

# BC—The worst record in Canada

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## Child and family poverty

- Perhaps not surprisingly, BC happens to have the highest number of millionaires per capita of any province in Canada. Yet at the same time, we have the highest rate of poverty. In 2006, BC reported the highest before-tax child poverty rate in the country at 21.9%, representing 181,000 low-income children in our province. This was the fifth year in a row that BC had the highest poverty rate and as Adrian Nieoczym points out, this was “despite years of strong economic growth...in the province.”

Sources: First Call: BC Child and Youth Advocacy Coalition. *2008 Child Poverty Report Card*; Nieoczym, Adrian. “Think tank calls for government to curb poverty,” *Cariboo Press*, December 13, 2008.

***Bottom line: If BC is the worst at meeting the needs of children and families in good economic times, what do we have to look forward to in even leaner times?***

- In 2006, BC ranked second to last of all the provinces in terms of having the highest number of families and individuals living below the “low-income cut-off” as defined by Statistics Canada.

Source: BC Progress Board. *8<sup>th</sup> Annual Benchmark Report*, December 2008.

- BC did the least to reduce child poverty through government transfers. While several provinces have made remarkable progress including Newfoundland and Labrador (-21.8%), New Brunswick (-15.0%), Prince Edward Island (-15.8%), and Quebec (-13.5%). BC reduced the market child poverty rate with government transfers by only 7.1% in 2006, the lowest in the country.

Source: First Call... *2008 Child Poverty Report Card*.

***Bottom line: All other Canadian provinces were more effective at reducing family poverty than BC.***

- Income assistance benefits for BC families have not kept pace with inflation. Between 1998 and 2007, inflation-adjusted annual income assistance benefits in BC fell by \$449 for a lone parent with one child and by \$1474 for a couple with two children.

Source: National Welfare Council, 2008.

***Bottom line: The depth of poverty is worsening for BC families on income assistance.***

- In 2007, BC was the only province in Canada to deny all income-assistance recipients except for those receiving disability benefits) the right to retain a small portion of income earned (earnings exemption). All other provinces except BC allow earnings exemptions, with some provinces doing so after a short probationary period.

Source: National Welfare Council (2008). *Welfare Incomes, 2006 and 2007*.

***Bottom line: Both heartless and senseless, this policy penalizes individuals and families for working and furthermore disempowers them.***

## Fertility rate

- Canada has a low fertility rate compared with other countries such as the UK and Australia. BC's fertility rate is among the lowest in Canada. According to Statistics Canada, the primary reason that couples are choosing to have smaller families is financial.

Source: Radia, Andy. "BC Needs More Babies," *The Province*, March 2, 2009.

- Lack of licensed child care spaces is another reason. Quebec's poverty reduction strategy included universal childcare and other supports for working families. This approach resulted in lower family poverty rates and a higher fertility rate.

Source: Krull, C. (2007). "Placing families first: The state of family policies in La Belle Province." *Canadian Review of Social Policy* 59.

***Bottom line: Young families in BC need more support to balance family and work responsibilities.***

## Working poor

- It's not just those on income assistance who are living in poverty and struggling to make ends meet. A 2006 study by Human Resources and Social Development Canada estimates that 9.6% of all workers in Greater Vancouver have a family income below the poverty line, compared to 5.3% in Toronto. In BC, the working poor make up 10.2% of the total workforce, nearly double the national rate of 5.6%. Interestingly, the study also found the average worker earning an income below the poverty line, actually clocked more hours of work in a year than the average worker earning income above the poverty line.

Source: Skelton, Chad. "BC has largest share of working poor." *Vancouver Sun*, September 5, 2006, quoting August 2006 study by Human Resources and Social Development Canada.

***Bottom line: Low-paid individuals in BC are working harder than the average wage-earner, sometimes holding down 2 or 3 jobs, yet still can't make ends meet.***

- The poverty rate in BC among children in families where 1 or both parents worked full-time, year-round, was the highest in the country – 10.1% compared to 7.3% for Canada as a whole.

Source: First Call, 2008 *Child Poverty Report Card*.

***Bottom line: The combination of our high cost of living and low minimum wage means that hard work alone is no guarantee against poverty for those living in BC.***

- The risk of working in temporary employment increased more in BC than the rest of Canada, according to a 2009 report prepared for the Canadian Centre for Policy Alternatives newsletter. The report, based on a survey of casual workers in Vancouver and Prince George, found that 80% do not choose temporary employment and are seeking permanent work.

Source: MacPhail, F. and Bowles, P. (2009). "Getting by is getting harder for those in 'casual' jobs." *BC Commentary* (CCPA) 12:1 (Winter 2009).

***Bottom line: BC economic policy is fostering unstable forms of employment that leave workers vulnerable instead of creating quality jobs.***

## **Welfare caseload**

- The increase in the welfare caseload is also consistent with Employment Insurance claimants, where the increase for BC in December of 33.2% was the highest in the nation.

Source: Schreck, David. Strategic Thoughts, [www.strategictoughts.com/record2009/welfareJan09.html](http://www.strategictoughts.com/record2009/welfareJan09.html), January 2009.

***Bottom line: Policies of the BC Liberals force people on welfare and into poverty.***

## **Minimum wage**

- The Ontario government will increase its minimum wage to \$9.50 on March 31, 2009 and to \$10.25 the following year. According to the *Globe and Mail*, "That leaves just one province with a lower minimum wage than BC and New Brunswick's Labour Minister said in January the province's rate will climb by September to \$8.25 because it was 'embarrassing' to have the lowest rate in the country. So last place will now be shared by British Columbia and Prince Edward Island."

