LONDON’S ANTI-POVERTY STRATEGY

Synopsized Literature Review

Prepared by:
Social Research and Planning
for
Discussion Purposes
April 4, 2008.
THE PROBLEM

The breadth and depth of poverty is significant and enduring. The harm done to children, youth and families living in poverty, with insufficient food, shelter, clothing and supports, has lifelong consequences for them with respect to their health and future social and economic prospects. In London, 17 per cent of all individuals (55,785) and half (51%) of our recently arriving immigrant population, between 1996 and 2001 live with low-income. Almost half (41%) of the growing Aboriginal population live with low-income. Thirteen per cent of all families (11,685 families) and one out of five children, live at or below the low-income cutoff (LICO). Of the 11,685 families living with low-income, 38 per cent are lone parent families.

Child and family poverty affects everyone. The research on every front is clear and compelling. Dollars invested in children and youth to provide the conditions for healthy development save us huge social and economic costs later. In order for our children, youth and families who are struggling with poverty, to have a sense of belonging in our community, relationships need to be developed through employment, skill development, volunteer opportunities, recreation, leisure and cultural activities, child care and early learning opportunities. Meeting children’s fundamental needs is not a choice; it is a community responsibility which has tremendous rewards for all concerned.
## DEFINING POVERTY

In the absence of a national definition of poverty for Canada, definitions from the literature and from various jurisdictions are summarized below:

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Definition of Poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lambton County</td>
<td>Poverty is when a person or a community is deprived of, or lacks the essential resources required, for a minimum standard of well-being. These resources include the necessities of daily living such as food, safe drinking water, clothing, shelter, health care, access to information, education, social status, political power or the opportunity excludes them from taking part in activities which are an accepted part of daily life in society.</td>
</tr>
<tr>
<td>Hamilton</td>
<td>Individuals and families experiencing poverty lack the adequate resources to maintain a decent standard of living, and to participate fully in the life of the community. While poverty is not only an income issue, it is always related to income and access to resources.</td>
</tr>
<tr>
<td>Niagara</td>
<td>No specific definition. The literature review report defines poverty based on the following four aspects: 1. monetary measure (i.e. living below the LICO or MBM) 2. social determinants of health framework (i.e. impact of poverty on health, well-being and outcomes) 3. individual’s experience of powerlessness, voicelessness and social exclusion 4. broader impacts of poverty for the community.</td>
</tr>
<tr>
<td>Bedford, United Kingdom</td>
<td>Is a life situation people may find themselves in, if their income and resources are not enough to allow a standard of living, which is relative to, customary, widely encouraged and approved in the societies in which they belong.</td>
</tr>
<tr>
<td>Canadian Council on Social Development</td>
<td>To be poor is to be distant from the mainstream of society and to be excluded from the resources, opportunities and sources of subjective and objective well-being which are readily available to others.</td>
</tr>
<tr>
<td>Ireland</td>
<td>Poverty is deprivation due to a lack of resources, both material and non-material, e.g. income, housing, health, education, knowledge and culture. It requires a threshold to measure it.</td>
</tr>
<tr>
<td>Quebec</td>
<td>The condition of a human being who is deprived of the resources, means, choices and power necessary to acquire and maintain economic self sufficiency or to facilitate integration and participation in society.</td>
</tr>
</tbody>
</table>
THEORIES OF POVERTY

There are many competing theories in the literature for poverty reduction and elimination, but it is important to choose what is relevant and believed to be responsible for the problem being addressed. Here, five theories of poverty are presented:

