Social Problems in a Diverse Society (Canadian) 4th edition Kendall Solutions Manual

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CHAPTER 2
Wealth and Poverty: Canadian and Global Economic Inequities

CHAPTER SUMMARY

Canadians believe they live in a **meritocracy**, where success is possible for anyone who works hard enough. Many Canadians, along with more than 1.3 billion people worldwide live in **absolute poverty** today, a life threatening condition. In fact, more than 600 million people globally suffer from chronic malnutrition, an estimated 40 million of which die each year from hunger-related conditions. **Social stratification** refers to the hierarchical arrangement of large social groups based on their control over basic resources. Stratification in Canada—which is based on the **class system**—is linked with global systems of stratification that affect people's **life chances**. A person's position in a class system is determined by the **wealth, power,** and **prestige** that the person has. Stratification also exists on a global basis. Among the aspects of the Canadian class system that sociologists study are the classes themselves and the unequal distribution of people—by age, racialization/ethnicity, gender, and household composition—across those class divisions. Sociologists also study the consequences of living in poverty, including poor health and nutrition, housing, and education. Explanations for poverty include individualistic, cultural, and structural.

LEARNING OBJECTIVES

After reading Chapter 2, students should be able to:

1. Analyse poverty in Canada within a global context.
2. Understand wealth and income inequalities, with particular emphasis on understanding the situations of the lower classes in Canada.
3. Describe the situation of poverty in Canada, and be able to differentiate between relative and absolute poverty.
4. Discuss the consequences of poverty for people in Canada with regard to health, nutrition and housing.
5. Critically analyse how Canada deals with poverty.
6. Explain the system of social welfare in Canada and demonstrate how neoliberal policies have impacted the Canadian welfare state since the 1970s.
7. State the individual, cultural, and structural explanations of poverty, and explain why sociologists prefer structural explanations.
8. Discuss various ways that poverty can be reduced in Canada including being able to critically examine proposed poverty reduction strategies.

KEY TERMS

absolute poverty
blaming the victim
cultural capital
feminization of poverty
income
life chances
meritocracy
power
prestige
relative poverty
social stratification
wealth
welfare state

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CHAPTER OUTLINE

I. WEALTH AND POVERTY IN GLOBAL PERSPECTIVE

A. Canadians view themselves as living in a ***meritocracy***. But do all people in this nations and other part of the world really have an equal opportunity for success? What kinds of inequalities exist in the Canadian and worldwide class system today? Sociologists study inequality and poverty in a class system. A primary characteristic of the class system is *social mobility*, the upward or downward movement in the class structure that occurs during a person's lifetime and from one generation to another.
B. Comparisons between nations reflect the growing gap between the rich and the poor, both within and among nations.
C. Disparity in life chances between high-income and low-income nations also is apparent.
    1) Today, more than 1.3 billion people live in ***absolute poverty,*** which is often life threatening, as when people suffer from chronic malnutrition or die from hunger-related diseases.
    2) Over 600 million people suffer from chronic malnutrition; 40 million annually die from hunger-related diseases.

II. ANALYZING INEQUALITY IN CANADA

A. One of this country's most persistent social problems is that Canada has a high degree of **s*ocial stratification***-the hierarchical arrangement of large social groups on the basis of their control over basic resources.
B. Today, the gap between the rich and the poor in this nation is wider than it has been for decades. Throughout the world, the wealthiest and poorest people are living in increasingly separate worlds. The widening gap between rich and poor has a dramatic impact on everyone's life chances. As one might predict, affluent people typically have better life chances than the less affluent.
C. Most contemporary research on class is influenced by the theories of Karl Marx and Max Weber, and more recently by modifications to these theories by sociologists like Erik Olin Wright.
    a. Marx's *means of production* model: capitalist societies are divided into two classes—the capitalist class (bourgeoisie) that owns the means of production and the working-class (proletariat) that sells its labour power to the capitalists. According to Marx, inequality and poverty inevitably result from the exploitation of the workers.
    b. Weber's *multidimensional model:* economic factors are important in determining class location and studying social inequality, but other factors also are important. The model focuses on the interplay of ***wealth***, ***power***, and ***prestige*** as determinants of people's class position.
    c. Wright modified Marx's and Weber's models so that placement in the class structure is based on four criteria (1) ownership of the means of production (capitalist class); (2) employing others (managerial class); (3) supervising others on the job (small business class); and (4) being employed by someone else (working class).

