

An aid package for General Motors will likely involve bigger-than-expected sacrifices from taxpayers, unions and the company if the recent concessions required to bail out Chrysler are any indication.
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Full government strategy needed to tackle poverty

2,215 Lethbridge children live in poverty

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A provincial strategy is needed to reduce poverty in Alberta — and help more than 2,000 children who live below the poverty line in Lethbridge.

To be sustainable, said organizers of a series of forums across the province — the fifth held here Tuesday — such a strategy requires commitment from all levels of government and buy-in from the community at large.

“The mid-sized cities have a lot of fabulous people who are working on poverty issues — community organizations, government folks who have come out from different departments,” said Bill Moore-Kilgannon, executive director of Public Interest Alberta.

“But a word that keeps being repeated over and over again is that it feels like Band-Aid solutions right now. A lot of the people who are working on the issues feel that poverty is often very hidden, and unless you have some experience with it or are exposed to it in some way through people you know, you tend to not see it or think about the implications for the broader community.

“Poverty is in every community. It’s impacting on children and their families, individuals, but it also impacts on the whole community. It’s not just those individuals over there.”

There’s a real cost to the economy if nothing is done about poverty, Moore-Kilgannon said, which has been illustrated in recent studies from the U.S. and in Ontario.

“They showed poverty impacts overall costs to the health-care system, certainly the justice system, the broader quality of life of communities,” he said. “It impacts municipalities and often times municipalities are left with the implications of poverty, but it’s more the provincial and federal governments who have those areas of responsibilities. So cutbacks in a number of key areas — income supports are incredibly low, AISH rates that we have — have a spillover effect on municipalities. That’s why we’re very pleased that the cities are getting involved in this process that we have.”

The forums, called We Can Do



Herald photo by David Rossiter

Bill Moore-Kilgannon, right, who made a presentation called Poverty Reduction Strategies and John Kolkman, left, who presented Poverty in Alberta and Lethbridge, were part of the Alberta Poverty Reduction Forum, hosted by Public Interest Alberta Tuesday at the Culver City Room at city hall.

Better, were hosted by Moore-Kilgannon and John Kolkman, research and policy analysis co-ordinator for the Edmonton Social Planning Council, and author of the report, We Can Do Better — Toward an Alberta Child Poverty Reduction Strategy for Children and Families, published at the end of 2008.

Lethbridge, being outside Alberta’s energy sector with its economic highs and lows, pays poorer wages than other Alberta cities, but also has generally lower living expenses . . . but not for everything.

“Generally it balances out,” Kolkman said. “Every family’s circumstances will be different. Lethbridge does have some of the most affordable living costs of the medium-sized cities in Alberta, but once you start comparing Lethbridge to medium-sized cities elsewhere in the country, Lethbridge is a little bit higher in terms of its living costs.”

Poverty is defined by a net income (for a family of three) of \$22,725 a year.

“We’re pretty confident in saying one in 10 children in the Lethbridge region is living in poverty and one in eight in the city of Lethbridge,” Kolkman said. “We think that’s a pretty accurate number and if anything, a bit of an underestimate.”

About 30 people were expected to attend the forum, held at city hall, which gave an overview of how Alberta could join other provinces in establishing a strategy to combat poverty. Also presented was data from Kolkman’s report that indicated 2,215 children in Lethbridge live in poverty, according to income statistics obtained through the 2006 federal census.

Comprehensive poverty reduction strategies are at work in Ireland, Quebec, Ontario, Newfoundland and Nova Scotia and while they have differences according to their particular vision, they address issues, including increasing child tax benefits, access to quality affordable child care, employment and training.

“Our approach is to look at a much broader focus on a comprehensive poverty-reduction strategy,” Moore-Kilgannon said. “A big part of the message is to expand outward people’s ideas of poverty.”

The working poor is people who may be in need of assistance, but escape notice because they have jobs. However, they must pay rent, feed the family and tend to school fees and child-care costs.

“That’s not the face of poverty, because those people aren’t running around saying, ‘I’m poor,’ and so people who are working with others in the community in poverty, tend to focus on the homeless, on people with addictions, on people with disabilities who are unable to work. And those things are all critically important.

A report based on the input from the seven forums will be presented to government.

“Our message today is that we want to talk about poverty prevention, reduction and ultimately elimination.”

Layoffs a sign of the times

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Lethbridge isn’t recession-proof, after all. Just ask Canadian Pacific, which laid off nearly 50 employees earlier this year, and Kawneer, which laid off about 65 employees, the direct result of the downturn in the economy.

“We’re not insulated,” says Barry Ferguson, human resources manager for Kawneer. “We’re impacted by the global economy.”

Those laid off were full-time labourers and production workers in the plant, which manufactures aluminum architectural products such as window systems, curtain walls, stock and custom doors. Ferguson says the layoffs were necessary because of a reduction in volume.

“We adjusted the workforce to reflect production requirements.”

Ferguson says some layoffs are normal as the marketplace fluctuates, but the recession has hurt the company more than usual.

“We’re feeling the impact.”

Ferguson hopes once the economy picks up, production will increase and the employees can return, if they haven’t found other work elsewhere.

“They’re gone for the time being. We’re optimistic the business will return.”

Canadian Pacific is also being optimistic despite laying off nearly 50 engineers and conductors. CP spokesperson Breanne Feigel says if business picks up employees will be able to return to work.

