

**Slide #1**

Hi Everyone....As a family doctor the topic of poverty generally and certainly child poverty is an important one. Poverty is by far the most important risk factor for health generally (more important than the usual things we think are predictive of good health like your family history, your cholesterol level or your lifestyle choices around exercise and diet). Age and income are the major predictors of health in every category.

Just a proviso here- The COVID pandemic has made things far worse but most of the data I am presenting are preCOVID.

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Saskatchewan data show residents in Regina and Saskatoon's poorest neighborhoods are 16 X more likely to be hospitalized, 13 X more likely to have diabetes, 16 x more likely to attempt suicide, have 4X the infant mortality, 11 X the teen births, 5X the low birth weight babies, and 50% fewer proper childhood vaccinations than those living in our more affluent neighborhoods.

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This income disease gradient is very consistent no matter what health risk we measure

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But while this is a terrible indictment of our province and governments, childhood poverty has a much more pernicious effect and bigger implications: It is not just about material deprivation.

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Evidence from many countries consistently shows that individuals who spend their young formative years in poverty, in addition to poorer health, are more likely to have learning and behavioral difficulties, to underachieve at school, to become pregnant early, to have lower skills and aspirations, and be low paid, unemployed or welfare dependent. While many children from poverty don't fall into these categories, poor children are at much greater risk.

We like to believe that a universal public school system is an equalizer- but this is demonstrably not true: By the time poor children reach kindergarten -after years of inadequate nutrition, poor housing, higher rates of asthma and infectious diseases, and low immunization rates, limited reading at home, little or no preschool experience, they are already at a disadvantage that is difficult to overcome.

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The "Thirty Million Word gap" is a term coined to indicate the size of the gap in vocabulary alone between high income children and those living in poverty – that has been measured in daily exchanges, words heard by a child within the first four years of their life, and their cumulative language experience and skill development.

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And this achievement gap starts very early, even in the first year of life, and its effects are subtle but powerful.

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Overworked and stressed parents, poor literacy, overuse of screens, lack of time to read, sing, talk leaves poor children disadvantaged from preschool on. Up to 15% of schoolchildren in Canada have reading delays and most children who have not mastered reading by the end of Grade 3 will never catch up. Decreased skills, decreased aspirations and more discouragement follow.

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So child poverty has a cumulative and enduring negative impact on children's health, development and school readiness and educational success throughout their life's trajectory. These children are born to fail unless we seriously address child poverty and invest in early intervention.

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So how many of our children in Canada and Saskatchewan fall into this category of child Poverty? *Show of hands?* And who in Saskatchewan is poor and why?

Saskatchewan has an overall poverty rate, at last count, of at least 15 % (that means 140,000 people equivalent to more than half this city living below the poverty line) but in children under 18, the rate is much higher. In 2020 – fully one quarter (one in four) Saskatchewan kids live in poverty. And Saskatchewan's child poverty rate of 26.2 percent ranks third highest in Canada, behind Nunavut and Manitoba.

The poorest children in Saskatchewan are in female lone parent families where our poverty rate is 47.5%. 37% of Saskatchewan's indigenous population live at or below the poverty line (and that excludes on reserve data so it probably is much higher).

However importantly, 60% of Saskatchewan poor are non aboriginal.

We can break this down a little further: lone-parent families are overrepresented (3X more likely to be poor than dual income) and female headed single parent families are much worse off because of gender gap wage disparities (full time working women continue to earn 71 cents for every dollar compared to men) and women of colour earn 38 cents on every dollar that men are paid. These pay inequities are on top of the additional stresses of singlehandedly juggling work, family caregiving, poor access to daycare, transport, decent housing and inflexible workplaces for single parent mothers. And parents of young children are generally young themselves with less work experience and more debt. Other high risk groups include immigrants, the disabled, and some geographically concentrated areas such as small towns, rural Saskatchewan, the North and inner city neighborhoods.

Very significantly (because I think it points the way forward to policy solutions) poverty in Canada used to be concentrated amongst seniors but senior's poverty has markedly declined since the mid 1970's when the CPP and OAS were expanded to successfully address the issue.

