



how is
poverty
reduced



SPRING 2012

poverty in calgary – A Four Part Series

- (1) What is Poverty?
- (2) Why Does Poverty Exist?
- (3) Who is Affected by Poverty?
- (4) **How is Poverty Reduced?**

This is the fourth booklet in a series that aims to provide a glimpse into the complexities around what poverty is, why it exists, who it affects, and how it can be reduced. This series was researched and authored collaboratively by United Way of Calgary and Area, The City of Calgary, and Vibrant Communities Calgary.

Front Cover, Inside Front Cover, and
Back Cover Photo Credit: Ming Emma Ko



THE CITY OF
CALGARY
COMMUNITY &
NEIGHBOURHOOD SERVICES



vibrant
COMMUNITIES
CALGARY

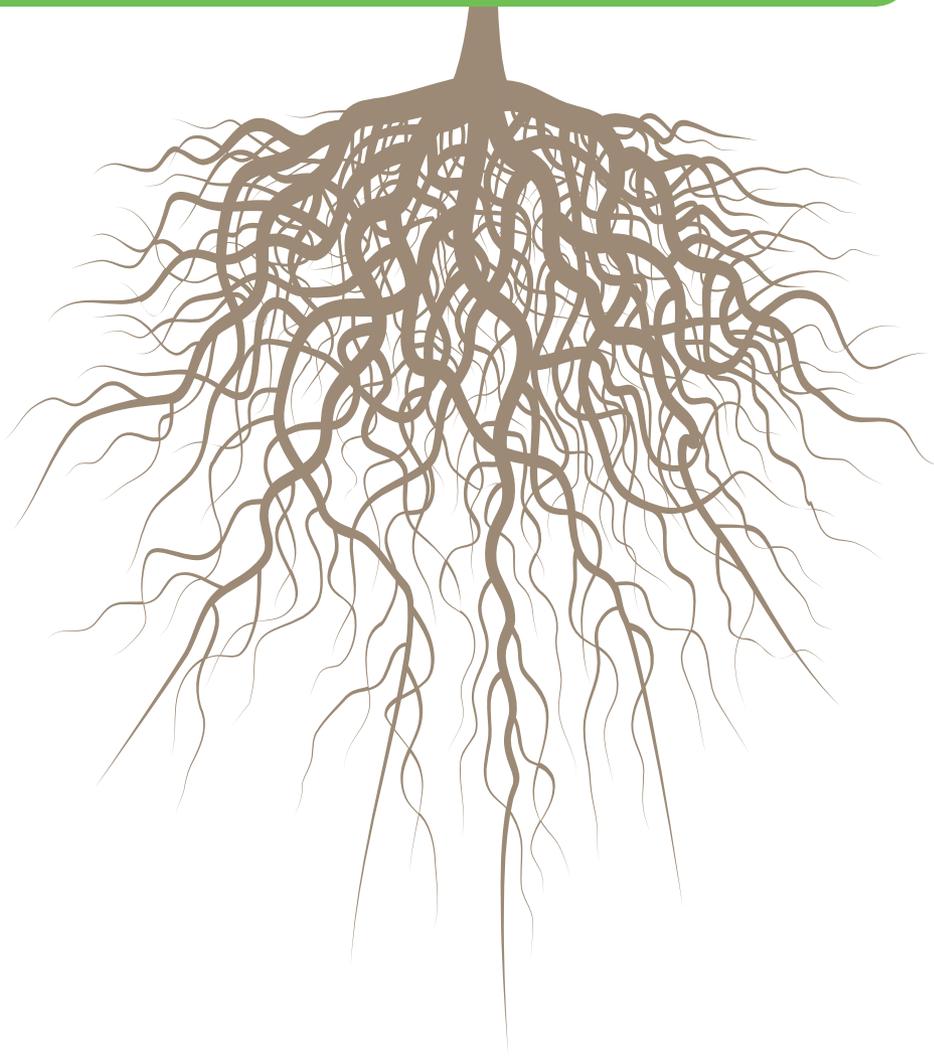
how is poverty reduced

addressing root causes?
community engagement?
comprehensive strategies?
combating discrimination and exclusion?
a strong social safety net?
you?

1 in 10
Calgarians
live in poverty
Nearly
400,000
Albertans
live in poverty

Through booms and busts, poverty has persisted in Calgary.
Let's change that.

poverty is reduced by... addressing root causes



Solving poverty isn't like baking a cake, which can be done by following a sequence of steps. Solving poverty isn't like flying to the moon, which requires a complicated plan. Solving poverty is more like raising a child: there are many changing factors to respond to along the way.

