

CANADA SUMMARY

UNICEF Report Card 13

Fairness for Children: A league table of inequality in child well-being in rich countries

The latest UNICEF Index of Child Inequality measures the depths of inequality in children's well-being across rich countries and ranks them according to the size of the gaps. We track the progress Canada is making for children and youth and outline what it will take to accelerate their well-being – fairly and for all.

Inequality is wide

The UNICEF Index measures the gaps between the children falling farthest behind and the children in the middle – the “normal” standard of achievement. The UNICEF Index of Child Inequality makes clear that Canada's children are not experiencing conditions equal in “opportunity” and that the extent of inequality is wider than we should expect. Canada is one of the more unequal societies for children, ranking 26th of 35 nations. Many of the gaps in well-being between Canada's children are wider than in many other rich countries.

The gaps between Canada's children in different aspects of their lives are wider than our moderate level of income inequality would predict – particularly in family incomes, some aspects of child health and life satisfaction. This suggests that children's experience of inequality is magnified in Canada and we are failing to shield children from its effects. Of equal concern is the general lack of progress to close the gaps.

The widest gaps we measured are in income inequality and certain aspects of health, particularly unhealthy eating, followed closely by inequality in healthy eating and physical activity. All of these indicators are closely related. Inequality in health symptoms and life satisfaction are also wide, and seem to be related to overall widening inequality and changing social conditions.

Canada is one of a handful of countries (including France, Iceland and Sweden) where inequality among children has increased markedly in recent years. Some of the gaps between children in particular aspects of their lives have widened (health symptoms and income inequality), while others are stable (physical health, healthy eating and education inequality) or improving (unhealthy eating inequality).

On the positive side, in some of the indicators we measure, the gaps are not much wider than higher ranking nations because the differences between nations are small. In some indicators such as family income, education, physical activity and healthy eating, more children do better in *absolute* terms than some of the more equal nations. The smaller gap in educational achievement is a strong area for Canada, despite some concerning erosion. There are also smaller gaps in physical activity, healthy and unhealthy eating despite a lack of progress in reducing these, except for the largest positive change measured in unhealthy eating.

Countries with high absolute achievement and smaller gaps between children show that with sufficient investment in child well-being, both are possible. Wide gaps are unnecessary and they

come with a variety of unwelcome impacts on children. Life “at the bottom” is not only about having less income but also about falling behind in school, having poorer health and nutrition, more risk behaviours, difficult relationships and lower life satisfaction. Children feel excluded from very young ages with lower expectations and lower aspirations and some remain excluded throughout their lives.

Income inequality: Canada ranks 24 of 41 countries (middle)

- The poorest children in Canada (bottom 10 per cent) have family incomes 53 percent lower than the average child.
- The average gap among rich nations is 51 percent. Norway is the top performer with a gap of 37 percent. The widest gap is 67 percent in Romania.
- Higher levels of poverty tend to be found in countries with wider income gaps. Canada is in the unfortunate club of countries with both the highest rates of child poverty (17%) and wider income gaps for families with children.

Educational inequality: Canada ranks 14 of 37 countries (middle)

- In Canada, the children at the bottom (10th percentile) have an educational achievement gap of 0.3 in reading, maths and science literacy at the age of 15. It is close to the average gap among rich nations.
- Canada has a higher level of absolute achievement in education than some of the more equal countries that rank higher. In Canada, only 6 percent of children fall below the basic proficiency standard, much better than the average of 12 percent. Bulgaria has the highest rate at 29 percent, but in Estonia only 3 percent of children fall below the standard – half the rate in Canada.
- Ten nations manage to combine a smaller achievement gap with a lower proportion of children falling below the basic proficiency standard. This shows that greater equity can be achieved along with higher overall performance.

