The Political, Economic, and Social Determinants of Child Poverty: The Case of Windsor, Ontario

Paul J. Przytocki
przytocp@uwindsor.ca

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The Political, Economic, and Social Determinants of Child Poverty:

The Case of Windsor, Ontario

By

Paul J. Przytocki

A Major Research Paper
Submitted to the Faculty of Graduate Studies
through the Department of Political Science
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at the University of Windsor

Windsor, Ontario, Canada

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by

Paul J. Przytocki

APPROVED BY:

J. Essex
Department of Political Science

E. Maltseva, Advisor
Department of Political Science

March 18, 2019
Declaration of Originality

I hereby certify that I am the sole author of this thesis and that no part of this thesis has been published or submitted for publication.

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Abstract

In 1989, the federal government mandated to eliminate child poverty by the year 2000. This paper explores the political, economic, and social determinants of persistent and high rates of child poverty in the Windsor-Essex region of Ontario eighteen years after the stated deadline for this mandate. By asking the question of what social, political, and economic factors contribute to the stable and high rates of child poverty in Windsor-Essex, this paper argues that child poverty in the Windsor CMA is due to (1) a lack of political leadership and investment; (2) the lack of economic diversification; (3) a flawed support structure; (4) persistent social and economic barriers; and (5) a poverty reduction strategy that operates on a mitigation paradigm. Using a historical institutionalist framework, and by conducting six interviews with individuals working directly in the field of child poverty, this paper aims to provide a qualitative analysis to establish the political, social, and economic determinants of child poverty.
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<tr>
<td>Canada Assistance Plan</td>
<td>CAP</td>
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<td>Canada Child Benefit</td>
<td>CCB</td>
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<tr>
<td>Canada Health and Social Transfer</td>
<td>CHST</td>
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<tr>
<td>Census Metropolitan Area</td>
<td>CMA</td>
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<td>Child Tax Benefit</td>
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<td>Early Childhood Education</td>
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<td>Employment Insurance</td>
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<td>General Motors</td>
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<td>Low-Income Cut-Off</td>
<td>LICO</td>
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<td>Low-Income Measure</td>
<td>LIM</td>
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<td>Market Basket Measure</td>
<td>MBM</td>
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<td>National Child Benefit</td>
<td>NCB</td>
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<td>Ontario Disability Support Program</td>
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<tr>
<td>Organization for Economic Cooperation and Development</td>
<td>OECD</td>
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<tr>
<td>Ontario Ministry of Children, Community, and Social Services</td>
<td>OMCCSS</td>
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<td>Ontario Student Assistance Program</td>
<td>OSAP</td>
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<td>Ontario Works</td>
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<td>Poverty Reduction Strategies</td>
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<td>Sustainable Development Goals</td>
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<tr>
<td>Universal Child Care Benefit</td>
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<td>Unemployment Insurance</td>
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<tr>
<td>United Nations International Children’s Emergency Fund</td>
<td>UNICEF</td>
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<tr>
<td>United Way Centraide Windsor-Essex County</td>
<td>UWCWEC</td>
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<td>Working Income Supplement</td>
<td>WIS</td>
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Chapter 1

An Introduction to Child Poverty in Canada

The Canadian welfare state is highly regarded by many individuals within Canada and abroad as being an advanced economy with an extensive welfare system. Many Canadians, contrary to their American counterparts, take pride in the fact that there exist many social programs offered to the Canadian populace, with universal health care being at the helm of the pro-welfare state argument. Given Canada’s publicly funded health care system, a public education system, pension programs, employment insurance programs, and direct government involvement in establishing minimum income thresholds, Canadian governments have demonstrated the state’s willingness to take an active role in the social and economic lives of its citizens and residents. Even with the presence of historical long-standing ideological debates (i.e. party politics) surrounding the role of the state in welfare provision, Canada’s commitment to publicly funded social programs has been evident in the historical role the state has taken in directly influencing the lives and well-being of Canadian citizens, permanent residents, and immigrants.

Although Canada has a comprehensive welfare program, a significant percentage of Canadians still struggle with poverty. Poverty is not the first thing that comes to mind when one thinks or talks about Canada. However, poverty is a social ill that impacts millions of individuals and families in Canada. The effects of poverty are numerous. These effects will be discussed in more detail below, but for now, it is important to state that poverty prevents people from realizing their full potential, while simultaneously having numerous negative effects on the individual, the family, and the community. Not only does poverty have negative effects on an individual’s well-being, poverty strains communities and governments due to the high price tag.
Poverty has in areas such as health care, law enforcement, and welfare support structures. To demonstrate the social and economic impact of poverty on both the welfare state and the community, this paper will offer a study of child poverty in the Windsor-Essex region of Ontario.

Poverty affects millions of Canadians from coast to coast, and what could be considered extremely concerning is the number of children (under 18) that find themselves in impoverished conditions. According to the 2016 Census report, the most recent primary data on child poverty rates, 1.2 million (17%) of the 6.8 million children living in Canada were living in low-income households for the census year of 2015 (Statistics Canada 2016). These estimates are based on the low-income measure (LIM), discussed in detail in Chapter 2. Twenty years earlier, Zyblock (1996) illustrated the prevalence of child poverty in Canada between 1975 and 1992 and described the variations in child poverty trends for this seventeen-year period. In 1975, the national child poverty rate for youth under eighteen was 18.1% (Zyblock 1996). Seventeen years later in 1992, 18% of children were still living in low-income households, with child poverty rates ranging from 14% to 20% during this seventeen-year period (Zyblock 1996). For children under the age of seven, child poverty rates ranged from 16% to 20% between 1975 and 1992 (Zyblock 1996). Zyblock (1996) also states that child poverty rates for children under the age of seven have been consistently higher than those of children ages eight to seventeen. Note, Zyblock used the low-income cut-off measure (LICO) for his analysis (see Chapter 2). During the 80s and 90s, child poverty rates started to increase, decreased between 1997 and 2000, and then saw a peak at 22.3% in 2000, with the lowest child poverty rate being 11.3% in 2006 (Campaign 2000 2016; Albanese 2010). It should be noted that this figure for the year 2006 does not include indigenous children (Campaign 2000 2008). The reason for this omission is quite
strange given that Indigenous children are over-represented in the impoverished children population, and according to Campaign 2000’s (2015) report, 40% of Indigenous children live in poverty at the national level.

When looking at this data, one could conclude that child poverty rates have been fairly stable for the past four decades at the national level. Furthermore, child poverty rates have not seen sustainable decreases during this time period, nor have these rates fallen to single digits (Campaign 2000 2016). This brief data summation has described the national child poverty rate in Canada for the last four decades and the question that needs to be asked now is: how do the provinces compare to each other and the national child poverty rate?

Poverty rates differ based on region, province, and municipality. The rate of children living in low income households are generally higher in the Eastern provinces compared to the Western provinces (Statistics Canada 2016). Nova Scotia and New Brunswick had child poverty rates at approximately 22.2%; meanwhile, Alberta’s child poverty rate was 12.8% (Statistics Canada 2016). One of the most interesting statistics describing child poverty in Canada when comparing inter-provincial child poverty rates can be found in Quebec. Quebec had the second lowest median household income in Canada for the 2015 census year, yet had the second lowest child poverty rate at 14.3% across the provinces (Statistics Canada 2016). Furthermore, Quebec was the only province where the child poverty rate was less than the adult poverty rate at 14.3% and 14.7% respectively (Statistics Canada 2016). Although a very small difference, Quebec is the only province where adult poverty rates are higher than child poverty rates.

In addition to regional and provincial variations, there are disparities between municipalities, or census metropolitan areas (CMAs). In 2015, 7 out of 35 CMAs had rates of one-in-five children living in a low-income household (Statistics Canada 2016). These cities
included Windsor, London, St. Catherine’s-Niagara and Belleville, Ontario; Saint John and Moncton, New Brunswick; and Winnipeg, Manitoba (Statistics Canada 2016). Within these cities, the rate of children living in low-income households varied between 20.3% and 23.1% with Windsor having the highest rate of 24% (Statistics Canada 2016). Furthermore, 7 out of the top 10 cities with the highest rates of children living in low-income households are located in Ontario: Windsor (1), London (3), St Catherine’s-Niagara (5), Belleville (6), Thunder Bay (8), Toronto (9), and Peterborough (10) (Statistics Canada 2016).

Windsor had the highest rate of children living in low income households of all the CMAs in the country (excluding the territories), with a rate of approximately 24% for the 2015 census year (Statistics Canada 2016). Many of the children living in a low-income household were located in the riding of Windsor-West, where the child poverty rate was approximately 32% (CBC News 2018). If one were to compare the national child poverty rate, which was between 17% and 19%, with the child poverty rate of Windsor, one would see that Windsor, Ontario is above the national average by anywhere between 5% and 7%.

Persistent child poverty has negative consequences that can last a lifetime. There is an extensive body of academic research that explains how poverty affects children, especially in the areas of health, learning, and socialization (Howe & Covell 2003; Robson-Haddow 2004; Ross & Roberts 1999). In addition, poverty has significant impacts on the psychological and social well-being of children by causing severe stress and the deterioration of self-esteem and confidence, which simultaneously socially excludes children and can increase the likelihood of engaging in risky behaviours (White et al. 2003; Evans 2004; Lee 2011). From a social-medical perspective, healthy development in children is heavily reliant on a child’s access to nutrition and adequate housing conditions, and children living in poverty often find themselves deprived
of both (Albanese 2010; Jones et al. 2002; Kerr 2004). Other authors have argued that a child’s physical health has serious repercussions on a child’s cognitive development, and can often result in poor academic performance, inadequate participation in school, increased absences, and increased risk of drop-out (Howe & Covell 2003; Sridhair 2009). Given the abundance of research, it is evidently clear that poverty affects virtually every aspect of a child’s life and development, and can cause serious health and psychological consequences that could last a lifetime.

In terms of societal access to resources and various communal activities, parents who fall under the low-income household threshold typically cannot afford to invest in various activities, learning opportunities, and support, which have been found to positively impact the cognitive, emotional, physical, and intellectual development of children (Albanese 2010: 31). This is where it is crucial to understand that children are not only impoverished when they do not have access to the basic necessities, such as food, clothing, and housing, but also to other resources that are available to their peers (Mayer & Jencks 1999). Additionally, children living in low-income households typically are exposed to negative circumstances and consumption patterns that prevent the development of a child’s human capital and prospective capabilities (Lock & Frank 2004; Lynch et al. 2000). Eaton et al. (1999) also argue that certain consumption patterns and decisions affect a child’s ability to be socialized; which in turn, have severe impacts on their overall well-being and future prospects.

Child poverty could most likely be renamed “family poverty” because when children live in poverty, their socio-economic circumstances are predicated on those of their parents. Parental distress has significant impact on how parents ‘parent’ their children. Particularly in regard to maternal responsiveness, numerous studies indicate that high levels of stress negatively impact
parenting practices, which could correlate to higher levels of stress within the household, and strains parents’ abilities to stimulate their children cognitively and intellectually (Brooks-Gunn & Markham 2005; McLoyd 1998; Yeung Linver, & Brooks-Gunn 2002). Living in poverty is highly stressful, and so, parents not only face the stress of being poor, but also have the stressors of being a parent. Therefore, there is no doubt that the stressors of being poor have direct influences over the stressors of being a parent, thereby impacting parenting practices within the household.

Based on this discussion, it is clear that poverty has severe impacts on a child and permeates every facet of a child’s life. Given the negative medical and social effects, child poverty has the potential to be a significant cost to governments and society at large. Therefore, in order to address the issue of child poverty, one needs to beg the question of what kind of policies are effective in alleviation of this social issue? Or, what are the root causes of child poverty and how do we solve them? Whether it be direct government interventions and assistance or market forces, it is important to understand exactly what kind of policies and initiatives are effective in addressing the issue of child poverty.

Scholars such as Kenworthy (1999) argue that developing comprehensive social welfare program remains the most effective way in tackling poverty. As Kenworthy’s cross-national assessment demonstrated, implementation of social welfare programs had a positive effect on poverty reduction, so long as they are carefully constructed and adequately funded (Kenworthy 1999). Additionally, when social welfare programs do not operate on rigorous means-tested apparatuses (determining who gets what and how much), are not efficiently implemented due to lack of human and financial resources, and do not receive adequate funding, these welfare programs carry a heavy cost and do little to nothing in alleviating the effects of poverty or
reducing prevalence rates (Kenworthy 1999). Regarding employment however, when a household is receiving an income that provides the basic necessities and access to adequate housing and nutrition, with the possibility of extended benefits packages and disposable income, child poverty rates are likely to be far lower than in times of economic shocks and crises since child poverty rates subsequently increase or decrease during economic ups and downs (Albanese 2010).

