

**Submission to the BC Poverty and Inequities
Reduction Strategy Consultation**

**Suggested Strategies
from the Health
Officers' Council of BC**

March 2018

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Health Officers Council applauds the bold steps taken to reduce poverty and inequities in the BC Government budget announced Feb 20, 2018. These steps include long overdue commitments to raising minimum wage, funding childcare, making housing more affordable, addressing First Nations issues, eliminating the regressive MSP premiums and other measures. However, if the goal is to eliminate family and child poverty and inequities and meet the UN declaration of Human Rights (Article 25: 'everyone has the right to a standard of living adequate for the health and well-being of himself and his family, including food, clothing, housing and medical care and necessary social services...'), then there is much more to be done.

In this context, it is worthwhile to broaden our approach to a Poverty and Inequities Reduction Strategy by adding to these welcome efforts, a further set of policies and programs needed in the longer term.

There is an abundance of evidence that **poverty** has a direct negative impact on health and wellbeing through material disadvantage related to all the socioeconomic determinants of health (**SDOH**) including food, water, clothing, shelter (housing), mobility (transit), child care, education, health care, recreational resources, social supports and employment, and access to a clean and sustainable environment.

Moreover, the growing **gap** between the rich and the poor (in both **income and wealth** – '**socioeconomic (SE) inequity**') erodes social cohesion, empathy and compassion thus leading to social isolation (loneliness), stigma (by colour, culture, age, and gender), marginalization, distrust, crime, stress and despair. The negative health effects include an increased prevalence of mental illness, suicide, violence and addictions (opioids, other drugs, alcohol, tobacco, etc.), obesity and many chronic diseases. Furthermore, economic analyses (CCPA 2011) have shown that **poverty costs the BC government \$8-9 billion per year** (in increased health care, law enforcement and social services); **while it has been calculated that an effective Poverty Reduction Strategy could be implemented for \$3-4 billion per year**. These potential cost savings strongly support taking action to reduce poverty and inequity.

Growing inequity also slows economic progress, erodes democracy and encourages political populism.

An effective poverty and inequity reduction strategy will require addressing the complex interconnections between poverty, SE inequities, and the other SDOH and will also need:

- Coordinated action across **all levels of government** as well as the private and non-governmental sectors.
- A statistical and economic analysis of the many possible and most cost-effective policy and program interventions including health equity impact assessments.
- Effective leadership at all levels to create greater public understanding of the issues and mobilize the political will to make the necessary changes.
- Legislation that establishes a legal framework with goals, timelines, adequate resources and open and transparent reporting to ensure accountability.
- Data systems and metrics to track progress and failure and to facilitate the application of lessons learned.

While in the long term, eliminating poverty and reducing SE inequities will likely require action on all of the SDOH, the BC provincial government is limited by its span of control, political realities and time constraints. HOC therefore recommends that priority be given to interventions that can be realistically addressed in the short term (next 5 years).

In the Next 5 Years, HOC Suggests the Following Interventions

1. Increase income supports for the poor:

- Establish a provincial goal of eliminating child poverty.
- Raise welfare and disability rates and remove barriers to access e.g. language; rescind the rule that does not permit income assistance recipients to receive benefits while enrolled in post-secondary education programs.
- Ensure a Living Wage for all workers. The recent announcement by the BC Government (Feb 10,2018) raising minimum wage to \$15.20 / hr by 2021 is welcome but will still leave many working families in poverty; in the longer term, the target should be a Living Wage (adequate to cover food, clothing, housing, utilities and transportation for a family) for all workers.
- Increase Employment Insurance benefits and reduce barriers to access.
- Increase maternity and parental leave benefits (to 70% of employment income; reduce qualifying hours to 300 over best 12 weeks of last 12 months of work).
- Implement a GST credit top-up of \$1800 per adult and child for those living below the poverty line.
- Conduct a Guaranteed Annual Income pilot as has been investigated elsewhere in Canada, with rigorous evaluation of the health benefits and cost-effectiveness.

2. Develop a more equitable tax system through a Fair Tax Commission that considers the following tax measures to reduce income and wealth inequities and bolster government revenue:

- Establish more progressive income tax – somewhat increasing the top marginal income tax rate on the wealthy to historically higher levels.
- Establish higher taxes on harmful products e.g. alcohol, sugar, tobacco, pollution (carbon)
- Close tax loopholes for the wealthy such as:
 - Income splitting /'sprinkling'
 - Capital gains and dividends tax exemptions (principle residence, profits on financial assets).
 - Stock buy-backs for executives
- Stop regressive taxes as has been announced for MSP contributions.
- Increase the Child Tax Benefit for low income families
- Increase the Working Income Tax Credit for low income families
- Introduce progressive estate, gift and wealth taxes which will both generate much needed government revenue and reduce wealth inequity.

