

2008

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Recommended Citation

Lightman, Ernie S.; Mitchell, Andrew; and Herd, Dean (2008) "Globalization, Precarious Work, and the Food Bank," *The Journal of Sociology & Social Welfare*: Vol. 35: Iss. 2, Article 2.

DOI: <https://doi.org/10.15453/0191-5096.3329>

Available at: <https://scholarworks.wmich.edu/jssw/vol35/iss2/2>

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Globalization, Precarious Work, and the Food Bank

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This paper explores whether people are better off working in the precarious employment associated with a neoliberal globalized economy. Firstly, we show the impacts of globalization on the composition of food bank users in Toronto, Canada. We then compare two groups of food bank users, one with at least one household member working, the other without. Our findings demonstrate that the life experiences of the two groups remain depressingly similar: those employed remained mired in poverty and continued to lead marginalized, precarious lives. The lack of investment in education or training characteristic of 'work-first' welfare reforms leads to unstable, low-paid work for the vast majority of those leaving welfare.

Keywords: globalization, food bank, Toronto, Canada, precarious work

As modern welfare states developed during the post-war years the prime focus was on reducing the dependency of male "breadwinners" and their families on the uncertainties of markets (Lewis, 1992). Policies and programs sought to provide protection against "old social risks" such as interruptions to income from sickness, unemployment and retirement. These post-war welfare states were arguably well adapted to industrial societies, built on assumptions of secure jobs and

Journal of Sociology & Social Welfare, June 2008, Volume XXXV, Number 2

stable families.

Structures of social risk, however, have shifted dramatically over recent decades as a result of profound economic and social transformations. Primary among these is the overarching umbrella of neoliberal globalization: Within this framework are additional challenges such as a new post-industrial, knowledge-based economy, an aging and diversifying population, the entrance of large numbers of women (and others previously excluded) into the labor market and changing patterns of family formation and dissolution. Both individually and collectively, these transformations have created a range of “new social risks” such as precarious employment and social exclusion (Beck, 1998; Giddens, 2000; Taylor-Gooby, 2004).

As a result of these transformations, traditional social safety systems have been subjected to increased pressures and challenges, both internally within individual societies and externally within a globally competitive international economy. In general, highly divergent countries have all prioritized access to employment as the best way to deal with these new risks and to secure the sustainability of welfare systems (Scharpf & Schmidt, 2000; Jenson & St. Martin, 2003).

In the field of welfare reform, there has been a general transformation from passive programs of entitlement based on need, to active labor market policies with an explicit welfare-to-work orientation (OECD, 2005a, 2005b). However, as a result of political-institutional differentiation and “path dependency” (Alcock & Craig, 2001; Gough, 2000), no single model of active labor market policy has emerged. Broadly speaking, the social democratic welfare states favored models emphasizing longer-term human capital development. Among the liberal states, such as the United States and, more recently, Canada (Esping-Andersen, 1996), a convention solidified around work-first approaches with an emphasis on rapid labor force attachment through compulsory participation. The priority is on the first entry into the labor market—any job is a good job—as welfare recipients are believed to stand a better chance of moving out of poverty and into ‘good’ jobs if they are already working.

This paper begins with a brief overview of the impact of globalization after 1995 on the composition of food bank users in Toronto, Canada. We find the breadth and depth of

deprivation increased dramatically in the face of globalized neoliberal markets. We then explore one of the key premises of this debate, the assumption that people are, in fact, better off working in the precarious employment characteristic of neoliberal globalized economies. We compare two groups in Toronto, both of whom rely on the local food bank to supplement their incomes: One group has at least one household member participating in the workforce, while the other group does not. The premise of the neoliberal discourse is that people will be better off working, even at low-paying jobs, as they engage in employment en route to a better life of autonomy and financial independence. Much of the critique questions this model as simplistic and unrealistic. We attempt to examine this question empirically.

