Poverty Reduction in Manitoba Under Neoliberalism: Is the Third Way an Effective Way?

S I D  F R A N K E L *

I. INTRODUCTION

On May 21, 2009, the Government of Manitoba launched its three-year Poverty Reduction Strategy, All Aboard. It was the fifth province to introduce such a strategy, and as of 2013, all provinces and territories except British Columbia and Saskatchewan have introduced poverty reduction strategies. These pan-Canadian developments are likely largely related to the combination of a federal government practicing a more traditional view of federalism based on definitive jurisdictional separation, with social services and social assistance being in the provincial jurisdiction, and enduring ranking by Canadians of poverty as an important target for state action. Beyond this, enlightened self-interest should motivate provincial action on poverty

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271 T Hennessy & A Yalnizyan, Ready for Leadership: Canadians’ Perceptions of Poverty (Ottawa: Canadian Centre for Policy Alternatives, 2008); The Salvation Army, Canada and Bermuda Territory Debunking myths about poverty in Canada (Toronto: Canada and Bermuda Territory, 2011); Angus Reid Strategies, Federal Political Issues: Health Care, Economy, Environment and Poverty will define next federal election: Governing Conservatives seen as more capable of handling the economy, but Liberals hold the upper hand on the environment, (Vancouver: Angus Reid Strategies, 2008).
as a strategic issue that limits economic growth and imposes real costs related to health status and care, social services, and criminal justice.

This paper makes three arguments based upon an analysis of the key documents articulating the All Aboard Strategy. The first is that the strategy is based upon a particular form of neoliberal ideology – the third way – in that it conforms to the tenets of third way neoliberalism rather than social democracy and it articulates discourses developed by the third way in the United Kingdom. The second argument is that the All Aboard Strategy is not sufficiently articulated for implementation or evaluation, and it is therefore difficult for stakeholders to hold government accountable for acting in accordance with its stated policy intentions. Output (volumes of service to be delivered) and outcome (expected change in problem indicators) objectives are most often not stated or stated too vaguely to evaluate, and the logic that connects the programs to expected outcomes is often unclear. The evidentiary basis for selecting particular programs and policies is generally not provided, and there are some logical inconsistencies. The final argument is that All Aboard does not seem to be effective in reducing poverty when changes in the prevalence of poverty in Manitoba are compared to changes in the prevalence in Canada as a whole. These arguments raise the question as to whether All Aboard represents an earnest intention to reduce poverty or an attempt to manage impressions to satisfy stakeholders who support poverty reduction without


276 Nikulina, Widom & Czaja, supra note 275.
alienating stakeholders who would oppose the expenditures and growth in government programs required.

Although there may be similar drivers generating poverty reduction policy throughout Canada, there is also merit in exploring the particular provincial context in which a package of poverty reduction policies arises; as well as analyzing the content of a particular province’s policies. Therefore, this paper will turn next to placing the All Aboard Poverty Reduction Strategy within the Manitoba context of the phenomenon of poverty; as well as its political culture. Next, neoliberal ideology, and particularly, third way neoliberalism will be described, and the consistency of All Aboard with this ideological perspective will be discussed. Following this the content of the strategy will be described and analyzed. Finally, the impact of the strategy in reducing poverty will be empirically examined.

II. THE MANITOBA CONTEXT

At least two features of the Manitoba context are important in understanding poverty reduction policy. The first is economic, and relates to the rate, depth and distribution of poverty. The second is political and relates to the interaction of ideology and electoral strategy in the province.

A. Poverty in Manitoba

The concept and measurement of poverty are contested. This will be discussed in a later section of this paper; but for the immediate purpose of describing poverty in Manitoba, Statistics Canada’s After Tax Low Income Measure will be used. It is a relative measure, and, arguably the most comprehensive indicator as it includes elements of not only material deprivation, but also social exclusion, exposure to stressful environments and damage from psychological comparisons.277

The most recent data are from 2011.278 Manitoba’s poverty rate was 14.0%, indicating 146,000 Manitobans were poor. This is above the

277 D Raphael, Poverty in Canada: Implications for Health and Quality of Life, 2nd ed (Toronto: Canadian Scholars Press, 2011).

Canadian rate of 12.6%, with Manitoba having the third highest rate, behind Prince Edward Island and British Columbia. In every year since 1999, the Manitoba rate has exceeded the Canadian poverty rate.

In Manitoba, children were at the greatest risk of poverty with a rate of 22.4%, with seniors (sixty five years and older) having the lowest risk (10.6%). The working age (eighteen years to sixty-four years) group experienced intermediate risk at 11.8%. Women were at higher risk (15.5%) than men (12.5%). Risk was much higher for unattached individuals (24.6%) than persons in economic families (12.2%). Members of single parent families (46.0%), and especially those in female headed single parent families (49.4%) were especially at risk.279 Aboriginal persons and recent immigrants were also at greater risk of poverty.280

The gap ratio is an indicator of the depth of poverty. According to Statistics Canada,281 the gap ratio is the difference between the low income threshold and the family (or household) income, expressed as a percentage of the low income threshold. For those with negative income, the gap ratio is set to 100. As a measure of depth of low income, the statistic takes the form of the average or the median of the gap ratio calculated over the population of individuals below the income line. In Manitoba the average gap ratio using the after tax Low Income Measure was 29.4%, indicating that the depth of poverty was substantial, with the average poor family or household requiring almost a third of the threshold to reach the poverty line. In 2011, the After Tax Low Income Measure threshold for a family of four was $39,860.282 Therefore, the average poor family of four in Manitoba would require $11,718.84 to reach the poverty line.

It seems clear that poverty is a significant phenomenon in Manitoba, with 1.4 out of 10 affected, and some groups much more significantly affected. By 2009, it had also become a public issue of some importance. For example, in the summer of 2007, the United Way of Winnipeg brought together community leaders from a range of sectors, including

279 Ibid.
280 T Carter & C Polevychok, Poverty Reduction Policies and Programs in Manitoba (Ottawa: Canadian Council on Social Development, 2009).
281 StatCan, Persons in Low Income Families, supra note 278.
high profile corporate leaders, to initiate the Winnipeg Poverty Reduction Council with funding from the City of Winnipeg and the mission of significantly reducing poverty in Winnipeg. A 2008 Environics survey suggests that the United Way was accurately reflecting public concern as it found that 80% of Manitobans called on the provincial government to implement a concrete strategy to reduce poverty by at least 25% over the next five years. Poverty also garnered media attention, with, for example, CBC Manitoba television and radio presenting a series on poverty in Manitoba from October 22, 2010 to October 26, 2010, called Not Enough Money.

