

Can Communities Reduce Poverty?

This is the question that the Community Opportunities Development Association (now known as Lutherwood CODA) in Waterloo Region has set out to answer. It has embarked upon Opportunities 2000 (OP2000) – an innovative project to reduce poverty. OP2000 will seek to expand the focus of existing community services by incorporating an opportunities dimension.

For some people, building an opportunities framework into their lives means moving off welfare into the paid labour market. For others, OP2000 will

help them gain access to financing for starting a business. OP2000 also will provide technical assistance – such as business plan development, marketing assessment, legal advice or accounting services in order to ensure the effective use of capital. For still others, an opportunities framework means finding work which better accommodates their personal needs and family responsibilities.

Despite differences in the approaches, they all have one common purpose: creating opportunities to help reduce the numbers of households in Waterloo Region that live in poverty.

The ultimate goal of OP2000 is to mobilize the entire community around a vision in which all members are active players. It is a vision which encourages all sectors, organizations and citizens to take responsibility for reducing poverty. It is also a vision which sees poverty alleviation as more than an end in itself; it is part of broader economic development.

Poverty is a complex problem that must be addressed through both public policy and community-based strategies. This paper sets out a framework for community-based poverty reduction as a

Opportunities 2000 is a project of the Community Opportunities Development Association (CODA) in Waterloo Region (now known as Lutherwood CODA). The organization will work over the next few years with various community partners to develop initiatives that enhance employability and reduce poverty. The goal is to move 2,000 households out of poverty by the year 2000. The Caledon Institute is contributing to the learning, dissemination and evaluation components of the project. OP2000 is funded by the Atkinson Charitable Foundation, the Royal Bank and the J.W. McConnell Family Foundation.

complement to public policy. The framework is described in more detail in a Caledon Institute publication entitled *Community-Based Poverty Reduction*. OP2000 is using this framework to help guide its work.

Key Interventions

The framework for community-based poverty reduction consists of four key interventions: meeting basic needs, removing barriers, building skills and promoting economic development.

i. meeting basic needs

Basic needs include physical security and health/mental health. *Physical security* refers to food, housing/utilities (heat and light), clothing, clean water and sanitation, and protection from violence and physical/sexual abuse. *Health/mental health* includes health care services and programs that promote early childhood development; build self-esteem; provide counselling and mental health services; and treat alcohol and drug abuse.

It is almost impossible for individuals to learn new skills or explore job opportunities when they are worried about where their next meal will come from or about an impending eviction notice. It is equally difficult to concentrate on employability enhancement if physical security is imperiled by actual or threatened violence. Basic needs must first be met.

ii. removing barriers

Poverty reduction also involves removing barriers that prevent participation in training and the labour market. Major interventions include ensuring access to high-quality, affordable child care and offsetting work-related and health costs. The needs of persons with disabilities must be accommodated through removing physical, procedural and attitudinal barriers. New Canadians are often unemployed not because of lack of education or training but

because the skills they acquired offshore are not recognized in Canada. Transportation problems related to cost and access should be addressed.

iii. building skills

Building skills is another way to reduce poverty. Some people require basic *life skills training* before they are ready for job training or paid work. Programs focussed on *language skills* help workers learn English or French. *Literacy* and *numeracy skills* are also prerequisites to employment.

Job search involves assessing current skills, preparing résumés, self-marketing and acquiring information on job vacancies. Building skills includes *academic upgrading* and *job training* – e.g., computer training, data processing and trades such as carpentry or electronics. Training may lead some participants to immediate jobs; in other cases, they may seek financial or technical assistance to create their own jobs.