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This data are predictably reflected in our statistics about food insecurity and Food Bank Use in Saskatchewan: HungerCount 2019 showed high food bank use in Saskatchewan, particularly among children and young adults ([hungercount.food-bankscanada.ca](http://hungercount.food-bankscanada.ca))

45 % of food bank users in Saskatchewan were children age 17 or younger (significantly higher than for Canada as a whole and higher than their proportion of the population)

Food bank use has steadily risen in both Canada and Saskatchewan over the last decade and of course the pandemic will have worsened this trend. 2017 saw an increase of over 17% provincially in food bank use (31, 000 people accessed service in one month).

Its easy to get lost in the statistics and I don't want to do that, but some statistics really stand out for me:

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**Child Poverty in Saskatchewan is about 25%. Where does that put us in world comparative terms? Well, the OECD average for child poverty is 12% and Mexico has 22% child poverty and Turkey 25%. So Saskatchewan is right up there with Turkey, has double Mexico's child poverty rate and at least double that of our OECD neighbours. So much for Scott Moe's glistening wheat fields!**

Many people have comfortable myths about poverty- that poor people are lazy and don't want to work, are addicted to drink and drugs and/or want an easy life on welfare. This allows them to protect themselves with indifference. Its harder to blame children in this way and I want to challenge that myth with perhaps my most telling statistic:

Which is the shocking fact that **37% of poor children in Saskatchewan live with a family member who works full time-employment** ..... so full time employment doesn't guarantee freedom from poverty or the need to use food banks.

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And this reflects our minimum wage-currently \$11.45 per hour. \$23,816 per year (below poverty line and not a living wage). Saskatchewan under Scott Moe has the lowest minimum wage in the country, and 96,000 people in the province earn less than \$15 per hour. You will hear the Sask Party arguing that small business can't sustain a raise in minimum wage. But more than half of all minimum wage earners in this province work for large employers (companies with more than 100 employees like Walmart) so arguments that raising minimum wage will cause more small business failures and more unemployment are spurious.

The stereotype that the average minimum wage earner is a teenager working at McDonalds is false.....40% are over 35 yrs, 59% are women, 37% are immigrants, 33% have post secondary education, and 51% work for large businesses. And many are caring for children who deserve better. In addition to low wages many such employees also lack workplace protections, have no medical and dental benefits, no sick leave, holidays or maternity leave, while facing the anxiety of insecure employment.

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So lets talk for a brief minute about government programs meant to address poverty and food insecurity because here again our welfare policies have failed children and their parents and are getting worse:

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**The Cost of Eating Healthy in Saskatchewan report – For a family of four in 2018 was \$245.68 per week provincial average (higher in north, and rural).**

### Slide #17

Under the **Saskatchewan Income Support (SIS)** program- or social welfare the adult basic benefit is \$285 per month.(That includes food, clothing, travel, personal and household items.

### Slide #18

The single adult shelter benefit for Saskatoon and Regina is \$575 per month (2019) which includes rent, mortgage payments, taxes or other shelter related costs) or \$711 for a family of four.

The Saskatchewan government (minister Merriman at the time) introduced this new Saskatchewan Income Support plan to replace the previous Assistance Plan and argued the changes were “to improve independence and self-sufficiency” so clients could “choose how to spend their money” and I quote Merriman. Case workers were to be freed up to do “motivational interviewing to help people set their goals and work to achieve them”.

Advocates are understandably concerned the changes actually make things worse as shelter and personal allowances no longer specifically cover actual costs of utilities. Clients will now need to pay utilities out of a slightly higher shelter allowance.

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The last time I looked the average rental accommodation in Regina is \$1018 per month yet that shelter allowance is \$525 per month. Is it any wonder that in Saskatoon – 10% of the homeless are children.

The average percent of income spent on rent by Saskatchewan households is 22% (that would be you and I.) Low-income people in Saskatchewan report spending up to 60% of their income on rent and utilities. So the changes just obscure the fact that government assistance rates are no longer adequate to cover the actual costs of shelter and utilities.

43.4 % of food bank users across Canada use food banks because their social assistance benefits are too low and estimates are that we have seen a 19% decrease in the real value of social assistance benefits in Saskatchewan comparing 1989 to 2017.

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Slide on welfare incomes over time? (<https://app.everviz.com/embed/8FtzJPC6y/?redirected-from-hs>)

This graph shows how assistance rates have been stuck for a decade and have not kept up with cost of living.

