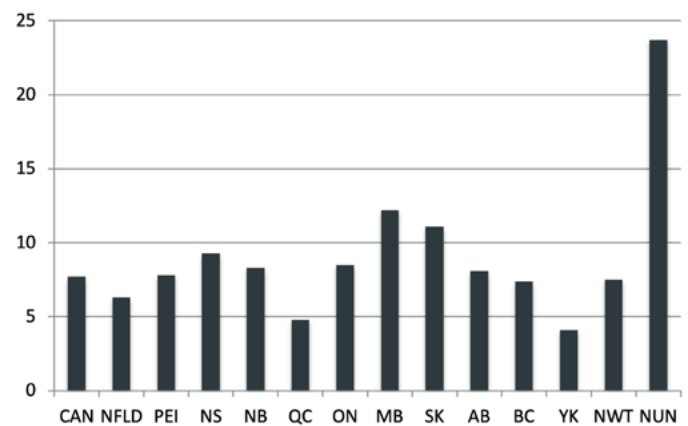
The pre-school years are especially important in terms of child development and success in school. Both of these outcomes can be significantly negatively affected by poverty.² Therefore, it is alarming that poverty rates for pre-school children tend to be higher than the rates for all children.

Figure 6 includes pre-school child poverty rates for Canada as a whole, the provinces and the territories. Manitoba (27.2%) has the highest rate of any province, 11.1 percentage points higher than the rate for all of Canada (16.1%) and exceeded only by the territory of Nunavut (43.2%).

Figure 7 displays the child poverty rates among visible minority children in Manitoba using data from the 2021 census. According to Statistics Canada, "visible minority refers to whether a person is a visible minority or not, as defined by the Employment Equity Act. The Employment Equity Act defines visible minorities as persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in colour." The poverty rate for non-visible minority Manitoba children was 19.9% in 2020 according to the census. Groups of visible minority children with significantly higher poverty rates include those identified as Arab (39.8%), West Asian (37.7%), Chinese (30.1%) and Black (25.0%). Racial discrimination in the

Figures 5a and 5b | What Difference Does Family Structure Make?

Percentage of Children Under Age 18 in Poverty in Two Parent Families, 2021



Percentage of Children Under Age 18 in Poverty in Single Parent Families, 2021

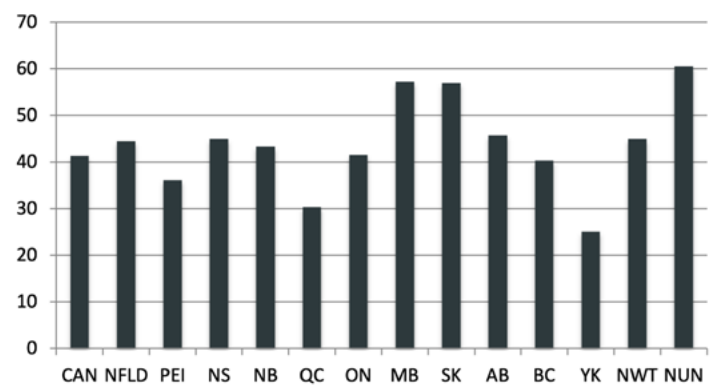


Figure 6 | What is the Situation for Pre-School Children?

Child Poverty Rate Under 6, 2021

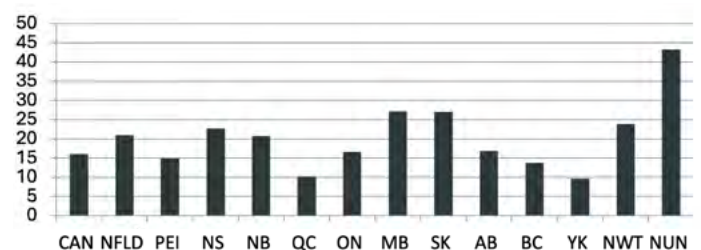


Figure 7 | Does Race (Visible Minority Status) Make a Difference?