B. Manitoba’s Political Context

Manitoba has been characterized as a province with a centrist political culture. This has led to what Adams has called practical moderation as traditional social democratic statist approaches to income support through redistribution are balanced with discourses of responsibility to work and advocacy for a social investment state, which encourages risk taking to enhance future prospects. This practical moderation is as old as the Schreyer administration, which balanced what was planned to be a small guaranteed annual income experiment, justified largely on administrative efficiency grounds with measures to motivate welfare recipients to work. When it took office in 1999, the Doer administration felt that it


284 Canadian Centre on Policy Alternatives, Manitoba Office, The View from Here: Manitobans Call for a Poverty Reduction Plan (Winnipeg: Canadian Centre on Policy Alternatives, 2009), [The View from Here].


290 S McCaffrey, A study of Policy Continuity between the Progressive Conservative and New
could not afford the political cost of being ‘soft on welfare’ or rejecting the rhetoric of the Filmon administration in introducing workfare measures in its last days – ‘a hand up rather than a handout’. This no doubt contributed to policies which resulted in reductions in the real value of welfare benefits, at least until 2008. This has not been offset by small enhancements for some recipients since then. The constraints resulting from this electoral strategy of moderation of leftist policy and movement toward the right must be top of mind for the Selinger administration as it contends with a powerful attack on its increase to the provincial sales tax without a referendum from the official opposition, the press and vocal Manitobans, denoting it as a ‘tax and spend’ socialist government.

III. THE THIRD WAY

With the election of the Doer government, this pragmatism took on a new emphasis with the increasing influence of second generation third way neo-liberal discourses and policies. Steger and Roy describe neoliberalism as a general term encompassing three dimensions: (1) an ideology of global free market capitalism, (2) a mode of governance based on competitiveness, self-interest and decentralization, and (3) a set of public policies based upon deregulation of the economy, liberalization of trade and commerce and privatization of state functions. Our interest is primarily in the policy dimension and how various discourses have been imported from the ideological dimension to support neoliberal policy.

In focusing on the neoliberal state, Wacquant has developed the following definition of neoliberalism:

Neoliberalism is a transnational political project aiming to remake the nexus of market, state, and citizenship from above. This project is carried by a new global ruling class in the making, composed of the heads and senior executives of transnational firms, high-ranking politicians, state managers and top officials of


multinational organizations (the OECD, WTO, IMF, World Bank, and the European Union), and cultural-technical experts in their employ (chief among them economists, lawyers, and communications professionals with germane training and mental categories in the different countries).294

He goes on to argue that the policy and communicative action of the neoliberal state is guided by four institutional logics in implementing this project:

- Economic deregulation defined as re-regulation to both promote the market and the use of market-like mechanisms to structure the whole range of human activities, including the delivery of public goods and services. The justification is based on efficiency and the project eschews the promotion of equity through redistribution.
- Welfare state devolution, retraction and recomposition to further commodification, including the submission of reluctant individuals to desocialized wage labour through various forms of workfare
- An expansive, intrusive, and proactive penal apparatus to manage disorder flowing from deepening inequality and spreading social insecurity as the welfare state is retracted
- A cultural trope of individual responsibility to evade corporate and state responsibility295

These logics collectively leave little space for increased state action, redistributive taxation and transfer policy or for policies and programs based on a structural, rather than individual, view of the causation and persistence of poverty. From this perspective, poverty reduction must be disconnected from welfare, and poverty must not be seen as a cause of criminality. Poverty reduction cannot be actualized as a significant growth in the welfare state.

Woolford and Nelund describe how this cultural trope of individual responsibility is translated into a neoliberal conception of citizenship which defines the responsibilities of the poor.296 From this perspective, a poverty reduction strategy might be seen as an instrument to produce good neoliberal citizens, or at least, not to stand in the way of their production. The characteristics of a neoliberal model of citizenship include citizens who are active (especially in the labour market), prudent managers of risk, responsible, autonomous and not reliant on state support, and

295 Ibid.
entrepreneurs who can maximize personal interests. It is the responsibility of individuals, and not the state or market, to develop these characteristics. From a neoliberal point of view, a redistributive logic would rob the poor of opportunities for activity, prudence, autonomy, risk-taking and entrepreneurship. Assistance from the state must be limited, short term and contingent if it is not to harm the economic order and the individual.

In many jurisdictions social democratic governments were faced, upon election, with a strongly flowing neoliberal policy stream as well as powerful neoliberal global influences. They have often responded by accommodating at least some of the major dimensions of neoliberalism.297 It is in this sense that neoliberalism is seen as highly adaptable.298 But social democratic parties in Manitoba and elsewhere cannot afford to completely relinquish the conventional policies of the Left because they might lose part of their traditional base of support and be indistinguishable from parties of the Right. Thus, pragmatism demands the maintenance of at least some vestiges of social democratic imagery, even if they are fastened to a neoliberal edifice. One approach to this problem is taking the third way299 as pioneered by New Labour in the United Kingdom and transplanted by Gary Doer’s New NDP in Manitoba.300

The rhetoric of the third way involves abandoning both the Keynesian welfare state of the old Left and the market fundamentalism of first generation neoliberalism through combining fiscal responsibility with social inclusion.301 It is framed by its innovators as a third or middle way between these two ideologies.302 However, in opposition to this framing the third way has been broadly interpreted as a form of neoliberalism rather than a new path. Steger and Roy label it as a type of second wave neoliberalism and characterize New Labour’s third way as follows:

302 Giddens, supra note 299.
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Their long absence from political power awakened a new generation of Labour leaders inspired by Tony Blair and Gordon Brown who embraced the power of neoliberal ideas to fundamentally change the relationship between government and the marketplace. Convinced that controlling government growth and expenditures rather than redistributing national wealth was the best means of attaining prosperity and promoting employment, Blair and Brown signaled the abandonment of their party’s socialist heritage in order to broaden its political base under the New Labour brand.\(^3\)

