

***Vibrant Communities Edmonton:
Building Family Economic Success***

How do comprehensive, multisectoral initiatives contribute to poverty reduction? The six Trail Builders in Vibrant Communities are experimenting with a variety of approaches. This series documents their experiences. For each Trail Builder, an initial story will present the key ideas guiding its work: how local partners understand poverty, the role they can play in reducing poverty, their goals and the core strategies to achieve results. Subsequent stories will provide annual updates on progress, challenges, lessons and adjustments. Vibrant Communities is a pan-Canadian initiative in which representatives from 15 urban centres have come together to explore local solutions to poverty. Trail Builder initiatives will provide insights that fuel the learning within Vibrant Communities and with others interested in the role that collaborations can play in tackling poverty.

Carefully laid plans

In 2002, representatives from Tamarack – An Institute for Community Engagement approached Community Services in Edmonton with an opportunity to participate in Vibrant Communities. To determine local interest, a small group organized two community meetings. More than 50 people with personal and organizational experience and interest in poverty reduction attended. All agreed to support further exploration of the opportunity and to formally establish a Vibrant Communities Edmonton (VCE) working group which subsequently organized seven sector-based focus groups to further test the idea of developing a comprehensive community initiative.

Four key themes were identified from these sessions. These relate to the importance of: a compelling vision, a ‘whole’ systems approach which would encompass the complex nature of poverty, a clear and innovative framework and strategic plan, and the importance of ensuring

community engagement and public awareness. These themes continue to guide VCE's work.

An important early recognition – based on input from people living on low incomes – was that the goal of poverty reduction needed to be framed in an inclusive, positive way. Participants felt that building on existing assets should be a key organizing principle. Working group members were inspired by the Annie E. Casey Foundation's Re-Building Communities Initiative. Its Family Economic Success (FES) approach seeks to address the difficulties low-income families face in trying to move up the economic ladder. By bringing a range of resources together, families can be helped to achieve economic stability for themselves. This work is complemented by efforts to make communities more attractive to investment using mutually reinforcing strategies and resources. The Foundation's work concludes that the synergies created among family economic success, workforce development and community investment strategies can lead to permanent, positive change [Annie E. Casey Foundation 2002].

The notion of helping families build economic success and a focus on working people who earn low incomes provided the keys to defining the Vibrant Communities work in Edmonton. A strong concern had been expressed that VCE should not duplicate or overlap what was already happening in the community, and since few programs and supports exist to help working people who earn low wages, tailoring the project to meet the needs of this group seemed a perfect fit.

The key phrases coined to describe the approach centred on movement – toward family economic success and from “surviving to thriving.” More than semantics, the words reflected a desire for inclusion and action; improving one's economic

outlook was a common aspiration to which all members of the community could relate. It was felt that taking an asset-building approach reflected Edmonton's orientation toward building on the skills and existing resources in the community.

Key to VCE's strategy is involving a wide array of partners in its work, including representatives from nonprofit organizations and government agencies, community leaders living with low income and businesses. Articulating a basic vision of the initiative proved critical for engaging other community members. Once the vision was in place, it became easier for prospective partners to see its value and identify how they could contribute.

By late 2003, the VCE working group had evolved into a steering committee co-chaired by Karen Gingras from the Edmonton Community Loan Fund Society (ECLF) and Jenny Kain from the City of Edmonton's Community Services Department. The steering committee led the initiative through a strategic planning process and established multisectoral sub-committees to develop the framework for Vibrant Communities Edmonton.

December 2003 marked the transition of leadership to a 21-member, multi-sectoral Leadership Council. VCE now operates with representatives from government, the nonprofit sector, people who live on low income and the business community. Co-chaired by Mathilde Balu, citizen representative, and Dr. Wayne Shillington, President of NorQuest College, the Council is now VCE's chief decision-making body. It guides the work, brokers connections among partners and facilitates entry into networks that might otherwise be unavailable. Three full-time staff members were hired in 2005 by Vibrant Communities Edmonton

to manage day-to-day project operations. In addition to funding from Vibrant Communities' national partners, the project will receive financial support over the next three years from the City of Edmonton, the Edmonton Community Foundation and the province of Alberta.

