Comprehensive Poverty Reduction Strategies in Canada: Policy or Window Dressing?

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Overview

- What is poverty?
- Current state of poverty in Saskatchewan
- What is a Comprehensive Poverty Reduction Strategy (CPRS)?
- Are CPRS effective at reducing poverty?
- Policy, compass or window dressing?
- Should Saskatchewan have a CPRS?

Main objectives

- I hope that by the end of this talk you
  - Will understand what a CPRS is
  - Will be moderately familiar with a couple of the CPRS that have been introduced in Canada
  - Have a feel for where and under what conditions these have been successful
  - And feel optimistic about the prospect for a CPRS for Saskatchewan

Upstream: Institute for a Healthy Society

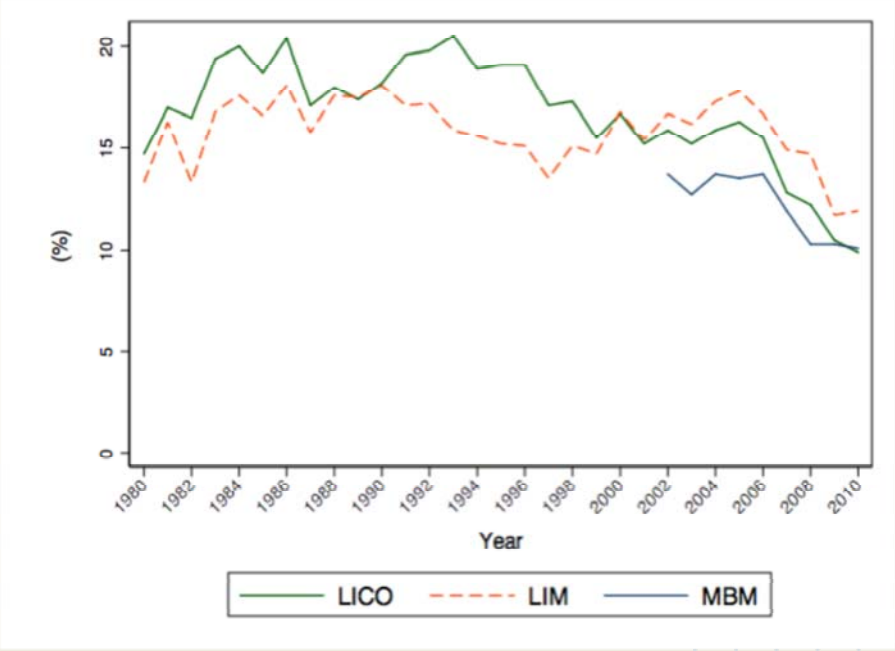
- Upstream aims to create a healthy society through evidence-based, people-centred ideas
- This means closing the gap between public knowledge and expert knowledge of the social determinants of health
- Poverty is a foremost determinant

upstream

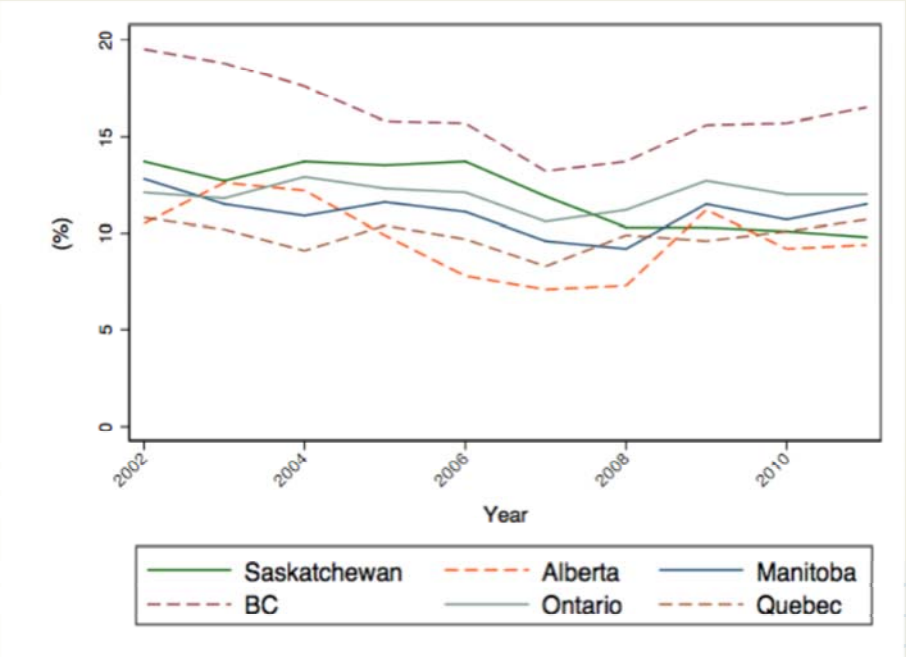
What is poverty?

