

# Is Poverty Relative or Absolute? Poor Because they Have Is it Important?

**"He may be healthy, handsome, and a  
delight to his friends, but he is poor."**

## **THE REAL POVERTY REPORT**

The following is an excerpt from The Real Poverty Report. We thank Ian Adams, who was one of the authors, for permission to use this material.

To be poor in our society is to suffer the most outrageous kinds of violence perpetrated by human beings on other human beings.

From the very beginning, when you are still a child, you must learn to undervalue yourself. You are told that you are poor because your father is too stupid or too shiftless to find a decent job; or that he is a good-for-nothing who has abandoned you to a mother who cannot cope. And as you grow up on the streets, you are told that your mother is dirty and lazy and that is why she has to take money from the welfare department. Because you are poor, the lady from the welfare office is always coming around asking questions. She wants to know if your mother is living with a man, and why she is pregnant again.

If as a child you are going to survive, you must close these violences out of your mind and retreat into a smaller world that you can handle. And if throughout most of your childhood you are sick and rarely have enough to eat, your sickness and hunger will only make the larger world more alien to you and force you deeper into your own personal apathy. If your parents are Indian, black or Eskimo, then all these strikes against you are multiplied.

By the time you are a teenager you accept without question your teacher's advice that you are not really good enough to go any further with your education. You know that it would be a waste of time even to think about it because your parents couldn't afford to send you anyway.

From then on, as you go from one menial job to another, you come to know that machines are more important than you are. In the newspapers you read that the government is spending millions of dollars on people like you but it is apparently all money down the drain.

During hard times when jobs are scarce, employers tell you that it is your fault that you don't have enough education, enough skills. Men and women with anonymous faces behind anonymous counters spend a lot of time telling you that it is your fault that you have never taken advantage of the opportunities that came your way. So you spend a lot of time hassling with the unemployment insurance people, the welfare department, and sometimes with the law. And nothing is going to save you from these bureaucracies, because you will never have enough money to get them, and the loan sharks and the bill collectors, off your back.

As you move through a succession of crummy apartments, where the rents are always just too high, your kids start growing up the same way you did - on the street. And you suddenly realize there is no way out, that there never was a way out, and that the years ahead will be nothing but another long piece of time, spent with an army of other sick, lonely and desperate old people.

For unless you are blessed with an exceptional stroke of good fortune or a driving natural talent that will get you out into the larger world of affluence and opportunity, then you will, like the majority of the poor, live on the street

and die on the street - and very few will ever give a damn about you.

Although it may astound many members of the affluent class, the simple truth is that people are poor because they don't have enough money. There may be other reasons for poverty - but these are all consequences of not having enough money to maintain an adequate standard of living. And by "adequate," we do not mean enough for bare survival.

An adequate income is one high enough to purchase the goods and services that will allow an individual or a family to participate fully and equally in society. If they cannot, then those individuals and families with inadequate

incomes - the poor - are being materially deprived of goods and services the mainstream of society considers necessary for a stable and productive life.

In other words, poverty is relative to the living standard the rest of society enjoys. Where the practical difficulty lies, however, is in the attempt to measure the gap between those who enjoy an acceptable standard of living and those who cannot attain it.

In attempting to define poverty the American social critic Ferdinand Lundberg has written:

Anyone who does not own a fairly substantial amount of income-producing property or does not receive an earned income sufficiently large to make substantial regular savings, or does not hold a well-paid, securely tenured job is poor. He may be healthy, handsome, and a delight to his friends - but he is poor.

As Lundberg points out, the most solid foundations of a satisfactory standard of living are assets and accumulated wealth. That kind of economic power can assure freedom and security far beyond the resources of a simple weekly wage.

There are other forms of income in kind: ownership of a house, certain employee fringe benefits, and farm produce for the farm family. All of these guarantee a material standard of living that is beyond that of a straight income measurement. Other components of

society's living standard are the free and subsidized public services which, for the most part, seem to be exploited more by the affluent than by the poor. To arrive at a true measurement of the average standard of living, then, a detailed and comprehensive accounting has to be made of the total amount of wealth, money income, and also income in kind, that is available in society. And only when this is done can one draw a poverty line that is relative to the general standard of living. Such a poverty line looks not just at the poor but at the whole of society, and brings out the true proportions of inequality.

So far poverty lines have made a passing bow to the idea of relativity, but then they have gone on to leave out all the financial cushions that are available to the affluent class, and to bastardize the concept further by leaving out an escalator that would keep the poverty line in step with society. The result is that poverty is always defined in terms of essentials alone.