Harvey puts it succinctly, “by then (the 1990s) both Clinton and Blair could easily have reversed Nixon’s earlier statement and simply said ‘We are all neoliberals now’.\(^4\)” With relevance to poverty reduction he goes on to infer that the third way made a virtue of necessity,

The success of Reagan and Thatcher can be measured in many ways. ... Perhaps the greatest testimony to their success lies in the fact that both Clinton and Blair found themselves in a situation where their room for manoeuvre was so limited that they could not help but sustain the process of restoration of class power, even against their own better instincts.\(^5\)

Consistent with this view that the third way is a type of neoliberalism rather than a new middle path or combination of neoliberalism and social democracy, Arestis and Sawyer characterize the economic analysis of the third way as abandoning the traditional social democratic economic policies based on Keynesianism, public ownership, corporatism and a view of economic failure that was broader than market failure. Rather its supply side labour policies are seen as putting a human face on a neoliberal body,

It is clear that the ‘third way’ and the new Labour government operate along quite different lines. Macroeconomic policy is better described as ‘new monetarism’ with a rejection of Keynesianism, an emphasis on control of inflation rather than the reduction of unemployment and a perceived need to acquire credibility in the financial markets. We have described microeconomic policy as concerned with the correction of ‘market failures’: this can also be seen as a policy which accepts the beneficial operation of markets, albeit one that can be improved by appropriate government action. The ‘third way’ does appear to seek to equip individuals to compete in the market, e.g. through training and education. These features suggest to us that the ‘third way’ is no more than ‘neoliberalism with a human face’.\(^6\)

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3\(^3\) Steger & Roy, supra note 293 at 67.
3\(^4\) Harvey, supra note 298 at 13.
3\(^5\) Ibid.
However, Wacquant sees these supply side training and education policies as contributing to a cultural trope of individual responsibility, especially when redistributive goals and means are abandoned. He goes on to criticize the third way as locating the central cause of crime in the Keynesian welfare state rather than in expanding inequality and poverty.

Third way values and knowledge claims are significant in the manner in which they provide both parameters and direction for poverty reduction policy. Most salient are restraint on public expenditure and denigration of the welfare state, and especially social transfer payments, reframing of redistribution to a focus on opportunities (especially for labour market participation) rather than income, and a paradigm change from equality to social inclusion, especially through participation in paid work and educational preparation for paid work. Under the third way, the means to attain poverty reduction is not through redistribution and the assertion of rights; but through insisting upon the responsibility of the poor to undertake education and training to develop their human capital. Responsibility for poverty and its alleviation are shifted from the state and the market to local communities, non-profit organizations and the poor. The usual results are what Coulter calls deep neoliberal integration through fusing the private to the public and facilitating for profit encroachment into the public sector.

The Doer and Selinger NDP administrations in Manitoba have been broadly described as third way neoliberal governments. Wesley has described the origins of this development as follows:

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307 Wacquant, supra note 294.
313 Coulter, supra note 24.
Poverty Reduction

Doer’s 1995 platform—“Rebuilding Manitoba Together”—marked a turning point in his strategy and the beginning of the New Democrats’ return to the progressive centre. This did not mean returning to the old middle ground cultivated by Duff Roblin and Ed Schreyer, however. Just as the global pivot point shifted in the late 1950s—away from the laissez-faire paradigm of classic liberalism and towards a new set of values hinging on Keynes’s definition of the role of the state—the political spectrum was transformed once more in the late twentieth century. Recognizing this, Doer acknowledged the deficiencies of Keynesianism in the neo-liberal era, and embraced the principles of "third way" social democracy. His subsequent redefinition of New Democracy in Manitoba constituted a redefinition of the progressive centre itself.315

Jeannotte has summarized the unfolding of the third way project in the Doer administration in these terms:

In Manitoba, the NDP adopted Tony Blair-style “third way” policies, which continued the cautious Filmon agenda of “modest cuts in program spending, a carefully blended mixture of tax cuts here and tax increases there, and a moderate reform of the income tax system in a more progressive direction.”316

Wesley has shown that Greg Selinger’s high profile embrace of third way neo-liberalism was an important element in neutralizing a more radical background and making him the safest candidate for party leader and premiership317. Throughout the Doer and Selinger administrations, it has been demonstrated that third way neoliberalism has informed criminal justice policy,318 cultural policy,319 immigration policy,320 and provincial government funding and accountability regimes for social service non-

319 Jeannotte, supra note 316.
profit organization. This is the ideological and political climate which shaped Manitoba’s poverty reduction strategy.

IV. THIRD WAY DISCOURSES IN ALL ABOARD

All policy documents are discursive in the sense that they use language to create an understanding of a phenomenon, as well as establishing preferences and norms about how the state and other stakeholders should act in relation to it. Levitas has argued that a discourse of social inclusion as the ultimate criterion replaced a discourse of poverty reduction under the United Kingdom’s third way new labour government. This served to de-emphasize poverty and the need for economic redistribution because a range of factors were framed as drivers of social inclusion.

As will be explicated below, a related, but differently nuanced, shift in discourse seems to have occurred with All Aboard in Manitoba. The 2009 document de-emphasizes income. If “Manitoba recognizes that poverty is not only about money; it is about social exclusion”, then raising income seems to be an inappropriate target because it may not promote social inclusion. For recipients of last resort welfare programs, increases in benefits seem to be proscribed in favour of enhancing employability. Minimum wage should rise, but not enough to lift the worker out of poverty. The 2012 All Aboard document increases the relative importance of social inclusion. It is a major focus of the strategy in addition to poverty. Furthermore, social inclusion dominates poverty because it is designated as a cause, component and consequence of poverty.

Beyond this, Levitas describes three discourses of social inclusion in Great Britain: a redistributive discourse, a moral underclass discourse and


a social integrationist discourse. Raphael has applied her analysis to poverty policy in Canada. Given the Manitoba New NDP’s emulation of New Labour’s third way, it seems useful to employ this trichotomy in examining poverty reduction policy in Manitoba.

