

In March 1996, the Canada Assistance Plan (CAP) ended with little fanfare. Thirty years before, the cost-sharing program between federal and provincial governments had unfurled a comprehensive social safety net to protect every Canadian in need. “Up until the last four or five years, it was very clear that assistance was a right, not a privilege,” says Gayle Gilchrist James, an expert on social security who teaches at the University of Calgary. “Now that the CAP ended, there isn’t a right to assistance anymore.”

In Alberta, the offloading of CAP coincided with a provincial government intent on deficit reduction. Already, at the start of their mandate in 1993, the Klein Tories had cut social assistance benefits by 17 per cent and tightened eligibility requirements. By 1996, when CAP was replaced by the smaller lump sum of the Canada Health and Social Transfer, welfare rolls had been cut by 53,000 cases. At the same time, Alberta’s rate of food bank usage swelled to nearly twice the national average. “We know that you cannot substitute private charity for public good,” warns Gilchrist James. “If you try to do that, you end up missing people. It’s a very hit-and-miss affair.”

There is no widely accepted way to measure the extent of poverty (see side bar page 28). Statistics Canada’s low-income cut-off (LICO) works out to roughly half of the average family income. In 1996, 16.4 per cent of Albertans fell under the cut-off. But some would say this does not necessarily mean they were living in poverty. For the Fraser Institute’s Christopher Sarlo, LICO is a relative indicator which measures inequality, not poverty *per se*. “An individual or family is poor,” asserts Sarlo, “if they are unable to acquire all of their basic physical necessities.”

In 1997, the Edmonton Social Planning Council (ESPC) decided to find out how widespread poverty had become in Edmonton since the Tories’ cuts. By halving LICO—meaning, for a family of four, an annual income of \$15,692—they obtained an income level which they considered to be “absolute poverty.” Their study *Poverty Trends in Edmonton: The Race to the Bottom Heats Up!* revealed “the percentage of families with incomes of less than one half of LICO essentially doubled in the period 1993 to 1995, from 2.5 per cent to 4.9 per cent of Edmonton’s families. This represents 7,910 more families living in absolute poverty in Edmonton in just a three year period.”

In all, the ESPC found about 31,000 Edmontonians in absolute poverty in 1995, the latest data available. As executive director Brian Bechtel recalls, even Sarlo agreed in principle with the definition they had employed. Others proved harder to please. “You can use whatever definition of poverty you want for whatever end you want,” said an unmoved Lyle Oberg, Minister of Family and Social Services. He refused to address the role cuts had played in contributing to the statistics. Many of his supporters pointed to a Canada West Foundation (CWF) report from earlier that year that found two-thirds of former welfare recipients working either full-time or part-time. However, the report, *Where Are They Now?*, also observed “that many former welfare recipients are engaged in a daily strug-

POVERTY IN THE MIDST OF PLENTY

by Sabitri Ghosh

Photography JOSIE CHU

gle to achieve sufficiency,” with seven in 10 respondents lacking money “to meet their basic needs at least once since leaving welfare.”

A joint initiative between the Calgary-based Canada West Foundation and the Edmonton Social Planning Council is developing a new measure of poverty. As outlined by the foundation’s president, Roger Gibbins, the project will “provide a starting point for understanding the kind of society we have, the kind of society we want, and the utility of various public policy options for taking us where we want to go.” Gibbins says: “If you begin to define poverty as an affront to citizenship, then you’re beginning to speak in a language that is more easily shared by those who are poor and those who are not.”

Many people were shocked when the Edmonton Social Planning Council found Edmonton had the highest rate of child poverty among five major Canadian cities surveyed in 1995. Of the 42,826 children in Alberta living in absolute poverty that year, 24,427 lived in the provincial capital.

“As the child poverty rate continues to increase in the Edmonton area,” reported school superintendent Emery Dossdall, “schools within the district find that they are pressured to shift their attention from instruction to accessing non-educational supports for students and families, areas that are outside their responsibility and control.”

At McCauley Elementary and Junior High School, a doughty old brick building enjoining “boys” and “girls” to separate entrances, principal Emily Westwood meets every second Wednesday with the school nurse, the school social worker, counsellors and the associate principal to plan the massive logistical operation that is an inner-city, high-needs school. The staff discuss cases of poor health, poor scores and poor attendance, knowing all the while that what they’re talking about is poverty.