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D. Wealth and Income Inequality
    1) The richest Canadian in 2009, Kenneth J. Thomson, has a net worth of $13 billion (USD) or approximately $15 billion dollars, Canadian. The vast majority of Canadians will never amass even a fraction of this type of wealth, however even billionaires lose money.
    2) The face of poverty is increasingly diverse with regard to family type, as more Canadians experience layoffs, lack of real wage gains, and reduced work hours.
    3) Wealth is a particularly important indicator of individual and family access to life chances.
    4) ***Income*** is extremely unevenly divided in Canada. The gap between the richest and poorest Canadian households continues to widen. In 2003, the highest quintile had 46.5% of all the income while the lowest quintile had 4.3%.

E. The Canadian Lower Classes
    1) The lower class in Canada makes up about 20% of the population. It is comprised of the working poor and the chronically poor.
    2) The working poor comprise those who work full-time in positions such as unskilled labour, seasonal or migrant agricultural jobs, or the lowest-paid service sector jobs, but still remain at the edge of poverty.
    3) Although the poor constitute between 11 and 16 percent of the Canadian population, depending on the measures used, they receive only about 5 percent of the overall Canadian income.
    4) Minimum wages in Canada do not function to keep Canadians out of poverty any more, even if people work full time, full year.
    5) Overrepresented in these lower classes are people who are unable to work because of age or disability and lone-parent female head of households, along with their dependent children.

III. POVERTY IN CANADA

A. The fact that Canada is such a wealthy nation, but one in which such a high proportion of the population lives in low income and poverty situations, has made Canada the target of international criticism, particularly by the United Nations.
B. Children have a much greater likelihood of being poor than seniors and 300,000 homeless people living in Canada, that working-age people 18–64 years have the greatest likelihood of having a low income (10.1%), young people under 18 years are next (8.2%), and seniors 65+ years have the least likelihood of having a low income (5.3%).
C. Recent immigrants have a greater likelihood of having a low income than Canadian-born population and immigrants who have been in Canada for longer time periods.
D. Canada's Indigenous population earned about $10 000/year less than the non-Indigenous population in 1996, 2001, and 2006 (income was not asked in the 2011 Census), there is a greater likelihood that a higher percentage of them will have a low income compared to the non-Indigenous population.
E. Sociologists distinguish between ***absolute poverty*** and ***relative poverty***. Canada has a high ***poverty rate*** compared with other advanced industrial nations. The number of families who live below the unofficial poverty (LICO) line in Canada increased throughout the 1980s and 1990s, although since 1996, the numbers have dropped

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marginally each year, signifying better overall economic conditions in the late 1990s and into the 2000s for some groups of people (prior to the most recent recession).

F. The Canadian Poverty Line: LICOs
   1) Though there is no established formal "poverty line," the Canadian government, through Statistics Canada, has established a low-income cut-off line that is commonly used to measure poverty in Canada.
   2) A Low Income Cut-Off (LICO) line allows us to see how many people in Canada spend significantly more than the average on the necessities of life, as well as seeing how low below the cut-off some people live.
   3) LICOs are not measures of poverty, although they are typically used as such, as they do indicate relative circumstances for citizens.
   4) The lack of a formal governmental measure of poverty suggests that the Canadian government does not wish to officially recognize that poverty is a significant and ongoing issue in Canada.

G. Consequences of Poverty
   1) Health and Nutrition
      a. Good nutrition, which is essential to good health, depends on the food purchased, and when people are poor, they are more likely to purchase cheap but filling foods that may not meet all daily nutritional requirements. Poor children are especially at risk.
      b. Increasing numbers of people annually are relying on food banks to meet their needs. Approximately 40 percent of food bank users are children.
      c. Rural food banks serve more children and seniors than urban food banks do and rural food banks make up nearly one half of the nation's food banks.
      d. The nutritional content of food bank hampers is dubious and at best, provides only five days' worth of food. Most food banks only allow once per month access to a hamper.
      e. Nutritional analysis of the food bank hamper contents demonstrates that donated goods do not meet basic nutritional requirements. Unsurprisingly, 40% of children living in poverty consume significantly less than the recommended guidelines for caloric and nutritional intake.
   2) Housing
      a. Many regions of Canada lack affordable housing and has reached crisis proportions. The problem is even greater for individuals and families living in poverty because the number of low-cost housing units is decreasing and being replaced by expensive condominiums through a process of "gentrification."
      b. When low-income housing is available, it may be located in high-density, often over-crowded areas. The housing often has inadequate heating/plumbing facilities, insect and rodent infestation, and dangerous structural problems due to faulty construction or lack of adequate maintenance.
      c. In recent years, increasing rates of homelessness reflect one of the most devastating effects of poverty. The composition of the homeless population has shifted to include many more families, young children,

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youth, and elderly. At least one-third of de-housed people in Canada today are families and one-third are youth, aged 16-24. One of every seven shelter users in Canada is a child.