Context

Alberta's robust oil and gas sector has fuelled a demand for both skilled and unskilled workers, contributing to significant job growth in Edmonton over the past few years. Vibrant Communities Edmonton sees this trend and its accompanying labour shortage as a perfect opportunity for encouraging employers to invest in people and training – both as a way to improve the skills of their employees and to demonstrate their commitment to retaining staff in the longer term.

Despite Alberta's climate of prosperity, however, median household income in Edmonton (in constant 2003 dollars) actually decreased from \$52,900 in 1980 to \$51,300 in 2003 [Statistics Canada 2005]. Low-income residents are dispersed throughout the city and make up 20 percent of Edmonton's population. Statistics gathered by an Edmonton agency showed the city's consumer bankruptcy rate accounted for 40 percent of bankruptcies in the province, indicating a clear need for greater financial literacy among residents.¹

Vibrant Communities Edmonton has identified a number of challenges particularly important for low-wage workers, including:

Low-paying jobs: Many of the available jobs in Edmonton pay low wages. Edmonton's largest employer is the retail sector, followed by health care and social assistance, manufacturing,

and accommodation and food services. The retail and accommodation and food services sectors have the largest proportion of minimum wage workers (14.1 percent and 30.2 percent, respectively).

Because a labour shortage exists, previously underutilized sources of labour can be tapped, for both unskilled and skilled labour positions. Skilled positions are more likely to offer family-supporting wages, benefits and opportunities for advancement. Employers have expressed some willingness to explore more innovative recruitment approaches, such as offering on-site child care. Edmonton possesses the expertise and experience necessary to assemble comprehensive employment initiatives, including a more formalized network linking employers and employment.

Transportation: Many new employment opportunities have opened up in companies located near the city limits. Suburban and industrial areas are projected to experience the greatest increase in employment to 2025. South Edmonton and the city's northwest industrial section are expected to be the strongest growth areas. Public transportation to the outlying and industrial areas is inadequate, however, particularly for parents who must make multiple stops on the way to work or home – e.g., for child care, groceries and appointments.

Housing: Statistics gathered by Canada Mortgage and Housing in 2004 indicate that the average rent paid in Edmonton is \$597 for a one-bedroom apartment and \$730 for two bedrooms. Landlords are generally unwilling to rent single bedroom apartments to families. At current rent levels, a family would need to earn \$2,433 per month (full-time employment paying \$15.21 per hour) to meet the 30 percent rent-to-income level generally used as a guide to living within one's means. More than 70 percent of households

whose members are finding it hard to meet their accommodation expenses are renters. Safe, affordable housing is difficult to find.

Financial Services: Research conducted in Canada and the US shows that more and more people are using unregulated pay day loan companies, often located in storefronts that were once occupied by bank branches. VCE is conducting a feasibility study to determine alternative products that could be introduced into mainstream financial institutions.

The response

The working definition of poverty used by VCE states: “Individuals, families and groups in the population can be said to be in poverty when they lack the resources to obtain the type of diet, participate in the activities and have the living conditions which are customary, or at least widely encouraged or approved in the societies to which they belong” [Townsend 1979]. The definition is rooted in the idea of social inclusion and the provision of sufficient financial and other resources to allow families the chance to participate in every facet of modern life – sports and recreation, the arts, technology, education and citizenship.

Using Statistics Canada’s low income cutoffs, Vibrant Communities Edmonton decided to direct its efforts to assisting members of the community who are working and earning low wages. VCE’s Research and Analysis sub-committee found that about 34 percent of Edmonton’s low-income residents fit these criteria – a total of 55,000 individuals. This group of wage earners often slips through benefits and program cracks – most support services are designed for job seekers or those on assistance.

