

## Income Disparity and the Impact on Children

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**INTERVIEWER:** What specific impacts are there on children when we talk about income disparity?

**VAN:** You know there are a variety of impacts that I've had direct contact with or have experienced or observed over the years. Most notably over the last five or 10 years. They cover a spectrum of issues including health, mental health, education, social, behavioural, and psychological impacts. They are real and kids bring those issues with them throughout their lives. I certainly see it in terms of my work being involved in school and special education programs.

I have a story to share with you as it relates to one of the impacts. Clearly kids who are growing up in families who are at the far end of the income continuum, and by that I mean the low end, it's a fairly stressful experience for them. It impacts their social, emotional and educational experiences. In the program I'm in, there was an eight-year-old student in our program. I'll call him Johnny.

Most eight-year-olds should be worried about when their next shinny game is or when their next soccer game is. He was doing some school work and he had some free time that he had earned. As was his practice, he liked to go on the computer and spend his time doing some stuff on the computer.

He resided with a single mom who worked full-time but certainly struggled around issues related to income. What he was doing on the computer was Googling and searching for housing. He had taken on this responsibility, feeling the stress that his mother was experiencing as it related to her challenges around paying the bills at the end of the month. He was trying to match her income with the cost of housing.

He felt it necessary to share in the work. Here is an eight-year-old who is clearly concerned about where it is that he and his mom are going to live in the next little while. He felt a responsibility to share in the work in terms of trying to solve that problem and was spending his free time at school searching for housing. You could imagine that he would be preoccupied with the issues related to his mom's struggles around low-income and her experience about being on the low side of the income continuum. So there's an example of the kind of impact that it can have on kids.

**INTERVIEWER:** Are we only talking about children living in poverty or are we also talking about children who live in middle income situations?

**VAN:** I think low to middle income and below. Any child who is residing in a family that's seriously struggling, particularly with the cost of housing, and where families need to seriously juggle their income to make sure that they're paying for those escalating costs of housing. My sense is that most middle income families are managing okay. They can keep food on the table. They can keep the heat coming into the house and they can keep a roof over their heads.

There would be some families in the lower to middle income bracket who would need to be making adjustments to some of those strategies; some of those demands on their income. Food might not be as plentiful as it might otherwise be. They may need to flirt with being able to keep their payments around utilities, phones and those kinds of things current as they attempt to make sure that they have a roof over their heads every day.

**INTERVIEWER:** What sort of basic needs do a lot of children miss out on because of this income disparity; because they are in a situation where their parents are feeling stressed? Where they are living essentially pay cheque to pay cheque and not being able to access affordable housing or some other essentials.

**VAN:** There's the basic impact of stress that the child would carry around on a day-to-day basis and the toll that would take physically and emotionally. I would say health is a big thing. The kids that I often come across in my work bring with them low levels of nutrition to their day-to-day existence.

When you talk about a child's job being that of a student, they really need to be available emotionally, intellectually and physically to tackle that work in a reasonable way. It definitely has a big impact - those basic needs around nutrition and health - and their availability to be an engaged and active student. We talk about cycles. It really does contribute to a cycle of poverty at times.

To the extent that Johnny is either preoccupied, lacks nutrition or has chronic stress, he is unavailable to do the learning that he needs to do. Then you get a whole bunch of school struggles. Underachievement, sometimes drop-outs and then they're ill-prepared to enter the workforce as young adults. They find themselves at the low end of the income continuum and you get these cycles going, in terms of constant poverty or low incomes.

**INTERVIEWER:** So where would you say we are in that cycle? Are we peaking or on the down side? Are we still climbing the hill?

**VAN:** Calgary and Edmonton and the whole corridor would be experiencing similar kinds of experiences in that regard. I would say that we're unfortunately peaking these days. I have some optimism about what might come down the road but I would say we are peaking right now.

It's that perfect storm for many, many people around income disparity and salary levels - not keeping pace with the cost of living and the cost of housing. Issues around income levels and housing are really at their peak these days for a large number of Calgarians.

