



Addressing Poverty – Building Human Capacity and Economic Prosperity

Preface – This position paper developed by VIEA working with Vancouver Island University and Coastal Community Credit Union is to inform the reader of circumstances and opportunities associated with poverty on Vancouver Island and potential to affect positive change for socio-economic benefit in all of our communities. We invite you to review this document and to consider signing your name and your organizations name in support of the perspective and of taking action to improve opportunities for children living in poverty to access the supports they need to mature to lead healthy, productive lives.

Thank you for your consideration.

*Darrell Paysen, Chair
VIEA Board of Directors*

The statistics are shocking. The child poverty rate in Canada is 14%, the child poverty rate in BC is 20%, the child poverty rate on Vancouver Island is 21%, and in the central Island, nearly 23%. A 2009 study by CPABC found that poverty in BC costs society between \$8.1 and \$9.2 billion a year—or between 4.1 and 4.7 percent of the provincial economy (as measured by GDP) in costs to the health care and justice systems, and in foregone economic activity.

Poverty in our society is systemic and generational. It is no surprise that children impacted by the multi-dimensions of poverty have limited access to basic physical, mental and emotional development necessary to lead healthy, productive lives. These realities are cyclical—preventing generations from leading fulfilling lives and contributing to the vitality of our communities.

The impact is far reaching. Our aging population is increasing the need to attract a new generation of skilled labour and business successors. Businesses find themselves needing to look beyond Vancouver Island to infuse their work force with youth, imagination and commitment. At the same time, the 21% of youth living in poverty are unlikely to graduate from high school or receive the training they need for meaningful employment. Instead of becoming the next generation of skilled labourers and business successors contributing to the vibrancy of our economy, they are marginalized, stigmatized, and face multiple challenges leading to a net

negative impact on the local economy. Let's be clear, with an Island population of 799,400 according to the 2016 national census, 26% of families (128,000 people) are living in poverty...

For too long, the issue of poverty has been relegated to the silo of social services where it cannot be adequately viewed in context with culture and economy. The implications—troublesome if not addressed or exciting if embraced—are enormous. Are we smart enough to find solutions? Are we daring enough to risk failure? Are we sufficiently visionary to collaborate?

Business people are taught to secure their local markets before casting further afield for customers. If you can't find consumers for your products and services in your own back yard, how can you expect to appeal to those in your competitor's back yards? Might this also apply to optimizing engagement of home-grown human resources? This is *not* to say that this new generation should not include immigrants. On the contrary. It *is* to say that part of the solution to our labour challenges is closer to home than we may have thought.

For perspective, the 21% of our youth living in poverty—the present and future generations of our home grown human resources—are failing and are unlikely to find their ways to contributing in any substantial way to our regional social and economic prosperity. Instead of living a life of opportunity and potential, these thousands of children—our children— will most likely not find gainful employment, will not become community volunteers, and will not be buying homes or accessing professional services. Further to this socio-economic drain, and the lost opportunity because of the minimal participation of this marginalized group in our economy, businesses struggle to find the skilled employees they need to operate or expand their businesses. We have a mismatch of supply and demand. We need a new generation of contributing employees to support a prosperous economy. A potential solution is in helping our own youth get the supports they need to succeed. The constrained growth of individual businesses resulting from this unfulfilled need for skilled labour has a negative multiplicative effect on our economy. Constrained companies require fewer resources from their suppliers and value-chain partners, productivity is curtailed and rewarding employment opportunities are diminished. It is a vicious cycle.

It is time to recognize that these children are important to our future. They do not want to live in poverty. They would rather participate in our workforce and contribute to society. If we simply accept this 21% as 'the way it is', we ignore this utter waste of human resources and we miss a substantial opportunity to develop a new generation of skilled labour—people who already call Vancouver Island 'home', while we cast around the globe looking to attract people to our work force.

What will we do? First, we recognize that this is our issue to be turned into an enormous opportunity. Collectively, our Island communities must refuse to accept that 21% child poverty is

simply 'how things are' or to expect that government social services simply 'cover this social deficit'. We must understand the issue, own it, and build pathways to address it.

We must invest in local youth. We must develop plans to strengthen engagement with at risk youth and families, invest in supports to help interrupt the cycle, and broaden the support for educational access and success. Productive transitions to post-secondary education and then to employment will improve their lives, improve our economy, and lessen the socio-economic burden.

The business community needs to be involved regarding our future economic eco-system by looking at models such as industry clusters, centres of excellence, and shared services to incubate businesses and support their growth. We need to be open to new ideas with potential to create meaningful and productive jobs and businesses. Working together to develop a framework will then open opportunities for the business community to partner with educational Institutions to set and drive curricula to better align graduates and trainees with our local work force and career opportunities.

For example, Vancouver Island University is working on a number of key initiatives.

The Canadian Learning Bond is a federal program that puts money directly into RESPs for lower income families with no requirement for those families to invest themselves. At last count there are 9,647 eligible children in the mid-Island region who are NOT registered to receive these monies. It is estimated that this represents nearly \$20 million that is NOT coming to help these children access a wide-range of post-secondary training opportunities--\$20 million that is NOT coming to Vancouver Island to help train this generation of 9,647 children born and raised in OUR communities...

Vancouver Island University is the only post-secondary institution in Canada with staff dedicated to going into the community to enlist children in the Canada Learning Bond. Since 2012, this activity has increased uptake from 23% to 32.8%. Still, the RDN and CVRD alone have 4,500 more children living in low-income circumstances than in 2012. This problem is growing.

VIU is also working on an exciting new initiative with one of the largest foundations in the world investing in Canada, and initially with VIU and Yukon College, to support the first two-year phase of a multi-year project to double the number of Indigenous students attending and completing post-secondary education and moving into work opportunities.

Also, the BC Business Council Champions table is developing a 'transitions to work' project for First Nations students. This project supports successful transition from post-secondary education to employment. A similar initiative could be developed regionally.

In all of this, we recognize that a golden opportunity exists for our communities to positively change the socio-economic profile of Vancouver Island. By taking collective responsibility to move our impoverished population to fully participate in our new emerging economy, we will profoundly improve the vitality, sustainability and prosperity of Vancouver Island.

We must actively engage all our resources to address this issue. Our resolve must be absolute and we can't pull back. Although the challenge is substantial, the opportunities are enormous.

The immediate and long-term benefits are astounding. The requirement is that we 'roll up our sleeves' and take action to address this situation.

Are you up for it?

Declaration:

I endorse and support the view contained in VIEA's position paper 'Addressing Poverty' that poverty on Vancouver Island must be addressed constructively so that children living in poverty have the supports they need such as improved access to education and skill training necessary to find meaningful employment and lead healthy productive lives.

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