- Poverty is different from inequality
- Poverty is a vicious cycle
  - Causes deterioration of person
  - Causes precautionary behaviour
- Poverty is complex
- The causes of poverty are systemic

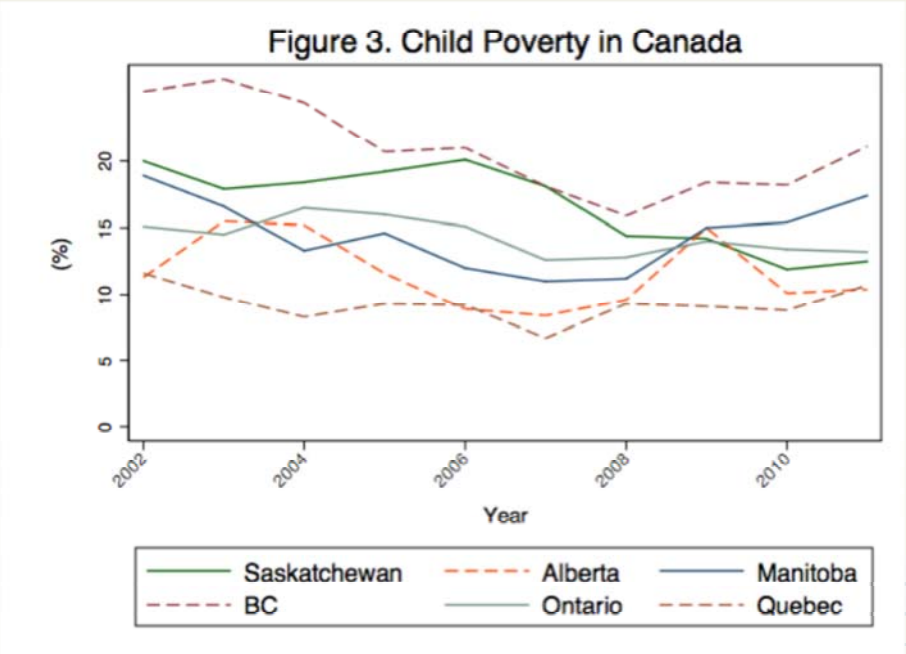
Poverty in Saskatchewan, various measures



Poverty in Saskatchewan and other Canadian provinces, using MBM



Child poverty in Saskatchewan and other Canadian provinces, using MBM



Poverty and health

- Poverty is terrible for people's health (c.f. Health Disparity in Saskatoon)
- Income is the single greatest determinant of health among low income Saskatonians
- Poverty leads to greater risk for countless maladies:
  - all cause mortality, infant birth rate, low birth weight, teen pregnancy, suicide attempts, mental disorders, diabetes, chronic pulmonary disease, coronary heart disease, chlamydia, gonorrhea, hepatitis C, injuries and poisonings...