Manitoba Child Poverty Rate by Visible Minority, 2021

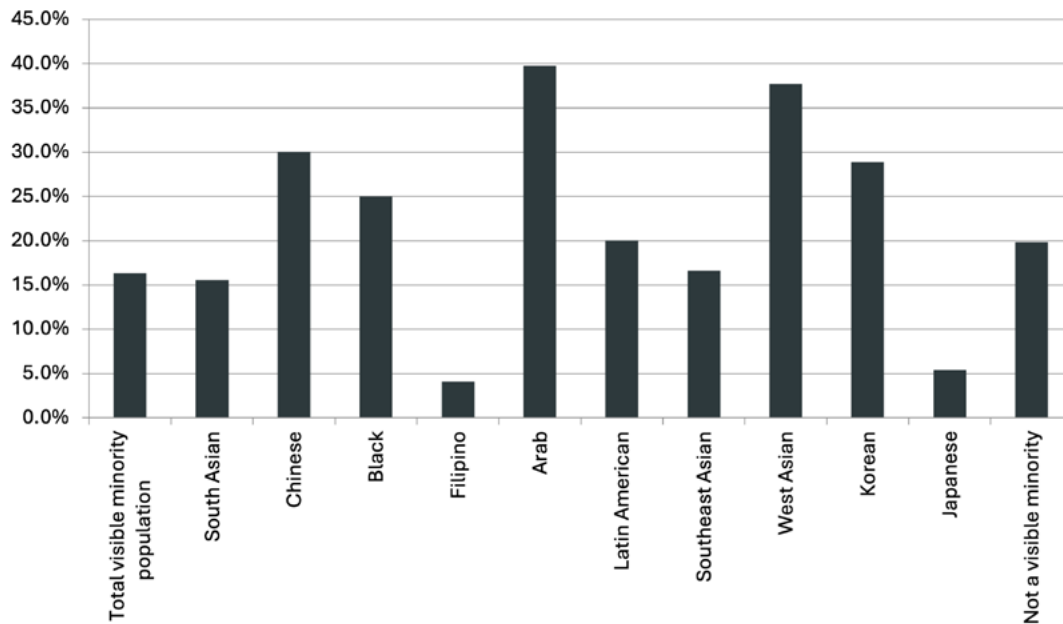
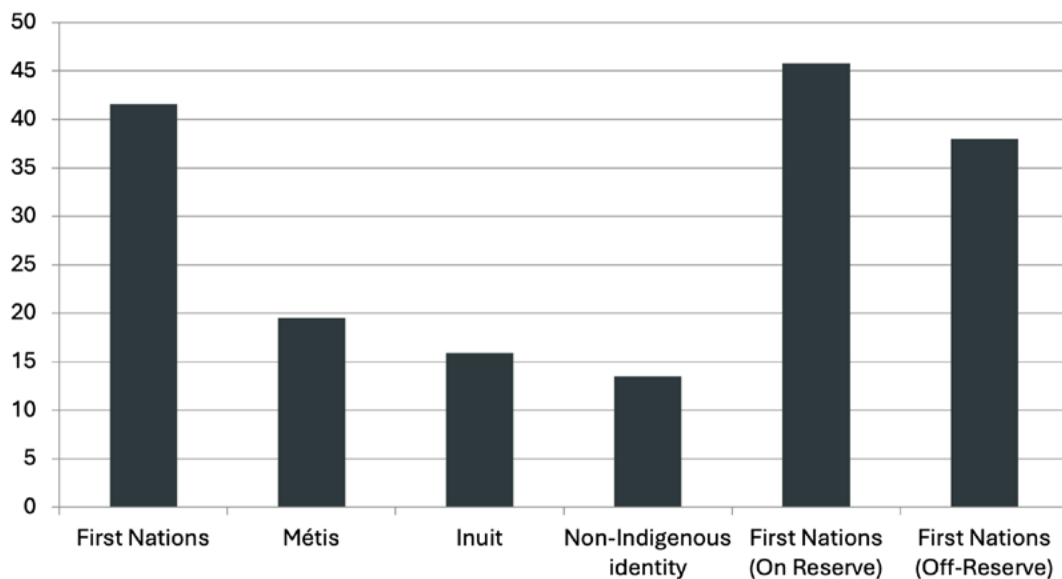


Figure 8 | Does Indigeneity Make a Difference?

Child Poverty Rate by Indigenous Identity, 2021



labour market and educational system are likely key factors. As part of its poverty reduction strategy, the Government of Manitoba should be working with these communities to develop culturally appropriate plans to reduce disturbingly high child poverty rates.

According to the 2021 census the poverty rate for non-Indigenous children in Manitoba was 13.5%. Figure 8 shows that all Indigenous identity groups experienced higher rates than non-Indigenous children. At 41.6%, First Nations children experienced the highest rate, 28.1 percentage points above the rate for non-Indigenous children. Those living on reserve (45.8%) were especially affected.

Any meaningful reconciliation plan must include working with Indigenous governments and communities to eradicate child and family poverty.

Figure 9 is based on data from the 2021 census. It shows that the rate for all immigrant children regardless of time of immigration (12.1%) is lower than the rate for non-immigrant children (14.0%). However, the rate for those who immigrated between 2016 and 2019 was 3.9 percentage points higher at 17.9%. This is of concern, because even short spells of poverty can have significant negative effects on children³. This speaks to the need for both the provincial and federal governments to do more to help newcomers to Canada upon first arrival.