A redistributive discourse emphasizes poverty as a prime cause of social exclusion, and sanctions increases in income support benefit levels as a means to reduce poverty. It also can sanction unpaid work in the home and community as worthy of state support. A broad view of citizenship supports a concept of social inclusion beyond the market and immediate community. There is a focus on the productive processes and outcomes of material inequality, and support for the redistribution of financial resources and power to reduce inequality. Levitas argues that New Labour shifted completely away from a redistributive discourse, and it seems to be absent from poverty reduction policy in Manitoba. Enhanced income support benefits are resisted. Minimum wages can be raised, but not enough to significantly affect the poverty rate. Labour market attachment is the most prominently discussed aspect of social inclusion in All Aboard documents, with some mention of access to services and housing. In Manitoba, redistribution is absent from the poverty reduction discussion, and in the 2013 budget elimination of the education tax for low-income seniors had to be balanced with a promise to do so for all seniors by 2015. Inequality is mentioned as an indicator in the 2012 All Aboard document, but with no rationale or elaboration. This may be enough to give hope, however faint, to those supportive of redistribution and to reassure those who oppose it because of the unlikelihood of action due to the lack of detail.

Levitas argues that in United Kingdom the integrationist discourse has become dominant under New Labour. It emphasizes inclusion through labour market attachment, and does not consider the poverty of the

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324 Levitas, supra note 322.
325 Raphael, supra note 1.
326 Levitas, supra note 322.
328 Social Planning Council of Winnipeg, supra note 323.
329 Bernas and MacKinnon, supra note 327.
330 Levitas, supra note 322.
unemployed as an issue. It obscures inequalities in the labour market and focuses on unemployment rather than low wages and precarious work as causes of poverty.

The integrationist discourse is clearly dominant in All Aboard. The first priority in the 2012 document is stated as follows:

The best route out of poverty is through a well-paying job. Therefore, a key priority of the Manitoba government is expanding job, education and training opportunities.

The 2009 document may provide an integrationist rationale for ignoring income and employment assistance benefits, “Rewarding Work helps low-income people get and keep jobs by increasing the benefits of working, over receiving welfare.” This is more easily done if welfare benefits are kept low. A principle in the 2009 document is as follows:

[we] recognize the importance of improving the lives of those living in poverty as they transition between and away from supports.

What about improving their lives after the transition for those in low paying and precarious employment? This is not a concern when social inclusion is narrowed to being employed.

Indeed, the metaphor of All Aboard suggests that the economic and societal train is running on the tracks as it should, and it is the responsibility of the poor to jump on board and include themselves.

Levitas argues that the moral underclass discourse is a secondary discourse for New Labour. It focuses on the behaviour and culture of the poor and not on social structures in explaining poverty. Men, especially young men are seen as criminal and women as sexually irresponsible and immature, resulting in single motherhood. Income support benefits are seen in negative terms as causing dependency.


333 Ibid at 2.

334 Levitas, supra note 322.
There are some appearances of this moral underclass discourse in All Aboard in reference to family breakdown, domestic violence programs and the equation of poverty reduction with crime reduction. For example, “Maybe they are struggling with addiction, physical or mental health issues.” This may be true for some of those living in poverty, but why not mention that some may be graduates of post-secondary education who cannot find jobs? In addition, no mention is made of the role of inequality in creating stressful environments which can produce these problems.

These discourses are powerful ideological tools in shaping the public discussion. They construct the issues in a manner which the government prefers. Resisting the policy may require attempts to renew a redistributive discourse.

As will be described below in further detail, All Aboard clearly reflects third way neoliberal values, knowledge claims and discourses. It promises $212 million in new expenditures in 2009-2010; but provides no detail on the sources or allocation. When this is combined with the mention of many programs already in existence within the strategy, it is difficult to evaluate what the growth in anti-poverty expenditures is, and whether there are offsetting decreases in some programs or transfers for the poor, which predated the announcement of the strategy. The strategy contains no analysis of factors in economic and social structures, which influence the prevalence, depth and duration of poverty; and does not advocate redistribution to limit economic inequality. Indeed, income transfers and the definition of poverty as inadequate income and assets are de-emphasized in favour of a focus on social inclusion, especially in the labour market. The agency of the poor is highlighted, with the state sharing with the market and the community the role of providing opportunities and information so that the poor can exercise their responsibility of acting as entrepreneurial active neoliberal citizens. The supply and adequacy of opportunities is never questioned.

335 Manitoba, All Aboard, 2012, supra note 331 at 8.
V. ALL ABOARD POVERTY REDUCTION STRATEGY DECONSTRUCTED

All Aboard: Manitoba’s Poverty Reduction Strategy\textsuperscript{337} is an eight page glossy document inclusive of a liberal number of pictures. It claims to be “both a strong poverty reduction plan and a strong economic plan”.\textsuperscript{338} This is presumably because a rising tide will lift all ships, “By creating economic conditions for all people to flourish, we ensure a strong future for our province that includes a strong labour market, less crime and better health.”\textsuperscript{339} Indeed, the recession is described as providing an opportunity to fuse goals of economic growth and stability with poverty reduction, “[i]n this time of economic uncertainty, we have an opportunity to merge our goals of stimulating the economy, supporting the workforce and tackling poverty.”\textsuperscript{340}

A. Claiming Past Progress

The strategy document also claims considerable success in child poverty reduction since 2000; which raises the interesting question as to why a strategy was felt to be necessary in 2009 despite significant progress since 2000. Was this an attempt to set the agenda in the face of the community coalition’s plans to release a much more expansive strategy as described below?

The specific claim is that child poverty was reduced more than 40%. This claim is made in the absence of specifying a measure or a source. In May 2009, the most recent data available would have been from 2006. The largest percent decrease reported by Statistics Canada is 29.0% in the After-Tax Low Income Cut-Offs for persons under 18 (from 16.9% in 2000 to 12.0% in 2006).\textsuperscript{341} While there may have been some revision since the initial release of 2007 low income data in 2008 (these data are no longer available), it seems clear that the government’s intent is to demonstrate that poverty reduction has always been its priority, even in

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\item \textsuperscript{337} Manitoba, All Aboard, \textit{supra} note 332.
\item \textsuperscript{338} \textit{Ibid} at 2.
\item \textsuperscript{339} \textit{Ibid}.
\item \textsuperscript{340} \textit{Ibid} at 1.
\item \textsuperscript{341} StatCan, Persons in Low Income Families, \textit{supra} note 278.
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the absence of an announced strategy. In addition, this claim is made alongside the claim of “many successful programs” suggesting that these programs were completely responsible for the reduction. However, while the decrease in child poverty in Manitoba is above that in all of Canada for 2000 to 2006, Canada did experience a decrease of 20.1% (from 13.9% to 11.1%). Manitoba’s progress seems somewhat less exceptional in the context of this comparison.

