

Alberta Facts

Published by the Edmonton Social Planning Council

Number 9

Revised April 1993

POVERTY IN OUR PROVINCE

MYTHS AND REALITIES

None of us likes to admit personal prejudice towards particular groups of people. To be called sexist or racist is an insult, but prejudice towards the poor is also a source of discrimination in our province and it poses a serious social problem.

Prejudice is often related to a lack of information or understanding. This fact sheet looks at some of the myths about Albertans who live in poverty.

Eliminating misconceptions is the first step to changing negative attitudes towards people who are poor.

In Alberta, seven per cent of the total population presently rely on Supports For Independence. For children, the proportion is 10 per cent. All of these people are 'poor' in terms of their pocketbook. Prejudice towards these Albertans must be addressed.

We need to know the facts.

Poverty in Alberta

- In 1990, 15.4% of families living in Alberta were poor.
- In 1990, 375,000 unattached individuals living in Alberta were poor.
- In 1990, 117,000 children under 16 were poor.
- In 1990, 69.2% of children in female lone parent families were poor.
- In 1990, 19.2% of people over age 65 were poor.

Defined by Statistics
Canada Low-Income
Cut-offs, 1990.

MYTH

REALITY

MYTH: *People on welfare are too lazy to work.*

REALITY: Of the 167,512 people receiving Supports For Independence in Alberta, about 70,000 are children. Approximately 65 per cent of all recipients are single parents, elderly, have a physical or mental illness, or are unsuited for employment for other reasons. Of the people who can work, one-quarter are employed.

MYTH: *Many people who receive welfare are cheating the system.*

REALITY: While no specific figures can be provided convictions for welfare fraud make up less than two per cent of all cases. In comparison, the amount of tax fraud in Alberta has been estimated to be approximately 11 per cent.

Fran and her two kids live in subsidized housing. Although the rent is much more reasonable than a regular apartment, she and her children pay other hidden costs.

At school the kids are teased about living in "houses built for poor people." Within the housing units themselves, Fran is aware of the lower status she has as a "welfare mom." It seems that working families are better than families which receive Supports For Independence. Even though Fran works part-time while the kids are at school, she wonders if she'll ever be able to escape the costs of being poor.



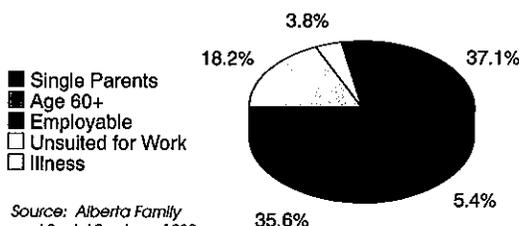
MYTH: *If people would just get a job, they wouldn't be poor and they wouldn't need welfare.*

REALITY: Today, about 14.5 per cent of Supports For Independence cases are families headed by a person who is employed, at or near the minimum wage. Many people are working; they just don't make enough. Working 40 hours a week at the minimum wage of \$5.00/hour yields a gross annual income of \$10,400.

MYTH: *People on welfare have it too good.*

REALITY: By law, Supports For Independence payments cover only people's most basic needs, such as food, shelter, clothing and medical supplies. For example, a single parent with two children, receiving the maximum shelter and food benefits, is provided \$13,428 in benefits for the year. Federal, non-cash and supplementary benefits are provided in addition to the cash standard benefits income.

SUPPORTS FOR INDEPENDENCE
CASELOAD TYPES



Source: Alberta Family and Social Services, 1992.

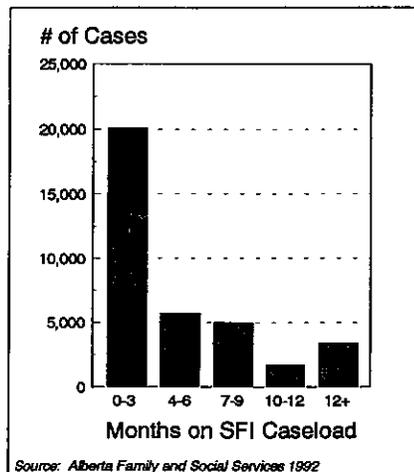
MYTH: *Single mothers should not be such a burden to the system.*

REALITY: Alberta has the highest divorce rate in Canada and, as a result, single parent families make up a large percentage of people on assistance. Women who are single parents

often live in poverty because they are usually granted custody of their children. Many of these parents have to turn to the government for help when spouses fail to pay adequate child support. As well, in Alberta women working full-time earn, on average, only two-thirds of what men earn.