Health inequality: Canada ranks 24 of 35 countries (bottom third)

- Children aged 11, 13 and 15 reported how often in the previous six months they had experienced headache, stomach ache, backache, feeling low, irritability or bad temper, feeling nervous, difficulties in getting to sleep or feeling dizzy.
- In Canada, the health score of children who report the most frequent poor health symptoms is 29 percent lower than children in the middle.
- Canada’s gap isn’t much wider than the best performer (24 percent in Austria) and it is close to the average gap because of the tight distribution of scores. The widest gap is 39 percent in Israel.
- The proportion of children in Canada who report health complaints *every day* – an indication of absolute severity in health symptoms – is 23 percent. This is very close to the average among rich countries, which is 24 percent, but much higher than the low of 15 percent in Norway and Finland (and much better than the high of 53 percent in Turkey).
- Self-reported health symptoms provide a poignant view of how often a full quarter of Canada’s children navigate their daily lives feeling in poor physical and mental health. Frequent health complaints are usually an expression of stressful situations and relationships at home, at school or among peers, which in turn affects other aspects of children’s development.

Inequality in life satisfaction (how unequal children feel): Canada ranks 25 of 35 countries (bottom third)

- While most aspects of children's well-being are measured by "objective" indicators, life satisfaction is a measure of children's own sense of their well-being (reported on a scale of 0 (*"the worst possible life for you"*) to 10 (*"the best possible life for you"*)).
- In Canada, the life satisfaction rating of children at the bottom is 29 percent lower than the rating of children in the middle. The median rating among Canada's children is 8 out of 10 but it is 6 for the children at the bottom.
- The average gap among rich nations is 28 percent, with Canada placing close the average but ranking in the bottom third because of the narrow spread among them. In Netherlands, the top performer, the gap is 24 percent. The widest gap among rich countries is 36 percent in Turkey.
- A life satisfaction level of 4 out of 10 or below reveals the prevalence of very low life satisfaction. In Canada, 9 percent of children report very low life satisfaction, more than the average among rich countries and almost twice the rate in the Netherlands. The range is from 4 percent in the Netherlands to 15 percent in Turkey.
- Canada is among the countries with both the highest proportion of children reporting very low life satisfaction and the widest gap in life satisfaction.
- Life satisfaction acts as a composite indicator of many aspects of children's lives so it is worth paying attention to. Lower life satisfaction is associated with poor mental health, low physical activity, gender, more risk behaviours (particularly bullying), weaker social support and wider inequality in family affluence.

Inequality is changing

Income inequality has increased in Canada and the rate of child poverty has persisted – this along with insufficient investment in child well-being help explain the lack of progress in health, education and life satisfaction.

Income inequality increased in Canada and in most rich countries

- Canada's relative income gap increased by 3 points.
- In Canada, France, Israel, Slovakia and Sweden, the income inequality gap widened because incomes at the bottom 10th percentile increased more slowly than median incomes.
- Only the economically distressed eastern and southern European nations endured a larger increase in the relative income gap, exceeding 5 percentage points.
- The impact of the Great Recession is evident: only four countries – the Czech Republic, Finland, Korea and Switzerland – experienced a 'positive' or progressive narrowing of the gap: the incomes at both the 10th percentile and the median grew, but those at the 10th percentile increased faster.

Educational inequality declined in Canada and in most rich countries

- Canada is the only country that experienced a decline in inequality along with a fall in median test scores – a negative scenario.

- Two-thirds of affluent nations managed to reduce inequality in educational achievement¹ while improving median test scores. To make progress, there is no need to sacrifice an increase in overall educational achievement in order to reduce the achievement gap.
- Only a quarter of rich countries including Canada experienced an increase in absolute educational disadvantage (scores below PISA proficiency level 2 in three subjects). Canada ranks 31 out of 41 countries, having experienced a small increase from 5 to 6 per cent of children. Again, the trend is worrisome but not enough to erode comparatively good performance.
- Finland and Sweden saw a much greater increase in the proportion of 15-year-olds who failed to achieve proficiency level 2 in all three subjects.
- In Canada, widening gaps in children's health and incomes may be affecting educational achievement after many years of buffering socioeconomic disadvantage by the education system.

