



The Canada Child Benefit as a Policy to Improve Children's Health

Joint Submission to the Standing Committee on Health (HESA) on Children's Health

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Recommendations

In 2021, almost 1.4 million children under 18 in the ten provinces lived in a food-insecure household, and this situation is likely even worse now, given the unprecedented inflation in costs of basic needs. Despite the statistics documenting reductions in child poverty in recent years, progress has stalled. Monitoring of household food insecurity in Canada has shown that many families with children are still unable to afford basic needs like adequate food.

The Canada Child Benefit (CCB) has failed to insulate many low-income families from poverty and food insecurity. These circumstances have severe impacts on children's immediate and long-term health, development, and occupational and social life chances.

Given the evidence that household food insecurity is a potent determinant of children's health that can be substantially reduced by policies improving the financial circumstances of low-income households, we recommend that the federal government:

- 1. Create a CCB End of Poverty Supplement as described in the <u>2023 Alternative Federal</u> <u>Budget</u> to significantly increase the poverty reduction effect of the CCB.
- 2. Create a CCB supplement for remote and Northern communities to address the exceedingly high proportion of food-insecure households and elevated costs of living.
- 3. Broaden access to the CCB:
 - a. for families with precarious immigration status by repealing legislation tying eligibility of the CCB to immigration status;
 - b. by expanding the circle of people able to attest to a child's residency and ensuring that kinship, customary care, and families caring for children outside a formal arrangement have access to the CCB.

Background — Child Poverty and Food Insecurity in Canada

Families are in the position of having to live with unmet basic needs because incomes are inadequate. In 2019, 17.7% (1.313,400 million) of children, or nearly one in five children, lived in families with incomes below the Census Family Low Income Measure, After Tax (CFLIM-AT). Families were living in deeper poverty, meaning their incomes were further below this poverty line, than they had been in nearly a decade. For example, on average a lone mother with two children would have needed an additional \$13,262 per year after tax to bring her income up to the CFLIM-AT.^[1]

Rates of poverty and child poverty are much higher among groups facing systemic marginalization, including First Nations, Inuit, and Métis Peoples, racialized groups, recent immigrants and newcomers, female-led lone parent families, and people with disabilities among others. Those identifying as non-Indigenous, non-racialized, non-immigrant is the only group with a child poverty rate below the national average at 12% (Figure 1).



Figure 1. Child poverty by Indigenous status and racial identity, 2016

Source: Statistics Canada. Census 2016. Custom Tabulation, as reported in "<u>Towards Justice: Tackling Indigenous Child</u> <u>Poverty in Canada</u>" by Upstream, 2019

At the same time, income inequality is widening across Canada. In 2019, the highest decile of families with children had an average income of \$231,000 while the bottom decile had an average income of \$14,000.^[1]

Household food insecurity, as this problem is measured and monitored in Canada, refers to inadequate or insecure access to food due to financial constraints.^[2] It tells us about households' lived experiences and whether they can afford food at the end of the day, adding to our understanding of poverty in Canada in addition to low-income measures. It reflects a household's broader material circumstances, considering the amount and stability of income, assets like property, and other resources a household could draw upon, as well as the cost of living.

Although food insecurity was initially understood to be a food problem, the deprivation experienced by households that are food insecure is not confined to food. By the time a household appears in these statistics, it is also likely compromising spending on other necessities, including housing^[3] and prescription medications.^[4]

In Canada, the mere presence of children in a household increases the probability of food insecurity. The families most at risk are those with low income, few assets, low education, renting, lone parents, identifying as Indigenous or racialized, and reliant on social assistance or Employment Insurance.^[2]

In 2021, 5.8 million Canadians in the ten provinces, including almost 1.4 million children under 18 lived in households affected by food insecurity.^[2] That means 1 in 5 children lived in a household struggling to put food on the table due to a lack of money. Over two-thirds of these children, almost 1 million children, were in moderately or severely food-insecure households (Figure 2).^[5]



Figure 2. Percentage of children living in food-insecure households in the ten provinces, 2021

Source: Statistics Canada. Canadian Income Survey 2020. <u>Table: 13-10-0835-01. Food insecurity by age group and sex.</u>

Moreover, household food insecurity is higher among children than among any other age group (Figure 3). Canadians under the age of 18 are over 3 times as likely to live in a food-insecure household than those over 75.^[2]





Source: Statistics Canada. Canadian Income Survey 2020. Custom Tabulation, as reported in "<u>Household Food</u> <u>Insecurity in Canada, 2021</u>" by Tarasuk, Li & Fafard St. Germain, 2022.

