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Reviewing recent lone-parent poverty reports

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Lone-parent families in Canada are four times as likely as two-parent families to live below the Low Income Cut Off. [1] When the Senate released its report on poverty in December, it identified lone-parent families as one of five at risk groups. The Senate report also noted that in recent years, the economic outlook for lone-parent families has been improving. A new report released in June by the C.D. Howe Institute examines the policies that are contributing to this trend.

Writing for C.D. Howe, John Richards explains in *Reducing lone-parent poverty: A Canadian success story*, that from 1996 to 2007 the poverty rate among lone-parents dropped by more than half. He gives some credit to favourable economic conditions for employment, but he argues that provincial and federal reforms were the significant factor. In particular, Richards credits social assistance reform during the 1990s in provinces like British Columbia, Alberta and Ontario for reducing welfare dependency. [2] The result was that more lone-parents found success in the labour market. In addition to provincial measures, Richards argues that federal programs like the National Child Benefit System were of great assistance. The implementation of the Working Income Tax Benefit in 2007 made entering the labour market profitable for low income families.

Earning income from the labour market provides benefits that welfare dependency does not. Richards notes that earned income increases independence and contributes to improved psychological and physical health. Richards argues that working parents provide a positive role model for children, breaking the generational dependency on welfare. [3] Programs that help employable people return to the labour market respect human dignity.

Richards concludes that while these reforms have been effective, provinces that have instituted welfare to work programs have likely maximized the effectiveness of these efforts. He reminds readers that these programs are not a panacea for all poverty, especially for those who are limited by health issues. Even though these programs have been largely successful among lone-parent families, the probability that a lone-parent family will experience poverty remains high compared to two-parent families. [4]

Effective public policy has proven to be successful in helping lone-parents become economically stable, but the role of policy is limited. Social institutions also have an important role to play in creating a prosperous society. In a different report released in June, Robert Rector of the Heritage Foundation in Washington DC explores how marriage acts as a poverty fighter, with particular emphasis on the role of married fathers. Rector reports in his brief, *Married fathers: America's greatest weapon against child poverty*, that lone-parents families account for 70 per cent of all families with children living in poverty in the United States. He argues that a two caste society is developing in America. One group are lone-parent families, the majority headed by women with comparatively lower levels of education. The other group are married-parent families, typically with higher levels of education. Rector suggests that marriage and education act as the dividing line between families in poverty and economically stable families. [5] Rector notes, "Being raised in a married family reduces a child's probability of living in poverty by about 80 percent." [6]

Rector points to the lack of married fathers as a key missing piece. He argues that married fathers offer more than economic stability. Rector notes that outcomes for children from married-parent families differ from children of lone-parent families, even when race and parental education are similar. Comparatively, children from married-parent homes are less susceptible to emotional and behavioural issues, have a lower probability of criminal involvement and greater probability of higher educational attainment. [7] Healthy, stable marriages can create economic and social goods.

As the C.D. Howe Institute report suggests, public policy can assist lone-parent families to move from economic dependence to independence and stability through labour market income. The senate report championed further support of these kinds of programs. While there has been much success in this area, lone-parent families remain at risk for poverty.

Canadian researchers have noted that moving out of lone-parenthood to any other structure results in a reduction in the probability of poverty. [8] The institution of marriage not only lowers the risk of poverty, but improves child outcomes. Rector's report indicates that how we structure our lives influences our prosperity and the prosperity of society.

Recognizing the benefits of marriage for society is not a call for government to stigmatize or neglect lone-parents. Nor is anyone asking the state to play matchmaker. The senate report is correct in recognizing the success of policies that have assisted lone-parents achieve greater economic success. At the same time, government should not ignore that family structure does matter, and that marriage is an effective poverty fighter.

Endnotes

1. Richards, J. (2010, June). Reducing lone-parent poverty: A Canadian success story. C.D. Howe Institute Commentary no. 305, p.10. Retrieved June 24, 2010 from http://www.cdhowe.org/pdf/commentary_305.pdf
2. Richards, p. 4.
3. Richards, pp. 4-5.
4. Richards, p. 10.
5. Rector, R. (2010, June 16), Married fathers: America's greatest weapon against child poverty. Heritage Foundation Web Memo no. 2934, p.5. Retrieved June 16, 2010 from <http://www.heritage.org/research/reports/2010/06/married-fathers-americas-greatest-weapon-against-child-poverty>
6. Rector, p. 6.
7. Rector, p. 2.
8. Finnie, R. and Sweetman, A. (2003). Poverty dynamics: Empirical evidence for Canada. *Canadian Journal of Economics*, 36 (2), p. 306.