Health inequality shows mixed trends

Inequality in health symptoms increased in Canada and in most rich countries

- The gap in self-reported health symptoms widened by 3 percentage points in Canada because the children at the bottom lost ground more than the children in the middle.
- The largest increases in inequality (of at least 6 percentage points) occurred in Ireland, Malta, Poland and Slovenia.
- In the majority of countries, those from less-affluent households have the poorest health outcomes.ⁱ However, the difference between girls and boys is even larger, more widespread and persistent.

Inequality in physical activity remained stable in Canada but declined in most rich countries

- Though the gap remains wide in Canada at 47 percent, it is not far from the smallest gap in Finland (43 percent). The persistence of the gap seems to be linked to persistent child poverty.
- The widest gap is in Israel (63 percent).
- Pronounced reductions in inequality of 6 percentage points or more occurred in Finland, France, Malta, Norway and Spain.
- The "average" Canadian child gets the recommended 60 minutes of vigorous physical activity 5 days per week, but the children at the bottom of the distribution get only 3 days.
- Both the overall rate of physical activity and the inequality gap are concerning, given the high and persistent rate of unhealthy weight among Canada's children (1 in 3 boys and 1 in 4 girls) and the relationship of insufficient physical activity to cardiovascular disease, higher insulin levels and poor mental health.

Inequality in healthy eating of fruits and vegetables remained stable in Canada and in most rich countries

- Inequality in healthy eating of fruits and vegetables remained stable in a third of countries including Canada (at 46 percent). Canada's gap is smaller than the average gap, but its persistence is likely due to the persistence of child poverty and inequality.

¹ Educational achievement relies on PISA test scores, a limited framework of possible areas of educational achievement that excludes, for example, social and emotional learning.

- The gaps narrowed the most – by at least 6 percentage points – in Malta, Hungary, Denmark, Norway and Spain. The largest increases were in Portugal and Finland. The gap ranged from 35 percent in the Netherlands to 51 percent in Hungary.

Inequality in unhealthy eating of snacks and beverages declined in Canada and in most rich countries

- The gap in unhealthy eating in Canada declined by a robust 10 points to 58 percent – the strongest positive trend in Canada among all of the indicators measured in Report Card 13.
- Inequality in unhealthy eating of snacks and beverages that are high in added sugar decreased by a greater margin than in any other health-related indicator, albeit from a higher base.
- In all cases, this came about because the rate of consumption at the bottom improved faster than the middle – a progressive scenario.
- The Netherlands, Slovenia and Iceland saw considerable reductions in the gap by more than 17 percentage points. The smallest gap is in Iceland (45 percent) and the widest in Israel (80 percent).
- In Canada as in most countries, the gap remains wider than the gaps in all other measures in the Report Card. Public health campaigns may be having a positive effect on all age groups, but given the persistent rate of obesity and unhealthy weight among children, more is needed to provide a healthy food environment around children.

Inequality in life satisfaction remained stable in Canada and in most rich countries

- UNICEF's 2013 Index of Child Well-being revealed that children's *overall* life satisfaction had declined more in Canada than in most peer nations over the previous decade, to among the lowest levels at 24 of 29 nations. This may explain why the relative gap in life satisfaction did not widen – if both the middle and the bottom declined.

Many of the gaps between children in low SES and children in high SES are wide, and are generally not improving:

Educational achievement gradient: Canada ranks 4 of 39 countries (top third)

- Canada has one of the smallest gaps in education success between children in low and high SES at 11 percentage points, showing that the powerful effects of SES can be overcome with strong services and systems.
- The average gap among affluent nations is 18 percentage points. The range is from 4 to 46 points.
- For the size of the immigrant student population, Canada also reduces the likelihood of their disadvantage in educational achievement better than most countries. However, children in low SES, immigrant children and boys are disproportionately in the lowest achieving group.

Healthy eating gradient: Canada ranks 32 of 34 countries (bottom third)

- The largest gap between children in low and high SES in healthy eating is 20 percentage points, in Canada and the United Kingdom, where it has *increased* over the past decade.
- Nine countries managed to reduce the gap to less than 10 points, with the smallest gap at 3 points.

