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WORKING HARD, LIVING LEAN

**A Qualitative Study Of
Working Low-Income Families
In Edmonton**

Summarized Version

**The Family Service Association of Edmonton
and The Income Security Action Committee**

September 1991

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WORKING HARD, LIVING LEAN

A QUALITATIVE STUDY OF WORKING LOW-INCOME FAMILIES IN EDMONTON SUMMARIZED VERSION

INTRODUCTION

Over the past decade, human service professionals and policy makers have become increasingly concerned about the problems and situations experienced by working poor families. While there is socio-demographic data about such families, there is little qualitative and anecdotal information to help us better understand the so called working poor.

In response to this information deficiency, the Family Service Association of Edmonton (FSAE) and the Income Security Action Committee (ISAC) designed a research project together to collect information from working poor families through focus groups and individual interviews.

While the research did concern itself with gathering pertinent socio-demographic information (income, education, etc.), its primary aim was to solicit and facilitate input from the working poor in order to enhance and expand the community's understanding of the feelings, experiences, opinions, reactions, and attitudes of people who are employed yet subsisting on incomes beneath the poverty line. As much as possible throughout this report, we have presented the concerns and perceptions of the research participants in their own words.

Nine areas of concern were identified by the research project's Advisory Committee (see chart). Considerable time was spent in discussion with the research participants in order to fully understand and document the nature and extent of these concerns.

AREAS OF CONCERN

- **INCOME SECURITY**
- **HEALTH CARE**
- **HOUSING**
- **PARTICIPATION IN SCHOOL ACTIVITIES**
- **CHILD CARE NEEDS**
- **EDUCATION AND SKILLS TRAINING**
- **LABELLING OF THE WORKING POOR**
- **ACCESSIBILITY TO INFORMATION AND SERVICES**
- **SUPPORT NETWORK.**

WHO PARTICIPATED

Sixty families participated in this study, all of whom were classified as "working poor" (See definition developed by the research team). Forty-one families participated in focus groups sessions, while 19 families were interviewed individually. As well, 12 children from the families were interviewed.

Considering parents and children, these families represent 208 individuals. Thirty-seven families were headed by a single parent (35 by women); the remaining 23 families were two parent households.

MAJOR FINDINGS

■ LIVING IN POVERTY

All of the families who shared their income with us (52 families) had annual incomes at or below the poverty line.

Over sixty percent (34 families) had incomes between \$6,000 - \$16,000. The remaining 18 families had incomes between \$13,000 and \$25,000. The average number of children per family was two. For a two-parent family with two children, the poverty line is just under \$28,000. For a single parent family with two children, the poverty line is \$24,255.

DEFINITION OF WORKING POOR HOUSEHOLD

- a) A household that earns approximately one-half of its total income from employment.
- b) A household whose annual income from all sources is under or near the poverty lines based on Statistics Canada's low income cut-offs as estimated by the National Council on Welfare.
- c) A household that has at least one child or dependent.

"Budget my money, that's a laugh! The best I can do is juggle the bills well enough to satisfy a few, some of the time."

■ EDUCATION LEVELS

Of the 51 parents who were charted for education, 37 (73%) had achieved either a Junior High or High School education -- 11 and 26 parents, respectively.

■ EMPLOYMENT

At this time of the study, 38 (46%) of the 83 parents were employed full-time. Twenty-six (31%) were working part-time. The other parents mentioned being employed sporadically throughout a given year, being currently unemployed, undergoing upgrading, or being off of work due to job-related injuries. The data indicate that the majority of two parent families had both parents working; as well, the majority of single parents were employed at the time of the study.

■ HOUSING

Twenty-four (40%) were living in subsidized housing and felt that without such housing their lives would be far worse off financially.

■ HEALTH CARE BENEFITS

A common problem expressed by the parents was the lack of extended health care benefits. Thirty-three (56%) of the 59 families who responded to the question indicated that most of their health care needs were not met. They could not afford prescriptions, glasses, over-the-counter drugs, dental care, and other special medical needs. Seventeen (51%) of these 33 families were dependent on subsidized income. Of the remaining 26 families (44%) whose health care needs were mostly met, 10 (38%) stated that their employment benefits were able to cover most of their medical needs.

