

We Must Do Better

It's Time to Make Alberta Poverty-Free



November 2009

Acknowledgements

This report was written by **Jim Gurnett**, former Executive Director of the Edmonton Mennonite Centre for Newcomers and a member of the *We Can Do Better* project steering committee.

John Kolkman, Research Coordinator of the Edmonton Social Planning Council and **Bill Moore-Kilgannon**, Executive Director of Public Interest Alberta, helped with research and writing. Additional writing, research and editing was provided by **Sara Breitreutz**, Communications Assistant for Public Interest Alberta. Layout and design was done by **Anette Kinley**, Research & Communications Assistant for the Edmonton Social Planning Council and **Jennifer Hoyer**, Resource Coordinator for the Edmonton Social Planning Council.

This report is published by Public Interest Alberta and the Edmonton Social Planning Council



With financial assistance from the Bissell Centre



We would also like to thank the following sponsors and supporters of the seven “We Can Do Better” forums that were held in cities around Alberta in 2009:

- ◆ Alberta College of Social Workers
- ◆ United Way of Central Alberta
- ◆ United Way of Fort McMurray
- ◆ United Way of Grande Prairie and Region
- ◆ United Way of Southeastern Alberta
- ◆ United Way of Calgary and Area
- ◆ United Way of the Alberta Capital Region
- ◆ City of Edmonton
- ◆ Vibrant Communities Edmonton
- ◆ Vibrant Communities Calgary
- ◆ South West Alberta Coalition on Poverty
- ◆ Edmonton Community Foundation
- ◆ The Muttart Foundation
- ◆ Bissell Centre
- ◆ Edmonton Mennonite Centre for Newcomers

At the national level we also work closely with and support the work of:

Campaign 2000

www.campaign2000.ca

Canada Without Poverty – Dignity for All Campaign

www.dignityforall.ca

This report and more details on each of the poverty forums are available at www.pialberta.org.

To request a bound copy of the report please contact:

Public Interest Alberta

#35 9912-106 St

Edmonton, Alberta T5K 1C5

Phone: (780) 420-0471

Edmonton Social Planning Council

#37 9912-106 St

Edmonton, Alberta T5K 1C5

Phone: (780) 423-2031

ISBN 978-0-921417-57-6

Time for Action

During 2009, nearly 400 people came together at seven forums around Alberta to share experiences and thoughts about economic poverty. The Edmonton Social Planning Council and Public Interest Alberta helped organize the forums around the 2008 “We Can Do Better” report, and engaged people in Red Deer, Fort McMurray, Grande Prairie, Medicine Hat, Lethbridge, Edmonton and Calgary. The latter two forums also benefited from the research and insights of Sherri Torjman of the Caledon Institute of Social Policy and Mark Cabaj of Tamarack – an Institute for Community Engagement.

An energetic exchange of information, anecdotes, and strong opinions characterized each forum. At every forum there was a clear sense the continuing reality of poverty in the lives of many in the province affects everyone negatively, not only those who experience it directly. There was strong agreement poverty does not need to continue, and that we need to be working for its elimination in a dedicated, collaborative, and substantial way. Ending poverty is a real possibility. It will not happen overnight, but unless we start now with an ambitious vision, well-designed plans and specific poverty reduction goals, such a future will never arrive.

This report coincides with the 20th anniversary of the House of Commons resolution to end child poverty in Canada by the year 2000. Despite this commitment, at the height of Alberta's economic boom in 2007, poverty remained a reality for more than 59 000 children (one in 12). Now after years of strong economic performance, Alberta is seeing dramatic increases in unemployment and the need for income support. Demands on human services community organizations are growing, while available resources are shrinking.

Today there is recognition around the world that we need to address poverty more effectively. Innovative activity is underway in many countries, and evidence is growing of the value of comprehensive approaches to poverty reduction. In Canada, six provincial governments have now adopted strategies to reduce poverty. Forum participants were supportive of the development of our own comprehensive initiative to reduce, eliminate, and prevent poverty in Alberta.

To move towards establishing a comprehensive provincial strategy, this report offers a sample of what was heard at the forums about the grim reality of poverty in Alberta today and in the context of the current recession, what is already happening to address this reality, and a creative vision for the future of our communities. Poverty is a complex interconnected challenge, but people are ready to act now to eliminate it and prevent its return.

There are various technical definitions of poverty. Throughout this report the word “poverty” describes the economic circumstances of people living without adequate financial resources for a dignified modest life. It is understood that people without money to support a decent quality of life have assets in their lives and enjoy riches not measured in monetary terms. It is vital to eliminate economic poverty, but it is important not to see people only in terms of economic status. Everyone has valuable contributions to make and deserves the opportunity to do so fully. It is also important to recognize that Alberta has, for thousands of years, been homeland to people. Today many more live on that land and become wealthy, yet the poverty experienced by aboriginal peoples (First Nations, Metis and Inuit) is more extensive and substantial than for most others in Alberta.

This report is about what is happening in Alberta and what should happen. Too many people are directly and negatively affected by poverty, and most other Albertans are hurt too by its continued reality. There is a clear need for a comprehensive strategy, and the will exists in our province to make it happen.



What's happening now: concerns and solutions across Alberta

At each forum, people and organizations well-informed and deeply concerned about the complex, troubling realities of poverty shared views and experiences. They described valuable work already under way to ensure the worst immediate effects of poverty are ameliorated for many people. Those involved in these actions feel satisfaction at what they are accomplishing. They also have strong sensible views about the inadequacy of what is being done. As participants at the forums shared what is happening in their communities, the rich details of their input fit into a number of broad categories, outlined here. There is recognition that answers are not simple, and that factors are interconnected in deep substantial ways. For this reason, all efforts benefit from the shared contributions of many partners, as evidenced by the examples and highlights that follow.

Meeting basic needs

Recent news of the shocking 61% jump in the need for food bank assistance in Alberta in the past year¹ is a powerful reminder that people have absolute survival needs to address before anything else is possible. Ensuring such basic daily needs are met often occupies a significant portion of the resources available in communities, leaving less capacity to do as much as desired about the causes of poverty. In every community, organizations and volunteer initiatives are operating food banks, collective kitchens,

food basket programs, and meal and snack programs in schools and the community. Others are gathering and distributing clothing. Still others are seeking to ensure basic transportation through low income bus passes, better routes and schedules, and the ability to provide free tickets.

Housing security

Everyone understands the basic human necessity of home as a safe, healthy, appropriate place to base one's life. Yet there are thousands of people in Alberta each day who do not even know for certain where they will find basic shelter from the weather. Many more spend far too much of their income to rent shabby apartments, with a continual fear the next rent increase will be more than they can manage. Some stay in abusive relationships because there is nowhere else to live. Seniors with mobility challenges struggle up three flights of stairs to chilly rooms with only a hotplate to prepare a meal.