This is exactly what happened to the poverty line produced by the Economic Council of Canada - the calculation everyone now seems to use when they are attempting to get a handle on poverty in this country. Even though the ECC acknowledged that poverty was relative to society's general standard of living, it still went ahead to produce a poverty line based on a notion of subsistence.

The council said that a family that had to pay seventy per cent or more of its income for the basic necessities of life - food, clothing and shelter - was living at

## **Special Senate Committee on Poverty in Canada**

## **How can a rich man the poor can work**

Senator David Croll's Committee has declared itself firmly opposed to poverty, at least in its present form.

On a similar level, clergymen have been known to oppose sin. The Committee's sixteen senators have also discovered that poverty is not only unpleasant for them, but it is also unpleasant for the poor. Took 'em two years to find that out.

The report, presented amidst much fanfare and general rejoicing, reached the Senate on November 10 of this year. It contains 44 recommendations that propose to make poverty more bearable (read: less visible) and therefore less of a problem. It calls for a Guaranteed Annual Income (GAI), a better and higher poverty line of \$1500 for a single person, \$3500 for a family of four, and \$6500 for a family of ten. It also recommends

forming an Applied Research Council, having better social services, better education, better consumer information, better health care for everyone, better housing, better legal aid, a better manpower system and more day care centres. In almost all cases the recommendations propose only changes in government departments - the same policies, only "better".

The Guaranteed Annual Income is to replace the welfare system. It would, by implication perpetuate poverty because it is set at only 70 per cent of the poverty line proposed by the report, a line which itself seems to have been determined by minimal needs. It would also be discriminatory because it would not be available to single people under 40 or to non Canadian residents.

Economic policy recommendations which should be the most important in the report are weak and vague, but still seem to contradict the current policies of the Canadian government. Recent statements by Pierre Trudeau deals with the Croll recommendation for full employment by laying blame for unemployment at the feet of the unemployed. In an interview with the Quebec French daily, Le Soleil, Trudeau said:

"There is no country except where there is absolute dictatorship in which everyone works all the time. In free countries like ours there has always been and there always will be unemployment because the citizens protect their freedom of not working where the state sends them. In Canada there are many jobs which are not filled."

He then went on to suggest that many unemployed people could get jobs as maids, and that others could go to work in the mines in Sudbury.

As a final damper to the committee's hopes for full employment, Trudeau says in effect that unless the unemployed want to help the Outremount servant problem they won't get to work at their old jobs, which they lost because the government doesn't want "inflation".

"Anyway, that does not mean that we are not constantly going to seek to lower the level of unemployment, but it does mean that in a given moment we meet with difficulties which are

inherent in the very will of the workers to live in a free country where they will not accept any job imposed on them by the state," said Trudeau.

The Croll committee also urges: equal pay for equal work; that unions accept low wage earners into their ranks; no discrimination; job and manpower training; and minimum wage legislation. The government has already accepted many of these points in principle so the recommendations alone will not help to deal with the poverty problem.

The report also deals with education, pointing out that there is little opportunity for the poor to get good jobs because they have little chance of completing their education. The report recommends that there be more vocational and technical training.

There is the unspoken assumption that the poor cannot expect to go to university. In fact, the subject is not mentioned.

In recommending better health care for the poor, the report tried to use the description of a poor family of eight provided by the Winnipeg Mr. Carmel Clinic. One child in the family had an infected ear and was running a high temperature but the slum family had no means of taking her to the hospital. There was also a very graphic description of the bad condition of the house, but the report did not give any hints of why people have to live in such conditions. Not unexpectedly there was no contrasting description of the healthy children of the ruling class who don't have such problems. It only decided that there was a correlation between poor health and poor housing but it didn't show the connection between the desire of greedy landlords to increase the rate of profit on their slum properties and the increased rents they charge for their neglected houses.

Further on there is a section on birth control with the implication that there would be fewer poor people if they practiced birth control. There is little chance that the lack of birth control information can be made up later by an abortion, for that too is the prerogative of the rich.

The poor also suffer under the inequities of the present legal system. The solution is to give them legal aid. There is no examination of the fairness of some of the present laws, but everyone should have a lawyer to protect him or herself against them. It might be easier to simplify the law but that would perhaps mean fewer lawyers.

(Some members of the Committee are lawyers.)

So the report does not really know why there is poverty, or if it does, it isn't telling. The vicarious poverty of the thirteen ancients on the Committee, indignant and sympathetic though it made them, is no substitute for a real examination of the causes of poverty. In that sense the Croll report was predictable. Last summer the four people who quit Croll's committee - economists Peter Penz and Brian Hill and writers Ian Adams and Bill Cameron - foresaw this in their own report:

"...in the last few weeks of March it became obvious that what he (Croll) really wanted was a rather maudlin discussion of what