VCE participants believe that families increase their assets if they can gain access to benefits and financial literacy information, if home ownership can be made more affordable through innovative savings and financing options, and if low-wage employers invest in strategies which result in a better trained, more stable workforce. Striving to make these conditions a reality is the aim of the three strategies adopted by VCE.

Vibrant Communities Edmonton has set a three-year goal of building family economic success (FES) for 1,000 Edmonton households. Of equal importance is the plan to engage in this effort at least 50 nonprofit organizations and government agencies, 20 businesses and 20 community leaders who are living on low incomes. In order to improve living conditions for people who are working and earning low incomes, VCE will:

- foster multi-sectoral collaboration
- build on existing community resources and assets
- develop comprehensive approaches that consider root issues
- share knowledge with other members of the pan-Canadian Vibrant Communities network and local stakeholders.

Throughout its early development and into early 2006, VCE has focused its efforts on establishing family economic supports. Two further strategies – one dealing with workforce development and one with community investment – will be phased in over the next two years as more individuals and organizations join the initiative, bringing their contacts and ideas into the VCE fold. Says Karen: “We are continuing to work out the structure and process that define VCE. With each new initiative, we are getting a better sense of the type of work our community can and will support.”

Strategy one: Family Economic Support

VCE is concentrating its first project activities on helping families who earn low incomes to stabilize their incomes, increase their assets and improve their abilities to save. Activities will include providing effective tools, building awareness and brokering partnerships that can help people get access to existing resources such as benefits, subsidies and improved financial literacy.

Make Tax Time Pay: Many people with low incomes are not currently accessing benefits and subsidies available to them through existing government programs. For example, current uptake statistics on the Alberta Child Health Benefit provided by Alberta Human Resources and Employment (AHRE) show that only 36 percent of eligible Edmonton residents are receiving the benefit. Based on preliminary discussions with AHRE representatives and follow-up research, VCE members decided to spur family economic success by helping workers who earn low incomes to access benefits, subsidies and tax credits for which they may be eligible. “Make Tax Time Pay” was launched in November 2005 and will operate from January to April 2006, offering help with completing and submitting income tax returns and benefits applications at a number of locations throughout Edmonton [Makhoul 2006].

Canada Revenue Agency (CRA) has operated free tax return assistance in Edmonton and in other communities across the country for more than 35 years. VCE’s Make Tax Time Pay initiative will run alongside the CRA’s tax return clinics, conducting a publicity campaign and providing information and help so that participants can gain access to seven provincial and municipal benefits and subsidies. Submitting federal income tax forms will automatically qualify them for an

additional provincial tax credit and two federal tax credits.

Vibrant Communities Edmonton will provide application packages to volunteers at approximately 28 locations and will collect and mail these packages on behalf of applicants. In addition, VCE is orienting more than 350 volunteers on the use of the application package through the Community Volunteer Income Tax Program. VCE has also recruited additional free tax preparation sites in areas where many low-income residents live, making it easier for them to get their taxes and additional applications completed. Partners in the project include the Canada Revenue Agency, the City of Edmonton, citizens living with low incomes and several community organizations. Members of the Canadian Federation of Independent Business, the Edmonton Chamber of Commerce and a citizens’ organization made up of people living on low incomes will help promote the campaign to their memberships.

Financial Literacy: Besides increasing the amount of money each family receives, VCE intends to make financial literacy education available so that families can better manage their incomes. Financial literacy provides a basic understanding of personal financial planning and shows how wise money management decisions can help individuals build a better life for themselves and their families. It addresses key aspects of a person’s past relationship with money and guides the development of healthy financial attitudes and habits. Beginning in January 2006, VCE will recruit partner organizations to provide a series of 12 financial literacy workshops. Over three years, the program will assist more than 300 people gain a better understanding of what influences their spending habits and to learn new habits that will allow them to establish savings and take control of their debts.

