



# Fast FACTS

CANADIAN CENTRE FOR POLICY ALTERNATIVES - MANITOBA

July 10 th, 2012

## Dreaming Big Dreams?

**C**ongratulations both to the Social Planning Council of Winnipeg (SPCW) for raising the issue of the long-standing divide between Winnipeg's North End and the rest of the city, and to the Free Press for running a story about the SPCW's idea. However, spending tens (it would undoubtedly be hundreds) of millions of dollars to relocate the CPR yards that divide the city is not the best way to invest public dollars.

This is especially the case if the object of the exercise is to have a positive impact on poverty. And having a positive impact on poverty should be the object of the exercise, since poverty is so pervasive in the inner city and so expensive to all of us. After all, it is well known that poverty is a major factor in driving up the costs of health care and crime in Manitoba, and in producing poor educational outcomes which are costly in many ways. We all pay these costs, so it makes good sense to invest in fighting poverty.

But relocating the CPR yards is not the best way to solve poverty in Winnipeg's inner city. In fact, it's not even close to being the best way. If there are tens of millions of dollars or more available to address poverty-related problems in Winnipeg, then there are much better ways to invest it. I will identify just four, although there are more that cannot be mentioned for want of space.

First, expand the number of Aboriginal Head Start programs in Winnipeg. There are now only five such programs in Winnipeg. Yet we know that in

disproportionate numbers, children in the inner city, and Aboriginal children, are arriving in kindergarten not ready for school. We know this because of the Early Development Instrument (EDI) scores assembled by Healthy Child Manitoba, which measure children's readiness for school. When children are not ready for school, they do poorly, they conclude that they are not worthwhile, and then they pursue other avenues---street gang activity, for example---that are destructive and costly. We know that early childhood education has a very positive impact on children, increasing the likelihood that they will do well in school and ultimately get decent jobs, and decreasing the likelihood that they will be involved in the criminal justice system, which is expensive. Money put into early childhood education in low-income areas is anti-poverty money well spent.

Second, we know that particular kinds of adult education are especially effective for low-income, inner-city people. Institutions like Urban Circle Training Centre, BUILD and the Inner City Social Work program have a remarkably high rate of success in moving low-income people who are outside the labour market and/or on social assistance, into good jobs. And when students are successful in such programs, it has a "ripple effect": their children do better in school; their sisters and cousins choose to attend school; whole families move off social assistance and into productive jobs. When this happens people are able to live better lives, and

there is an alternative.

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they contribute personally and financially to the betterment of society. We should be dramatically increasing our public investment in adult education initiatives such as these.

Third, we know that decent, low-income housing is in desperately short supply, in Winnipeg and all across Canada. And we know that having a good place to live can be the foundation for poor people improving their lives. We have seen the very positive effect that the provision of good housing, together with the creation of more educational opportunities, has had in Lord Selkirk Park, a low-income public housing project in Winnipeg's North End. We should be investing many more public dollars in the provision of good quality low-income housing.

Fourth, we have learned a great deal in the past decade about how to move low-income people into the paid labour force. Doing so involves particular kinds of educational/training strategies. The best of these are located in low-income communities, are small and personalized, offer a wide variety of supports, and include a strong Aboriginal cultural component. And it involves the creation of what are called "labour market intermediaries (LMIs)"---bodies that bring together employers, governments, educational/training institutions, unions and community-based employment development organizations. They work together to find ways to move low-income people into the paid labour force. It works well. We should be investing in LMIs. More people in the labour force means less payments for social assistance, and more

tax revenue. Again, we all benefit.

Removing the CPR yards is terribly expensive. And the evidence on the benefits of mixed housing---the currently popular notion that the SPCW is promoting---is weak. That is, the evidence suggests that mixed housing by itself contributes little if anything to solving poverty.

By contrast, there is a wealth of evidence that the measures outlined above---and others that cannot be mentioned due to space constraints--- do work well.

I agree whole-heartedly with the SPCW that we ought to invest tens of millions of dollars in Winnipeg's inner city. Doing so is prudent and far-sighted and would produce financial and other benefits for all of us. But let's not invest those dollars in rail relocation. Let's instead invest in proven strategies that will have a positive impact on the poverty and income inequality that is now so damaging to our society.

The Free Press quotes Pat Martin saying we ought to "dare to dream big dreams." The problem is not a shortage of big dreams. It's a shortage of investment in proven solutions.

Solving poverty is hard work. Grandiose ideas rarely help. The way to go is step by step, from the ground up, using methods that have been proven to work, and investing strategically and consistently over time in those methods.

*Jim Silver*

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