Poverty is expensive

- Poverty is costing Saskatchewan $3.8 billions a year, or well over 5% of GDP
  - $1.2 billion in heightened service use
  - $2.6 billion in missed opportunities

The ‘social investment approach’

- Poverty eradication is one of the core tenets of 21st century policy design
- The social investment approach identifies opportunities for ‘productive social policy’
- We can spend up to 3.8 billion on poverty prevention and keep in the black
- CPRS are considered THE place to start

A Short History of CPRS

- In the1980s governments in Canada committed to the eradication of child poverty---It didn’t work
- In the 2000s, policy wonks started talking about poverty ‘strategies’ or ‘plans’
- CPRS have been promoted in the developing world by the IMF and World Bank
- They have also been applied in Europe
- QC was the first Canadian province to commit in 2002

What makes a CPRS?

- Targets and timelines: measures, timelines, targets
- Accountability mechanisms: indicators, accountable parties, legislation. independent oversight
- Comprehensive solutions: affordable housing, ECDC, education and literacy, training, income supplement, income replacement, disability income, assets, social infrastructure, place-based interventions
- Equity measures: women, youth, newcomers, indigenous
- Consultation: initial, ongoing

Timelines for CPRS Canada

	NF	PEI	NS	NB	QC	ON	MB	AB
Commitment	2005	2010	2007	2008	2002	2008	2009	2012
Action Plan	2006	2012	2009	2009	2004	2008	2009	[2014]
1st Renewal	[2015]	[2015]	[2020]	2014	2010	2014	2012	[2018]
2nd Renewal				[2020]	[2015]	[2017]	[2016]	
Legislation			2007	2010	2002	2009	2011	

Variety of CPRS in Canada

- There are as many different comprehensive poverty reduction strategies as there are provinces and leadership
- CPRS have been introduced by governments of every political stripe

AB	NF	QCI	QCII	MB	NS	PE	NBI	NBII	ONI	ONII
PC	PC	Lib.	Lib.	NDP	PC	Lib.	Lib.	PC	Lib.	Lib.
N/A	2006	2004	2010	2009	2009	2012	2009	2014	2008	2014

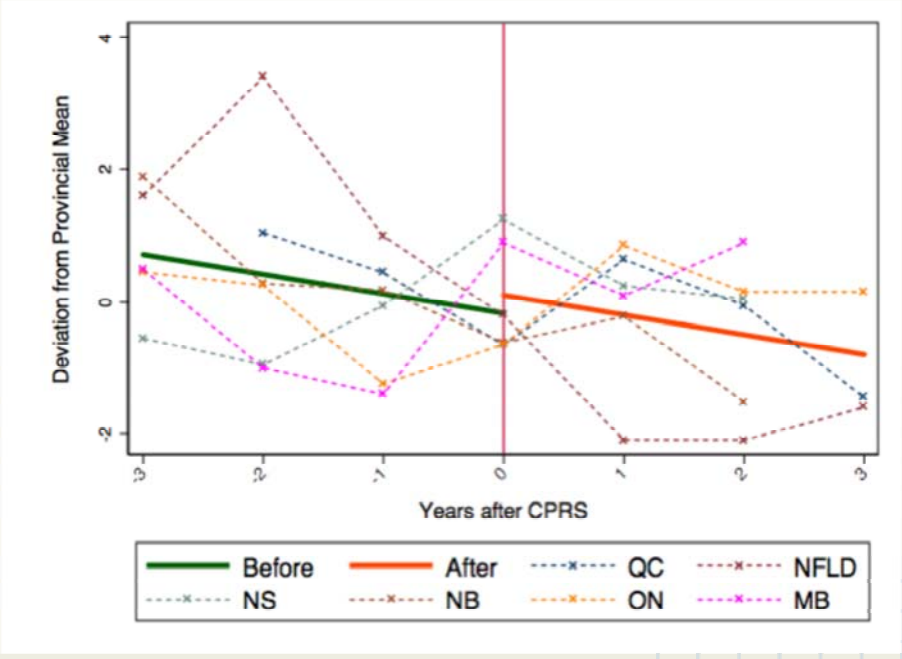
What are CPRS supposed to do?