Working with the Edmonton Community Loan Fund Society, VCE now is brokering partnerships between the Society and other nonprofit organizations to deliver the financial literacy workshops. Future VCE plans include finding three more organizations to deliver the workshops, providing technical support (training the trainers), designing a flexible curriculum which can be adapted to the needs of different groups and establishing a funding template with the help of Financial Plu\$, an IDA collaborative³ of which VCE is a member. Mill Woods Family Resource Centre will host the first round of workshops. Eight centre staff members were trained as trainers in November 2005. The current plan is to run a pilot series to build delivery expertise and then recruit participants through community service providers and neighbourhood schools.

Strategy two: Workforce development

The workforce development strategy is an opportunity to collaborate with business, business associations and working people who earn low wages. Workforce development initiatives can increase stability for employers and employees by reducing turnover and increasing opportunities for low-wage earners. Specific projects scheduled to begin in the summer of 2006 include increasing workplace-based training opportunities and assembling a best practices employers handbook and database of businesses that have incorporated progressive human resources practices into their operations. Examples of employer best practices include sponsoring child care and transportation programs or providing free income tax services on site, such as the Make Tax Time Pay clinics.

A third initiative will be to determine the feasibility of a Social Purchasing Portal (SPP), an Internet site where suppliers and purchasers can make direct contact and build relationships with

one another. Through the portal, established companies direct some of their purchases to businesses that hire the long-term unemployed. Discussions for establishing a portal for Edmonton are under way with representatives from business and business associations (especially those in areas included in the Avenue Initiative Revitalization Strategy⁴). Because of the high demand for workers in Alberta, the proposed Edmonton SPP may provide a good mechanism for featuring recruitment and retention strategies. It also could be used to profile and acknowledge employers who establish exemplary human resources practices.

On the child care front, a provincial employers' association has approached Alberta Human Resources and Employment for advice and assistance regarding the possibility of on-site child care for a number of their members. Vibrant Communities Edmonton has researched potential models and is developing a 'product line' which would allow businesses to choose from a continuum of options that includes back-up child care, out-of-school care and on-site child care. In 2006, VCE will establish a sub-committee with membership from its Leadership Council, representatives from the business community, employers who require child care options for their workers, and others to determine a strategy that addresses the needs of employees and employers. Edmonton's shortage of trained child care workers will also be considered within the context of supporting employer-sponsored child care.

Strategy three: Community investment

As envisioned by Vibrant Communities Edmonton, community investment focuses on strengthening services in the community, such as reasonably priced banking and opportunities for home ownership for people who are working and earning low wages. Through research and

partnerships, VCE is advancing innovative ideas around home ownership, savings and banking services.

Home ownership: The HOME Program operates in municipalities across Alberta, offering education, financial assistance and individual counselling to people living on low incomes who wish to become home owners [visit: www.homeprogram.ca]. VCE would like to see businesses participate in an Employer-Sponsored HOME Ownership Savings Program. Based on models put forward in the US, a continuum of options could be made available to employers who wish to encourage home ownership among their employees. These could range from offering on-site financial literacy and home ownership education workshops to matching employee savings for a set period of time. In early 2006, VCE – in partnership with The HOME Program – plans to launch a range of products for employers called the “Employer Sponsored Employee HOME Ownership Program.”

Alternative Financial Products: Payday loan organizations are filling the service gaps left by the traditional banking institutions but contribute to family debt through high interest rates on short-term loans. Reconnecting people with mainstream financial services is an important element in helping families achieve financial stability. VCE is conducting a feasibility study which will review how to offer banking services that fit the needs of low-wage earners. The study will be guided by a multisectoral sub-committee, with completion anticipated for May 2006.

Role and success of the collaboration

Since it began in 2003, Vibrant Communities Edmonton has developed a profile of services and support that it can offer to the wider community.

These include:

- offering expertise in social marketing, providing technical assistance and coaching
- brokering and coordinating partnerships
- improving access to resources (e.g., volunteers, tools, funds)
- advocating for improvement to policies and practices (e.g., progressive human resources practices)
- providing project management and facilitation services
- acting as a community information source.