The discussion so far has described the trends and prevalence of child poverty in Canada and across the provinces and municipalities. It has offered some insight into municipal variation, followed by a review of the literature that described the numerous effects child poverty has on the child and the family system. Given the numerous negative effects of poverty, the high prevalence rates nationally, provincially, and municipally, this social issue is definitely an economic and political problem. Therefore, this paper asks the question of what political, economic, and social factors contribute to such high rates of child poverty? By using the case of the Windsor-Essex region in Ontario, this paper will argue that the Windsor-Essex census metropolitan area has such a high rate of child poverty due to: (1) a lack of government leadership and investment; (2) a flawed support system; (3) a lack of economic diversification; (4) social and economic barriers that prevent families from upgrading their standards of living; and (5) the poverty reduction strategies carried out by all levels of government in the Windsor CMA operates on a mitigation model that only addresses the symptoms of poverty and not its causes.

In order to present this argument, this paper will unfold as follows. First, this paper provides the theoretical framework for this research, defines key concepts, and summarizes the academic literature that discusses the causes and remedies to child poverty in advanced
economies such as Canada. The third chapter provides a brief historical overview of child poverty reduction strategies in Canada, describes the current support structure for Ontario residents, and introduces data that estimates the cost of poverty in Windsor. The fourth chapter focuses on the case of Windsor, Ontario, where interviews were conducted with experts working in the field of child poverty in order to provide an analysis of subjective perceptions of what has caused such a high rate of child poverty. Also, this section focuses on what needs to be done in order to reduce child poverty rates in this particular CMA according to industry experts. The fifth chapter provides conclusions as they relate to the presented argument, discusses the limitations of this study, and offers a framework for future research.
Chapter 2

Theoretical and Conceptual Framework

Defining the Canadian Welfare State and Concept of Poverty

Canada is a welfare state. To understand how Canada addresses social issues such as poverty, it is important to describe how its welfare system works. From a theoretical standpoint, the Canadian welfare state is characterized as a ‘liberal welfare state’ (Mathews & Erickson 2008). Contrary to its Continental European counterparts, but similar to the welfare regime of the United States, the Canadian liberal welfare state seeks to solve social welfare issues with ‘market oriented’ solutions (Mathews & Erickson 2008); whereas in Continental and Northern Europe, welfare state regimes are classified as either conservative or socially democratic (Myles 1998). These social welfare regimes differ from the liberal approach by placing more emphasis on government spending and oversight of social programs. Canada does however differ from other liberal welfare state regimes, such as the United States, especially in regard to certain social programs such as providing a comprehensive publicly funded health care system. Theoretically, although the Canadian welfare state is considered to be socialist by its southern neighbour, the Canadian welfare state still places heavy reliance on the ‘market’ in providing social provisions and addressing social issues such as poverty.

Before discussing the various theories and variables that academic scholarship has developed to understand the causes of child poverty, it is important to define child poverty. Note that the words such as poverty and low-income will be used interchangeably, since this is the terminology used by Statistics Canada in its estimations on poverty levels. Currently, Canada does not have an official poverty line. For clarity, the government uses several criteria such as low-income cut-off measures, low-income measures, and market-basket measures to identify
people falling under an established threshold. Specifically, *low-income cut-off measure* (LICO) lines establish low income thresholds by determining whether a household spends more than 20% of its income on food, shelter, and clothing compared to the ‘average’ family; whereas *low-income measures* (LIM) reflect the percentage of people who fall under the halfway point of the median household income for all of Canada. Both the LICO and LIM are usually presented as after-tax income and have been the measure of choice for the last four decades. The LIM is the most internationally used measure for comparing different countries. Note Zyblock (1996) used the LICO in his analysis, whereas Statistics Canada (2016) used the LIM. However, the difference between these measures often result in single digit variations. *Market-basket measures* (MBM) factor the cost of basic necessities such as food, shelter, clothing, and transportation, and allows for regional, provincial, and municipal variation. It should be noted, that recently the federal Liberal government of Canada revealed its plan to implement legislation in 2019 that would officially set the MBM as Canada’s official poverty line (Curry 2018).

According to Mayer & Jencks (1999), when studying child poverty, emphasis is usually placed on a child’s basic needs such as food, clothing, and housing, rather than on other general resources. Notten (2015), for example, argued that North American countries have a tendency to lag behind other Organization for Cooperation and Development (OECD) countries in using indicators of material deprivation (non-monetary indicators) in their methods of analysis when establishing definitions of poverty. Outside of Canada and the United States, international research has also shown that measures of material deprivation and income are not in fact separate tools of analysis, but rather provide for valuable insights when used together in examining the well-being of others (Cancian & Meyer 2004; Förster 2005; Fusco et al. 2011). Income measures are very descriptive, in that these measures focus on one resource which is the level of income
being brought into a household (Notten 2015). Material deprivation indicators however, demonstrate the relationship between inadequate financial resources and negative material outcomes (Notten 2015). It is important to understand how poverty is framed and measured, because not only do these measures describe prevalence rates and trends, but measurement choices directly influence how social programs are constructed and implemented (Notten 2015).

Townsend (1979) stated forty years ago that it is important to incorporate material deprivation indicators in analyses because these measures point to the inability of individuals to afford goods and services that are seen as mainstream of a particular society.

**Theoretical Framework: Determinants of Child Poverty**

The question of what causes poverty is certainly not an easy one to answer. There is no clear-cut linear equation to predict exactly what causes poverty. In fact, there exists a multitude of explanations that contribute to our understanding as to why individuals, families, adults, and children fall in the category of being low-income, and there are many theories and variables that explain the causes of poverty. The theoretical framework for this paper is drawn from the work of Ted Bradshaw (2007), who cites numerous authors to provide five main theoretical explanations for poverty. First, this section will describe the five theories presented by Bradshaw (2007), followed by variable explanations drawn from numerous authors studying the factors that contribute to child poverty from a wide range of academic disciplines.

Bradshaw (2007) categorizes the arguments made by various authors into five dominant theoretical explanations: *individual deficiencies; cultural belief systems that reinforce subcultures of poverty; political-economic distortions; geographical disparities; and cumulative and cyclical interdependencies.* The first theory, *individual deficiencies*, argues that poverty is
caused by individual poor choices, incompetence, and laziness, and places emphasis on individual defects (Bradshaw 2007: 10). Secondly, cultural belief systems refer to the values adopted by the poor that are non-productive and not in-line with the values of belief systems of success (i.e. mentality towards self and the labour market) (Bradshaw 2007: 10). The third theory, political and economic distortions, argues that systematic institutional barriers exist and hinder the poor from increasing their social and economic circumstances (Bradshaw 2007: 11). This theory will be the main focus of this research paper because the political and economic factors are the main variables of qualitative analysis to substantiate the argument being presented. Fourth, the theory of geographic disparities suggests that there are distinct geographical areas that have separate advantages and disadvantages and the poverty is concentrated to certain areas. (Bradshaw 2007: 11). Finally, the theory of cumulative and cyclical interdependencies articulates that factors and variables contributing to poverty interact in diverse complex ways where many different factors compliment and dialectically influence each other (Bradshaw 2007: 11).

Using Bradshaw’s framework for studying the causes of poverty, this study will focus on political and economic distortions, and will examine the impact of various political, economic, and social factors on the prevalence of child poverty in the Windsor-Essex area in Chapter 4. This section focuses on the different variables that authors attribute to the causes and persistence of child poverty. These factors can be broken down into three camps: social factors, economic factors, and political factors, and could be related back to the theories presented by Bradshaw (2007). It should be noted that the following studies are all framed in the Canadian context.

Social factors usually refer to various family and neighbourhood situations. The causes of poverty in the context of the family are attributed to changes in the family system (i.e. a shift
away from the nuclear family and the age of maternity) and also changes in family law (i.e. divorce law) (Albanese 2010: 45). Regarding the changing family system, research shows that mothers who had children over the age of thirty were more likely to have higher earnings and higher levels of education compared to younger mothers (Zhang 2009). Furthermore, younger mothers were more likely to be unemployed or underemployed, or more likely to be found in precarious work environments than their older counterparts (Zhang 2009; Albanese 2010). Alongside changes to the family system, between 1968 and 1985, divorce laws underwent significant changes that loosened the restrictions on divorce; thus, increasing divorce rates, and in turn, increasing the rate of single-parent households (Albanese 2010: 45). According to Kerr & Beaujot (2003), approximately two thirds of the changes in child poverty rates in Canada could be directly attributed to lone-parent households that resulted from divorce. The transformation from a two-parent headed household to a single-parent headed household results in increased pressure in areas such as caring for children and managing finances, which has the potential to push certain families into poverty. Particularly if the two-headed family system was already low-income to begin with.

Although there is a highly gendered component to family structure and child poverty, lone-parent female-headed households are not the sole cause of child poverty rates within these demographics. Comparatively, Sweden has fairly high levels of female-led lone-parent households; however, when compared to other advanced economies, Sweden has lower levels of child poverty within its female-led lone-parent population (Albanese 2010: 46). Therefore, other factors such as the age of maternity, educational levels, economic opportunity, and social policies have significant impacts on child poverty rates within the single-mother population.
In addition to the demographic make-up of families, neighbourhoods also have effects on child poverty rates. Since neighbourhoods directly impact the experience of those living within them, low-income families have an involuntary tendency to be found in neighbourhoods where there are higher rates of crime, traffic, pollution, scarce amenities and resources for children, and under-funded schools (Power 2007; Kazemipur & Halli 2000). The relationship between crime and poverty has been well documented in academic literature in terms of how unemployment and poverty can push individuals towards crime, particularly at-risk youth (Huang et al. 2004; Raphael & Winter-Ebmer 2001). Since low-income households are found in low-income neighbourhoods, it is important to understand how poorer neighbourhoods impact children living within them, especially in terms of their social interactions and life experiences. These neighbourhood effects are what Power (2007) attribute to the cycle of intergenerational poverty, meaning that neighbourhoods reinforce poverty, and often perpetuate poverty between generations. In other words, poor neighbourhoods have direct impacts on the social and familial experiences of children that creates an embedded consciousness of being poor that simultaneously perpetuates and reinforces children’s idea of what it means to be poor.

*Economic factors* discussed in the academic literature mainly refer to the employment status of parents. The economic factors that contribute to child poverty are determined mainly by the employment, underemployment, and unemployment of parents. As stated earlier in this paper, child poverty rates reflect economic trends, meaning rises and falls, and in times of economic growth and recession (Albanese 2010: 59). In recent decades, the Canadian economy has seen a rise in part-time precarious work that contributes to the persistence of child poverty (see Albanese 2010: 65-66). Furthermore, the growth in retail sales people found in fast food restaurants, general merchandise, and clothing stores are also contributing factors to high rates of
child poverty because these jobs are typically part-time precarious positions and make-up some of the largest employment sectors in Canada within the countries service industry (see Albanese 2010: 64-66).

In addition to the employment circumstances of individuals, the level of unionization also has an impact on child poverty levels. Although unionization has in fact increased in Canada, these increases have lagged behind the growth of individuals entering the Canadian workforce (Albanese 2010: 65). For example, in 2007, 31.5% of Canadian workers were included in a collective agreement; however, ten years earlier, the number of Canadian workers who were unionized was 33.7% (Albanese 2010: 66). The most recent data on unionized workers estimates that 31.8% of Canadian workers were covered by a collective agreement in 2015 (Employment and Social Development Canada 2015). Studies conducted in the United States, such as Brady et al. (2013), indicate that unionization is actually a very effective tool for increasing the socio-economic circumstances of the lowest income earners. In other words, unionization does indeed assist the lowest income earners and has potential for poverty alleviation. Although unionization may not directly impact poverty levels, the increase in jobs that are not covered by a collective agreement certainly affects job security and the prospective rewards employees receive from their employers such as extended benefits packages for eye care, dental care, mental health, and physio-therapy. Subsequently, these employment conditions directly impact the resources available to parents in order to provide for their children. Without the benefits that union memberships bring, and as the costs of living and debt loads increase, these factors in combination have signification impacts on child poverty rates (see Albanese 2010: 64-71; Brady et al. 2013).
Political factors have serious implications on child poverty rates and are mainly focused on the social support structure provided by the welfare state. It should be noted that some of the complications that arise when dealing with child poverty are ingrained within the structures of how the Canadian state is governed. Canada is a federation, not a unitary state, with different levels of government (federal, provincial, and municipal) having jurisdictional oversight over various policy programs making it very difficult for the federal government to conceptualize and deliver a nationwide comprehensive poverty reduction strategy (Albanese 2010: 76). Mahon & MacDonald (2010) also state in their study that one of the barriers preventing the city of Toronto from developing effective anti-poverty strategies is the nature of Canadian federalism, since the federal spending or dispensing power is immensely influential and prevents the indoctrination of efficient PRSs. These jurisdictional discrepancies and hierarchical ambiguities that are present in the Canadian federation make it very complicated for different levels of government to provide assistance to children and families (Mahon 2006). In sum, the very nature of the Canadian federal system presents certain challenges when addressing child poverty.