MYTH: *Once people go on welfare, they stay there.*

REALITY: A common belief is that once someone goes on welfare, they make it their "career." Of those considered available for work, the vast majority are on assistance for less than 3 months. The following graph depicts the length of time employable people are on social assistance.



MYTH: *Poverty is the result of individual failure; people on social assistance don't try hard enough to find work.*

REALITY: As of January, 1993, the unemployment rate in Alberta was 9.2 per cent. This number does not count people who would like to work full-time but can only find a part-time job. Even if Albertans do find work, the majority of jobs that are available are those in the service sector, which often pay near the minimum wage. People working full-time at the minimum wage rate still need income security.

Marina had to keep her three children home from school today. The only thing she had to send with them for lunch was cold macaroni. Instead of embarrassing the kids in front of their peers, she will try to do schoolwork with them at home.

Marina is stressed out. Her children risk falling behind the rest of the class and being accused of 'faking' their sickness, since the same thing happened at the end of last month. What else can she do to hide her poverty?



MYTH: *Government social spending is a waste of money.*

REALITY: At any time, there are people in society who cannot work due to disability, or because there simply aren't any jobs which use the skills they have. Every industrialized country provides a welfare and unemployment system to support those who don't have an employment income. The social costs of not providing these social programs would be unacceptable. Thousands of Albertans, including children, would be made homeless, some would be forced to beg (or do worse) to support their families, while costs in health care and policing would increase.

The Supports For Independence program allows families some financial stability during periods of great stress. It allows people the breathing space to get back on their feet, to learn new skills, and to once again become economically productive during periods of transition. Canada does not operate a "Cadillac" welfare system. While government social expenditures are slightly above those of the United States (where many social services are instead paid for by private insurance), they are much lower than in most European countries.

The true measure of poverty

Physical survival is just one challenge of living in poverty. What must also be considered is

what it costs a family to be full participating members of a community.

As Peter Townsend, a British expert on poverty-related issues puts it:

"Individuals, families and groups in the population can be said to be in poverty when they lack the resources to obtain the type of diet, participate in the activities and have the living conditions which are customary, or at least widely encouraged or approved, in the societies to which they belong."

Supports For Independence is not a privilege, but a legal right. Poverty in Alberta is too widespread to be explained as personal failure; poverty is a social problem. No one deserves to be poor.

Poverty and the Law

The Social Development Act is the law in Alberta which governs income security policy and practice. It says that every Albertan whose basic needs (food, clothing, shelter and heat among other necessities) are not being met is entitled to government support. A new act which better suits the new welfare reforms and direction of policy is being developed.

The federal legislation governing income security is the Canada Assistance Plan (CAP), which pays a portion of the Supports For Independence costs incurred by the province.

Questions for discussion:

1. It has been said that we depend on poverty too much in our society for it to disappear. A certain level of poverty and unemployment are quite acceptable and even necessary if the rest of us are to enjoy the standard of living which we do. Do you agree or disagree?
2. Should the purpose of government assistance be to give people enough resources to live on or to help them get out of poverty, so they are, in the long term, less reliant on government support?
3. How can we address negative attitudes towards the poor in Alberta? Some people say welfare support should not single out people who are poor as this reinforces the problem. One suggestion is that a refundable tax credit be available to all Canadians. There would not be any discrimination as to who receives it and for those that don't need it, it would be taxed back. What kind of welfare system would provide for basic needs **without** labelling people 'poor'?

What can you do?

1. Learn more about the issue of poverty and the reality of poverty for people in your community. What are the causes of poverty? What are the symptoms? Challenge myths about the poor.
2. Get involved in activities to alleviate poverty in your community: collective kitchens, school snack programs, enriched pre-school education opportunities (ie. Head Start).

For more information about the Council, its regular publications **First Reading** and **Alberta Facts**, or other publications, please contact:

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Development of this issue of **Alberta Facts** was provided by Lise Mills with the Assistance of Alberta Family and Social Services. This is a revised edition of the Number 9 Alberta Facts May 1991.