This Wednesday in mid-September, the main order of business is a trip to the university’s dental clinic. Dental hygiene has been identified as a priority of the Aim High program, a many-pronged, provincially funded initiative to improve the health of inner-city students. Supports for Independence (SFI; the official name for social assistance) and the Alberta Health Benefit will pay for the dental work. More problematic than costs are prohibitions against personal questions, like SFI status, in the letter to parents. Westwood suggests a generic letter to the effect that “If you’re on SFI and are interested, please contact us.” It may end up being billed as a field trip. The letter will have to be translated for the many first-generation immigrant families.

After this session, Westwood meets with Shelagh Harder of the North Edmonton Food Distribution Foundation to coordinate the school’s in-house breakfast. Lunch and snack programs already operate here, cobbled together from various sponsors. To feed junior high kids not served by the School Lunch Program’s grades 1-6 mandate, Harder solicits unsold baked goods from around the city and personally delivers them to requesting schools like McCauley. Until she began deliveries here at the end of last term (then, as





DRAWING THE POVERTY LINE

From the Draft Report written by Mike Ponting and Macarie Stuhr in August 1998 for the Canada West Foundation.

...In Canada, as social thought has moved from a social Darwinist conception of poverty to a more sympathetic position, a great deal of disagreement has arisen in the social welfare community. There is discord among politicians, journalists, and private citizens from every point on the political spectrum about how and where a poverty line should be established, possible solutions to the poverty problem and even what poverty is. The lack of consensus is not surprising given that this is a complex issue which affects the very quality of Canadian life....

The government of Canada has stayed away from endorsing any conception of a poverty line. However, Statistics Canada does have a measurement called the Low Income Cut-Off (LICO) that many organizations and scholars use as a poverty line. The LICO lines (which are adjusted for the size of family and size of community) measure the percentage of income which a household or individual must spend on food, shelter and clothing. According to Statistics Canada statistician Jenny Podoluk, those that live below the line are considered to be in 'strained circumstances.' Though these lines change every year, they have recently hovered around the mark of 55 per cent, meaning that those below the LICO lines spend more than 55 per cent of their take-home income on necessities, and as such are in strained circumstances. Although many journalists and groups (including the National Council of Welfare) use LICOs as poverty lines, Statistics Canada is adamant that they were never intended

to be used as such, and should not be. As Ivan P. Fellegi, Chief Statistician of Canada said, LICO lines: "certainly do not represent Statistics Canada's views about how poverty should be defined." Instead, LICO was intended to be a relative measure of inequality in Canada, designed to demonstrate approximately how many Canadians do not live up to the same standards as their fellow citizens. Statistics Canada insists that the LICO lines measure differences between income groups and not poverty *per se*. In spite of Statistics Canada's frequent warnings, however, LICOs are inevitably used as fall-back poverty lines for Canada by many, primarily because of the absence of a government endorsed line.

Unlike its Canadian counterpart, the United States government has endorsed an official poverty line. Using the lines designed by Mollie Orshansky, the U.S. Bureau of the Budget (now the Office of Management and the Budget) adopted an official poverty line in 1969, which is updated annually based on the consumer price index. Orshansky's lines are similar to LICO but stipulate that average families spend about one-third of after-tax income on food. Those that spend more than one-third are said to be in poverty. Despite (or possibly because of) its simplicity, the U.S. Poverty line has stood with minor modifications for nearly three decades, and is widely accepted in the U.S....

The Metro Toronto Social Planning Council (MTSPC) makes an attempt at including social participation into their poverty line. This group asks a panel of experts what must be available to an individual or family "if they are [to be] able to function socially at a minimal level, given the prevailing standards in the community." The Montreal Diet

Dispensary (MDD) draws a distinction between basic needs (the amount of money that would be required, short-term, for subsistence) and the 'minimum adequate standard of living' line (what a household would require on a more long-term basis), which takes the need for social integration into account. Although these two groups make a significant gesture toward the need for social integration, they do not go far enough in recognizing the fundamental importance of participating in society for lifting oneself or one's family out of poverty, and the positive effects that doing so has on the society.

Another conception of a poverty line comes from one of Canada's best-known poverty scholars, Chris Sarlo. Sarlo's conceptualization includes both basic needs and social participation (which he attempts to capture by dealing with the desire to have social amenities). Sarlo calculates his 'poverty line' by "costing the list of basic needs for families of various sizes." Unlike most other conceptions of basic needs costs, Sarlo assumes that consumers will be able to budget and spend wisely, taking advantage of sale prices, particularly on clothing (an example of an assumption that is made when deriving a poverty line). As such, his 'poverty line,' which includes only the basic necessities of Canadian life (such as food, shelter, clothing, household furnishings, etc.), is very low....