H. How Canada Deals with Poverty
   1) In Canada, as part of an overall retrenchment of government programs and services, structural poverty is dealt with as though it is an individual problem. Rather than examine ways of eliminating poverty or dealing with poverty at a societal level, we offer temporary assistance, not through our governments, but through charity--both through individual charity and through charitable organizations.
   2) Canada had zero food banks in 1980 and today has thousands – a clear measure of welfare state retrenchment.
   3) Despite overall economic growth in the 1990s, poverty did not decrease on par. Further, the current recession has significantly and negatively impacted those most vulnerable. We continue to temporarily fund shelters and food banks as though the problems associated with poverty in our nation were fleeting. State welfare programs, such as Employment Insurance (EI) and Social Assistance, continue to be retrenched, resulting in heightened risks of poverty for income-insecure individuals.

IV. SOCIAL WELFARE IN CANADA

A. Canada, like many other advanced capitalist nations, is a ***welfare state***. Most benefits of the Canadian welfare state are taken for granted by most Canadians. Under the mantle of the welfare state come all our social programs, such as universal health care, education, pension plans, worker's compensation, minimum wage, employment standards, environmental regulations, health and safety standards, social or income assistance, and child tax benefits, to name a few.
B. The modern welfare state, or Keynesian welfare state, came into existence in Canada following World War II. One of the unintended, but useful, consequences of the welfare state has been to ameliorate the worst contradictions created by capitalism's normal "ebb and flow" cycle.
C. In the early 1970s, capitalism shifted from a national to an international economic system; in short, capitalism became global. Capitalist enterprises were no longer reliant on the purchasing power of any particular nation-state when a whole world was now the market. Under various trade agreements, capitalists sought to level or "harmonize" social and economic policies between nations so to facilitate easier, and more profitable, trade.
D. A newly internationalized capitalism put increased pressure on governments to enact new neo-liberal policies that would have the effect of reducing government interventions such as income assistance, EI, and so on, called "barriers to trade" by neo-liberals.
E. The term **workfare** is generally used to describe a particular direction taken by governments as they reform social assistance, with a particular focus on the shift from income assistance based on need to some type of mandatory employment activity in exchange for benefits.
F. Workfare programs are based on the assumption that there are two groups of poor: the deserving and the undeserving. The **deserving poor** are those who, for reasons

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completely beyond their control (for example, extreme old age or extreme disability) are unable to work. The **undeserving poor**, rated as the vast majority of people on income assistance, are those who need tough love would improve the moral conduct of the undeserving poor, save money and reduce welfare dependency. Initially both caseloads and costs declined. It was believed by many that "the poor" were unmotivated, or did not value work, or had no work ethic, or had, through a ***"culture of poverty***,"-cultural values and attitudes which precluded a commitment to work.

V. PERSPECTIVES ON POVERTY AND CLASS INEQUALITY

A. The Symbolic Interactionist Perspective

1) Symbolic interactionists examine poverty from the perspective of meanings, definitions, and labels. Workfare programs for social assistance recipients are based on individualistic explanations for poverty. Most sociologists, however, feel that individual explanations of poverty amount to ***blaming the victim***.
2) Symbolic interactionists are also interested in what it means to people to be poor and the impact of stigma on people's self-concepts. Some researchers have focused on how cultural background affects people's values and behaviour.
    a. According to the much criticized "culture of poverty" thesis, some, but not all, poor people develop a self-perpetuating system of beliefs and values (e.g., inability to defer gratification or plan for the future, feelings of apathy, hostility, and suspicion, and deficient speech/ communication patterns) that keeps them poor. This thesis has been critiqued as paternalistic, based on stereotypes, and simply incorrect.
    b. More recent cultural explanations of poverty have focused on the lack of ***cultural capital***: low-income people do not have adequate cultural capital to function in a competitive global economy. This approach has been critiqued as victim blaming.

B. The Structural Functionalist Perspective

Structural explanations for poverty focus on the macro level organization of society that an individual alone cannot change.

1) According to functionalists, social inequality serves an important function in society because it motivates people to work hard to acquire scarce resources, but changes in the economy have dramatically altered employment opportunities.
2) Functionalists assert that it is functional to maintain a pool of desperate workers in order to fill the occupations that no one wants to do. Though this may be "functional" for some perhaps, it is likely problematic for those who are forced to work in unfavourable conditions for low wages.
3) Poverty as an industry may be seen as functional for those who work within it (e.g. financial assistance workers).