Canada in a Global Context

It is widely recognized that the development of the global economy, characterized by the intensification of international economic exchange, represents one of the key challenges to contemporary welfare states (Esping-Anderson, 1996; Held et al., 1999; Sykes et al., 2001). All countries now face economic pressures to open their economies, to become “attractive” to investment and to create flexible labor markets. The need to compete in the globalized, knowledge-based economy exerts a powerful influence over the policy choices available for welfare state reforms and increases the likelihood of restructuring, if not retrenchment.

While globalization per se is neither good nor bad, the dominant form has been that of neoliberal globalization (Clarke, 2003). Evident in the “Washington Consensus” of markets, flexible labor and a diminished state role, disseminated through supranational bodies such as the International Monetary Fund (IMF), World Bank and the Organization for Economic Co-operation and Development (OECD), and embedded through binding trade treaties such as the North American Free Trade Agreement (NAFTA), neoliberal globalization is strongly associated with the promotion of inequality and the removal of state funded social protections as sources of ‘rigidity’ in the labor market. It is no surprise, therefore, that there have been

unequal outcomes, both between and within states and among various groups. For some, globalization has created unprecedented opportunities for growth and prosperity. But for many others, the realities of globalization and the new economy are widening poverty and inequality and increasing social marginalization and exclusion. In short, neoliberal globalization is creating both "winners" and "losers."

There is a wealth of evidence in Canada testifying to deepening poverty and widening inequalities, notably in earnings and income inequality and increasing part-time, episodic and contingent work (Jackson & Robinson, 2000; Vosko, 2005; Yalnizyan, 2000). Recent decades have seen fundamental shifts in the nature of work and the organization of labor markets with the goal of promoting productivity and international competitiveness (Riches & Ternowetsy, 1990). Recession in the early 1990s resulted in significant restructuring, especially in manufacturing, with a shift away from full-time, sustainable employment. Indeed, in the 1990s, full-time jobs comprised only 18% of all employment creation and, despite economic recovery, it was not until 1998 that there were as many full-time jobs in absolute terms as existed in 1989 (Jackson & Robinson, 2000).

Over the same period, there was significant growth in "non-standard" or "precarious" employment such as temporary jobs, part-time employment with atypical hours, own-account self-employment and multiple job-holding (Cranford et al., 2003; Galarneau, 2005; Jackson, 2003; Picot & Heisz, 2000; Vosko, 2005). Consequently, despite a largely positive macro-economic environment and substantial growth in the educational attainment and experience of workers, for many, work simply does not pay. The earnings of many people who work full-time, full-year, still fall far short of the income required to support a family (Chung, 2004; Saunders, 2005). Moreover, the incidence of low-paid work has risen significantly among less educated, young workers (25-34) and recent immigrants (Morissette & Picot, 2005). For increasing numbers of people, the labor market has become not only an increasingly turbulent place, but also an increasingly polarized one with the hollowing out of middle income jobs and a growing divide between the top and bottom layers (Lowe, 2000).

As a result, many workers in precarious jobs have come to rely to a greater extent than in the past upon social safety nets—both formal programs such as Employment Insurance or social assistance, and informal initiatives delivered by voluntary, charitable and community-based agencies. At the same time, Canada has witnessed profound shifts in federal and provincial social policy as safety nets have been restructured to meet the needs of the new economy (Lightman, 2003; Lightman & Riches, 2001, 2000). Most significantly, the replacement of the Canada Assistance Plan (CAP) with the Canada Health and Social Transfer (CHST) in 1996 fundamentally changed the philosophy and practice of Canadian social policy. Whereas previously eligibility for social assistance was based on a sole unconditional determination that an individual was “in need” (or likely to be “in need”), the new legislation freed the provinces from this constraint. Provinces were free to adopt “work for welfare” (or workfare) programs and to disqualify certain groups from receiving assistance. As a result, provinces and territories increasingly introduced work-first programs with compulsory participation and financial sanctions for non-participation (Morel, 2002; NCW, 1997).