A variety of things are happening in Alberta today to address every aspect on the continuum of housing security, from overnight shelters to low income opportunities for home ownership. But housing is expensive and there are shortfalls of thousands of units of every type of housing, with waiting lists years long. The existing supply is deteriorating and disappearing

A Snapshot of Current Activity

Community Plan on Homelessness and Affordable Housing (Fort McMurray)

Encompassing the communities of Fort McMurray and Fort Chipewyan, the Regional Municipality of Wood Buffalo (RMWB) faces the unique challenge of being a hub of Alberta's boom and bust economy. Over the last decade, the area's permanent and transient populations have increased dramatically, leading to an often prohibitive cost of living and a host of other social issues. To address these concerns, the RMWB has been working in partnership with federal and provincial governments and with several community organizations to identify problems related to social housing infrastructure in the region, as well as potential solutions.

According to the Community Plan, the municipality functions as a community-based organization responsible for distributing federal and provincial funds, and in this capacity facilitates a variety of programs aimed to prevent and end homelessness. The Plan's partners include seniors and aboriginal groups, human service providers, the local health region and many others. One partner, the Wood Buffalo Housing and Development Corporation, has succeeded in providing hundreds of rental, ownership, emergency shelter and transitional housing options for people who need them. This year's partnership with the Center of Hope will allow its Housing First Coordinators to engage in meaningful dialogue with the homeless in the region, with the goal of finding them appropriate and sustainable housing.

For more information, visit www.woodbuffalo.ab.ca/residents and click Social Support Services.

without adequate funding available to upgrade it, and the demand is increasing faster than construction.

There is optimism the “Housing First” model being implemented around Alberta in conjunction with ten year plans to end homelessness will make a difference for some people. But there is also anxiety that provincial funds available to supplement rents and prevent evictions have been cut back, so the danger of new people falling into homelessness is greater. Many people need specialized services to remain housed but funding for this work is difficult to secure. There are concerns about specialized emergency shelter needs too, such as those for families with children, youth, and in areas of large cities far from the concentration of urban core shelter spaces.

Child care and early childhood development

The national Campaign 2000 initiative has for 20 years reminded Canadians that when children and youth are living in poverty, there is long-term damage. Early child development services such as Head Start are especially important to equip all children for school success. In most communities the availability of affordable good-quality day care and after-school care is a concern. Alberta does provide subsidies for childcare but many low income families cannot afford the parent fee above the subsidy and are unable to access licensed day care or day homes for their children.

It can be difficult for immigrant families with preschool children to be involved in official language learning programs when they have no connections in the community. Yet without language proficiency, the potential for jobs that pay well is remote and a family can be trapped in poverty. Those who need occasional child care and do not have safe places to leave children run into trouble without drop-in care being available, but with subsidies directed to parents and not to day cares this is difficult to provide.

Recreation and culture

Access to recreation and cultural opportunities is important for all ages and may be less available when people do not have money. This may be because of inadequate subsidized programs, or parents busy with jobs for survival or without transportation. Municipalities that provide low-cost or free use of facilities see a large take up and some organizations, such as the YMCA, are generous in providing access to their facilities. There are also popular initiatives to provide opportunities in the arts to children and adults. Opportunities to go to camps, especially those that provide a chance to get away from urban settings, are oversubscribed and much appreciated.



A Snapshot of Current Activity Crisis Assistance Network (Medicine Hat)

Medicine Hat's unique response to the challenges of poverty and homelessness, the Crisis Assistance Network, was initiated in 1997 and serves as a vehicle for working collaboratively to relieve the suffering of those in poverty.

CAN has been involved in several broad-ranging projects, from food distribution to low income housing to support for managing finances. In 2008, they worked together with the McMan Youth, Family and Community Services Association, the Medicine Hat Community Housing Society and other agencies and organizations to create a temporary shelter called the Winter's Inn, in order to meet the needs of those with no place to stay during the coldest months of the year. Work is underway to ensure the shelter is available this winter as well.

The Network plays an important role in Medicine Hat, representing several community service organizations and providing leadership and a vision to end poverty. They are currently constructing a website.

Seniors

There is concern with the rapidly growing population of seniors and the high levels of need this will create. Because of pension regulations in particular, a disproportionate percentage of those experiencing poverty will be women. Being able to live independently for as long as possible is both a more socially healthy approach and fiscally sensible but the services to support this must be developed, extended and securely funded. Many centres are already experiencing a lack of services for seniors. The current government policy of privatizing and shifting costs directly to seniors will further increase problems for seniors on fixed incomes.



Service provider capacity

Programs and services to eliminate and alleviate poverty require resources such as buildings and vehicles to be effective. Many service providers are getting by with inadequate facilities. They have challenges funding operating costs, insurance, and maintenance, and securing the range of equipment needed. Employment assistance services require expensive technology and software or people will not meet the requirements of employers. Without vehicles to pick up families with children or people with physical disabilities it can be impossible to help.

Innovative examples of shared facilities demonstrate a commitment to cooperate and enable everyone to do a better and more efficient job. Funders such as United Way provide support for greater collaboration, not just with direct services and facilities, but with ensuring complete and accurate information is easily available in communities. New approaches to shared services are being tried around Alberta to meet financial and human resources needs with excellence and efficiency. Creative examples of space for recreation being made available by municipal governments and educational institutions are increasing.

A Snapshot of Current Activity Womanspace (Lethbridge)

Stories and statistics both show that some groups are hit harder by poverty, one of those groups being women. In Lethbridge, Womanspace is a community-based organization whose vision is to encourage and support equality for women on a political, social and economic level.

Womanspace's numerous projects have included a Gendered Approach to Immigrant Services, aimed at meeting the specific needs of new Canadian women, and an 18-month Women's Political Participation project, during which a framework for collaboration and future action was built in order to raise awareness of and engagement in politics for women. A current project, Your Money and Your Life, focuses on empowering low income women to manage their finances wisely and effectively, a first step towards greater financial security, autonomy and freedom from poverty.

For more information, visit www.womanspace.ca.

Place-based initiatives

Place-based initiatives are developed in a particular location or group, and are able to address local circumstances precisely. Street newspapers, community festivals, safe communities activities, and peer-support programs for people with mental illnesses are examples of this. People living in economic poverty must be significantly involved in providing perspectives and having meaningful roles in the development and delivery of programs and services. Place-based activity makes this more possible.

"Place-based initiatives are effective because they can be tailored to unique situations and can leverage local assets very effectively."

