

## POVERTY IN A LAND OF PLENTY

A WOMAN'S VIEW Ginette Petitpas Taylor

It is disgraceful that in a country as prosperous as Canada, there are over 1.2 million children living in poverty. In New Brunswick, 25,000 children, almost 17% of New Brunswick children, live in poverty.

The numbers are even worse for certain groups of children, such as those of lone parents, and about half of recent immigrant families and a third of children in racialized families are poor, even though Canada guarantees equality regardless of the colour of your skin and the place of your birth.

What is even worse, many of the poor are working poor. Almost 10,000 persons in this province work full time all year but still have income below the poverty line. Many more can only work part time or seasonally. These are people lucky enough to be physically and mentally capable of working, lucky enough to find work and yet their earnings are below the poverty line. Of Canadian children living in poverty, one-third have a parent who works at a full-time job. This situation has deteriorated in the last decade.

A large part of the problem is a minimum wage that has no relation to the average wage or to the poverty line. Minimum wage rates in the province remain low and the income from a full-time minimum wage job has significantly less purchasing power than full-time minimum wage earnings used to buy - in 2001, minimum wage bought 28 per cent less than it did in 1977.

Up until a few decades ago, people who worked at minimum wage full time had income about level with the poverty line. Now minimum wage is about what the worst employers want to pay.

As the CEO of the Women's Chamber of Commerce in the United States said recently, if employers can't stay in business without keeping their employees in poverty, there's something wrong with their business models.

We need to do away with the outdated notion of a minimum wage that is only indexed to the political will. We need a true *living wage*.

An adequate living wage would guarantee a decent human existence. It would reduce expenditures on social programs and health and increase tax revenues. Indeed, without government programs, New Brunswick's overall poverty rate would be around 27% instead of 15%.

Lone parents, most of whom are in the labour force, are much affected by the low wages and by the pay gap between women and men in New Brunswick. If there were pay equity – if jobs were no longer paid at a “discount” when they are traditionally female jobs - many families would be significantly better off.

Low rates and punitive policies in the social assistance system are another part of the problem. New Brunswick's social assistance benefits are very low. The "economic unit" policy in place since 1995 treats as a family all individuals sharing accommodation, so welfare recipients cannot share an apartment with a roommate – a sister, another lone parent etc, because that person's income is included to determine eligibility for welfare.

As one lone mother put it in a workshop by Urban Core Support Network, "I might be able to survive easier and begin to think about getting off the system if I could live with my sister. We could share expense, we could baby sit for each other. But if I do, income assistance will take a large cut out of my cheque and I'm no further ahead. Now I'm living in an apartment where I pay

75 per cent of my income on rent - I've been on the waiting list for subsidized housing for three years."

How poor are the poor? The average poverty gap – that is, the average amount that the poor in New Brunswick would need to actually reach Statistics Canada's Low Income Cut-Off – is several thousand dollars more. The poverty line depends on the number of people in a family and the size of the community where they are living, so for example, in a community with a population between 30 000 and 99 999 people, a two-person family needs an annual income of \$17 900 to be at the poverty line and a family of 4 needs \$27 700.

Recently a new Statistics Canada study concluded that the rich are getting a lot richer - the income of the top-earning 5% of Canadians is steadily increasing and that privileged group now has 25% of the national income. The rest of us, the remaining 95% of Canadians, are seeing at best no change in our income.

To raise awareness about this situation, we need groups active on poverty and human rights. But in Canada, many groups can no longer advocate for the needed changes, since advocacy no longer qualifies for funding through Status of Women Canada.

Last week, during the International Day for the Eradication of Poverty, groups in solidarity with the poor raised their voices to call everyone to action. Next week, some groups are coming together to discuss what a strategy against poverty should look like, if New Brunswick were to have one. Luckily we have some examples of strategies in other provinces and countries.

To offer pity and charity in a time of plenty is offensive. Fairness and justice is what is needed.

*Ginette Petitpas-Taylor, of Moncton, is Chairperson of the New Brunswick Advisory Council on the Status Of Women. Her column on women's issues appears in the Times & Transcript every Thursday. She may be reached via e-mail at [acswcccf@gnb.ca](mailto:acswcccf@gnb.ca)*