With no enshrined right to welfare, no national standards and no guaranteed right of appeal, all of which were found in the previous legislation, this new post-1996 welfare framework bore little regard for the realities of the lives of low-income people (Caragata, 2003; Little 1998). Workfare became not only an acceptable practice, but also a widely accepted practice across the country. In addition, severe cutbacks in the levels of public support led to increasing dependence on a patchwork of charitable emergency relief agencies, in turn undermining collective health and well-being and generating long term societal costs. Indeed, the negative impact of these changes has been a powerful and consistent research finding in Toronto (City of Toronto, 2006, 2004; Herd, 2006, 2002; Herd et al., 2005; Lightman et al., 2005a, 2005b, 2005c). As elsewhere, work-first welfare reform has resulted in many welfare leavers finding employment, but in jobs that are low paid and poor quality, with limited job retention and even lower job progression (Acs & Loprest, 2004; Urban Institute, 2005). Significantly, most welfare leavers who work remain in poverty.

Dramatic economic restructuring on the one hand and reduced benefits, tightened eligibility and work requirements on the other have combined to increase the “holes” in traditional safety nets, to narrow the focus and reduce the availability and generosity of benefit programs. Restricted access to Employment Insurance reduced the proportion of the unemployed who had contributed and received benefits from 87% in 1989 to about 38% by 2000 (Lightman, 2003). In turn, this created greater demands on social assistance–welfare, while increased decentralization and localization associated with liberal markets has placed increased demands on regional, urban, and local community sectors to deliver solutions to more complex social problems, typically with fewer resources.

As a result of government cutbacks to social assistance, unemployment insurance, and skills-upgrading programs in the 1990s, many of those left behind by the labor market no longer receive the supports they require. One consequence of this erosion of safety nets has been an increase in hunger and food insecurity (Riches, 2002) with approximately 15% of Canadians, or an estimated 3.7 million people, living in “food-insecure” households in 2000-01 (Statistics Canada, 2005). Essentially, the increased need for social safety nets is combining with the reduced availability of such supports to create a crisis in social welfare provision (Curtis, 2005; Evans & Shields, 2000).

Methodology

This paper explores the question of whether people are, in fact, better off working at the precarious jobs that we associate with the globalized economy, as compared to ongoing dependence on welfare. While the neoliberal discourse suggests that people will inevitably be better off working, our hypothesis (and the literature) suggests the contrary. Given the low skill levels and limited training of many ‘graduates’ of workfare, we suggest that their life experiences will differ little from those left behind on welfare.

To test this question, we explore the experiences of two groups of marginalized people in Toronto. The first is a sample of people (typically on welfare) in households where no one is working and the local food bank is being used. The second

group are people in households where at least one person is in the paid workforce, but the support of the food bank is still necessary.

Both samples were drawn from clients of the Daily Bread Food Bank, the largest food bank in Toronto, during a six week period during the early spring, 2005. Each year at this time, in conjunction with many local food providers, the food bank conducts an annual survey of users of their services: In 2005, 54 such providers participated. A common questionnaire was developed and pretested, and about 250 volunteers were trained to administer the survey instrument. People using the food bank—about to enter or just in receipt of their food—were approached and asked to complete the largely precoded questionnaire. The goal was to interview roughly 3% of the users at each participating food bank. While no claims as to pure random selection of respondents can be made, the volunteers were alerted to the need for representativeness to reflect the diversity of the Toronto community.

The final demographic profile of the respondents appears to have face validity, as confirmed by food bank staff and the researchers. Additionally, the large sample size ($n=1050$) should add further confidence to the results generated. Inasmuch as no names, addresses or other identifying information were sought or recorded by interviewers, there is no a priori reason to question the candor of the responses.

