

Metro Morning: CBC Radio Toronto

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Interview with John Stapleton by host Matt Galloway

MATT GALLOWAY

The gap between the rich and the poor in this city is much broader than just the 1% versus the 99%. In fact, according to a new report by the Metcalf Foundation, that gap is getting wider across the GTA and those who are a part of the working poor are more numerous than perhaps even before the 2008 recession. This study looks at the working poor and people who have a job, perhaps even more than one but make less than what used to be called the poverty line. John Stapleton is one of the co-authors of the study. He's with me in studio now. Good morning.

JOHN STAPLETON

Good morning Matt.

MATT GALLOWAY

Much of what you do in this report initially defines that term, the working poor. So, from your perspective, what is the working poor?

JOHN STAPLETON

Well, we had to come up with a new and resilient definition and anyone who has over \$3,000.00 in earnings, we said that is a threshold for the working poor and then we took 'what is known' as the low income measure, the Stats Canada poverty line that varies by family size, and let's say that for a single person right now that's about \$18,500 after tax.

MATT GALLOWAY

\$18,500?

JOHN STAPLETON

Yes.

MATT GALLOWAY

And again, these are people who are working at one or more jobs. It's not as though they are unemployed. They are working but they still can't manage to make ends meet.

JOHN STAPLETON

Yes. In fact on average they had about 42 weeks of work so if you look at the minimum wage, that's going to work out to about \$17,200 so that puts you below the poverty line as a single person.

MATT GALLOWAY

In the introduction to this report David Hulchanski, professor at the U. Of T. says the working poor pour our coffee, serve us in stores, and work in our offices and our factories. Who are they generally?

JOHN STAPLETON

Generally speaking, they're slightly younger than the rest of the working age population. They're only just slightly less educated but they are over-represented in terms of lone parents and single people but still 2/3 of them have children. They've increased between 2000 and 2005 by 42%. That was one thing we were greatly surprised at but even more important is that 3 out of 4 of all working poor are immigrants.

MATT GALLOWAY

Why, based on those statistics and that characterization, why was it important for you to give a snapshot of who the working poor are and why as a city we need to pay closer attention to them?

JOHN STAPLETON

Well, it was very important for several reasons. The first is we really didn't have an a count of the working poor in the Toronto region and so we found that there was 113,000 in the Toronto region and 70,000 in the city of Toronto. That's important in its own right but we also wanted to know in terms of who keeps this city going and those type of jobs that they work at... of course... are important jobs that keep the city going and we wanted to know what sort of quality of life they had and in many cases as we found that they are living poverty; so 1 in 16 of all the people working in the Toronto region is somebody who would be part of the working poor population.

MATT GALLOWAY

The assumption from a lot of the population is that employment is an antidote to poverty, that this is your ladder out. If you have a job, then you can dig yourself out of that hole and create a better life. Why is it that employment is not the way forward for many people?

JOHN STAPLETON

For several reasons...

First of all, people are not getting the hours that they need so if your work, for example, in fast food, you might get 30 or 32 hours a week. You get sent home when there is no business and you just don't get the hours that you need to do that and the same with minimum wage although it's up to \$10.25 right

now. You have to work full time, full year, in order to get yourself out of poverty and you're just not going to get the hours to do that in most of those jobs.

MATT GALLOWAY

One of the things that we learned in this report is that the working poor are increasingly found on the east side of our city, not on the west side. Why is that?

JOHN STAPLETON

Well, that's very interesting. Two things are happening. First of all, affluence seems to be moving westward and working poverty seems to be working going eastward and the reasons for that are varied and subtle but one of the big ones is transportation and if you look at what we call the Birchmount Corridor we found that although the go train passes, the via train passes, the subway passes it as well as other buses, they don't stop there and when they don't stop there it means that you're going to have cheaper accommodation and cheaper accommodation is where people who don't have a choice. That's where they're going to have to live.

MATT GALLOWAY

It's interesting because it connects to what we spent all last week talking about – which is the need for rapid transit in this city.

JOHN STAPLETON

Yes

MATT GALLOWAY

Connect those dots for us. What are some of the other things that we need to understand about how that it's not that it's just some isolated phenomenon but there other factors unfolding in the city that lead to a rise in the working poor.

JOHN STAPLETON

Well, one of the things that leads to the rise is of course the people that we're looking at, 100% of those people pay into EI and yet we know that when these people experience job loss that only 40% of them are even going to be eligible for EI. These are not people who receive public assistance in any way either and they're also paying taxes. If you take a single person, for example, who is making that \$17,200 a year, that person is paying \$300 in EI, \$700 in CPP and they're paying \$1,000 in tax so the picture that it starts to paint is one that these are people, and they don't get any of the working income tax benefit at that level either and so these are people that are paying into the system but they're not getting the standard and quality of life out of it.

MATT GALLOWAY

We're going to be broadcasting on Wednesday, as I mentioned, from Rexdale, from a tower, and towers are part of this report in what the United Way did with its Vertical Poverty study. What's happening in those buildings that we need to pay close attention to and how could we turn that around.

JOHN STAPLETON

Well, first of all we have to look at the rents in those buildings and the rents can be very high and the amount of money that people get in order to pay for their accommodation is a big part of the equation in terms of how they are going to afford their food and that sort of thing so look for the quality of the accommodation, look at the types of diets that people are able to consume in that accommodation and look how far they have to travel in order to get to work because part of the story with the working poor population of course is that they have to get to work from where they are and so they have to figure out a way to get there, they have to pay for it and they have to pay for everything else and they're not making ends meet.

MATT GALLOWAY

It gets back to that story of transit again.

JOHN STAPLETON

Absolutely

MATT GALLOWAY

This is going to be context of the Drummond Report which comes out later on this week. Very briefly, what do you want governments to know as they're crafting their plans, about the context of what those plans are going to land in?

JOHN STAPLETON

Well, we know, for example, that social assistance costs a lot of money and is a big part of the budget and what we would look forward to is sort of reforming the social assistance system and thinking about a housing benefit that would be in fact available to the working poor. We would look at the Federal government too in terms of the overall scheme. There's this working income tax benefit that people just don't get when they're making that sort of money so the infrastructure, all of that needs to be part of the equation; Transit, EI and all the other benefits that people could get.

MATT GALLOWAY

This is a real eye opener for a lot of people in this city and again picks up on a lot of the themes that we have talked about over the past little while that connects those dots. Great work John, thank you.

JOHN STAPLETON Thank you. (7:20 a.m.)