

MAKE POVERTY HISTORY

MORE AND BETTER AID TRADE JUSTICE CANCEL THE DEBT END CHILD POVERTY IN CANADA

BRIEFING NOTE: MORE AND BETTER AID

The Issue

Over a billion people live in abject poverty. Poverty kills more than 50,000 people every day – one third of all deaths. Every three seconds, a child dies as a result of extreme poverty.

Make Poverty History is calling for more and better aid, trade justice, 100% debt cancellation for all the poorest countries and an end to child poverty in Canada. Canadians support an end to poverty. A quarter of a million Canadians and over 700 organizations have endorsed the Make Poverty History campaign.

Parliamentarians are calling for action to end global poverty. On June 28, 2005, the House of Commons unanimously passed a groundbreaking resolution. It called on the federal government to “set a plan to reach 0.7% by 2015; introduce legislation to ensure that aid is provided in a manner consistent with Canada’s human rights obligations and respectful of the perspectives of those living in poverty; and improve our aid effectiveness by strengthening the partnership with civil society, both in Canada and overseas.” It’s time to deliver on this promise.

More Aid: Increasing Our Resource Commitments

Canada has pledged to address global poverty, but is failing to implement its promises. Almost six years ago, all members of the United Nations committed to the Millennium Development Goals (MDGs) to meet minimum targets to reduce poverty, hunger, illiteracy, discrimination against women and environmental degradation by 2015. The MDGs reiterated a global pledge for wealthy countries to spend 0.7% of their Gross National Income (GNI) on aid.

Currently, Canada devotes less than half of this amount. Eleven countries, including France, the United Kingdom, Sweden and Denmark, have reached their 0.7% commitment or have timelines for doing so. Canada, despite its relatively robust economy, is not among them.

The election platform of the Conservative Party promises to maintain the Liberal /NDP addition of \$500 million to the aid budget over the next two years, and to go beyond this with additional spending of \$425 million over 5 years. Specifically, the Conservative platform promises increases that move towards the OECD countries’ average spending on aid. This approach, however, falls far short of what is needed. The current OECD average of all donors is only .42% of GNI. But without increasing the amounts promised to date, a Conservative government would only reach 0.33% of GNI by 2007-8.

We need a commitment to raise development assistance by at least 15% annually through 2015. This upcoming federal budget is decision time for the government. These

increases are affordable. If we don't act now, future budgets will have to make major investments to reach 0.7% by 2015.

Better Aid: Ending poverty the exclusive goal for Canadian foreign aid

We need both more and better aid. The new resources should be accompanied by the introduction of legislation setting poverty reduction as the exclusive purpose of Canadian aid. This legislation would assure parliamentarians and the public that increased aid resources are directed to the needs of people living in poverty.

Canada has improved the poverty focus of its aid program since 1999. Funding for basic education doubled between 1996 and 2002 and there has been a 40% increase in primary health spending. But recently announced aid priorities in the International Policy Statement (IPS) raise questions about the centrality of poverty reduction in CIDA's programs. With the majority of the poor living in rural areas, rural livelihoods must be central to efforts to end poverty, but there are only passing references in the IPS to agriculture and rural development.

An explicit and comprehensive strategy for contributing to poverty reduction should guide Canadian aid policy. Unfortunately, approaches to improve aid effectiveness are coming with high levels of donor-imposed conditions to liberalize trade or privatize the delivery of public services. At the same time, civil society is being ignored in the development process.

Between 2001 and 2003, almost 25% of Canadian aid increases were allocated to Afghanistan and Iraq, based on foreign policy pressures. Canada has also joined some donors in the OECD Development Assistance Committee who have called to expand the criteria for what can be counted as aid – particularly for military and security aspects of peace operations.

As the boundaries between legitimate concerns for global security and international cooperation in developing countries become increasingly unclear, Canadian aid should be focused on ending poverty. The Speech from the Throne, planned for April 4, 2006, would be a perfect moment to commit the government to introduce a legislated framework for development aid.

Recommendations

In the Speech from the Throne the Canadian government should:

- *Announce forthcoming legislation which will make ending poverty the exclusive goal of Canada's foreign aid in a way consistent with our human rights obligations.

In the 2006 budget the Canadian government should:

- *Set a timetable for reaching the 0.7% of GNI target by 2015.

Make Poverty History

Make Poverty History Canada is part of the Global Call to Action Against Poverty, the world's largest anti-poverty coalition made up of national campaigns in over 70 countries.