Not only does the nature of Canadian governance complicate matters when discussing child poverty, but also the funding formulas that have been changed by the politics of austerity for the last thirty years have also contributed to child poverty rates. Prior to 1995, the Canadian welfare state operated on a 50:50 cost structure between the provinces and the federal government under the name of the Canada Assistance Plan (CAP) (Albanese 2010: 79). However, the CAP was replaced by the Canada Health and Social Transfer (CHST) in 1995, which resulted in the reduction of national standards for service delivery, reductions of approximately $7.3 billion between 1995 and 1998, and a 15% decrease in spending for health care, post-secondary education, and social assistance (Scott 1998). According to Smith-Carrier
(2017), these reductions reflected a 21.5% decrease in social assistance benefits. These reductions actually resulted in a decrease of 30.6%, where the federal transfers from the federal government to the provinces went from $18 billion to $12.5 billion under the new CHST (Cameron & Simeon 2002: 54). Under the CHST structure, the provinces were tasked with providing their own social service delivery mechanisms with less funding (Lightman et al. 2006; Olsen 2002). In most provinces, under the CHST social assistance regime, transfer payments made to individuals do not meet what Statistics Canada determines as the low-income cutoff points (Albanese 2010: 86). Since Canada has seen an increase in precarious work, many individuals on social assistance, particularly those with children, often find themselves in a ‘poverty trap’ because if they were to enter the workforce and refrain from government assistance, their economic circumstances will either remain unchanged or even deteriorate further (Albanese 2010: 86).

Two other areas of government policy have impacted the resources available to governments in delivering social services. Changes in the federal income tax structure and the changes in social safety nets for job loss both have implications for the economic circumstances of families and their children. First, the burden of funding the Canadian welfare state over time has become the responsibility of the worker as opposed to big business. In 1951, 26% of all federal revenue received was from taxing the Canadian worker; meanwhile, corporate income taxes made up over 40% of federal collected revenue (Warriner & Peach 2007). Forty years later, the share of revenue collected by the federal government from the Canadian worker rose to 50%, whereas the share of federal revenue from corporations decreased to under 30% (Warriner & Peach 2007). The changing tax structure certainly places the burden of funding the welfare state system on the Canadian worker and their families, while simultaneously taxing those who are
considered to be living in a low-income household. Although many families who are low-income do not pay taxes due to the existence of tax-breaks, this simply strengthens the point that funding the welfare state has increasingly become primarily funded by the middle-class.

Likewise, social safety nets for job loss underwent significant changes during the 1990s. These changes were reflected in the restructuring of the former Unemployment Insurance (UI) to Employment Insurance (EI), where under the new EI system, workers were tasked with funding the new social safety net as opposed to the previous UI system that was funded by the federal government. EI also underwent and administrative review that tightened the eligibility requirements, and decreased payments for individuals making a claim under EI for the second time or more (Albanese 2010: 83). The change from UI to EI saw a decrease in worker protection and placed the burden of cost for funding the system on the worker (EI deductions from pay), employers, and the provincial social services (Battle 2009). Moreover, employees were required to work longer hours in order to meet eligibility requirements, while payments and the duration of funds received were decreased (Battle 2009).

The above-mentioned variables are not an exhaustive list of the ‘causes’ of child poverty. They do however suggest that the causes of child poverty are multifaceted, and demonstrate that child poverty rates reflect social, economic, and political circumstances and realities. The question that stands at this point is: what helps to reduce child poverty rates? The answer is not straightforward, just as the causes of poverty are not straightforward or linear. However, research has been done to test what methods work in reducing child poverty rates.

In January of 2018, the Liberal government of Ontario raised the minimum wage to $14 an hour (Younglai 2018). The minimum wage hike was accompanied by a debate as to how this move would affect workers and businesses. Although mainstream media and the citizenry had
various views as to how the hike in minimum wage would affect the job market and the employment status of individuals, this employment strategy should be analyzed as to how these policies affect low-income earners. Mascella et al. (2009) ask the question whether minimum wage increases are an effective anti-poverty strategy and conduct their study in the province of Ontario, where minimum wage was increased nine years after their study. The authors found that minimum wage increases are in fact not very effective anti-poverty strategies for two main reasons. First, approximately 80% of minimum wage earners do not live in poor households (Mascella et al. 2009: 375). Second, contrary to popular assumption, the authors replicated other studies that yielded the same results stating that many workers who earn minimum wage live in actually high-income households (Mascella et al. 2009: 375). In fact, Shannon and Beach (1995) arrived at the identical conclusion fourteen years earlier, describing that most minimum wage earners reside in high-income households. In short, these studies suggest that although minimum wage increases appear to be altruistic policy initiatives to tackle the poverty problem, these initiatives are simply not reaching individuals whom these policies are meant to target.

In the case of Ontario, it remains to be seen whether the recent minimum wage hike will help alleviate the child poverty problem. In fact, the goal of the minimum wage increase was not entirely clear to begin with (see Hansen 2018). Although reducing child poverty was not the primary goal of the increase, its implications on low-income earners should still be evaluated. Assuming that a minimum wage earner works full-time at forty hours a week for all fifty-two weeks of the year, that worker will earn $26,880 before taxes. Keeping in mind, the low-income threshold for 2015 under the LIM was just above $22,000. Therefore, this hike will modestly put low-income individuals just above the low-income threshold, and will ultimately reduce their Canada Child Benefit (CCB) income. The CCB will be discussed further in the next chapter.
The Globe and Mail published an article that reported Ontario had reached its lowest rate of unemployment in eighteen years, and attributes this decrease in unemployment to the recent minimum wage hike (Younglai 2018). However, drawing any preliminary conclusions seems to be counterproductive, given the short period that has passed since the policy change, and the change of government that occurred during the 2018 Ontario provincial election. One needs to bear in mind that minimum wage had only been at $14 an hour for six months at the time of this article’s publication, and as the research discussed above demonstrated, an increase in the number of employees does not necessarily translate into passing the low-income household threshold. An argument such as this needs to be explored in more depth to understand the relationship between minimum wage increases and decreases and unemployment.

In addition to minimum wage hikes, there are numerous other ways which some authors claim can help reduce poverty levels. Smith-Carrier (2017), for example, state that increased income security through a fair taxation system will address increasing income disparities (p. 511). The shifts in the federal taxation system have already been discussed. However, expanding family and working tax benefits would reduce the tax burden on families living in low-income households and would respect the integrity of receiving government transfers (Bradshaw 2011). Some authors argue that a guaranteed basic income and the endorsement of a living wage would assist those who work but still fall under the poverty line (i.e. women with children and immigrants). This would yield positive results in health and social well-being; and in turn, reinforce positive returns for health and social spending (Lakeman et al. 2004; Snarr 2011; Forget 2011). Others claim that assistance through government subsidized child care would also significantly impact poverty rates among women and children, as they have in the province of Quebec (Fortin et al. 2008). Furthermore, increases to the Ontario Child Benefit (OCT), which
will be discussed later, alongside income supports through the tax system would respect the
dignity of those in receipt and provide the necessary resources to improve their socio-economic
circumstances (Smith-Carrier 2017: 511).

Seen from another angle, some scholars argue that by supporting the regional expansion of
certain industries, the government would also assist in the fight against child poverty (Bartik
2001). One of the staples of the Canadian economy for the past several decades has been its
robust manufacturing sector, particularly in Ontario, where many big-name automotive
companies have set up automotive assembly operations, alongside feeder-plants that provide the
machinery and parts that go into the assembly of a vehicle. There has been an ongoing debate as
to how important the manufacturing industry in Canada is and why it should be protected
(Moretti 2012). Tyson (2012) suggests that the decline in manufacturing jobs since the early
2000s has translated into higher rates of wage inequality. Also, Foster-Bey and Rawlings (2001),
writing before the Great Recession of 2008, claim that when factors like education are
controlled, single mothers tend to earn more income within the manufacturing sector than the
average wage for this demographic in other industries. However, not all of the scholarly
literature is in favour of manufacturing. Deaton et al. (2014) are more pessimistic as to the
poverty alleviating effects the manufacturing industry has on society. Apparently, increases in
employment levels within the manufacturing sector do not have poverty alleviating effects in any
given region. The authors place more emphasis on the degree and depth to which people are
employed, and argue that these are more important factors for combating poverty rates as
opposed to increases in manufacturing employment (Deaton et al. 2014). Although their
statistical regression in the aggregate suggests that the increase in manufacturing does not reduce
poverty rates, the authors fail to describe which census districts were used in the analysis, and
also fail to mention the effects of decreased manufacturing in cities where the municipal economy is so heavily reliant on manufacturing (i.e. Windsor, Ontario).

Most important, however, is the role that governments play in developing and implementing effective anti-poverty programs, known as Poverty Reduction Strategies (PRS). PRS reports usually describe the government’s ‘modus operandi’ in tackling the issues of poverty and child poverty. In 2017, Smith-Carrier and Lawlor (2017) conducted a study that aimed to establish the dominant discourses in the annual government reports outlining Ontario’s PRS since 2008. Their analysis demonstrated that there were five dominant discourses within the available PRS reports: social exclusion, social inclusion, economic benefit or social investment, expert knowledge, and community engagement (Smith-Carrier & Lawlor 2017). As Smith-Carrier and Lawlor (2017) pointed out, “…the absence of a more robust human rights-based dialogue is rooted in the weakness of existing institutions” (p. 122). No reference to human rights PRS reports is indeed quite striking since Canada signed the United Nations Convention on the Rights of the Child in 1990, and ratified the convention in the federal and provincial legislatures in 1991, with the exception of Alberta (Smith-Carrier & Lawlor 2017). The authors went on to conclude that the discourses in the Ontario PRS reports preserve the current social assistance structure, that is not likely to succeed in reducing child poverty rates (Smith-Carrier & Lawlor 2017: 122).

Social assistance programs, when implemented and funded adequately, do have a positive influence in reducing child poverty rates. In Ontario however, this is not always the case. As Smith-Carrier demonstrates in her recent study (2017), the social assistance system in Ontario is based on the assumption that participation is a result of personal deficiencies such as no motivation, personal attitudes, choices, and behaviours that hinder one’s ability to become self-
sufficient (Smith-Carrier 2017: 504). This view does not take into account the insights from other theoretical approaches such as critical feminist theory. As feminist scholars argue, understanding child poverty is impossible without examining the factors that contribute to social assistance exits by the poor. Since there is an overwhelming number of women represented in the impoverished population, it is necessary to examine the impact of social assistance programs on their situation, and apply such an analysis to the poverty situation in Canada. As Smith-Carrier (2017) points out in her study, being a female, single-parent, and an immigrant, negatively impacts a woman’s ability to exit social assistance programs. Due to current economic and labour force patterns, women who are single-parents and immigrants are discouraged from exiting social assistance programs because the forms of assistance they are provided (such as payments and benefits for housing, transportation, oral care, eye care, mental health, etc.) are not available in a workforce that is highly predicated on precarious part-time work, nor do they have the resources available to further their education or acquire skills training (Smith-Carrier 2017: 504). In order for government programs to be effective and alleviate poverty levels, human rights need to be institutionalized within law in order to prevent certain groups of people from unpredictable market forces (Smith-Carrier 2017: 511).

The above discussion demonstrates that there are no clear-cut causes or remedies to child poverty in Canada. Evidently, child poverty in Canada has been caused by a wide range of economic, political, and social factors in combination with other individual and circumstantial factors. Furthermore, this review has substantiated the theoretical claims of Bradshaw (2007) not only in terms of political-economic distortions, but also in the context of the four other theories. Changes in the labour market, social assistance programs, the changing family system, and the welfare state apparatus are without a doubt all contributing factors to persistent child poverty
rates in Canada. Moreover, this discussion also demonstrates that through a combination of effective and carefully constructed social programs, alongside a labour market consisting of well-paying stable employment opportunities, Canada does have a chance in reducing child poverty rates that have been relatively stable for far too long.

The next chapter provides a brief historical overview of how the federal and provincial governments support low-income families, alongside a discussion of the current support systems available, particularly in Ontario. Furthermore, using data gathered for the case study of Windsor, Ontario, the next section will also describe the costs that overall poverty accrues in various social services systems, such as health care and crime, and will establish how much productivity is lost by having a significant number of individuals living below low-income thresholds. Poverty costs money, and it also withholds money from not only individuals and families, but also governments due to the loss in tax revenue. Therefore, the costs to governments happen on two fronts, social expenditure and lost tax revenue.
Chapter 3

Historical Overview of Canada’s Approach to Child Poverty and The Costs of Poverty in Windsor, Ontario

This chapter focuses on the trends and state of child poverty in Canada, and describes what methods governments use in order to address child poverty. This discussion will also focus on the province of Ontario to describe the current welfare support structure provided to unemployed parents. Furthermore, using the case of Windsor, Ontario, this chapter will also draw secondary data from a local organization that describes the costs of poverty in this particular CMA in one year. In doing so, this chapter will reiterate some statistics previously stated to describe, with the most recent data available, the current state of child poverty in Canada, and will also provide a brief discussion of how much poverty costs governments in the aggregate, and the community at large, by using the case of Windsor, Ontario. This provides insight as to what the costs of poverty are in a single CMA with a population of just over 300,000.

First, this paper has so far not described how Canada compares to other advanced economic countries in terms of child poverty prevalence and/or the overall well-being of children. The United Nations International Children’s Emergency Fund (UNICEF) (2017) published a report entitled Building the Future: Children and the Sustainable Development Goals in Rich Countries that compares the performance of forty-one rich countries in nine child-related Sustainable Development Goals (SDG). According to this report, Canada ranks 24th compared to 41 other countries in the percentage of children living in a household with an income lower than 60% of the median at 22.2% (UNICEF 2017). Furthermore, Canada ranks 38th in the percent of children lifted out of poverty as a result of social transfers (UNICEF 2017). According to this statement, only 12% of children living in poverty in Canada are lifted out of
poverty as a result of government transfers (UNICEF 2017), which may attest to the liberal welfare stage pro-market orientation in Canada.