Poverty is also similar to the complex task of raising a child in that 'it takes a village' to reduce poverty – it requires many people with different roles to play, all coordinating their efforts so that they can achieve the same goal. We need individuals, communities, systems and institutions to create an environment that removes barriers and supports all individuals to develop strong assets and, by extension, resilience to poverty. In many provinces and cities in Canada, this is being addressed through provincial and municipal poverty reduction strategies.

Solutions to poverty require a spectrum of interventions for people with different needs, different lives, and different experiences, all of which are influenced by the changing nature of our communities. Poverty is complex, and complex problems require complex solutions.

Most importantly, poverty *can* be significantly reduced.

poverty is reduced by... comprehensive strategies

A promising direction for reducing poverty is bringing together a wide-range of community organizations, government representatives, individuals and businesses to address the complex problem of poverty.¹

In 2012, The City of Calgary partnered with United Way of Calgary and Area to develop a municipal poverty reduction strategy that involves participation from all sectors of the community. This is a critical opportunity for people living in poverty, community and business leaders, and municipal administration to come together to significantly reduce poverty in Calgary.

An example of success for this kind of initiative is the Hamilton Roundtable for Poverty Reduction formed in 2005 to tackle the City's unacceptable levels of poverty. Roundtable members come from across Hamilton and include leaders from the business and non-profit sectors, from government, education and faith communities as well as individuals who experience poverty daily.



fast FACTS

The Hamilton Poverty Reduction Roundtable's vision is to make Hamilton the best place to raise a child. Their efforts have resulted in:

- **6000 fewer citizens living below the low income cut-off** at a time when other communities experienced an increase;²
- **organizations and sectors becoming more effective** in delivering services to low-income residents **as a result of collaborative planning;**²
- **influencing** the creation of a provincial **poverty reduction strategy in Ontario.**²

poverty is reduced by... a strong social safety net

In order to make long-term change, systems - such as government, justice, and the economy - and institutions - such as educational institutions and corporations - must create the foundations of a strong social safety net, which both protects people from falling into poverty and provides a springboard out of poverty. Core elements³ that must be supported by systems and institutions include:

- Affordable Housing
- Social Infrastructure (*eg. programs, services, childcare, affordable transit, recreation programs and spaces*)
- Early Childhood Development (*eg. prenatal care, pre-school programs, etc.*)
- Financial Assets (*eg. savings, home ownership, business ownership, etc.*)
- Income Supplementation (*eg. Social assistance, working income tax benefit, child tax benefit*)
- Income Replacement (*eg. employment insurance and pensions*)
- Education and Literacy
- Training
- Disability Income

Calgary's Low-Income Monthly Transit Pass provides a positive example of municipal government taking a role in strengthening the social safety net by providing lower-cost access to transit. This initiative alone won't end poverty, but when measures such as this multiply they can have a significant impact on reducing poverty.

fast FACT

In 2010, **97,089 low-income monthly transit passes** were purchased, providing those riders with a **57% discount** off the adult monthly pass.⁴

poverty is reduced by... a strong social safety net

Tax revenue is necessary to ensure systems and institutions can afford to create and maintain a strong social safety net. Redistributing income, through tax credits and subsidies for people on lower incomes, ensures everyone can afford the rising costs of living. As seen in the table below, Nordic countries outperform Canada on financial government balance as a share of GDP, unemployment rates, and poverty rates.⁵

NORDIC AND ANGLO-AMERICAN COUNTRY COMPARISONS⁵

| country | GOVERNMENT FINANCIAL BALANCE AS % OF GDP, 2009 | UNEMPLOYMENT RATE, 2009 | POVERTY RATE | TAX REVENUE AS A % OF GDP, 2009 |
|---------------|--|-------------------------|--------------|---------------------------------|
| CANADA | -5.5% | 8.3% | 11.4% | 31.1% |
| UNITED STATES | -11.3% | 9.3% | 17.3% | 24% |
| DENMARK | -2.8% | 6.1% | 6.1% | 48.2% |
| NETHERLANDS | -5.5% | 3.7% | 7.2% | 39.1% |
| NORWAY | 10.5% | 3.1% | 7.8% | 41% |
| SWEDEN | -0.9% | 8.3% | 8.4% | 46.4% |

fast FACT

Nordic countries, which are considered high-tax countries, **have significantly lower rates of poverty** across almost all social groups when compared to low-tax Anglo-American countries.⁶

poverty is reduced by... policy interventions



It is possible to reduce poverty through policy interventions. Below are two policy examples, one federal and one municipal, that tackle root causes of poverty.

