

Let's Talk About Poverty

RESOURCES ON POVERTY

Here are some of the materials you can read to learn more about the approaches to defining and measuring poverty. Some of them are very technical and academic, while others are written to help everyone better understand the concept of poverty. Ideological values are the basis of almost all discussions about the meaning of poverty, so keep that in mind as you read these materials. How you think about the growing gap between people with wealth and people who do not have access to a certain "decent" standard of living, and whether you consider the causes of poverty to be in the individual or in the "system" will affect your consideration of these various articles and positions. However, as the introduction to *A Summary of Poverty Reduction Initiatives by the Region of Waterloo* states, indicators which focus on poverty solely as income insufficiency divert attention away from the plight of poor people. The statistics of poverty and program of poverty reduction cannot tell the whole story. Rates of the proportion of the population who live below the low-income-cut-offs, or any other measure of poverty, may measure our success, but as long as there are people living in poverty, there will be the despair, fear and uncertainty that inevitably accompany income insufficiency.

Some reports suggest that it is people who are poor who should define poverty. As a participant in a program of the House of Friendship said it:

Poverty, welfare, unemployment, homelessness are thieves. They steal not food from our tables and roofs over our heads; they steal something far more precious. They steal our dignity and pride.

This resource list is organized thematically, rather than the usual alphabetical bibliographic structure. Here you will find a listing of sources for:

- Voices of People Who are Poor: around the world, in Ontario, and in Waterloo Region
- General discussions of the meaning and measurement of the concept of poverty, including both international understandings as well as Canadian sources
- Sources of discussion on specific types of approaches
 - LICO
 - Market Basket Measures
 - Social Exclusion
- Other literature

Sources of Voices of People Who are Poor

The World Bank has collected the voices of more than 60,000 poor women and men from 60 countries, in an unprecedented effort to understand poverty from the perspective of the people who are poor themselves. *Voices of the Poor* poignantly paints the picture of the struggles and aspirations of poor people for a life of dignity. This study is based on the idea that poor people are the true poverty experts, and they speak of poverty as multidimensional and complex. An overview can be found at <http://www.worldbank.org/poverty/voices/listen-findings.htm> . The first report in this series is:

Narayan, D. et al.(2000) *Voices of the Poor: Can Anyone Hear U?* New York, N.Y.:
Published for the World Bank, Oxford University Press. Available at
<http://www.worldbank.org/poverty/voices/reports/canany/vol1.pdf>

To hear the voices of people closer to home, check out:

Bezanson, K. & McMurray, S. (2000). *Booming for Whom? People on Ontario Talk About Income, Jobs and Social Programs*. Caledon Institute of Social Policy. Available at: <http://www.caledoninst.org/>

This is the last of a series of reports that describe the experiences and feelings of general insecurity of people in Ontario that have come from what is perceived as overwhelming and hasty policy changes, including education, health and jobs. Many people, in middle as well as low income households, are struggling to get by. Some of the findings of this study revealed that people want to work, but many work for wages that can not meet their expenses; there are fewer "good" jobs but more temporary, contract, self-employed and part-time jobs. In addition, Employment Insurance and social assistance are harder to get, and housing, child care, education and health care are more expensive due to changes to government programs. As a result, people are spending less on food and personal care and they take on more debt. The authors conclude that these strategies are unsustainable.

Another Ontario resource which was used for some of the quotations in the Fact Sheets, take a look at:

Our Neighbours' Voices: Will We Listen?. The Interfaith Social Assistance Reform Coalition, 1998.

For voices of our neighbours in the Waterloo Region, look at resources such as

Friend to Friend: Stories and Photos from House of Friendship. Kitchener.

Porter, L. L. (2000). *A Cambridge Journal: Stories from the Food Bank Cambridge: The Cambridge Self-Help Food Bank.*

Smilek, S. M. et al. (2001). *When the Fridge is Bare: Challenges to Food Security in Waterloo Region.*

General Resources on the Concept of Poverty

The United Nations Human Development Reports provide an excellent overview, and one of the least biased approaches. These reports are released each year, and get a lot of media coverage in Canada if we are Number 1. (In 2001, we fell to #3). The Human Development Index uses measures such as life expectancy, adult literacy rate, enrolment ratios, real GDPs per capita, and other indices in the creation of a human development index (HDI) value. This measure allows some international comparisons. In addition, each report has a specific focus. In 2001, the theme was on making new technologies work for human development; in 2000 the focus was on human rights.