Globalization and Food Bank Use

We begin with a brief overview of the impacts of globalization, as reflected in the changed composition of food bank users in Toronto, beginning in 1995: In that year, the federal government dramatically slashed financial transfers to the provinces, resulting in immediate cutbacks in all areas of the social services. As well, 1995 marked the election of a neoliberal provincial government in Ontario (Lightman et al., 2005b), which rapidly moved to cut back and eliminate existing welfare state entitlements and workplace protections. By 2002, the full effects of the neoliberal globalized agenda were being felt in the province.

Table 1 presents summary statistics on food bank users in

the Greater Toronto Area (GTA), which includes the City of Toronto plus adjoining exurban municipalities, over the ten year period from 1995 to 2005. Overall, the figures reflect the processes by which globalization has extended the reach of the contingent labor market and created significant new and broader groups of marginalized, unemployed and underemployed workers (Vosko, 2005). The figures are all the more remarkable in that they cover the period of the economic recovery in Canada that followed the recession of the early 1990s. Annual unemployment rates in Canada peaked at 11.4% in 1993 and began falling thereafter, reaching 6.8% in 2005, a level not seen in Canada since the mid-1970s (Statistics Canada, 2002). In many respects, therefore, the period represents the "high water" mark of globalization in Canada, providing a favorable labor market for the operation of work-first welfare reform.

Table 1: Food Bank Users in the greater Toronto Area (GTA)

	1995	2002	2005
Number of people using food relief programs in the GTA	115,000	155,000	175,000
Average age of household head	37.4	41.2	41.9
Percent of Households headed by a person with a disability or long-term illness	30.0%	41.0%	41.3%
Percent of immigrants with at least some college or university education	12.0%	59.0%	53.1%
Percent of household heads who are working	8.0%	19.0%	17.1%
Median after-rent income per day per person	\$ 7.40	\$ 4.11	\$ 4.47
Percent of food bank recipients who go hungry at least once a week	15.4%	42.6%	44.1%
Percentage of children who go hungry at least once a month	18.0%	32.0%	28.0%

Despite this favorable economic environment, the number of people using food banks in the Greater Toronto Area *rose* over the period—from approximately 115,000 per month in 1995 to 175,000 per month in 2005. This represents growth of

over 5% per year, compared to growth of the total GTA population of less than 2% per year from 1996 to 2001. The average age of food bank users moved upward by almost five years over the period, from 37 to 42, again marking the transformation of the food bank user population from one of traditionally marginalized groups such as younger adults and single parents to include more of what might be termed the 'prime age' working population. The percentage of food bank users who reported a disability or illness that restricts them from holding regular employment rose from 30% to 41%, suggesting the increased marginalization of this group within a neoliberal globalized economy.

Approximately 45% of food bank users were immigrants, a proportion that is roughly consistent with the proportion of immigrants in the overall GTA population. However, the proportion of immigrant food bank users who report having at least some college or university education rose dramatically from about one in eight in 1995 to over half in 2005.

The percentage of users who were employed but still required the assistance of a food bank more than doubled from 8% to 17%. While the expectation of work-first reforms is that work of any sort will result in an improvement in the situation of welfare recipients, in fact the degree of hunger and deprivation of food bank recipients deepened over the period. The amount of money available to food bank households, after rent and utilities, dropped from \$7.40 to \$4.47 per person per day, reflecting in part an October 1995 22% across-the-board cut in provincial welfare rates. This was accompanied by a dramatic rise in the percentage of respondents who reported frequent hunger. The percentage of food bank users who reported going hungry at least once per week rose from 15% to 44%, while the percentage of children who went hungry at least once per month rose from 18% to 28%.

Table 2 examines the demographics of the 2005 survey respondents in more detail. The average age was 42 years and, though not reported in the table, approximately 7% were under age 25, while another 20% were between the ages of 25 and 34. The age groups 35-44 and 45-54 contained the largest numbers of food bank users, with 33% and 26% of respondents respectively. Another 14% of respondents were aged 55 and

over. Fifty-six percent of respondents were female.

