

# **The Unchallengeable Proof of Systemic Wealth Misappropriation**

By Brad Kempo B.A. LL.B.

During the first decade of the 21st century a consensus among academics began emerging that there was something profoundly wrong about the distribution of wealth; that the prosperity the economy was generating was not being equitably shared. Empirical and statistical analyses were independently demonstrating that despite Canada being what appeared to be a democracy with a free market system the rich were getting massively wealthier and the middle class and poor were gaining absolutely nothing from an economy that over two and a half decades had more than doubled. The proof is now conclusive – trillions of dollars were stolen from tens of millions of Canadians.

People ... are almost certain to be shocked by the extremes between rich and poor in Canadian society. Their shock should turn to anger when they recall the way governments have catered to the rich in recent years and turned their backs on the poor.

*Rags and Riches: Wealth Inequality in Canada*  
Steve Kerstetter, December 2002

My research discovered that the perception Canada is in all respects a mature democracy is in error. That belief is the result of a multi-decade campaign by many public and private sector contributors who manufactured and perpetuated that façade. What academics and others have said about the evolution of our parliamentary system on the federal, provincial and municipal levels over two centuries is that a non-democratic paradigm of governance exists.

The original phase of my research, commenced in March 2004, discovered rampant nepotism and patronage dating back to the early 1800s that led to all manner of corruption. I traced that phenomena through the 19th and 20th centuries, observing signposts of it during that period. Plus I observed

in the historical record the Liberal Party of Canada having cumulatively governed on the federal level for some three-quarters of the 20th century. In combination both led to a complete consolidation of political and corporate power and vast personal wealth.

The same clique of evermore politically affluent and wealthy individuals and families dominated political environments throughout the 20th century due to increasing concentrations of power and prosperity. Two generations ago they began to mould the political system so it operated to benefit their parochial interests. Both Liberal and Conservative governments implemented policies and in an unannounced fashion spread the detriments of those advantages across the entire population. Concurrently, they undertook a series of practices that distorted the public's image of how government functioned by only publicizing and highlighting and repeatedly underscoring the attributes of democracy, rule of law, human rights and free market capitalism.

My academic and legal analysis involves the application of the 'form vs. substance' principle. The law makes a distinction between reality and mere illusion created by deceivers to gain an unwarranted benefit. There are three states of affairs the research discovered which led to the conclusion Canada's governing structure and party system are completely factionless:

- (i) there is only the appearance of political pluralism;
- (ii) there is no functioning division of powers and meaningful accountability between the executive, legislative and judicial; and
- (iii) there are no substantive tiers of political authority as constitutionally established in, for example, sections 91 and 92 of the *British North America Act*.

Canadians have been misled for at least a generation into thinking (a) there are four major autonomous political parties, (b) we have a division of powers – a functioning set of democratic checks and balances and (c) one federal, ten provincial, three territorial and several dozen municipal governments all behaving independently; when in fact the opposite in many instances is true. The Canadian legal doctrine of 'form vs. substance' is articulated in this Tax Court of Canada case:

*CCLI (1994) Inc. v. The Queen*, 2006 TCC 240  
Miller J.

This case highlights the difficulty reconciling tax laws to commercial practice. I have attempted on previous occasions to mesh legal and economic realities for the purpose of making sense of our complex tax legislation: this approach has not been universally embraced. Certainty and legal form do trump economic substance, if legal form reflects legal substance. [...] It is one thing to pit legal form against economic substance, but what if the question is framed as legal form versus legal substance? There are many examples where the courts find the legal form mischaracterizes the legal substance.

The American legal doctrine was expressed by a judge as follows:

On the basis of all the evidence in the record, we conclude that the transaction whereby the banks purported to become partners in [a new LLC, Santa Monica Pictures], only to exit some 3 weeks later, was not in substance what it appeared to be in form.

Source: Thornton J. quoted in *Substance vs. Form: The Taxpayer Catch-22* (2004), Burgess Raby and William Raby

One of the consequences of the consolidation of power over the generations has been an accumulation of capital that is astounding in its implications. Professors of economics whose specialty is the statistical analysis of how the wealth of our economy is distributed throughout the population corroborate each others' conclusion that our economy more than doubled over the last quarter century and during that period of time trillions upon trillions were generated above the GDP of the early 1980s. It is expected in a democracy with a free market system that prosperity isn't equally, but equitably, distributed throughout the citizenry. The middle class gets the vast bulk of these extra trillions because it constitutes over 30 million citizens. The working poor and destitute get virtually none. And the wealthy - individuals and families such as Thomson, Desmarais, Rogers, Shaw, Pattison, Stronach and Asper - would receive some, but only a miniscule of what the middle class gets. These academics unanimously conclude those in this category of super rich got it all. Estimations are that some \$5 - 8 trillion was systemically embezzled over two and a half decades.

What do hundreds of billions a year - year after year and decade after decade - purchase? It finances an uninterrupted continuation of the *status quo*. This enormous capital reserve, for example, unduly influences law enforcement executives into doing the bidding of the country's politically

hegemonic and uber-wealthy. My research describes this 'elite' as comprised of a small, tight-knit collection of those who are bonded by birth, marriage and interconnecting family histories, education, social and career circles. As such they constitute what I label the "Ottawa-Toronto-Montreal triangle of power and wealth". As a group they dominate executive policy and decision-making in every major institution of the State and as such ensure that meaningful reform challenges will be contained and neutralized.

The security apparatus has grown in size and sophistication to the point that where dissidents and reform emerge, protocols are initiated that intimidate and coerce them into silence. Professor Kinsmen describes in *Whose National Security? Canadian State Surveillance and the Creation of Enemies* (Kinsman, Buse, Steedman, Between the Lines Toronto 2000) how this predatory dynamic manifests itself:

The members of the political, economic, and social elite who defined Canadian national security were interested in perpetuating social regulation, in ensuring a social stability that would, in the end, be to their own benefit and to the benefit of others like them. The national security campaigns would stir up and maintain **a climate of fear** directed against those defined as "different" or "other".

In that publication is this revelation:

In May 2000 press reports revealed that the [Canadian] government's Human Resources Department had compiled a high computer database of information on individual Canadian citizens, raising great concerns once again about privacy and state surveillance. The database contained two thousand pieces of personal and financial

information on each of thirty-three million Canadians, living or dead, and under existing regulations the RCMP and CSIS could have access to these vast computer files in the normal course of investigating individuals.”

In investigative journalist Andrew Mitrovica’s *Covert Entry: Spies, Lies and Crimes Inside Canada’s Secret Service* (Random House of Canada Limited, 2002), he describes elements of what Professor Kinsmen refers to as the “climate of fear”:

This book is about secrets and spies. It is also an account of lies and crimes ordered and condoned by high-ranking public servants in the name of Canada’s national security. [...] Canada’s intelligence agency was born in 1984 out of the discredited remnants of the RCMP Security Service. In pursuit of intelligence on Quebec’s separatist movement, the service had been caught burning barns, stealing dynamite and committing other illegal acts. The final report of the McDonald Commission into RCMP wrongdoing, issued in 1981, laid part of the blame for the transgressions on an insular police culture and unaccountable police powers. It recommended that the Mounties get out of the intelligence business altogether and that, instead, the federal government establish a civilian spy agency -- the Canadian Security Intelligence Service -- whose mandate would be a kind of cross between the Federal Bureau of Investigation (FBI) and the Central Intelligence Agency (CIA) and whose focus would be domestic security.

The new agency was invested with extraordinary powers in order to protect “Canada’s national security interests and the safety of Canadians.” In fact, CSIS’s ability to invade the lives of Canadians is unmatched in government. If it decides, in secret, that you constitute a threat to national security, CSIS can listen in on your telephone calls at home and at work. It can deploy an army of watchers to monitor and record your every movement twenty-four hours a day, seven days a week. It can intercept and open your mail without your knowledge. It can break into your home and office and install state-of-the-art voice- and video-recording devices. If you become a target, your family, friends and neighbours can also be subjected to this suffocating scrutiny. Your life -- past, present and future -- is fair game. In effect, the act that created CSIS simply made legal the old service’s tactics.

[...]

What I discovered behind the carefully constructed artifice is an intelligence service, still in its infancy, riddled by waste, extravagance, laziness, nepotism, incompetence, corruption and law-breaking. Far from being a shining example to sister intelligence services, CSIS and its imperious leadership remain wedded to its predecessor's destructive habits.

[...]

Chrétien's lack of interest in Canada's continuing role in the spy wars is, I believe, welcomed by the men and women who run CSIS. It signals to them that they enjoy free reign. Comfortably ensconced in their sixth-floor offices, CSIS' executive branch behave as though they are unimpeachable, safe from meaningful accountability, discipline or reform. This complacency has bred a culture of impunity at CSIS, founded on what is widely referred to at the spy service as the "Ways and Means Act": if you have a way to get things done, the means – legal or not- are justified.

[...]

Elcock and CSIS have been shielded from accountability by less-than-tenacious watchdogs and a succession of junior ministers who prefer to play the role of marionette rather than defend the public interest.

Of special note is the way he describes the lack of accountability within the intelligence organization; for that is precisely the culture of lawlessness and invincibility, insulation and immunity in top tier levels of government and within the police which has been mandated to protect the *status quo* at all costs.

Operators of Canada's security apparatus use its massive database to identify individuals who are or in time will be an encumbrance on or threat to establishment interests. Stephen Hewitt in *Spying 101: The RCMP's*

*Secret Activities at Canadian Universities, 1917 - 1997* (University of Toronto Press 2002) adds a dimension to how the database is serviced and updated. In David Colterjohn's book review (Vancouver Sun, Oct. 5, 2002) entitled *80 years of Spies on Campus* he describes the publication thesis: "...various divisions of the RCMP surreptitiously collected information on tens of thousands of Canadians, almost none of whom were guilty of any crime. Much of this surveillance took place on university campuses".

To make the case that Canada's wealthiest secretly embezzled trillions of dollars over the last quarter century requires an examination that incorporates several academic disciplines. When combining the methodologies of research and analysis in political science, history, political sociology and statistical economics the answer to the question 'Was Canada's prosperity stolen by the rich?', the answer is undeniably 'Yes'.

The starting point comes from Carleton University's Professor Stanley Winer. He holds the Canada Research Chair in Public Policy in the Department of Economics.

There is no consensus on the question of what drives inequality, so far as I know.

There is a consensus on who's in the driver's seat when it comes to policy and decision making at the highest level of government: operators of the

Ottawa-Toronto-Montreal Triangle of Power and Wealth – a cluster of super-rich Canadians and their companies, who through two centuries of nepotism and patronage and lengthy Liberal rule in the 20th century took full control of government for their own personal benefit and complicitly employed the largest law firms, banks and investment firms and used law enforcement and the judiciary to perpetuate and protect *their* political system.

Prior to 1837 both Upper Canada and Lower Canada were plagued with patronage, nepotism and corruption. Only those with the closest ties to government prospered. The rest were shut out of decision making and full participation in their own country's administration.

Source: Hansard, Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance), January 29, 2002

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MacEwan quotes [lawyer, politician and Chief Justice Sir Frederick William Alpin Gordon] Haultain as saying [in the late 1800s] on his return to the West, "The Government has been acting like a big pig trying to keep the little pigs from the trough."

Source: David Kilgour MP (Lib. Edmonton SE) website

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This corruption of the mind has been well described as the arrogance of power, and Liberal ministers are not immune from this near-universal human failing. Louis St-Laurent's minister of trade and commerce, C.D. Howe, once actually taunted the opposition about their powerlessness to prevent the Liberal government from doing whatever it wanted. "Who's to stop us?" he asked – not rhetorically – 1951.