Income supports for seniors provide the first example of the impact that social policy, developed for the needs of a specific demographic, can have on reducing poverty levels.

The Guaranteed Income Supplement and Canada Pension Plan are government income supports that contributed to significantly reducing the rate of poverty among seniors, which is now about one-half the rate of younger adults.⁷ Other policies that address root causes can bolster such supports for seniors, and other demographic groups, so that no one gets left behind.

Common attitudes and workplace practices can inadvertently exclude people. Policy interventions designed to shift attitudes and practices are an important way to increase economic and social inclusion. Our second example therefore highlights The City of Calgary's "Welcoming Community Policy", which aims to enhance The City's inclusion practices. The policy outlines the following goals for City departments and staff:

- To reduce barriers for potential immigrant employees at The City of Calgary and develop plans for an inclusive workplace
- To work with partners to create an inclusive community for immigrants in Calgary, and
- To increase the number and quality of City-operated programs and services that meet the needs of the immigrant population.

poverty is reduced by... community engagement

Many individuals play a role in poverty reduction by volunteering their time, lending their voice or contributing dollars. Delivering basic needs, community organizing, and mentoring young people or new immigrants are a few examples of how Calgarians are engaged in reducing poverty and helping our communities thrive.

Ways you can make a difference include:

- Support organizations or coalitions that are working towards poverty reduction.
- Get involved in politics through voting, campaigning, or advocating - stand up for poverty reduction.
- Change the conversation about poverty by talking with friends, family, and co-workers. Use this series as a resource to create positive change and see an end to poverty.
- Develop initiatives or networks that involve or benefit marginalized groups.
- Reach out to someone in your community through simple acts, such as shovelling a driveway.

Every action you take is a vote for the way you want the world to be.

*Rose Ing is a Calgarian with a desire to make a difference. Living on low income, she understands the challenges poverty can bring. She also sees the many gaps that prevent some people from getting ahead. Rose volunteers her time with two different initiatives - Women Together Ending Poverty (WTEP) and PovertyTALKS! Both groups seek to raise awareness about poverty in Calgary and address its root causes by producing educational material, mobilizing people around poverty, and advocating for policy changes that will reduce poverty. Membership in both groups is primarily people who have experienced, or are currently experiencing poverty. As Rose explains, **“the gaps aren’t always evident; someone with lived experience can point out where change needs to happen”**. For Rose, the bottom line is that more supports are needed. But she also believes that the only way you can improve things is by doing something about it, **“it’s up to people to point out that the status quo isn’t adequate”**. Imagine the change we could make if we all reached out like Rose.*