B. Financial Commitment

The strategy document also claims $212 million in new investments in the 2009-2010 fiscal year, but no indication is provided as to exactly how these resources will be allocated among the various initiatives. Furthermore, while the 2009 budget mentioned poverty reduction, the All Aboard Poverty Reduction Strategy was not announced and no funds were allocated. If these are new investments, from which old investments were the resources being re-allocated?

C. Definition of Poverty

The document includes declarations that “poverty is complex” and is about “more than money,” but it does not contain the kinds of conceptual and operational definitions that can act as guides for the implementation and evaluation of policy. Complexity is characteristic of many social and economic problems; but the role of good policy analysis and formulation is to decompose the problem and develop a coherent and comprehensive understanding of its various elements and how they interact, not to simply declare complexity. The “more than money” statement seems to be about social exclusion, “Manitoba recognizes that poverty is not only about money; it is about social exclusion.”

However, at this point the conceptualization becomes quite tautological. On the one hand, social exclusion is clearly referenced as a component of poverty. On the other hand, social exclusion is described as a result of poverty: “social exclusion occurs when individuals, families, or communities face poverty-related problems, such as unemployment, poor

\[\text{Manitoba, All Aboard, supra note 332 at 3.}\]

\[\text{Ibid at 2.}\]

\[\text{Ibid.}\]
housing or family breakdown”.

So, what is causing these problems of social exclusion beyond financial hardship?

D. Values and Principles

The strategy document contains a statement of values and principles, but little is said about what is valued. The statement seems confined to what is seen as pragmatic and to truth claims about the nature of poverty and its alleviation. The one value declaration involves a technocratic preference for state interventions based on evidence of effectiveness, “we must focus on building policies and programs based on evidence and invest in what works.” The rest of the document presents no evidentiary base to support the policies and programs which constitute the poverty reduction strategy.

The major truth claims involve the complexity and limited mutability of poverty and the effects of minority group status. Regarding the first, the document claims that, “[p]overty is complex and requires long-term solutions that get at root causes.” These root causes, and whether they are located in the poor individual, the culture and/or social and economic structures, remain unspecified. How can the actions proposed in the plan be evaluated in the absence of being able to determine if they influence root causes?

The second truth claim is phrased as follows, “[w]e recognize that people face unique challenges related to gender, race, culture and ability.” Apart from a general commitment to “closing the quality of life gap that separates some Manitobans”, including women, the only initiative specifically related to women in the strategy involves increased funding of an unspecified magnitude for renovations and safety enhancements for women’s shelters. While poor women are very likely to be over-represented among shelter residents, this initiative would benefit only a small percentage of women living in poverty.

The only new imitative related to Aboriginal persons in the strategy is a Northern Aboriginal Youth Internship pilot program that will provide 25 students in northern Manitoba with support to graduate from high

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345 Manitoba, All Aboard, supra note 332 at 2.
346 Manitoba, All aboard, supra note 332 at 3.
347 Manitoba, All Aboard, supra note 332 at 2.
348 Manitoba, All Aboard, supra note 332 at 2.
school and find work. No funding allocation is specified. Beyond this there is a commitment to keep working with key stakeholders to provide a range of housing options and support services for Aboriginal persons, but there is no specification of resources allocated or output objectives. Existing services for Aboriginal persons (including Closing the Gap to reduce well-being disparities, Northern Healthy Food Initiative and the Hydro Northern Training and Employment Initiative) are also listed, and described as “a good foundation for poverty reduction.” This seems like a less than adequate response with 52% of Manitoba Aboriginal children living in poverty.

No specific cultural group is mentioned in the strategy, and the only commitment related to immigrants in the strategy is to keep working with stakeholders to provide housing and support options to immigrants. A similar commitment is made regarding persons with disabilities and an existing employment program, marketAbilities, for people with disabilities is mentioned. Beyond this, it is strongly implied that poverty reduction for people with disabilities will be included in “a new province-wide strategy” for persons with disabilities to be released in 2009.

Indeed, in June, 2009 the document, Opening Doors: Manitoba’s Commitment to Persons with Disabilities was released. It is correct in describing itself as ‘a discussion paper’ rather than a strategy, in that it makes relatively few specific commitments. The largest portion of the document describes existing programs and commitments previously made. The concept of poverty is mentioned only once when the poverty rate of persons with disabilities is described as “an example of an indicator that may be used to track the success of this initiative.” Regarding employment, the government commits to “continue to work at improving accommodation, support and advocacy for civil servants with

349 Ibid at 3.
352 Ibid at cover.
353 Ibid at 44.
disabilities”,\(^\text{354}\) to “work with private sector employers to promote the hiring of persons with disabilities,”\(^\text{355}\) to consider incentives to private employers, to more widely promote supports available within the Employment and Income Assistance (last resort welfare) program, to develop comprehensive supports for persons with disabilities who are acquiring job training, to work to address the employment concerns of persons with episodic disabilities or illnesses, and to work to enhance return-to-work supports available through the Workers Compensation Board. Additional commitments include the exploration of new approaches to a long term income support program for persons with severe and prolonged disabilities and to continue work to develop new ways to help persons with disabilities save for the future. Regarding housing, the government commits to continue to enhance housing options with supports for persons with mental health concerns and/or addictions and to increase the availability of accessible housing.

Despite the promise of All Aboard, it seems clear that Opening Doors does not provide a comprehensive plan for the reduction of poverty among people with disabilities. Most of the commitments involve consideration of plans, with no specification of outcome objectives, output objectives or time lines.

Statements of pragmatism among the values and guiding principles of All Aboard include the need for a multi-faceted approach including poverty prevention, poverty amelioration and improvements for those living in poverty; but special emphasis is given to improving the lives of those transitioning ‘away from supports’, presumably through labour market participation. The provincial government also responsibilizes other governments, the private sector, the non-profit sector, communities and individuals to play roles in poverty reduction through partnership.

\section*{E. Next Steps: The Elements of the Strategy}

The document structures the strategy according to four pillars, presumably proscribing expectations for any actions outside of this structure. The four pillars are: safe, affordable housing in supportive communities, education, jobs and income support, strong healthy families, and accessible, coordinated services. The metaphor of pillars is highly

\(^{354}\) \textit{Ibid} at 15.