No wonder there are a plethora of charities attempting to feed people on welfare or low income (breakfast and lunch programs) ranging from Carmichael to community associations to Friendship Centres to churches and the Salvation Army.

The majority of food insecure households in Canada are reliant on employment income but those who are reliant on social assistance are falling further and further behind.

And suggesting that the poor would benefit from motivational interviewing to help make positive financial decisions adds insult to injury. It suggests that poor budgeting not inadequate funds cause poverty. The plan will also add to the already enormous case loads and resource shortages in the Ministry. Social assistance recipients are left on phone lines for long periods of time, and face big bureaucratic delays in accessing support, but the ministry has earmarked \$300,000 to train staff in

motivational interviewing. This reminds me of similar approaches to poverty induced hunger whereby we pay someone a good salary to instruct poor people on proper budgeting and cooking, when research has shown that individuals living in food insecure households have the same cooking abilities and menu planning habits as those in higher income brackets. Ignorance is not the fundamental problem whatever stereotypes we might want to believe. Lack of money is the problem.

Now before we talk about possible solutions, I want to touch briefly on another area that impacts children in poverty, and that is investments in early childhood interventions and education.

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We do a good job of ensuring Kindergarten access for all 5 year olds but for the population under 5 we fall substantially below the OECD average. 44% of children experience difficulty with basic crucial developmental skills at kindergarten entry and there is strong evidence access to quality education should begin much earlier than it does and would help income inequality.

Saskatchewan and Canada have fallen behind and policies towards young children are failing to catch up with the scientific evidence. If you wait for children to fail you've lost so much capacity by that point that its hard to catch up. Canada's spending on early childhood education relative to its prosperity ranks the lowest among first world countries – roughly 3 billion to 4 billion per year below what it would take to meet the OECD average.

Saskatchewan is last or second last in per capita child care supply even though, ironically, it is one of the youngest provinces in the country (only Nunavut is younger). So we are laggards in per capita investments in young families and children nationally, and provincially, our programs are highly targeted to small subgroups of children thus having little impact. Our low results for reading, writing and math reflect this and are much worse for the 15% of children who are indigenous.

We need universal investments and supports for young families and programs in all communities not just targeted to a few neighborhoods or demographics. And the main emphasis should be on affordable regulated high quality early learning and care for prekindergarten children everywhere in the province, but especially in the cities where most people live. It is rational. It is cost efficient. \$6 is saved for every dollar invested in early childhood interventions. Fiscal restraints in the 1990's derailed national daycare programs and we are paying the price.

In Canada Quebec has led the way in this regard, not just in universal publically funded daycare but also in social housing. And analyses of the impact of universal daycare on female labour force participation, resulting improved family income, improved child outcomes, particularly for disadvantaged children is very clear. Women entering the labour force lifts many families out of poverty and the increased tax base more than pays for the program.

So this is one very clear policy direction in which we need to move.

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Secondly we need to address income inequality, a gap which has grown much wider in the last 20 years. The only increases in personal wealth in recent decades have been in people who are already wealthy, many obscenely so. (Canada's two richest billionaires own more wealth than the bottom 30% of the

Canadian population and the top Canadian CEO earns his annual worker's salary by lunchtime on January 2).

Canada is among the countries that have experienced the largest increases in income inequality and also the most significant declines in child well being. Interestingly, overall indexes of child well-being more closely correlate with income inequality than with average income.

Children's well being is powerfully shaped by societal structures that are often much more pervasive than just access to books or preschool. Relative socioeconomic position is more important than absolute levels of wealth or poverty – children do better when they live in more equal communities and income inequality is bad for children.

To be relatively poor is to be living in a world of chronic stress, a stress that takes a toll on parental and child health. Epigenetic and biologic impacts of chronic stress are only now being recognized. Parental experience of adversity is passed on to children through pathways that include parental mental distress, long working hours, higher levels of insecurity, anxiety, debt and domestic conflict. The analogy has been made to the impact of individual bullying.

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To be a poor child is not as bad if income differences between children are small and everyone is in it together. It is far worse if other children are wealthy. Our policies must demonstrate a societal commitment to greater equality if we want to nurture healthy happy children.