Source: *The Perils of a One-Party State and the Consequences of Perpetual Liberal Rule*, Peter G. White and Adam Daifallah (March 2004)

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[Trudeau's] last weeks in office were marked by one of the greatest ever orgy of patronage appointments (146 in two days alone). He still managed to leave 17 other senior positions to be filled by Turner, his successor, who did so, claiming during that epic TV debate, that he had "no option". ."

Source: Liberals at the Abyss: Paul Marin may be unable to navigate the Chrétien 'puddle of sleaze', Maclean's, Peter C. Newman

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During the [1990s] Liberal decade of drift, the ugly face of nepotism has returned to Canadian government, this time stronger than ever. The Liberal Party of Canada has replaced the chateau clique and the family compact.

Source: Hansard, Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance), January 29, 2000

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The long Liberal hegemony in Ottawa has created a small, self-perpetuating oligarchy or aristocracy of governors, from which the vast majority of Canadians are permanently excluded and to which only bona fide members of the Liberal Party may expect to accede. Since power in the Liberal Party is concentrated in Ontario and Quebec, the source of all its leaders, or even more narrowly in Toronto and Montreal, few outsiders need apply.

Source: *The Perils of a One-Party State and the Consequences of Perpetual Liberal Rule*

University of Toronto Professor [John Myles](#) draws attention to the work of famed sociologists [John Porter](#) and [Wallace Clement](#), both of whom independently confirm the existence and nature of Canada's elite:

[John Porter] was concerned with the issue of equality of opportunity and the exercise of power by political, bureaucratic, economic, labour, and other elites in society. His major work *The Vertical Mosaic: An Analysis of Social Class and Power in Canada* (1965) showed how a small minority of powerful and rich men controlled the Canadian economic and political system. Porter was concerned with challenging the image that Canada was a classless society with "no barriers to opportunity" [...] [He] concludes *The Vertical Mosaic* by noting:

Canada is probably not unlike other western industrial nations in relying heavily on its elite groups to make major decisions and to determine the shape and direction of its development. [...] The Canadian capitalist class of the 1950s was a fairly tightly knit group of wealthy, mainly Anglo-Saxon males, mostly centered in Montreal and Toronto. This group controlled most of Canadian finance and industry, and also called many of the shots in the political sphere.

Source: <http://uregina.ca/~gingrich/d202.htm>

In *Class, Power and Property: Essays on Canadian Society* (1983), Wallace

Clement states:

Two major processes have been occurring throughout Canada's economic history and particularly between 1951 and 1972. During these years, there has been a marked tendency for an increased centralization and concentration of capital into fewer and larger firms. [...] The power of the indigenous elite [...] has further consolidated its position in traditional activities. The extremely high number of interlocks between the two major sources of capital, banks and insurance companies, as well as the extensive web between Canadian-controlled companies, illustrates that as corporations themselves become more concentrated so does the interaction between elites.

[...]

[T]he corporate elite during the post-Second World War period has concentrated its base of power and consolidated avenues of access to its inner circles. Important transformations have occurred in the economic structure, and rapid industrialization has been evident; but the corporate elite remains as closed as it was in 1951, even tighter in some key respects. [...] Canada remains capitalist, industrial and closed at the upper levels of corporate power.

Porter's "small minority of powerful and rich men" and "tightly knit group of wealthy ... males" and Clement's "economic elite" comprise the "Ottawa-Toronto-Montreal Triangle of Power and Wealth" – which is operated by a small tight-knit elite inextricably linked by birth, marriage, family history, education, professional and social circles and other bonding affiliations --

which proactively prevents all but a chosen few outsiders into the upper strata – and controls every important institution of the state.

From an economic perspective we see in the history books and records how power consolidation was taken advantage of:

Pierre Trudeau [...] [got] low scores [by historians] for his mismanagement of the economy and fiscal framework during an era that saw Canada's federal debt increase by more than 1,000 percent.

Source: *The Best Prime Ministers of the Last 50 Years*, by L. Ian MacDonald (Policy Options, June-July 2003)

The statistics on GDP during that decade show that the economy was faring well, so there was no pressing need to increase the country's debt in such exorbitant amounts. Here are some stats to demonstrate Canada was used as collateral by the wealthy to advance pecuniary interests:

In the late 1960s and early 1970s, the world economy was booming.

Source: Gordon Thiessen, Governor of the Bank of Canada to the Canadian Club of Toronto, January 22, 2001

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Through the 1960s, 1970s and 1980s, output per capita in Canada increased... [...] Through the 1950s and 1960s and into the early 1970s, labour productivity in the overall business sector in Canada grew rapidly. It averaged close to 4 per cent per year. [...] During the 1970s, world prices for the primary commodities that Canada exports soared relative to prices in general. And they remained high through to the early 1980s.

Source: Gordon Thiessen, Governor of the Bank of Canada at the Fraser Institute, December 6, 1999  
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In the 1960s and 1970s real GDP per capita grew rapidly in Canada, averaging over 3 per cent per year. Source: Government of Canada, Department of Finance

"For 20 years, they ran continually high deficits and continually growing debt, and Canada was skyrocketing out of control," recalled University of Toronto economist Jack Carr.

Source: Economists praise Canada's debt reduction record, September 27, 2006, CBC.ca

In an [American reprint](#) of an article by Cy Gonick (Canadian Dimensions, (October 29, 2006) this is stated which goes to proving Prime Minister Trudeau's policy of economy monopolization:

[There was a] massive rush of U.S. foreign direct investment (FDI) into Canada in the fifties and sixties. [...] [Then t]here was ... a period of active economic repatriation.... It began in the Trudeau era, which included the establishment in 1971 of the Canadian Development Corporation to encourage Canadian ownership of business enterprises; the monitoring of foreign investment through the 1974 creation of the Foreign Investment Review Agency...

This 2005 study articulates how taxpayers' money was being used, or 'misappropriated', to advance the interests of the wealthy:

### **The Government: Influencing and Being Influenced**

by Dr. Robert W Sexty

Professor of Business Administration, Faculty of Business Administration, Memorial University of Newfoundland

[Read article](#)

The influence and involvement of government in the business enterprise is substantial. [...] Canadian governments have a long history of coming to the assistance of failing business enterprises. Bailouts occur to varying degrees and can take different forms. [...] In the 1980's, bailouts were common as, for example, with Dome Petroleum, Chrysler Canada, Massey-Ferguson ... Maislin Industries[; and] the 1992 bailout of Algoma Steel.

[...]

“Chosen instruments” have become another mechanism used to implement government policy, whereby a business enterprise within a particular industry receives some form of special attention from government through grants, purchasing policy, or tax incentives. The support from government usually goes to a technological leader, an enterprise that is positioned in the industry as a “lead” or “core” company. The intention is to pick a “winner” which will be supported, or preferred, by government for the purposes of developing new technology, or penetrating an export market. The enterprise is asked to concentrate on a particular technology, product, or process, and certain “understandings” surround the designation of the particular enterprise including: that other firms will stay out of that particular commercial activity, and that banks will support the enterprise because of the government favouritism. The government may also support the chosen instrument through a domestic purchasing policy, and some have speculated that such enterprises will be exempt from competition policy restrictions.

The “chosen instrument” is most common in the aerospace, electronic, communication, and energy industries. Examples in the past include the Alberta Gas Trunk Line Co. (natural gas transmission), Interprovincial Steel and Pipe Co. Ltd. (pipe and other steel products), Spar Aerospace Ltd. (space technology), and Lumonics Ltd. (laser technology).

In *Chosen Instruments* (July 2000), Scott Proudfoot argues:

In addition to Bombardier, potential candidates for Chosen Instrument status, past and present, might include: The Big Six Banks, BCE, CAE, Canadian Airlines, Canadian Marconi, Canadian Pacific, Computing Devices, Dome Petroleum, General Motors Diesel, Nortel, Oerlikon, Pratt & Whitney Canada, Trans Canada Telephone Systems, Trans Canada Pipeline, Syncrude, etc.

[...]

The most remarkable feature of the government’s policy of supporting Chosen Instruments is that the policy remains unwritten, unacknowledged and, at least partially unconscious.

Successive generations of officials have supported this policy and successive ministers of various ideological biases have bought into the policy. It is one of the few consistent themes of post-war industrial policy in Canada and the closest the federal government has come to having a coherent industrial strategy.

The policy remains unarticulated because it is controversial! If government picks winners then, by definition, it is also picking losers. Determining where the public and private interests meet is an inherently subjective exercise and open to argument.

Having established that a very small group of Canadians control policy and decision making on the federal and provincial levels the analysis turns to what was done to accumulate wealth that deprived the middle and lower classes of what they were entitled to from an economy that more than doubled over a quarter century. The starting point here is first to differentiate between two forms of investigation – (i) the inequality of incomes or earnings and (ii) the inequality in the accumulation of wealth. The latter is of prime relevance, the former less so but is corroborative of the thesis that Canada’s prosperity has been misappropriated.

The country’s top expert on the latter is Dalhousie’s Professor [Lars Osberg](#). In his 2007 publication [\*Why Inequality Matters, In a Thousand Words or Less\*](#), he quotes Professor Myles: “If I were observing trends in Inequality Land, I would suspect I was observing a failed democracy”.

And Professor Osberg states in that publication:

We live in an affluent nation during prosperous times. Canada is now the 9th richest nation in the world. Unemployment is at a 35-year low, more Canadian families raising children are working, and they’re working more. And yet the income gap between the richest 10% and the poorest 10% of Canadian families keeps growing. The richest 10%

now make 82 times more than the poorest — in 1976 they only made 31 times more.

A new phenomenon is also at play; one that goes beyond the extremes of the very rich and the very poor. Compared to a generation ago, 80% of Canadian families are taking home a smaller share of the economic pie they helped make. The concentration of incomes and wealth at the very top is accelerating.

With the economy more than doubling over a quarter century there is a reasonable expectation that all Canadians would benefit and had that been the case the figures would show up in the statistics. But as Queen's University Professor [Charles Beach](#) puts it as quoted in *Why Inequality Matters* "[The] rising tide has no longer been raising all boats." Professor Osberg adds:

The majority of Canadians say they worry about a growing gap. About half of Canadians told Environics Research they feel they are one or two missed paycheques from poverty. Economic insecurity is rife across most of the income spectrum.

Many organizations corroborate this finding. This is what the [Canadian Union of Public Employees](#) said:

The widening gap between rich and poor is threatening our social fabric. At the same time, crumbling urban infrastructure and chronic under-funding of public services means a poorer quality of life for all communities. It is past time for a new deal that improves democratic control, protects our quality of life, supports quality public services and rebuilds our cities and communities.

This from the [Center for Social Justice](#):

Despite economic growth over the last decade, inequalities have grown. There has been a dramatic surge in the proportion of families who have ended up at the bottom of the income scale.

The NDP put the matter on the front burner in 2007:

**Jack Layton's Speech: Health Care & Canada's Prosperity Gap**

March 13, 2007

The other kind of prosperity gap is that between rich and poor. The income gap in Canada is at a thirty-year high and growing. A recent report released by the Canadian Centre for Policy Alternatives stated:

"It's not just that the rich are getting richer and there are more of them. It's not just that the middle class is getting a smaller share of a bigger economic pie. It's not just that Canada's bottom half of families have been shut out of most of the economic gains. It's not just that Canada's poorest families appear to be stuck in time, regardless of their increased work effort. It's not just that every category of Canadian family — except the richest 10% — is working harder for their money. It's that all of this is changing the nature of Canadian society in new and unforeseen ways."

A recent survey suggests that half of all Canadians feel that they are just one or two pay cheques away from poverty. All the while CEOs, the banks and the oil companies are enjoying record incomes.

This is what I call the prosperity gap. It is the growing polarization between "the haves" and the rest of Canadians.