~ Mark Cabaj

School completion

Youth who do not complete high school and additional post-secondary education and training are at increased risk of experiencing poverty. This is a larger issue in Alberta than in most of Canada, especially with men. Families may depend on the additional income of youth taking jobs, rather than continuing education. When having to depend on loans, post-secondary education can become impossible for a low income person to consider.



A Snapshot of Current Activity Family Services of Central Alberta (Red Deer)

In Red Deer, a public service initiative that began fifty years ago has grown and evolved to meet the needs of around 300,000 residents of 16 communities in central Alberta, and is now a non-profit organization committed to promoting the health, autonomy and dignity of families in the region. FSCA receives provincial and federal funding, and works with a long list of community partners in Red Deer and the surrounding area.

A broad range of programs and services are provided for all ages, including counseling, home visitation, drop-in programs and community outreach. Their Understanding the Early Years (UEY) program is a partnership with local schools focused on early childhood development, and has met with success in the community. All of FSCA's programs and services are made to be affordable, to ensure every individual and family has access to the support they need.

For more information, visit www.fsca.ca.

A Snapshot of Current Activity Community Village (Grande Prairie)

Thanks to partnerships with provincial and municipal government, business and other agencies, and with the owner of a large site in downtown Grande Prairie, the Community Village is able to provide a unique space in which many community service organizations are housed under the same roof. Guided by principles of collaboration, partnership, accessibility and harm reduction, the Village offers a wide variety of services with the common goal of working to alleviate poverty.

Groups such as the Salvation Army, the Canadian Mental Health Association, the Grande Prairie Youth Emergency Shelter, HIV North Society, the Lesser Slave Lake Indian Regional Council and the Suicide Prevention Resource Network are all part of the Community Village, among many others. The Village's Board of Directors has big plans for this and next year, including bringing in new organizations, hosting fundraisers, establishing a community garden on site, and completing renovations to maximize access to its wide variety of cooperative social services.

For more information, visit www.thecommunityvillage.ca.

Literacy

Literacy (including numeracy and computer literacy) needs more attention at all age levels. Too many adults do not have strong enough literacy skills to secure and hold good employment in a high-tech world. Post-secondary institutions and community organizations offer options to improve literacy. Some are designed to meet the needs of those with work or family commitments and unable to study full time or during normal business hours. Some employers provide support as well. Public libraries are actively developing creative programs and welcoming facilities for all ages and income groups.



Employment

Employment is a major focus of many current programs around the province. The best route to having enough money is to have a secure job that pays adequately. There are many people with specialized needs that will continue to require programs and services, but much of the human services work that takes place would be unnecessary if more people had enough money to meet their own needs.

Provincial funding has placed some priority on training and programs to assist people to gain employment. But with substantial increases in unemployment in the past months and a large difference between minimum wage and a living wage, more will be needed. In difficult economic times businesses are less able to consider options such as internships, mentorships, apprenticeships, and other transitional or flexible employment options, without some subsidization. The issue of adequate income for employment is highlighted in communities where people with full-time work use emergency shelters because they cannot afford to rent their own apartments.

Seeking to have people achieve the best employment illustrates the interconnections between issues of poverty; when transportation is inadequate to areas where there are jobs, or when child care is not available at necessary times, people with work skills are having to pass up employment opportunities.

A Snapshot of Current Activity Edmonton Regional Immigrant Employment Council (Edmonton)

Immigrants to the greater Edmonton area are often more skilled, educated and experienced than Canadians of the same age, yet still face significant barriers to meaningful participation in the economy. When they cannot overcome these barriers, newcomers and their families are left to struggle with the many harsh consequences of poverty. The ERIEC was established in 2008 as an industry-led non-profit organization dedicated to breaking down those barriers, and allowing immigrants to contribute and reach their full potential.

The ERIEC works with stakeholders in government, community and industry - such as the Edmonton Economic Development Corporation - to address comprehensively the various challenges facing immigrants, which include language barriers, non-recognition of credentials, and a lack of connections in the job market. Various working groups focus on systemic barriers, awareness-building and engagement with employers and communities, and connecting immigrants to valuable information and employment programs, such as the new ERIEC Mentorship Pilot Program which provides occupation-specific mentorship opportunities.

For more information, visit www.eriec.ca.

Accessing benefits

Incomes can also be improved by ensuring low income Albertans receive tax and health benefits for which they qualify. Better financial literacy enables people to use income more effectively. Programs in many communities focus on these things, including assisting people to file accurate income tax returns.

Income support

All aspects of poverty alleviation in Alberta depend to some extent on the commitment of resources by governments. This is most evident with income supplementation and replacement programs. People who are not earning enough to provide for themselves and their families may depend more on services to address gaps. If they can receive enough income support to ensure an adequate quality of life, this will be less likely.

Some programs that provide income are seen as inadequate, such as Employment Insurance both in relation to who qualifies and the period for which benefits are payable, and Alberta Works for single adults deemed to be employable. Inequities between programs create difficulties. The difference in rules between Assured Income for the Severely Handicapped and the Alberta Works allowance for those with medical issues is one example.

Many community agencies have to invest significant resources helping people get income support. This is because it can be difficult to find information and routes through bureaucratic complexities, especially for people already coping with challenges.

Asset building

Hopeful initiatives in such areas as community economic development, social enterprise and micro-enterprise loan funds, and avenues for people to become homeowners through means such as land trusts and cooperative housing are making it possible for people to begin to gain assets. Even with an adequate income, the absence of assets leaves people vulnerable to a quicker fall into poverty.



A Snapshot of Current Activity Vibrant Communities Calgary (Calgary)

As part of a cross-Canada initiative supported by Tamarack – An Institute for Community Engagement, Vibrant Communities Calgary is a non-profit organization promoting community-based action to address the roots of poverty in one of Canada's most affluent cities.

VCC works collaboratively on a number of campaigns, including Fair Calgary, which works towards universal access to public services and spaces; a Right to Vote campaign, aimed at removing barriers that prevent participation in municipal democracy; and a campaign for Affordable Transportation. Their important work on establishing a Living Wage Policy in Calgary continues, with the most recent research showing that the 65 000 Calgarians making less than a living wage (\$12.25/hour with benefits, \$13.50 without) are unable to meet their basic needs, and that a disproportionately high number of these are women.

VCC's advocacy efforts in all areas are inspired by a commitment to place-based, grassroots initiatives that bring everyone to the table and make use of assets already existing in the community.

For more information, visit www.vibrantcalgary.com.

