

This issue snapshot is excerpted from [Unmasking the Future](#) (2021), a scan of major current socio-economic trends and developments, at local, provincial, national and international scales, authored by James Stauch of the Institute for Community Prosperity, commissioned by the Calgary Foundation.



## FROM PITY TO PARITY:

# Revisiting Income and Social Supports

The effects of the pandemic on poverty and economic precarity are difficult to understate. *The Economist* notes that COVID-19 has undone years of poverty reduction efforts across the developing world.<sup>191</sup> A survey conducted by Prosper Canada reveals that Canadians earning under \$40,000 report that almost all aspects of their finances have worsened since the onset of the pandemic.<sup>192</sup> Opioid deaths rates have more than doubled since the pandemic began.<sup>193</sup> COVID-19 has also revealed to Canadians how inadequate the existing array of social support programs are. Employment insurance (EI) for example, only covers a portion of the population: 75% of minimum wage earners do not qualify for EI. And its formula of 55%

income replacement doesn't work for most families. Millions of Canadians are also more enlightened on the demeaning and humiliating aspects of the current social welfare system.

As the Canada Recovery Benefit (CERB/CRB) rolled out, which almost functioned like a grand experiment in universal basic income (UCB), we've seen more and more discussion of basic income, outlined for example in Evelyn Forget's new book.<sup>194</sup> But, not only is UCB expensive, public sector unions have been lukewarm (if not outright opposed) to the idea, and some critics note that it could remove people's connection to the labour market, especially at the margins.<sup>195</sup> As such, in the near term, we are more likely to see incremental reforms like an EI revamp, top-ups to existing programs (as we have seen with the Canada Child Benefit), and new programs that don't have quite the same pricetag (universal daycare and pharmacare, for example).<sup>196</sup> It will also be critical to get everyone who can work back to work: Because of an aging population, we will soon have the smallest working age cohort supporting the largest senior cohort in Canadian history.

***“This pandemic has kicked open the factory doors of our culture and allowed us to see how the sausage is made: on the backs of the people whose labour, time and bodies we deem to be worth at or around minimum wage, but without which we absolutely could not – cannot – make it through this crisis.”***

Lori Fox, Yukon-based writer and journalist<sup>203</sup>

At the same time there is growing impatience with the embedded paternalism of charity-driven approaches to poverty alleviation. Early in the pandemic, we witnessed a cleavage in Calgary where hoteliers were offering up hotel suites to homeless citizens, with the Mayor urging agencies to take up the offer. But some agencies declined, preferring instead to bus the homeless off to remote shelters each night (with questionable social distancing measures in place), only to be brought back downtown at the crack of dawn to be released to the streets. Fewer and fewer Calgarians are convinced that preserving this neo-Victorian approach is preferable to addressing either the actual welfare and social mobility of either homeless citizens directly or the safety of the broader community. With 189,000 Calgarians living in poverty, such lingering paternalism is not merely boutique and specious in its impact. It is tied up with unhelpful (and often unspoken) psycho-social notions like “deservingness” and “pity”, concepts which also undermine reconciliation and right relations. Calgary’s Enough for All strategy highlights the Blackfoot concept of *kimatapsini*. The essence of the concept is “to have pity on no one”, but rather genuine empathy and compassion.<sup>197</sup> The Canadian political philosopher Will Kymlicka studies a phenomena he labels the “deservingness ladder”, which asks a random sampling of respondents who they think are entitled to the benefits of the welfare state. Immigrants and racialized minorities tend to be at the bottom of the ladder, despite being labelled as “hard working” and “law-abiding”.<sup>198</sup> Additionally, these ratings are often subconsciously coloured by de-humanizing stereotypes, that allow us to look the other way when, for example, selective state-sanctioned violence is in play.

Connected to this, expect intensifying calls to embrace social innovation. It is a time to, on the one hand, pilot new approaches (such as the New Leaf project, conducted by Canada Research Chair and UBC researcher Jiaying Zhao with the Foundation for Social Change, which has tested – with early success – the use of cash payments to recently homeless people, alongside financial literacy supports). On the other hand, there will be pressure to scale up other approaches that have been well-researched and show efficacy. But social innovation itself will need to avoid replicating the systemic exclusion of Indigenous Peoples, racialized Canadians, people with disabilities, and other community members with ‘lived experience’ that could inform, drive and design an innovation. Dr. Kwame McKenzie, CEO of the Wellesley Institute, noting how a “poverty” mindset is disabling vis-à-vis a “prosperity” mindset, urges us to go back to basics – what are the REAL foundations of Canada, the REAL foundations of our prosperity?<sup>199</sup>

So many social equity issues are not just tinged by racism, they are infused with it. Very, very few of the boards of the most influential and visible public agencies and high-profile nonprofits in Calgary, as one signpost, do not reflect the diversity of Calgary in 2021. Encouragingly, the federal government is allocating \$542 million for Indigenous groups to establish their own approaches to child welfare services (or whatever the more appropriate Indigenous proxy will be).<sup>200</sup> But there is so much work yet to be done. Black and Indigenous people’s health outcomes are poorer, educational outcomes are poorer, and they do not have the same return on educational investment as white Canadians. It is estimated that wage discrimination costs the Black community in Canada as much as \$1.5 billion.<sup>201</sup> As the Canadian Poverty Institute has pointed out, “in 2016, the last year complete data is available, the prevalence of low income among racialized populations was 13%, compared to 9% for the total population in Calgary, 20% of the Black population live with [a] low-income, whilst 18% of the Indigenous population do the same.”<sup>202</sup> Additionally, people living in Calgary’s poorer communities are much more likely to be racialized than in more affluent communities. As a recent op-ed by a group of MRU researchers pointed out, COVID-19 in Calgary is affecting racialized communities much more profoundly:

***“Many individuals in northeast Calgary, similar to those in Brampton, Ont., are essential workers in jobs where physical distancing isn’t possible (e.g., warehouses). This results in higher levels of exposure to COVID-19. Such employment usually does not provide sick days or other benefits so that sick workers can stay home. In addition, individuals in northeast Calgary are more likely to live in larger, multi-generational homes, partially due to lack of affordable housing. This population density is another factor that makes it difficult to prevent COVID-19 transmission. Finally, many individuals in northeast Calgary have faced extensive discrimination via the very systems designed to protect Canadians (e.g., health-care system) and thus, may be less likely to seek medical assistance until conditions become dire.”<sup>204</sup>***