1. Create buzz for elected officials---e.g. Alison Redford
2. Build bridges between community and government
3. Provide opportunities for policy learning
    a. Review and evaluate present policy efforts
    b. Identify and introduce missing pieces
4. Last but not least: Reduce poverty!

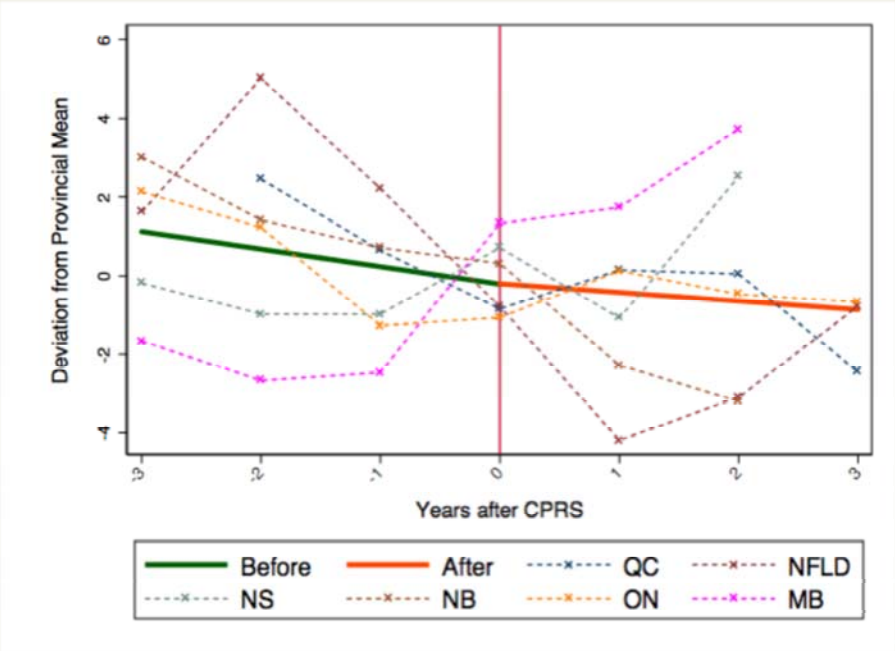
Have CPRS reduced poverty?

- All provinces that have enacted them claim success
- The Daily Bread Food Bank has claimed that CPRS with targets and timelines reduce child poverty
- We can check this with a rough-and-ready Regression Discontinuity Design (RDD)

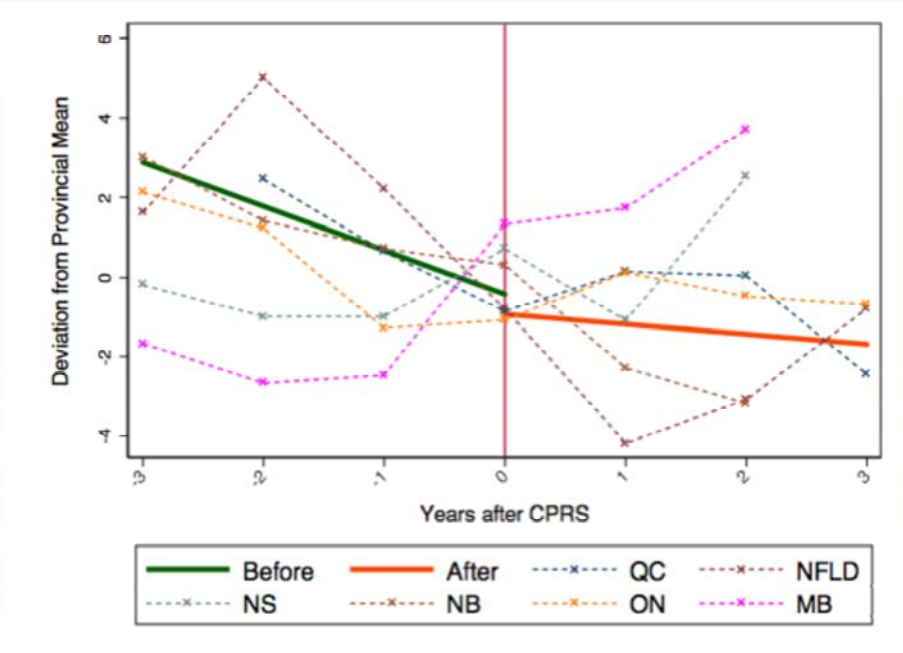
RDD results for poverty 3 years out, using MBM