\(^{355}\) \textit{Ibid} at 16.
evocative. They might be considered as either solid foundations holding up the four corners of the strategy or as new features acting as monuments towering over the policy landscape.

The section of the document describing the pillars is titled “Next Steps”, but it contains a mixture of existing programs and new commitments, and sometimes the two are blended in such a way that it is difficult to tell what is new and what is old. In addition, many of the commitments are vague in that specific output or outcome objectives are not stated. In some cases the policy means for accomplishing often vague ends are not specified. This has allowed the government to include a large range of programs within the three newsletters which have been issued to publicize the accomplishments of the strategy.

In addition to describing existing programs and previously made commitments, the housing pillar is quite vague in promising “strategic investments in housing” resulting in the immediate construction of “hundreds of homes for older Manitobans and families.”356 Additional commitments include the development of housing projects, outreach and support for the homeless, and increased funding for community safety programs.

The education, employment and income support pillar contains only one detailed commitment, related to the Northern Aboriginal Youth Internship pilot program, as described above. The overall strategies are very general, including that “Manitoba is going to create good jobs and prepare people for those jobs using strategic investments” and will exhibit “a renewed focus on improving graduation rates.”357 Employment and Income Assistance is minimally mentioned, only in terms of improving employability and saving by recipients. There is no intent to improve benefits, which leave recipients in poverty and are below the inflation-adjusted value of 1992 benefits.358 Indeed the Manitoba Ombudsman359 has recommended the closer integration of the Employment and Income Assistance Program with the All Aboard Poverty Reduction Strategy:

356  Ibid at 4.
357  Ibid at 5.
358  The View from Here, supra note 284.
359  Manitoba, Manitoba Ombudsman, Report on Manitoba’s Employment and Income Assistance Program (Winnipeg: Manitoba Ombudsman, 2010).
The EIA (Employment and Income Assistance) program can and should be an integral part of the provincial poverty reduction strategy. We have made recommendations designed to improve fairness and administrative efficiency, but also to align the administration of this important program with the province’s overall goal of poverty reduction.\textsuperscript{360}

The family pillar contains a specific commitment to two new family resource centres in low income neighbourhoods, a Healthy Foods Action Fund of unstated size and duration, and increased funding for a program for children exposed to domestic violence. The relationship of domestic violence to poverty reduction remains unarticulated. Rewarding Work, a program to incentivize work over assistance is described as an allied strategy to All Aboard. Yet two new Rewarding Work programs are described as part of the families pillar of All Aboard. Does this allow government to take double credit for these programs?

The service coordination pillar describes a strategy to disseminate information to potential service users. Nothing is said about changing service structures or processes to render them more accessible.

In June, 2011 a Poverty Reduction Strategy Act came into force.\textsuperscript{361} It contains no definition of poverty, and twins poverty and social inclusion. The government is required to implement a long terms strategy to reduce poverty and increase social inclusion, select or develop indicators and publicly report progress annually. There is no requirement to define success through goal setting. The strategy must include six required elements. Three relate to labour market participation (education, training and employment opportunities), with income supports only for those who cannot fully participate. Subsidies for full time low income earners are not anticipated. The other required items relate to housing, communities and families. In addition, an advisory committee is formed.

VI. ALL ABOARD REPRISED

In May 2012, the three-year All Aboard Strategy came to an end and was followed by a renewed four-year strategy released in May 2012.\textsuperscript{362} Social inclusion has become more prominent as the 2012 version of All Aboard is designated as a poverty reduction and social exclusion strategy.

\textsuperscript{360} Ibid at 6.

\textsuperscript{361} The Poverty Reduction Strategy Act, CCSM c P4.7, SM 2011, c 41 Sch B.

\textsuperscript{362} All Aboard, 2012, supra note 331.
It is clearly described as a component of poverty and is given more prominence than financial resources. While “poverty is not just about money” appears with no further discussion about financial hardship, “social exclusion happens when people are discouraged or blocked from fully participating in society because of barriers such as unemployment, poor housing, lack of accessible options, family breakdown, addictions, mental illness, outdated beliefs about their capabilities and discrimination.”363 However, the tautological argument is maintained, “we understand the complex relationship between poverty and social exclusion — poverty contributes to social exclusion and social exclusion can lead to poverty.”364 So, social exclusion is a driver of poverty, a component of it and a consequence. In addition to the logical limitations, this cannot help but limit the importance of financial resources and improving income support programs.

The twelve page glossy document is structured similarly to the original All Aboard document with many continuities in content and discursive style. Most space is allocated to advertising alleged accomplishments, and commitments for future action are not made in a sufficiently specific form to allow accountability. No specific commitment to resource allocation was made, and neither was such commitments reported in the 2012 or 2013 budget papers on reducing poverty and promoting social inclusion.365 The only evaluative report in the second strategy document is a section titled ‘Reducing Poverty in Manitoba: Progress So Far’. It is hardly adequate to demonstrate progress since the announcement of All Aboard in 2009. It includes eight indicators, six of which are inputs (new or modified programs). One of the two outputs compares the number of people in poverty in 2009 with the number from 2000, using an unnamed poverty measure. Why is 2000 used as the base year if the strategy began in 2009? How can this demonstrate progress which can be attributed to All Aboard? Why is no comparison made to the change in all of Canada for this period? The second output indicator compares Manitoba’s 2011

363 Ibid at 1.
364 Ibid at 3.
unemployment rate with the Canadian rate. How does this comparison demonstrate the effects of All Aboard?

The 2012 document maintains the four pillar structure of the 2009 document. The housing pillar focuses solely on accomplishments since 2009 by listing five programs, including Neighbourhoods Alive, a community development program initiated in 2000. In 2009, Homeworks was described as an allied affordable housing strategy. By 2012, it had been incorporated as an All Aboard accomplishment. The 2009 document had promised “hundreds of homes for older Manitobans and families”, and there is no report on the number developed, or on the specifics of expansion of community safety programs. The 2009 statement that “Manitoba will be developing housing projects for homeless individuals, which will be accompanied by outreach and support services to maintain a stable tenancy”\(^{366}\) is simply converted to the 2012 “Manitoba has developed housing projects for homeless individuals, which are accompanied by outreach and support services to maintain a stable tenancy.”\(^{367}\) The change in tense is accompanied by no details as to the outputs produced.

