

The third way of looking at poverty as income deficiency is in terms of income distribution or the share of the total national income that goes to the bottom 10, 20, or 30 per cent of the population. Usually, concern is directed towards the lowest 20 per cent, that is, the bottom quintile or fifth. In this approach it is meaningless to talk of the numbers of poor people or of a poverty rate. It is rather a question of how well the bottom group is doing by comparison with the other groups. Ideally, for instance, the bottom 20 per cent would receive 20 per cent of the national income. If they receive less, it is helpful to know if this percentage changes over time as a reflection of trends toward or away from a more equitable income distribution. Unfortunately, as figures resulting from this method showed, in an earlier section of this report, the share of income "enjoyed" by the lowest quintile in Canada has hovered at a dismally low 6 or 7 per cent since 1951. Similarly, in the United States the percentage of total money income that goes to the bottom 20 per cent of families has remained constant at 5 per cent since 1947.¹⁶

This measure is particularly useful, as an indicator of trends in the distribution of income received by a particular sector of the population through time. While at this time the lowest 20 per cent are considered "poor," this need not always be the case. It is inequality rather than poverty which is being measured. Some critics however have failed to make the conceptual distinction between "poverty" and "inequality" as evidenced by the remark by Professor Oscar Ornati:

If we define the poor as making some part of the bottom of the income distribution, some kind of lower fifth, eighth, tenth, or whatever fraction you will, their actual permanence is guaranteed. . . .¹⁷

It is, of course, precisely for this reason that, in the long run, poverty defined as income share is inappropriate as a basis for developing poverty lines or measuring trends in the extent of poverty.

THE CANADIAN SCENE

In Canada, there are no "official" poverty lines. However, all of Canada's provinces have devised monthly budget standards for items of basic need. These standards provide assistance for food, clothing, shelter, and household effects to those who are "in need" and eligible, and are scaled according to family size and composition. Assistance levels to a similar family vary from province to province, a fact documented in the main body of this report. These "monthly budgets" attempt to price the components of the particular family's "necessities" to arrive at an over-all figure. These budget levels are not presented as explicit poverty standards by the provinces, but they do