- This gap may be explained by the expense of fruits and vegetables for poor families, their lack of availability in many low-income neighbourhoods and indigenous communities, and the absence of a national school meals initiative.

Physical activity gradient: Canada ranks 17 of 34 countries (middle)

- Canada has a gap of 13 points in physical activity between children in low and high SES, which has *remained stable* over the past decade.
- The largest gaps are in Belgium, Latvia and Luxembourg. The smallest gaps (under 10 points) are in Portugal and Finland.
- The social gradient in physical activity has widened in 6 countries.

Life satisfaction gradient: Canada ranks 26 of 34 countries (bottom third)

- In Canada the gap in life satisfaction between children in low and high SES is wide, at 16 points. Of the wealthiest nations, only the United States has a wider gap.
- The smallest gap is 4 points, and 8 countries manage to narrow the gap to 10 points or less.

We know from Canadian studies that indigenous children are very disadvantaged in all these indicators; however, as just close to 4 percent of the child population is indigenous, they are not alone. From Canadian data, we know that children with disabilities will also be over-represented, as will some racialized children and children in care. We expect children with minority gender identities to be overrepresented in some indicators.

Boys and girls are also differently unequal:

Boys have greater educational disadvantage

- In Canada, the gap between boys (7 percent in disadvantage) and girls (5 percent in disadvantage) is not as wide as in most other countries (Canada ranks 9 of 39), but the gender gap has *not improved* over time.

Girls are more likely to fall behind in health

- In Canada, girls fall 14 percentage points behind boys in health. The gender health gap in Canada ranks 28 of 34 countries – one of the widest. The gender gap has *increased* in 10 countries including Canada.

Girls are more likely to be in the bottom for life satisfaction

- In Canada, the gender gap in life satisfaction is 9 points, ranking 14 of 29 countries

The swirling debates about income and wealth inequality in Canada have largely overlooked the impacts on children. In UNICEF Report Card 13 we put children in the inequality debates and show that inequality by many measures isn't good for children:

- More children do better in countries with lower levels of inequality in child well-being. Smaller gaps in health, education and life satisfaction are generally associated with higher overall outcomes in these areas.

- While a child living in poverty is more likely to live a difficult life, countries with higher rates of child poverty also tend to have weaker *overall* child well-being.
- Countries with wider “bottom-end” income inequality (between the lowest and the median incomes) also tend to have lower levels of *overall* child well-being.
- Countries with greater overall income equality (across the entire income range – top to bottom) tend to limit the gaps in child well-being and minimize adverse child well-being outcomes. They also tend to rank higher in *overall* child well-being.

Stuck in the Gaps

Inequality has a ‘sticky floor’ and a ‘sticky ceiling’. Some children live at the most disadvantaged end of the scale and others at the top. They tend to stay there, particularly as overall inequality widens. Inequality becomes apparent even in the first few years of life and tends to accumulate. It increases the risk of lower earnings, poorer health and lower skills in adulthood. These create costs, so fewer resources are available to invest in “positive” development and fewer children achieve the outcomes we see in countries at the top of UNICEF’s Index of Child Well-being.

Competitive Childhoods

Children’s life satisfaction may be the canary in the inequality coalmine. Life satisfaction and health symptom data suggest that wide social inequalities affect children’s sense of well-being. In rich countries poverty deprives some children of basic conditions but it is more commonly a problem of relativity - having access to fewer material resources and being excluded from activities seen to be “normal”. Greater inequality seems to come with increased competition and anxiety. Emerging research suggests that there is a generational increase in anxiety and depression as children have become more oriented to goals of high income, status and appearance, echoing a broader cultural shift toward materialism and competition. The decline of free, unstructured time for play and learning and an increase in pressure to achieve academically and economically among some children may help explain the rising rates of anxiety. Wider bottom-end inequality may also result in some excluded youth disengaging from school and “giving up” on climbing up. Indigenous and racialized people have also described how children internalize discrimination from very early ages.

