

I am presenting on behalf of Raise the Rates Coalition. We are a group of non-profit organizations working to improve the lives of those British Columbians who have not yet benefited from what Finance Minister Carole Taylor calls a “strong, competitive economy”.

I have not done much public speaking and it's stressful for me, but I am passionate about social justice and equality. So if I stumble or sound hectoring, please bear with me.

This exercise today is to set budget priorities for the province. Let me give you an example of how some see budget priorities.

Imagine that you are on Income Assistance and there are 9 days until the next cheque comes. You have \$15 to buy food for you and your two boys. You know it is important to eat lots of fruit and vegetables. Fifteen dollars will buy you

a bag of apples, a bag of oranges, and some grapes, or

a box of macaroni, 2 pounds of regular ground beef, a package of wieners and buns, 2 cans of tomato soup, and two loaves of bread.

How would you choose?

BC has the highest child poverty rate in Canada.

For the family on income assistance, 99% of their disposable income is required to rent shelter and to purchase food.

All low-income families sacrifice quantity and quality of food to meet other costs of daily living.

We are recommending 5 simple changes you can make. To make these changes, all you have to do is write the words on paper and change the legislation. That's not too difficult, is it?

People are going hungry in BC.

According to the *Hunger Count 2006*, children make up 41% of food bank clients and nearly 2% of our population received food bank charity, more than half of whom are on income assistance.

Income assistance rates are simply inadequate. Full stop.

Inn my view, the recent \$100/month increase was cosmetic, not substantial.

That \$100/month increase cost only 60 million per year, a tiny part of last year's \$4 billion surplus.

So the **FIRST** of the five recommendations is:

Increase income assistance rates for all to a level that provides an adequate standard of living

and index those rates to inflation

PAUSE

Based on the Market Basket Measure from **Human Resources Development Canada that is about \$1300/month** for a single person in Vancouver and \$1700 for a single parent with one child.

You say we can't afford it now? Make a plan. Do it gradually. Raise taxes. You can do it. We can't afford not to do it.

An increase will only help those who qualify for assistance. Current regulations make it increasingly difficult for some to qualify.

For example, to qualify earned \$7000 a year for two consecutive years before

getting assistance.

Young people, immigrants, refugees, and homeless people have a hard time meeting this criterion.

And what is the point?

Social workers have become gatekeepers, not caregivers.

Quote from the application form:

The BC government is responsible for making sure assistance goes only to people who are eligible.

No mention of their responsibilities under international law.

So, our **SECOND** recommendation is: Remove the unjust and arbitrary barriers to receiving income assistance.

PAUSE

Would you accept a 100% tax rate on your salary? No?

Then why impose it on income assistance recipients?

Our **THIRD** recommendation is: Eliminate the clawbacks.

Give all people on income assistance an earnings exemption of \$500/month and allow parents to keep all child support payments.

PAUSE

A minimum wage of at least \$10/hour is a must

There is no cost to the Province, but likely more revenue.

The minimum wage has not been raised since November 2001, yet this June, the B.C. legislature boosted MLA paycheques to \$98,000 a year, and the premier's to \$186,000. And, those paycheques are indexed to inflation!

Wouldn't it be better if everyone in B.C. could share in the benefits of this 'hot' economy?

Our **FOURTH** recommendations is:

Increase the minimum wage to at least \$10/hour and index it to inflation.
Cost: None

PAUSE

BTW Saskatchewan is raising their minimum wage gradually to \$9.25 by May 2008 and reach the low income cutoff by 2010.

On the issue of affordable housing, it is clear that rents and evictions have increased substantially in the run-up to the Olympics. Housing advocates fear the worst is yet to come.

There were early promises by VANOC to build housing.

However, I did a **WORD SEARCH** through the VANCOUVER 2010 PROGRESS REPORT⁵ from July 2007 and the two previous reports. There were no occurrences of the word 'housing'. The market fails to build affordable housing, so public solutions are needed.

Our FIFTH recommendations is:

Commit significant new budget funds to build 2000 units of non-market housing per year

in addition to assisted living and shelter beds

at a cost of about \$400 million per year.

PAUSE

Raise the Rates members believe that the provincial government could significantly reduce poverty if it implemented a comprehensive poverty reduction strategy and provincial action plan committed to:

- full government compliance with its obligations under international law to ensure the human right to an adequate standard of living for all.
- a broad-based consultation process to ensure that the poverty reduction targets and the ways in which they are measured were agreed upon by the community as a whole.
- integrated income, housing, nutrition and social policies - free of charity and stigma - focused on poverty prevention and the eradication of homelessness, hunger and social exclusion.

I am not an economist, but I know that the 'economy' is a social construction, not some external force. Therefore, as legislators, you have the obligation to change it to meet our citizens' basic human rights. Let me remind you of those rights:

In addition to Article 25 of the *Universal Declaration of Human Rights*, Adopted by the UN in 1948.

Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.

Canada adopted Article 11 of *International Covenant on Economic, Social and Cultural Rights* in 1976.

The States Parties to the present Covenant recognize the right of everyone to an adequate standard of living for himself and his family, including adequate food, clothing and housing, and to the continuous improvement of living conditions. The States Parties will take appropriate steps to ensure the realization of this right...

We need a comprehensive provincial poverty reduction strategy, with clear, measurable targets agreed upon by the community. Public problems require public solutions. In meantime, I urge you to be part of the solution by recommending that the provincial government:

1. Increase income assistance rates substantially, indexed to inflation
2. Remove bars and barriers to obtaining assistance when needed
3. Remove the 100% income tax on assistance recipients' other income
4. Raise the minimum wage to at least \$10/hour, indexed to inflation
5. Build 2000 units of non-market housing per year

Thank you,

Alan James

References:

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http://www.cafb-acba.ca/documents/Totum_report_2004.pdf
3. Food Bank use:
http://www.cafb-acba.ca/documents/HungerCount_2006.pdf
4. Fact sheet from the Ministry of Employment and Income Assistance, February 20, 2007.
5. VANCOUVER 2010 PROGRESS REPORT Presented to the International Olympic Committee 119th Session July 2007
http://www.vancouver2010.com/resources/PDFs/IOCReport2007_EN.pdf