Figure 9 | Does Immigration Status Make a Difference?

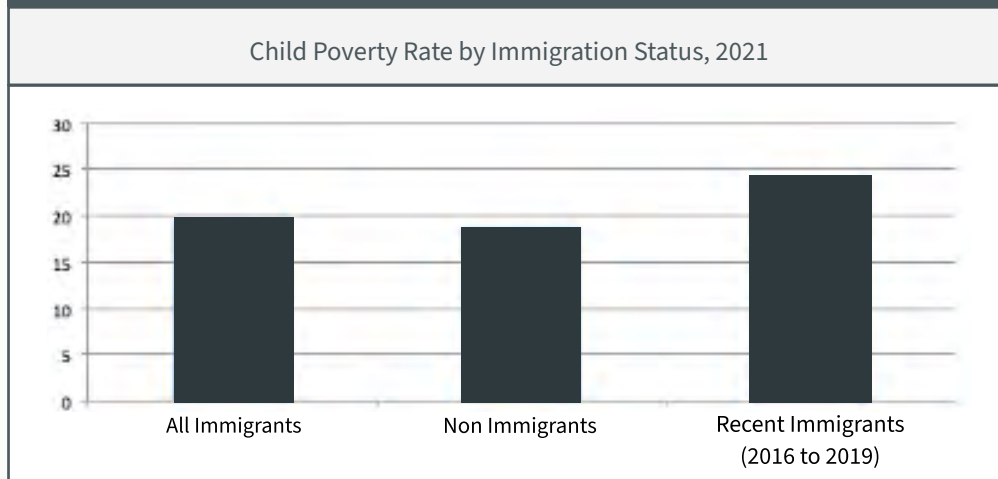


Figure 10 | How Deep is Child Poverty in Manitoba?

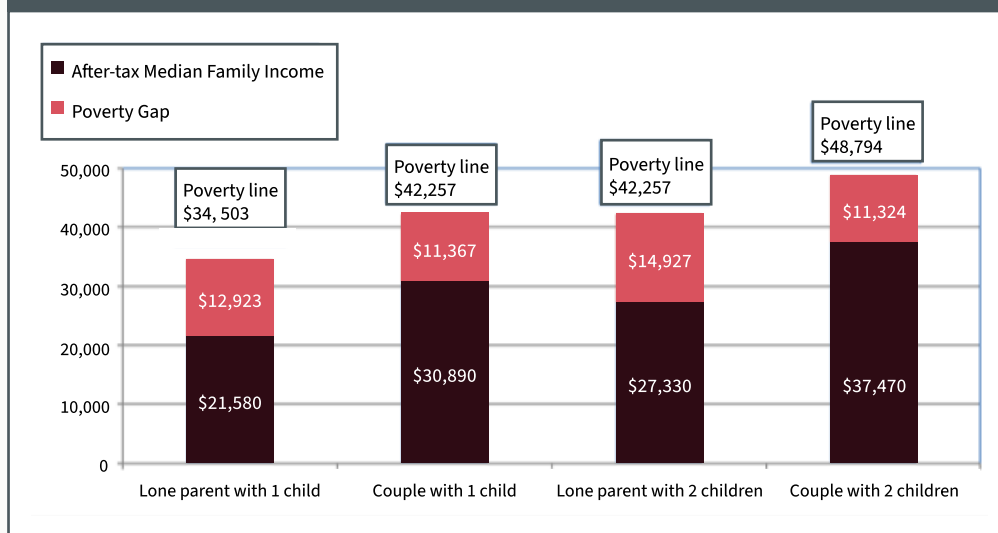


Figure 10 displays the depth of child poverty for different family types in 2021. The poverty gap is the amount of additional income a family at the median would need to bring them up to the poverty line for their family size. It is clear that the poverty gaps are large for every family type ranging from \$12,923 to \$14,927.

Child Poverty Impacts Health

Income is a significant social determinant of health. Children living in poverty face worse health outcomes, both physical and mental, compared to their higher income peers.¹ Research finds kids living in poverty in Manitoba are more likely to have chronic health issues like Type 2 Diabetes, die prematurely, and experience mental health concerns.²

Children living in poverty are also at increased risk of experiencing harmful levels of adversity and stress.³ Prolonged levels of high stress can lead to traumatic stress, also known as toxic stress, which can negatively impact health⁴. Children's exposure to toxic stress can impact brain development and cognitive functioning⁵. Toxic stress can also cause long-term health effects including an increased risk of chronic diseases such as cardiovascular disease, autoimmune disease, and depression⁶.