<table>
<thead>
<tr>
<th>Theory</th>
<th>What causes Poverty?</th>
<th>How does it work?</th>
<th>Potential Community Development responses</th>
<th>Community examples to reduce poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Individual</td>
<td>Individual laziness, bad choice, incompetence, inherent disabilities</td>
<td>Competition rewards winners and punishes those who do not work hard and make bad choices</td>
<td>Avoid and counter efforts to individualize poverty, provide assistance and safety net</td>
<td>Drug rehabilitation, second chance programs, making safety net easier to access, use training and counseling to help poor individuals overcome problems</td>
</tr>
<tr>
<td>2. Cultural</td>
<td>Subculture adopts values that are non-productive and are contrary to norms of success</td>
<td>Use community to the advantage of the poor; value diverse cultures, acculturation, and community building; alternative socialization through forming new peer groups</td>
<td>Head Start, after school, leadership development within subcultures, asset-based community development</td>
<td>Head Start, after-school leadership development within subcultures, asset-based community</td>
</tr>
<tr>
<td>3. Political-economic</td>
<td>Systematic barriers prevent poor from access and accomplishment in key social institutions including jobs, education, housing, health care, safety, political representation, etc.</td>
<td>Selection criteria directly or indirectly exclude some groups of persons based on inappropriate criteria</td>
<td>Community organizing and advocacy to gain political and economic power to achieve change; create alternative organizations</td>
<td>Policies to force inclusion and enforcement</td>
</tr>
<tr>
<td>Theory</td>
<td>What causes Poverty?</td>
<td>How does it work?</td>
<td>Potential Community Development responses</td>
<td>Community examples to reduce poverty</td>
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<td>----------------------</td>
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<tr>
<td>4. Geographic</td>
<td>Social advantages and disadvantages concentrate in separate areas</td>
<td>Agglomeration, distance, economies of scale, and resource distributions reinforce differences</td>
<td>National redistributions, concentration of development on local assets</td>
<td>Redevelopment areas, downtowns, rural networking, urban revitalization</td>
</tr>
<tr>
<td>5. Cumulative and cyclical</td>
<td>Spirals of poverty, problems for individuals (earnings, housing, health, education, self confidence) are interdependent and strongly linked to community deficiencies (loss of business and jobs, inadequate schools, inability to provide social services), etc.</td>
<td>Factors interact in complex ways. Community level crises lead to individual crises and vice versa, and each cumulate to cause spirals of poverty</td>
<td>Breaking the spiral of poverty with a spiral of success through a comprehensive program that addresses both individual and community issues</td>
<td>Comprehensive CDC programs that build self-sufficiency in a community reinforced environment, programs that link individual and community organizations, asset-based approaches</td>
</tr>
</tbody>
</table>

Source: Bradshaw (2007:10-11)

While poverty is thought of only in terms of financial resources, financial resources alone do not explain why some individuals may achieve success in exiting poverty, where others do not. In reality, there are a number of other resources that support people leaving poverty. These include emotional, mental, spiritual and physical resources, as well as support systems, relationships and role models, knowledge of hidden social rules, and coping strategies.

*Bridges Out of Poverty: Strategies for Professionals and Communities, 2003*
MEASURING POVERTY

According to Sweetman (2008), Canada does not have an “official” poverty line, but it has a number of related statistical indicators which are sometimes used to measure poverty. These measures may be categorized as being: income-based; cost-of-living-based; or quality of life-based. The most popular of the measures include the following:

Low- Income Cut Offs (LICOs) (income based)

Statistics Canada’s LICO is the oldest and most widely used measure of low-income in Canada, and is updated regularly. The LICO does not claim to measure poverty, but rather to define a set of income cut-offs below which people may be said to be living in “straitened circumstances.” The approach is essentially to estimate an income threshold at which families are expected to spend 20 percentage points more than the average family on food, shelter and clothing (i.e. LICOs thresholds reflect spending 63% or more of after tax income and 55% of pre-tax income on food, shelter and clothing). LICOs are published for both pre- and post-tax income levels by family and population size. Statistics Canada prefers using post-tax figures as an indicator of low-income as this takes into account the redistributive impact of taxes. Some families in low income before taking taxes into account are relatively better off and not in low income on an after-tax basis.

<table>
<thead>
<tr>
<th>Pros</th>
<th>Cons</th>
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</thead>
<tbody>
<tr>
<td>✓ well known and statistically valid</td>
<td>✗ no official status as poverty measure</td>
</tr>
<tr>
<td>✓ readily available, consistently used and updated annually</td>
<td>✗ difficult for general public to understand</td>
</tr>
<tr>
<td>✓ adjusts for inflation</td>
<td>✗ measures relative income, not “poverty”</td>
</tr>
<tr>
<td>✓ accounts for changes in spending patterns, household and community size</td>
<td>✗ does not account for cost of living</td>
</tr>
<tr>
<td>✓ supports the view that poverty is relative</td>
<td>✗ does not take into account complexities of sub-populations (single parents, disabled)</td>
</tr>
<tr>
<td>✓ corresponds to public perceptions</td>
<td>✗ sensitive to economic cycles</td>
</tr>
<tr>
<td>✓ responsive to economic inequality &amp; polarization as well as being responsive to changes in living standards and income growth</td>
<td>✗ 20% rule argued to be arbitrary</td>
</tr>
<tr>
<td>✓ some evidence, as highlighted in the CCSD publication Income and Child Well-being, that the LICO line provides a meaningful approximate break-point in terms of child outcomes</td>
<td>✗ three areas of expenditure on which LICOs are based are the most basic, but hardly exhaustiv</td>
</tr>
</tbody>
</table>