RDD results for child poverty 3 years out, using MBM



RDD results for child poverty 3 years out, using MBM (only QC, NFLD, NB & ON)



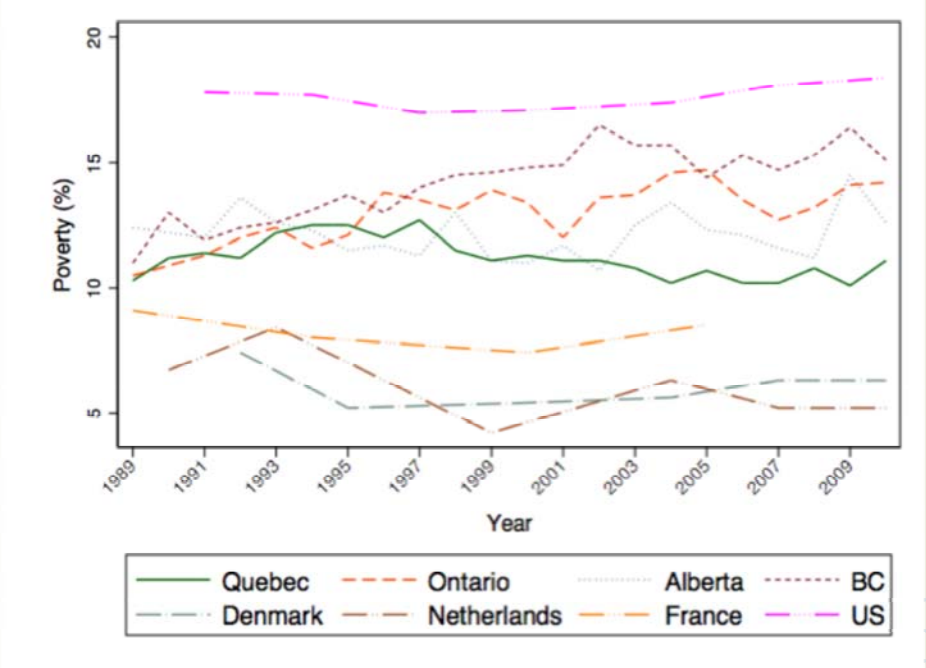
Discontinuity results

- Not much is statistically significant (not surprising)
- CPRS are few but diverse
- Those with targets and timelines have done better
- Greater superficial evidence of impact of CPRS on child poverty than overall poverty
- It is useful to hone in on a specific cases to better understand whether CPRS can work