Transformation of labor markets and welfare reform have changed the nature of the social assistance caseload from a predominance of unemployed single persons to one with larger numbers of other family types. This is reflected in the food bank usage figures, which show that while 47% of food bank respondents were single people, lone parents made up the next largest group at 24%, followed by couples with and without children at 19% and 10% respectively. The average household size was 2.5 persons.

Table 2: Profile of food bank users, Greater Toronto Area, 2005

<i>Average Age, in years (N = 1,597)</i>	42
<i>Percent Female (N = 1,619)</i>	56%
<i>Family type (N = 1,582)</i>	
Couple with children	19.2%
Couple without children	10.2%
Lone parent	23.9%
Single	46.8%
<i>Average household size (N = 1,620)</i>	2.5
Adults	1.6
Children	0.9
<i>Percent immigrant (N = 1,619)</i>	45.3%
<i>Percent Aboriginal (N = 794)</i>	5.4%
<i>Education (N = 1,597)</i>	
Grade school or less	6.9%
Some high school	25.8%
Completed high school	20.4%
Some college or university	14.5%
Completed college or university	27.4%
Trade certification	5.1%

Immigrants made up 45% of the respondents, roughly in proportion to their share of the overall GTA population, while Aboriginals (First Nations) made up over 5% of food bank

users—more than 10 times their share of the overall population, which was less than one-half of one percent in 2001 (Statistics Canada, 2006).

Table 3: Work, earnings and income of Food bank users, Greater Toronto Area, 2005

<i>Years of work experience (N = 1,545)</i>	
< 1 year	6.8%
1 - 4 years	11.1%
5 - 9 years	16.5%
10 - 14 years	15.2%
15 + years	50.4%
<i>Currently employed (respondent) (N = 1,620)</i>	17.1%
<i>Someone in Household currently employed (N = 1,379)</i>	27.1%
<i>Received Employment Insurance when previous job ended (N = 1,149) [respondent not currently employed]</i>	29.9%
<i>Wage level (best job) [N = 268]</i>	
< \$7.45	4.9%
\$7.45 - \$10 per hour	43.7%
> \$10 per hour	44.8%
Salaried	6.7%
<i>Average number of jobs held in last year (N = 261)</i>	1.9
<i>Type of employment (respondent, N = 255):</i>	
Full-time	37.7%
Part-time	40.8%
Casual, seasonal or day-labor	21.6%
<i>Average weekly hours of work (among those employed) (N = 255)</i>	27.1
<i>Require child care (N = 1,013)</i>	72.0%
<i>Average monthly earnings</i>	
Respondent (among those employed) (N = 276)	\$ 658
Household (among households with employed members) (N = 372)	\$ 783
<i>Percentage of those employed receiving social assistance (N = 1,379)</i>	35.4%
<i>[Ontario Works or Ontario Disability Support Program]</i>	

One of the central tenets of the globalized economy is that while lower skilled jobs may migrate to lower-wage economies, education and skill development will maintain the prosperity and standard of living of the advanced economies. Indeed, one of the hallmarks of the era is the widening divide between the skilled and the unskilled. However, food bank data shows that even advanced education credentials are often not

Table 4: Household circumstances and employment, by household employment status of Food bank users, Greater Toronto Area, 2005¹

	No one employed	One or more people employed	Signif. ²
<i>Housing</i>			
Private kitchen	77%	85%	**
Private bathroom	78%	86%	***
Residence in good or very good condition	58%	56%	n.s.
Number of household members, per bedroom	1.4	1.7	****
Pay rent or mortgage on time every month	82%	65%	****
Evicted or threatened with eviction	16%	18%	n.s.
<i>Health</i>			
Self-reported health excellent or very good	31%	40%	***
Specific foods required for health reasons	38%	26%	****
Foods desired for well-being, but cannot afford	81%	79%	n.s.
<i>Community and support systems</i>			
Sense of belonging to local community is strong or very strong	61%	64%	n.s.
Financial support all or most of the time	14%	17%	n.s.
Emotional support all or most of the time	41%	53%	****
Believe circumstances will improve in next year	70%	79%	**
<i>Food bank use and income</i>			
Average number of months using a food bank in GTA	30.5	23.3	**
Number of food bank visits in past three months	4.4	3.5	**
Food bank part of monthly budget plan all or most months	71%	59%	****
Household social assistance benefits, adjusted for family size ³	\$ 438	\$ 152	****
Monthly household income, adjusted for family size ³	\$ 587	\$ 781	****
Household income, per person per day, after rent and utilities	\$ 5.55	\$ 7.83	***
Household income, as a percentage of Low Income Cut-Off (LICO)	38.3%	52.7%	****