■ DIET

Many parents were distressed about not being able to provide an adequate and well-balanced diet for their children. For some families, obesity was cited as a problem due to the amounts of starchy foods consumed day to day.

"I'm so frustrated I cry at night when I have to feed my kids macaroni again and again just to fill them up. That's not healthy, but I've got no choice...I can't use the food bank more than once a month,...I don't qualify for social assistance."

■ EXPENDITURE ON NECESSITIES

Forty-seven (80%) of the families¹ reported spending 90-100% of their income on necessities (food, shelter, clothing), while 11 (19%) spend 70-90% of their income on such needs. These figures are much higher than the 58.5% figure which is used by the National Council on Welfare in arriving at the low-income cutoffs on poverty lines.

■ SUPPORT SERVICES

Family members did not appear to be accessing the information they require about available services. Sixty families (83 parents) could name only twenty-eight different agencies. Eight of these agencies were income security programs or agencies that provide emergency food and low or no cost clothes and household goods.²

■ PERSONAL SUPPORT SYSTEMS

Respondents indicated that personal support systems (e.g., extended family and friends) are important in terms of coping with day to day problems. Twenty (33%) families reported that they receive some form of monetary assistance from other family members. Another seven families (11%) stated that they receive such assistance from friends. Such "borrowing" tends to magnify the embarrassment and anguish of being poor and unable meet one's own needs.

¹ n = 59 families

² The eight agencies were Alberta Family and Social Services, Blissell Centre, Christmas Bureau, Edmonton Food Bank, Humans on Welfare, Salvation Army, Unemployment Insurance Commission, Workers' Compensation.

"If I'd known how to access the counselling services I needed when I first moved to town it wouldn't have taken so long to get my [act] together."

■ STRESS

Forty families (60%) stated that they experience high levels of stress due to their income situations. Particular types and/or causes of stress indicated include:

- ✓ Martial problems
- ✓ Inability to provide for their children
- ✓ Futility and despair
- ✓ Little, if any, recreation
- ✓ Lack of educational opportunities
- ✓ Inability to provide sufficient food and clothing to children
- ✓ Lack of affordable/available child care
- ✓ Lack of transportation

"My oldest daughter skips school a lot. The last time she was caught she cried and screamed at me about not having the money for her to go bowling with the rest of the class."

■ WHO THE FAMILIES ARE AND WHAT THEY SAID

We found these 60 families to be like most other families. The parents work hard at their jobs and at home to ensure, to the best of their abilities, that their children are cared and provided for. Those we spoke with were articulate, sometimes powerfully so, about their day to day experiences and refreshingly honest about their feelings of frustration and, in some cases, deep despair.

We found no indication of unwillingness among the parents studied in terms of participating in society through work and other means. What we did find were people who want to better themselves; they desire an adequate income and meaningful work, enabling support programs instead of hand-outs, and the dignity of being recognized as caring, productive human beings.

The full report carries numerous quotations from and brief stories about the families we studied. Their words are bold commentary about their lives and the world they live in. From our discussions with them we have learned the following:

■ GET RID OF THE TERM "WORKING POOR"

The families were united with respect to their dislike of the term, "working poor." While they may not have the money they require to live adequate lives, they rejected the notion of being poor. Clearly, they felt the word is heavy-laden with judgements, perceptions, and attitudes that contribute to the stigma of being labelled as poor. Their preference is to be called *low-income families*. Out of deference to them, we will use this terminology for the remainder of this summary and the full report.

"Sure I have to struggle to make a living, but I resent being labelled as poor."

■ ECONOMIC SOLUTIONS

It is painfully evident to these families that their situations require economic solutions. While social support and income security programs are necessary and require improvements, they do not and will not offer the one thing most needed by these families: secure jobs that pay decent wages.

■ IMPROVING SOCIAL PROGRAMS

These families require programs that are enabling in terms of supporting their search for better training and education. They want to see income security programs that will assist working parents become more employable and, in the process, reduce if not eliminate the return of such families to the government for income security assistance or subsidies.

"My husband is fighting the system for funding to learn a new trade. We don't have the extra money and can't get any subsidy because he's considered to have a skill even though he can't physically work at it any more. I'm not qualified for anything more than labour type jobs. Without upgrading, there is no way I can improve myself."