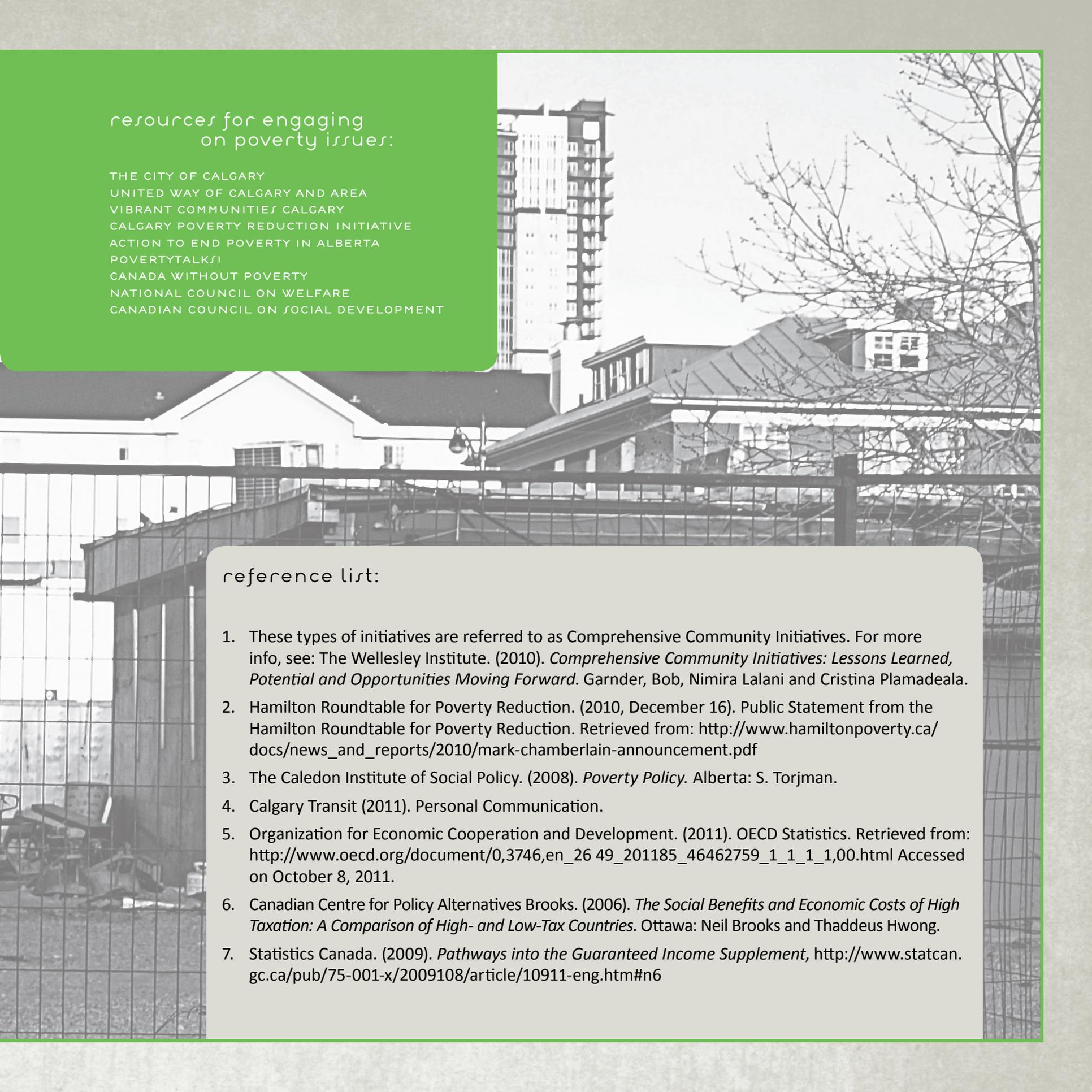




how is
poverty
reduced

Complex problems require complex solutions. While the strategies proposed in this booklet may seem overwhelming, change is always possible. Broadening our understanding of poverty's causes and solutions, taking responsibility for our communities, and supporting poverty reduction efforts with our time, dollars, energy, voice, and vote, will make a difference.

Calgary is a dynamic city with a strong economy and we are well-positioned to reduce poverty in our communities. Given the negative impact it has on individuals, communities, and Calgary as a whole, we cannot afford to ignore it. Luckily, with concerted effort, poverty can be reduced. *How is Poverty Reduced?* in this series, addresses solutions to poverty in more detail.