Statistics Canada’s Low-Income Measure (LIM) (income based)

The LIM defines low-income based on relative income levels. Households with an income below 50% of median household income of the same family size are defined as low-income. Income levels are adjusted for family size (and type) using an internationally accepted scale. Unlike the LICO, LIM is not adjusted for different community sizes. LIM is often used for international comparisons. This measure is primarily concerned with income inequality and social inclusion. LIM answers the question: “How many Canadians have an income lower than 50% of the median income for all families of the same size in a given year in Canada?”

<table>
<thead>
<tr>
<th>Pros</th>
<th>Cons</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ simple to calculate and understand</td>
<td>× no official status as poverty measure</td>
</tr>
<tr>
<td>✓ accounts for the number of adults and children present in family</td>
<td>× similar to LICO in terms of its “relative” nature</td>
</tr>
<tr>
<td>✓ readily used for comparisons between countries</td>
<td>× does not account for cost of living</td>
</tr>
<tr>
<td></td>
<td>× no detailed geographic component</td>
</tr>
<tr>
<td></td>
<td>× does not tell us directly if the poor have sufficient income to meet their basic needs</td>
</tr>
</tbody>
</table>

Market Basket Measure (MBM) (cost of living)

The MBM is a “goods and services” indicator of low-income, measuring the cost of purchasing a pre-determined basket of goods and services for the year 2002. The basket includes: Foods from Health Canada’s Nutritious Food Basket; Shelter costs (estimated as median rent including utilities for two- and three-bedroom apartments; Transportation costs; Clothing and footwear costs estimated by the Winnipeg Social Planning Council; and Allowances for other expenses (personal, educational supplies, recreation and others). Persons living in families with disposable incomes below their Market Basket Measure (MBM) threshold are living with low-income. MBM disposable family income is the income remaining after-taxes and mandatory payroll deductions, and after out-of-pocket spending on child care, and non-insured but medically-prescribed health-related expenses such as dental and vision care, prescription drugs and aids for persons with disabilities.

1 Statistics Canada, on Human Resources Development Canada’s behalf, collected data on the cost of goods and services in the basket to calculate thresholds for 19 specific communities and 29 community sizes in the ten provinces. 2000 is the first year that the MBM has been calculated.
Pros | Cons
--- | ---
✓ more transparent and easier to understand than LICO | ✗ not promoted as “poverty line”
✓ sensitive to geographic cost differences | ✗ not updated regularly – last update was 2006, reflecting the cost of a basket of goods in 2002
✓ recognizes different family sizes and compositions | ✗ debate over what should be included in the basket (see Fraser Institute Basket of Goods)
| ✗ updates prices only, with minor adjustments to goods included
| ✗ not based on an adequate conceptual premise of social inclusion and could distract attention from relative poverty and income inequality

*Fraser Institute Basket of Goods* The Fraser Institute argues that no one is poor if they can meet their basic needs. To define poverty, the Fraser Institute calculated the cost of a basket of basic necessities required for subsistence including food, clothing, shelter, and some limited additional items. Absent from the basket are items which the great majority of Canadians take for granted, such as coffee, a daily newspaper, and cable TV. There is also no allowance for access to recreation or culture.

*Community Affordability Measure (CAM)*
This measure was developed by the Federation of Canadian Municipalities Quality-of-Life Reporting System. It is defined as the ratio of income levels (after-tax) to the cost of living based on the market basket. It does not measure communities against an ideal or theoretical standard, but against the aggregate total of all communities participating in the Federation of Canadian Municipalities Quality-of-Life Reporting System.