3. Gradually expand currently announced funding that helps lower income families toward the ultimate goal of universal High-Quality Child Care: Enhancing early childhood development (ECD) through access to high quality child care has many payoffs including: healthier children and families, improved children's 'readiness to learn', increased ability to take advantage of learning and skills training opportunities in later life and so ensure employment and an adequate income. Child Care is highly cost-effective. What is needed:

- A rate of \$10/day for high quality day care with no charge for families earning < \$40,000.
- Invest in more child care facilities.
- Increase the number of qualified early childhood educators.
- Ensure reimbursement of qualified early childhood educators is commensurate with skills.

These measures will create more jobs, allow more mothers (particularly single mothers) to join the workforce and generate more tax revenue.

4. **Invest in more education and skills training:**
 - Increase investments in public education: primary, secondary and tertiary.
 - Reduce/eliminate subsidies paid to private schools or educational services for other than children with special needs.
 - Address inequities in the quality of educational facilities (both teachers' qualifications and the standard of infrastructure) that vary by geography (neighbourhood, school district) according to property values.
 - Make post-secondary education free for low income families and ultimately eliminate all tuition fees.

5. **Address First Nations issues:** While the budget has provided considerable financial support for a number of issues, more is needed to achieve reconciliation, the settlement of land claims and treaty agreements, self-governance, accountability, financing, reduced stigma, improved housing, law enforcement, health and education services and infrastructure (water, sewage, utilities) and better coordination with off-reserve services.

6. **Provide further funding for youth aging out of foster care** – these youth are at risk for descending into poverty. Funding should be provided for their further education and training, transitional financial assistance and appropriate housing.

7. **Address food poverty:** school food programs such as 'Farm to School' have been shown to be effective in meeting children's nutrition needs and should be expanded with a vision of access to quality food as an expectation.

8. **Further improve housing affordability:** HOC applauds the budget measures to increase housing affordability and address homelessness. Further measures suggested:
 - Introduce controls on rents and Airbnb's
 - Continue to monitor the impact of recently announced increases to foreign buyers taxes
 - Convert the Home Owner Grant into a housing grant for both owner and renter families, linked to income to achieve fairer housing supports for low income families and level the playing field between renters and owners.
 - Implement a 'Housing First' Strategy.

9. **Enhance transportation access:**
 - Introduce Compass Card/BC Transit fare reductions for low income users.
 - Invest in improved transit infrastructure
 - Incentivize 'Healthy Cities' plans that facilitate walking, cycling and public transit usage.

10. **Improve health care:** HOC applauds the government's measures to fund hospitals and primary care networks, improve seniors care and provide more affordable pharmaceuticals. HOC suggests the following further improvements:
 - Require health authorities to incorporate an inequity analysis in planning and to develop a plan to reduce inequity in service access.
 - Transform the primary health care system to an integrated, team-based, multidisciplinary community-based primary health care system (including health promotion, prevention, acute and chronic primary care, specialists, and expanded community mental health and addictions services with at least a 3:1 ratio of non-physician to physician professionals and non-FFS remuneration for physicians) with community, patients and caregivers as part of governance and a heavy emphasis on quality improvement based on good healthcare data systems, appropriate metrics and feedback to clinicians and governance as well as public reporting.
 - Implement a provincial Opioid Strategy: the budget update in 2017 provided about \$300M for the opioid crisis in BC. We recommend a strategy that focuses on:

- More harm reduction measures - particularly the expansion of clinical settings where street drugs can be checked for lethal quantities of toxic contaminants such as fentanyl and/or users can be prescribed uncontaminated drugs. In these settings these patients should be assisted with income, food and housing as needed and helped through counselling and training to move away from the use of addictive drugs.
- Expanded training and provision of naloxone for first responders
- Enforcement - because of the high concentration of drugs such as fentanyl, it is unlikely that this crisis will be controlled by heavy enforcement but certainly illegal manufacture, importation and distribution of drugs such as fentanyl should be controlled.
- Primary prevention will require further measures to reduce poverty, socioeconomic inequities and homelessness as discussed elsewhere.

11. Combat social isolation, marginalization, loneliness, and stigma (race, culture, gender, age, sexual identity, ability):

- Fund more Healthy Communities/Cities programs, social housing developments, etc.
- Provide targeted programming for particularly vulnerable groups such as seniors, LGBTQ communities, refugees, immigrants and those recently released from prison.

12. Greater corporate social responsibility: while governments can address poverty and inequities by redistributing income through taxation, transfers and social programs, if pre-tax incomes are more equitable this becomes unnecessary. The private sector should be encouraged to move in this direction:

- Ensure all employers provide a Living Wage.
- Increase the number of employee-owned corporations and co-operatives.
- Increase public awareness of the improved happiness, social cohesion, trust, physical and mental well-being and prosperity in a society where there is more equitable income and wealth distribution.
- Promote wider adoption of the Giving Pledge (Clinton initiative for the ultra-wealthy) guided philanthropy (e.g. social housing vs. hospitals)