C. The Conflict Perspective

1) Conflict theorists suggest that poverty is a side effect of capitalism. Corporate downsizing and new technologies have enhanced capitalists' profits and contributed to the impoverishment of middle- and low-income workers by creating a reserve army of unemployed people whom the capitalists use as a source of cheap labour and a means to keep other workers' wages low.
2) Corporations' (shareholders) intense quest for profit results in low wages for

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workers, a wide disparity in the life chances of affluent people and poor people, and the unemployment and impoverishment of many people. Conflict between the capitalists and the workers has, in part, been ameliorated in past decades by welfare state programs like EI or social assistance.

D. Feminist Perspectives
   1) Many feminist perspectives on poverty or class inequality focus on the gendered character of stratification and poverty. Most of the people living in poverty are women and children. This is known as the "feminization of poverty."
   2) In the foundational work for socialist feminism, Engels theorized that the fact of private property was at the heart of patriarchy. Where private property is important (in capitalism), ensuring "legitimate" offspring to inherit this property is vital. In order to ensure a man's children were his own, monogamy and the subjugation of women became necessary. For Engels, this was "the world-historical defeat of women." Some critique this analysis for being too deterministic.
   3) More recently, instead of seeing women and men as oppositional classes, scholars have analyzed the variety of ways that gender, racialization, and class intersect within a capitalist economic system, recognizing the complexities in an analysis of who is poor and who is wealthy, who is an oppressor and who is oppressed.

VI. HOW CAN POVERTY BE REDUCED?

1) Analysts who focus on individual causes for poverty typically suggest that low-income and poverty-level people should change their attitudes, beliefs, and work habits if they want to get out of poverty.
2) People who believe poverty is culturally based suggest that poverty can be reduced by enhancing people's cultural capital (e.g., we should develop more job training and school enrichment programs to enhance people's cultural capital and counteract negative familial and neighbourhood influences).
3) Although some structural solutions suggest that poverty can be eliminated only if capitalism is abolished and a new means of distributing valued goods and services is established, others state that poverty can be reduced by the creation of a society where wealth is distributed more equitably.
4) Poverty reduction plans that have been successful in jurisdictions outside Canada have included the following characteristics: targets and timelines; accountability; comprehensiveness; a focus on marginalized groups; and community involvement.

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ACCESSING THE REAL WORLD: ACTIVE ENGAGEMENT WITH PROBLEMS RELATED TO POVERTY

Focus on Community Action
Have a class discussion on the geography of public and private space in the student's community. How are homeless people and people living in poverty affected by the division of private and public space?

Next, have the students design a short questionnaire pertaining to attitudes and beliefs about poverty and public *versus* private space. Suggest that they investigate popular stereotypes about poverty, welfare, and welfare recipients. Students should administer the survey to other students, co-workers, or acquaintances and compile their results. After that have students go out and speak with someone who is actually homeless or living in absolute poverty. Have the students find out the person's life story and how the division of public and private space affects her or his life.

Ask students to prepare a report and discuss their findings with the rest of the class. How closely do the answers given by their non-representative sample in the survey they administered correspond to the facts presented in the text? Were they surprised with the information they found from talking to de-housed people? Did any of their attitudes or beliefs change as a result of interviewing people in poverty?

Focus on Theoretical Analysis
Divide the class into four collaborative learning groups (or 8 if the class is very large) and have members of each group serve as experts on how functionalists, conflict theorists, feminists, or interactionists explain poverty and how they would go about reducing or eliminating the growing gap between the rich and the poor in this country. Each group should choose political leaders (e.g. Justin Trudeau, Christy Clark) or community organizations (e.g. Women's Resource Centres, Churches) that represent the sociological theory they have been assigned.

One person from each group will be elected to participate in a political forum on poverty, role playing the political leader or community organization that is most closely aligned with their assigned sociological theory. The rest of the students will be tasked with asking challenging questions for each political and community leader about how they explain inequality and how it could be eliminated, making sure to include relevant information from each sociological theory. Was it possible to get consensus on how the issues of poverty, homelessness and inequality should be dealt with? Why or why not?

Focus on Media Engagement
Have the class watch at least three different "reality television" shows that depict how wealth, power, prestige, and poverty influence people's lives (Some good examples: *Laguna Beach, Jon and Kate Plus 8, COPS, To Serve and Protect, What Not To Wear, Clean Sweep, Pimp My Ride, The Swan, Survival of the Richest, Brat Camp, The Simple Life, The Hills, The Rich Girls)*. If students do not have access to cable television, they can use a website to watch streaming video of reality TV.