Data collected in 2021 on the percentage of children living in food-insecure households in the territories are not publicly available at this time. Still, earlier surveys indicate very high numbers, particularly in Nunavut. Almost 80% of children in Nunavut lived in a food-insecure household in 2017-2018.^[6]

The Implications of Poverty & Food Insecurity for Children's Health

Decades of research have demonstrated the seriousness and range of the effects of childhood poverty. A 2019 consensus report of experts assembled by the National Academies of Sciences, Engineering and Medicine in the United States concluded that "overwhelming[ly]...on average, a child growing up in a family whose income is below the poverty line experiences worse outcomes than a child from a wealthier family in virtually every dimension, from physical and mental health, to educational attainment and labour market success, to risky behaviours and delinquency".^[7]

Inequality, as well, has been found to be toxic to children, not only to those growing up in lowincome families, but to all children in a society with wider inequality, which leads to heightened stress and anxiety among young people.^[8]

The health disadvantages associated with household food insecurity go beyond those associated with low incomes and are evident almost from birth, with infants born to food-insecure mothers more likely to be treated in emergency departments^[9] and mothers unable to follow recommendations for optimal infant nutrition.^[10] Children in food-insecure households have poorer quality diets than children in food secure households.^[11] They are also more likely to experience hyperactivity, inattention,^[12] poor academic achievement,^{[13][14]} and serious mental health problems.^[15]

Among Canadian adolescents, the risks of emotional distress, mood and anxiety disorders, depression, and suicidal thoughts increase with the severity of household food insecurity.^[16] Moreover, the effects are long-lasting; experiencing severe food insecurity in childhood more than doubles the probability of depression among young adults, even after taking into account other differences in health and socio-demographic characteristics.^[15]

As a potent — and entirely preventable — social determinant of child health, the importance of reducing food insecurity and poverty among families with children in Canada is indisputable.

The Canada Child Benefit as a Policy to Improve Children's Health

Policies that have increased the financial resources of low-income households been repeatedly shown to lower rates of food insecurity among Canadian families. These include improvements to federal^{[17][18][19]} and provincial child benefits,^[20] improvements to social assistance benefits ^{[21][22]} and increases to minimum wages.^[22]

Contrary to the popular perception that problems of food insecurity can be addressed by food banks, meal programs, or other kinds of food programs, the evidence is clear that food-based interventions have no impact on the prevalence or severity of food insecurity in Canada.^{[23][24]} Moving the needle on food insecurity means addressing the root causes of this problem.

The Canada Child Benefit (CCB) is the primary federal government transfer supporting low-income families and one of the key elements of Canada's Poverty Reduction Strategy. The CCB was not designed to reduce food insecurity, and the overall prevalence of food insecurity among Canadian families did not change following its introduction.^[17] The CCB is also losing its power to reduce child poverty.^[1]

However, the prevalence of severe food insecurity (i.e., extreme food deprivation) among lowincome families with children dropped by a third, following the introduction of the CCB.^[17] This finding highlights something that front-line workers have long known: when poor families have more money, they spend it on food and other essentials.

The problem is two-fold: 1) the CCB is not providing enough money to enable families to be food secure and 2) there are barriers to accessing it for families from systemically marginalized communities.

The CCB could be a more effective tool to protect vulnerable families from food insecurity and support poverty alleviation obligations by increasing the benefit size for the lowest-income families while ensuring it is accessible to marginalized families.

Recent decisions around the CCB stand in stark contrast to the clear need to prioritize support for the lowest-income families and the reality of high rates of household food insecurity among children over 6 years of age (Figure 2). The 2020 one-time \$300 benefit that went to families with net family income up to \$307,960 (a cut-off far greater than the \$195,460 before the amendment to the Income Tax Act) could have been more effectively targeted to low-income families.^[25] The 2021 CCB young child supplement (CCBYCS) and larger base benefit for families with children under 6 ignore the needs of those with older children.^[26]

The indexation of the CCB to inflation in 2018, two years ahead of schedule, is important for ensuring benefit amounts keep up with rising the cost of living. However, the large geographic differences in the costs of living, the depth of poverty and systemic barriers to access need to be recognized to optimize the effectiveness of the CCB.

Submission prepared by:

CAMPAIGN 2000 END CHILD & FAMILY POVERTY

Campaign 2000: End Child and Family Poverty is a diverse pan-Canadian coalition of over 120 organizations working to end child and family poverty. We are generously hosted by Family Service Toronto, a large multi-service organization serving the Toronto area.

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PROOF is an interdisciplinary research team investigating household food insecurity in Canada led by Dr. Valerie Tarasuk at the University of Toronto. The goal of this research program is to identify effective policy approaches to reduce household food insecurity.

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