This is stated in 'Income Gaps Grow, as Canada's Have-nots Get Left Behind', [CBC News, May 1, 2008](#):

The [2006] census stats prove that some of the income gaps between the most and least advantaged in this country are wide — and growing ever wider. [...] Between 1980 and 2005, [the poorest's] full-time income fell by 20.6 per cent, after adjusting for inflation. [...] Those in the middle 20 per cent income group saw their earnings stagnate. [...]

"It's outrageous," said Ken Georgetti, president of the Canadian Labour Congress. "We've enjoyed the largest sustained period of growth since the Depression and ordinary Canadians are falling behind," he said. "The only people that are getting ahead are the people who don't need the money."

Most recently this was published:

### **Why Americans are richer than us**

by Peter Newman

CBC News

June 17, 2010

[Read article](#)

Forget this idea that Canadians are so smart and that we have breezed through the Great Recession better than our American neighbours.

And that, going forward, the wind is at our back and great things are just waiting to happen.

As we get ready to welcome the leaders of the G8 and the G20 next week, Canadians seem to be basking in a glow of economic superiority.

Part of this, no doubt, has to do with the Harper government's continued boasts about how much better we weathered the recent downturn than the U.S. and most of Europe.

But neither Stephen Harper, nor any Canadian political leader for that matter, is discussing the little acknowledged reality that Canada has been steadily falling behind the U.S. — not only our closest neighbour, but our biggest trading partner — for the past 30 years.

No one wants to talk about the data that everyone should be studying, except perhaps for the Institute for Competitiveness and Prosperity, whose recent study — "Beyond the Recovery" — should be required reading.

[...]

The Institute for Competitiveness and Prosperity, which is attached to the Rotman School of Business at the University of Toronto, reports that, at the end of 2009, the prosperity gap between the average Canadian and the average American was \$9,300 in America's favour.

What is more, the situation has been getting steadily worse. Just under 30 years ago, the gap was only \$2,600.

[...]

When it first started, the productivity gap between Canadians and American was about \$6,000. Since then, the gap has increased by more than 50 per cent.

The Institute for Competitiveness & Prosperity had this to say about the prosperity gap:

### **Realizing Canada's Prosperity Potential**

by Jim Milway & Claudelle Poole

[Read study](#)

[...]

Against the United States, we have a large and widening prosperity gap (Exhibit 1). In 1981, Canada trailed the United States in GDP per capita by only \$1,800, but the gap had risen dramatically to \$7,200 in 2003.

The gap increasing isn't just noticed by academics, experts and specialists in Canada. It's also recognized internationally:

### **Growing income gap a warning to leaders**

OECD report shows rift in Canada increasing at quick rate

by Armine Yalnizyan

Vancouver Sun

October 22, 2008

[Read article](#)

The internationally respected Organization of Economic Cooperation and Development threw out a warning flag to Canada on Tuesday. It says the income gap between Canada's rich and poor is growing faster than in most other 30 developed nations in the world, and that our governments need to stop that trend.

The news is about as sober a warning as it gets. Canada is falling behind internationally. We used to be above the average when it came to income equality. Now we're below average. And there's really no good excuse for it.

As a nation, we are richer than most. Ours is the ninth-largest economy on the planet. The last decade has been one of the strongest, most sustained periods of economic expansion in our history.

But most of the gains of economic growth have gone to the richest 10 per cent. Earnings for those in the middle have been stagnant for 30 long years, and workers at the bottom have lost ground compared to a generation ago. That's why income inequality is getting worse.

Now, with the global economy veering off the rails, we need to ask ourselves: How much worse can it get? And what can we do about it? The OECD report is clear: Our governments have a strong role to play.

Canadian government interventions traditionally offset these trends, particularly in bad times. But in the past 10 to 15 years governments backed away from investing in public benefits that help the majority of Canadians and replaced them with tax cuts that most benefit the richest 10 per cent -- exacerbating income inequality in the country.

Help for those at the bottom, like unemployment insurance and social assistance, has been stripped back as Canadians have been told to fend for themselves.

That's just dumb economics, and a recipe for greater instability and slower economic growth.

Back in the 1920s, the last time we experienced such dramatic income polarization, Henry Ford saw in his workers an obvious solution: If he paid his workers higher wages, he created more consumers for his automobiles -- and a healthy middle class.

Compare that to the last 10 years, when governments and markets alike have focused on building up systems that reward the rich and ask everyone else to wait for the drops of prosperity to trickle down.

In the meantime, the rich got richer and drove up housing prices and the cost of living soared for the rest of us. Our paycheques didn't keep up.

What can governments do? Governments are being asked to bail out banks and investors. They can also be asked to keep purchasing power among the jobless, speed up investments in badly needed infrastructure projects and engage in counter-cyclical investments like housing to maintain jobs in the middle of the income spectrum.

Now would also be an opportune time for the federal government to partner with provincial governments on a clear poverty reduction strategy with targets and timelines -- because in a shaky economy, we need all hands on deck.

Anything less means Canada will continue down the troubling path of continuously growing income inequality, instability and economic weakness. It's time to heed the warnings and change our course of action.

[Armine Yalnizyan](#), Senior Economist with the Canadian Centre for Policy Alternatives, stated in July 13th:

Over time there has been a clear shift in the distribution of the benefits of economic growth in favour of corporate profits. The share of wages, salaries, etc., i.e. workers' earnings (including the richest) has declined for the past 30 years as a share of the economy. Just before the recession hit, it was at its lowest share on record.

Her former colleague at the CCPA, Steve Kerstetter, who also used to be a Director at the National Council of Welfare, states in his August 2001 study

[\*Behind the Numbers: BC's Bountiful Crop of Millionaires:\*](#)

The concentration of wealth is a reality everywhere in Canada, but it is especially concentrated in British Columbia. The percentage of millionaires in BC was the highest of any province, and their average net worth was also the highest of any province.

What drives home just how acute prosperity theft is and the greed and inhumanity that drives it are these trends and stats and those in the Addendum at the conclusion of this analysis:

**B.C.'s child poverty worst in Canada**

Kids more likely not to eat well, to do poorly in school, drop out early  
by Kent Spencer  
The Province  
January 12, 2010

B.C. children are more likely to load up on cheap, unhealthy food and go without warm winter clothes than children in any other province, says a child advocacy group.

The First Call child coalition released a report Monday that shows B.C.'s record for child poverty was the worst in the country during the years 1989 to 2007.

Adrienne Montani of First Call said that means youth up to age 18 are more likely to suffer deprivations here than any place in Canada.

### **Child poverty rate climbing in B.C.**

by Bethany Lindsay

ctvbc.ca

November 23, 2011

[Read article](#)

The proportion of B.C. children living in poverty has risen, marking the eighth straight year that the province has claimed the highest after-tax rate in the country.

[...]

Susan Lambert, president of the BC Teachers' Federation, says the stats are unacceptable in a province that hosted the Olympics and sheared off mountaintops to build the Sea-to-Sky Highway.

"We have the highest average wealth in Canada, the greatest gap between the wealthiest and the poorest households, the lowest corporate tax rate -- not only in Canada but in the entire G7," she said.

[\*Behind the Numbers: BC's Bountiful Crop of Millionaires\*](#) goes on to say:

Statistics Canada also reported that the wealthiest Canadians were the only group that had made substantial gains since the time of the previous wealth survey in 1984. The agency did not provide comparisons over time for individual provinces, but the national figures show that the top 20 percent of family units had seen their median net worth go up by 39 percent in real terms over the 15 years. The lowest 20 percent saw their median net worth dip to -\$600.

Three months later he states in [\*BC Home to Greatest Wealth Gap in Canada\*](#):

BC is home to both the highest average wealth in Canada and the largest gap between the richest and poorest households. The data debunk the myth that BC has been a tough place to be rich, particularly over the past ten years. These wealth statistics highlight

the fact that one of BC's foremost public policy challenges is inequality, not the perceived tax burdens of the wealthiest among us.

Thirteen months later this news release:

**Skewed distribution of financial assets driving growing wealth inequality across Canada, says new study**

Canadian Centre for Policy Alternatives

December 12, 2002

[Read article](#)

OTTAWA -- Canadians may view their country as a land of opportunity, but it is also a land of deep and abiding inequality in its distribution of personal wealth. This is the key conclusion of *Rags and Riches: Wealth Inequality in Canada*, a new CCPA study by social policy analyst Steve Kerstetter, a former Director of the National Council on Welfare.

The study features data never before published about the very richest and very poorest Canadians. It draws on special data runs commissioned from StatsCan by the CCPA to provide extensive new analysis on the distribution and characteristics of wealth dating back to 1970 for each of five regions of the country.

[...]

"Our federal and provincial governments," says Kerstetter, "would do well to rethink their policies--particularly their tax policies--that have conferred huge benefits on Canada's wealthiest people: the ones who need government aid the least. These favoured few have been further enriched at the expense of the great masses of Canadians who have been able to scrape together only a tiny portion of the country's personal wealth."

In [Rags and Riches: Wealth Inequality in Canada](#), he states:

The tax policies of the federal government and some provincial governments in recent years have conferred huge benefits on Canada's wealthiest people, the one group capable of fending for themselves. Meanwhile, Canada's social safety nets and programs of special importance to the poor have been weakened by cuts in government support.

[...]

Canada is one of the few developed countries in the world that has no inheritance taxes, estate taxes or wealth transfer taxes. Such taxes ensure some measure of equality of opportunity, and promote democratic values by placing limits on inherited wealth.

[...]

Taken together, the surveys lead to the inescapable conclusion that there is gross and persistent inequality in the distribution of wealth in Canada. A surprisingly small number of Canadians have huge slices of the wealth pie, and a surprisingly large number of Canadians have no more than a few crumbs. And the gap between the richest and poorest actually got wider between 1984, the last year the survey was conducted, and 1999.

[...]

Given the fact that money talks—and opens doors and influences people—there are obvious problems with an economy that has so much wealth tucked away in so few pockets. At some point, the concentration of wealth compromises a country's political ... life. We all have a vote, but the wealthy are most often the movers and shakers and the rest of us are nobodies.

[...]

The gap between the very richest and very poorest Canadians rivals anything seen in the Third World. The big difference, of course, is that Canada has a large middle class, but the extremes of wealth and poverty are staggering for a country that considers itself to be "middle class."

[...]

The differences between Kenneth Thomson and the poorest of Canada's poor are extreme to be sure, but great wealth and great poverty are far more commonplace than many Canadians might imagine. Statistics Canada's most recent survey of assets, debts and wealth shows literally millions of families and individuals living on the brink of financial disaster, while others have managed to accumulate huge slices of the wealth pie.

[...]

The fact that inequality has survived more or less unchanged for three decades, in both good and bad economic times and under federal governments of sharply different leanings, is discouraging for people who believe in economic as well as political democracy. Extreme inequality may not be inevitable in Canada, but *it does seem destined*

to continue in the absence of radical changes in government policy.  
[emphasis added]

[...]

Between 1970 and 1999, the poorest 10 per cent of family units actually got poorer, while the richest 10 per cent gained more than half a million dollars on average. [...] From 1970 to 1999, the gap between the richest 10 per cent and the poorest 10 per cent was greatest in 1999. [see chart *infra*]

[...]

On the lower rungs of the economic ladder, a sizeable number of people have debts larger than their assets and live hand-to-mouth trying to make ends meet. On the upper rungs, people have such an array of assets and so few debts that they worry about money only if they choose to.

[...]

People who read this report are almost certain to be shocked by the extremes between rich and poor in Canadian society. Their shock should turn to anger when they recall the way governments have catered to the rich in recent years and turned their backs on the poor.

This author cites one reason for inequities in wealth:

One prime area of taxation that has been completely shunned by Canadian governments for nearly three decades is taxes on inheritances. Canada is one of the few developed countries in the world that has no inheritance taxes, estate taxes or wealth transfer taxes. Even the United States has a modest but equitable regime of estate taxes. [...] Rich Canadians get a huge break by living in a country with no inheritance taxes of any kind.