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Students should then prepare a brief report on what they have found, focusing on the visual images, language used, subliminal messages, intended audience of each program. How do these supposed "reality television" shows influence our perceptions about poverty? Do they accurately reflect the reality of how wealth, power, prestige, and poverty influence people's lives? Have each student provide a synopsis for their own *real* "reality television" show that would more accurately reflect the daily lives of both people living in poverty and with wealth. They should share their "reality television" show ideas with the rest of the class.

APPLYING CRITICAL THINKING THROUGH DISCUSSION

1. Why do Canadians persist in their belief in Canada as a meritocracy? What evidence exists to support that view and what evidence exists to the contrary?

2. Why are racialization/ethnicity, class, age, and gender important concerns for sociologists who study social stratification and poverty in Canada and other nations?

3. What suggestions can you make for alleviating the problems associated with the feminization of poverty in this country?

4. What will happen in Canada if the rich continue to get richer and the poor continue to become increasingly impoverished?

5. Why does Canada not have a formal measure of poverty? Would having an official measure change our approach to poverty in Canada? If yes, how?

6. How do individual, cultural, and structural explanations for poverty differ? Which explanation best fits poverty in Canada? Why?

7. If Canada implemented a poverty reduction strategy such as the one outlined in the chapter, what impact would that have on poverty? Why do you think Canada has not adopted this or any other similar strategy?

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AUDIO-VISUAL MEDIA FOR FURTHER EXPLORATION

A Call to Action—This film follows one activist through one of Toronto's poorest neighbourhoods, funding cuts, housing shortages and political activism through OCAP. 2004. 12 mins. National Film Board of Canada, www.nfb.ca.

A Far Cry from the Beach—A Swiss priest brings hope to the inhabitants of a squatter settlement living in poverty in Sao Paulo. 18 min. 1993. National Film Board of Canada, www.nfb.ca.

Capitalism: A Love Story— Examines the impact of corporate dominance on the everyday lives of Americans (and by default, the rest of the world). 120 mins. 2009. Overture Films and Paramount Vantage.

Come on Down: Searching for the American Dream—A Canadian man's road trip into the heart of the American Dream. 2004. 45 mins. National Film Board of Canada, www.nfb.ca.

Neighbourhood Deliveries—A look at poverty in one of Montreal's most impoverished areas, Hochelaga-Maisonneuve. 2006. 52 mins. National Film Board of Canada, www.nfb.ca.

Salvation—This documentary portrays the front-line street workers who serve the needy under the umbrella of the Salvation Army. 2001. 51 mins. National Film Board of Canada, www.nfb.ca.

Them That's Not—This video puts a human face on the statistics relating to women and poverty. 54 min. 1993. National Film Board of Canada, www.nfb.ca.

Turbulences—This film highlights the unprecedented power of the financial markets and the threat they pose to democracy. 52 min. 1998. National Film Board of Canada, www.nfb.ca.

Voices from the Shadows—This film examines Canada's inequitable, often punitive, welfare system. 1992. 77 mins. National Film Board of Canada, www.nfb.ca.

Winning—This film tracks six Canadian lottery winners to see how their lives have changed, for better or for worse. 2004. 56 mins. National Film Board of Canada, www.nfb.ca.

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Chapter 2

Wealth and Poverty: Canadian and Global Inequities

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Is Canada a Meritocracy?

Canada is often described as a "land of opportunity"

Or at least a **meritocracy**: A nation where the best person can rise to the top in any situation, despite his or her antecedents

But do all Canadians have an opportunity for success?

- what of the rest of the world?
- concerns exist now that the next generation will not be as well off as the present one.

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Wealth and Poverty in Global Perspective

Nations by level of income:

- High-income: highly industrialized (e.g., Canada and U.S.)
- Middle-income: agrarian to industrial (divided into two levels)
  - Upper (e.g., China and Russia)
  - Lower (e.g., India and Nigeria)
- Low-income; primarily agrarian (e.g., Bangladesh and Kenya)

Absolute poverty: 800 million people do not have the means to secure necessities, food, clothing, and shelter

Relative poverty: people can afford basic necessities, but cannot maintain a standard in comparison with other members of society or group

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Analyzing Inequality in Canada

Social stratification is the hierarchical arrangement of large social groups on the basis of their control over basic resources

How are social classes determined in Canada?