Getting unstuck

As in most affluent nations, the rate of growth in Canada’s economy has exceeded the rate of improvement in overall child well-being over the past few decades. The dividends have not been spread equitably to children. In fact, despite Canada’s relative economic strength, we have larger and in some ways widening disparities in children’s well-being. This suggests that growing the economy will not be enough to improve child well-being. To advance the well-being of children overall, we have to narrow the gaps.

The fact that children do not fall as far behind in some countries as in others demonstrates that large gaps are not inevitable. The goal of any country should be at a minimum to limit how far some children fall behind while pushing for the best possible outcomes for all. Countries that manage this tend to perform well on both the UNICEF Index of Child Well-being and the Index of Child Inequality. None of the countries with small gaps between children have traded equality

off against overall achievement. A focus on “evening the odds” and distributing “fairness” in affluent nations seems to produce healthier, happier children and prosperous societies.

It is unlikely that Canada will substantially lift the well-being of children unless we address broader income inequality. On the other hand, we could limit the gaps children experience in different aspects of their lives. The relatively small gap in educational achievement shows that policies and services can go a good distance to create fairness for children.

Improve the incomes of households with children

- The proposed federal Canada Child Benefit (CCB) is a very strong and progressive step that is likely to reduce child poverty by around 25-30 per cent and help narrow inequality. It is likely to have a positive effect on many aspects of child well-being.
- Both public and private training and job support programs as well as early child care and housing programs give priority to children can make lone motherhood less financially precarious. However, the rising gap in men’s earnings explains much of the increase in income inequality and because many children at risk of poverty live in two-parent homes where at least one parent works, the focus should be on the child in all types of families.
- A goal for a national poverty reduction strategy should be to increase family incomes enough at the bottom end to lift all children above relative income poverty (50% of the median income) – just as Denmark and Finland have come close to doing with child poverty rates below 3 percent.
- Child-focused income investments could help reduce remedial costs of early stress and disadvantage that are borne by the education and health systems, and free up resources in those systems to invest in boosting higher outcomes for more children in many areas of their lives.

Pursue progressive universalism in children’s programs and services

- Progressive universalism in the provision of children’s services should be the first principle in designing and delivering these services. This recognizes that the market does not provide all the development opportunities children need, that individual vulnerability is not always associated with income and that public support for quality services tends to be greater when they are universal.
- Universal services should be further customized with gender and culturally appropriate approaches for indigenous children and other groups. First Nations children are entitled to equitably funded services.

Start earlier

- Because inequalities in child well-being show up in the first few years of life, and spending on the early years is low in Canada compared to many other affluent nations, a fairer allocation of public budgets to support coordinated, quality early child health, development, care and learning is an imperative.
- The federal government has committed to a much-needed national early years strategy, which should connect child development from prenatal care through the early years with early learning and care, and invest no less than the OECD average. This would help reduce disadvantage that begins at the start and create a better continuum of supports for parents and children.

Improve the educational outcomes of all learners

- Canada's education system has been doing a good deal of heavy lifting, helping students who bring in socioeconomic disadvantage to achieve good outcomes. But more children are having difficulty achieving, particularly boys, and many are encountering challenges in making the transition from high school to post-secondary education and work.
- In an increasingly complex social and economic environment, enabling more children to reach positive academic, social and emotional outcomes requires earlier support for the lowest achievers and disengaged children, and more innovative, flexible education and employment pathways as they progress through their school years.
- Examples are community-school outreach workers that boost school attendance and engagement, mentoring, and early parenting programs that bolster low-income children's perceptions of what they can achieve in life.
- The inclusion of culturally appropriate, quality education for indigenous children is a welcome priority of the federal government and an opportunity for innovation.
- The education system cannot meet these challenges alone but could form the hub connecting more holistic child and youth services to schools to help children deal with integrated challenges in health and development along their lifecourse.