Failing to act will worsen poverty

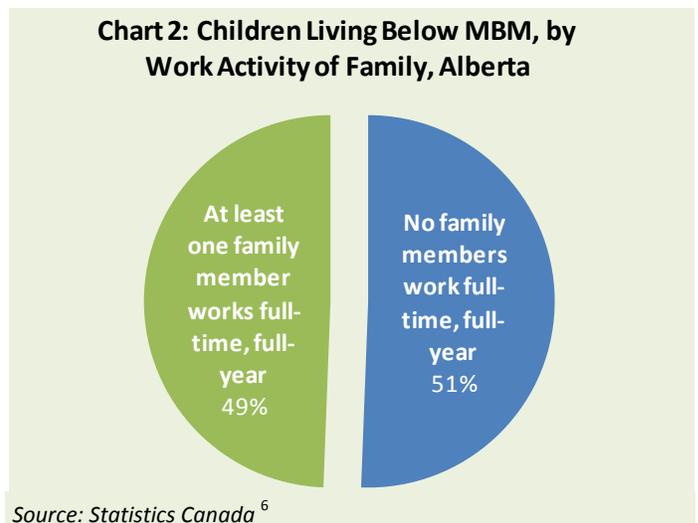
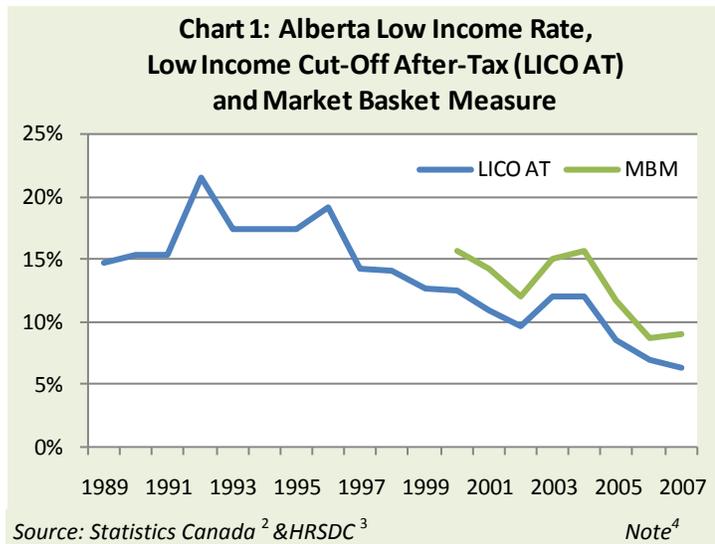
Diverse initiatives to address poverty now are commendable. But what is happening is not good enough. Far too many people are vulnerable or being hurt by the ravages of poverty. There is no overall strategy to work towards a clear goal of ending poverty and little thinking about prevention. There is considerable evidence problems are quickly getting worse, with the impacts of recession leading to losing the modest gains of recent years, especially if governments cut social investments.

Poverty reduction gains threatened

Far from ending child poverty by the year 2000, as Canada's Parliament committed to in 1989, rates and numbers of children living in poverty increased until the late 1990s. In the past decade, some progress in reducing child poverty has been made due to a strong economy and investments such as enhanced child tax benefits. The most recently available data on child poverty in Alberta (Chart 1) is from 2007, at the height of the province's economic boom.

Most low income parents work

Even in 2007, at the height of the economic boom, 59,000 children in Alberta (over one in 12) lived in poverty. For many low income families employment alone is not a ticket out of poverty. One in two children in poverty live in a household where one or more adults works full-time for the full year (Chart 2). According to 2006 Census data, four out of five children in poverty live in households where one or both parents work less than full-time for the full year. (ESPC⁵ p4)



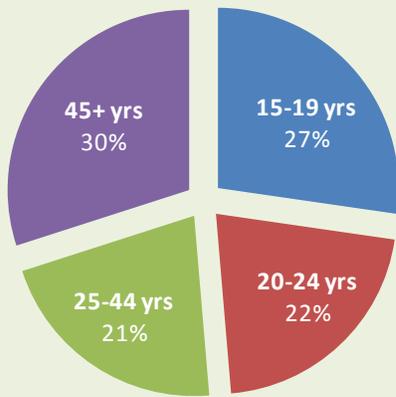
There is growing evidence the current recession is hitting low income Albertans, especially families, hard, due to job losses and reductions in work hours.



One in four Albertans works for low wages

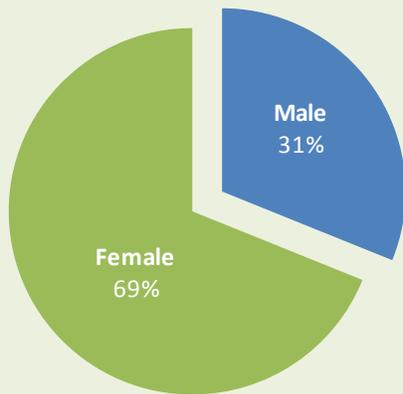
Over one in four employed Albertans (and over one in three employed women) works for low wages. Over half of Albertans working for low wages are over the age of 25 years, which means many will have children and other adult responsibilities (Chart 3). Women are significantly more likely to earn low wages than men; of all low wage Albertans over the age of 25 years, more than two in three are women (Chart 4).

Chart 3: Albertans Earning \$15 per hour or less, by Age Group



Source: Statistics Canada ⁷

Chart 4: Albertans Aged 25 and older Earning \$15 per hour or less, by Gender



Source: Statistics Canada ⁷

Rising unemployment is hitting vulnerable Albertans hard

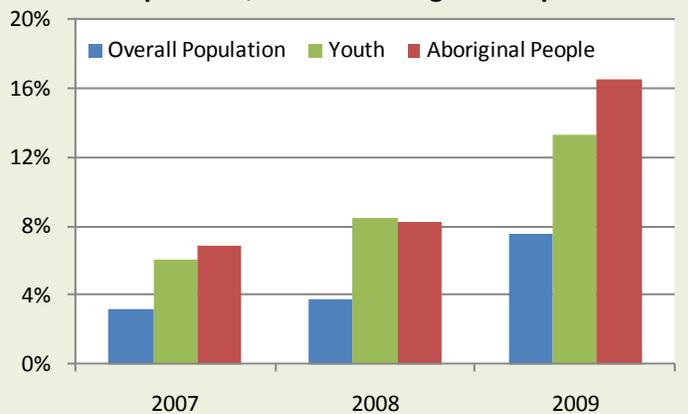
Overall unemployment has more than doubled since late 2008. Alberta suffered a net loss of 83,200 full-time jobs since October 2008 (Statistics Canada ⁸). These job losses are falling disproportionately on vulnerable Albertans.

As of October 2009, one in six (16.5%) off-reserve aboriginals overall and one in four (24.2%) First Nations persons (off-reserve) are unemployed (Chart 5).