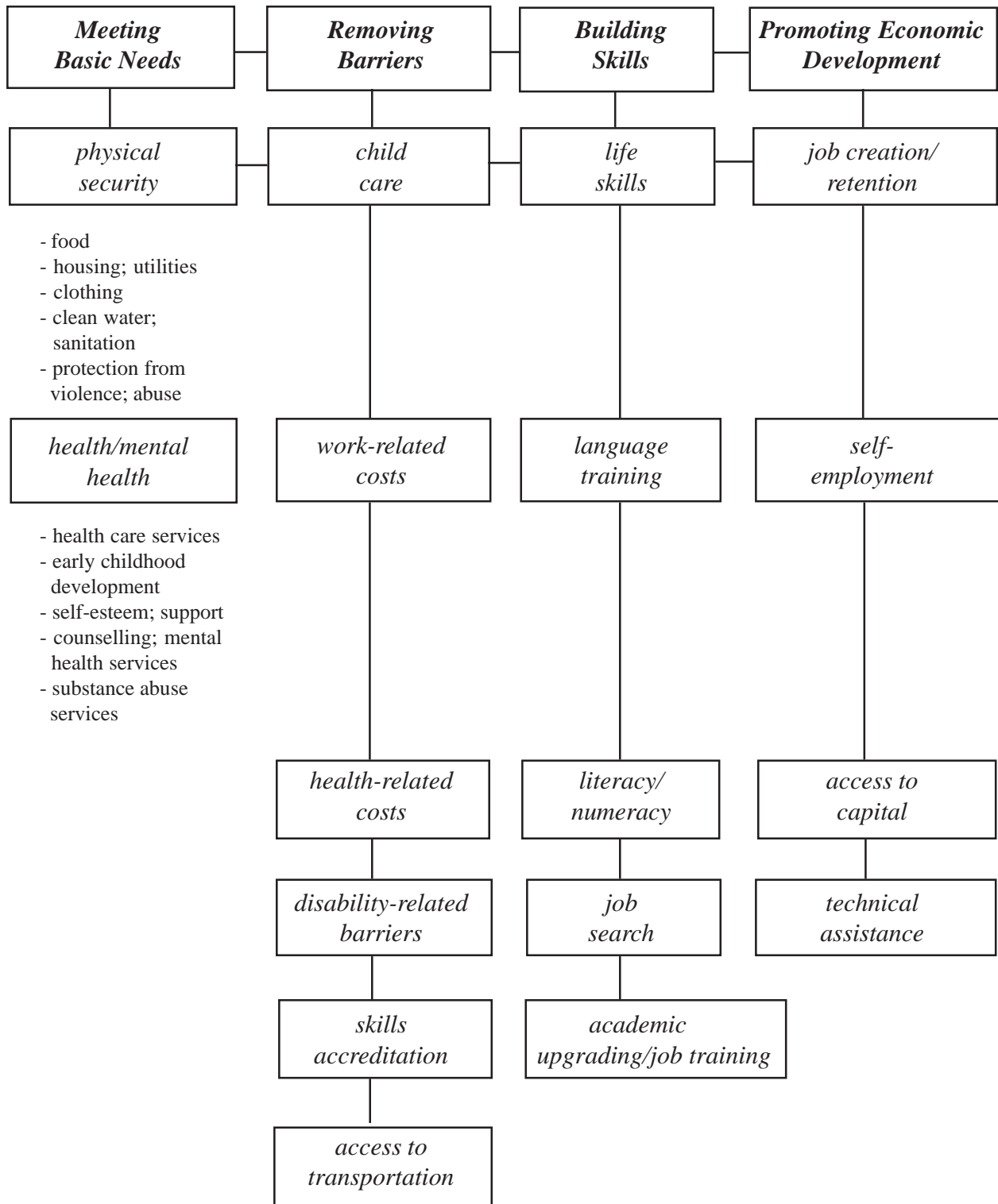
iv. promoting economic development

Finally, poverty can be reduced through economic development: job creation and retention, self-employment, access to capital and technical assistance. *Job creation* includes the development of small business, worker co-operatives and *self-employment*. *Access to capital* is essential to promote self-employment and small business development. *Technical assistance* includes community and business planning, marketing and financing, enterprise management, investment mechanisms, institution-building, human resource development, board development, trade opportunities and information technology.

Creating Opportunities

Any project or area of work in the framework for community-based poverty reduction can be a springboard for enhancing employability and promoting economic development. Any organization can

Key Interventions for Poverty Reduction



Source: Torjman, Sherri. (1998). *Community-Based Poverty Reduction*. Ottawa: Caledon Institute of Social Policy, February.

become the base for skills training, assistance with job search, worker co-ops and job creation.

Peer support groups and neighbourhood associations, for example, can encourage unemployed members to coordinate setting up a business or a food or babysitting co-op. Immigrant settlement programs can act as the base for employment counselling, referral to training or promotion of self-employment. Adult high school and language programs for adults can incorporate job referral and employment counselling.

A social housing complex can become the centre from which to teach home or furniture repair skills to young people or unemployed residents. Families whose children participate in early childhood development projects can exchange services such as home repairs, babysitting, lawn care, typing of résumés, transportation or snow removal. Family counselling programs can extend into training and job creation.

Food banks can act as the base for food security initiatives that have a longer-term impact than the distribution of food bags. As part of the OP2000 project, Lutherwood CODA is working in partnership with the Food Bank of Waterloo Region. The two organizations have agreed to develop community gardens in order to ensure access to affordable, nutritious food. They also plan to set up a food co-op that will create several jobs.

Other possible targets include groups that voluntarily organize themselves for support, such as teenage mothers and other single parents, seniors, youth and persons with disabilities. Another option is to encourage several groups to work together around training and job creation.

Strategic targets involve not only existing services. Employers can be targeted to promote employability. As individuals, they can be approached to create apprenticeships or hire people who have been involved in job training programs. As a group, employers can be made aware of the negative impact that layoffs, downsizing and other

employment policies can have upon the local economy – and ultimately upon the health of their business.

Despite the wide range of possible opportunities, the four interventions that comprise this strategy must be applied selectively. The US-based Aspen Institute identifies several economically disadvantaged groups that could benefit from community-based poverty reduction measures: the working poor, the unemployed, the persistently unemployed, the dependent poor and the indigent.

The working poor and unemployed would benefit from certain strategies, such as small business creation and capital for self-employment. Training and supports, such as child care and workplace accommodation, would be more appropriate for the persistently unemployed and dependent poor. Those deemed indigent, such as homeless persons, require assistance with basic needs, shelter and possibly mental health or substance abuse services prior to considering employment.

Finally, community-based poverty reduction involves collaborative activity among various organizations. The resources that two or more groups bring to a given problem are usually greater than one organization can harness on its own. Partners can contribute staff and volunteer time; information, knowledge and expertise; contacts and networks; and space, equipment and other forms of income-in-kind.

Lutherwood CODA will be initiating partnerships with groups throughout Waterloo Region to engage them in this community-wide effort to reduce poverty.

Sherri Torjman