Promote and support health for all children

- Children in low income and adolescent girls tend to have poorer health, but poor health symptoms cut a wide swath linked to broader social trends – less physical lifestyles, less sleep and more stress and social isolation.
- Progress in most aspects of children's health has been too slow. In Canada, the average level of unhealthy consumption of sugary foods is quite favourable in contrast to most affluent nations, but the inequality gap remains very wide and the rate of unhealthy weight (obesity) in Canada is persistently one of the highest². A welcome strategy of the Government of Canada is to restrict the marketing of food and drink to children.
- Targeting individual behaviours without changing food environments – like the availability of healthy and affordable food – is unlikely to close the gaps in healthy eating and unhealthy weight. A universal healthy school food program should be developed to boost health and support learning. All levels of government should consider investing innovation and social infrastructure funding in the healthy food environment around children to increase access and affordability.
- The federal government's commitment to improve the Nutrition North program for indigenous communities is a welcome step.

Take subjective well-being as a red flag

- Children's low life satisfaction is in some ways a "composite indicator" of well-being and inequality. It appears to be linked to poor health, low income, gender, relationship struggles and the ills associated with wide income inequality. In turn, low life satisfaction affects health, risk behaviours, education and other areas of children's lives.
- In more unequal labour markets, parents in all types of families work longer hours and struggle to balance work and child rearing. The federal government has signalled that family

² UNICEF Office of Research (2013). 'Child Well-being in Rich Countries: A comparative overview', *Innocenti Report Card 11*, UNICEF Office of Research, Florence. See www.unicef.ca/irc11

work-life balance is an important policy goal, and should be supported by the private sector to extend parental leave benefits as far as possible to include all new parents and expand flexible work policies to cover children of all ages. The performance of countries at the top of UNICEF's Index suggests these policies are very good for children's sense of well-being and that Canada has a way to go to match them.

- The persistent rates of domestic violence and children in state care and the prevalence of poor mental health, particularly affecting indigenous children, must be an urgent focus.

Improve monitoring and measurement of child well-being

Producing a more comprehensive picture of child well-being is essential for informed public debate, to invest more wisely for greater impact and to alter our course when evidence tells us that we could do better. To this end we recommend:

- *Improve the availability, timeliness and usefulness of information about the well-being of children.* Governments and independent monitors should work together more closely and with young people to develop and harmonize surveys that improve understanding of children's lives. Canada should explore new approaches used in many rich countries such as "deprivation indexes" to complement child poverty measurement - and avoid becoming an international "data island" and support cross-national policy learning.
- *Measure the gaps.* All levels of government (and other data developers) should move beyond an approach based on population averages and use complementary approaches to measure inequality in child well-being indicators. Equity approaches like the calculation of bottom-end inequality used in UNICEF Report Card 13 can help to reveal the distribution of different outcomes among children and address inequities³. Disaggregated data to identify gender and other differences among groups of children should be built in to these approaches. Targets to achieve certain levels of well-being in different aspects of children's lives should be accompanied by targets to reduce bottom-end inequality in them.
- *Count indigenous children.* Culturally appropriate approaches to data and monitoring for indigenous communities would include cultural determinants of health and well-being and more localized governance of data.

Address inequalities in child well-being in all policies

It's clear that we need a stronger understanding of how different groups of children experience different challenges. The Government of Canada has committed to establish a National Commissioner for Children and Youth, which would provide support for child-sensitive decision-making. All levels of government should use "child impact assessment" to plan or examine policies, laws, programs and budgets for their impacts on children – whether or not they are likely to increase or decrease inequality or yield different impacts for different groups of children.

³ For indicators suitable for distribution analysis rather than binary indicators like infant mortality and school enrollment that are summarized as rates or probabilities but can be disaggregated by income, gender, location and other meaningful variables.

ⁱ Chzhen, Y., I. Moor, W. Pickett, G. Stevens and E. Toczydlowska (2016). 'Family Affluence and Inequality in Adolescent Health and Life Satisfaction: Evidence from the HBSC study 2002–2014', *Innocenti Working Paper 2016-10*, UNICEF Office of Research – Innocenti, Florence.