I was reading a report the other day from the TD Bank and their economic advisors. They have been doing some studies over the last little while around the Calgary/Edmonton corridor. They have noted that there was actually an increase in the percentage of families in Calgary over the last several years that are falling into that bottom range.

Despite the fact the province in general is experiencing a very prosperous time that prosperity is not being equally shared across the population. There is a growing segment of the population that is experiencing significant challenges.

**INTERVIEWER:** Do you see that situation becoming worse in the future or better?

**VAN:** I'm an eternal optimist and I'm hoping that there is reason to be optimistic down the road. The most recent work that's been taking place is around a provincial and corporate collaboration to end homelessness. It would be a good example of the kinds of things that I think need to happen. The fact that those groups who are influential in terms of setting social policy or economic policy are working together around one of the key issues for many Calgarians is a good thing.

One would hope that that kind of collaboration and the attention to these issues continues. That work should be shared across sectors and expand to address other pressure points such as a living wage.

**INTERVIEWER:** How do these pressure points affect your ability to do the job you need to do as a social worker; your ability to help others?

**VAN:** There's a fellow whose thinking and writings are quite old but continue to be referred to in the industry. Maslow outlined a hierarchy of needs that we as people have. One can't address the higher level needs until the lower level needs are taken care of.

To translate that into my day-to-day work, I would have parents or a family with kids coming to us who have a wide variety of needs that should be addressed. To the extent that they are worrying about keeping food in the cupboard or worrying about getting that eviction notice and, facing the huge struggle of finding affordable housing, the energy that's available to them to address some of those other issues is just not there. They are preoccupied with addressing basic needs.

So what that means for me and the people that work with me is that we are spending more and more of our time helping parents and families and kids address those basic needs. That is happening a whole lot more than what it did before. It's a necessary step before families and kids are able to address other issues that they bring to us. Addiction issues or domestic violence issues or family history issues are big and important but you can't address those issues while they're preoccupied with trying to address their basic needs.

**INTERVIEWER:** So those complex matters get pushed to the side?

**VAN:** Absolutely.

**INTERVIEWER:** You talked about the homelessness program or at least a strategy that hopefully reduces homelessness. You talked a little bit about a living wage. Provincially, what do you see as the most important social policy changes that need to happen?

**VAN:** It would be hard for me to limit it to one. I would really go to both of those things as a two-pronged approach.

I would expand on homelessness to say that affordable housing should be more available. The issue of affordable housing is where we're creeping into that lower and mid-income range. They are finding it more and more challenging to be in affordable housing, where they are not having to dedicate 50% of their income to paying for housing.

By a living wage I mean taking a serious look at minimum wage thresholds that are set by the provincial government; making sure that those are reasonable in light of the economic environment that people are finding themselves in. It contributes to people being able to find and secure what hopefully will be a greater pool of affordable housing.

I would like to emphasize that: failure to address those two key issues really comes at a cost. It's the old thing, "You can pay me a certain amount now or you can pay me a whole lot more later." Mechanics are always saying that about our cars. It's true in this case, too.

Not paying attention to issues of a living wage and affordable housing means that there are greater stresses and strains on the social network that the province has put into place. Shelters certainly would be one of them.

The health system ends up bearing the cost of inattention to these main issues. To the extent that affordable housing is not there and a living wage is not there, these families are experiencing reduced levels of health and nutrition. This expresses itself in a variety of health and mental health issues. That's why I would really encourage the community and certainly the government to seriously look at both of those issues - living wage and affordable housing.

**INTERVIEWER:** So without some change to social policy we'll see more and more of that? We'll see more stress on the health care system. We'll see more homelessness. We'll see fewer people being able to afford not basic needs necessarily but all of those extra things that contribute to physical and mental health?

**VAN:** That would be my prediction. The TD Group has done a series of studies over 2003, 2005 and 2007. One of the challenges and inhibitors to what is a strong economic engine - and this is their language - in the Calgary/Edmonton corridor are exactly the things that we're talking about. They were surprised and expressed concern in their report about the growing size of that challenge over the course of five years. It is definitely having an impact and without it being addressed, there's no reason to think that it won't do anything but get bigger.