In the same report, UNICEF ranks the well-being of children in the same 41 rich countries and uses nine child-relevant sustainable development goals for comparison. These nine criteria include: no poverty, zero hunger, good health and well-being, quality education, decent work and economic growth, reduced inequalities, sustainable cities and communities, responsible consumption and production, and peace, justice, and strong institutions (UNICEF 2017).

Canada’s overall rank in 2017 was 25th (UNICEF 2017). However, according to the criteria of zero poverty and zero hunger, Canada ranks 32nd and 37th respectively (UNICEF2017). Canada also ranks 29th in health and well-being, even with a comprehensive socially funded health-care system (UNICEF 2017). Canada’s best scores fell under quality education and responsible consumption and production indicators, ranking eighth and ninth respectively (UNICEF 2017).

Overall, Canada does rank better than its North American counter-parts, with the United States and Mexico ranking 37th and 39th respectively (UNICEF 2017).

At first glance, it appears that Canada could be considered a middle-tiered state in relation to other developed countries in the overall well-being of its young citizens. After all, children are citizens, residents, and immigrants, and are protected under legislation and many human rights conventions. The next section briefly describes the methods used to address child poverty issues and will also provide a description of the current support payments and benefits families receive when they qualify for support. Following this discussion, the costs of adult and child poverty will be described in the context of Windsor, Ontario using secondary data drawn from a local organization.
Past/Present Government Child Poverty Reduction Strategies

Poverty Reduction Strategies in Canada have been practiced through direct transfers to individuals (including shelter and basic needs payments), tax credits, and various charity organizations and public partners funded by governments to provide various extended services. Although there are numerous non-profit organizations that provide a variety of services to low-income individuals and families, direct support payments and tax credits have been historically the method of choice to address the well-being of Canadian families. Table 1 provides a brief historical overview of changes within the federal tax structure and support payment structure.

Table 1 Federal Family Tax Benefits and Government Transfers 1918-2007

<table>
<thead>
<tr>
<th>Year</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1918</td>
<td><strong>Child tax exemption</strong>: This exemption provided income tax savings that increased as taxable income increased. It did not provide benefits to families that did not have a tax liability.</td>
</tr>
<tr>
<td>1945</td>
<td><strong>Family allowance</strong>: This benefit was provided to all Canadian families with dependent children.</td>
</tr>
<tr>
<td>1973</td>
<td><strong>The family allowance</strong> benefits were tripled, indexed to the cost of living, and made taxable.</td>
</tr>
<tr>
<td>1978</td>
<td><strong>Refundable child tax credit</strong>: This targeted and income-tested child benefit, which was delivered through the tax system, provided a maximum benefit to low-income families, a declining amount to middle-income families, and no benefit to upper-income families.</td>
</tr>
<tr>
<td>1993</td>
<td><strong>Child Tax Benefit (CTB)</strong>: This benefit consolidated refundable and non-refundable child tax credits and the Family Allowance into a monthly payment based on the number of children and level of family income. It also included the Working Income Supplement (WIS), which provided an additional benefit to low-income working families with children. In 1993, federal expenditures on child benefits, including WIS, totaled $5.1 billion.</td>
</tr>
</tbody>
</table>
1998  The CTB was replaced by the Canada Child Tax Benefit (CCTB). The National Child Benefit (NCB) Supplement replaced the WIS, and is provided to all low-income families as part of the new CCTB.

2006  The Government of Canada introduced the Universal Child Care Benefit (UCCB). All families, including low-income families, are receiving $100 a month for each child under the age of six, taxable in the hands of the lower-income spouse.

2007  Budget 2007 announced a child tax credit which provided additional tax relief for families with children. For 2012, this tax credit provided up to $329 in tax savings for each child under the age of 18.


After 2007, the federal government of Stephen Harper’s Conservative Party did not change anything within the tax structure and support structure in the context of supporting families. Which was most likely due to the federal government’s focus being directed at managing the economy during the recession of 2008, causing social issues to take a backburner position on the federal political agenda. However, in 2016, the Liberal government of Justin Trudeau implemented its Canada Child Benefit (CCB) program (McGregor 2016). The CCB is provided to employed, underemployed, and unemployed parents who file their taxes. Essentially, there was a shift in the tax and government transfer system for families. Under the new CCB, the lowest income households would receive $6,400 per child for children under six years of age, and $5,400 per child for children between six and seventeen (Kohut 2018). These payments were modestly increased to $6,496 per child (ages 0-5) and $5,481 per child (ages 6-17) with adjustments based on income (Kohut 2018). Furthermore, under the CCB the tax credits available to parents (UCCB, CCTB, see table above), would be eliminated alongside the previous government transfers due to the significant increases to direct payments under the new CCB (Kohut 2018).
The federal government claims that the new CCB has lifted nearly 300,000 children out of poverty (Employment and Social Development Canada 2018), in just the two years it has been in force. The CCB is not without its critics however. Critics claim that the CCB is inaccessible to certain families (i.e. living in shelters, indigenous housing reserves, etc.) due to barriers that prevent them from filing their taxes (i.e. no address, or absence of notice of assessment) (Kohut 2018). Furthermore, some parents who had their benefits decreased or disappeared altogether due to changes in the allocation thresholds, argued that the new CCB reduced the incentive to work (Kohut 2018). Lower income results in lost tax revenue. Although there lacks further elaboration on this point, this could refer to people who are just above the low-income threshold, for example a single-parent making $25,000 annually, which would incentivize being paid and working less. However, all of this could be speculation, and until more data is collected to determine the effects of these programs (i.e. 2020 census data on child poverty in Canada) it is too early to make these assessments. Furthermore, it should also be noted that if the federal government uses the new MBM to determine the rate of child poverty in the next census, it should still include an analysis using the LIM in order to establish the success of the CCB in order to allow a proper comparison across census data.

The discussion above describes how the federal government has dealt with child poverty. However, given the nature of Canadian federalism, tackling a social issue such as poverty is mainly under the jurisdiction of the provinces through the transfers they receive from the federal government. Therefore, a discussion of provincial welfare provisions is necessary, and given that the case study for this paper is Windsor, the description of welfare provisions in Ontario to the unemployed will be discussed.
In Ontario, Ontario Works (OW) is the current program used to support the unemployed.

Table 2 describes the support payments parents receive during their time on the OW program.

Table 3 also describes payments made to families that have either a child or an adult that is considered eligible for the Ontario Disability Support Program (ODSP). These tables have been adapted to only include families and not individuals or couples who do not have children.

### Table 2 – OW Payments Based on Family Type (per month)

<table>
<thead>
<tr>
<th>Family Type</th>
<th>Basic Needs</th>
<th>Max Shelter</th>
<th>Max Ontario Child Benefit</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Parent - 1 child</td>
<td>$354</td>
<td>$632</td>
<td>$114</td>
<td>$1,100</td>
</tr>
<tr>
<td>Single Parent - 2 Children</td>
<td>$354</td>
<td>$686</td>
<td>$229</td>
<td>$1,269</td>
</tr>
<tr>
<td>Couple - 1 Child</td>
<td>$486</td>
<td>$686</td>
<td>$114</td>
<td>$1,286</td>
</tr>
<tr>
<td>Couple - 2 Children</td>
<td>$486</td>
<td>$744</td>
<td>$229</td>
<td>$1,459</td>
</tr>
</tbody>
</table>


### Table 3 - ODSP Payments Based on Family Type (per month)

<table>
<thead>
<tr>
<th>Family Type</th>
<th>Basic Needs</th>
<th>Max Shelter</th>
<th>Max Ontario Child Benefit</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Parent - 1 child</td>
<td>$805</td>
<td>$769</td>
<td>$114</td>
<td>$1,688</td>
</tr>
<tr>
<td>Single Parent - 2 Children</td>
<td>$805</td>
<td>$833</td>
<td>$230</td>
<td>$1,868</td>
</tr>
<tr>
<td>Couple - 1 Child</td>
<td>$954</td>
<td>$833</td>
<td>$114</td>
<td>$1,901</td>
</tr>
<tr>
<td>Couple - 2 Children</td>
<td>$954</td>
<td>$904</td>
<td>$230</td>
<td>$2,088</td>
</tr>
</tbody>
</table>

When a single parent or both parents are unemployed, payments reflect the number of children in the household. As a parent or parents receive these payments, families receive other benefits such as dental coverage, eye care coverage, and public transportation benefits to name a few. However, as parents receive these payments, the parent/parents are also required to prove that they are actively seeking employment to their case workers. Table 3 illustrates the support granted by the Ontario Disability Support Program (ODSP) to families who have a child, or parent, who has been determined to require such assistance by the bureaucracy and medical professionals. It is important to include this table due to the overrepresentation of disabled persons within the low-income community (Campaign 2000 2015).

The discussion above briefly describes how Canada and the Province of Ontario currently address the issue of child poverty. Since this paper utilizes the case of Windsor, Ontario for qualitative analysis, the support structure of Ontario was provided. Taking into account this whole discussion for this chapter so far, it is evident that direct support payments and government tax credits have historically been, and currently are, the dominant method of welfare state intervention in the well-being of its citizens.

The next discussion takes the case of Windsor, Ontario to examine poverty trends within municipalities compared to the national average and will also describe how much poverty costs governments and society at large. When adding the above discussed support structure and the costs of poverty to various institutions such as health care and crime, one could arrive at the conclusion that poverty has a very high price tag. Furthermore, not only is the cost of poverty high, but also the amount of productivity and revenue lost from poverty would make even the most tenured fortune-500 CEO do a double-take.
The Costs of Poverty in Windsor-Essex County

This discussion draws data from the United Way Centraide Windsor-Essex’s (UWCWEC) 2014 report *The Costs of Poverty in Windsor-Essex County*. Note, that this section describes how child poverty in the Windsor area has been stable since 2010 at 24%. The Windsor CMA had an overall poverty (adults and children) rate of 18.3% according to the LIM after taxes in the year 2010 (UWCWEC 2014). Children were most likely to live in poverty in Windsor at a rate of 24% for that same year (UWCWEC 2014). That is, almost one in four children live in a low-income household in Windsor-Essex county. Therefore, the child poverty rate in Windsor for the year of 2010 was the same five years later in the 2015 census at 24% (Statistics Canada 2016). Many of the children living in low-income households are located in the riding of Windsor-West, where the child poverty rate was approximately 32% using data from 2015 (CBC News 2018). To all this into context, the overall poverty rate, not isolating child poverty, for the province was 13.9% and the national poverty rate was 14.9% in 2010 (UWCWEC 2014). Remember, the national child poverty in 2015 was between 17-19%; meanwhile the provincial child poverty rate for Ontario was approximately 18% in 2015 (Statistics Canada 2016). When comparing Windsor’s overall poverty rate to the provincial and national averages, it is clear that Windsor is well above these averages, and that child poverty has in fact been increasing in the province of Ontario since 2010, alongside increases to the national child poverty rate. Furthermore, as previously stated in the introduction, the national child poverty rate was approximately 17-19% (Statistics Canada 2016). Windsor is above the national average in both areas for general and child poverty; therefore, one would hazard a guess that having such high levels of people in a single city puts strain on government and societal resources.
Throughout the report, the UWCWEC analyzes the costs of poverty to governments and society at large in four key areas: health care, crime, intergeneration transfers, and productivity (UWCWEC 2014). Table 4 describes the costs in these areas. It should be noted however, that these figures are from data gathered in 2008 (crime and productivity), 2010 (health care), and 2011 (intergenerational). Regardless, they still offer some insight. Using the methodologies of Laurie (2008), Ivanova (2011), and Zhang (2011), UWCWEC was able to apply these methods of determining the costs of poverty in the Windsor-Essex region.

### Table 4 - Costs of Poverty in Windsor Ontario

<table>
<thead>
<tr>
<th></th>
<th>Costs to Society (millions)</th>
<th>Costs to Government (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health care</td>
<td></td>
<td>$140</td>
</tr>
<tr>
<td>Crime</td>
<td>$26.3</td>
<td>$5.6</td>
</tr>
<tr>
<td>Intergenerational</td>
<td>$45.5 - $56.9</td>
<td>$6.1 - $7.6</td>
</tr>
<tr>
<td>Productivity</td>
<td>$208.1 - $346.6</td>
<td>$27.7 - $46.2</td>
</tr>
<tr>
<td>Total</td>
<td>$279.9 - $429.8</td>
<td>$179.4 - $199.4</td>
</tr>
<tr>
<td>Total cost of poverty</td>
<td>$459 million - $629 million</td>
<td></td>
</tr>
</tbody>
</table>

Taken from United Way Centraide Windsor-Essex County’s Report “The Cost of Poverty in Windsor-Essex County” (2014)

In terms of healthcare UWCWE (2014) describes how much could be saved in health care expenditures by simply increasing an individual’s revenue to the second lowest quintile of household income (see UWCWE 2014 report). Nationally, the lowest 20% of low-income individuals account for approximately 30.9% of total public health expenditures amounting to $61.8 billion for the year 2011 (UWCWE 2014). The second lowest income quintile of 20% of individuals make up 24.2% of total public health expenditures, which amounts to $48.4 billion
If the total amount of health care expenditures in the poorest 20% of individuals were to be reduced to the second lowest quintile, this would result in a savings of $13.4 billion or a 6.7% reduction in health care expenditures (UWCWE 2014). For Windsor-Essex County, the total amount of health care expenditures for the poorest 20% of individuals was $6.6 billion in the year 2011 (UWCWE 2014). The second lowest quintile, or the second lowest 20% of poorer individuals, makes up $5.2 billion (UWCWE 2014). As was the case for all of Canada, if the total amount of healthcare spending for the lowest of low-income individuals was reduced to the level of the second quintile of lower income individuals, this would result in a reduction of $140 million, or 6.7%, in total health care spending for the Windsor-Essex region.