She says southern Alberta employees aren’t the only ones impacted. CP has laid off employees across Canada as customer demand dropped, resulting in lower volumes of rail traffic.

“It’s a matter of what product is moving through the area,” Feigel says.

Cheryl Dick, CEO of Economic Development Lethbridge, says she doesn’t believe Lethbridge has been hit as hard as many other major communities in Alberta or across Canada. But she notes Lethbridge faces some challenges because it is a “branch office city.” When national companies are hit by the recession, they look to their branch offices for cuts or even closures.

But Dick points out there are at least a couple of indicators which show Lethbridge is doing better than many other communities. She says Lethbridge still has strong construction activity, and the unemployment rate is still relatively low. The business community is also taking a measured approach and investing money made during the boom which will help until the economy picks up.

“They’re using this window to prepare for the next cycle,” Dick says.

That cycle may be starting, at least to some degree.

Business is picking up for many companies, including Triple M Housing, which laid off about 200 production workers last November. By the end of February, and after the company moved into its new building in the Sherring Industrial Park, the workforce, which was down to about 120, was back up to 165 people.

Ron Angyal, vice-president of operations, says sales have picked up. But he attributes that, at least partly, to warmer weather, and not a turnaround in the economy.

“There’s still a lot of uncertainty in the market place for sure,” Angyal says.

However, he believes it is getting a little better, and he hopes to rehire another 30 workers this summer.

“There is hope on the horizon.”

Towns forge ahead despite effects of economic downturn

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“Live long and prosper” is a phrase the Town of Vulcan has taken to heart, and it has nothing to do with Star Trek or Spock’s home planet, which the town has adopted.

The phrase applies to the town’s attitude when it comes to surviving the recession. In fact, the entire County of Vulcan is doing what it can to live long and prosper, and it’s succeeding, for the most part, despite the challenges of a sharp, global downturn in the economy.

Most businesses have discovered it’s impossible to avoid some impact of the recession. After all, “we’re not immune,” says Leslie Warren, economic development officer for VBDS, the Vulcan Business Development Society. But businesses pulling together are proving an effective weapon against the downturn. Even entire communities are finding the best way to survive is to live by another well-known motto: all for one and one for all.

The Village of Carmangay is living the motto of the Three Musketeers. It was a community effort that enabled the tiny community to open a new grocery store last month, after having been without one for a couple of years.

Mayor Kym Nichols says the Community Centre donated a freezer and two classrooms in the old school for retail space, and provided an interest-free loan to buy stock. The Lions Club bought coolers and provided labour to clean, paint and convert the classrooms into a store, and the Vulcan County Waste Authority provided some old shelves and even grocery carts.

“We started out really small,” Nichols says, adding the store makes enough money to buy stock and pay one employee to run the business. Any profits over and above that are



Herald photo by Rod Leland

Manager Ian MacCormac restocks the shelves at the recently opened Carmangay Community Store. After nearly three years without a venue to buy groceries, the residents of Carmangay teamed up and opened the store in the former community school. The building now also houses a workout room and a recreation room both open to the public, and has been open since April 1.

used to support community programs.

“It’s really been very positive.”

Warren says communities in the county are working hard to battle the recession. Most notably the Town of Vulcan, the largest community in the County of Vulcan, is riding out the storm relatively well, and planning for a better future, despite difficult times.

“I think that there are some businesses that notice a change from last year,” Warren says.

But there haven’t been massive layoffs or business closures like those experienced in other, larger centres around the province.

“They seem to be holding their own.”

The VBDS applied for a government grant to provide training for people who want to

enhance or change careers, and the Palliser school division has provided mobile trailers for that training in welding, carpentry and electrical.

Through the department of agriculture and rural development, Vulcan has developed a Business Vitality Initiative pilot project in which business people meet to evaluate their needs, plan for the future and determine projects that will help attract business, like Main Street revitalization, and events geared to bring in tourists.

“There is lots happening,” Warren says.

While Furniture Villa has felt a bit of a pinch from the recession, owner Debra Orr says she has countered it as best she can by conducting business as usual and not panicking.

“You just have to keep going,” Orr says.

Although business slowed somewhat, particularly last year, she still offered inventory blowout sales and promotions to maintain as much business as possible, and she continued advertising to keep people thinking about her business. And, of course, she makes sure she offers good customer service.

So far her strategy has worked and business is starting to pick up again.

Fellow businessman Dwayne Dallman of Dallman Computers says it’s hard to tell if the recession has impacted his business because he moved to a better location right at the start of the downturn.

“I moved right when things hit the fan,” he says.

Since moving, his sales have picked up about 25 per cent over the same period last year, but he’s not sure if the recession is preventing sales from doing even better.

As CAO for the Town of Vulcan, Alcide Cloutier says he has seen little impact from the recession, and the town is doing everything it can to counter the downturn by proceeding with projects, such as the relocation of the sewage lagoon and development of its subdivisions.

“We haven’t really felt a negative impact yet,” Cloutier says.

He admits, however, there is some concern whether residential lots in the town’s new 300-home subdivision will sell or if the recession will put the brakes on that development. But he notes 10-15 lots available in another subdivision two years ago have been sold, and a private developer who was only going to proceed with half a planned subdivision, has decided to do it all.

Cloutier also notes tourism is growing in the town. Some 17,000 tourists visited last year, and the number who have visited so far this year is up by 2,200 over the same time in 2008.

“Of course the Star Trek movie has something to do with that,” he concedes.