

## Cash Poor, Community Rich

That's how a participant at the *Jane Jacobs: Ideas That Matter* Conference described her neighbourhood. One major purpose of the Conference was to bring together people from around the world to explore the factors that make for healthy communities.

Delegates were challenged to consider how nature and the needs of people can be protected and promoted within the context of economic well-being. A key theme of the Conference was that a focus on nature and human needs does not detract from economic vibrancy. On the contrary, paying attention to these factors contributes immeasurably to the economic health of local communities and to nations as a whole.

To help develop this theme, participants at the Conference were invited to visit neighbourhoods throughout Toronto. Delegates had an opportunity to learn first-hand about initiatives which various communities have undertaken to ensure their members access to nourishing food, adequate housing, credit for self-employment or other essential goods and services which they cannot afford.

There is an astounding array of such efforts currently under way – not only in Toronto, but in the rest of the country and in communities throughout the world. Each initiative is unique – each brings to bear a specific set of resources, skills, talents and creative energy. But despite the differences, such efforts collectively represent an important dimension in the fight against poverty and its devastating effects.

### *Governments provide income benefits*

It is generally not the role of communities to provide income assistance – although municipalities in Nova Scotia and Ontario pay short-term welfare benefits and a few community groups provide loans for business start-up or expansion. Communities typically have neither the resources nor the tax base to take on the onerous burden of income support for residents in need. In fact, the hard lessons of the Depression should not be forgotten; many municipalities went bankrupt under the strain of paying relief during that time of widespread unemployment.

The experience of the 1930s made clear the need to ensure that higher levels of government assume responsibility for income benefits. Only the federal and provincial governments between them have the fiscal capacity and constitutional power to deliver the wide range of income security programs required by Canada's diverse society and economy.

Federally-administered programs, such as Employment Insurance and the Canada Pension Plan (Quebec operates an analogous plan), pay benefits essentially when earnings are interrupted on a short- or long-term basis, respectively. The Canada Child Tax Benefit supplements the income of poor, modest-income and middle-income families with children. Ottawa foots the bill for elderly benefits. Provincial welfare provides income assistance to households with no access to earnings or other sources of support.

If governments can and do (albeit inadequately in this era of cuts) assume responsibility for income security, what role can communities play in promoting economic and social well-being? Can communities reduce poverty? There is no clear answer to the latter question – especially if poverty is measured in quantitative terms such as the poverty rate (i.e., the numbers of households in a given community that fall below Statistic Canada's low income cut-offs) or the poverty gap (i.e., the amount by which income falls below the low income lines for households in a particular group or area).

### ***Communities can provide access to resources***

Communities may not be able on their own to reduce the poverty rate or gap in a pure numbers sense. But they can make an essential indirect contribution to poverty reduction by ensuring access to key resources: knowledge and

skills; goods and services; and contacts, networks and social support.

### ***i. knowledge and skills***

The Community Opportunities Development Association (CODA) in Waterloo Region, for example, provides training in which participants acquire the skills they need to enter or re-enter the labour market. The training allows individuals to determine their capacities, learn new skills, market themselves and identify job opportunities. Assistance is also made available for costs involved in job search, such as child care and bus fare. CODA's self-employment program works intensively with individuals to help them learn the basics of setting up their own business. The Seed Fund makes small loans in support of these businesses.

### ***ii. goods and services***

Communities also can ease access to basic goods such as food and shelter. Increasingly, community workers are recognizing that simply giving out assistance is not a good enough response to poverty. There are serious concerns, for instance, about the value of food banks and whether their very presence relieves the onus on governments to provide better child benefits or more adequate levels of welfare. At the same time, these workers acknowledge that food is essential and that closing food banks would leave many people near starvation.

One solution is the growth of various initiatives which seek to ensure access to food in a way that builds long-term capacity. Community gardens, for example, are springing up throughout the country as their wide-ranging potential for positive change is recognized.

Community gardens can improve health by creating a ready supply of affordable food. The gardens are important educational instruments; they help children understand nature and learn to respect the environment (no more “carrots grow in plastic bags” responses from kids whose families are involved in these projects). Community gardens create a focal point to beautify the neighbourhood. They create a venue for neighbours to meet – an especially important spin-off for people who are isolated or have few family supports. Some gardens organize community dinners in which all members involved in the project are invited to share a meal made with garden-grown food.

### *iii. networks and social support*

In fact, most community initiatives provide social support and a network of contacts that are not included in a government cheque. Such networks are invaluable for people struggling to cope, often on their own, with a range of pressures: feeding a family on an impossibly meagre budget; living in sub-standard housing because of the shortage of decent, affordable housing; finding high-quality, affordable child care – another scarce commodity; caring for sick or elderly parents; and looking for stable work in an increasingly turbulent labour market.

The woman who spoke at the *Jane Jacobs: Ideas That Matter* Conference about being cash poor described her difficulties in finding work. She could barely pay for the essentials of food, shelter and clothing, let alone the ‘extras’ of diapers, home repairs and transportation in a large urban centre. She happened to hear about a network of community members in similar circumstances who had set up a ‘green dollar’ group for bartering goods and services.

At first glance, the woman felt she had little to offer the network – she knew only what she needed to ‘buy.’ But after careful consideration, she realized that she actually had a range of skills that others wanted to ‘purchase’: editing résumés, typing, babysitting, caring for animals and driving. She began to ‘sell’ these skills to various members of the network who, in turn, paid her back through plumbing repairs and an environmentally-friendly diaper cleaning service.

Clearly, local bartering is no replacement for decent wages or adequate income programs. But this community initiative has had a profound impact upon many lives.

The network has helped provide access to essential goods and services for people unable to pay with cash. The informal trading system also has spawned new relationships and new forms of support. The young man who shovels snow for an elderly couple now takes an interest in their well-being and phones on a regular basis to inquire about their health. The woman who carools for the network meets other young mothers with children of similar age and they start a babysitting exchange. Several members who use the environmentally-friendly diaper service were able to raise funds for the expansion of this business – which had been considered unbankable by the local financial institution.

Perhaps most important is the indirect impact of this community initiative. The rich inventory of goods and services that comprises the network has helped members realize how very capable they actually are – how they all have a range of skills seldom recognized or acknowledged. Network participants are contributing in their own small way to the well-being of other community members. They have a renewed sense of self-worth – often stripped

away when they are deemed unemployable, unbankable and generally unworthy by the 'market.'

### *public policy/community initiatives*

In highlighting the value of community efforts, it is essential not to romanticize local initiatives or exaggerate the extent of their impact. It would be incorrect – even dangerous – to suggest that it is possible to 'communitize' all solutions to economic and social problems. Communities cannot replace adequate public sector investment in income security, health, education and social services. Local projects cannot compensate in dollar terms for an unstable labour market that does not provide a living wage for so many families and individuals.

But communities can make an important contribution to poverty reduction. Local initiatives can ease access to the knowledge, skills and resources that help individuals secure paid employment. Community projects can create contacts and networks that open doors for individuals when the bleak walls of poverty close in around them.

The *Jane Jacobs* Conference leaves us with an important message. People who may be cash poor can find some hope for the future through creative local initiatives and opportunities which make these individuals community rich – clearly an idea that matters.

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