*p < .05, **p < .01, ***p < .001, ****p < .0001

¹N ranged from 1,240 - 1,501 depending on the question.

²Differences in categorical variables tested using chi-square statistics. Differences in means for continuous variables tested using t-tests and 95% confidence intervals.

³Adjusted using OECD equivalence scale.

sufficient to protect one's position in the labor market. Fully 27% of users had a completed university degree or college diploma. Five percent were certified in a trade. Only a minority (about one-third) had less than a high school education. Moreover, 19%, or nearly one in five respondents, were currently attending school, either full- or part-time.

Work, Earnings and Income

Just as the education levels of food bank users challenge the preconception that they are vastly different from the rest of the population, so too do employment histories. One-half of the food bank users had 15 or more years of work experience. About one in six food bank users (17%) were employed at the time of the 2005 survey, and 27% of respondents lived in a household where someone (the respondent or someone else) was employed.

However, their precarious labor market status is reflected in their employment status: 62% were employed either part-time or on a casual or seasonal basis—they worked on average only 27 hours per week, and nearly half earned \$10 per hour or less, the unofficial but widely used informal threshold for 'working poor' status. Low wages and part-time hours translate into low earnings—\$783 per month in households with employed members. As a consequence of this, 35% of households with employed members reported receiving social assistance. Among those not currently employed, only 30% received Employment Insurance when their last job ended.

Work and Well-being

While the presumption of work-first reform is that employment of any kind provides a pathway to progression, the crux of the issue is whether work in fact improves household circumstances, particularly for those at the margins of the labor market who are the direct and indirect subjects of welfare reform. Table 4 presents data on housing, health, community belonging and support and food bank use and income, comparing those users who are in working households and those who are not.

In terms of the quality and security of housing, in only two

of the six indicators are the employed food bank users demonstrably better off than the non-working food bank users. While they were more likely to have a private kitchen and a private bathroom, the two groups were equally likely to report that their residence was in good or very good condition. The employed respondents experienced a significantly greater degree of crowding, reporting an average of 1.7 persons per bedroom, compared with 1.4 among the non-working respondents. Only about two-thirds of working food bank users paid their rent or mortgage on time every month, compared to 82% of the non-working users. (This may be attributable to an increasingly widespread practice whereby social assistance pays rents directly to landlords.) Both groups experienced a similar risk of eviction, at around 16-18%.

In the realm of self-reported health, the working food bank users were more likely to report excellent or very good health, and possibly related to this, were less likely to say that there were specific foods they required for health reasons (e.g. diabetic, lactose-free). Both working and non-working users were highly likely to report that there were foods they wished to have for their well-being, but could not afford.

Turning to issues of family and community support systems, the working and non-working survey respondents were equally likely to say that they had a strong sense of belonging to their local community. Very few in either group felt that there was someone outside their immediate household (friends or family) to whom they could turn for financial support in an emergency. Interestingly, the working respondents were more likely to report that there was someone who could provide emotional support to them, and that they thought their circumstances would improve in the future.

Finally, in the area of food bank use and household income, there were significant differences across all indicators. Employment did reduce the reliance of respondents on food banks: The employed respondents had been using a food bank for an average of 23 months (compared to 31 months among the unemployed) and had made 3.5 visits to a food bank in the previous three months, compared to 4.4 visits among the unemployed. Employment also reduced the degree to which food banks were a regular part of monthly budgeting, with 59% of

the working respondents reporting that visits to the food bank were a regular part of monthly budgeting, compared with 71% of those who were not working.