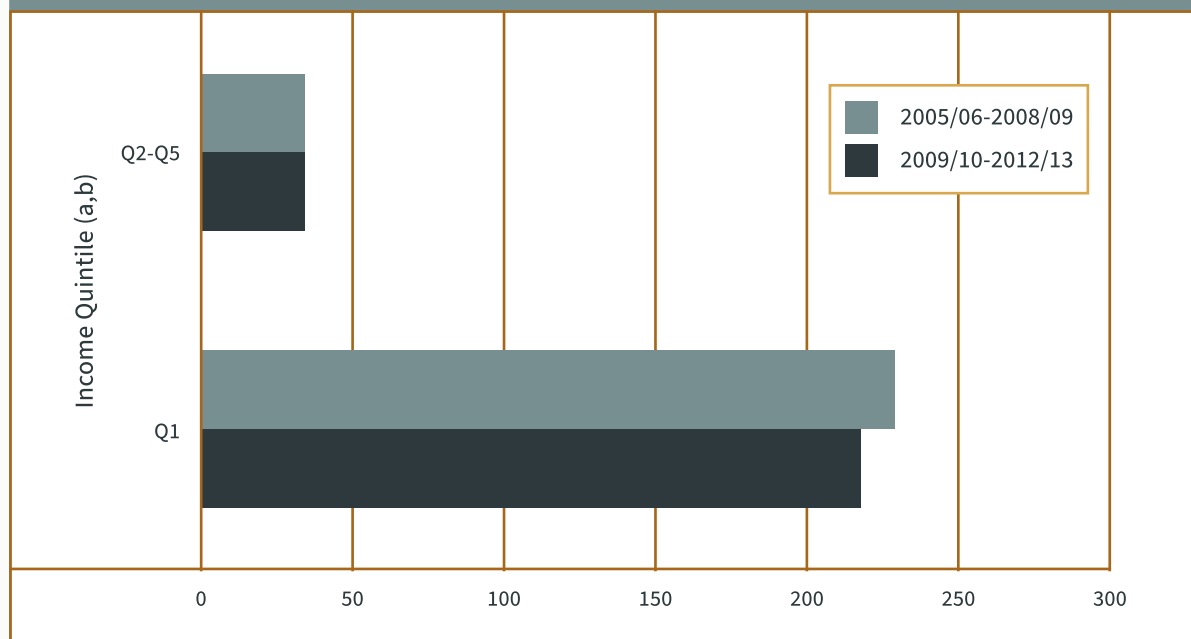
Poverty has been associated with exacerbating child and youth mental health issues. For example, research from the Manitoba Centre for Health Policy indicates suicide rates are much higher among teenagers in low-income areas in Manitoba compared with teens living in higher-income areas. Rates of attempted suicide follow a similar trend, with higher instances of attempted suicide among adolescents in

low-income areas compared with adolescents in higher income areas in Manitoba.⁷

Children are also impacted by poverty during the prenatal period⁸. The prenatal phase is a critically important time for both newborn and long-term health outcomes⁹. Expectant women with exposure to risk factors like severe stress, substance use, and poor nutrition are more likely to experience negative birth outcomes such as low birthweights and preterm births¹⁰. Women living in poverty are likely to experience these risk factors more frequently compared with their more advantaged peers. The report 2019 RHA Indicator Atlas¹¹, associated rates of preterm births in Manitoba with income¹². Results suggest in both rural and urban areas, babies born in the lowest income areas were at higher risk of being born preterm compared with babies born in high-income areas¹³.

“Children’s exposure to toxic stress can impact brain development and cognitive functioning.”

Rate of Suicide Among Adolescents Aged 13-19 By Income Quintile



Age- and sex-adjusted, per 100,000 adolescents, four-year time periods.

Source: Chartier

HOW AN INCOME SUPPLEMENT CAN MAKE A DIFFERENCE

One solution for improving the health of Manitoba's children is to boost income support offered to families. The Healthy Baby Prenatal Benefit (HBPB) is an example of an income support program which has had a big impact on the lives of moms and babies. Created in 2001, the HBPB program offers an unconditional cash supplement of up to \$81.41 per month to low-income women in Manitoba during their second and third trimesters of pregnancy¹⁴. A brochure about prenatal nutrition, breast-feeding and healthy infant development is also distributed as part of the program. For low-income women, the addition of the HBPB supplement represented a 10% increase in monthly income.¹⁵

An evaluation of the HBPB in 2016 found several positive benefits of the supplement for recipients and their newborns. The supplement was associated with a reduction in preterm and low-birthweight births and an increase in

breast-feeding¹⁶. For kids whose moms were HBPB recipients, there was an increase in rates of vaccination at ages 1 and 2.