And that policy of systemic inequity is to be laid at the feet of Clement's

"economic elite". Same goes for tax cuts during the turn of the century:

Rich Canadians ... benefit from the long-standing tax policies of many governments and the tax cuts that were enacted in the late 1990s and early years of the new century. The federal government went out of its way to placate leading business groups and rich people in general

when it cut tax rates in the 2000 federal budget and pre-election mini-budget later that same year. It also got rid of the high-income surtax and trimmed taxes on capital gains. The minister of finance and the "spin doctors" in his department tried to pass off the February 2000 budget speech as a middle-class budget, but the biggest cuts really went to the rich and super-rich. The mainstream media never grasped this essential reality, because the tables on the impact of the cuts published by the finance department stopped at income levels of \$125,000, and the biggest tax savings were even higher up the income scale.

In British Columbia, Liberal leader Gordon Campbell promised voters a "dramatic" cut in provincial income taxes during the 2001 election campaign, but delivered a cut that was dramatic only for the rich. Calculations by the BC Office of the Canadian Centre for Policy Alternatives estimate that the top 1.1 per cent of taxfilers, or those earning \$150,000 a year or more, will get 20 percent of the \$1.3 billion earmarked for the cuts in 2002.

And for horrific public policy, nothing could top the flat-rate provincial income tax introduced in 2001 by the Klein government in Alberta. The tax is sure to produce massive savings for the rich and super-rich, but the calculations in the discussion paper published by the province conveniently stopped at an income level of \$100,000. That's well below the incomes of the richest Albertans, who are no doubt still laughing all the way to the bank.

Finally, there are the specialized tax breaks that favour the rich, like the preferred tax treatment given to registered retirement savings plans, capital gains and stock dividends. The Survey of Financial Security showed that 72 per cent of the \$420 billion in RRSPs and other registered savings plans held by Canadians in 1999 was held by the richest 20 per cent of family units. The richest 20 per cent also owned 94 per cent of the \$92 billion in stocks outside RRSPs, and 81 per cent of the \$80 billion in mutual and investment funds outside RRSPs.

A resolution of the problem is strictly political:

The only real difference with the arguments about wealth is the number of Canadians who could be rallied to the cause of social justice. Collectively, 50 per cent of the family units in Canada had less than six per cent of all the country's personal wealth at last count. That 50 per cent may not be a majority when translated into eligible voters, but it should be more than enough votes to strike fear into the

heart of any government that continues to pander to the wealthy and to forsake the poor.

In addition to the middle class not sharing in an equitable distribution of Canada's prosperity over a quarter century, tax burdens increased dramatically when perceived from an incremental perspective. Tax Freedom Day has been later and later in the year according to The Fraser Institute: 1981 – May 30; 1985 – June 6; 1995 – June 18; 2003 – June 27; 2004 – June 28; 2006 – June 19; 2007 – June 20.

Because of trans-generational nepotism and patronage and lengthy Liberal rule which prevented everyone except the operators of the triangle of power and wealth having control of policy formation the rich have all four major political parties working for them exclusively; and thus what is required is a complete deconstruction of governance - or to put it another way ... regime change by way of a structural reformulation of how our parliamentary democracy functions to integrate the needs, objectives and aspirations of all Canadians.

As indicated *supra*, the distribution of wealth analysis has two components: (i) wealth inequality and income inequality. The premier Canadian expert on the former is Dalhousie Professor [Lars Osberg](#). In his 2008 publication [A Quarter Century of Inequality in Canada 1981 – 2006](#) he states:

[T]he available Statistics Canada data do indicate unambiguously that wealth inequality has increased in Canada. From 1984 to 1999 and from 1999 to 2005 [...] [t]he wealth of the poorest 40% of the distribution of Canadian families stagnated or actually fell over this 21-year period, but the wealth of the top deciles rose substantially — and the further up one goes, the larger the rate of gain.

[...]

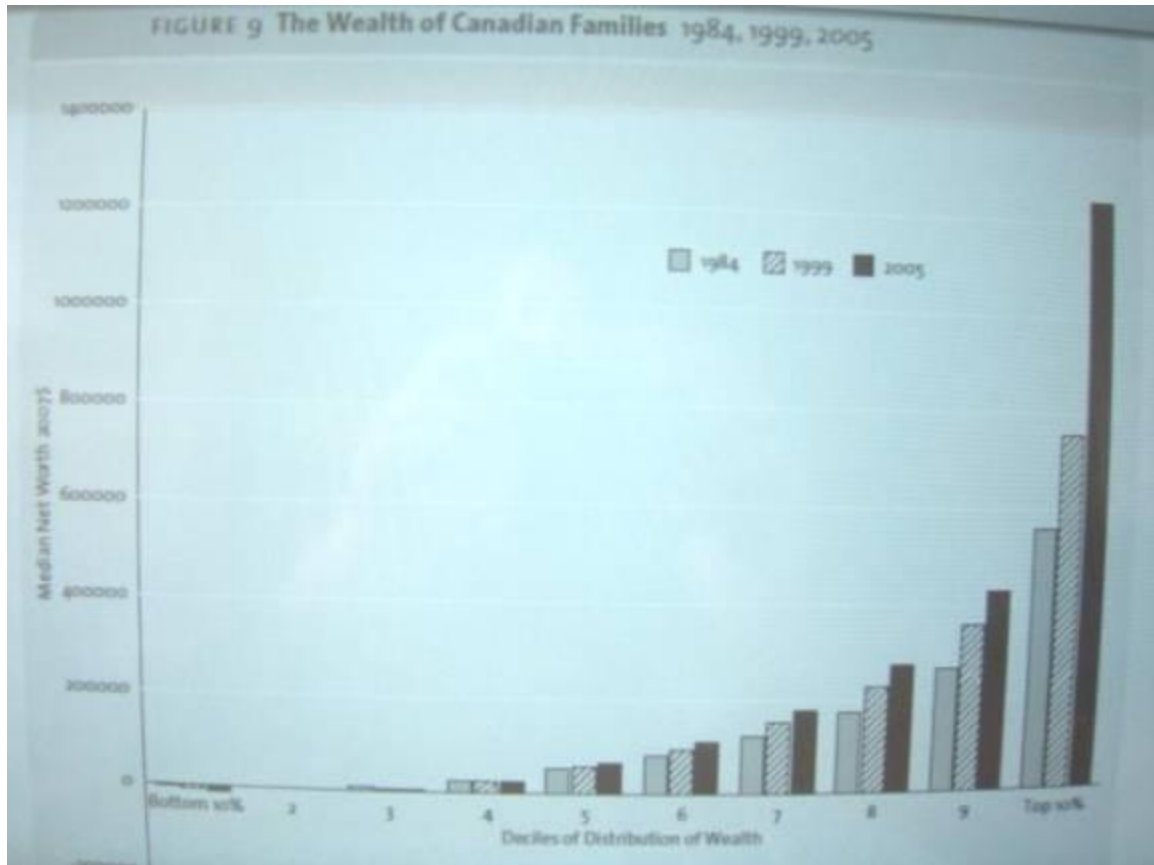
Canada's observable social reality is one of ever larger monster homes, and an increasingly glaring contrast with the homeless who clutter the sidewalks, as the consumption patterns of the New Rich diverge increasingly from the living standards of most citizens.

The Canadian expert on the inequality of income is McMaster University's Professor [Michael Veall](#). Earnings, which include employment income, dividends and capital gains, is another way to statistically determine how much the rich have been extracting from the economy. His 2003 study [\*The Evolution of High Incomes in Canada, 1920-2000\*](#) documents a slow decline post-World War II of what the wealthiest were acquiring through earnings and then a non-stop exponential-looking rise as the Trudeau era was coming to an end. There appears to be a perfect correlation between that increase and the policies and practices of economy monopolization commenced in the 1970s; the wealthiest secretly evermore dividing up the country's prosperity amongst themselves at the end of that decade and what they gained by way of accumulating wealth thereafter.

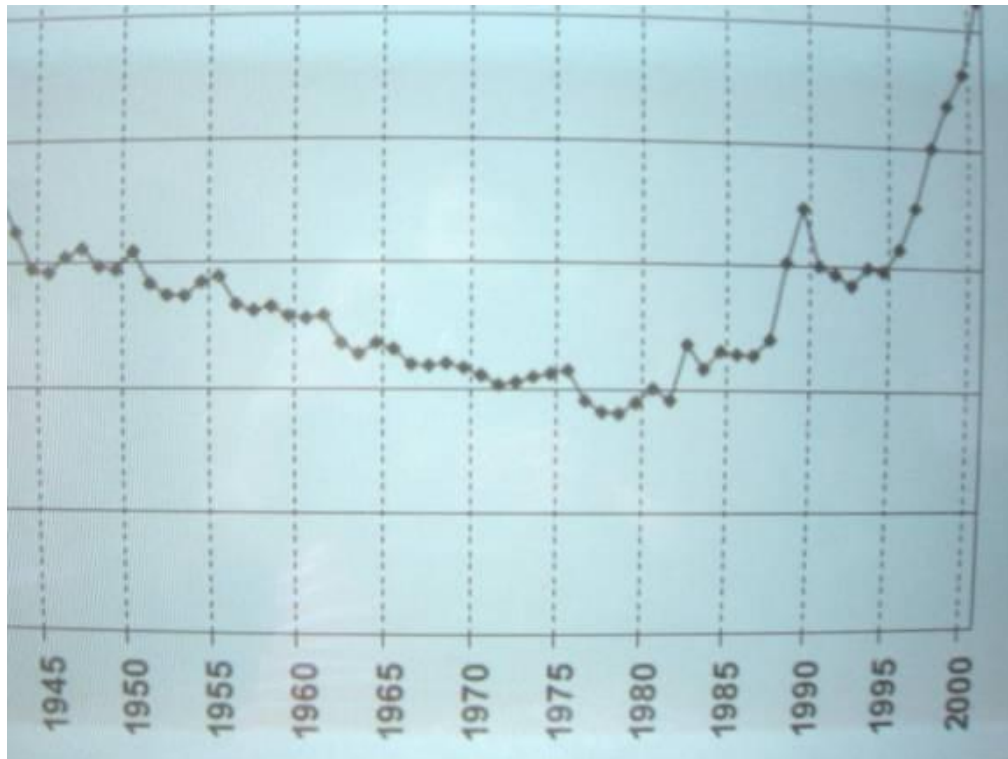
Top income shares display a U-shaped pattern over the century, with a precipitous drop during World War II, followed by a slower decline until 1970. Since the late 1970s, top income shares have been increasing steadily and the very top shares are now as high as in the pre-war era. [...] [T]he upward trend in top shares in Canada since the late 1970s

cannot be explained by tax cuts. [...] [T]he surge in inequality at the top is more concentrated in Canada than in the United States.

