

Poverty Reduction Part I: What is Poverty Reduction? Identifying Strategies & Initiatives in Rural Communities

KNOWLEDGE BRIEF



INTRODUCTION DEFINING & MEASURING POVERTY

Canada currently has no standard definition for poverty. This is in part a reflection of the fact that poverty is a complex social issue, and defining it is not straightforward. It is also reflective of the subjective nature of poverty. Although poverty is in the most general sense a lack of necessities, our individual understanding of what is necessary may be determined by what is possible in a given place and time, or it may be based on social consensus or past experience.^{1,2}

There is no standard measure of poverty either. In Canada, low income measures (see text box) are frequently used as proxies for poverty measures. Though none of these measures provide a complete picture of poverty, cumulatively they provide an understanding of the occurrence of low income in Canada over time.³ Additionally, they are beneficial for providing meaningful comparisons between places.⁴ However, one benefit of relying on relative definitions of poverty and diverse measures or indicators is that this allows each community the ability to define poverty at the local level and the flexibility to measure dimensions of poverty that may be more prevalent locally.⁵

LOW INCOME MEASURES

Statistics Canada provides three different measures of low income. The **Low Income Cut-Offs (LICOs)** are well established and widely recognized, having been published since 1967. They define the income thresholds at which families would spend a greater share of income on basic necessities such as food, shelter and clothing than the average family.⁶ Currently, LICOs are calculated for seven family sizes and five population sizes. For small communities, the LICOs are lower due to expected lower housing costs. However, researchers have observed that this may not adequately reflect the rural landscape, where some rural communities may have experienced rapid housing market fluctuations.^{7,8} Before- and after-tax **Low Income Measures (LIMs)** have been published since 1991, and as they are based only on data on household incomes across the country, they are the preferred measure for international comparisons.⁹ The **Market Basket Measure (MBM)** accounts for regional differences in the cost of living by defining low income relative to the cost of a set "basket" of goods and services for a reference family of two adults and two children.¹⁰

APPROACHES TO POVERTY REDUCTION

To begin with, it is useful to clarify the difference between **poverty alleviation** – approaches focused on short-term remedies that mitigate the immediate effects of poverty, and **poverty reduction** – approaches that focus on sustainable solutions that build capacity within communities and reduce reliance on social services in the long-term.¹¹

Approaches to poverty reduction are as diverse as definitions of poverty. One way of categorizing approaches to poverty reduction is by drawing attention to assumptions about the origins or sources of poverty. Most poverty researchers will at minimum distinguish between theories that identify the origins of poverty in individual deficiencies and those that suggest that poverty is caused by systemic social conditions.¹² A more detailed analysis suggests there are five theoretical approaches to poverty reduction: individual, cultural, political-economic, geographic, and cumulative/cyclical.¹³ Building on the components of the other theories, the final theory sees individuals and their communities within complex spirals of opportunities and problems that create cumulative challenges as opportunities are closed or problems begin to dominate, demanding complex, multi-faceted responses.¹⁴ What is important to take away from the literature is that poverty is a complex issue and there is now a well-established trend in the literature that recommends a comprehensive response to addressing poverty that relies on partnerships built across multiple sectors.¹⁵⁻¹⁸

POVERTY REDUCTION CAMPAIGNS – BRITISH COLUMBIA & BEYOND

Given that poverty reduction is an essential concern within British Columbia and Canada, a number of organizations have turned attention to coordinating poverty reduction efforts and providing resources and support to poverty reduction work in communities of all sizes. **Table 1** summarizes a few of the most significant campaigns and resources.

POVERTY REDUCTION IN RURAL BRITISH COLUMBIA

Although much research is available about poverty and poverty reduction for urban places, researchers

recognize that “*knowledge about the dynamics, experiences, and complex underpinnings of rural poverty is more limited*”¹⁹ and rural poverty has not received adequate attention within Canada’s policy agenda.²⁰ This is despite the fact that rural and small town places are experiencing new pressures that impact low income and at risk households, resulting from significant and accelerated social and economic changes that have been occurring since the early 1980s.²¹ These impacts are even more significant for rural economies that are resource-based²² or communities reliant on resort tourism.²³

Many municipalities are turning to community or neighbourhood level interventions to address poverty²⁴ and there are rural examples. The [Revelstoke Poverty Reduction Strategy](#) is unique in the Canadian context as it is rare for a community of this size to develop a comprehensive, multi-sectoral strategy. Funded with the support of the Columbia Basin Trust, the strategy first analyzes a number of core poverty indicators (such as LIM, MBM, food bank usage, and core housing need) as well as community affordability, and calculating a living wage rate for a number of different reference families. The report also includes a discussion of the costs of poverty in the community and concludes with a series of goals and recommended actions.²⁵

In Trail, BC, the [Greater Trail Community Skills Centre](#) recently participated in the Canadian Community Economic Development Network’s (CCEDNet) Place-Based Poverty Reduction (PBPR) initiative, focused on evaluating how participating organizations track the effectiveness of their socio-economic impacts. The Skills Centre used the Social Return on Investment (SROI) approach to measure the impacts of the *Right Stuff* program, using monetary equivalencies to demonstrate the substantial impact this youth employment initiative has had on youth poverty in the community.²⁶

Researchers recently completed a [pilot study of rural poverty in McBride, BC](#). The pilot project uses a thematic analysis of in-depth interviews with key community stakeholders to explore the key triggers of rural poverty and the strategies and barriers to addressing it within the infrastructure and service context unique to rural settings.²⁷

Table 1: Highlighted Poverty Reduction Campaigns & Resources

| Organization | Project | Details | Link |
|--------------------------------------------------------|-----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|
| Tamarack Institute | Vibrant Communities Canada: Cities Reducing Poverty | Vibrant Communities is a learning community and collective impact movement focused on reducing poverty in Canadian cities. | vibrantcommunities.ca |
| BC Poverty Reduction Coalition | BC Poverty Reduction Coalition | Coalition focused on a campaign aimed at establishing a comprehensive, legislated poverty reduction plan at the provincial level. | bcpovertyreduction.ca |
| First Call BC Child and Youth Advocacy Coalition | Living Wage for Families Campaign | The Living Wage for Families Campaign certifies employers across BC who commit to paying their employees a living wage. The campaign also calculates the living wage rate for Metro Vancouver and supports other communities across BC to calculate their local living wage using the same methodology. | livingwageforfamilies.ca |
| Caledon Institute of Social Policy | Canada Social Report: Poverty Reduction Strategies | The Canada Social Report provides a comparative summary of all poverty reduction strategies at the provincial/territorial level. No strategy is in place in BC. | canadasocialreport.ca/PovertyReductionStrategies/ |
| Canada Without Poverty and Citizens for Public Justice | Dignity for All Campaign | Based on the results of six policy summits and using a human rights framework, the Dignity for All Campaign has prepared a national anti-poverty plan as a call to action to the federal government. | www.cwp-csp.ca |

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The Columbia Basin Rural Development Institute, at Selkirk College, is a regional research centre with a mandate to support informed decision-making by Columbia Basin-Boundary communities through the provision of information, applied research and related outreach and extension support.