The benefit was also associated with a reduction in stress levels for families. According to research¹⁷, recipients stated that the additional money was used to address urgent needs in their lives:

"...THE HBPB CAN be seen to moderate stressful life events. Some saw the money as a security net, for example, to make up for lost income if they were unable to work. Others used it for emergency situations, or to pay the rent or other bills, for example, "I would just save it in my bank account and it would be used for emergency situations like if I had to get to the hospital through the middle of the night" (Recipient), and, . . . before I stopped working I had to reduce my shifts, yes because I was going through so much pain and everything

like that, so I had to reduce it and I'm like okay no matter what is coming in, it's going to, even if it's going to just buy me groceries, milk and bread and something, at least it will get me that. (Recipient) . . . like the one time the last time I received the benefit, like a roommate bailed on me, so I needed to help pay rent, so I used all my, my money plus when I got the benefit, I used that as well to pay my rent kind of thing. (Recipient)".¹⁸

The success of the HBPB highlights the strength of early intervention on improving maternal and infant health for low-income families. However, this program has not been indexed to inflation and the benefit amount has remained the same for more than 20 years. As costs of living continue to rise, the supplement's value is insufficient in continuing to address the needs of low-income families. It is essential to the program's effectiveness and continued impact on recipients that the HBPB is adequately funded to offset inflation and costs of living increases.

CONCLUSION

Research shows child health outcomes are deeply connected to income. Children living in poverty are more likely to experience adverse health impacts compared to children living in higher income households. Currently, the symptoms of poverty are being treated in our healthcare systems. Early intervention programs, like the HBPB, are a solution to not only improving the lives of children and families but could lead to cost savings in the healthcare system.



Child Poverty and the Gas Tax Holiday

During the 2023 provincial election Manitoba NDP Leader Wab Kinew promised that if elected his party would introduce a six-month gas tax holiday to help address the rising cost of living. Having won the election, the Manitoba Government passed The Fuel Tax Amendment Act, which provided a six-month holiday on Provincial gasoline taxes for motor vehicles on roadways. Subsequently, after lobbying from the recreation industry, the tax holiday was extended to off-road vehicles such as ATVs and snowmobiles. The pause in fuel tax collection began on January 1, 2024 and is scheduled to last until at least June 30, though it could be extended if government determines that the cost of living remains high. The measure is expected to cost at least \$163 million over six months. On an annual basis this would amount to a \$326 million tax expenditure.

The cost of living is a significant concern to all Manitobans, but the high rates of inflation have particularly hurt Manitobans living with low income. One indicator of the excess burden of affordability faced by low-income Manitobans was the increase in the Market Basket Measure levels. While Campaign 2000 generally focuses on the

Low-Income Measure as an indicator of poverty, the MBM is useful for tracking the cost of a basket of goods that people with low incomes require for their basic needs. For example, for a family of four, the MBM increased between 2020 and 2022 by over 12% in Winnipeg. The MBM increased faster than the rate of inflation (11.4%) during this period. This has been partly because the prices for housing and food, which take up a disproportionate share of the spending of low-income families, have risen faster than the average for all goods. Manitoba's affordability crisis is then more acute for low-income households.

One question to consider concerning the gas tax holiday is the extent to which the gas tax holiday will benefit the households most in need. While all households should expect to benefit from the tax relief to some degree, either directly through lower fuel costs, or indirectly as some businesses may pass on part of their savings through lower prices, the effectiveness of the policy should be evaluated on how those benefits are distributed.

While government intervention to lower gas prices is promoted as an affordability measure, to alleviate the cost burdens of struggling consumers,

very often the greatest beneficiaries are among the higher income groups. University of Alberta Economist Andrew Leech found that the distribution of benefits of gas tax cuts may be six times higher for the highest income quintile as for the lowest. (Leech, 2011). Statistics Canada’s Survey of Household Spending shows that nationally the highest income quintile spends more than 5 times as much on the use of private transportation (the category that includes mostly fuel costs) as the lowest quintile. While the spending for the lowest income quintile is not available for Manitoba, the pattern is similar.

Based on the government’s assertion that the average family in Manitoba would save \$250 per month, this distribution would imply that households making less than \$28,000 will save less than \$77 from the gas tax holiday, while those earning more than \$149,000 would receive at least \$400 in savings. Manitoba’s gas tax holiday is a regressive tax expenditure that primarily benefits those who are struggling the least from the increase in the cost of living.