*Deprivation (quality of life)*
Some jurisdictions have chosen to go beyond traditional measures of poverty (which is more related to the lack of resources, particularly financial resources, needed to acquire modern goods and commodities) and have developed measures of deprivation (both material and social). Deprivation may be defined as "a state of observable and demonstrable disadvantage relative to the local community or the wider society or nation to which the individual, family or group belongs." This disadvantage may occur at various levels, for example, with regard to food, clothing, housing, education or work. A person may be considered deprived to the extent
that he or she falls below the level attained by the majority of the population or below what is considered socially acceptable.²

<table>
<thead>
<tr>
<th>Pros</th>
<th>Cons</th>
</tr>
</thead>
</table>
| ✓ more of a social inclusion measure as it goes beyond income as a measure of poverty | ✗ more complicated than other measures
| | ✗ not all data as readily available, particularly for smaller levels of geography like neighbourhoods
| | ✗ debate over what should be included and over the relative importance of each of the indicators in the overall index
| | ✗ list does not take into account individual preferences (assumes similar values and lifestyles)

Canada does not currently have a standard index of deprivation, however, Human Resources and Social Development Canada (HRSDC) has developed Indicators of Well Being that include measures related to health, social participation, leisure, family life, housing, work, learning, financial security, environment and security. The Federation of Canadian Municipalities has developed Quality of Life indicators that include many of these same indicators. Appendix 1 details the specific items used by Ireland to measure deprivation.

Other Measures

There are also other measures that are not called poverty lines, but they serve as indicators to measure the level of poverty. These include (but are not limited to) the National and Provincial cut-offs for social assistance receipt, for the Goods and Services Tax rebate, the Canada Child Tax Benefit and the National Child Benefit, and eligibility for the Working Income Tax Benefit.

Bottom Line

No one measure is useful in all contexts and some measures go in opposite directions. For example, if income increases at all levels, poverty is decreasing by absolute measures (example: MBM). If earnings inequality has increased at the same time, then poverty is increasing by relative measures (example: LIM). Understanding the relevant issues is a better basis for policy and administrative practice than are reactions on any single “poverty line”.

Recommendation: Small, standard set of diverse measures that reflect income and issues related to low-income.

INDICATORS OF POVERTY FOR LONDON

This profile of poverty in London is based on selected indicators that have historically been used to measure poverty in our community, including the number of people living below Statistic Canada’s Low Income Cut Off (LICO), and social assistance caseloads.

London Low Income Rates that are of Concern

<table>
<thead>
<tr>
<th>Population Group</th>
<th>Low income rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>All individuals</td>
<td>17%</td>
</tr>
<tr>
<td>Children and youth age 0 to 24 years</td>
<td>46%</td>
</tr>
<tr>
<td>Lone parent families</td>
<td>47%</td>
</tr>
<tr>
<td>Recent immigrants</td>
<td>51%</td>
</tr>
<tr>
<td>Visible minorities</td>
<td>36%</td>
</tr>
<tr>
<td>Aboriginal people</td>
<td>41%</td>
</tr>
<tr>
<td>Working age adults with disabilities</td>
<td>29%</td>
</tr>
</tbody>
</table>

London’s size and status as a central or core city to the Census Metropolitan Area (CMA) contribute to these higher low-income rates.

Groups with higher low income rates tend to be less present in London’s labour market for a variety of reasons and, if employed, tend to have lower earnings.

Women within each of the vulnerable subgroups (families, particularly lone parent families, recent immigrants, visible minorities, Aboriginal and individuals with disabilities) have higher low-income rates than do the men of these groups.

Social Assistance

- approximately 8,000 children under the age of 18 live in families receiving social assistance from Ontario Works or the Ontario Disability Support Program (2008)
- just over 4,500 families with children received social assistance through Ontario Works or the Ontario Disability Support Program. Just over 700 of families of these families were working (2007)

Neighbourhoods with Low-Income

There is evidence that neighbourhood income impacts the outcomes of children living with low-income. Children living in a neighbourhood with a relatively low incidence of low-income may have better outcomes than children living a neighbourhood with a relatively high incidence of low-income.

- One-third of London’s census tracts have low-income rates of 20% or higher and one half of low-income Londoners live in census tracts with low-income rates above 20%
- Aboriginal identity people are more likely than other groups with high low-income rates to live in a neighbourhood with a high low-income rate: one out of ten Aboriginal people with low-income live in a London neighbourhood with a low-income rate of over 40%. 

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ROOT CAUSES OF POVERTY

Macro Level

<table>
<thead>
<tr>
<th>Economic Trends</th>
<th>Political Trends</th>
</tr>
</thead>
<tbody>
<tr>
<td>increased polarization of the Canadian labour market into high-skilled, high-paying jobs on one end of the spectrum, and low-skilled, low-paying jobs on the other end</td>
<td>deregulation of business; privatization of state owned business; elimination of trade barriers; reduction/dismantling of the welfare state; and restructuring the national workforce in order to increase industrial and economic flexibility</td>
</tr>
</tbody>
</table>

Erosion of the middle class; growing “working poor” population; and a growing income gap.