As VCE becomes more deeply rooted and connected to the community and attracts new partners, the collaboration will have opportunities to strengthen and extend the types of assistance it can offer.

Evaluation of its efforts is a high priority for the initiative. As part of its involvement in the initiative, the City of Edmonton is making staff support available for VCE’s evaluation work.

In order to know that their efforts are succeeding, VCE’s Evaluation Committee will assess work done at the broader collaborative level, as well as its specific initiatives. Among the success factors identified for the collaborative overall are: levels of Leadership Council commitment, participation by community leaders living on low incomes, the presence of various sector representatives on sub-committees, the ability to recruit project partners, ongoing contact people who are earning low wages and the overall ability to focus on the VCE action plan.

One tool the initiative is using to assess the strength of the collaborative is the Partnership Self-Assessment Survey. This instrument was developed by the Centre for Advancement of Collaborative Strategies in Health, which helps

partnerships, funders and policy makers realize the full potential of collaboration to solve complex problems related to health and other issues. It tracks participant assessment of the strength of the partnership along a wide range of factors, including leadership, resourcing and administration. The survey and more in-depth interviews are being conducted periodically throughout the life of the project to track the state of the partnership and indicate where changes are needed.

Such local efforts will be combined with reflection sessions and analysis undertaken together with Vibrant Communities national partners to ensure a high level of learning and accountability.

Vibrant Communities Edmonton also places a high priority on other types of learning. A local learning plan has been developed to support the initiative in exploring a variety of issues important to its success. The learning process is being facilitated by two local partners – the Edmonton Community Foundation and the Canadian Centre for Social Entrepreneurship – whose members have taken leadership roles in this area. The local learning plan also helps to shape Vibrant Communities’ national learning agenda and to support local involvement in these learning activities.

Looking ahead

Learning and evaluation efforts already have highlighted a number of issues for further consideration. The Leadership Council will need to continue to build the partnership and develop a collaborative process for its work. Additional efforts are required to engage business and to ensure that low-income community members are included as full decision makers. More work must be done to make the language of collaboration

more easily understood – the vocabulary used by Vibrant Communities needs to be simplified to ensure that people from different backgrounds understand one another. In addition, finding a better fit between national and locally developed Vibrant Communities evaluation and learning tools will enrich the process of evaluation overall.

Placing family economic success at the centre of its operations allows Vibrant Communities Edmonton to keep a clear focus on the projects it chooses to undertake. The coming year will offer plenty of opportunities to enrich and extend its operations, as well as to bring to life and community understanding the strengths inherent in a multi-sectoral collaboration.

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Endnotes

1. Goth & Company Inc., a trustee licensed by the federal government of Canada, operates as a free personal bankruptcy resource for residents of Edmonton Alberta. Its website is: www.bankruptcy-edmonton.com/bankruptcy-stats.htm
2. Social Purchasing Portals (SPPs) are Internet gateways which allow businesses in a particular city or geographic area the ability to make purchases on the basis of price, value, quality and social value. Blending corporate social responsibility with community economic development, SPPs match business suppliers with local purchasers, creating economic and employment activity in disadvantaged areas.
3. Individual Development Accounts (IDAs) enable people with low incomes to accumulate a substantial financial asset which they can invest in a potentially life-changing venture – e.g., returning to school or training, starting a small business or securing adequate housing. Program participants save a sum of money which is matched – sometimes up to five times the participant amount – by a sponsoring agency.

4. The Avenue Initiative Revitalization Strategy is a municipal community participation and engagement process aimed at revitalizing a 27-block area of Edmonton. Consultation efforts undertaken in 2005 resulted in the formulation of a community vision, including a streetscape plan, community recommendations, leadership and financing plan. Implementation of the plan will shortly be under way. For more information, visit: <http://www.edmonton.ca/CityGov/CommServices/AIRSExecSummary.pdf>

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