CHILD POVERTY INCOME GAP AND THE COST OF THE GAS TAX HOLIDAY

On an annualized basis the Manitoba gas tax holiday would cost as much at \$326 million dollars. This figure is striking when compared with the cost of raising families out of poverty. In this section, we compare the gas tax holiday cost to the total cumulative gap between children in poverty and the poverty line in Manitoba. In other words, we ask how much closer could the Manitoba government have gotten towards ending child poverty if it had chosen this as a priority over gas tax relief?

In Manitoba, 74,960 children lived in poverty 2021. On average, children in poverty in Manitoba lived in families with incomes 34.5% below the poverty line. For children in couple-led families, the gap was lower, only 27.4%. Lone parent families had a gap of 37.9%. There are also 1,230 children in Manitoba living outside of census family situations. In 99.2% of cases, these children live in poverty, at an average of 74.6% below the poverty line. In the table below we put these numbers in the context of the average dollar gap between these children and the poverty line, estimating an average household size of three for single parent families and five for

Spending on Use of Private Transportation by Quintile, Canada and Manitoba, 2021					
	1st Quintile	2nd Quintile	3rd Quintile	4th Quintile	5th Quintile
Canada	\$1,611	\$2,637	\$4,126	\$5,633	\$8,353
Manitoba	Not available	\$3,188	\$6,818	\$5,831	\$7,920

Source: Statistics Canada. Table 11-10-0223-01. Household spending by household income quintile, Canada, regions and provinces.

Spending on Use of Private Transportation by Quintile, Canada and Manitoba, 2021

	Number of Children in Low Income	Depth of Poverty	Estimated Number of Households	Low- income Threshold	Average Gap per Household	Cumulative Gap
Lone parent families	45,340	37.9%	22,670	\$42,257	\$16,015	\$363,069,186
Couple Families	28,390	27.4%	9,463	\$54,533	\$14,948	\$141,453,383
Children outside census families	1,230	74.6%	1,230	\$24,397	\$18,200	\$22,386,199
Total	74,960		33,363			\$526,908,768

Source: Statistics Canada, custom taxfiler data prepared for Campaign 2000

two-parent families. From this we estimate the cumulative poverty gap for children in Manitoba.

This analysis shows that gap between low-income children and the poverty line amounts to approximately \$527 million. While no anti-poverty measure is perfectly targeted, as there will always be some beneficiaries who are above the poverty line or outside the scope of the measure, conceptually this would be the minimum cost of raising children out of poverty in Manitoba. This amount is only somewhat larger than the annualized cost of Manitoba's gas tax holiday. By redirecting the six-month gas tax holiday to child poverty reduction measures, it would have been possible to eliminate 31% of all poverty among Manitoba children and their families. The full year of a gas tax holiday will cost as much as it would to raise 62% of low-income children out of poverty.

The Manitoba Fuel Tax Amendment Act is an especially grave waste of resources when considered in the context of Manitoba's ongoing child and family poverty crisis. As we have shown in this report, we are damaging Manitoba's children by allowing them to be born or fall into and then grow up in poverty. However, our analysis shows that collectively we have the resources to end child poverty. We only need governments to find the will to make ending child poverty a priority.

What Are the Ways?

In 2024/25 the total major federal transfers for Manitoba will be nearly \$6.9 billion dollars. This includes a 24% increase in equalization payments from 2023/24, the largest in more than a decade according to federal figures. Preliminary estimates on Canada Health Transfer and Canada Social Transfer payments are \$1.9 billion and \$613 million.¹ While the latter two transfers must be spent on certain policy areas, health, post-secondary education, social services, early childhood development and child care, equalization payments are at the discretion of the receiving provincial government.² However, they are meant to ensure all provincial governments “have sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation.”³

Given Manitoba’s chronic crisis of child and family poverty, this report calls on the Province

of Manitoba to immediately enact the recommendations coming from this most recent report and then move on to the other systems change recommendations from previous reports to assist in the long-term maintenance of a Manitoba without child and family poverty.

RECOMMENDATIONS

1. Given the province’s last poverty reduction strategy was launched in 2019 and there is a legislated requirement to review and update *at least* once every five years, commit to immediately begin this process. Funds must be identified in the 2024/25 provincial budget to ensure extensive consultation and collaboration with the communities most affected by poverty, Indigenous, Visible Minorities and recent Immigrants, to develop culturally appropriate plans to reduce and end poverty. Specific and meaningful targets and timelines must be included in the resulting broader strategy.
2. CERB Amnesty: Promote the income tested C2000 CERB Amnesty campaign to the Government of Canada. Pledge and ensure through social assistance employee education, to not garnish any

***Poverty Eradication:
There Are Ways So,
Where’s the Will?***

provincial income supports as a result of the implementation of a federal CERB Amnesty.