Micro Level

Many factors combine to keep individuals from realizing their full potential: these factors may be both a cause and an effect of poverty. For example a lack of “marketable skills” limits employment options and subsequent income potential and may be viewed as a potential cause of poverty. An individual living with low-income may face barriers such as the ability to pay for skills training or the lack of access to transportation to access skills training and as such a lack of marketable skills may also be an effect.

- Employment, Education and Income: There are strong positive relationships between income and education, and income and employment. As level of education increases, employment and income tend to increase. Higher skilled occupations (which tend to be higher paid) typically require higher education. At the same time, having a lower income is a barrier to obtaining the higher education needed to be competitive for higher paying occupations.

Of concern: London has a comparatively high proportion of low-income workers in high-skill occupations.

- Housing: Lack of income and the lack of affordable housing may result in individuals and families paying a significant portion of their income on shelter or choosing to live in substandard housing that is more affordable. Living in substandard housing has a negative impact on health. Poor health has negative impacts on employment and, therefore, income.

- Food Insecurity: Pay the rent or feed the child? This is the choice that must be made by many low-income families. To prevent eviction and homelessness, the choice is rent. Inadequate nutrition prevents children from succeeding in school, and has a negative impact on health. These, in turn, limit future success and opportunities for higher education and employment.
• **Health:** Poor health is associated with a decreased ability to earn employment income, and less ability to participate in educational and training opportunities. Living with health issues is costly as well, as a result of significant out-of-pocket medical and medically-related expenses.

• **Child care:** Access to affordable, high quality early learning and child care programs promote children’s well being while enabling their parent(s) to earn income or participate in educational or training opportunities. The lack of a universally accessible system of early learning and child care services in Canada serves as a factor contributing to and perpetuating low-income. The participation of lone parents in the labour force also requires supportive work environments, family and friends who can lend emotional and physical support, affordable housing and other supports in the community including recreation and transportation.

• **Children and Basic Education:** Children and youth with low-income do not perform as well in school. Children in low-income families are more likely to exhibit developmental delays and delinquent behaviours. Youth with low-income are more likely to leave school early. One reason for early leaving may be the need to supplement family income. Poor educational outcomes have long-lasting effects in terms of employment and income.

• **Affordable Public Transportation:** While access to affordable transportation supports an individual with low-income to access opportunities such as education, training, recreation and employment, and to obtain goods and services at competitive prices, living with low-income may limit housing options. In order to afford housing, access to transportation may be compromised.

• **Crime:** While low-income does not necessarily cause crime, living with low-income is a significant risk factor for involvement in criminal activity. Individuals with a criminal record limits an individual’s employment options. High crime rates may drive residents and businesses who can afford to move out of a neighbourhood, limiting the availability of goods and services and potential employment. People with low-income may need to move into a neighbourhood with higher crime as the housing may be more affordable.

• **Recreation:** Recreation helps children to develop healthy bodies, healthy minds and healthy relationships. Participation increases community involvement and has been shown to improve self-esteem and academic performance. Children and families with low-income tend to participate less in recreation activities. Cost, knowledge, lack of transportation, and lack of accessible and safe facilities may contribute to lower participation rates.

• **Social exclusion:** Social exclusion denies some individuals and groups the same rights and opportunities as are afforded to others in their society. Simply because of whom they are, certain groups cannot fulfill their potential, nor can they participate equally in society. It hurts them materially making them poor in terms of income, health or education by causing them to be denied access to resources, markets and public services. It can also hurt them emotionally, by shutting them out of the life of their community.
MODELS OF SUCCESS FROM OTHER NATIONAL AND PROVINCIAL JURISDICTIONS

In the political arena, the fight against poverty is usually regarded as a social goal and many governments have institutions or departments dedicated to tackling poverty. One of the main debates in the field of poverty reduction is around the question of how actively the state should manage the economy and provide public services to tackle the problem of poverty. Broad approaches include: economic growth, direct aid (such as through income support programs), and social improvement (such as increasing affordable housing and affordable child care, subsidizing employment, skills training, reducing taxation, reforming labour laws, et cetera).

The United Kingdom and Ireland

The United Kingdom and Ireland have recently been cited as examples of countries that have successfully reduced poverty and social exclusion and as potential models for the establishment of anti-poverty strategies in Canada. Both of these jurisdictions have benefited from strong economic and employment growth.