Crime is another area where poverty influences the costs to government and society at large. For Canada, the costs of crime to government (policing, criminal justice system, healthcare for victims, and victims’ services) was $17.45 billion, and for society at large (stolen/damaged property, lost productivity, pain and suffering, loss of life) the costs were as high as $82.15 billion (UWCWE 2014). In Windsor-Essex, the cost of crime to government was $139.60 million, and $5.58 million of this figure was attributable to poverty (UWCWE 2014). For the costs to society at large in Windsor-Essex, the total costs of crime was $657.20 million, and the amount attributable to poverty in the region was $26.29 million (UWCWE 2014). If both the costs to government and to society at large were added together, the total costs of crime in Windsor-Essex that are directly attributable to poverty was $31.87 million (UWCWE 2014).

Intergenerational poverty, alternatively labelled the cycle of poverty, also levies some hefty costs. Approximately 24% of children in Windsor-Essex live in poverty, and the United Way states that some studies indicate that anywhere between 40% to as high as 60% of children will
be able to escape the cycle of poverty (UWCWE 2014). That leaves anywhere between 40% and 60% of children that will not escape poverty. This is a large margin of error; therefore, the United Way’s report utilized a more conservative estimate of only twenty to twenty-five percent of children escaping poverty and reported that based on data from 2010, the cost to society for intergenerational poverty was between $45.5 million and $56.9 million (UWCWE 2014). The reason for this choice of using the most conservative estimates is most likely due to prevent any harsh criticism and/or accusations of inflating numbers. Meanwhile, the costs of intergenerational poverty to government, is reflected in the loss of income taxes and was reported to be between $6.1 million and $7.6 million (UWCWE 2014). Therefore, intergenerational poverty results in a total cost of between $51.6 million and $64.5 million (UWCWE 2014). These results were based on the 20-25 percent estimate of children escaping poverty, not estimates that range from 40-60%. In Windsor, there were approximately 18,970 children living in poverty in 2010, which had not changed by 2015, and by using a conservative estimate of 20 to 25 percent of children escaping poverty, this leaves between 3,794 and 4,743 that will continue to live in poverty as adults (UWCWE 2014). The report only focuses on lost tax revenue in terms of estimating the costs to government, without taking into consideration reliance on federal and provincial government support and support from nongovernmental organizations and municipalities.

Calculating the costs of poverty in terms of productivity is the result of lower annual earnings, which translates into lost tax revenue for government. Lower annual earnings could be considered the cost to society at large in terms of people’s ability to spend money; meanwhile, the lost tax revenue could be considered the cost to governments. Table 5 describes the costs of lost productivity.
Table 5 - Lost Productivity as a Result of Poverty

<table>
<thead>
<tr>
<th>Households classified as being in low income (poverty) based on Canada 2010</th>
<th>Average household income before income taxes</th>
<th>Average household income after income taxes</th>
<th>Average household taxes paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low-income measure</td>
<td>$22,160</td>
<td>$19,460</td>
<td>$2,700</td>
</tr>
<tr>
<td>Average incomes for household ages 16-64 based on Canada 2010</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 (poorest 20%)</td>
<td>$16,900</td>
<td>$16,000</td>
<td>$900</td>
</tr>
<tr>
<td>2</td>
<td>$30,500</td>
<td>$28,000</td>
<td>$2,500</td>
</tr>
<tr>
<td>3 (middle 20%)</td>
<td>$44,900</td>
<td>$38,500</td>
<td>$6,400</td>
</tr>
<tr>
<td>4</td>
<td>$63,400</td>
<td>$50,600</td>
<td>$12,800</td>
</tr>
<tr>
<td>5 (richest 20%)</td>
<td>$122,300</td>
<td>$85,500</td>
<td>$36,800</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>If low-income households were raised to second quintile levels (millions)</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total increase</td>
<td>$235.8</td>
<td>$208.1</td>
<td>$27.7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>If bottom quintile increased to second quintile levels (millions)</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total increase</td>
<td>$392.8</td>
<td>346.6</td>
<td>46.2</td>
</tr>
</tbody>
</table>

Taken from United Way Centraide Windsor-Essex County’s Report “The Cost of Poverty in Windsor-Essex County” (2014)

Table 5 illustrates that if low-income households ($22,160 before taxes and $19,460 after taxes) were raised to second quintile levels, there would be a total increase of $235.8 million before taxes, and $208.1 million after taxes, which would result in an increase of tax revenue of approximately $27.7 million (UWCWE 2014). Furthermore, if the bottom quintile increased to the second quintile, this would result in total increases of $392.8 million before taxes, $346.6 million after taxes, thus raising the average household taxes paid by $46.2 million in the Windsor.
region alone (UWCWE 2014). Therefore, it is evident that the opportunity costs of poverty do not only deprive individuals of increasing their livelihoods, but also translates into lost revenue for government, and therefore increases the potential costs to government and society at large.

At the provincial level, the costs of poverty attributed to health care and crime for the year 2008 was $2.9 billion and between $250 million and $600 million respectively (Ontario Association of Food Banks 2008). Furthermore, in terms of intergenerational poverty, according to the Laurie (2008), if poverty were to be eliminated at the time of the study, the added income tax provincially would amount to $1.3 billion to $1.6 billion. Furthermore, regarding opportunity costs structures and lost productivity, Ottawa and Queen’s Park lose approximately a combined $4 billion to $6.1 billion in provincial and federal tax dollars due to lost tax revenue as a direct result of poverty (Laurie 2008).

In sum, combining social support payments with the cost of poverty definitely raises a high price ticket for governments, the social services, and society at large. The costs of poverty in the Windsor-Essex region alone range at approximately half a billion dollars. These costs are not only carried by governments, whether municipal, provincial, or federal, but are also carried by society at large. Furthermore, the costs to governments are also indirectly linked to the rest of society, given tax dollars are spent in order to deal with the costs that poverty accrues, particularly in health care. Therefore, since the costs of poverty are likely to be overwhelmingly high, it is important for policy makers to develop adequate policies to address these issues. Not only would this allow those living in poverty to upgrade their standard of living, but adequate policies and appropriate funding in the right areas could have the potential to save governments and society large sums of money that could be invested elsewhere within the Canadian welfare state apparatus, or maybe more importantly, invest in ways to diversify the Canadian economy.
and fund projects related to cutting edge industries of the future, in turn, creating a more affluent diversified Canadian workforce.

The next chapter uses the case of Windsor, Ontario to describe the political, economic, and social factors that contribute to the high rate of child poverty in this particular CMA. Using data gathered from interviews with industry experts, it will be argued that in Windsor, Ontario has such strikingly high rates of child poverty due to a lack of government leadership and investment, a flawed support system, a lack of economic diversification, and social and economic barriers preventing low-income families from upgrading their standard of living. Furthermore, it will be argued that the poverty reduction strategies carried out by all levels of government has been characterized by mitigation as opposed to alleviation or reduction.
Chapter 4

The Determinants of Child Poverty in Windsor: Research Findings and Analysis

To better understand the challenges facing the poorer households with children in the Windsor-Essex area, I arranged for six interviews with experts representing four different organizations that work directly with low-income families in a variety of capacities. For reasons of confidentiality and anonymity, all names and organizational indicators have been omitted. These individuals held positions in management, program coordination and facilitation, CEO and Director positions, with years of experience working in the Windsor-Essex CMA. Participants were asked 22 semi-structured questions in order to gain a deep understanding of why Windsor has such a high rate of child poverty. Notes were taken based on informants’ testimonies and key phrases and direct statements were taken. Furthermore, notes were sent to respondents for a two-week member checking period of interview notes to which all participants were satisfied with the data collected. The first 11 questions focused on the causes of child poverty in the Windsor area, whereas the second half of the interviews focused on solutions. There were five major themes that were conveyed by participants: (1) there is a lack of political leadership and investment from all levels of government; (2) lack of economic diversification; (3) the current support structure is highly flawed; (4) the existence of persistent social and economic barriers; and (5) the overall poverty reduction strategy is based on mitigation and not alleviation or actual reduction. Before discussing the specifics of these themes, it is important to highlight some key comments of the participants.

First, when asked about the experience of Windsor in regard to the 1989 federal mandate to eliminate child poverty by the year 2000 (see HOC 1989), a few respondents answered with
statements such as “a complete failure” or “abysmal” and that this mandate was a “lofty goal” that lacked a clear long-term plan. Second, it is important to note the concentration of poverty in certain neighbourhoods as opposed to the total rate for the Windsor-Essex CMA. Participants reported that there is more of a geographic component to child poverty as opposed to demographics. According to one respondent, some neighbourhoods in Windsor that have child poverty rates of almost 60% to 70% have families that come from a wide variety of races, ethnicities, cultures, and religions. This could be indicative of the level of socio-economic disparity within the Windsor-Essex CMA when comparing these neighbourhoods to other neighbourhoods that display high levels of affluence that are demographically diverse. Although recent immigrants have a tendency to fall into this category, their number has not significantly affected the demographic make-up of low-income families. Finally, many respondents suggested that Windsor was experiencing a housing and resources crises for low-income families long before the great recession of 2008, even dating before the federal mandate of 1989. Some participants referred to Windsor being in a “crisis” or an “epidemic of poverty” especially when accounting for neighbourhood variation.

The following section discusses the specifics of the five highlighted themes stated above and demonstrates that Windsor has such a high level of child poverty due to these overarching themes. As the causes are discussed, the analysis also includes what solutions participants think will contribute to decreasing the child poverty level in the aggregate, and what will contribute to stable and consistent social change in the long-term for the Windsor-Essex region.

**Lack of Government Leadership and Investment**
When discussing the role of government in reducing child poverty rates, there were three major themes that were articulated during the interviews. Participants attribute the lack of government leadership and investment to three major factors: the instability and lack of consistency in government leadership due to government turnover rates; Windsor’s disenfranchised state between the provincial and federal governments; and the overall lack of attention child poverty has been given by all levels of government past and present (municipal, provincial, and federal).

In terms of stability and lack of consistency in government, participants suggested that due to the highly bureaucratized nature of government, and given that governments tend to turnover after a couple elections or so, it is very difficult to produce long-term solutions for addressing child poverty. Many respondents suggested that the priorities between competing parties are different, and when governments are elected, they tend to change the agenda for the new government. Therefore, when one political party in power is replaced by another, the priorities change, and so does the government social policy agenda. Thus, due to the nature of the Canadian political system at both the provincial and federal levels, it is extremely difficult to establish long-term plans and achieve specific goals since incumbents will eventually be replaced. In turn, the social policy agenda of the previous governments is replaced by the agenda of the new government. A perfect example of this is the Conservative government of Ontario cancelling the Guaranteed Income Pilot Project in the summer of 2018 (Gollom 2018). This project would have guaranteed a basic income for the poorest individuals and families in Ontario and would be adjusted based on income (Gollum 2018). Informants also noted that political parties and their members tend to use a high degree of political jargon when discussing child
poverty, and have demonstrated very little action in order to produce significant long-term change than can be maintained over time.

Regarding bureaucracy, a few respondents suggested that the bureaucratized social services operate on an almost “one-size fits all” methodology, and do not take into account regional variation, neighbourhood variation, the demographic features of families, and individual characteristics and life experiences. Moreover, informants argued that the social service delivery system is highly fragmented and makes it difficult to provide comprehensive strategies to reduce child poverty rates. These arguments are largely based on the arguments that will be described in the flawed support structure section of this analysis. For now, it is important to note that the social services tend to provide brush-stroke solutions, such as OW, and the support structures described in the previous chapter. These solutions, informants pointed one, do not take into account region, ethnicity, linguistic characteristics, physical or mental disability, and the personal characteristics of families living at or below the low-income threshold.

The third theme to arise during discussions on the role of government was that Windsor is highly disenfranchised from the political establishment for all levels of government. This sentiment was shared across all participants, who suggested Windsor simply lacks political attention from the provincial and federal legislatures. One participant stated that “the province stops at London.” Therefore, since Windsor does not receive the political attention as some municipalities might from the two levels of government, Windsor does not receive the necessary attention, and therefore funding, it requires to tackle the social and economic difficulties it has been facing for the last ten years. It should be noted that some participants suggested that this disenfranchised state could be due to the low rates of voter turnout in Windsor. The ridings of Windsor-West and Windsor-Tecumseh had the lowest levels of voter turnout rates across Ontario.
during the provincial election of 2018, at 43.8% and 48.2% respectively (Schmidt 2018). Additionally, Windsor has consistently voted for NDP candidates, who belong to a party that traditionally finishes third in voting and number of seats held, and has only rarely been in position of official opposition or the government. Therefore, some informants suggested that these are some of the reasons for the lack of political attention paid to Windsor from the province and the federal government.