■ ACCESSIBILITY TO INCOME SECURITY WORKERS

The families indicated that increased accessibility to income security workers is required. People on limited incomes cannot afford to wait two weeks for an appointment about issues and concerns related to money. As well, for many low-income families, a telephone is a luxury. It is not easy for a mother with children, for example, to gather up the children, walk down to the corner store and phone Alberta Social Services only to discover once again that her worker is unavailable.

■ HEALTH CARE

According to the families we interviewed, health care benefits should be provided to all people whose earnings are below the poverty-line. This is especially important for children when one considers the dramatic effects poverty has on children in our country (see box, next page). The poverty of families, generally, and of children, in particular, is not affordable in either financial or human terms. In an economic context, it would make sense to support such families in terms of extended health benefits and other programs at the front end rather than fund the negative and often long-term outcomes of a life of poverty and suffering.

"I'd take a full time job in a minute if I knew I'd get health benefits and good care for my kids. As it is, the jobs I'm qualified for don't include the extras."

THE EFFECTS OF POVERTY ON CHILDREN

- In 1986, the high school drop-out rate among children from poor families was 2.2 times the rate among children from non-poor families.
- In 1986, 49,000 children were in the care of child welfare systems in Canada....Between 54 and 75 percent of these children came from low income families.
- The child mortality rate is twice as high among families at the lowest income level than it is among families at the highest level.
- Six per cent of all babies born in Canada suffer from low birth weight, a major contributor to developmental disabilities. Low birth weight is inversely related to income status.
- Children from low income families are 1.7 times more likely than children from other families to have a psychiatric disorder. They are 1.8 times more likely to perform poorly in school and 2.1 times more likely to develop a conduct disorder.

Source: *The Canadian Fact Book on Poverty 1989* (Canadian Council on Social Development), pages 1-2.

■ INFORMATION ABOUT ENTITLEMENTS

As well, the respondents want to be informed of their entitlements under the policies governing their income security program. Low-income families should not have to "ask the right questions" in order to find out what benefits they have.

■ WHAT THE CHILDREN SAID

The children interviewed were as eloquent as their parents. Their understanding of being poor is not superficial. When asked what it meant to be poor, one three year old said: "Sad, go upstairs and cry." When asked what would happen if no one had to be poor any more, one twelve year old said, "The world would be a better place." Another child, five, answered the same question by simply saying, "Happy."

■ OPTIMISM

Despite their feelings of frustration and the systemic barriers they face, forty-two (70%) of the families commented that they are optimistic about the future. This is a testimony to the inner strength and positive attitudes of a group of people who would have every reason to be bitter and pessimistic about the future.

SYSTEMIC ISSUES

While the research focus was not to attempt to correct various mis-perceptions of poverty and those who are poor, we were at the onset of this project acutely aware of and sensitive to the cultural perspective of poverty that is held by too many people in our society.

This perspective tends to hold that poor people are fundamentally different from society's non-poor population. In short, this point of view perpetuates misconceptions that would have the poor be immoral or amoral, deficient in terms of intelligence, and unmotivated or lazy.

The danger in such wrong thinking is that poverty and its harmful effects become accepted as personal traits as opposed to conditions and experiences that are systemic to our society.

Those who personalize the causes of poverty are, in effect, blaming people for being unemployed or for holding jobs that pay inadequate wages. With such a view point, it becomes easy to wash one's hands of responsibility and obligation. Businesses can continue to replace full-time positions with part-time counterparts that are inferior proportionately in terms of remuneration and benefits. Governments can then justify initiating policies and practices that decrease social support programs aimed at assisting those who are disadvantaged. Witness recent changes in the Canada Assistance Plan and to the Unemployment Insurance benefits which have resulted in significant cutbacks and an implied lack of concern about society's poor population.

On the other hand, when one views the causes of poverty from a larger and more realistic standpoint, one begins to understand how government and labour market policies and practices contribute to poverty and the real suffering of women, men, and children in our communities and neighbourhoods.

For example, it is well documented that the service sector is the fastest growing sector in the market place. Government officials and market analysts often refer to the number of jobs and profitable businesses created by this industry as an indication of a growing and strong economy.