Peter Townsend wrote: "the main problem of the 'subsistence' [basic needs] concept can be summarized as being that human needs are interpreted as being physical needs...rather than as being social needs, and yet the crucial fact about human beings is that they are social beings rather than physical beings."

now, without government funding), morning lessons went over the heads of many hungry students.

Working in McCauley has been quite an education for Jan Kostek, the community nurse implementing the Aim High program. “You certainly know,” she says, “that there are many children living in less than ideal circumstances.” She cites a grab-bag of health issues: poor nutrition, asthma, lice, communicable diseases, delayed reading and writing skills, mental health problems, even one student talking of suicide. All have a direct correlation to poverty. The National Longitudinal Survey of Children and Youth, a Statistics Canada project tracking child development, shows that poor health, hyperactivity, and delayed vocabulary development predominantly affect children in low-income families.

“Students and parents who are disadvantaged indicate to schools that no one understands the complexities of their lives,” observes Dosedall. “At the same time, schools indicate parents and students do not value education and do not believe their children can benefit from education.”

In Calgary, homelessness is an immediate predicament for many people. On May 21, 1998 the Social Research Unit of the City of Calgary counted 988 people sleeping on the street or in shelters downtown. This compares to 615 in 1996. Statistically, poverty is less pervasive here than in blue-collar Edmonton, yet the lack of affordable housing has edged thousands precipitously close to the street. Reg Newbury of the Salvation Army estimates that as many as 60 per cent of the single males who stay at their hostels have some kind of job. The local housing market has simply ignored their needs.

The winter of 1996 took the issue into the realm of life and death. People died that season: a conspiracy of freezing temperatures and a society benumbed to poverty’s extremes. In response, the city sponsored a Homeless Initiative in early 1997, bringing together representatives of the homeless, local politicians and downtown agencies. The committee released its action plan, “Reducing Homelessness in Calgary,” during Homeless Awareness Week in May 1998.

Derek Wilken’s foreword recalled the 1988 Winter Olympics when “hundreds of volunteers worked thousands of hours in partnership with business and government. Everyone pulled together and the spirit of cooperation and community was so strong you could almost taste it. Now we have a greater challenge.... The elimination of homelessness in Calgary will require an effort of Olympian proportions.”

Wilken recounts his story while showing the way to the Drop-In Centre. In the eighties, he ran his own business, marketing to oil and gas companies the same type of heat-withstanding insulation used by NASA in space. He had a home, a wife, and kids. His manic depression first presented itself as a quixotic impulse to build playgrounds with money he didn’t have: “I wanted to save the world.” When mental illness bankrupted his business and marriage, humour was the one commodity he could still trade in. Always funny and a fan of Lenny Bruce, he began performing around the city as a “no-expenses-paid comic.” The worse his day on the street, the better his comedy.

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Few obvious street people emerge from the eddy of passing faces until we reach the Drop-In. It's a vast confluence, a Grand Central Station where everyone's missed their train. People sit at square tables, some in groups of four, others quietly by themselves. They resist all generalizations.

The Drop-In has a breakfast, CUPS has coffee, and the Mustard Seed serves lunch, with many blocks in between. The dispersion of downtown agencies has made the lot of the homeless a hard slog. The next stop on our tour is the Salvation Army men's hostel, where beds are assigned. "Number of beds available 0," relays the sign above the Plexiglas reception window.

The last stop is the Mustard Seed, with 70 beds. A Christian organization that has seen its duties multiply after moving downtown in 1992, it serves lunch five days a week and supper every night of the year. "We're back dealing with basic survival issues," says associate director Phil Estabrooks resignedly, "when we'd prefer to get people back into living." Survival without living. "There's an old man out there," says Estabrooks, indicating the alleyway beside the building. "You'll see him when you go out. We asked him his age and he said he was 71. Now that man is a senior; he should be entitled to a pension." Sure enough, there he sits in his wheelchair, his back turned to the street.

At 69, Senator Douglas Roche is that man's contemporary. "When we marginalize the poor and put them over in a corner," says the onetime journalist, MP, and Ambassador for Disarmament, "we diminish the whole of society. We allow this to happen not because there are forces beyond our control: we allow it to happen because we do not care enough. Our political system is not influenced enough by the needs of those who are the most vulnerable."