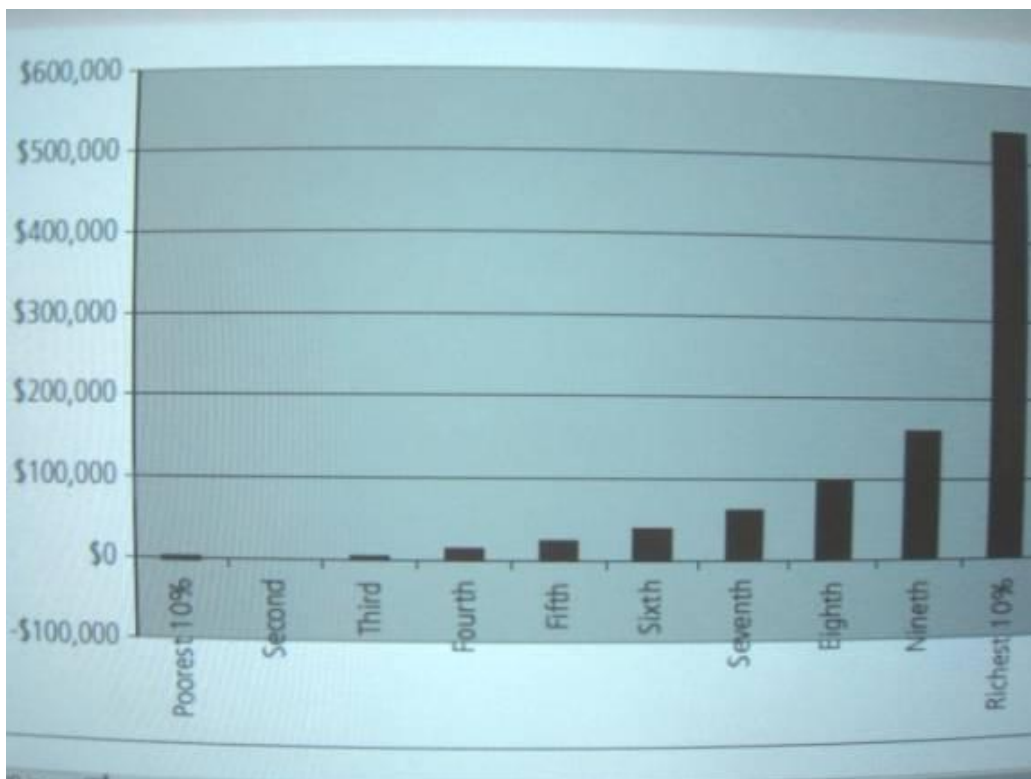
Professors Osberg and Veall's and Steve Kerstetter's statistical charts when observed together show how dramatic the 'theft' of Canada's wealth has been:



The Wealth of Canadian Families 1984, 1999, 2005 (Osberg)



The Income Shares of the Top Income Groups in Canada, 1920-2000 (Veall)



Wealth Inequality 1970 to 1999 (Kerstetter)

Demonstrative of the illogic of Canada's economy is how it fared during the worst crisis since the Great Depression. In November '09 [The Star](#) published a report stating that "the total net worth of the richest 100 is \$172.7 billion, up from \$165.1 billion in 2008" and "the Thomson clan amassed roughly \$21.99 billion, up 19 per cent over last year".

Plus, look at Canada's banks. During that period when the global banking system suffered an almost fatal collapse – with closings and bailouts in record numbers throughout the industrialized world, every one of these financial institutions operated at peak performance:

In a year marked by the worst financial crisis in generations, Canada's six largest banks earned strong results, and ours was the only G7 nation whose banks did not require a government bailout. Our banking system has become the envy of the world.

[...]

[T]he Big Six banks for fiscal 2009... produced combined annual profits of just over \$14 billion, ahead of the approximately \$12 billion in 2008.

Source: [PriceWaterhouseCoopers](#)

Only in a country such as ours with a perverse system of governance can a family such as the Thomsons increase wealth by a whopping 20% in twelve months and a primary backbone of our economy thrive during the hardest economic times in more than a generation.

Some professors of economics sought to draw wealth inequality similarities with Canada's southern neighbour. However, any comparison is flawed because of the behemoth size of the American economy, its superpower status in relation to every other country in the world and its dollar being the world's reserve currency. Plus it has a profoundly diversified economy and its multinationals are globally ubiquitous. And it has an extraordinarily massive population, a large number of virtually 'sovereign' states (vs. the small number of provinces and territories here) and an unrelenting culture of entrepreneurialship, transparency and accountability. It is impossible even over long periods of time for an "economic elite" to consolidate power and hijack and dominate all federal and state political systems for parochial interests and purposes.

Also by sharp contrast to the American experience, when Trudeau took office the country's system of governance was already authoritarian from coast-to-coast and operating seamlessly behind a cleverly manufactured façade of democracy. By the end of his reign, taking what they wanted from what they believed to be *their* economy drove policy and decision-making was the norm. Recall in 2006 Mr. Justice Gomery called what he saw in the sponsorship scandal as a "culture of entitlement".

The first glaring example of servicing that façade of democratic respectability is Prime Minister Trudeau's "Just Society":

The Just Society will be one in which all of our people will have the means and the motivation to participate.

The Just Society will be one in which personal and political freedom will be more securely ensured than it has ever been in the past.

The Just Society will be one in which the rights of minorities will be safe from the whims of intolerant majorities. The Just Society will be one in which those regions and groups which have not fully shared in the country's affluence will be given a better opportunity.

The Just Society will be one where such urban problems as housing and pollution will be attacked through the application of new knowledge and new techniques.

The Just Society will be one in which our Indian and Inuit populations will be encouraged to assume the full rights of citizenship through policies which will give them both greater responsibility for their own future and more meaningful equality of opportunity.

The Just Society will be a united Canada, united because all of its citizens will be actively involved in the development of a country where equality of opportunity is ensured and individuals are permitted to fulfill themselves in the fashion they judge best.

Source: Official Statement by the Prime Minister, "The Just Society", June 10, 1968

A description of Trudeau's non-democratic political DNA is delivered in this article:

### **Trudeau Deconstructed**

The Ottawa Citizen

June 4, 2006

[Read article](#)

[...]

"The public saw Trudeau as a quick-witted, almost insouciant man who tossed off casual remarks, slid down royal banisters or made faces and gestures on a whim," says Jim Coutts, who served as Trudeau's principal

secretary in the 1970s. "But he did and said little publicly that was not carefully rehearsed." In other words, when it came to Pierre Elliott Trudeau, what you saw was not necessarily what you got.

[...]

[I]t might well be our collective view of Trudeau is unfocused, even distorted. A newly published biography of Trudeau, *Young Trudeau: Son of Quebec, Father of Canada, 1919-1944*, suggests as much. [...] *Young Trudeau*, authored by Max and Monique Nemni, cuts a scratch on that polish, exposes a dark underside to Trudeau's political legacy long hidden from public view.

The Nemni's book, a model of scholarly rigour and research, reveals that as a youth and young man in the 1930s and early 1940s, Trudeau was no champion of democracy and individual freedoms. He was instead an ardent Quebec nationalist who, during the worst of the war years, admired fascist dictators, regarded reports of Nazi atrocities as British propaganda [and] plotted treason against the Canadian state.

[...]

London Journal of Canadian Studies political scientist Paul Nesbitt-Larking examined Trudeau's conduct in Parliament, where he once referred to MPs as nobodies and told opposition members to "fuddle duddle" themselves. Such remarks, Nesbitt-Larking writes in "The Discourse of Aggression: Trudeau in Parliament," reflected a fundamental trait of Trudeau's "political personality" -- that of an "ideal-hungry narcissist," a man whose behaviour accentuates "arrogance, coldness, intellectual aloofness, boastful exhibitionism and aggression."

[...]

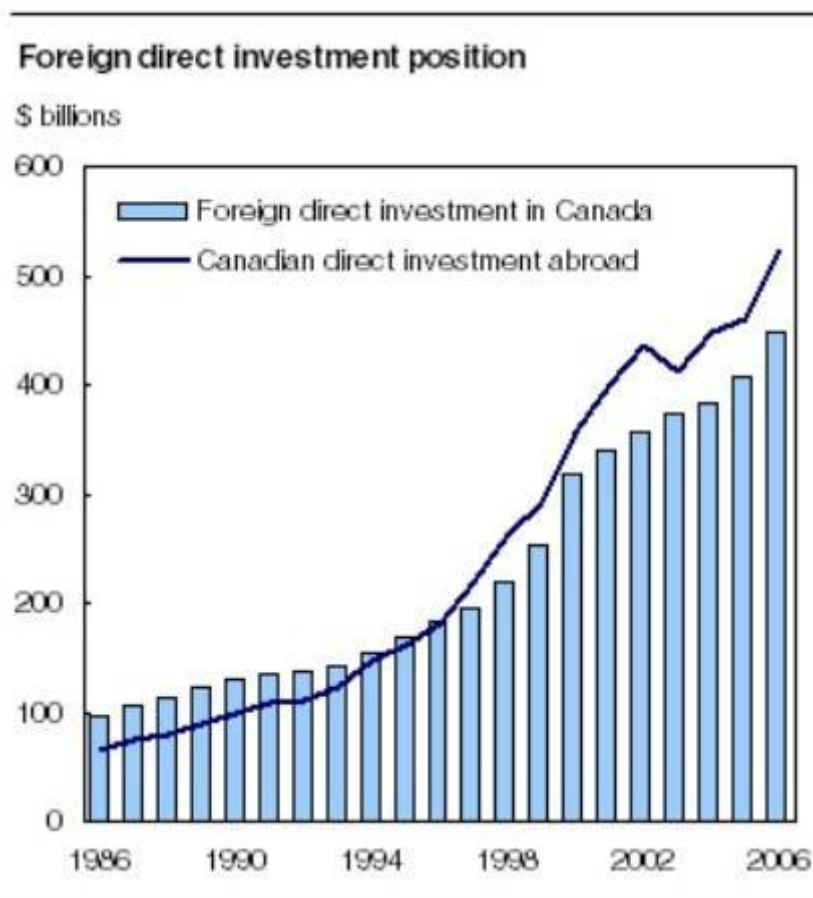
Trudeau became a cosmopolitan internationalist, enjoying the company of such dictators as Fidel Castro, Julius Nyerere and Mao Zedong.

[italics added]

One way to establish how much has been embezzled over the last quarter century is observing how much capital was exported out of the country over that period of time. This is a measure of how profitable the largest corporations were and how few investment opportunities remained after

decades of economy monopolization that began in the early 1970s under Trudeau's leadership.

StatsCan produced this chart documenting \$6 trillion leaving Canada under the guise of outward foreign direct investment (i.e., profits the rich export for investment in other countries):



The total amount exported from 1986 until 2008 -- when the economy more than doubled in real terms -- is \$6.1 trillion. During that period of time the

economy generated \$21.5 trillion. Armine Yalnizyan crunched the numbers as follows:

<b>Year</b>	<b>GDP</b> [Billions]	<b>Outward FDI</b> [Billions]	<b>Inflation</b>	<b>GDP-FDI</b> <b>Ratio</b>
1986	512,541	75,000	~4.000%	15%
1987	558,949	80,000	~4.000%	14%
1988	613,094	85,000	~4.000%	14%
1989	657,728	90,000	~4.000%	14%
1990	679,921	100,000	5.5021%	15%
1991	685,367	110,000	6.9100%	16%
1992	700,480	120,000	1.5854%	17%
1993	727,184	140,000	2.0408%	19%
1994	770,873	150,000	1.2941%	19%
1995	810,426	160,000	0.5807%	20%
1996	836,864	180,000	1.6166%	22%
1997	882,733	200,000	2.1591%	23%
1998	914,973	250,000	1.1123%	27%
1999	982,441	275,000	0.6601%	28%
2000	1,076,577	350,000	2.1858%	33%
2001	1,108,048	400,000	2.9947%	36%
2002	1,152,905	420,000	1.3499%	36%
2003	1,213,175	400,000	4.5082%	33%
2004	1,290,906	430,000	1.2745%	33%
2005	1,373,845	450,000	1.9361%	33%
2006	1,449,215	500,000	2.7540%	35%
2007	1,532,944	525,000	1.1091%	34%
2008	1,600,081	600,000	2.1938%	37%
<b>TOTAL</b>	<b>\$21.482 trillion</b>	<b>\$6.1 trillion</b>		

The statistical analyses from the sources quoted herein agree that all increases since the mid-1980s landed exclusively in the pockets of the rich.