<table>
<thead>
<tr>
<th>United Kingdom</th>
<th>Ireland</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Goal:</strong> reduce child poverty by 25% by 2005, by 50% by 2010 and eradicate by 2020.</td>
<td><strong>Goal:</strong> to reduce consistent poverty from 9% to 15% in 1994 to: under 5% to 10% between 1997 and 2004; between 2% and 4% by 2010; and to eliminate it entirely by 2016.</td>
</tr>
<tr>
<td><strong>Key Objectives:</strong> labour market participation; financial security for families; protect the most vulnerable; improved access to public services; mobilization.</td>
<td><strong>Key Objectives:</strong> focus on population groups found to be consistently poor or at greatest risk of poverty, (for example people who are unemployed (particularly over a long term); children; unattached adults; lone parents; and people with disabilities.</td>
</tr>
<tr>
<td><strong>Initiatives:</strong> national minimum wage; tax credits for low-income earners and parents; supports to people with disabilities and seniors; expenditure increases on education, employment assistance, housing, child care and health.</td>
<td><strong>Initiatives:</strong> investments in the social protection system, increasing key services such as income support, education and training, employment supports, health care, housing and transport.</td>
</tr>
</tbody>
</table>
In Canada, there has never been a national anti poverty strategy although: the House of Commons unanimously resolved to eliminate poverty among Canadian children by the year 2000 (1989); a national poverty reduction strategy has been endorsed by the Standing Senate Committee on Human Rights (April, 2007); and the House of Commons Standing Committee on Finance in its pre-2007 budget consultations put forth a recommendation asking the federal government to set a specific target and timeline to reduce child poverty in Canada. In the absence of a national anti poverty strategy Quebec and Newfoundland have developed provincial strategies.

<table>
<thead>
<tr>
<th>Quebec</th>
<th>Newfoundland</th>
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<tbody>
<tr>
<td><strong>Goal:</strong> to make Quebec one of the industrialized societies with the least poverty by 2013</td>
<td><strong>Goal:</strong> transform Newfoundland and Labrador from a province with the most poverty to a province with the least poverty over the next decade (2005)</td>
</tr>
<tr>
<td><strong>Key Objectives:</strong> raising the standard of living of social assistance recipients and low income earners and assisting people make the transition from social assistance to employment. Also committed to the broader objectives of reducing social exclusion, prejudice and inequalities.</td>
<td><strong>Key Objectives:</strong> Improved access and coordination for those with low incomes; A stronger social safety net; Improved earned incomes; Improved early childhood development; and Better educated population</td>
</tr>
<tr>
<td><strong>Initiatives:</strong> passed the Act to Combat Poverty and Social Exclusion (2002): $2.5 billion allocated in 2004-05 over five years for full indexation of social assistance benefits; creation of a participation premium for social assistance recipient who are able to work; establishment of a work premium; increase in the minimum wage; a new universal tax credit for low income families with children; programs to facilitate the entry of young people and new immigrants into the labour market; and development of high-quality early learning and child care services</td>
<td><strong>Initiatives:</strong> numerous initiatives reflect a comprehensive, integrated and multi-faceted approach that addresses “the connections between poverty and gender, education, housing, employment, health, social and financial supports, and tax measures, as well as the link between women’s poverty and their increased vulnerability to violence</td>
</tr>
</tbody>
</table>
Ontario

The recently created Provincial government’s cabinet committee on Poverty Reduction, chaired by Deb Matthews, Minister of Children and Youth Services, is currently developing a poverty reduction strategy with measures, indicators and targets scheduled for completion in late 2008.

The Committee is reviewing how best to organize and align the current system of supports to ensure more effective investment and efficient administration. The government has committed to working with communities and other governments to expand opportunities for all Ontarians and to reduce poverty over the long term. Examples of some early initiatives include:

- **Children and Youth**
  - Dental care for low income children up to age 18
  - Student nutrition program
  - Increasing the number of Parenting and Family Learning Centres
  - Initiatives to reduce post-secondary education costs

- **Quality of Life**
  - Strengthening access to services through 211 Ontario
  - Creation of the Ontario Child Benefit

- **Low Income Ontarians**
  - Investing in social housing
  - Asset building strategy
  - Increase in social assistance rates
  - Increase in the minimum wage
  - Improving facilities for children and vulnerable populations
  - Property and sales tax credits for low income seniors.
SCAN OF STRATEGIES FROM OTHER MUNICIPALITIES

Many individuals and families are trapped in poverty because of policy and systemic failures. Systemic issues are typically based on gender, race and ethnicity, and disability which lead to higher levels of unemployment and lower wages, oftentimes regardless of the level of education attained. In addition, due to a system of low wages and precarious work Canada has a high and growing number of people who are known as the working poor.