There are dramatic job losses being suffered by recent immigrants too. There was a 2.4% reduction in Alberta employment in the past year for those born in Canada, but the corresponding reduction in employment for recent immigrants between the ages of 25 and 54 was a staggering 21.2% in Alberta, compared to 12.9% for Canada overall (Chart 6).

The number of unemployed Albertans receiving employment insurance benefits has more than tripled in the past year (Alberta OSI¹⁰). In July and August 2009 the number of EI beneficiaries declined despite rising unemployment, which suggests that EI benefits are being exhausted by some people who may next need to turn to social assistance.

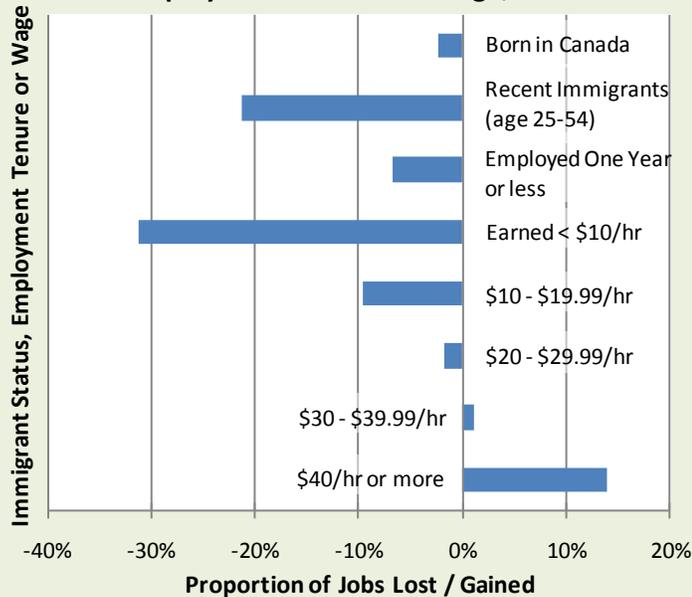
Chart 5: Unemployment Rates of Alberta Population, Youth & Aboriginal People



Source: Alberta E & I ⁹

In the past year, all of the net Alberta job losses were incurred by workers with job tenure of one year or less (6.8% reduction), compared to modest job gains for longer-tenured workers. Low wage workers are bearing a disproportionate amount of the job losses. There were net job losses of 31.2% for workers with hourly wages of less than \$10, 9.6% for workers making \$10 to \$19.99, and 1.8% for those making \$20 to \$29.99. This compares to job gains of 1.2% for those making \$30 to \$39.99, and 13.9% for those making \$40 or more per hour (Chart 6).

Chart 6: Proportion of Jobs Lost/Gained, Oct 2008 to Oct 2009, by Immigrant Status, Employment Tenure and Wage, Alberta

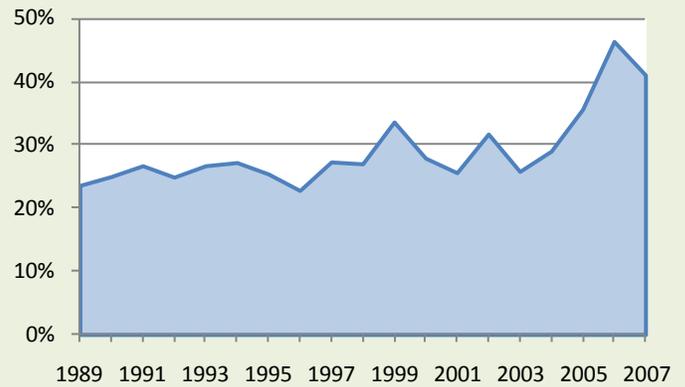


Source: Statistics Canada ¹¹

Government transfers make a positive difference

Well-designed government income transfer programs - such as child tax benefits, social assistance, and employment insurance - make a significant contribution to lifting people above the poverty line. In Alberta, the effectiveness of government income transfers in lifting children above the poverty line has increased over the years. In 1989, only about one in four children was lifted out of poverty in this way. By 2007, this had increased to more than four in ten (Chart 7).

Chart 7: Percentage of Children Lifted out of Poverty by Government Transfers, Alberta

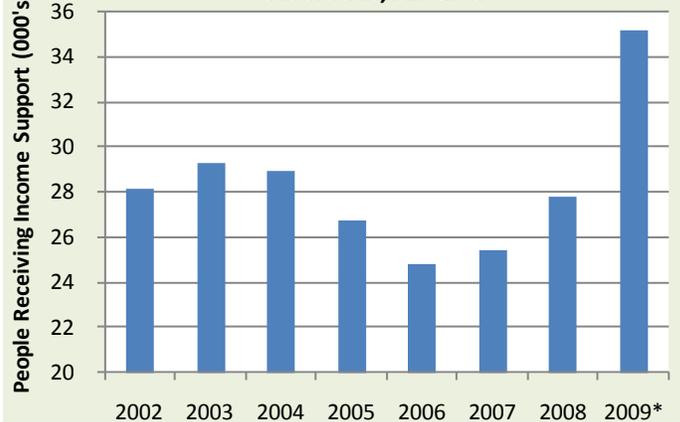


Source: Statistics Canada ⁶

Rising social assistance caseloads inevitable result of recession

Until the recession hit late in 2008, the number of people receiving income support was at a historic low level. Low income Albertans were working. The October 2009 caseload is up 36% from the year before (Chart 8) and one in three income recipients are single parents with children. Social assistance funding budgeted has not increased to keep pace with this greater need.

Chart 8: Income Support (Alberta Works) Caseloads, Alberta



Source: Alberta OSI ¹²

We must do better

Failure to undertake effective action to eliminate poverty will have increasingly serious consequences for those directly affected, and for the entire province. At the 20th anniversary of the unfulfilled national commitment to end child poverty in Canada, it is past time to undertake a comprehensive campaign to build a poverty-free Alberta. It is a moral imperative that makes good economic sense.

One year ago the Edmonton Social Planning Council published the report "We Can Do Better." At forums around Alberta in 2009, participants affirmed that poverty reduction and eventual elimination **is something we must do, and can achieve as key partners with shared concerns working together.**

Eliminating poverty is an investment

Forum participants described the elimination of poverty as an investment that will provide an excellent return for all Albertans, both in fiscal and human terms. They want to learn from each other about good practices and develop new and effective collaborative activities. They energetically expressed the desire for Alberta to be a leader in ending poverty, a model to the rest of Canada. This would be even more important than more traditional measures as an expression of Alberta being the best place to live.

