

Moving from poverty to self-reliance

JUDITH MAXWELL
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A strong economy can do wonders to create opportunities for most Canadians, but not all. Three provinces have now decided to help the people who are left behind move from poverty to self reliance.

Quebec, Newfoundland and Labrador, and Ontario are committed to long-term poverty reduction strategies. The Quebec plan, Reconciling Freedom and Social Justice is designed to promote “economic security and social inclusion through employment.” Newfoundland aims to become a province “where all individuals ... can develop their full potential.” Ontario will announce its plan in the autumn.

Both Quebec and Newfoundland treat economic and social development as complements. Creating jobs supports social development. Creating social inclusion strengthens economic development. Both are essential to success. The challenge is to shift more social spending from passive handouts to investments in future productivity and well-being.

The isolation of Canada's poorest citizens is striking. Since the United Way of Greater Toronto launched its Strong Neighbourhoods initiative in 2005, residents in Scarborough Village have had many successes in improving recreation, safety, youth opportunities, and access to social services. The changes in the Village inspired some members of the Bengali women's social club to take the subway to downtown Toronto for the first time in their lives. It may seem like an ordinary thing to do, but it was extraordinary for those women. And it was a sign that they had gained a sense of belonging to Toronto and to Canada.

Their little excursion demonstrates how place-based policies can be a catalyst for social development. But place-based policies must be reinforced by policies that give people access to jobs that pay a decent wage and encourage their children to get a good education.

This is where the provinces and the federal government have vital roles to play. The road to poverty reduction goes far beyond raising social assistance rates. It is primarily an investment in the programs and services which get adults off welfare and out of working poverty. It means targeting extra supports to put children and youth (especially aboriginal children and youth) on a path to economic independence. It means supporting young lone parents to complete high school and acquire both life and work skills. And it means doing far more to support immigrants through the difficult transition to life in Canada – language training, skills training or further education, work experience, and opportunities to become involved in community and political activities.

This agenda creates immense challenges for governments. It forces them to break down the silos between ministries in order to create citizen-centred programs and services. It forces them to think clearly about what their targets are and how they will measure progress. And most difficult of all, it seems, it forces them to co-ordinate provincial and federal initiatives.

Moving Canadians from poverty to self-reliance should appeal to political parties of all stripes. It has been endorsed by the Parti Québécois and the Charest Liberals, by the Williams Conservatives in Newfoundland and the McGuinty Liberals in Ontario.

But what about the federal government? Ottawa holds some key cards – Employment Insurance, training, affordable housing and benefits for children. Reducing poverty will be hard to achieve without federal contributions on all those fronts.

Liberal Leader Stéphane Dion has already announced his 30-50 plan to reduce poverty (cutting poverty by 30 per cent and child poverty by 50 per cent in five years) and his desire to work with the provinces. The New Democratic Party does not believe in targets but calls for strong federal leadership on a range of programs. For example, it has numerous private bills before the House of Commons to reform EI and wants to reinstate a national housing program.

So far, the federal government has kept its distance. In general, it has been reluctant to co-operate with the provinces, choosing instead to send cheques like the recently announced Community Investment Trust, or to

find ways to meet its goals without involving the provinces.

There are frequent statements about the need to strengthen the Canadian economic union, and Human Resources Minister Monte Solberg has highlighted significant new spending on training, noting “our labour market policies and programs need to focus on giving all Canadians the right training and skills to meet employers' demands.”

But there are only hints about the social union. The Speech from the Throne said, “Our government will continue to invest in our families and our future and will help those seeking to break free from the cycles of homelessness and poverty.” But Ken Battle, President of the Caledon Institute for Social Policy points out that all the measures taken so far – the Working Income Tax Benefit and changes in child benefits – would be far more efficient if they were integrated with the provincial benefit systems.

History tells us that federal-provincial relations can be painful and unproductive. But there are many examples (think of the Canada Pension Plan) where working together gets you smarter, more effective social policy.

Judith Maxwell is the former head of the Economic Council of Canada and the Canadian Policy Research Networks.