At the grassroots, a group that does care is the Quality of Life Commission. Early in 1995, social workers Kay Feehan and Patricia McGoey began inviting prominent citizens, including Roche, to head a community consultation on social policy. Throughout the following winter, the commissioners heard the stories of low-income families, immigrant women, teen mothers, aboriginals, students, seniors and small business people. Discovering "an overwhelming need among participants to feel heard by decision makers," the Commission recommended that the government embark on its own series of consultations.

"The strongest and most hopeful part of the Commission was not what it heard, but that it heard at all," says its inaugural report, *Listen to Me*. "Once people feel heard, they begin to think about moving forward." In his 1996 book *The Good Society*, John Kenneth Galbraith similarly emphasizes the necessity of involving the poor. "The decisive step toward a good society is to make democracy genuine, inclusive," he writes. "In the good society voice and influence cannot be confined to one part of the population."

Government officials dismissed *Listen to Me* as "too anecdotal." Asked about growing homelessness a year later, Lyle Oberg told an *Edmonton Journal* reporter of other studies that consulted the homeless "and what they have stated is that they want to be on the street, that's what they're looking for." Pressing the issue, the reporter was directed to a departmental spokesperson who showed him a line from a survey "of, by, and for low-income and homeless Calgarians."

It stated: "We are angry at what has been done to us and we are angry at what we have done to ourselves." It was from *The Street Speaks*, published

with the help of the National Anti-Poverty Organization (NAPO) and its Calgary board member, Fred Robertson. With the same resilience that has enabled him to live on and off the streets for the past 10 years, Robertson discounts Oberg's misconstruction. "He found things he could use and took them out of context. That's going to happen to the greatest books in the world."

So marginalized are the poor in provincial politics that it has been left to the much-abused Senate, of which Roche is now a member, to take up their cause. In December 1997, Senator Erminie Cohen tabled a private members' bill to add "social condition" as a protection in the Canadian Human Rights Act. "The poor are so disenfranchised that their issues are not of great concern to elected officials," declared Cohen, naming governments, along with financial institutions, landlords, utility companies, the legal system and the media, as guilty of discrimination. NAPO flew Robertson to Ottawa to make a presentation to the committee considering the bill, which passed the Senate easily and is now before the House of Commons. "One night I was in a \$110 a night hotel," he recalls, "the next night at the Salvation Army, and in a park for three days after that."

In May 1997, NAPO's other Alberta board member, Midge Cuthill of Edmonton, formed Poverty in Action "to share, to empower, to educate." Through Health Canada, Cuthill and project assistant Deana Shorten received funding to work nominally for the Edmonton Social Planning Council while finding their own group's *métier*.

A few weeks before the start of the school year, Poverty in Action holds a barbecue in a quiet downtown park. The barbecue is both a celebration and a practical occasion: school supplies will be distributed to families, most headed by single mothers, who have registered their need. Over in the face-painting corner, the kids christening their cheeks with the names of their favourite Backstreet Boy would much rather expound on their heart-throbs than on the privations of poverty. Mary-Ann Baxter, a writer and member of Poverty in Action's advisory committee, sees poverty as self-defining at any rate. "Poverty is when you don't have enough. When you have to sacrifice food for money to pay the bills."

For her, "becoming a member of Poverty in Action removed the isolation."

"You come here and you don't feel alone," says Baxter's friend, Byron Cyre. "People here, they don't have criminal records, they're not alcoholics, they're not drug addicts." Baxter and Cyre, who both suffer from arthritis, receive Assured Income for the Severely Handicapped, about \$818 a month. Supports for Independence provides about \$397 a month for a single adult and \$778.50 for a single parent with one child, an income around one half of LICO.

The reasoning behind the provincial government's "tough love" approach, as given by former Family and Social Services minister Stockwell Day, was twofold: to "get employable people off welfare and back to work," and to "ensure wise and efficient use of taxpayers' dollars." The sooner employable people leave welfare, he contended, the sooner the taxpayer begins to save. But the CWF report *Where Are They Now?* reported that former recipients often return



to the caseload. “It follows, that not all respondents off SFI at the time of the survey are off for good.”

If it considers welfare the rarest of exigencies, the government must also consider why people keep returning. Most, in fact, are defeated in the workforce for the very reasons they first went on welfare. Lack of qualifications forces many erstwhile welfare recipients to compete for bottom-rung positions. Once these have been filled, welfare becomes the only option. What promotes dependence is the inability to secure long-term, well-paying employment.