Given how entrenched the interests of the wealthiest individuals, families and corporations are in the country, nothing short of a fundamental deconstruction and reconstitution of government is required to ensure thirty million plus Canadians receive what *their* economy generates. The super

rich are in form and substance parasites, who've taken unlawful advantage of what trans-generational nepotism and patronage and lengthy Liberal rule in the 20th century produced.

Thirty million plus Canadians will continue to be victims in perpetuity unless they hold the old guard accountable by ousting them from political and corporate office.



## **Addendum**

As studies, Hansard excerpts and news reports on poverty and homelessness since 1970 prove, there's never been a *bona fide* intention amongst political leaders federally and provincially to help the most disadvantaged in Canada. After decades of documented 'talk' about helping those at the bottom of the economic ladder, there's never been an equitable distribution of the wealth generated by the economy over the last quarter century, and when in the 1990s GDP was steadily increasing and the Liberals balanced the budget during most of that decade.

## **British Columbia Hansard**

January 23, 1970

Mr. Robert Wenman (Fraser Valley West, Soc Cred):

The welfare benefits that the government provides should be merely a foundation upon which the individual has freedom and incentive to build as his own resources and freedom permit. The long term aim should be to build a society where many government programmes become superfluous because the vast majority of people have the education and resources to provide adequately for their own diverse needs. The government must provide to develop the individual to his individual maximum capacity of productivity and creativity, encourage personal initiative and responsibility as a prerequisite to the return to the mainstream of a productive society.

Mr. Speaker, I am sorry to say that this government, like all other governments preceding us, like all other governments on this continent, has fallen far, far short of these objectives. Instead, we have created a huge bureaucracy to gobble money faster than those who do produce in our society can produce within our society. While there is probably no total cure for the welfare dilemma that has faced mankind for so many centuries, surely in an age of such rapid change and courageous vision, and since past attempts have failed, it is time to try some new bold adventures in an attempt to find a more complete solution. It is time to go back to our basic objective and start all over again.

## **Ontario Hansard**

June 18, 1984

Mr. Ross McClellan (NDP):

We have heard increasingly from children's aid societies that what we are dealing with is essentially a phenomenon of child poverty; we are dealing with the results of poverty. What we are dealing with in our child welfare legislation is an attempt to respond to the consequences of child poverty.

May 11, 1988

Mr. Allen (NDP):

Let us end child poverty. About 330,000 children in Ontario are stricken with poverty.

May 17, 1989

Mr. Allen:

360,000 poor children are 360,000 poor children too many.

December 18, 1989

Mr. B. Rae (NDP):

The evidence of the 1980s is that poverty has grown among children dramatically, that poverty among working families has grown dramatically and that were it not for the fact that more and more women were entering the job market in this last decade, family incomes would have declined in real and absolute terms throughout the economy.

## **Parliamentary Hansard**

January 28, 1994

Mr. Ronald J. Duhamel (St. Boniface, Lib.):

Mr. Speaker, the city of Winnipeg has the highest percentage of low income households in western Canada. Twelve thousand households use food banks every month, almost three times as many as in 1990. Unfortunately there has been a collective growth in the number of people using food banks across the country.

More than 60 per cent of single-parent families live below the poverty line. We know full well that children who live in such miserable conditions are unable to

realize their full potential in school and are more likely to contract infectious diseases.

While the two-pronged approach to job creation offered by the government's platform as well as other specific programs is not a panacea, it will address this lamentable situation and boost the standard of living of thousands of Canadians currently living below the poverty line. Only through the creation of jobs will the quality of life improve for these unfortunate Canadians.

### **Ontario Hansard**

December 2, 1996

Mr. Dalton McGuinty (Leader of the Opposition, Lib.):

My question is for the Premier. Child poverty is a big problem in Ontario, and you and your government are doing nothing about it. Compared to other provinces, we have the greatest number of children living in poverty, a staggering 350,000. In 1996 over 70,000 kids in Metro alone used the food bank, and sadly the number of children growing up in shelters instead of their own homes has grown dramatically.

The big difference between you and me is that I believe we have a responsibility to deal with child poverty. I'm committed to doing just that. You've been in government for 17 long months and your policies have only made it worse.

December 1, 1997

Mr. Dalton McGuinty (Leader of the Opposition):

My question is to the Minister without Portfolio responsible for children. Minister, you would, I'm sure, have been embarrassed to read in today's paper that there are over half a million children growing up in Ontario in poverty. In fact, that number has doubled since 1989.

### **2002 National Report Card on Child and Family Poverty** Campaign 2000

"Mr. Speaker, we must put Canada's families and children first...we will begin immediate consultations with our partners so as to be ready in the next budget to put in place a long term investment plan. To enable Canada to turn the corner on child poverty and break the cycle of poverty and dependency for Canadian families."

Prime Minister Jean Chrétien in Reply to the  
Speech from the Throne, October 2002

Here are two stats eight years apart that indicate there's been a 3 to 4 times increase during that period:

[O]n any given night in the year 2000, there were, sleeping in shelters or on the street up to 10,000 people in Montreal, up to 5,000 in Vancouver, and anywhere from 1,000 to 2,000 in each of Edmonton, Calgary, Ottawa, Winnipeg, Hamilton, Halifax, Saskatoon and Regina.

Source: [evangelicalfellowship.ca](http://evangelicalfellowship.ca)

### **2002 Oral Presentation to Federal Finance Committee**

Oral Presentation to the House of Commons Standing Committee on Finance, federal pre-budget hearings

by Greg deGroot-Maggetti (2002)

Citizens for Public Justice

As Finance Minister John Manley said to you last week, we have choices to make. Will we choose to build a strong foundation for the future? Will we choose to invest in people and communities? Will we choose to take up our public responsibility to make sure that no families are faced with the terrible choice of whether to pay the rent or feed the kids?

### **The Liberal record on Child Poverty: 'Nobody is Perfect'**

by Alan Martin

PoliticsWatch News

February 6, 2002

In 1989, 1 in 7 Canadian children lived below the poverty line. A unanimous, all party resolution, however, set out to change that. Child poverty would be eliminated by the year 2000. Twelve years on, the ratio stands at 1 in 5, or a 43 percent increase. In human terms, the difference translates into approximately 500,000 more children living in poverty.

Anti-poverty activists charge that the deterioration in conditions is a national disgrace and one of worst blights on Jean Chrétien nine-year tenure as prime minister.

[...]

"In my opinion, their record in fighting child poverty is poor, and they failed the public's expectation in this area miserably," says Liyu Guo, a spokesperson for Campaign 2000, a leading anti-poverty organization in Toronto.

[...]

"When the Chrétien government had the opportunity to spend more on social programs that would help children and families in poverty, they chose to cut taxes and reduce deficits," says Guo. "They've made commitments in word but have not fulfilled their promise in action."

"The inaction demonstrates where the focus of the government is", says Linda Lalonde, a vice-president of the National Anti-Poverty Organisation. "Clearly it is not on childcare."

"References to a "children's agenda" are sprinkled liberally through the Liberal's Red Book," says Lalonde. "That means to me that there should be identifiable projects in place." "Usually, when you say you have an agenda it means you are going to do A, B, C, D and E," she adds. "So far I've seen little or nothing advantageous being done for children in poverty."

[...]

In 1989, when Parliamentarians first voted for the initiative, it was estimated it would cost \$4.6 billion to lift Canada's children out of poverty. By 1998 anti-poverty activists had placed that amount closer to \$12.7 billion.

[...]

In his 1999 Budget Speech, Martin boasted about paying down almost \$20 billion on the national debt over a two-year period-the fruits of the Liberals' good financial stewardship and a booming economy.

Anti poverty activists point to this as proof that the government has the resources to truly tackle child poverty.

### **More Canadian children living in poverty**

CBC.ca

May 6, 2002

With one in five Canadian children now living below the poverty line, a child advocacy group says Ottawa must slash that number in half over the next five years.

The group called Campaign 2000 will release its report Monday, the same week the United Nations will hold its Special Session on Children.

At the 1990 UN World Summit for Children, then Prime Minister Brian Mulroney served as co-chair of the event. Prime Minister Jean Chrétien will not attend the follow up session which begins Wednesday, but will instead travel to a Canada-European Union summit in Spain.

That decision has angered child activists.

The Campaign Against Child Poverty's June Callwood is outraged that the prime minister will not be at the conference. She says his replacement, Deputy Prime Minister John Manley, knows "diddly-squat" about children.

Callwood says she is frustrated over the government's failure to keep its 1989 promise to eliminate child poverty by the year 2000. Instead, child poverty is on the rise, claiming one in every five children from one in every seven.

### **Letter to Finance Minister John Manley regarding Child Poverty**

Canadian Jewish Congress

February 3, 2003

To The Honourable John Manley

Minister of Finance

140 O'Connor Street

Ottawa, Ontario K1A 0G5

Dear Mr. Manley,

I am writing to you on behalf of the Canadian Jewish Congress (CJC), a national partner in Campaign 2000. We are pleased to participate in the efforts of the Campaign to address the critical issues related to child and family poverty in Canada and respectfully urge you to assign them a high priority.

Assuring the health and well-being of all people has always been a core value in Jewish tradition - which has always held a deep respect for life and healthy living. Providing for the basic needs of all its citizens, including the alleviation of poverty, is also viewed as a moral obligation for society. Jewish law and ethics prescribe that the community has a fundamental obligation to save lives whenever possible. Thus, the values that aim to abolish poverty are at once quintessentially Canadian and intrinsically Jewish.

The CJC believes that strategies and resources are needed to improve the diminished life chances for low-income children and families to lead Canadians toward a society of social inclusion. We recognize that child and family poverty is also an economic issue requiring strategies that enable healthy, well stimulated and nurtured children to grow and blossom into the human capital that Canada needs to prosper. Child and family poverty is also about making the diversity of Canada work effectively to ensure the full integration of newcomers to Canada.

The CJC is encouraged by the commitments in the Speech from the Throne and looks forward to the federal government's leadership, alongside the provinces and territories, in securing a multi-year plan which would include a mix of income measures and community services. We are hopeful the governments will establish a framework for a universally accessible system of Early Childhood Education and Care (ECEC) which would include financial resources for year-by-year expansion, and a similar level of commitment for the National Child Benefit as debt reduction has enjoyed. We also encourage the federal government to ensure that sufficient

affordable housing is available to those in need. In order to ensure accountability of public funds, the federal government could seriously consider re-instituting conditionality in the transfer of public funds for social programs including income security, ECEC, and affordable housing.

The CJC supports the recommendations put forward by Campaign 2000. We respectfully urge you to fully implement this social investment program.

Yours sincerely,

Keith Landy, President, Canadian Jewish Congress  
Zena Simces, Chair, Social Action Committee, Canadian Jewish Congress

### **Rethinking Canadian economic and social policy**

by Greg deGroot-Maggetti

Citizens for Public Justice (2003)

[There are] stubbornly high rates of child poverty in Canada...

The National Child Benefit program was created in 1998.

[...]

The NCB has had mixed results in reducing child poverty. It has provided more income for low- income families with paid work. But in provinces that have "clawed back" the NCB supplement from social assistance, those families have experienced stagnation or decline in their incomes, since social assistance rates have generally not been adjusted for inflation.

### **Speech by the Honourable John Manley**

Deputy Prime Minister and Minister of Finance

Canadian Club and Empire Club

February 20, 2003

[...]

[A]nswering the needs of our cities is not just about investments in bricks and mortar. It is also about investments in the lives of people and especially the people who find themselves at the margins of our communities. It is about our investment in health care. It is about our action on child poverty.

### **Poverty in Canada: The New Reality Facing Canadians**

by Scott Fogden

mapleleafweb.com

February 20, 2003

It usually takes grim statistics to get poverty into the headlines. This winter, a number of different organizations produced reports that detail Canadian poverty

levels. In November, the Canadian Council on Social Development released its figures for child poverty, followed closely by Statistics Canada's first ever tally of the number of Canadians living in shelters.