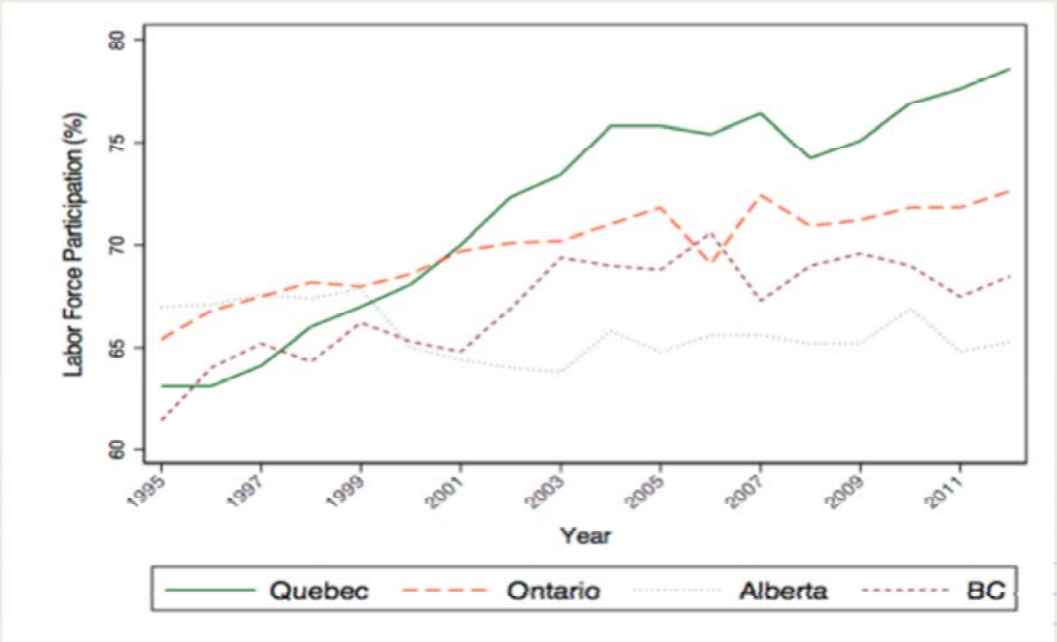
CPRS in Quebec

- Unique features of the Quebec approach to poverty alleviation:
  - Emphasis on activating working parents: affordable child care, generous parental leave
  - And “making work pay”: refundable tax credits for people with children (Soutien aux enfants)
- Primary aim was to reduce family, and ultimately, child poverty

Poverty rate in provinces and select countries using Provincial LIM

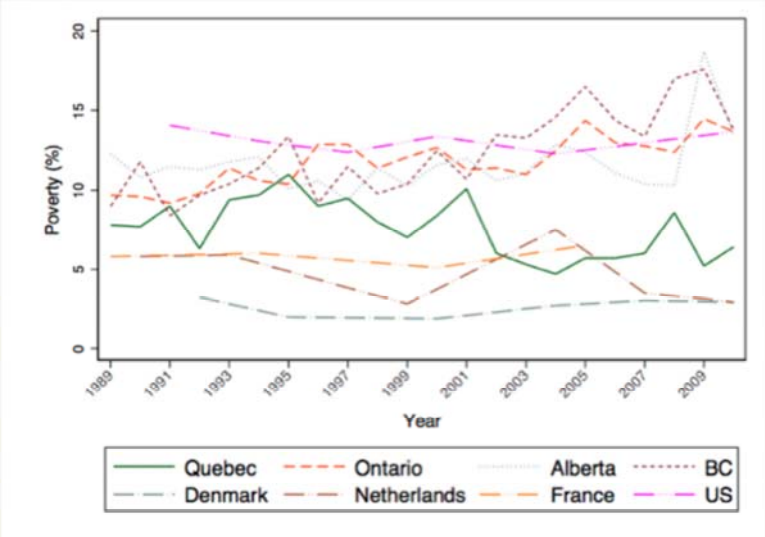


Labour force participation among women with children under 6 years old, Canadian provinces