The education, employment and income support pillar indicates that “Manitoba is currently implementing several long-term projects in this area,”\(^{368}\) and then simply lists seven program initiatives. Inexplicably, this list includes ‘Let’s make a better deal’, which is Manitoba’s five year plan for improved consumer protection, without indicating how it relates to poverty reduction or social inclusion. There is no mention of the Northern Aboriginal Youth Internship pilot program, promised in the 2009 document.

The family pillar declares that “Manitoba has a strong foundation of strategies and initiatives addressing a wide range of topics promoting the well-being of families and children”.\(^{369}\) Thirteen examples are then listed, some quite longstanding. There is no mention of the two new family resource centres or Healthy Foods Action Fund promised in the 2009 document.

\(^{366}\) Manitoba, All Aboard, supra note 332 at 2.

\(^{367}\) Manitoba, All Aboard, 2012 supra note 331 at 3.

\(^{368}\) \textit{Ibid} at 4.

\(^{369}\) \textit{Ibid} at 5.
The coordination pillar lists seven initiatives without providing explanations as to how they will lower barriers to service access related to poverty and social exclusion.

One new feature of the 2012 strategy is the identification of seven priorities for the next four years until 2016: Building Blocks for Employment, Targeted Supports for Those Most in Need, Food Security, Housing, Closing the Gap for Aboriginal Manitobans, Creating Opportunities for Youth, and Early Childhood Development and Parenting Support. The relationship of these priorities to the pillars is not stated, and neither is the rationale which renders them more urgent than other potential priorities. In no case are specific and measurable output or outcome objectives stated in relation to any of these priorities.

The All Aboard Strategy documents contain serious limitations which hamper the guidance they can provide for policy implementation. Output and outcome objectives are not set in specific terms. The documents do not answer the fundamental question of “How much of what services and benefits are to be offered to whom over what time period and with what intended result?” They contain logical inconsistencies, such as a tautological definition of poverty, and do not provide evidence for the effectiveness of the approaches taken. No rationale for selected criteria of success is provided.

In some sense, largely because of these limitations, the All Aboard Poverty Reduction Strategy may function as a vessel which can be filled with whatever policies, programs and other measures government wishes to define as a component of poverty reduction. The structure of four broad pillars augmented by priorities provides few barriers to flexibility, while leaving the impression of a comprehensive, clear and logical policy architecture. This strategic instrument allows government to define and redefine the poverty reduction agenda as required by third way neoliberalism and other political imperatives.

A. The Politics of Evaluation and Public Accountability

Both policy evaluation and transparent accountability to the public require that a policy include a number of components. Fundamental to evaluability is the articulation of goals and objectives which are specific

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and clear enough to be measureable. In addition, indicators must be selected or developed based on the demonstration that they constitute comprehensive operational definitions of goals and objectives. Beyond this, a logic model should be specified, which links policy action to intended outcomes.

All Aboard is lacking in all of these components. Specific measureable goals related to poverty reduction and social inclusion or other expected outcomes have not been adequately defined despite pressure from advocacy groups.\textsuperscript{371} By what percentage is poverty to be reduced over what period? Similarly, by how much is social inclusion to be increased?

The 2009 document contains fifteen exemplary indicators, which might be used to assess progress. No rationale is provided for the selection of these indicators. Despite this, the claim is made that “when taken together, they will provide a true picture of our province’s progress.”\textsuperscript{372} This presentation of a large package of indicators may dilute attention paid to reductions in the poverty rate as the prime indicator of a poverty reduction strategy. In addition, the use of these examples delayed the selection of indicators for the initial three years of the strategy, and, thus, government was unencumbered in how it structured purported evidence of success.

The 2012 document, again, does not articulate specific goals and objectives. In the absence of these, an appraisal cannot be made as to whether the initiative is successful. “To ensure that Manitoba children and families are emotionally and physically healthy, safe and secure, socially engaged and responsible, and have access to supports that allow them to reach their full capacities”\textsuperscript{373} may be a noble objective, but in the absence of operationally defining the terms and specifying improvement targets, neither the public or other stakeholders can judge success.

The 2012 document also contains twenty-one indicators with no rationale provided for their relevance or comprehensiveness. Neither document provides a logic model linking each initiative to overall goals.

All Aboard is, therefore, not an evaluable policy. Its goals, objectives and logic are simply not sufficiently articulated.


\textsuperscript{372} Manitoba, All Aboard, \textit{supra} note 332 at 7.

\textsuperscript{373} Manitoba, All Aboard 2012 \textit{supra} note 331 at 10.
B. The Alternative: The View from Here

Shortly after the announcement of All Aboard, the Canadian Centre on Policy Alternatives released The View from Here: Manitobans Call for a Poverty Reduction Plan.\(^{374}\) The View from Here functions as a kind of counterfactual to All Aboard, articulating the difference between what community advocates proposed, and what government delivered. This is not to say that there are not some significant limitations to The View from Here. For example, there is not sufficient detail in cost estimates, some recommendations are stated in very general terms, and the semi-relative indicator of poverty adopted, Low Income Cut-Offs, does not match with the purely relative definition of poverty put forward.

Nevertheless, there are four important differences between The View from Here and All Aboard. First, The View from Here is a much more comprehensive document. In its 78 pages it analyzes the nature and distribution of poverty in Manitoba, provides the rationale for policy action, describes poverty reduction strategies in other jurisdictions, isolates features of effective strategies, articulates thirty-one recommendations in seven areas (housing, income from employment and government transfers, education at all levels from early learning and child care to adult learning and training, neighbourhood and community measures, transportation, disability supports and health) and provides a specific estimate of cost. Second, the major components of the plan articulated in the View from Here are evaluable. For these, the document articulates specific measureable goals related to each recommendation, selects indicators of these goals, provides a rationale for their selection, and provides a rationale linking goals and outcomes so that the policy logic is transparent. Third, the View from Here is the result of broad consultations, while consultations on All Aboard occurred only in 2013. Fourth, the View from Here does not shy away from enhancements to Employment and Income Assistance as a component of a poverty reduction plan as recommended by the Manitoba Ombudsman.

