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CANADA DECLARES WAR ON POVERTY AT HOME

It was "intolerable", the Minister of Labour, Mr. Allan J. MacEachen, told the Canadian Club in Niagara Falls, Ontario, on May 5, that "pockets of poverty should continue to exist in a Canada that is more prosperous than ever before...." Having demonstrated by means of income figures from the 1961 census that "more than one out of every five (non-farm) families" in Canada had cash incomes of less than \$3,000 a year and pointed out that 160,000 families in this group had incomes of less than \$1,000 a year, the Minister went on:

...In Newfoundland, over 51 per cent of families had cash incomes of less than \$3,000; in Prince Edward Island, almost 45 per cent; in New Brunswick, 39 per cent; in Nova Scotia, over 37 per cent; in Saskatchewan, over 31 per cent; in Quebec, over 24 per cent; in Manitoba, over 23 per cent; in British Columbia and Alberta, over 20 per cent, and, in Ontario, almost 18 per cent. These, again, are averages for all non-farm families, but it is obvious that the incidence of low-income families is much greater in the rural non-farm communities than in the urban communities.

ISLANDS OF POVERTY

There is still another way of looking at the figures. Let us examine the percentage of low-income families in individual counties and census divisions, leaving out those living in cities of 10,000 or over. This is where we begin to get down to identifiable islands of poverty. More than 40 per cent of the families in nine out of ten divisions in Newfoundland are in the low-income group, with family earnings of less than

\$3,000 a year; in Prince Edward Island, three out of three divisions; in Nova Scotia, 15 out of 18; in New Brunswick, 13 out of 15; in Quebec, 34 out of 75; in Manitoba, 13 out of 20; in Saskatchewan, 13 out of 18. Even Ontario has four such divisions out of 54, and Alberta two out of 15.

Examining farm-family incomes in the 238 census divisions, 30 per cent or more of the families in 73 of these districts have gross annual sales of less than \$2,500, and no appreciable outside income.

I think I have said enough to establish the fact that poverty is a problem — a tragic problem.

PROPOSED PROGRAMME

Now I would like to outline our new programme to fight poverty and use our human resources to the full.

First, there will be an expansion of the area-development programme. This programme is an attack on what has been called *insular* poverty — the kind of poverty that exists in islands or areas, where nearly all residents have sub-standard incomes.

Our area-development plan was designed to provide more employment opportunities and better employment opportunities in such areas by offering tax concessions and other incentives to industries that locate there.

Capital investment attracted to 35 designated areas by tax incentives provided by the Area Development Agency totalled well over \$500 million in the last year, and provided direct jobs for 18,000 people in these areas.