Breaking the Cycle

Ontario's Poverty Reduction Strategy

- ◆ Highlight goal is a 25% reduction in number of children living in poverty within five years
- ◆ Key tool is Child Tax Benefit, started at \$600/year maximum, increased this year to \$1100/year.
- ◆ Families with annual incomes under \$20 000 receive the maximum Child Benefit.
- ◆ Tripling of Parenting and Family Literacy Centre to 300 locations
- ◆ Community Opportunities Fund for local revitalization projects
- ◆ Rent Bank Program for eviction prevention
- ◆ Coordinated approach recognizing children live in families and communities

Visit www.growingstronger.ca for more information.

"Alberta's boom-bust economic structure creates a climate of insecurity. It is difficult to make long-term plans when you don't know whether your job will be there next year - or next month."

~ Sherri Torjman

Current activity is focused on relieving symptoms, not addressing causes

There is currently a wide range of activity useful for people hurt by poverty. Individual and corporate acts of charity, excellent programs delivered by human services organizations and educational institutions, and financing by all orders of government are making valuable contributions. But much of this work lacks the security of stable funding and is vulnerable to political agendas. The current focus is primarily addressing symptoms of poverty, rather than addressing underlying causes that will equip those affected to change their circumstances, instead of simply surviving them. The absence of on-going prevention means the risk of a re-emergence of poverty is always present.

"The modest gains made in poverty reduction during the boom years will be put at risk unless the Alberta Works budget is fully funded this year and next. With unemployment still growing and low income Albertans exhausting their employment insurance benefits, further growth in social assistance caseloads is to be expected and needs to be planned for."

~ John Kolkman

Government commitment & leadership is essential

Alberta has many individuals and organizations with an extensive understanding about poverty. Determination to end poverty is strong. But the magnitude and complexity of the problem requires leadership from all orders of government. Stable adequate public funding and sound public policy are essential aspects of achieving a poverty-free future.

Some short-term actions are needed to ensure the current recession doesn't cause a large spike in poverty, thereby undoing a decade of modest improvement. As the economy and government revenues recover, further investment is needed in programs that have proven effective in reducing and preventing poverty.

Commit to fully fund social assistance immediately

A year ago, Alberta's strong economy meant Albertans drawing social assistance benefits from Alberta Works had reached a record low level. In the past few years, after years of cut-backs and freezes, there had been some modest increases in both Alberta Works and Assured Income for the Severely Handicapped benefits that relieved some of the worst challenges for some people.

At the very time low income Albertans who have lost employment and incurred significant losses of earned income are in need of a helping hand to get them through the recession, they could face reductions in the availability of income support. There is a shortfall of over \$100 million in this year's Alberta Works income support budget, but cutting benefits to address this would be catastrophic for recipients and their dependants. Looking at the near future realistically, since the job market tends to lag recovery in other parts of the economy, the provincial government needs to budget for further increases in the number of people needing income support next year as well.

Income supplements are a powerful tool

Funding of government programs that provide income supplements or replacements has a large role in what happens regarding poverty. When programs such as the Alberta Works welfare allowances do not pay at levels that have any resemblance to actual cost of living, it is almost certain those depending on these allowances will live in poverty and have little chance to escape this

situation. Income programs must provide an adequate safety net to make it possible to recover and move forward.

Levels of support must have an accurate relationship to living costs, with mechanisms to adjust to changes in costs in a timely, accurate way. Consistency between programs is important so that some are not more generous than others, and perceptions are not created of there being "deserving" and "undeserving" amongst poor people. Access to programs and the processes for getting service and reporting need to be as clear, quick, and simple as possible, and available for those who may have such challenges as literacy or transportation.

Child tax benefits best way to reduce family poverty

Child tax benefits are the most effective way to reduce child and family poverty. They do not discriminate based on source of income and are easy to administer, being directly linked to filing an income tax return. At no extra administrative cost, the provincial government could introduce an Alberta Child Benefit for low and modest income families to parallel federal child tax benefits.

"Federal child tax benefits play an important role in reducing child and family poverty. This province should follow the lead of most Canadian provinces and introduce an Alberta Child Benefit for low and modest income families. Enhanced child tax benefits represent an effective investment in Alberta's future."

~ John Kolkman

Despite a more severe downturn than Alberta's, the Ontario government doubled the Ontario Child Benefit this year to \$1100 per child, with another scheduled increase to \$1310 next year. Alberta's stronger position should allow it to introduce an Alberta Child Benefit at least equal to Ontario's. As federal government revenues recover, real increases to federal child tax benefits should be made as well. Campaign 2000 recommends the maximum federal child tax benefit (including the supplement for low income families) should eventually increase to \$5400 per child for the lowest-income families.

Public funding of key programs

There are too many programs and services that should be publicly funded, but that have been eroded by long years of creeping user fees, slowly transferring costs to people instead. At the same time, chronic underfunding and cuts have further hurt the capacity of publicly funded programs to reduce some of the effects of poverty and create a more equitable society.

Many of the most essential needs, such as health, education and housing, are costly and the for-profit sector will not take a major role without getting a return. Developers have consistently indicated they are not going to invest in low income affordable housing, so the shortfall of thousands of units of such housing in Alberta will only be addressed if there is adequate public sector funding.

Support to service providers

When service providers do not have stable long-term funding, it is difficult to develop and operate programs. Skilled personnel lose employment when programs come and go, and they move on. New people have to learn skills and valuable time is lost as they become competent. The current funding processes require organizations to spend a great deal of time and energy developing proposals, rather than putting resources into their actual missions.

There is a strong commitment to ensure that activity is evaluated with real outputs, and that outcomes are identified and monitored. But excessive reporting on small details not related to the purpose of the work can eat up significant resources.

Without stable long-term funding, people needing services can have a more difficult time because what is available at any organization is always changing, and staff may be challenged to make effective referrals or to work together collaboratively. Even community information services find it difficult to have current accurate information about what is available and where.

Funding should be based on achieving a real, long-term, positive impact and equipping people to meet their own needs, not on political agendas. For example, literacy programs are a key factor in supporting people to secure better-paying employment.

A significant concern in the not-for-profit sector is that inadequate funding often means staff are paid poorly. This can make it hard to recruit and retain excellent staff. Surveys of the salary and benefits available in the not-for-profit sector consistently show a large gap with the public and for-profit sectors for similar work.

Public policy and legislation is important

Sound public policy is vital to poverty elimination and prevention. Without legislation, regulations, and policies based on a good understanding of why people become or remain poor, there is no solid infrastructure to develop funding approaches or particular areas of action and program.

There is a need for more high-level cooperation within and between orders of government. Failure to realize that inadequate options for adult literacy add to the cost of welfare, that the lack of decent housing leads to more health care costs, or that the absence of bus routes to industrial areas of the city means people cannot take jobs they need leads to poor decisions. Failure to have rent increase guidelines or to adequately fund rent supplements leads to people becoming homeless, and to far greater financial costs for providing emergency shelter space.