Quality of Life Commission participants felt “there were many government-sponsored programs in existence, but that none of them focused on building independence.” Deana Shorten, who also sits on the Commission with Cuthill, suggests that qualified social workers conduct a needs assessment for every welfare applicant. A more discretionary system could help with the money for proper interview clothes, a phone, a babysitter, or a damage deposit—measures that would help many more people.

“The longer you have to do menial tasks and not the thing you’ve been educated for,” remarks Byron Cyre, “the longer you lose experience in that task.” Trained in graphic design, he needs to upgrade his computer skills. Given access to education or upgrading, recipients like him might move up the rungs and off welfare for good. As it is, they cannot invest, cannot take out most kinds of insurance, cannot have an RRSP. For them, poverty has become accommodation to a system that, in the words of the Quality of Life Commission, “has ceased to look at the people it serves and how to get them back on their feet.”

“They give you this money,” continues Cyre, emboldened by his frustration, “because they say they want to make your life better but then whenever you try to use the money to improve yourself, they cut you off at the knees.”

Most isolating of all, he feels unable to have a relationship until he can financially support himself. Over 83 per cent of the people on social assistance are unattached adults or single parents. It’s generally assumed they’re on social assistance because they lack a wage-earning spouse. It may also be the other way around: in a society where we identify ourselves by our careers as surely as by our names, a person on welfare is close to a nonentity.

“Of course poverty is more than a lack of money,” says Derek Wilken, now living in an apartment and happily remarried. “It’s lack of support, a lack of friends, a lack of self-esteem—big one—a lack of desire. When you’re truly in poverty, you wake up in the morning with a whole different thought. Your thought isn’t towards the future, it isn’t towards how your colleagues are relating to you. You’re just waking up. Poverty is lack of purpose.”

In *The Good Society*, Galbraith has proposed a system where “no one can be left outside without income—be assigned to starvation, homelessness, untreated illness or like deprivation. This, the good and affluent economy and polity cannot allow.” Blessed with his requisite “substantial and reliable increase in production and employment from year to year,” we have no excuses: the good society is indeed achievable in the Alberta of today.

Galbraith’s prescription—full employment with a socially adequate minimum wage—would stimulate the economy by creating new consumers and taxpayers out of the poor. Reduction of poverty, the most draining deficit of all, would improve overall quality of life. Other economic benefits would ensue.

"I get frustrated at times when I hear the government talking about the 'Alberta Advantage,'" says Roger Gibbins. "The government has assumed that the way to compete in a global environment is by offering a favourable business environment in terms of low taxes and limited government intervention. I think that's fundamentally wrong because other people will always underbid us. We can't compete on those grounds but we can compete in terms of quality of life."

A high quality of life, says Nova CEO Ted Newall, enables a company to attract highly talented people and ensures a healthy, well-educated workforce. The former chairman of the National Council on Business Issues describes the high priority he assigns to eliminating poverty as "enlightened self-interest." Simply stated, the elimination of poverty is good for business.

"There is an interesting ideological convergence here," says Gibbins. "What's happening now is that there's emerging a common interest in civil society, a common interest in the nature of the community and people on the right are beginning to believe that the health of the community is fundamentally important to the health of the economy in ways they didn't think of before."

As federal conservative Hugh Segal writes in *Beyond Greed*, reduced taxes, less government and reduced debt all have their place in public policy. "But at the very best, at the farthest possible reach of their value and benefit, these policy choices are not ends at all. They are simply means to be used in public and private policy towards achieving the kind of society we are trying to build, reflective of the values we share."

Trust is the lowest common denominator of our values. Essentially, we trust that society is fair and inclusive, not capricious and arbitrary. We do so with the understanding that we all have a stake in a functioning society. In denying people their stake, poverty leaches mistrust into our free-market system, our judicial and educational systems, our system of governance, even into our system of beliefs. It affects us all.

We could learn from the students at McCauley school, who have no lunch money but know implicitly that sharing engenders trust.

As the grade 4s and 5s of her language arts and literacy class devour a tasty assignment—milk and a fruit snack, compliments of the Body Shop—Terri Tunksi remembers what happened when a popular extracurricular program fell victim to cutbacks. Students, given their own e-mail addresses as part of her language course, "e-mailed all manner of people. They wanted to know what was the rationale for shutting down this program. The kids have an awful lot more understanding of things than we sometimes realize."

"Would you like one, too?" the girl handing out the snacks asks me, quite unnecessarily.

Tunksi adds: "They're very thoughtful kids—they have a real sense of compassion."

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