The amount of family income derived from social assistance in working households was approximately one-third that of the non-working households (adjusted for family size), while overall household income was approximately one-third higher. The income available for household consumption after rent and utilities was \$7.83 per person per day, approximately 41% higher than the non-working household average of \$5.55. Overall, household income as a percentage of the Statistics Canada Low-Income Cut-Off (LICO)—which is widely used as an unofficial poverty line—rose from 38% among non-working households to 53% among working households.

That there were measurable improvements in the self-reported health and material circumstances of those food bank users who were working is not surprising. What is remarkable is the degree of continuing deprivation among the working food bank users. The latter group had better housing conditions by some indicators, but worse in others, and even in cases where their housing situation was better on average, their housing situation was still very marginal and insecure by mainstream standards. Working food bank users were only about 8 percentage points more likely to have access to a private bathroom or kitchen and were more crowded than their non-working counterparts. Only about two-thirds paid their rent or mortgage on time every month.

While the self-reported health of working food bank users was better than those not working, it was still very poor: Only about 40% felt that their health was excellent or very good compared to others their age. Similarly, their sense of isolation or belonging to their local communities and the availability of support from family or friends were either not significantly different from non-working food bank users or were poor regardless of any statistical improvement over the non-working food bank users.

Food banks continued to be a regular, not emergency, part of monthly budgeting for the families who made only one fewer trips to a food bank in the previous three months than their non-working counterparts. Their household incomes,

although higher, provided only \$2.28 more per person per day to meet all needs after their housing costs were accounted for than the non-working food bank users had available to them. Finally, their household incomes, adjusted for family size, left them still considerably below the LICO poverty line—about half the poverty line—albeit in less severe poverty than the non-working food bank users.

Conclusion

Driven by the demands of neoliberal globalization, precarious jobs have become increasingly common over recent years. The underlying logic of work-first welfare reform is that those who leave welfare and secure such employment will be better off in work, en route to a better life of autonomy and financial independence. In stark contrast, comparison of the experiences of two groups of food bank users in Toronto—one group with a connection to employment and the other without—demonstrates that their life experiences remain depressingly similar in many regards. While those who were employed reported measurable improvements in income and well-being, they remained mired in poverty and continued to lead marginalized, precarious lives.

In ongoing debates over the impacts of globalization, labor market transformations and welfare reform, outcomes that result in precarious employment are often equated with success. Shaped by a “technocratic relativism” (Peck & Theodore, 1999, p. 6) slight income gains for one group, either relative to another or over time, are seen as evidence of success. As this analysis demonstrates, this not only overstates modest outcomes, but it also fails to make clear the realities of continuing poverty, hardship and despair. Indeed, for those passing through the welfare system, the lack of investment in skills-based training or education means that the vast majority who exit assistance end up entering unstable, low-paid employment with no benefits. As we have seen, such precarious employment does little to change their lives and provides little stability for future progression.

Given that these findings emerged against the backdrop of highly favorable labor market conditions, it is evident that the

focus of work-first strategies on immediate labor market entry clearly fails the most vulnerable. More positively, the emphasis of policy dialogues has shifted in recent times to signal a shift away from narrow work-first models of reform (which have dominated in Canada and other advanced liberal economies) to broader, mixed models offering the pre- and post-employment services and financial supports necessary to make work both realistic and sustainable. However, if this new direction is to sustain real transformations in the lives of the poorest and most vulnerable, it will not only require significant and sustained investment—it will also need to challenge the belief that work of any kind provides the best, and frequently only, route out of poverty for all groups within society.

Acknowledgements: Financial support for this project was provided by the Social Sciences and Humanities Research Council of Canada (SSHRC). The authors wish to thank the Daily Bread Food Bank, in particular Michael Oliphant and JP Thompson, for their assistance with this research.

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