Reducing poverty requires that we become aware of and removing barriers that keep individuals and families from achieving self-sufficiency — barriers such as lack of access to adequate employment, child care, transportation or health care; food insecurity; poor housing; low educational outcomes; low income and the inability to afford things like child care, transportation, housing, recreation, school fees and clothing; cultural and language barriers; and discriminatory beliefs and practices.

The Association for Municipalities in Ontario (AMO) recommends that municipalities develop local targets.

The following six principles developed by the World Bank and International Monetary Fund for policy making in low-income developing countries may be useful in guiding the development of London’s anti-poverty strategy:

1. results oriented with targets
2. comprehensive, integrating macroeconomic, structural, sectoral and social elements (for example: considering economic growth policies, infrastructure investment, labour market policies, education, health, and safety net policies)
3. “country drive” (in our context — “neighbourhood driven”)
4. participatory with all stakeholders involved
5. based on partnerships between government and other actors
6. long term, focusing on reforming institutions and building capacity as well as short term goals

Strategies adopted by other local level jurisdictions in Ontario are included as examples of local approaches that incorporate a multi-faceted response to poverty in their individual communities. While the approaches vary in detail, they are fairly consistent in that they involve many stakeholders; they began by defining what poverty means to their community and how it impacts their community. The strategies include educating the broader community about the issues and why community and government action is
important. The approaches adopt the core foundations to a poverty reduction strategy: “upgrading living conditions” and “strengthening local supports”. The challenge is to determine initiatives and actions that will have the most impact.

The following table summarizes the approaches taken by select municipalities in Ontario:

<table>
<thead>
<tr>
<th>Municipality</th>
<th>Strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lambton’s Child Poverty Task Force</td>
<td>Adopted the “Circles Campaign” Model of poverty reduction. Aims to:</td>
</tr>
<tr>
<td></td>
<td>• Change the mindset of the community so it wants to and thinks it can end poverty;</td>
</tr>
<tr>
<td></td>
<td>• Change the goals (policy, law) of the system to end poverty;</td>
</tr>
<tr>
<td></td>
<td>• Empower people in poverty to help solve community problems while transitioning out of poverty themselves</td>
</tr>
<tr>
<td>Hamilton’s Roundtable for Poverty Reduction</td>
<td>Tackling root causes: Affordable Housing, Food Security, Income Security, Accessible Transportation, Social Inclusion, Safe Neighbourhoods. The three levels of strategy are as follows:</td>
</tr>
<tr>
<td></td>
<td>• “macro” strategy - a broad community-level approach focused at the foundational community supports, policy and systems level change required for poverty reduction</td>
</tr>
<tr>
<td></td>
<td>• Five Critical Points of Investment driven by strategic outcomes defined by a starting point partner</td>
</tr>
<tr>
<td></td>
<td>• Local strategies and community solutions will be assessed to build community knowledge, synergies and best-practice approaches – includes information sharing, community education, advocacy, policy work</td>
</tr>
<tr>
<td>Halton</td>
<td>No specifically defined strategy, however, strategies for comprehensive housing and quality of life for seniors have been developed as two components of the strategy</td>
</tr>
<tr>
<td>Niagara</td>
<td>• Decrease poverty through advocacy</td>
</tr>
<tr>
<td></td>
<td>• Appropriate and flexible supports which address the broader determinants of health for adults living in poverty</td>
</tr>
<tr>
<td></td>
<td>• Mitigate the negative effects of low income on children and youth through programs and services</td>
</tr>
<tr>
<td></td>
<td>• Monitor progress</td>
</tr>
</tbody>
</table>
APPENDIX ONE

MEASURING POVERTY IN THE UNITED KINGDOM AND IRELAND

United Kingdom

Measuring Poverty

- The UK has a “tiered approach” that includes three measures of poverty:
  - Absolute low income – families with children living below 210 pounds weekly, adjusted for inflation; goal is to see families’ real income rise over time
  - Relative low income – similar to our Low Income Measure and Ireland’s “at risk of poverty” measure - 60% of median household income
  - Deprivation and income combined – will eventually be similar to Ireland’s Consistent PovertyDeprivation measure (still under development)