Marx's model: Inequality and poverty are inevitable by-products of the exploitation of workers by capitalists

Max Weber's model: **Life chances,** the extent to which people have access to food, clothing, shelter, education, and health care, are important

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Analyzing Inequality in Canada

Max Weber's multidimensional model: wealth, power, and prestige determine stratification

- **Wealth** is the value of all economic assets, including income and savings
- **Income** is economic gain from wages, income transfers (e.g., from government) or ownership of property
- **Power** is the ability to achieve goals despite opposition from others
- **Prestige** is the respect, esteem, or regard accorded to an individual or group by others

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Analyzing Inequality in Canada

Erik O. Wright identified four classes:

1. Capitalist
2. Managerial
3. Small-business
4. Working

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Analyzing Inequality in Canada

These classes were based on

1. Ownership of means of production
2. Employing others
3. Supervising others
4. Being employed by someone else

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Analyzing Inequality in Canada

- Wealth inequality: whereas in 2008, 1125 billionaires in the world, in 2014, 1645
- Study of income distributions often divide the population into fifths or quintiles
- From 1976-94 inequality was stable, but inequality increased greatly since then
- Income inequality in Canada: using the Gini index where 0 represents equality and 1 total inequality, inequality has risen from .29 in 1994 to .32 in 2009

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Analyzing Inequality in Canada

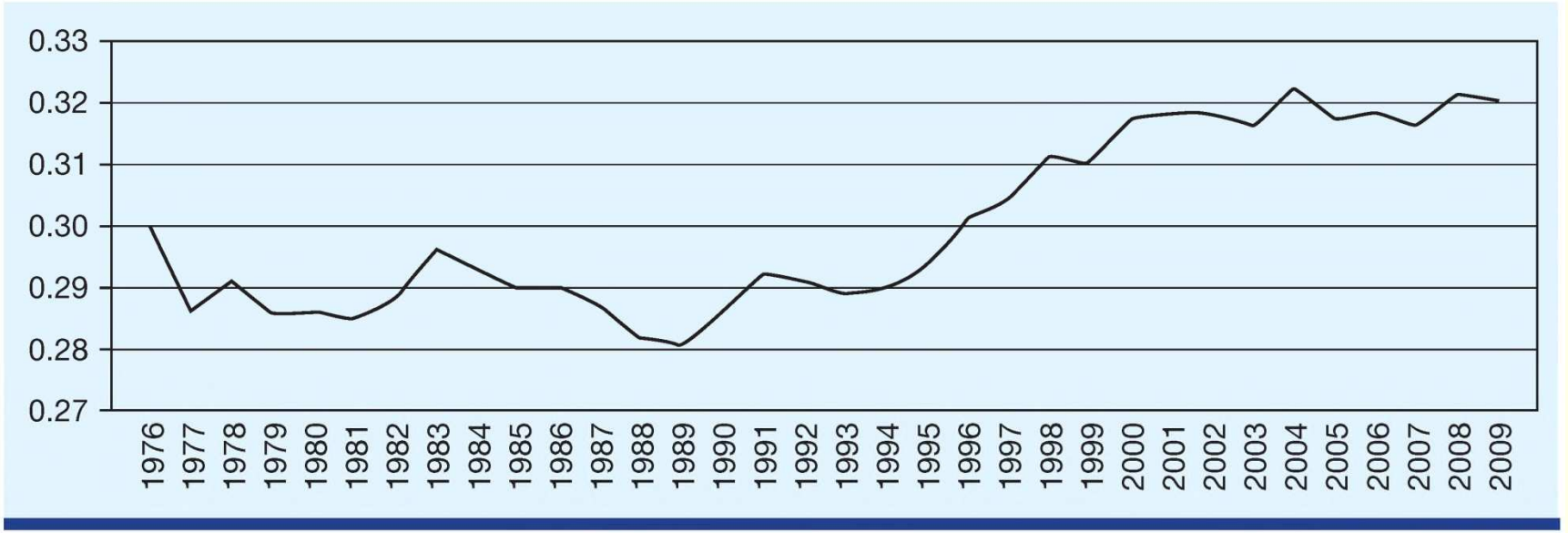


Figure 2.2 Income Inequality in Canada, 1976–2009 (Gini Index using adjusted after-tax income, where 0 represents exact equality and 1 represents total inequality).

Source: *Conference Board, 2014*, Income Inequality. *Retrieved September 6, 2014 (http://www.conferenceboard.ca/hcp/details/society/income-inequality.aspx)*.