While it is beginning to change now, the Alberta approach to keep minimum wage very low for many years was a matter of public policy. The official explanations for this did not match the facts. Those receiving minimum wage are not concentrated amongst youth living at home and earning a little spending money, but involve women with children, new immigrants, and seniors in significant numbers. Maintaining the focus of the debate on minimum wage rather than living wage is another reflection of a public policy decision that influences the ability to look accurately at poverty elimination.

Funding and program decisions need accurate research that provides a clear place for people experiencing poverty to be involved and heard. When the reports of task forces are filed and forgotten, or policy frameworks are approved but no resources dedicated to implementing their content, cynicism is created with those living in poverty and the importance of the issue is lost for many others.

A home is essential

The negative consequences linked to housing insecurity since the sudden massive end of public investment in social housing more than 15 years ago continue to grow in magnitude and complexity, and make progress towards the elimination of poverty difficult.

Never before in Alberta have so many people been experiencing severe housing problems. Some are homeless, others have to spend so much income on housing because of the shortage of low-rent units that they have nothing left for other needs. For many it is impossible to move to home ownership and begin to accumulate assets, and many others face dangers from living in housing that is unsafe, unhealthy or overcrowded. Children end up in child welfare with large human, social, and financial costs, because of parents' housing problems. People are unable to secure and retain employment because of homelessness. Vulnerable populations such as seniors, immigrants, and people with disabilities are much more likely to experience a poor quality of life because of not having the housing they need. Those seeking to move through transitional issues such as addictions are not able to progress because appropriate housing and related services are not available to support them.

The absence of comprehensive long-term housing plans makes it hard to use resources well. Programs come and go in disconnected ways. Announcements of government commitments to housing security are not met with investments and, in some cases, vital programs are even reduced. Large investments help a small number of the most chronically homeless become housed, but a lack of commitment to programs to prevent homelessness - by subsidizing the construction of basic low income rental units, for example - assures that as some are being helped out of homelessness, they will be replaced by others pushed into the same circumstances.

In October 2008, the Alberta Secretariat for Action on Homelessness estimated a 10-year investment of \$3.3 billion (\$330 million/year) is needed to end homelessness in the next decade. Despite making a policy commitment to end homelessness in ten years early in 2009, the current provincial budget delivered only one-third of the required investment, and diverted those dollars from existing housing programs. In addition, support for low income renters was cut by 40% in this year's budget. The commitment to end homelessness must be backed up with sufficient provincial investment.

The importance of assuring homes for all as a core principle of eliminating poverty is endorsed in every community in Alberta.

Reducing Poverty An Action Plan for Newfoundland & Labrador

- ◆ Vision is a prosperous diverse province where poverty has been eliminated
- ◆ Began in 2006 to address having 62,000 people (17,000 children) living below LICO in 2004
- ◆ Key goals include improved access to services, stronger social safety net, improved incomes, and an early childhood development priority
- ◆ Tools include Low Income Prescription Drug Plan, elimination of school fees, increases to income support rates, and building more affordable housing
- ◆ Commitment to regular public reporting

Visit www.hrle.gov.nl.ca/hrle/poverty/index.html for more information.



The focus of a strategy must address causes

Albertans understand the importance of addressing the immediate consequences of not having enough money to live adequately. Some needs are poorly addressed at times, the quality of what is done can be uneven, and unexpected crises can develop, but there is agreement on the need to respond to issues that are the evidence of poverty. Often it is not difficult to get at least some resources for such activities.

Only responding to the difficulties that accompany poverty, however, is an expensive way to operate. It is also less dignified and respectful - those who are economically poor are continually forced into a situation of having to beg for assistance in one way or another. Merely ameliorating the results of poverty has a limited impact on changing the probability that poverty will continue in communities.

“The poverty reduction plans in several provinces recognize the complexity of the problem. There is no single cause and no 'magic bullet' solution.”

~ Sherri Torjman

There is strong support for a poverty elimination strategy with much more attention to the **causes** of poverty.

Albertans deserve to earn a fair income from working

Most people want to work. The best way to eliminate poverty is to ensure people have enough money to live adequately. Secure jobs that pay well are a fundamental way to do this.

A few years ago Alberta had the lowest minimum wage in the country. Today, at \$8.80 per hour, it is in the middle. Minimum wage is far from a living wage, but it can be useful in the effort to end poverty if it remains linked to changes in the average weekly earnings index. After the economy recovers, increases beyond inflation should be considered.

Vibrant Communities Calgary has determined that in 2008 a living wage of \$13.50 per hour without benefits and \$12.25 per hour with benefits would be required to ensure that people working full-time for the full year could live above the poverty line. (VCC¹³).

Policies need to be developed that improve wages, benefits, and other conditions for low income workers without extended health and dental benefits, employment pensions, and job security. Working income tax credits reward the work effort of those employed in low-paid jobs. The base of the existing Alberta family employment tax credit should be expanded to include single adults and childless couples, paralleling the federal working income tax benefit.



Early childhood development is a powerful preventive investment

Improving the quality, access and affordability of child care and early childhood development programs would make a positive difference for low income families. Preventing poverty and supporting people with low incomes requires an investment in developing a good early learning and child care system. For families new to Canada or without resources, children may not have the rich opportunities for socialization and learning that most children have. Books and games may be missing from their homes for example. Children struggling academically from the time they begin school will be less likely to complete school and without at least a high school education there is a greatly increased probability of living in poverty. Many see failures in early childhood development to be at the roots of the “poverty cycle,” where poverty becomes established over generations in some families.

Children do not fail academically in many cases because of intelligence, but because they have missed important developmental opportunities. Early childhood development is an effective tool for making an investment early in a child's life and seeing the results make a positive difference for that child and many others for decades to come.



Greater understanding of poverty & its elimination

Many people in Alberta enjoy an excellent quality of life. They have substantial economic, material, and educational assets. In many cases they have little personal connection to poverty or accurate information about it. Yet without broad public concern it is less likely a poverty elimination strategy will succeed. There is a need to educate and advocate about poverty. Approaches might include curriculum in the school system, recruitment of respected community leaders as champions, and more attention to this issue in both traditional and new media.

Many Albertans lack awareness about the level of income required to meet basic needs. Some Albertans believe it is important to help out when others are experiencing difficulty, but do not realize the complexity and interconnectedness of the major issues that are part of the poverty problem and the need to have well-designed comprehensive plans to address it.

Elected leaders respond to the voices of citizens. Elected people sympathetic and committed to the elimination of poverty need to know when they speak out that they represent many others who are also concerned.