Source: "As Parties Clash over Minimum Wage....," *The Globe and Mail*, Friday, March 6, 2009.

***Bottom line: BC tied for lowest minimum wage with Prince Edward Island.***

From the figures above, one can easily see that BC has the worst record when it comes to child and family poverty, income assistance rates and policies, the working poor and the minimum wage. The following statistics show how little the Liberal government has done to ensure quality education, and to manage the economy for the benefit of ordinary British Columbians.

## University-educated immigrants

- More than a quarter of university-educated immigrants in Vancouver are still working in low-skilled jobs a decade after arriving in Canada, a higher proportion than in any other major city in the country, according to a new study by Statistics Canada. The study looked at how Vancouver immigrants who arrived from 1990 to 1994 with university degrees were faring. It found that 24% of the men and 33% of the women were still working in low-skilled jobs such as clerks, cashiers, or taxi drivers.

Source: Skelton, Chad. *The Vancouver Sun*, December 23, 2008.

***Bottom line: University-educated immigrants face fewer opportunities and are sidelined in low-paying jobs.***

## Education funding

- Inflation-adjusted total per capita spending on public schools in BC increased by only \$2 between 1999–2000 and 2005–06 compared to a \$47 per capita increase for Canada as a whole.
- Source: Statistics Canada (July 2008). *Summary Public School Indicators for the Provinces and Territories, 1999–2000 to 2005–06*.

***Bottom line: BC falls behind as other provinces increase funding for public education.***

- The percentage of BC's GDP spent on education was above the Canadian average until 2003–04 when it fell from 3.6% to 3.3%, remaining below the Canadian average in 2005–06.

Source: Statistics Canada. *Summary...* July 2008.

***Bottom line: If the government had maintained the same education spending to GDP ratio as in 1999–2000, BC would have had some \$1 billion more to meet the needs of students and restore lost services.***

## Student/educator ratio

- BC (17.0) has the highest student educator ratio in Canada (14.8) in 2005–06. A sudden increase in the SER in BC occurred in the midst of Liberal government policy reforms between 2001–02 and 2002–03, doubling the gap between BC and Canada.

Source: Statistics Canada. *Summary...* July 2008.

***Bottom line: More overcrowded classrooms and less support for students.***

## Public school graduates

- BC ranked 8<sup>th</sup> out of 10 provinces in terms of the number of public secondary school graduates.

Source: BC Progress Board. *8<sup>th</sup> Annual Benchmark Report*, December 2008.

## Student debt

- “The average student debt in BC is \$27,000, the second highest in Canada.”

Source: Spalding, Derek. “Students Protest Debt Load,” *Nanaimo Daily News*, January 22, 2009.

***Bottom line: Between the cost of tuition and the high cost of living in BC, post-secondary education is out of reach for many young people.***

## Savings rate

- “For the past few years Canadians have had negative savings rates, especially in British Columbia, which in 2007 had a savings rate of negative 5.9 per cent, the second lowest in Canada after Prince Edward Island.”

Source: Anderson, Fiona. “Tax-free savings account...,” *The Vancouver Sun*, November 8, 2008.

***Bottom line: Most people in BC can't afford to save money; they are spending more than they make.***

## House prices

- According to Royal LePage CEO Phil Soper, Metro Vancouver's home prices rose the highest out of all the provinces during Canada's property boom. Soper says, “Over the last seven years, Vancouver prices increased at a rate significantly above the underlying appreciation of people's incomes.”

Source: Penner, Derrick. “Metro Home Price Prediction...” *The Vancouver Sun*, January 7, 2009.

***Bottom line: In BC, house prices far outstrip people's incomes.***

## Rental vacancy rate

- “Federal figures show BC has a rental vacancy rate of only one per cent with Vernon and Victoria the lowest in Canada.”

Source: Fletcher, Tom. “The Holy Grail of 2008: Housing.” *Vancouver Island News Group*, December 16, 2008.

***Bottom line: Demand for housing outstrips supply leaving many living in substandard conditions, or homeless.***

## Crime

- In 2007, BC had the worst combined personal and property crime in Canada. In fact BC ranked 60<sup>th</sup> of 61 in all of North America.

Source: BC Progress Board. *8<sup>th</sup> Annual Benchmark Report*, December 2008.

## Acute-care beds

- “In the Fraser Health district, and particularly in my area, Surrey-North Delta, we have the fewest number of acute-care beds per capita than anywhere else in Canada. This is the fastest-growing area in this country, and this government has turned its back, once again, on Surrey and North Delta. There’s no provision for that. There’s no plan for, no execution of, proper acute-care health south of the Fraser, primarily in Surrey and North Delta.”

Source: Gentner, G. *Hansard*, March 4, 2009. [www.leg.bc.ca/hansard/38th5th/H90304p.htm](http://www.leg.bc.ca/hansard/38th5th/H90304p.htm)

***Bottom line: Provincial government restricts access—even in areas of high demand.***

## Freedom of Information

- Given the Liberals’ poor record in terms of making BC the best place on earth, and their apparent desire to hide the fact, perhaps it should come as no surprise that “the BC government is the second-worst province in Canada after Ontario for responding to freedom of information requests.” This was the finding of a national audit commissioned by the Canadian Newspaper Association.

Source: Skelton, Chad. “BC second worst in Canada for Freedom of Information requests.” *The Vancouver Sun*, January 10, 2009.

***Bottom line: The current Liberal government will go a long way to avoid disclosure.***

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