The reports highlight the enduring nature of poverty, even in modern, developed societies like Canada's. x But they also documented some unsettling increases for a number of key poverty indicators. For example, the number of people relying on food banks has escalated, as well as the numbers of Canadians living below the accepted low-income cut-off point.

### **The Budget Speech 2003**

The Honourable John Manley, P.C., M.P.  
Deputy Prime Minister and Minister of Finance  
February 18, 2003

In the last half of the 20th century we committed, as a national project, to confront poverty among the elderly. The challenge of this generation is to provide the same attention and the same focus to dealing with child poverty, and to ensure that all Canadian children have a good start in life. [...] Since [the] introduction [of the National Child Benefit...] we have seen a real reduction in child poverty. We must, however, do more—much more.

### **Finance minister plays budget booster: Manley faces tough questions at U of M stop**

by Joel Trenaman  
The Manitoban  
March 19, 2003

Manley's speech and the resulting questions were not limited to matters of post-secondary education. He spoke of the need to balance the interests of Canadians by increasing funding to areas like the reduction of child poverty...

### **2000 National Report Card on Child and Family Poverty**

Campaign 2000

As the 11th anniversary of the House of Commons unanimous resolution "to seek to achieve the goal of eliminating poverty among Canadian children by the year 2000" approaches, the goal remains elusive.

One in five children in Canada still lives in poverty - An increase of 402,000 since 1989.

"We are a nation of unmatched diversity and tolerance, ... A nation unshakably committed to ensuring that none of our people is left

behind as we move ahead ... This means ensuring that all Canadian children have the best possible start in life."

Prime Minister Jean Chrétien, Summer 2000

Despite consecutive years of economic growth, poverty retains its stubborn hold on more than 1.1 million children in Canada. Robust growth and social investments in income support policies are finally contributing to an expected decline in the rate of child poverty - the number of poor kids has dropped from one in five, to one in six for the first time since 1989. Yet, the one child in six children who remain in low income families have not experienced much of an improvement in their living standards. In the midst of growing prosperity, low income families still struggle far below the poverty line. In 2000, two parent families continued to fall deeper into poverty and would need, on average, \$10,032 just to reach the poverty line. Despite some improvement, female-led lone parent families would still require an additional \$8,510 to reach the poverty line.

### **Parliamentary Hansard**

May 4, 2004

Mr. Dick Proctor (Palliser, NDP):

How is it, after all the hand wringing, the outpouring about child poverty that has been expressed and the lip service by probably all parties in the House, that we have seen so little in the past decade and a half? How is it that countries like Sweden, Norway and Finland have found ways to reduce poverty rates well below 5%.

### **Ontario Hansard**

October 2005

Hon. Joseph Cordiano (Minister of Economic Development and Trade):

I would point to Roger Martin's studies on productivity rates. When he looked at the prosperity gap between Ontario and 16 jurisdictions in North America, we were 13th out of 16.

### **2006 National Report Card on Child and Family Poverty**

Campaign 2000

Oh Canada! Too Many Children in Poverty for Too Long

In 1989, the House of Commons unanimously resolved to "seek to achieve the goal of eliminating poverty among Canadian children by the year 2000." Yet, close to 1.2 million children - almost one child out of every six in Canada - still live in poverty. How Poor is the Average Low Income Family?

The average low income family is living in deep poverty. The average two parent low income family would need an additional \$10,400/year to bring them up to the poverty line. The average female lone parent family is living 9,400 below the poverty line. In spite of a strong economy the average low income two parent family is still living as far below the poverty line as they were 11 years ago.

## **British Columbia Hansard**

February 20, 2007

Jagrup Brar (NDP):

We are a rich province, but one where the most vulnerable people — 24 percent of our kids — have been left out. The gap between rich and poor is growing every day since this government took over in 2001. That gap is now the widest in Canada.

Denise Savoie (NDP):

A report came out just in the new year and showed that since 1999 the richest 20% have received over 70% of the wealth growth in Canada. In 2005 the minimum wage increased by 4.2%, while the average CEO's salary increased by 39%.

It is not just about CEOs. The income gap between rich and poor is widening in Canada. Since the mid-1990s, and let us call them the Liberal years, Statistics Canada's most recent "Income in Canada" report shows that between 1995 to 2004 the average after-tax income of the poorest one-fifth of Canadians increased by \$400. That is not great for a whole decade when we consider inflation and cost of living. But the average after-tax income of the wealthiest one-fifth of Canadians increased not by \$400 but by \$20,000, 50 times the amount of the poorest fifth.

In my own city of Victoria, the average income was approximately \$55,000 and 60% of the households made less than the average income. One-fourth are living below the poverty cutoff and 12% of households made over \$100,000. How can these extraordinarily unjust inequalities exist in a market that supposedly works?

As a social democrat, I believe that the economy ultimately must be judged by how well it serves the needs of all the people. Instead, glowing reports of the economy's performance and massive federal surpluses were funnelled to corporate tax cuts over the years, not personal tax cuts but corporate tax cuts, and those are still going down.

## **Girl Homelessness in Canada**

Prepared for Parity Magazine Australia  
February 2007

Justice for Girls is a Canadian non-profit organization that promotes equality, justice and support for teenage girls living in poverty. Our understanding and approach to girls' conflict with the law begins with the premise that inequality and violence are pervasive and severe in the lives of young women who live in poverty.

Homelessness has been identified as a significant problem in Canada. Teenage girls makeup between 6 and 12 percent of all homeless people in the country.

Homeless girls endure frequent and severe male sexual and physical violence, grossly inadequate and dangerous housing conditions, criminalization, serious and sometimes fatal health disorders, and many other devastating consequences.

Teenage girls are one of the most vulnerable groups in society. Marginalised within the category of children as females, and within the category of women as minors, young women, and the issues that affect them, are often eclipsed by larger concerns general to youth or women. Additionally, the intersections of discrimination that girls experience -such as homophobia, racism, colonization and poverty – exacerbate the disparities already experienced by girls as a result of their age and gender.

Aboriginal girls in Canada are disproportionately represented amongst homeless girls. Young Aboriginal women face multiple and extreme oppression through colonization, male violence, racism, poverty and institutionalization. These compounding oppressions make Aboriginal girls especially vulnerable to becoming homeless. The rate of physical and sexual abuse of young Aboriginal women is extremely high. In a recent Vancouver study, 42 percent of homeless girls were found to be of Aboriginal descent.

[...]

The failure of the State to adequately house and support teenage girls who are on their own often forces girls to live with men who are violent and exploitative.

## **British Columbia Hansard**

February 14, 2007

Hon. G. Campbell (Premier, Lib.):

This government is committed to children. It's committed to the future, and I think that's one of the key elements that the throne speech showed every British Columbian.

February 19, 2007

Doug Routley (NDP):

I rise today to speak on the issue of homelessness and poverty. Homelessness and poverty are words that are incongruent with the message that is coming from the government these days. These days the government talks of booms and job creation. It doesn't talk of the many thousands of people who lie in our streets, sleep under our bridges and suffer in the cold and the wet.

We as legislators find ourselves here this morning in this warm chamber discussing the very intellectual qualities of governance of this province while the practical reality of governance of this province is being experienced on the cold, hard streets and sidewalks of our cities and even our smallest towns.

My first critic role in this House was that of housing and homelessness critic. I have to say that, personally, I have never witnessed a greater dichotomy between the issues of housing and the issues of those who have no home; between the issues of those who hope for a warm place to sleep and raise their children, raise their families, and of those who have no such hope.

### **Child poverty – this is not as good as it gets**

by Laurel Rothman & Armine Yalnizyan

Globe & Mail

May 9, 2007

Canada's child and family poverty rate is down to 11.7 per cent in the latest Statistics Canada report, released last week. So why aren't anti-poverty activists breaking out the bubbly?

Because that rate is exactly what it was in 1989, when parliamentarians unanimously declared it unacceptable, vowing to eliminate child poverty by the year 2000.

It is always welcome news when the child poverty rate turns downward, but it's not time to celebrate something that was unacceptable a few years ago. In 1989, the Canadian economy had just begun to climb out of its deepest recession since the 1930s. Today, the economy is firing on all cylinders in most parts of the country, and it's been that way for years. Why such willingness to write off the fortunes of almost 12 per cent of this generation of children in a country that's enjoying such economic fortune? We don't believe this as good as it gets.

The sobering reality is that in Canada more than three-quarters of a million children live in poverty. That's about one in eight children. Some people call that a victory. We beg to differ.

Canada has a \$1.3-trillion economy. It has doubled, in real terms, over the past 25 years, making it the ninth-largest in the world.

Unemployment is at a 30-year low. That means Canadians are working. In fact, they are working harder than ever. We are all contributing to Canada's growing economy. Even the poorest among us are working more. Yet, one in every three low-income children has a parent working full-time all year, and it's still not enough to pull them out of poverty. A sizzling economy and plentiful jobs aren't enough to pull poverty rates down to those enjoyed in many countries with less robust economies.

In its latest report on income distribution, the Canadian Centre for Policy Alternatives found that, although the economic pie is bigger and there is indisputably more affluence in the land, Canada's poorest families are earning less than they did a generation ago.

In stark contrast, the richest 10 per cent of Canadian families are enjoying a cool (inflation-adjusted) 30-per-cent increase in their income compared to a generation ago.

The average earnings of the richest 10 per cent of families are now 82 times those of the poorest 10 per cent. A generation ago, they made 31 times more than the poorest.

The result is that Canada's after-tax income gap between the richest and poorest 10 per cent of families raising children is at its highest level in 30 years. The gap is growing and we are leaving our poorest behind.

And those who are poor are experiencing a deeper level of poverty today than before. A typically "poor" two-parent family needs an additional \$9,100 just to reach the poverty line.

Government support makes a difference. Programs such as unemployment insurance and social assistance, which have seen deep cuts, still prevent the freefall of many of our poorest families. The National Child Benefit makes a bigger difference to poor families than a decade ago.

Yet, simply stated, our governments are not doing enough.

If we, as a nation, refuse to tackle poverty during one of the most economically flush eras of the past century, when are we likely to take the challenge? During the next recession? There is a huge cohort of Canadians poised to retire in the coming decade. Are we really ready to write off every eighth child, permit them to develop into adulthood without adequate investments in their health, welfare and development? We will need every single one of these children to help support us in 15 to 20 years.

These children represent our future, the best of this country's expectations for progress. There is no time to waste. It's time for a cross-Canada comprehensive, long-term poverty reduction strategy.

Newfoundland and Quebec are showing it can be done provincially. These provinces are investing in family income support programs, training and education, child care, and affordable housing — the type of investments that other countries have found successful in reducing poverty rates. Canadians have told pollsters that these are precisely the measures they want governments to take to reduce poverty and growing income inequality.

Can we afford it? Yes. But we need political leadership to make it happen. Canada's economy is chugging away, continuing to surpass expectations quarter after quarter. The federal government has committed to spend \$35-billion in surplus funds over the next three years for other things, but not a dime is going to reduce poverty.

We didn't accept child poverty as a sustainable option in 1989. We shouldn't accept it now.

### **Homelessness 'chronic' in Canada: study**

CBC News

June 26, 2007

Canada's homeless population is somewhere between 200,000 and 300,000 people, while another 1.7 million residents struggle with "housing affordability issues," says an analysis of the latest research on shelter.

In a report released Tuesday from the Calgary-based Sheldon Chumir Foundation for Ethics in Leadership, journalist and author Gordon Laird argues homelessness is now chronic and is quickly becoming one of the country's defining social issues. He makes a case for a national housing strategy and a more robust income security program.