Respondents also suggested that child poverty is simply not a priority for government agendas. Some participants pointed out that governments do not want to be associated with having an anti-poverty agenda because it may push some voters away. Particularly at the municipal level. According to one respondent, the municipal government has been preoccupied with establishing a sports tourism and service-based industry that has been virtually ineffective in reducing poverty rates for individuals and families. Some of these social issues (i.e. housing) have been an issue for decades according to some respondents and simply have not been on the agenda. The provincial government has been accused of the same, namely ignoring the situation in Windsor, and when convenient, have only argued for the favour of the automotive sector when jobs were threatened. An example of this is Kathleen Wynne’s plea for the federal government to protect the automotive industry in Ontario during the renegotiations of the Trans Pacific Partnership trade deal (see Tang 2018).

In conclusion, this discussion articulates how respondents feel in relation to the role the levels of government have in tackling child poverty. Given government turnover rates, the absence of detailed specific plans, the lack of policies that force future governments to meet deadlines, and the presence of a “one-size fits all” support structure, Windsor is struggling in the fight against child poverty. And given the politics of austerity since the early 1980s, the social
services have seen an onslaught of cuts, to which participants were highly critical due to how hard the 2008 recession hit Windsor and the lack of social safety nets to meet the demand. There were simply not enough social safety nets to keep up with the economic decline of the city. This point will be discussed further in the section on lack of economic diversification. For now, it is important to understand that Windsor has essentially seen very little to no investment from the provincial and/or federal governments in order to revamp the social services to keep up with the demand, nor have they done much to build new industries to heal the wounds from a more-or-less pillaged auto manufacturing sector. This point will be discussed in the following discussion on the lack of economic diversification.

Lack of Economic Diversification

This section is tied to the previous section, in that all participants attributed Windsor’s economic difficulties due to the lack of government leadership in diversifying the Windsor economy, especially in the face of economic threats to the municipal economy. Furthermore, all respondents suggested that the levels of government have been essentially absent from reintegrating the Windsor economy into twenty-first century industries. All of these points will be discussed in turn, for now however, this discussion will first focus on how the decaying automotive manufacturing industry has impacted Windsor and therefore bringing to light its effects on child poverty in the city.

Windsor could historically be considered a monotown, in the sense its economic success has been directly linked to the automotive manufacturing industry. It is almost impossible to find someone whose family has been in the Windsor area for two or three generations that has not had a family member employed in this industry. Whether at a feeder-plant or one of the “Big 3”
(General Motors, Ford, and Chrysler), chances are, if a family has been in Windsor for at least two or three generations, it is highly likely that one or more family members worked in the automotive sector in one capacity or another (general labour, skilled trades, clerical work, administrative work, management, technology, human resources, etc.). In order to describe Windsor’s heavy reliance on the auto manufacturing industry, it should be noted that in 2015, Windsor had 32,235 people employed in the manufacturing sector (Statistics Canada 2016). The second highest employed industry was the health care and social assistance sector that employed 20,015 people, followed by the retail trade industry at 16,795 people (Statistics Canada 2016). Subsequently, the accommodation and food services employed 12,215 people (Statistics Canada 2016). The fifth highest employment industry was the educational services sector at 12,095 (Statistics Canada 2016). These are the top five employed industries for the Windsor CMA.

Evidently, Windsor is highly reliant on manufacturing in order to determine its economic success.

Between 2005 and 2015, 14,000 manufacturing jobs were either eliminated or left the city of Windsor to set up operations elsewhere (CTV News 2017). All respondents directly attributed the loss of manufacturing jobs to the high rates of child poverty in Windsor. Furthermore, there was a shared sentiment among all participants that the provincial and federal governments simply did not provide a forward-thinking framework to reinvigorate the Windsor economy with alternative industries. Moreover, most informants expressed that all levels of government did not invest and provide the leadership required in order to attract new industries providing well-paying jobs to replace the high-wage manufacturing jobs that have been eliminated and continue to decrease. The 2008 recession hit Windsor very hard according to respondents, and some say that Windsor is still in a state of recovery ten years later. It is for these reasons that participants
describe Windsor as having little diversification and that there has been no government involvement or leadership in order to accomplish such a task. In sum, respondents stated that all levels of government did not provide any forward thinking on how to reinvigorate the Windsor economy with cutting edge modern industries. An example is the tech sector.

Windsor is not completely void of having well-paying jobs that involve intermediate to advanced levels of technical literacy. There are well-paying technical jobs in Windsor; however, respondents suggested that there is a skills gap among Windsorites. A few participants attributed this skills gap to a system of subculture in Windsor, that suggests the previous generations are not preparing the younger generations for the economy of the future. For example, some informants described that younger generations are being raised by the mentality that Windsor would have a high paying manufacturing industry that provides benefits packages with just obtaining a high school diploma. According to all respondents, the high paying manufacturing jobs of the past have been in massive decline, to which the data supports this claim, and those that still exist are dwindling. Therefore, since there have been few efforts to prepare the younger generations for industries of the future, and younger generations are ill-equipped to fill the available well-paying jobs that are available in Windsor. One respondent stated that by the year 2030, most low-tiered jobs will be replaced by automation. This includes self-ordering systems at McDonalds, and the use of robotics technology in manufacturing where there was once a physical employee to carry out the task.

It is for these reasons stated above that participants suggested there has been a lack of economic diversification in Windsor. Simply put, governments and the community have not efficiently prepared younger generations for industries of the future, nor have there been many efforts by governments to attract the cutting-edge industries of the twenty-first century (i.e.
technology). Governments have also done very little in efforts to attract big companies and industries to the Windsor area. A few informants stated that governments have been very reactive in terms of protecting municipal economies, and have not met economic challenges with any forward-thinking and proactive solutions (i.e. robust and efficient job reintegration programs, skills acquisition programs, and student stream-lining services into key industries).

The Windsor economy is highly characterized by precarious work. There has been an increase in the use of temporary placement agencies and personnel agencies, that have a tendency to rely on temporary part-time work with lower wages and essentially the absence of any benefits. Furthermore, personnel agencies also find themselves in positions where they simply do not have the trained personnel to fill these positions that are indeed well-paying jobs. This relays back to the point of the skills gap among Windsorites, particularly in regard to the younger generations going through high-school and post-secondary education. However, there was a shared feeling in all participants that Windsor has become heavily reliant on part-time precarious work, especially in the fast-food, restaurant, hospitality, and retail sales industries.

If one were to compare the number of part-time jobs to full-time jobs in Windsor, these numbers amount to 80,040 and 84,705 people respectively out of the 164,745 people who worked (ages fifteen and up) (Statistics Canada 2016). These numbers for the province of Ontario were 3,504,645 (part-time) and 3,837, 565 (full-time). In Windsor, 48.6% of its working population were in a part-time position, whereas the provincial percentage of part-time workers was 47.7%. Although not a large difference, Windsor was still slightly above the provincial average in 2015. It should also be noted that when comparing the number of people who worked to the number of people who did not work, Windsor had 40% of its population who did not work for the year of 2015, compared to the provincial average of 33.5% of the population who did not
work (see Statistics Canada 2016). Demographic variation may contribute to this situation as the number of older residents continues to increase and surpass the proportion of people at or below the average retirement age; however, it does offer some insights into the employment level and degree to which people are employed in Windsor compared to the provincial and national averages.

In terms of the precarious work environment in Windsor within the manufacturing industry, one respondent stated that some local feeder-plants practice what this particular responded referred to as “89 days and out.” According to this source, some companies hire temporary positions that last no longer than ninety days. They either hire due to the demand for employment at a specific time, and let go of the employee when the designated task is done, which could be due to the level of demand for that specific company’s manufacturing operation. Or, this practice could be attributed to a recycling method of employment where employers terminate positions prematurely due to the completion of a probationary period, when employers are often obligated to increase pay and/or start providing benefits, sick leave, vacation, and other benefits associated with permanence. When companies do hire labourers, respondents commented that these jobs are often just two to three dollars above the minimum wage. The rationale to this method is unclear, and this author was not able to find any data to substantiate this claim. However, most respondents agreed that this is a common practice in what is left of the Windsor manufacturing industry and is practiced in other sectors as well.

Respondents also reported that many low-income families have parents working two or three jobs at a time just to make ends meet. It is unclear if this relates to the skills gap reported or the nature of the labour market of Windsor. Nonetheless, it is likely a combination of the two. However, given that the Windsor CMA saw a decrease in the median household income by 6.4%
between 2005 and 2015, it is likely that the good jobs of the past were replaced by lower paying precarious jobs that are temporary and offer very modest remuneration options.

In conclusion, the lack of economic diversification is attributed to governments by informants because they state that all levels of government have not provided a proactive approach towards economic diversification in the Windsor region to mitigate the effects of the changing economy. Furthermore, as high paying jobs have either been transferred elsewhere, or eliminated altogether, governments have failed or have simply done nothing to attract investment by big business in order to facilitate economic growth through cutting edge industries, such as the tech sector (i.e. application development, robotics, bioengineering, alternative energy sources, etc.). Moreover, governments have done little to nothing to facilitate entrepreneurship nor have they provided incentives for start-up companies in the Windsor region, at least not at a level to be taken seriously.

**Flawed Support Structure**

Informants for this study attributed the prevalence of child poverty in Windsor to a highly flawed support structure. Although participants had different views on how the support structure is flawed, they all agreed that there are issues in terms of institutional barriers and deficiencies that exist within the social support structure. Informants had differing views as to how the support system is flawed. Some respondents suggested that the system is highly strained due to some individuals’ abilities to manipulate the system. For example, according to a few sources, in order to receive more support from OW, some parents will use different addresses, increasing the amount of support allotted to recipients. Another example of how some individuals manipulate the system, according to one respondent, is that some parents will continue to have children in
order to receive more support, or to supplement the loss of support when an older child becomes an adult. These arguments are reminiscent of the “welfare queen” image that was started in the 1970s by Republican candidates in the United States to appeal to white blue-collar workers, but as research has shown, this is very far from the truth (Gilman 2014). Additionally, a few respondents suggested that some parents simply lack a certain level of financial literacy. Since some support recipients receive moderate levels of support (see Chapter 3), two respondents agreed that support systems should implement some level of financial education that will lead to increasing families’ socio-economic well-being through increased financial literacy alongside some measures of accountability. However, informants stated that those who manipulate the system represent a minority among the social assistance recipient population, and that the main source of the flawed support structure is derived from not only how the support system itself does not assist families increasing their standards of living, but also prevents families from increasing their standards of living based on inadequate qualification guidelines and the immediate reduction of payments and benefits when parents attempt to enter the labour market.

Most respondents agreed that certain restrictions and barriers prevent families from increasing their standards of living, or are excluded from support services altogether due to the lack of certain documentation necessary for obtaining support. First, in terms of preventing families from increasing their standards of living, most respondents agreed that the current support structure (OW) for unemployed parents actually reinforces families’ use of this system. For example, in order to qualify for maximum payments and benefits under OW, recipients are only allowed to earn a certain income before payments and benefits are immediately reduced or withdrawn. Furthermore, as OW recipients find employment, certain benefits such as public transportation allowances are also immediately withdrawn. One participant used the example of
a single mother on OW, who after obtaining employment, had her bus pass benefit withdrawn, which ultimately caused the termination of her employment because she could not afford to pay for a bus pass herself and ensure the needs of her children were met. Furthermore, as parents obtain employment, other benefits such as dental care and eye care are also immediately withdrawn. Respondents stated that those on OW typically do not have the skills to obtain employment that guarantees a good income and provides benefit packages for extended medical care, dental care, eye care, or mental health coverage. Therefore, the prospective employment opportunities provide less than what the support system provides, and in turn, incentivizes parents’ reliance on support systems.

Additionally, in order to maintain eligibility for OW, recipients are not allowed to possess any assets. This includes a savings account. Therefore, all respondents agreed that it is almost impossible to increase a family’s standard of living without assets that will enable parents to receive education, obtain adequate housing, reliable and stable transportation, and child care. Therefore, because of the support structure criteria, many families find themselves in a catch-22 situation where their potential employment prospects will simply not provide the necessary means to live or increase their family’s standard of living. More often, families find themselves trapped in a support structure that prevents them from increasing their standards of living due to the qualifying criteria stated above, and are not motivated to enter the labour market based on the lack of resources available to them due to the precarious work environment.

Finally, most respondents argued that the support structures actually exclude the most vulnerable populations and families. This is because of the necessary documents and pathways that need to be taken in order to apply for support. For example, in order to apply for OW, families are required to provide a proof of address and a notice of assessment from the Canada
Revenue Agency. The most vulnerable populations of poor families often do not have either of these documents creating a barrier for application to the social services. If a family is homeless, they do not have a mailing address, and if the parent or parents have not worked for a year or two, they do not have a notice of assessment.