United Nations Development Programme (2001). *Making new technologies work for human development.* Available at <http://www.undp.org/hdr2001/complete.pdf>

United Nations Development Programme (2000). *Human rights and human development.* Available at <http://www.undp.org/hdr2000/english/HDR2000.html>

For Human Development reports going back to 1990, go to <http://www.undp.org/hdro/highlights/past.htm>. Other UN publication that provide excellent overviews of different concepts and approaches to defining and measuring poverty, with an international perspective are:

Boltvink, J. (1998). *Poverty measurement methods – An overview.* Available at: http://www.undp.org/poverty/publications/pov_red/Poverty_Measurement_Methods.pdf

Dessallien, R. L. (2000). *Review of poverty concepts and indicators*. Available at:
http://www.undp.org/poverty/publications/pov_red/Review_of_Poverty_Concepts.pdf

For Canadian general discussions on poverty, the following are a sampling of materials available:

Canadian Council on Social Development (October, 2001). *Defining and re-defining poverty: A CCSD perspective*. Available at: <http://www.ccsd.ca/pubs/2001/povertyppt.htm>

The CCSD is an advocacy and social research organization. Their website (<http://www.ccsd.ca/>) hosts a tremendous amount of material about poverty. In this recent paper, the CCSD examines advantages and disadvantages of various measures of poverty: the LICO (Low Income Cut-Offs), the LIM (Low Income Measure) and the MBM (Market Basket Measure). The Council concludes that because the LICOs are familiar, widely used and provide a consistent and detailed time series, Statistics Canada should continue to calculate and publish both before-tax and after-tax incidence of low income based on the LICOs. They also suggest that LICOs should be supplemented with other poverty measures such as the LIM (Low Income Measure). Any MBM should be based on wide community consultation widely on what items are to be included in the MBM, the distance that should be allowed for between low-income families and community norms, and how the basket should be updated. Such consultation should include community-based organizations and persons living in poverty. They also state that the MBM should include items related to social inclusion, such as recreation and cultural activities.

Goldberg, M. & Pulkingham, J. (2000) *Defining and measuring poverty in Canada*.
http://www.unbc.ca/cwrc_page/PovConsult.pdf

This collection of papers of the proceedings of a forum in Prince George reflects the debate among various groups in Canada on various measures of poverty. The reported debate is very interesting, as is the conclusion that the debate over measures of poverty does not lead directly to solutions for addressing poverty. The proceedings provide a good overview of the definitional debate and some of the ideological positions. It also includes a section on the reasons why anti-poverty groups prefer the LICO, as well as their call for action to reduce and end poverty.

Murray, J. & Ferguson, M. (2001). *Women in Transition Out of Poverty*. Toronto: Canadian Women's Foundation: Women and Economic Development Consortium.. Available at
<http://www.cdnwomen.org/eng/index.htm> . When you get to the website, click on "Sharing our Learning" to download the Report. The Executive Summary is available at
<http://www.cdnwomen.org/eng/3share/execsumm.htm>

This thoughtful paper is referred to in the introduction. The authors suggest that women's movement out of poverty must be self-directed, and assisted so that they can gradually build their assets for the transition out of poverty and for the rest of their lives. It provides an multidimensional asset-based approach to poverty reduction rather than a deficit model, implying a multifaceted approach to poverty itself. Community economic developers, funders and policy makers can gain practical learning and concepts to support and strengthen programs for women to enable them to achieve self-sufficiency through the development of enterprises. Through this supported process, women can make changes in their lives, enhancing their independence and building a livelihood. The information is based on the experience of nine model economic development projects funded by the Women and Economic Development Consortium, and provides an excellent resource for "an asset-based approach to building sustainable livelihoods".

National Council of Welfare (2001). *Some basic facts about poverty lines*. Available at:
<http://www.ncwcnbes.net/htmldocument/reportnewpovline/chap1.htm> . It is a part of a larger report, *A New Poverty Line: Yes, No or Maybe?*.

The National Council of Welfare provides information about matters relating to social welfare to the Minister of Human Resources Development and the broader public. Like the Canadian Council on Social Development, the National Council of Welfare publishes regular reports on poverty, welfare and social policy issues. This paper outlines the Council's basic position on poverty lines.

Ross, D.P. Scott, K. J. & Scott, P. J.(2000). *The Canadian fact book on poverty*. Canadian Council on Social Development. Chapter 2, "Working Definitions of Poverty" is available at:
<http://www.ccsd.ca/pubs/2000/fbpov00/chapter2.pdf>

This book provides the reader with a good overview of poverty in Canada. In the chapter on definitions, they consider seven different approaches and the assumptions behind them. Throughout the rest of the book they use the before-tax LICO, supporting their choice through empirical evidence on adult and child well-being and the level of support that has been publically given to this measure.

Sarlo, C. A. (1998). *Poverty in Canada*. Vancouver: The Fraser Institute. Available at:
<http://www.fraserinstitute.ca/publications/books/poverty/index.html>

(2001). *Measuring poverty in Canada* Available at:
http://www.fraserinstitute.ca/publications/critical_issues/2001/poverty/index.html

Sarlo is an economist who writes for The Fraser Institute, an independent research and educational organization that is sometimes referred to as a "conservative think tank". Sarlo challenges the LICO as setting thresholds of impoverishment at a level that is too high, and proposes an alternative measure of poverty based on a list of necessities to maintain "physical well-being". He also distinguishes between poverty, inequality and "social comfort". His approach is sometimes considered to reflect a more absolute approach to poverty, but as others have pointed out, all measures of poverty are relative and arbitrary. His categorization of costs for basic needs is not based on actual consumer patterns (e.g. 80 tampons a year are all he suggests are necessary in a household of 4 people), and he does not include aspects of social well-being and inclusion. His poverty lines are considerably lower than most other measures of poverty in Canada. (See the comparison in the Introduction of this book.)