They typically fail to mention that the service sector is the poorest paying sector of all, that it offers more part-time, low paying positions than other sectors. Also overlooked is the fact that the boom in terms of increased service-oriented businesses and jobs is taking place at the expense of other, traditionally higher paying sectors (e.g., manufacturing and construction).

Our report also documents how government policies and practices with respect to income security programs often stop short of effectively helping and supporting people in their quest for meaningful work at adequate wages.

POVERTY IS AN ECONOMIC ISSUE

The time has long come for politicians, bureaucrats, and helping professionals to fully realize that poverty is an economic problem with myriad social and psychological effects. Although this report has been developed by social service professionals -- and thus has a social and social service emphasis -- we recognize that the majority of the recommendations contained herein, if implemented, will serve primarily to alleviate the social effects of impoverishment for the working poor. Clearly, this is not enough. Economic reform and plans that aim to provide full and adequate paying employment are paramount to effectively reducing, if not eradicating, poverty in our society.

Rather than tell the poor that they need to budget more -- which is not only an absurd suggestion but also underscores some of the mainstream biases against the poor -- we must begin to address poverty as an issue and condition that touches each and every one of us.

RECOMMENDATIONS

Possible courses of action are outlined by the Advisory Committee to address these concerns. It is hoped that concerned government institutions, including the Premier's Council in Support of Alberta Families, Alberta Career Development and Employment and Alberta Labour, will explore these concerns and courses of action in greater depth. We would strongly recommend that a Task Force be struck by the government to examine the various issues and recommendations brought up in this report. Community agencies as well as working low-income families should be involved in order to come up with concrete strategies and action plans to meet the needs of these families.

**RAISE THE
MINIMUM WAGE**

That Alberta's minimum wage be increased as soon as possible. The new minimum wage should be indexed to the cost of living.

**ENSURE ACCESS TO
HEALTH CARE**

a) That extended health care benefits be provided to working low-income families who receive no such coverage from their existing employment, including dental care, prescription eye glasses, prescription drugs and specific medical needs.

b) That Alberta Health Care premiums be waived or, as an interim measure, the income levels eligible for premium subsidy be raised to the low-income cutoffs or poverty lines.

**MORE EDUCATION
AND SKILLS
TRAINING**

a) That more opportunities for education upgrading be made available specifically for working low-income families who are not on social assistance.

b) That skills training programs be designed and aimed at assisting low-income families in career planning and providing them with portable, marketable, and long-term job skills.

c) That procedures to access the subsidies and training programs be well-publicized and made as simple to read as possible.

d) That increased access to employment be a major priority in all relevant provincial government departments.

**INCREASE ACCESS
TO CHILD CARE**

a) That information on child care subsidies and services be widely publicized to ensure that low-income families know what is available to them.

b) That more flexibility regarding usage of child care subsidies by low-income families be introduced.

c) That the child care subsidy introduced in the social assistance reform, "Supports for Independence," be expanded to include working low-income families who are not on social assistance but who are living beneath the poverty line.

d) That more subsidized quality day care services be made available to low-income, working families.

**IMPROVE HOUSING
AVAILABILITY**

That more Federal and Provincial funds be made available directly to low-income families in meeting their housing needs. Housing subsidies should be given directly to families instead of to subsidized housing projects.

**ACCESSIBILITY TO
INFORMATION,
SERVICES, AND
SUPPORT NETWORKS**

a) That information on existing services be extensively advertised in various media, with an emphasis on reaching low-income families.

b) That the existing "Information and Referral Hotline" of Community Connections be more widely publicized so that low-income families are aware of this resource.

c) That community-based support services to low-income families be made available on an equitable basis throughout the areas or neighbourhoods of Edmonton.

d) That more encouragement and support for community-based projects should be provided by the City of Edmonton and the Provincial government.

e) That funding for community schools be expanded to include more neighbourhoods.

**FREE SCHOOL
ACTIVITIES**

That school activities be made available to all children without charge.

**CHANGE THE TERM
"WORKING POOR"**

That the term, *working low-income families* be used to describe those families who derive at least one-half of their income from employment but still live at or below the poverty line.

**A copy of the entire report is available from:
The Family Service Association of Edmonton
#20, 9912-106 Avenue
Edmonton Alberta T5K 1C5
Phone 403 423-2831**