According to one respondent, Windsor currently has 415 families in the housing shelter system. Most of these families are led by single Caucasian women. Contrary to many critics who argue that the majority of shelter recipients are refugees and immigrants, these demographics actually only represent a small number of shelter recipients in Windsor due to secondary migration from either Toronto or Montreal, according to one informant. Consequently, this anti-refugee argument is not valid, at least for the case of Windsor. Case workers within the shelter system are therefore strained in assisting homeless families applying for OW given the large number of families within the system. And as one informant suggested, shelter use in Windsor has been on the rise for years. Furthermore, homelessness also prevents families from obtaining certain information about support networks due to the lack of information available offline. Many applications, forms, and information packages are found online. Therefore, as four informants stated, the most vulnerable families do not have regular access to the internet. This may come as a shock to some people, since most people in the developed world literally have the internet in their pocket. Accordingly, they are deprived of information regarding qualification criteria and the ability to print forms to be completed for application. It then becomes the responsibility of case workers to provide this information and the necessary documents to be completed in order for the most vulnerable populations to receive support.

So far, this discussion has not included the Ontario Disability Support Program. However, all recipients were not as critical of this support stream as they were with OW. As
stated in Chapter 3, ODSP is the payment given for those who are dealing with various disabilities, whether physical, cognitive, or emotional. Many low-income individuals deal with various disabilities and this therefore renders them unable to work in the “conventional” sense. Participants were not so critical about ODSP, nor were they as divided as they were regarding the OW debate. Rather, most participants were in support of ODSP and more funding allocated to this payment. One participant did mention that prior to Ontario providing prescription coverage for individuals under 25, they had received ODSP for their child who was dealing with Bipolar Disorder that assisted in covering the costs of the child’s medication. When Ontario started providing prescription-drug coverage for persons under twenty-five however, this individual cancelled the ODSP payment for the child, since it was no longer required. This participant conveyed feelings of civic responsibility in the sense that the payment was no longer required, and they personally felt the money could be allocated more effectively. It is difficult to guess whether others have this sense of civic responsibility; however, the ODSP discussion was not nearly as contentious as the OW discussion.

All respondents commented on how a great number of the poor population suffer from mental illness that prevents them from working. Thus, informants argued in favour of mental health services that provide the opportunity for either parents or children struggling with mental illness to obtain treatment; and in turn, reducing ODSP payments because of their increased ability to work due to mental health support. This is not saying that ODSP should be reduced or eliminated. It does suggest however that there may be more efficient ways of supporting those suffering from mental illness that will ultimately translate into their increased productivity through full-time or part-time work and/or volunteer work.
Although there was disagreement regarding how the support structure is flawed (especially with regard to OW), there is a consensus among informants that the social support system needs to be amended. What participants did agree on was that the support system needs to be reviewed and amended to develop more efficient means-tested methodology in determining who gets what and how much. This is an example of the highly bureaucratized nature of the social services, where determining who gets what and how much has been highly standardized and has a tendency to exclude the most vulnerable populations by not taking into account individual circumstances.

**Social and Economic Barriers**

The social and economic barriers can be divided into six areas of social and economic well-being: early childhood education (ECE) and elementary education, post-secondary education, housing, transportation, food security, and mental health. Each of these categories will be discussed in relation to child poverty rates in Windsor, while also focusing on ways to improve the socio-economic situation of low-income families. Also, this section will discuss how over-investing these areas by all levels of government will increase the socio-economic circumstances of low-income families and even yield positive economic returns to governments and society at large.

Early childhood education can be a large financial burden on not just low-income families, but all families. A report published by the Canadian Centre for Policy Alternatives (CCPA) (2017) states that the median monthly cost of child care in Ontario in 2016 was $1,758. Annually, this cost to families was $21,096 per infant (CCPA 2017). For preschoolers, the median monthly income fee for ECE was $860 a month, or $10,200 annually (CCPA 2017). This
study’s informants were highly critical of the economic burden ECE places on families. Although there do exist subsidies for low-income families to reduce the cost of ECE, all participants agreed that the funding currently available for these programs is simply not enough. Increased ECE funding from governments was the most important factor for combatting child poverty for all respondents.

According to all informants, a comprehensively funded ECE program would reduce the effects of child poverty in a number of ways. First, parents would not bear the economic cost of ECE, which would allow for the opportunity to collect savings that could be invested in nutritious food, extra-curricular activities, post-secondary education, skills training, housing, and disposable income. Furthermore, the reduced economic cost would incentivize parents to enter the workforce. Secondly, according to one participant, the economic returns on investing in ECE are extremely large. For example, the informant argued that studies suggest that there is a $24 economic productivity return for every $1 invested in ECE. Following up on this statement, the author of this paper found that according to Karoly (2016), some studies indicate an economic return of up to $17 dollars; however, a more practical expected return would be in the range of $3 to $4. According to Nobel-Prize winning economist James Heckman at the University of Chicago, investments in high-quality ECE programs could yield 13% per child annual returns on investment costs (Peters 2016). The returns on the upfront costs, compounded with a 13% return on the initial investment are due to better life outcomes in education, health, employment, and social and economic behaviour for a child’s lifetime (Peters 2016). Evidently, investments in ECE are crucial in not only alleviating the effects of poverty and reducing this social ill, but also have a direct influence on the future of the economic workforce.
In terms of elementary education, there appears to be great disparity among Windsor elementary schools. According to some participants, some schools located in certain neighbourhoods with high levels of child poverty do not come anywhere close to meeting provincial educational standards for a majority of their students. This attests to how child poverty is geographically concentrated in Windsor. The causes of this situation might directly link to how education is administered due to funding difficulties, or, this might attest to the lived experiences of the children who attend. How can a student succeed academically if they do not have access to adequate food, clothing, and housing conditions while simultaneously dealing with the social stressors of being low-income? In regards to elementary school funding, respondents suggested there is inequality in fundraising capabilities between schools. Although schools receive funding from the provincial government, they often engage in fundraising activities to enhance the experience of the students who attend. According to some participants, many schools do not have access to large sums of money from fundraising due to the socio-economic circumstances of the neighbourhood compared to other schools found in more affluent neighbourhoods. One informant disclosed that there had been talks about pooling money raised through fundraising and distributing it equally via the public school board. However, according to this source, there was disagreement from the parents in some schools who felt that the money raised in one institution should be spent within that institution. This paper reserves judgement on the situation; however, it is evidently clear that there are inequalities in elementary fundraising capacities.

All participants commented on the increasing costs of post-secondary education. Tuition rates have been increasing in universities and colleges, as well as some of the more private post-secondary institutions. Although there exists a government lending program that includes grants
that students do not need to pay back, respondents argued that there are certain contingencies that prevent some families from utilizing this source. For example, one participant said that although the Ontario Student Assistance Program (OSAP) assists individuals whose families cannot afford to pay for school, many low-income individuals are disillusioned by the idea of accumulating a large debt that can sometimes take decades to pay back. More importantly, participants focused heavily on comparing the education system in Canada to those found in Western Europe and the Scandinavian countries where post-secondary education is funded by governments as long as individuals meet the requirements for admission. All participants argued that Canada should adopt this model to post-secondary education; however, they were aware of the costs this would accumulate to an already stressed social service sector and increasing government deficits at the provincial and national levels. Regardless, many of the sources argued that these financial deficit effects would be mitigated by increased productivity and tax revenues collected by a more skilled and educated workforce, particularly if future generations are efficiently stream-lined into programs that will make them competitive in the future economy.

In terms of secondary education, one respondent suggested that Windsor has undergone amalgamation projects of shutting down secondary schools due to lack of attendance. This lack of attendance, according to this participant, was a result of people exiting neighbourhoods that were experiencing increases in poverty, and the steady decline of test scores within the school. Therefore, as this particular high school’s scholastic scores decreased, student attendance decreased, followed by the closure of the school and the amalgamation of high school districts. This suggests that as the neighbourhoods surrounding high schools fall into poverty, high schools are eventually closed. Therefore, it is difficult to understand the effects of the secondary
education system on child poverty; however, much of the damage done by poverty on the child has already taken its toll by the time the child becomes an adolescent and begins high school.

In terms of affordable and adequate housing, respondents commented that Windsor is in a state of crisis. One respondent commented that Windsor has been in a housing crisis since before the recession of 2008, starting in the late 1990s. Many low-income families find themselves in dwellings that do not meet standard safety codes or provide adequate shelter from the elements (i.e. leaking roof, broken furnace, inadequate plumbing, foundational issues, etc.). Furthermore, informants were highly critical of landlord rent practices. Landlords arbitrarily raise rent on families, which often results in being beyond the payment capacity of the family; in turn, resulting in loss or delay of payment leading to eviction. Although there are limits to how much a landlord can increase rent in Ontario, many low-income families are finding it extremely difficult to keep up with increasing housing costs in relation to household income and the increasing costs of living.

Another social barrier is transportation. Informants stated that transportation carries a high price for low-income families, particularly families that are homeless and in the shelter system (415 in 2018). Mobility around a city is paramount to a successful economy and stable employment. Therefore, low-income families are finding it increasingly difficult to keep-up with the rising costs of public transportation. And as previously stated in this chapter, transportation benefits are immediately withdrawn after the individual obtains employment while receiving OW. Respondents also commented on the inefficient public transit system in Windsor. Windsor does not have subways, trains, or street cars. Its public transit system exclusively utilizes buses. Respondents stated that the transit system is very inefficient, and this adds more complications to the problem of poverty. Buses are regularly late according to informants increasing the
likelihood of absenteeism and being late for work. Furthermore, although there exists a student bus-pass, low-income families find it increasingly difficult to keep up with the costs to obtain a bus-pass for their adolescent children. Bear in mind, high schools within the city use the public transit buses for their students to get to and from school. The same argument can be made for the children who use the public transit system to get to and from school. This is particularly true for children that are in the shelter system. Since they are typically residing in motels, they are not on school bus routes and the cost of a taxi is beyond the purchasing capability of the family. Therefore, this raises the issue for the most vulnerable children in how they get to and from school, especially if transportation costs are beyond the purchasing power of their family.

Low-income families also find it extremely difficult to provide adequate nutritious food. As food costs regularly increase, respondents stated that low-income families find themselves buying less nutritious food. Instead, low-income families have a tendency to eat food that is high in calories and carbs. These foods are typically cheaper than wholesome meals that provide the necessary nutrients to ensure efficient physical and cognitive functioning. Therefore, when families are deprived of three meals a day that meet the basic nutritional needs of human functioning due to rising food costs, respondents suggested that low-income families alternatively seek foods that are cheap and simply maintain energy levels. Informants therefore argued that governments should ensure some mechanisms are available to ensure the low-income children are receiving the basic nutrition needed to perform through the day. According to sources, the schools do a good job in ensuring students are eating throughout the day; however, more government attention is required in order to address nutritional deficiencies of low-income children.
Lastly, mental health is a major issue that affects many low-income families. Whether it is a parent struggling with mental illness or a child, mental health issues affect the personal health of the individual and the family system as a whole. According to all sources, there is a need for major funding in mental health services. Individuals suffering from mental illness are overrepresented among those in the low-income strata. Therefore, informants argue there is a critical need for some form of government subsidization of mental illness in the absence of a comprehensively funded mental health program.

Contrary to popular belief, one source argued that mental health services are not as expensive as many critics would suggest, especially in comparison to other alternative measures that highly affect the poor. For example, one source stated that one mental health bed in Ontario costs approximately $20,000. The cost for prison is $100,000. Therefore, using the example of a recidivist drug addict with multiple confrontations with law enforcement, it is cheaper to send an addict to a mental health institution as opposed to prison for recurring drug charges. A report published by the John Howard Society of Canada (2018) corroborates this statement by stating that federal prison for males costs approximately $115,000 a year, while prisons for women have an even higher cost. Furthermore, according to the same report, it costs $45,864 for a long-term care bed in a mental health facility (John Howard Society of Canada 2018). According to the Centre for Addiction and Mental Health (2018), the prevalence of mental illness within prisons is four to seven times higher than in the community. Evidently, policy makers need to reevaluate how society deals with mental health among the poor, and the prison population for that matter. It is for these reasons that all respondents were strong advocates for some form of government funding for mental health programs.
This discussion highlights that governments need to conduct a closer examination of the social and economic barriers that are preventing certain segments of the population from increasing their standards of living. Increasing funding and allocating funds more efficiently in key areas such as early childhood education, transportation, food security, and mental health would not only improve the lives of low-income families, but many respondents expressed that these programs would also yield economic returns to society at large, and eventually result in increased tax revenue for governments. Moreover, many sources reported that by overinvesting in key areas such as ECE and mental health, governments and communities would see significant increases to the overall standard of living within the community and reap large economic returns.