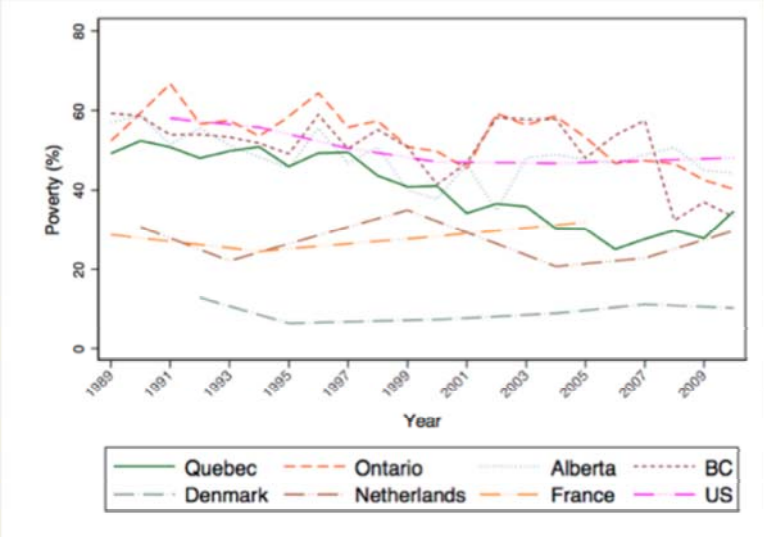


Poverty rate for two-parent families in provinces and select countries

Two parent

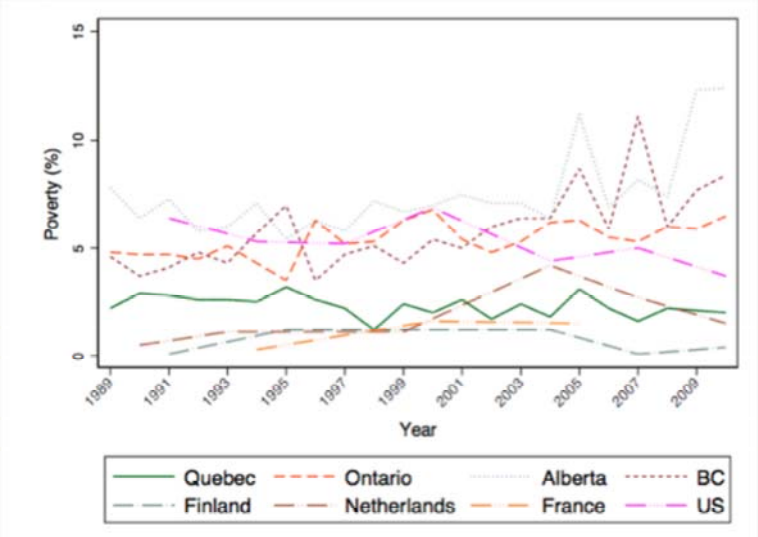


Single parent

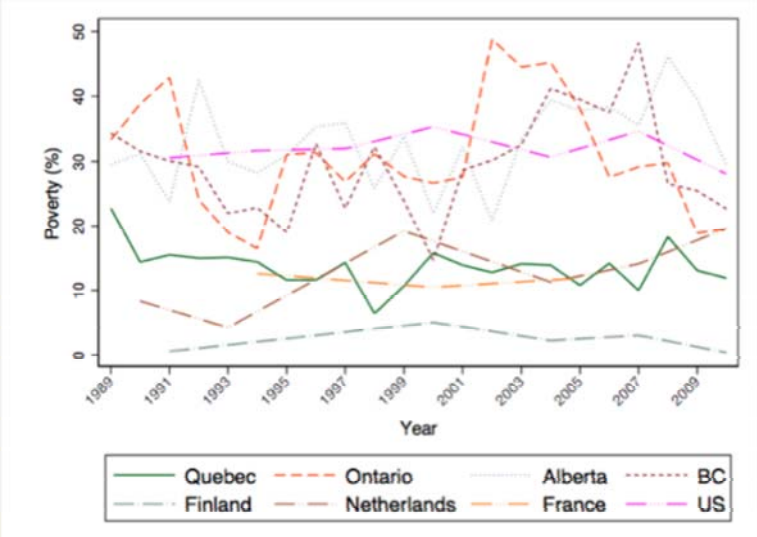


Poverty rate of single-parent families full earner equivalent, Canada and select countries

Two parent



Single parent



What we learn from Quebec

- We can reduce child poverty by reducing family poverty
- Still, poverty levels in Quebec are high for some groups
  - Families that do not work
  - Households without children
- Canadian provinces can post internationally competitive poverty levels

Are CPRS reducing poverty?

- The relationship between CPRS and poverty reduction are not one-to-one
- The success of CPRS depends on what goes into them
- Quebec has succeeded in reducing family poverty; NFLD reducing all poverty; ON reducing child poverty
- Quebec was already a leader. NFLD and ON we not, but their fortunes were already looking up
- So, window dressing?