Action is needed now

Albertans are saying we cannot just talk about poverty and its elimination. At the forums, people agreed we know much of what needs to happen. Energetic plans as good or better than anything happening anywhere in Canada are needed now. If poverty grows in Alberta, if some people in our communities fall further behind others and have little opportunity to close that gap, we are setting up a situation dangerous for all of us.

The immediate need is to develop targets, timelines, and responsibilities.

Good action planning has a balance. Planning that looks only far down the road and presents everything in long-range terms may lead to little happening now to move towards that future. The absence of good planning is wasteful and ineffective and lead to gaps and overlaps. What is needed is the development of a strategy that is comprehensive, with clear and specific activities; descriptions of resources, of what will be achieved and of how life will be different as a result; exact indicators to measure progress; and requirements for clear and accessible reporting on that progress.

Governments are elected every three or four years, so plans that have interim goals with such a timeline are important, as long as they are in a framework that also sees a longer view.

Good planning needs good communications. Those concerned about the end of poverty in Alberta want to be connecting with each other, sharing experiences and ideas. They do not want plans that come from on high, but that are carefully constructed from the ground up. It is important that planning for action not only involve policy makers, funders, and experts working together. The wisdom of people living the experience of poverty is essential. These people must have influence in planning, not a token role.

"Placed-based and policy responses to poverty are not mutually exclusive – almost every issue related to poverty requires both responses working together."

~ Mark Cabaj

Collaboration and cooperation must be nurtured, not imposed. Partnerships must demonstrate they provide clear benefits in the achievement or efficiency of a poverty elimination plan. Local, regional, and provincial structures must avoid creating more bureaucracy, or using resources poorly. Cooperative activity should enhance performance and reinforce a sense of shared mission.

Sources & Notes

- 1 Food Banks Canada. (2009). *HungerCount 2009*. Toronto: Food Banks Canada. Retrieved from <http://foodbankscanada.ca/documents/HungerCount2009NOV16.pdf>
- 2 Statistics Canada. (2009). *Income Trends in Canada, 1976-2007*. Retrieved from: <http://www.statcan.gc.ca/pub/13f0022x/2007000/table-eng.htm>
- 3 Human Resources and Skills Development Canada (HRSDC). (2009). Low Income in Canada: 2000-2007 using the Market Basket Measure. Retrieved from: http://www.hrsdc.gc.ca/eng/publications_resources/research/categories/inclusion/2009/sp-909-07-09/page05.shtml
- 4 Note: Rates of child poverty using the Market Basket Measure approach developed by the federal government and the provinces are consistently higher than the relative Low Income Cut-off (LICO) after-tax measure used by Statistics Canada.
- 5 Edmonton Social Planning Council. (2008). *We Can Do Better: Toward an Alberta Child and Family Poverty Reduction Strategy*. Available online at: http://www.edmontonsocialplanning.ca/images/stories/pdf/We_Can_Do_Better.pdf
- 6 Statistics Canada. (2009). Custom Tabulations, SLID Masterfile.
- 7 Statistics Canada. (2009). Custom Tabulations, Labour Force Surveys, April 2008 to March 2009.
- 8 Statistics Canada. (2009). Labour force characteristics by province. Retrieved from: <http://www.statcan.gc.ca/subjects-sujets/labour-travail/lfs-epa/t091106a4-eng.htm>
- 9 Alberta Employment and Immigration. *Labour Force Statistics*. Retrieved from: <http://www.employment.alberta.ca/BI/12210.html>
- 10 Alberta Office of Statistics and Information. (2009). *Alberta Official Statistics—Fact Sheet. Labour: Employment Insurance Beneficiaries*. Retrieved from: https://osi.alberta.ca/Documents/206_Labour_Employment_Insurance_Beneficiaries_Fact_Sheet.pdf
- 11 Statistics Canada. (2009). Custom Tabulations for Alberta, Labour Force Information. Retrieved from: <http://www.statcan.gc.ca/pub/71-001-x/71-001-x2009010-eng.htm>
- 12 Alberta Office of Statistics and Information. (2009). *Alberta Official Statistics—Fact Sheet. Labour: Income Support Assistance*. Retrieved from: https://osi.alberta.ca/Documents/207_Labour_Income_Support_Assistance_Fact_Sheet.pdf
- 13 Vibrant Communities Calgary. *Living Wage Basics*. Retrieved from: <http://www.vibrantcalgary.com/work-vibrant/living-wage-basics/>

Next Steps: It is time to make Alberta Poverty-Free

This report makes clear Albertans care deeply about taking action on poverty. We live in a wealthy province with the capacity to be a leader in making sure everyone can share in the benefits of a healthy economy and strong, vibrant communities. Other countries and six other provinces have already established comprehensive poverty strategies with targets and time lines. It's time now to take the next steps towards a poverty-free Alberta.

Join together to develop an effective plan

We are calling upon the provincial and municipal governments to join with the people and families who struggle with poverty, community organizations, business, organized labour, and aboriginal communities, to develop an effective and dynamic poverty elimination plan for the province.

Build political support and leadership

This report will be sent to all provincial politicians and the city councillors of the seven cities where the forums were held. Over time (and with your support) we will reach out to politicians and community leaders in every community throughout Alberta asking them to show local leadership in building a comprehensive poverty strategy.

Expand the network and public support

We will continue to build a network of people and organizations that will agree to reach out to their members and in their communities to build the political momentum for a comprehensive poverty strategy. Citizens and organizations are asked to sign on to the campaign for A Poverty- Free Alberta by going to the Public Interest Alberta website, www.pialberta.org.

Research the challenges of poverty and profile solutions

As outlined in this report, poverty is a complex social and economic issue. But there are many examples of programs and policies here in Alberta and in other jurisdictions that have proven to work. By providing on-going research into effective strategies to reduce and eliminate poverty, we will be able to demonstrate how to most effectively invest in proven solutions.

Speak out about making Alberta poverty-free

It is vital that citizens of Alberta show they care by speaking out for a real comprehensive strategy for a poverty-free Alberta. Write or call your provincial and municipal politicians to ask if they are committed to a plan to eliminate poverty (links provided on website). Write letters to your local newspaper or call into your favourite radio talk show. Ask your local business association, union, or community organization to sign on and get involved in the campaign. Volunteer with your local community human service organizations and/or donate to the United Way and the many excellent organizations that are working to reduce poverty.

By taking these next steps, we can build and implement a comprehensive strategy that will reduce, prevent and, one day, eliminate poverty in Alberta.



Public Interest Alberta
www.pialberta.org



edmonton
SOCIAL PLANNING COUNCIL
www.edmontonsocialplanning.ca