Citing statistics from a wide range of organizations, Laird says poverty is the leading cause of homelessness in Canada, not substance abuse or mental illness. "Roughly half of all Canadians live in fear of poverty, and 49 per cent polled believe they might be poverty stricken if they missed one or two paycheques," he writes.

Laird is a media fellow with the foundation, which works to influence ethical actions in politics, business, government and the community.

In his report, Laird writes that street counts of homeless people have increased dramatically — "Calgary's homeless population grew 740 per cent between 1994 and 2006."

He cites government numbers showing a cost of up to \$6 billion a year to service a "core" homeless population of 150,000. That cost includes health care, criminal justice, social services and emergency shelter costs.

"The high cost of homelessness in Canada results from the role of homelessness as a proven multiplier of societal ills: malnutrition, unemployment, addiction, mental illness, family strife and lack of income security are all intensified when an individual or household becomes homeless," he writes.

The report criticizes Canada for trying to contain the growth of homelessness with temporary measures such as shelters and other crisis-based services. It cites studies that show the cost of emergency shelters is much greater than the cost of creating affordable housing and implementing rent supplements.

Laird says the former national affordable housing strategy, discontinued in 1993, created 650,000 units providing housing for more than two million Canadians. While new investments in affordable housing were made in 2005, there is no national strategy and so no guarantee the money will be well-spent, he says. "And without a national strategy on housing and homelessness, there is much risk for repeating past mistakes and spending blindly on short-term fixes and emergency responses," writes Laird.

### **B.C.'s child poverty rate worst in Canada: report**

Fourth year in a row B.C ranked last by report

November 26, 2007

CBC News

A new report says B.C. had the highest child-poverty rate in the country for 2005, based on the latest available income numbers from Statistics Canada. According to the report written by the B.C. Child and Youth Advocacy Coalition, one out of every five children lives in poverty. It said almost 21 per cent of children live below the poverty line. The national average was just under 17 per cent.

It's the fourth year in a row B.C ranked last in the report.

Coalition chairperson Michael Goldberg said the province needs to come up with "a child poverty reduction plan, which has very specific targets, and timelines.

"That's been done in Newfoundland. Quebec has had one for a number of years. They have an anti-poverty act they have to follow and their figures are way down compared to most other provinces," said Goldberg on Sunday.

Goldberg said it's shameful that British Columbia has so many poor children despite doing so well economically.

The United Way of Greater Toronto says that number represents about 93,000 households raising children -- a figure that has doubled since 1990.

The poverty rate is almost 10 per cent higher than the national average, according to the report, entitled "Losing Ground."

### **One in three T.O. families lives in poverty: report**

toronto.ctv.ca

November 26, 2007

Almost one in three families in Toronto is living in poverty, a "deeply troubling" statistic that makes the city the poverty capital of Canada, according to a new report.

### **British Columbia Hansard**

November 26, 2007

L. Krog (NDP, Critic Attorney General):

I suggest to the member opposite: let us talk about moving forward. Let us talk about doing something dramatic. Let us call on the government to do more instead of simply saying, "Great job. Well done, Premier. It's grand. Everything's fine in British Columbia. It's a rosy picture" — notwithstanding that we're once again, for the fourth year in a row, the bearers of the great news that we are first again in child poverty in Canada — first again. Four years in a row, the worst province.

[...]

C. James (NDP Leader of the Opposition):

For the fourth year in a row, British Columbia is the province with the worst record on child poverty. B.C. Liberal policies and inaction are making it harder for families to get by, and the result is that more and more children are living below the poverty line. It's a shameful and alarming record, and one this government refuses to address.

My question is to the Minister of Employment and Income Assistance. At a time when his government is sitting on record surpluses, how can he justify his government's shameful record on child poverty?

Hon. C. Richmond (Lib. Minister of Employment and Income Assistance):

We on this side of the House take the well-being of children very seriously. We are dedicated to improving their lives.

[...]

J. Brar:

It's hard to understand what the minister means by "taking seriously." Let me add to list of what the minister has said. Since this government took over, the number of homeless people in the province has doubled. Since this government took over, the gap between rich and poor has doubled and is the highest in the country.

Too many people in British Columbia are being left behind by the policies of this government. Clearly, the government policies are not working when it comes to reducing child poverty in British Columbia.

[...]

N. Simons:

The minister's answers are absolutely shocking. They're not just shocking to the opposition. They're shocking to most British Columbians, who feel that this government has failed children in this province.

We're six and a half years into his mandate, and he's still relying on his speech from two years ago in which he said the numbers were outdated. Well, this minister is outdated. The child poverty situation in this province is as bad now as it was two years ago when he mentioned that same statistic. What is the minister going to do to address the issue today?

[...]

I don't know if the minister opposite knows who these children are, but it's more than statistics, and it's more than regurgitated answers from two years ago.

This is a child poverty situation that leads Canada. We are number one in child poverty — number one. The minister is always proud about everything else he seems to be making up, but we're number one in child poverty.

I know who those children are. I see those children. They go to school hungry. They go to school with clothes that aren't the same as their friends in school, and this minister is thinking about regurgitating old statistics.

### **10,000 Homeless in BC**

Homelessness is booming in B.C.'s suburbs

by Monte Paulsen

TheTyee.ca

November 30, 2007

More than 10,580 British Columbians are homeless this winter, according to a survey of estimates compiled by the New Democratic Party. And the ranks of the unsheltered are growing fastest not in the province's largest cities, but in B.C.'s booming exurbs such as Abbotsford and Whistler.

"We are sometimes fooled into thinking homelessness is a Vancouver issue," said MLA David Chudnovsky, the opposition critic who conducted the study. "But these numbers show that homelessness is a province-wide crisis."

"Interviews with social workers and homeless individuals in the Fraser Valley confirm the NDP's findings.

## **Parliamentary Hansard**

May 8, 2008

Tony Martin (Sault Ste. Marie, NDP):

I went to Calgary, Alberta, where oil is king and where the new economy is obvious from the rising skyscrapers that pop up almost daily in that city of great wealth, only to discover at the foot of those buildings some 3,500 to 4,000 people living on the streets and homeless.

[...]

Canada's rich are getting richer while the poor get poorer and the middle class stagnates. Between 1980 and 2005, median earnings among Canada's top earners rose more than 16% while those in the bottom fifth saw their wages dip by 20%. Those in the middle are making about a buck a week more than in 1980. Almost 900,000 Canadian children are still poor and more than one-third of these deprived children are in the care of single mothers.

## **Child poverty in Canada at same level as 1989: report**

CTV.ca News Staff

October 7, 2008

Child poverty in Canada is at the same level as it was in 1989, the year Parliament pledged to eliminate the problem by 2000, says a quality-of-life report card released Tuesday.

The report, from Community Foundations of Canada (CFC), states that in 2006 there were 1.6 million children, or 23 per cent of Canadian kids, living in poverty.

"That level of child poverty has virtually not changed in about 20 years -- we just have not been able to move the needle on child poverty," CFC president Monica Patten said in a press release.

## **B.C. the worst in Canada for child poverty**

CBC News

November 21, 2008

British Columbia has the highest rate of child poverty in the country, a dubious distinction the province has won for five straight years.

According to the advocacy group First Call, which issued its annual Child Poverty Report Card on Friday morning, B.C.'s child poverty rate is 22 per cent, six per cent higher than the national average.

Based on 2006 statistics, the Vancouver-based organization said 181,000 children in B.C. are living below the poverty line.

Those numbers can cause disastrous results for the province's affected children, First Call's Adrienne Montani said, including "school failure, doing poorly in school or dropping out early, poor health, life-long consequences for their health. It means they may become vulnerable to justice system involvement, especially as they hit their teens."

[...]

NDP health critic Adrian Dix blamed the government of Premier Gordon Campbell. "You'll remember the largest cut in the first round of Campbell cuts was the Ministry of Children and Family Development. They got rid of the children's commission, the child advocate."

In January 2009, the Salvation Army estimated that "more than 80 people die each year from over-exposure to cold".

## **Fed budget 2009: Billions in new housing spending, but not for those who need it the most**

by Michael Shapcott

Wellesley Institute

January 27, 2009

Federal budget 2009 promises to deliver billions upon billions of dollars over the next two years in new housing investments – the single biggest amount of new housing spending in more than two decades. This is a solid victory for housing advocates, who created a powerful national campaign to convince the federal government to include housing in their economic stimulus plans. But most of the new dollars will flow quickly to people who already own their home and want to re-pave their driveway, or cottagers who want to add a new sun deck. The hundreds of thousands who will experience homelessness this year won't get a single penny in desperately needed new programs and services.

[...]

The federal government announced plans in September of 2008 to extend its national homelessness program for five years. The funding was frozen at \$135 million annually for the entire country – basically the same level as the past decade.

### **Child Poverty in Canada: Rich Nation, Poor Children**

by Vipal Jain

The Toronto Star

November 20, 2009

One in nine Canadian children, more than a million, live below the poverty line according to the 2008 Report Card on Child and Family Poverty in Canada. [...] The rate of child poverty has remained at 12 per cent for two decades now, according to Statistics Canada.

Campaign 2000's 2009 pre-budget submission *Family Security in Insecure*

*Times: Poverty Reduction as Poverty Prevention*, by Laurel Rothman,

states:

Nearly two decades after the unanimous 1989 House of Commons resolution to end child poverty in Canada, 760,000 children and their families – almost 1 child out of every 9 – still live in poverty when measured after income taxes. The rate of child and family poverty in Canada was essentially the same in 2006 as it was in 1989 despite an unprecedented period of strong economic growth since 1996. There have been cyclical variations, reflecting recessions and recoveries, but the high rate of child and family poverty has remained tenacious. This figure does not include the shameful situation of First Nations' communities where 1 in every 4 children is growing up in poverty.

### **B.C.'s child poverty rate still Canada's highest**

The Canadian Press

November 24, 2009

British Columbia's child poverty rate has remained the highest in Canada for six years in a row and it's time the provincial government took action, according to a child and youth advocacy group.

In its annual Child Poverty Report Card released Tuesday, the advocacy group First Call said B.C. had 156,000 poor children in 2007 — even though that was a good year for the provincial economy.

"When will the provincial government take action?" asked First Call chairwoman Julie Norton, who released the report on the 20th anniversary of an unanimous House of Commons vote to end child poverty in Canada by 2000.

The proportion of children living in poverty in B.C. was 18.8 per cent, while the national child poverty rate was 15 per cent, according to Statistics Canada data cited in the report.

"We've been at the bottom year after year after year, and our elected officials still don't take seriously the pain and suffering that poverty causes children and their families," said Norton.

### **B.C.'s child poverty worst in Canada**

Kids more likely not to eat well, to do poorly in school, drop out early

by Kent Spencer

The Province

January 12, 2010

B.C. children are more likely to load up on cheap, unhealthy food and go without warm winter clothes than children in any other province, says a child advocacy group.

The First Call child coalition released a report Monday that shows B.C.'s record for child poverty was the worst in the country during the years 1989 to 2007.

Adrienne Montani of First Call said that means youth up to age 18 are more likely to suffer deprivations here than any place in Canada.

"It means loading up on cheap calories, not fruits or vegetables," Montani said. "With poor nutrition, they may not be ready to learn in the classroom.

"There are high dropout rates and pressure to go to work as teenagers."

The report, based on Statistics Canada data, shows B.C.'s child-poverty rate was 30-percent worse in 2007 than in 1989 --18.8 per cent versus 14.5 per cent.

[...]

Mary Ellen Turpel-Lafond, an independent legislative officer charged with child welfare, called the problem "significant." "I'm very concerned about very low social-assistance rates, that children aren't able to eat healthy food," Turpel-Lafond said. The gap in B.C. has grown between the haves and the have-nots." "I've seen tragic cases of family breakdowns and harm to children."