3. Expedite the adoption of Bill 6, The Manitoba Assistance Amendment Act as it will require the Director of Assistance to consider whether adult education is the most appropriate employment enhancement measure for a person on social assistance. Once enacted, it will assist in the delivery of some of the other recommendations below.
4. Ensure benefit programs, such as the Healthy Baby Prenatal Benefit, are indexed to inflation.
5. Do not extend the Fuel Tax Amendment Act or “Gas Tax Holiday” beyond the initial 6 months.

Recommendations from Previous Reports

Employment Supports

1. Develop a job creation strategy that prioritizes the creation of well-paying jobs and training opportunities for people seeking employment and accessing education.
2. Ensure Manitoba’s minimum wage is a living wage.

Improve Income Supports

1. Immediately introduce a Livable Basic Needs Benefit that lifts all Manitobans up to or above the Census Family Low Income Measure After Tax (CFLIM-AT).
2. Double support for Extended Health Benefits through the rewarding work program.

3. Improve resources for community run free tax filing services to ensure that families can access all of the benefits to which they are entitled.

Health

1. Develop a unified and seamless health care system to ensure First Nations children have equitable access to all provincially funded health and social services as per Our Children, Our Future: The Health and Wellbeing of First Nations Children in Manitoba.
2. Eliminate discrimination and racism at all levels of the health care system, beginning with health care providers and extending to policies that place First Nations children and families at an unfair as per above report.
3. Implement Jordan’s Principle. Families involved in child welfare should be provided with medical services without using jurisdiction/placement/status in care as a reason to not render services. Parents should be able to seek support for their health or their children’s health without fear that their children will be apprehended

Early Learning and Child Care

1. Modernize the affordability mechanisms and move the ELCC subsidy to a simply sliding scale based on annual tax returns, with low-income parents (any who fall below the CFLIM-After Tax measurement) paying no fee.
2. Eliminate the requirement that only parents who work or attend education or training

programs are eligible for the fee support as affordable early learning and childcare must be available for all children and families.

3. Prioritize the creation of licensed space in low-income neighbourhoods
4. Provide interested parents with barriers to employment the opportunity to become Early Learning and Child Care educators to staff new spaces.
5. Ensure all Early Learning and Child Care programs are staffed by well-educated and fairly compensated educators who enjoy good working conditions, have opportunities for ongoing learning and career advancement, and are respected for their contributions to the well-being, education and development of children.
6. Implement additional supports and processes to address barriers to access such as disabilities, language and other conditions of risk.

Housing

1. Establish a supportive housing model for families working towards reunification after Child and Family Service involvement that has family sized units and wrap around supports. Potential model: *IRCOM is a one of a kind place; a home to hundreds of immigrants and refugees from across the globe, who are secured with long-term, affordable, and safe housing, together with holistic, wrap around programs and services for parents and children alike. IRCOM is the “receiving family” for those who have no one in Canada to receive them; a home where*

each person finds belonging and dignity, all of which is essential so they can meaningful integrate into their new community. (source: IRCOM Website, Feb 2023)

Transit

1. Reinstate the 50/50 funding model with municipal centres that have public transit on the condition that the funds will be used to deliver a truly low-barriered, low-income bus pass.
2. Ensure anyone on income assistance has access to a free monthly bus pass.
3. Work with municipal centres that have public transit to eventually move towards fully subsidized systems.

Older Youth Specific

1. Increase service coordination for youth aging out of care to prevent poverty. We advise that this includes a variety of tactics such as pre-approvals, skipping line ups and designating specific workers and resources to address the service delivery within that system.
2. Systems in Manitoba (CFS, EIA, schools, etc) must coordinate to provide continuity of education for youth aging out of care. This means young people should not be cut off from benefits or penalized for continuing their education and resources should be expended to support the completion of high school or other additional education programs.

3. Designate specific EIA case workers to support and manage the files from youth aging out of care. The number of workers dedicated to this should be relative to the number of cases being managed so as to not overwhelm the workers allowing them to provide adequate attention to cases.
4. Through EIA create positions of mentors that will connect with and walk with young people aging out of care as they explore the career path of their choice. We also recommend that the Manitoba government transition their summer programs into year long programs with special attention to hiring youth aging out of care. *Examples: Canada Summer Jobs (CSJ) provides wage subsidies to employers from not-for-profit organizations, the public sector, and private sector organizations with 50 or fewer full-time employees, to create quality summer work experiences for young people aged 15 to 30 years. (Source: Gov of Canada Website Jan 2023). Green Team grants create summer employment opportunities for youth aged 15 to 29 years. Approved Applicants provide a variety of community development projects that improve neighbourhoods, promote community involvement and help develop young leaders. The employment period is between May 1 and September 30. Priorities for the 2023 summer season are focused on: community based organizations and municipal governments that can offer full-time employment opportunities for youth; projects that support COVID-19 response and recovery efforts; and projects that can demonstrate community need and partnerships.*