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Analyzing Inequality in Canada

The Canadian Lower Class:

- The working (unskilled and low-paid service workers) poor and chronically poor or the lowest quintile of income distributions
- They receive about 5% of overall income but incomes vary over time

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Analyzing Inequality in Canada

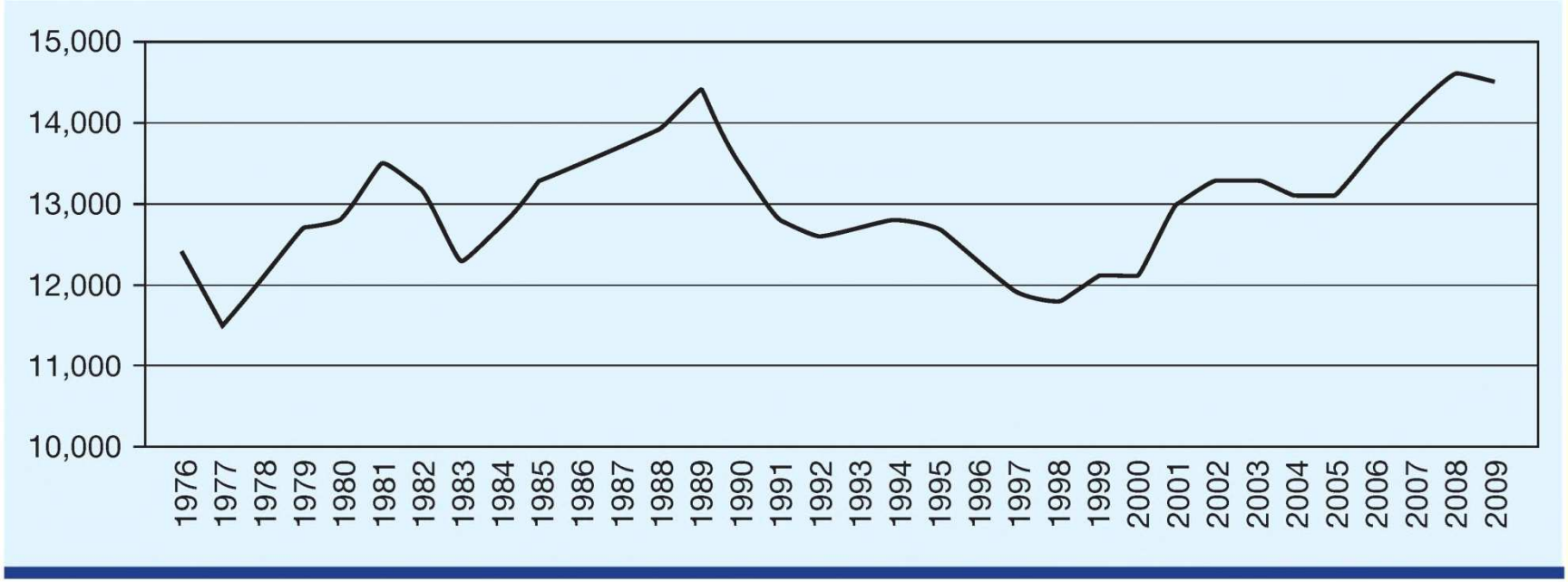


Figure 2.3 Average Income of Poorest 20 Percent of Canadians, 1976–2009 (average after-tax income, 2009 $).

Source: *Conference Board, 2014*, Income Inequality. *Retrieved September 6, 2014 (http://www.conferenceboard.ca/hcp/details/society/income-inequality.aspx)*.

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Poverty in Canada

Chances of being poor vary by:

- Age: relative to other high-income countries children and working-age people have a greater and seniors have a lesser chance of being poor
- Family structure, Sex, Immigration, and Indigenous Status: the following have a greater chance of being poor
  - Female lone-parents,
  - Older unattached senior women,
  - Recent immigrants, and
  - Indigenous people

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Measuring Poverty

- Low-income measure: half the median family income (adjusted for family size)
- Low-income cut-off: below which a family would spend 50+% of income on food, clothing, and shelter (adjusted for size and location)
- Market basket measure: income necessary to buy a basket of food, clothing, shelter, transportation and other basic needs

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Measuring Poverty

These measures give somewhat different results:

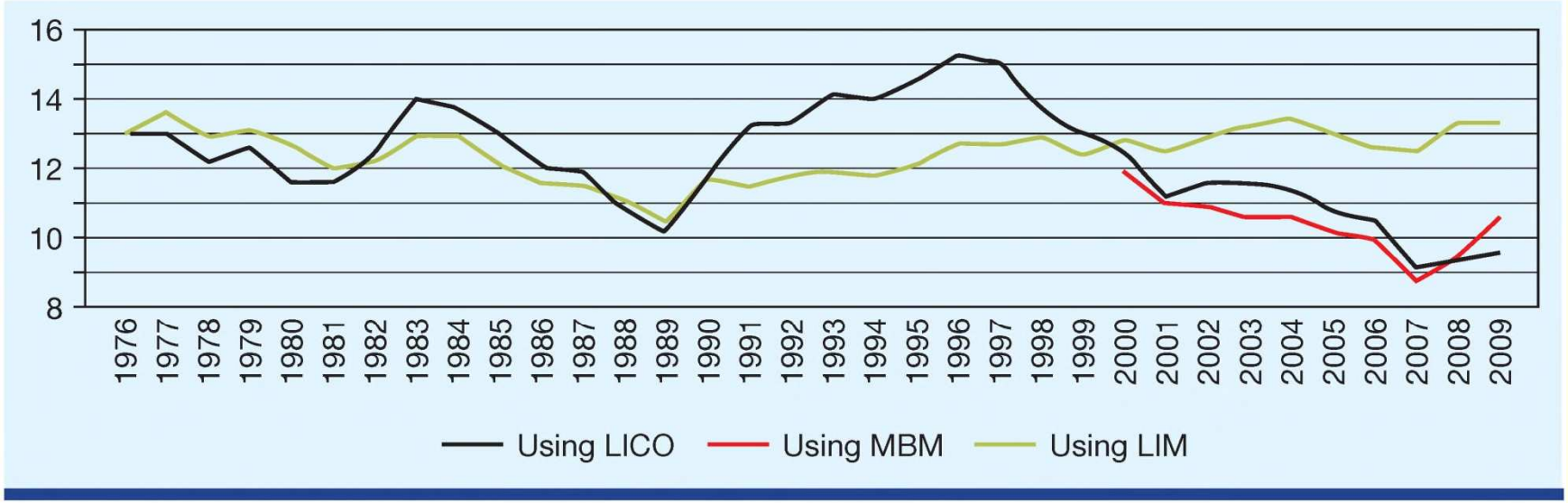


Figure 2.4 Percent of Canadian Population in Low Income, 1976–2009.

Source: *Conference Board, 2014*, Income Inequality. *Retrieved September 6, 2014 (http://www.conferenceboard.ca/hcp/details/society/income-inequality.aspx)*.

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Poverty in Canada

Consequences of Poverty:

- Health and Nutrition: Food Banks served 800 000 people in 2013
- Housing: 200 000 experience homelessness/year
- Education: Indigenous people have lower levels of graduation from secondary and post-secondary schools than non-Indigenous people

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How Canada Deals with Poverty

Government funds programs like Employment Insurance (EI) (now running a surplus) and Income Assistance (IA), but it is increasing difficult to qualify for EI

Governments fund shelters and food banks

Welfare state: a nation in which government intervenes in the welfare of its citizens through various policies, programs, standards, and regulations

But employment is the only thing to move people off IA and we continue to have high unemployment

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Perspectives

Symbolic Interactionist

- **Blaming the victim**: saying the problem resides in the person who is poor
- **Culture of poverty**: the poor have different values and beliefs than middle and upper classes
- **Cultural capital**: social assets, like values, beliefs and competencies in language, that are required for success
- These criticisms detract from true influences of problems of sexism, racism, and unemployment

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Perspectives

Functionalist

- Social inequality serves the function of motivating people to work hard to gain resources.
- But for whom is it functional that professional athletes earn so much more than child care workers?
- Why don't those who work in dangerous jobs get higher salaries?
- Poverty is functional for those who work in the "poverty industry", e.g., government workers and those who market cheap items

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Perspectives

Conflict

- Poverty is a side-effect of capitalist system
- Downsizing and new technologies create a reserve army of the unemployed to keep wages low
- Quest for profit results in low wages
- Executive pay has risen greatly
- If poverty cannot be eliminated, it could be reduced

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Perspectives

Feminist

- Focus in on the gendered character of stratification and poverty
- **Feminization of poverty:** trend of women being disproportionately represented among people living in poverty
- Private property is at the heart of patriarchy
- Gender, racialization, and class interact: people experience oppression in more than one aspect of their lives, causing increased oppression

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Can Poverty Be Reduced?

- Those who give individualistic and cultural explanations suggest individualistic and cultural solutions like better work habits and job training, but other solutions are possible
- The plans outlined here may not solve the problem of poverty, but they may reduce the price the poor pay for living in the "land of opportunity"

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Can Poverty Be Reduced?

Proposals for poverty reduction solutions should have:

- Targets and timelines
- Accountability
- Comprehensiveness
- Focus on marginalized groups, and
- Community involvement

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Can Poverty Be Reduced?

The following should be included in the plan:

- Adequate and accessible income support for unemployed
- Improved earning and working conditions for the low-waged
- Address needs of those living in poverty
- Address homelessness
- Provide universal child-care
- Support training and education
- Promote health of citizens

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What Can You Do?

- Work at a food bank
- Organize a drive for a food bank and bake cookies
- Participate in food-share and car-share programs
- Challenge those who criticize the poor
- Find out about local poverty issues
- Get other students involved
- Attend demonstrations on poverty

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