Targets and Timelines

- The UK uses relative low-income as the lead measure, and it is the measure used in relation to its’ commitment to end child poverty
  - 25% reduction in children living in low-income families (60% median household income) by 2005
  - 50% reduction in same by 2010
  - Elimination of child poverty by 2020

Sub-Indices

- The UK also annually releases Opportunity for All which reports on 41 separate indicators to help gauge the success of its poverty strategy – the indicators provide more detailed data
- Indicators are grouped into 4 categories:
  - Children and Young People (indicators include Low Income Rates, Children in Workless Households, Teenage Pregnancy, School Attendance, Obesity, etc)
  - People of Working Age (Low Income Rates, Employment Rates, Employment Rates for Disadvantaged Households, Education Levels, Smoking Rates, etc)
  - People in Later Life (Low Income Rates, People Contributing to Non-State Pensions, Health Life Expectancy)
  - Communities (Employment Rates in Deprived Areas, Crime Rates, Housing Adequacy Statistics)
APPENDIX ONE

Ireland

Measuring Poverty

- Ireland uses 2 measures of poverty:
  - “At Risk of Poverty” which is essentially the equivalent of our Low-Income Measure but at 60% of median household income
  - “Consistent Poverty” which links a Deprivation Index to the “at risk of poverty” measure – this is the lead poverty measure that is connected to Ireland’s poverty reduction timelines and targets

At Risk of Poverty

- Essentially our Low-Income Measure but 60% of the median household income
- Ireland also provides data annually broken down in gradients of 50%, 60% and 70%
- Also provides data by different population groups and households (ie. single parents)
- At Risk of Poverty (i.e. low-income) rate:
  - 2003: 19.7%
  - 2004: 19.4%
  - 2005: 18.5%
  - 2006: 17.0%

Deprivation Index and Consistent Poverty

- Ireland’s benchmark measure that is used in its Poverty reduction strategy is called Consistent Poverty
- The measure is derived from a Deprivation Index compiled from questions on the annual European Union Survey on Income and Living Conditions
- Persons lacking two of the following 11 items are regarded as experiencing deprivation:
  - Two pairs of strong shoes
  - A warm, waterproof overcoat
  - Buy new, not second-hand clothes
  - Eat meals with meat, chicken or fish (or vegetarian equivalent) every second day
  - Have a roast joint or its equivalent once a week
  - Had to go without heating during the last year through lack of money
  - Keep the home adequately warm
  - Buy presents for family and friends at least once a year
  - Replace any worn furniture
  - Have family or friends round for a drink or meal once a month
  - Have a morning, afternoon or evening out in the last fortnight for entertainment

- People whose income falls below the relative poverty line (60% median income) and who experience two or more areas of relative deprivation are considered to be in consistent poverty
- Consistent poverty rate (persons):
  - 2003: 8.8%
  - 2004: 6.8%
  - 2005: 7.0%
  - 2006: 6.9%
APPENDIX ONE

Targets and Timelines

- The targets and timelines are as follows: “reduce the number of those experiencing consistent poverty to between 2% and 4% by 2012, with the aim of eliminating consistent poverty by 2016”
The development of London’s anti-poverty strategy may be guided by our Social Policy Framework. The Social Policy Framework is based on the guiding principles of equity and inclusion, dignity and self-sufficiency, and partnerships and accountability.

**Equity and Inclusion**

- Services, opportunities, and community activities should be accessible to all Londoners. Affordability is one of the most important factors in accessibility.

- All Londoners should have access to basic needs including adequate and appropriate food, and safe and affordable housing.

**Dignity and Self-Sufficiency**

- Policy solutions must work with people’s whole lives, and respond to the interconnections of life issues and experiences, such as health, mental health, housing, employment, family supports, social inclusion, and quality of life.

- One size of service delivery does not fit all. Service providers need to empower and work with individuals, families, and communities to identify solutions that will meet their unique needs.

- Income security alone is not the solution to ending poverty. Social policies should not be “band-aid” approaches that simply help people to pay the bills, but should promote opportunities for long-term self-sufficiency.

**Partnerships and Accountability**

- All three levels of government play a role in establishing and implementing a system of social and economic policies that support self-sufficiency.

- Government, or the public sector, cannot address social policy issues alone. The remaining two “pillars of society” - the private sector and the voluntary sector - have important expertise and resources to contribute to developing local responses to community issues.