If the View from Here were adopted, it would diverge from a third way neoliberal approach through support of redistribution through income support and would require significant increases in public expenditure and growth in a range of welfare state programs, including the most unpopular ones among taxpayers. Beyond this, stakeholders could clearly hold

\[^{374}\] The View from Here, supra note 284.
government accountable to meet input commitments, promised outputs (volumes of goods and services) and outcomes related to the rate and depth of poverty.

The third way can make governments politically vulnerable. The need for a government identified as of the Left, but focused on fiscal responsibility and market solutions, to effectively manage impressions in avoiding negative political outcomes both from a base which may support more decisive poverty reduction and from other supporters who oppose welfare state growth may be a defining factor of All Aboard. Just enough must be done to reinforce the loyalty of the former, but not too much to alienate the latter.

C. The Poverty-Reducing Performance of All Aboard

Poverty and its measurement are contested despite centuries of theoretical and conceptual development. Often a distinction is made between absolute and relative measures. Absolute measures focus on the goal of physical subsistence, generally based upon expert norms, and without reference to social and cultural needs. Relative measures focus on the goals of social role performance, participation in socially sanctioned relationships and activities and adherence to culturally sanctioned behavioral norms.

Canada has no official poverty line, but Statistics Canada publishes three measures. The Market Basket Measure is an absolute measure, which Statistics Canada describes as “based on the cost of a specific basket of goods and services representing a modest, basic standard of living.” The Low Income Measure is a relative measure, which Statistics Canada

380 Statistics Canada, Low Income Lines, supra note 278.
describes as a “fixed percentage (50%) of median adjusted household income, where “adjusted” indicates that household needs are taken into account.”\textsuperscript{381} The Low Income Cut-Offs are a semi-relative measure, which Statistics Canada describes as “income thresholds below which a family will likely devote a larger share of its income on the necessities of food, shelter and clothing than the average family.”\textsuperscript{382} The approach is essentially to estimate an income threshold at which families are expected to spend 20 percentage points more than the average family on food, shelter and clothing.

In order to assess the poverty reduction performance of All Aboard, the year before the strategy - 2008 - will be taken as a base year for comparison. Poverty rates from that base year will be compared with rates from 2011 (the latest data available), allowing assessment of the first 31 months of All Aboard. The change in Manitoba rates will be compared with the change in rates for all of Canada. If the Manitoba improvement is at least equal to that for all of Canada, All Aboard will be evaluated as successful in this regard.

Table 1 reports the data required to make these comparisons. On all three measures All Aboard seems to exhibit poor poverty reduction performance. Using the Market Basket Measure, Manitoba’s poverty rate rose more than twice as much as Canada’s. On the Low Income Measure and Low Income Cut-Offs Manitoba posted increases in poverty rates between 2008 and 2011 while Canada posted decreases.

\textsuperscript{381} Ibid.
\textsuperscript{382} Ibid.
Table 1: Change in All Persons Poverty Rates: Manitoba and Canada, 2008 to 2011

<table>
<thead>
<tr>
<th></th>
<th>Manitoba</th>
<th>Canada</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2008 Rate</td>
<td>2011 Rate</td>
</tr>
<tr>
<td>Market Basket Measure</td>
<td>9.2%</td>
<td>11.5%</td>
</tr>
<tr>
<td>After-Tax Low Income Measure</td>
<td>13.5%</td>
<td>14.0%</td>
</tr>
<tr>
<td>After-Tax Low Income Cut-Off</td>
<td>8.5%</td>
<td>8.9%</td>
</tr>
</tbody>
</table>

Table 2 provides the same analysis for persons under 18. The patterns are the same as in Table 1, but the differences between Canada’s and Manitoba’s performance are greater. All Aboard seems to be especially poor at reducing child poverty. These findings emphasize the strategic value of the government’s argument that a suite of indicators is required. Indicators of poverty must be offset by indicators which are more promising.

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### Table 2: Persons Under 18 Poverty Rates: Manitoba and Canada, 2008 to 2011

<table>
<thead>
<tr>
<th>Measure</th>
<th>Manitoba</th>
<th>Canada</th>
<th>% Change</th>
<th>Manitoba</th>
<th>Canada</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Basket Measure</td>
<td>11.2%</td>
<td>17.4%</td>
<td>+54.0%</td>
<td>12.3%</td>
<td>13.7%</td>
<td>+11.4%</td>
</tr>
<tr>
<td>After-Tax Low Income Measure</td>
<td>18.7%</td>
<td>22.4%</td>
<td>+19.8%</td>
<td>15.3%</td>
<td>14.3%</td>
<td>-6.5%</td>
</tr>
<tr>
<td>After-Tax Low Income Cut-Off</td>
<td>8.7%</td>
<td>11.3%</td>
<td>+29.9%</td>
<td>9.0%</td>
<td>8.5%</td>
<td>-5.6%</td>
</tr>
</tbody>
</table>

### VII. SUMMARY

It has also been demonstrated that All Aboard was shaped by third way neoliberalism, and legitimizes itself through discourses of social inclusion. This ideology eschews objectives of economic equality and means of redistribution through income support. State expenditures are to be restrained and equality is replaced by social inclusion, especially in the labour market. A structural analysis is avoided and the agency of the poor is emphasized to the near exclusion of market and social class factors in the causation of poverty. It may be the very parameters of this approach which in limiting expenditure and redistribution limit its effectiveness in poverty reduction.

Beyond this, All Aboard has been shown to be so incompletely articulated that it cannot act as a reliable guide for policy implementation, is not evaluable and renders government unaccountable. In addition, the first 31 months of All Aboard do not demonstrate effectiveness in poverty reduction compared to all of Canada, regardless of the measure. Children fare especially poorly.

This raises the question as to whether the All Aboard Poverty Reduction Strategy represents an earnest attempt to reduce poverty or

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384 Ibid.
does it function largely as a tool for impression management. As such, it is too vague to be effectively used by stakeholders to hold government accountable, but vague enough to act as a vessel for purported successes claimed by government. Part of this impression management was likely aimed at preventing agenda setting by a community coalition, which might have introduced elements which could be politically difficult for the government.

Third way neoliberal governments must engage in careful choreography on an issue like poverty reduction. They must honour the neoliberal advocacy for market solutions, the new public management and small government, while attempting to satisfy the redistributive preferences of traditional social democratic supporters. It is not hard to see why impressions must be managed.