

Making the Links: Poverty, Inequality, and the Fight for Economic Justice

The Human Rights Agenda

Most of our current rights and freedoms were won through struggle with the powers that be:

- Workers created unions in the mid 1800s and used them to win basic civil and economic rights;
- The suffragettes won women's political rights in the early 1900s;
- Following World War II and the horror of the Holocaust, the United Nations championed the Universal Declaration of Human Rights;
- During the 1950s and 60s the American civil rights movement won political and some economic rights for African-Americans;
- The second wave of the women's rights movement in the 1960s and 70s won more respect and fairer treatment for women;
- The gay rights movement grew in the 1970s and 80s attacking the civil and social exclusion of gays and lesbians; and
- In the early 1990s, Canada's Aboriginal rights movement gained strength; but unfortunately, extended legal rights, and social and economic rights were slow to follow.

- Recent decades have seen increased globalization and restructuring of the Canadian economy (e.g. Canadian exports grew from 27% to 46% of GDP between 1988 and 2000);
- Downsizing in the public and private sectors have left many working people with insecure work, unemployed or underemployed;
- The reduced role of the state means that Canadians have a greater reliance on market forces;
- We are now witnessing a large contingent workforce – most of these workers are under 35 or new to the labour force;
- The only consistent salary growth has been for top income earners (top 10% of earners now take 28% of total income generated compared to 10% of total income generated a decade before);
- Bottom 10% of earners take 1.6% of total income (1% over a decade before); and
- There has been increased employment for those at the bottom, but a great deal of that work is contingent in nature; less UI benefits and welfare (a focus back to the 1600's British Poor Laws notion of the deserving versus undeserving poor).

Economic Trends

As the Canadian economy responded to globalization and economic restructuring a small number benefited – however many, many more fell behind.

Poverty Trends

While some working people have seen modest improvements in income, the number of people in low-income sector has increased. Even though the Canadian economy grows by more

than \$480 billion a year, many people do not benefit from its growth.

The state, historically responsible to try and equalize levels of inequality, abandons this role in favour of cuts to taxes and social supports.

- There has been some improvements - single moms a little better off now than a decade ago because they have greater access to work, and elderly women have greater access to private pensions;
- Unfortunately child poverty has not changed in over a decade (18% of children live in low income families);
- Immigrant families saw fastest rise in child poverty (from 20% to 27%);
- More and more people are falling further below low income line;
- Most family incomes are not keeping pace with costs of living;
- Canadian government increasingly sees its role as addressing “economic fundamentals” (e.g. inflation and interest rates) not unemployment or underemployment;
- We have witnessed a rolling back of employment standards (e.g. increased work week) and workers rights (restrictions on trade union activity) in the last decade;
- There has also been a consistent attack by most governments on public income support programs (UI, social assistance benefits, public disability benefits, and worker compensation benefits);
- Tax cuts are increasingly becoming the principle economic tool used by government for wealth distribution;
- Tax cuts are not delivering in terms of their own rationale – while there is more economic growth it is not being shared equally;

- For high income earners the tax cuts proposed are never enough; and
- Tax cuts restrict the ability of government to intervene in economy or with social programs.

Can't Move without Movement

The labour movement must increasingly put issues of economic and social justice on the agenda.

- We need to pressure governments to act – after all, their economic and fiscal capacity to act has never been greater than in the last 25 years;
- It's about jobs, but it's also about access to the basics – housing, schooling, health care, child care;
- We need to focus on what we want, not what we oppose; and
- We are an aging population (most dramatic in the world), which means greater reliance on the existing workforce in coming years.

The contents of this Fact Sheet are based on a presentation by Armine Yalnizyan to the National Union's 2003 Equality Leadership School. Armine is a progressive economist who has worked with the National Union on a number of occasions. She recently became the first recipient of the Atkinson Foundation Award for Economic Justice.

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