Poverty Reduction Strategies Reflect a Mitigation Paradigm

In the Windsor CMA, there was agreement across all participants that food bank usage and shelter usage have been on the rise, even as Windsor’s economy has been recovering from the 2008 recession. Furthermore, informants stated that recidivism rates among shelter and food bank visitors have also been steadily increasing. It is for these reasons, and all of the determining factors stated throughout this chapter, that respondents argue that the current poverty reduction strategy in Windsor operates on a mitigation paradigm as opposed to a robust alleviation/reduction model. In other words, based on the support systems available to families, the lack of political attention, a lack of economic diversification, and the persistent social and economic barriers, the current model of poverty reduction treats symptoms and not causes. Families receive support when they are in the direst situations, and according to most participants, this model does not improve the living standards of low-income families because the timing of intervention is simply too late.
Additionally, informants stated that local charities (i.e. food banks, shelters, toy drives, clothing drives, etc.) do their best in mitigating the effects of poverty, but these methods by no means improve the socio-economic standing of low-income families. Charities are limited in their capacities to produce services due to the limited amount of funding at their disposal. And due to the competitive nature of accessing funding, charities are bound by even more restrictions. One informant stated that funding is often accessed by a charity that writes the most appealing grant proposal. Additionally, some respondents stated that the duplication of services often result in one area of poverty mitigation being overly funded; meanwhile, other areas are not receiving adequate funding for alternative services (i.e. food banks vs. after-school programs). Currently, charities ensure that individuals and families do not fall into such a state of poverty that is unimaginable in an advanced democratic economy.

Moreover, participants also eluded to the lack of community cohesion or the absence of a more egalitarian community in Windsor. Informants suggested that there is a major disconnection between governments, business, and the community in how they discuss and address poverty, and have a tendency to “other” the poor. Thus, respondents urged the need for more effective advocacy and community education in order for the general public to understand the causes of poverty and what factors contribute to its persistence.

Under the mitigation model, governments tend to provide “one size fits all” solutions to poverty. Many of the solutions that participants argued would reduce child poverty would not see a return on the investments for a long time; therefore, this could be the reason why governments are skeptical of such solutions and establish standardized universal solutions that do not factor in regional variation, demographic variation, municipal economic variation, and individual circumstances. In conclusion, respondents were extremely confident that by overhauling
investment in the correct areas such as ECE and mental health, and by establishing effective and efficient educational institutions, labour market incentives, and means-tested support programs, governments and society at large would see great returns on these investments which would lead to stronger communities and economic growth.
Chapter 5

No Easy Solutions for Difficult Problems

Child poverty is a complex problem that not only affects individuals and families, but also has serious long-term implications in terms of the costs it accumulates to governments and the rest of society. In order to gain an in-depth understanding of the causes and factors contributing to the persistence of child poverty, a more careful analysis is required. Using the theoretical framework of Bradshaw (2007), this paper has clearly demonstrated that there are serious political-economic distortions in the Windsor-Essex region that contribute to the high rate of child poverty and its persistence. Furthermore, this analysis also eluded to the other theories presented by Bradshaw (2007), by bringing to light the geographical disparities within the Windsor CMA and how cultural belief systems reinforce poverty. Moreover, having described the effects of poverty in Chapter 1, and explained the various political, economic, and social variables in Chapter 2, this paper is also a testament to the theory of cyclical interdependencies that states poverty is caused by highly complex interconnected systems that directly and dialectically affect each other. Therefore, it is evidently clear that there are no easy solutions to address child poverty in Windsor, let alone Canada as a whole.

Chapter 1 described the prevalence of child poverty in Canada, and demonstrated that there are vast differences in child poverty rates across regions, provinces, and municipalities, and that child poverty rates have been relatively consistent for the last forty years without seeing any sustainable reductions. This is relatively unacceptable considering that in 1989 the federal government of Canada mandated to completely eliminate child poverty by the year 2000 (HOC 1989). Perhaps even more importantly, Canada also signed the United Nations Convention on
the Rights of the Child in 1990, which was ratified by the federal and provincial legislatures, except Alberta, in 1991 (Howe & Covell 2003).

Moreover, this paper has argued that the reason why Windsor, Ontario has a rate of almost one in four children living in low-income households is because of a lack of political leadership and investment, the lack of economic diversification, a flawed support structure, the persistence of social and economic barriers, and that the current PRSs operate on a mitigation paradigm. In terms of solutions, it was explained that there needs to be large overhauls of investments in areas such as early childhood education and mental health. Additionally, governments (municipal, provincial, and federal) need to formulate some sort of serious economic diversification project in order to allow a city like Windsor to fully recover from the precipitous decline of an industry that accounted for such a large portion of the city’s economic portfolio.

During the research process, it was also highlighted that there is a need for substantial increases in funding to extra-curricular programs for low-income youth. Without the presence of positive role models that can assist youth in their journey of escaping poverty, even changes to the social support structure and economy will not have a profound impact if a child develops a learned-helplessness of being poor. Subsequently, adding funding for low-income youth to participate in sports, clubs, arts, and other social activities will have a tremendous positive impact on a child’s self-esteem, confidence, and perceptions of the possibilities of success. Overall, this paper has demonstrated that the current PRS in Windsor operates on a mitigation paradigm. Furthermore, this paper also suggests that mitigation models of poverty reduction are characteristic of liberal welfare state regimes although in order to study and test this theory, cross-national comparative analysis is required.
The implications of the case of Windsor could be a benchmark study for other cities such as London, St. Catherine’s-Niagara, Toronto, Belleville, Peterborough, and Thunder Bay. Although these cities likely have different industries that fuel their municipal economies, the discussions related to support structures, mental health, ECE, and housing are most likely as applicable in these areas as they are in Windsor. Since many of these areas of the social service fall under the guise of the provincial government, amendments to key areas in the support structure such as allowing some limited assets, gradual reductions of payments and benefits after employment is obtained, and implementing some form of accountability measures to limit fraud, could be possible avenues the provincial government could take.

Furthermore, in order to switch to a PRS based on alleviation and reduction, this paper finds that the most important areas that require large overhauls of investment and attention are early childhood education, post-secondary education with effective programs to stream-line students into in-demand sectors, and mental health. Without taking these measures, it is likely the Trudeau government’s CCB will be the only change to the current PRS in Ontario. More money in the pockets of families is always good, but in order to achieve substantial and sustainable reductions in child poverty, there needs to be more attention from all levels of government to foster economic growth and stimulate community cohesion.

Limitations

This qualitative analysis is not without its limits. First and foremost, given the peculiarity of the Windsor-Essex area nature of the research, it is difficult to generalize these research findings onto other large urban areas in Canada, such as Toronto or Montreal, since these cities have a more diversified economy with much larger manufacturing sectors. Secondly, this study
drew its findings from only six individuals. Therefore, it would be interesting to investigate what other institutions would say contributes to Windsor’s child poverty situation. Other organizations contacted did not respond to participate in this study.

Thirdly, participants represent various agencies and make a living off of working in the field of child poverty. Therefore, participants may have a slightly biased position when answering questions, especially in terms of protecting their own employment. Furthermore, there was a slight liberal bias within participant answers, that had a tendency to lean towards the left of the ideological spectrum.

A fourth limitation of this study is that it has not discussed Indigenous poverty. Indigenous politics is highly complex given the post-colonial nature of the arguments, and since many Indigenous affairs are dealt directly with the federal government, these discussions are beyond the scope of this paper. One could write an entire dissertation on Indigenous child poverty. However, this paper used the case of Windsor, Ontario, and although there is an Indigenous population within the city, the scope of this paper would not do the Indigenous segment of the population any justice. And finally, this study did not interview individuals directly involved in the government social service delivery, such as Ontario Works, nor were interviews conducted with MPs or MPPs due to ethical constraints of the study in terms of anonymity vs. official capacity. As a result, the opinions of the political and bureaucratic establishment were not included in this analysis.

**Pathways for Future Research and Concluding Remarks**

Essentially all participants in the study claimed that there is extreme need for funding in many areas in order to assist low-income families. However, although more money is always
seen as favourable, one needs to bear in mind that the Ontario provincial deficit and federal deficits have been growing over the last several years. Therefore, if there is a need for an overhaul of spending, what implications does that have for indebted governments? Furthermore, how do governments attract businesses and provide incentives for job makers (i.e. corporations and big business) to open operations in cities like Windsor, Ontario? These are very important questions seeing as the debt loads of governments are extremely high and are increasing. Future research should focus on comparative analysis on how Canada differs with other countries in terms of its social service delivery and the mechanisms used by government to stimulate employment growth. It should be noted, there is a difference between economic growth and employment growth.

One would not need to travel far to do comparisons of child poverty rates and social services systems. As stated earlier in this paper, Quebec has the second lowest household income out of all the provinces, yet it has the second lowest rate of child poverty. This situation is likely due to investments the Quebec provincial government has made in two of the most fundamental ways to reduce child poverty: substantial investments in child care and the most generous child benefits compared to the other provinces (The Star 2018; Statistics Canada 2016).

For example, according to the Conference Board of Canada, the Windsor CMA has seen economic growth and expects the region’s economy to grow by 2.5% annually (CTV News 2017). However, does economic growth translate into employment growth? Future research should focus on analyzing whether economic growth translates into employment growth and break this analysis down by region and census metropolitan areas. Essentially, this would test the theory of “trickle-down economics” and would establish the similarities and differences between regions and municipalities in terms of the implications economic growth has on employment
growth and household income. The possibility of a 2.5% increase in economic growth is not much to boast about, although it is better than a decrease of 2.5%. Nonetheless, academics and private researchers should also start asking the question who benefits from economic growth and who is excluded.

Future research should also focus on in-depth analyses of the flawed social support system, and perform cross-national assessments to test whether liberal welfare state systems’ PRS universally operate on mitigation models, and how do these systems compare to the more conservative or socialist welfare state systems. Given the high price for social programs, future research should focus on testing what methods of poverty reduction are the most efficient at reducing child poverty rates that yield large economic returns further down the road. In doing so, governments need to set official targets and provide adequate time for programs to yield returns on the investments. These goals should also be enshrined in legislation so future governments cannot change the terms of the agreements, alongside specific accountability measures if future governments do not adhere to commitments and deadlines. There was a plan to test a new program in Ontario, called the basic income pilot project, which would guarantee an income to low-income families regardless of employment status. However, as stated above, the government of Ontario led by Doug Ford decided to cancel the project, though on the campaign trail, Doug Ford had stated he would give the program a chance (Gollom 2018). The Conservative government of Ontario did not give the program a chance to establish the weight the program would have on the government, nor the effects of the program on its target population and society at large.

In a global economic climate that is predicated on interconnectedness between various countries and their economies, and where many corporations have various operations in different
countries, it is important to study how globalization affects local industries. Especially in cities where the local economy is highly determined by one industry. Recently, General Motors (GM) announced that the company would shut down 15% of its manufacturing operations in the United States and Canada. In light of this information, GM’s stock rose 7.9% the next day (Welch 2018). During the interviews conducted, one participant had mentioned that companies should not be so deeply beholden to shareholders. These plant closures result in approximately 14,000 people losing their jobs (Welch 2018). This example implies how corporate values are directly in conflict with those of the workers. How can governments and society at large maintain incentives for companies to continue their operations in places like Canada and the United States in the face of competing labour markets that are cheaper than that of Canada and the US? This has been a hot topic of contention from both the left and the right. Therefore, it is important for future research to not only statistically analyze the current global economic trends, but it also needs to address how values are in conflict between workers, shareholders, and various other stakeholders. This requires some process of mediation, to which researchers need to pay close attention.

The Canadian state is a very rich country with a GDP of 1653.04 billion US dollars for the year 2017 (Trading Economics 2019). Yet, over a million children live in poverty, with some municipalities seeing rates of almost one in four. Furthermore, when accounting for neighbourhood variation, as the case of Windsor, Ontario illustrates, some neighbourhoods face child poverty rates in the fifty and sixty percentile ranges. Being a signatory state of the UN convention on the rights of the child, is it safe to assume that the rights of over a million children are being infringed upon? Some would say yes, others would say no, and likely base their arguments with issues in measurement. However, as this paper has argued, Canada is facing real
issues in terms of child poverty that clearly have not received the political and communal attention it requires in order to produce sustainable positive change in child poverty rates.

The Trudeau government has made child poverty a priority in its agenda as it enters into 2019. The Trudeau government plans to reduce child poverty rates by 20% by the year 2020, and expects to further reduce child poverty rates by 50% by the year 2030 (Sweeney 2018). Minister of Social Development Jean Yves Duclos argues that this will not only lift many children out of poverty, but nearly 2.2 million Canadians compared to 2015 levels (Sweeney 2018). Furthermore, the Liberals plan to enact legislation that will hold future governments accountable to these goals, and if they do not, then the government will have to answer to Canadians (Sweeney 2018). Some critics suggest that all this legislation will achieve is set the official poverty line for Canada and will leave the task of reducing poverty to future governments (Press Progress 2018). However, it is impossible to know how this legislation will affect poverty rates until it is enacted and practiced for a period of time. Therefore, researchers, politicians, and the Canadian population need to keep track of the progress being made in this area. Not only are children being deprived, but the cost of child poverty is weighing down government coffers. In conclusion, the only way Canada can address this problem is by reevaluating the processes and services of government, while simultaneously providing creative pathways to stimulate economic and adequate employment growth not predicated on precariousness, especially across the most vulnerable populations.
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**Vita Auctoris**

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