Webber, Maryanne (1998). *Measuring low income and poverty in Canada: An update*. Available at:
<http://www.statcan.ca:80/english/research/75F0002MIE/98-13e.pdf>

For some brief overviews of definitions of poverty, check out one of the following:

What is poverty? <http://www.napo-onap.ca/nr-what.htm>

What is child/ family poverty? <http://www3.ns.sympatico.ca/raven.avhcapc/what.html>

LICO (Statistics Canada's Low Income Cut-Off)

For some background on the LICO and the ongoing debate about whether it should be maintained, changed or abandoned as some sort of poverty indicator in Canada check out some of the following:

Cotton, C., Webber, M. & Saint-Pierre, Y.(1999). *Should the low income cutoffs be updated? A discussion paper*. Available at <http://www.statcan.ca:80/english/research/75F0002MIE/99009.pdf>

Fellegi, I. P. (Chief Statistician of Canada). *On poverty and low income*. Available at:
<http://www.statcan.ca/english/concepts/poverty/pauv.htm>

Norman, K. (2000) *Perceptions of Poverty: Correcting misconceptions about the low-income cutoff*. Toronto: C.D. Howe Institute. Available at: <http://www.cdhowe.org/pdf/norman.pdf> .
Norman concludes that Stats Canada should cease publishing the LICO.

Ross, David P. (1994). *A working definition of Statistics Canada low income cut-offs (LICOs)*.
http://www.ccsd.ca/fs_povbk.htm

Market Basket Measures

Alberta Human Resources and Employment (2000). *The Market Basket Measure: Calculating the cost of Albertans' basic needs*. Available at: <http://www3.gov.ab.ca/hre/pdf/mbm.pdf>

Human Resources Development Canada (1998). *The Market Basket Measure – Constructing a New Measure of Poverty*. Available at: <http://www.hrdc-drhc.gc.ca/arb/publications/bulletin/vol4n2/v4n2.pdf>

Pendakur, K. (1999). *Absolute Consumption Poverty in Canada 1969 to 1997*. Available at:
<http://www.arts.ubc.ca/cresp/povab.htm>

This paper uses a poverty rate based on consumption rather than income lower than an absolute poverty line, which is considered to be the expenditure necessary to achieve a minimum level of material well-being. The calculations are very technical, but Pendakur concludes that like income poverty, consumption poverty increased significantly between 1992 and 1997.

Sarlo, Chris (1998). *The Market-Basket Approach for Measuring Poverty*. Vancouver: The Fraser Institute. Available at:
<http://www.fraserinstitute.ca/publications/forum/1998/October/poverty.html>

Social Planning Council of Winnipeg & Winnipeg Harvest (2001). *A. L. L.: Acceptable Living Level*. Available at: http://www.spcw.mb.ca/reference/doc_all2000.pdf The Executive Summary is available at: <http://www.ccsd.ca/cspn/all.htm>

The Social Planning Council in collaboration with Winnipeg Harvest based their market basket on the choices and consumer patterns of actual consumers. They found that in both of their studies that there was a close relationship between the Acceptable Living Level and the LICOs. The participation of consumers is a strength of this work, and their methodology follows the recommendations of the CCSD.

Poverty as Social Exclusion

Some of the criticisms of the above common measures and concepts of poverty is that they do not take into account social exclusion. Here are some sources to look at to consider this approach:

Bradshaw, J. et al (2000). *The relationship between poverty and social exclusion in Britain*. Available at: <http://www-users.york.ac.uk/~jrb1/recentun.htm> .

This study found a strong association between all measures of poverty and most measures of social exclusion. This conclusion supports the position that poverty is not only about money, but also about the inability to participate fully in one's community.

Williamson, D. L. & Reutter, L. (2000). *Defining and measuring poverty: Implications for the health of Canadians*. Available at: <http://www.apha.ab.ca/Promoter/winter2000.htm> .

These researchers conclude that policies that assume absolute conceptualizations of poverty (e.g. Sarlo's) are incompatible with evidence of the vital role that meaningful participation in society plays in health.

Other Literature

For people who like to read literature to help them understand concepts, there is an excellent list of possibilities of *The Literature of Poverty: A Collection* at <http://www.worldbank.org/poverty/povlit/index.htm>. The list includes books from various cultures. Among the titles are *Angela's Ashes*, the *Sayings of Confucius*, and a resource on liberation theology.