“Compass or window dressing?”

- Well designed CPRS aim to directly reduce poverty, but can indirectly create opportunities for policy learning
- According to Geranda Notten, they can act as “compasses”:

> “Once you have determined the destination, it is easier to prioritize actions and to allocate the necessary funds to get on your way” -- on the Strategy at Work blog

Are CPRS leading policy learning?

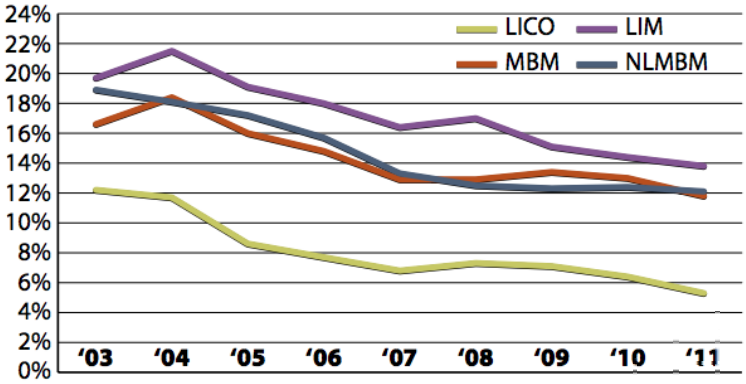
- The Centre d’études sur la pauvreté et l’exclusion sociale (CEPE) helps keep Quebec on track; the province’s Statistics Agency, in NFLD
- Most provinces submit intermittent progress reports; Canada Without Poverty also tracks results
- Four provinces are in the midst of their second CPRS: Quebec, Manitoba, Ontario & New Brunswick
- NFLD recently released an extensive review of its 2006 CPRS

Policy learning in 2nd action plans

Province	Year	Successes	New Emphasis
Quebec	2010	Extensive reductions in family poverty levels	Individuals and couples without children
Manitoba	2012	Substantial decline in off-reserve aboriginal poverty	No new emphasis
Ontario	2014	Substantial declines in child poverty	End homelessness
New Brunswick	2014	Economic and Social Inclusion Corporation and Community Inclusion Networks	Community capacity-building and individual responsibility

NFLD's progress and limits

- From one of poorest provinces to one of the least
- Still room for improvement: acute poverty, activation & ECDC



Source: LICO, LIM and MBM: Statistics Canada, table 202-0802. Survey of Consumer Finances – 3502 and Survey of Labour and Income Dynamics – 3889. NLMBM: Newfoundland and Labrador Statistics Agency.

Compass for some

- Policy learning is taking place in the provinces whose CPRS have been most successful
- But it doesn't seem to be happening everywhere
- Targets and timelines limit cherry picking, but they can also be ignored
- Independent oversight can take many forms, and can help keep governments on track

Are CPRS building bridges?

- Experience from the Poverty Costs campaign
  - Community groups that felt shutout are having their first meetings with government in years
  - Ministers are frustrated that government actions on poverty are not recognized
- Just talking about a CPRS is creating a catalyst for dialogue in our province

Time for a CPRS in our province?

- Saskatchewan is one of only two provinces in Canada without a CPRS
- Government and business want to make the most of our province's human resources
- Actions are being taken
- CPRS can help us evaluate whether these actions are reducing poverty, and showcase when they are

Concluding remarks

- A CPRS can help us build on our successes
- However, we should be mindful of the experiences of other provinces
- A CPRS with solid targets and timelines would be a great place to start
- Investing in independent oversight can ensure our efforts are worthwhile in the long run
- There's plenty of public support: 89% in Saskatoon

Things to watch out for

- The Poverty Costs Final Report will be released next month
- Some of the graphs in this presentation were drawn from our book now under review at the U of T press: One Regime or Many? Social Policy and Welfare Outcomes in Canada's Four Major Provinces

Thank you!

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