Measurement

1. The Government of Manitoba should adopt the Census Family Low Income Measure After Tax (CFLIM-AT) as its official measure of poverty. This measurement is comprehensive; including well-being, living standards and comparing social exclusion among the population. The CFLIM-AT provides a more accurate poverty measure that allows for comparison of future success and failures.
2. The Government of Manitoba use T1 Family File (T1FF) taxfiler data to measure poverty. It is a reliable and broad source with a more inclusive sample of family's income situations.

Measurement and Methodology

This report measures poverty using the Census Family Low Income Measure After Tax (CFLIM-AT), which is defined as 50% of median income for a particular family size (see Table 1).

The Census Family Low Income Measure (CFLIM) is a relative measure of poverty which tracks changes in living standards and compares the living standards of low-income individuals and families to that of the rest of society. The CFLIM is based on the census family.¹ The CFLIM is calculated using data from the T1 Family File (T1FF) tax file. It is a reliable and broad source of annual

income data that includes communities with high prevalence of poverty such as populations of the territories, First Nations People living on reserve, those living in institutions, and parents under the age of 18. Selecting the after-tax measure takes government transfers into account. Due to a two-year lag in data release for tax filer data, this report examines the year 2021. The 2021 census was the source of data for analyses related to poverty rates of Indigenous, visible minority and immigrant children. In the census the LIM is based on the household rather than the census family.²

2021 CFLIM Threshold, After Tax



1 parent, 1 child

\$34,503



2 parents, 1 child

\$42,257



1 parent, 2 children

\$42,257



2 parents, 2 children

\$48,794

Endnotes

2021 Data in 2023/24 Context

- 1 Broken Promise, Stolen Futures <https://spcw.mb.ca/wp-content/uploads/2020/04/Manitoba-Child-and-Family-Poverty-Report-2020.pdf>
- 2 Manitoba: Missed Opportunities, https://spcw.mb.ca/wp-content/uploads/2021/12/C2000-Report-Card_2021_Manitoba-Missed-Opportunities.pdf
- 3 Poverty, the Pandemic and the Province, https://campaign2000.ca/wp-content/uploads/2023/03/Report-Card-Manitoba-C2000_Final_Webv2.pdf
- 4 Harvest Manitoba Voices, <https://www.harvestmanitoba.ca/wp-content/uploads/2023/11/Harvest-Voices-2023.pdf>

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What Are the Ways?

- 1 <https://www.canada.ca/en/department-finance/programs/federal-transfers/letters-provinces-territories/2023/manitoba.html> for estimate 2024-2025 and <https://www.canada.ca/en/department-finance/programs/federal-transfers/letters-provinces-territories/2023/manitoba.html> for estimate 2024-2025
- 2 <https://www.canada.ca/en/department-finance/programs/federal-transfers.html>
- 3 <https://www.canada.ca/en/department-finance/programs/federal-transfers/equalization.html>

Measurement and Methodology

- 1 Census family is defined as a married couple and the children, if any, of either and/or both spouses; a couple living common law and the children, if any, of either and/or both partners; or a parent of any marital status in a one-parent family with at least one child living in the same dwelling and that child or those children. All members of a particular census family live in the same dwelling. Children may be biological or adopted children regardless of their age or marital status as long as they live in the dwelling

- and do not have their own married spouse, common-law partner or child living in the dwelling. Grandchildren living with their grandparent(s) but with no parents present also constitute a census family.
- 2 Household refers to a person or group of persons who occupy the same dwelling and do not have a usual place of residence elsewhere in Canada or abroad. The dwelling may be either a collective dwelling or a private dwelling. The household may consist of a family group such as a census family, of two or more families sharing a dwelling, of a group of unrelated persons or of a person living alone. Household members who are temporarily absent on reference day are considered part of their usual household. Totatibus diorpor seritibera dolupti atiorum, velectur aute nimaxim voluptat aut ut que con conseri oreptatur sequiamet quibus mod moluptat re, cumquae. Solorest, corrum re nos perferferi dent acerchicit expelesto maximag nihilla voluptam quunt occus, sumquatur? Qui susda dolupta sequide llitionsequi solut reiciet fugiamus anducil eatintia consequam excus venis sit volupti andia nulp nullor minci aut exceatur audandit accatibus nienim que earis iuntius et as id quibus es num veriaturibea