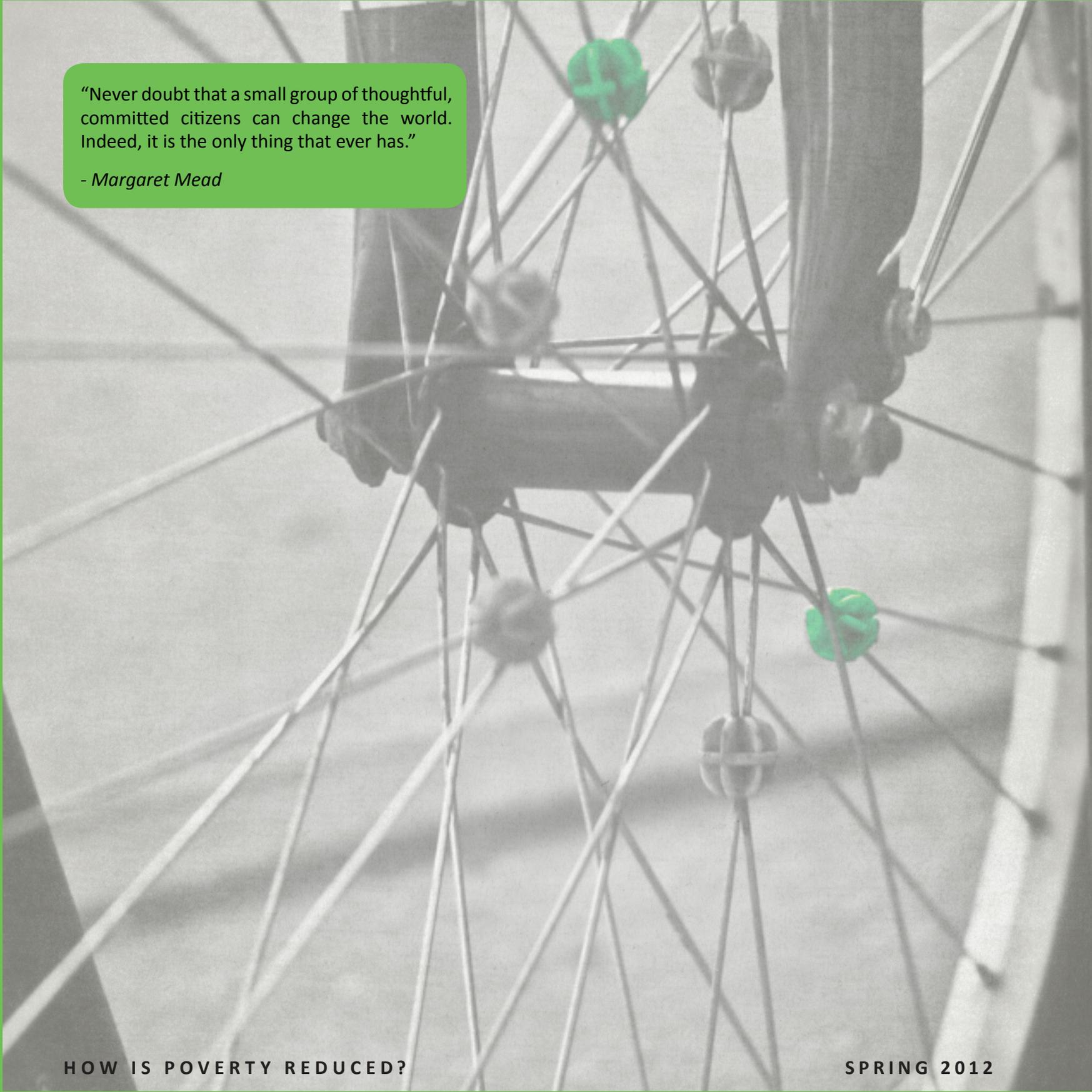
The background of the page is a grayscale photograph of a residential area. In the foreground, there is a metal fence. Behind the fence, there are several buildings, including a prominent white house with a gabled roof and a taller, modern building with a grid-like facade. Bare tree branches are visible in the upper right corner.

resources for engaging on poverty issues:

THE CITY OF CALGARY
UNITED WAY OF CALGARY AND AREA
VIBRANT COMMUNITIES CALGARY
CALGARY POVERTY REDUCTION INITIATIVE
ACTION TO END POVERTY IN ALBERTA
POVERTYTALKS!
CANADA WITHOUT POVERTY
NATIONAL COUNCIL ON WELFARE
CANADIAN COUNCIL ON SOCIAL DEVELOPMENT

reference list:

1. These types of initiatives are referred to as Comprehensive Community Initiatives. For more info, see: The Wellesley Institute. (2010). *Comprehensive Community Initiatives: Lessons Learned, Potential and Opportunities Moving Forward*. Garnder, Bob, Nimira Lalani and Cristina Plamadeala.
2. Hamilton Roundtable for Poverty Reduction. (2010, December 16). Public Statement from the Hamilton Roundtable for Poverty Reduction. Retrieved from: http://www.hamiltonpoverty.ca/docs/news_and_reports/2010/mark-chamberlain-announcement.pdf
3. The Caledon Institute of Social Policy. (2008). *Poverty Policy*. Alberta: S. Torjman.
4. Calgary Transit (2011). Personal Communication.
5. Organization for Economic Cooperation and Development. (2011). OECD Statistics. Retrieved from: http://www.oecd.org/document/0,3746,en_2649_201185_46462759_1_1_1_1,00.html Accessed on October 8, 2011.
6. Canadian Centre for Policy Alternatives Brooks. (2006). *The Social Benefits and Economic Costs of High Taxation: A Comparison of High- and Low-Tax Countries*. Ottawa: Neil Brooks and Thaddeus Hwong.
7. Statistics Canada. (2009). *Pathways into the Guaranteed Income Supplement*, <http://www.statcan.gc.ca/pub/75-001-x/2009108/article/10911-eng.htm#n6>



“Never doubt that a small group of thoughtful, committed citizens can change the world. Indeed, it is the only thing that ever has.”

- *Margaret Mead*