Just as we all but eliminated poverty amongst the elderly with programs like the CPP and OAS, government transfers do reduce child poverty (Canada Child Tax benefit, and Universal Child care Benefit and GST/HST credit are examples).

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Raising the Canada Child Tax benefit amount to \$5100 per child per year could result in 37% reduction in child poverty in Saskatchewan just from this one national initiative alone.

Nordic countries have shown that child poverty can be reduced by universal welfare policies, job creation strategies that support gender equality and accessibility. They have shown us some of what is possible.

I hope I have already made a case for the importance of raising the minimum wage to \$15.00 an hour...\$15 goal is based on the hourly wage that would be required to keep a full-time employee above the poverty line.

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Other important policy lessons that stem from an understanding of everything we know about child poverty include:

1. Progressive taxation, inheritance taxes, taxation of property and rents, financial transaction tax, closing tax loopholes and ending tax havens (make it impossible for those obscenely rich to avoid their fair tax obligations)
2. Elimination of low pay and precarious labour conditions, strengthen trade unions, and collective bargaining, high minimum wages and enhanced economic democracy

3. Enhancement of food security, unemployment insurance, pension and low income supplements, guaranteed access to nutrition, health and basic energy needs

#### Slide #26 Address Working Conditions

4. Regulation of employment and social rights, a gender equity agenda, action against tax evasion, avoidance and fraud, and regulation of corporate governance.
5. Setting of inequality reduction goals (and meeting them)
6. Social investment in children- early and high equality child care coverage, improvement in employment and pay for women

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7. Social investment in Housing. We know that money spent on housing will return much greater amounts in reduced healthcare and is a first step in stabilizing many families. Studies even demonstrate that children who live in renovated public housing where mould, crime and broken elevators no longer dominate, are healthier than those in older public housing, and show fewer ER visits and illness. Supportive housing initiatives show the same savings in reduced hospitalizations. We save vast sums of health care dollars by improving people's living conditions but we have to put the money up front. Upstream and upfront.

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8. Address social inclusion (racism) -see details on slide

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Before I conclude I do want to speak briefly about the impact of the COVID pandemic. Quite apart from the trivializing slogan that "We are all in this together" we emphatically are **not** all in it together. COVID has pulled back the curtain on inequality and low wage work and all of its implications, both for those who do the work, and the recipients of their human services like residents of Long-term Care. Mental health challenges have escalated. Food insecurity has limited the ability to afford transportation, to access childcare, job training, and appropriate work, social activities and added anxiety about how to feed families.

This has also had a special impact on children. The move to virtual learning has left poor and racialized children less likely to be able to access school and forces those with the fewest resources into unfamiliar online learning environments. This has a greater impact on those with limited English, with special education needs, those who live in high-density low-income housing, or crowded multigenerational dwellings where transmission is high. Your mother or father cannot be an effective tutor when they don't have access to technology or are busy wondering how to feed kids their next meal. The Globe and Mail Sept 18/20 reported that Toronto's high-income neighborhoods had a much higher percentage of kids returning to class after the first wave compared to low income neighborhoods. Poor people know they are at particular risk for COVID and the same is anecdotally true for poor and indigenous children in Saskatchewan, although I have not seen any data as yet.

We are also seeing an increase in domestic violence and in negative impacts on both physical and mental health, and higher morbidity and mortality in communities impacted by poverty, no matter what country we look at.

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Poverty remains the most severe obstacle to children's health and their learning. And if there was ever a historic opportunity to walk back the retrograde effects of flat wages, cuts to benefits, limited access to social programs and withdrawing social investments in the future - it seems to me it is NOW. Instead of investing in high stakes testing or charter schools for the entitled, and a hardening of class lines in the society, we need to move to address inequality, invest in universal social programs and create a more equal society. This approach payed off after WWII and will again.

Poverty costs \$3.8 billion annually in Saskatchewan. Literacy problems (tied to poverty) cost \$10 billion per year in Canada. Substance abuse (tied to poverty) is epidemic. Income not cultural status determines the disparities and up to now we have focussed only minimally on mitigating the effects of child poverty rather than removing the root causes. We have a robust body of evidence confirming the significance of childhood poverty experiences on lifelong health, well being and learning, and the power of early intervention in altering this course. The returns on such investments in our children are our only way forward and now is the time.