

#### Now and Tomorrow Excellence in Everything We Do

# HOMELESSNESS PARTNERING Strategy

## Summary

# Working within Formal and Informal Economies: How Homeless Youth survive in Neo-liberal Times

#### Jeff Karabanow, Dalhousie University (2009)

This study explores the employment experiences of homeless youth, and how homelessness affects where they work, and how they live. Approximately 40 street youth in Halifax and approximately 20 key service providers for street youth across Canada were interviewed with the goal of gaining an understanding of how street youth relate to the concept of work in the context of their daily lives.

#### Definitions

Formal Work: Legal and lawful work that is documented and taxed in the economy.

**Informal Work**: Illegal or unlawful work that is not regulated. It may include panhandling, squeegeeing, busking, making and selling art, performing poetry and/or jokes, and other creative endeavours.

#### Who was involved in this study?

Homeless, street-involved, or at-risk youth across Canada (hereafter called "street youth."). The majority of participants were 21 year-old Canadian males who relied primarily upon panhandling and squeegeeing for income.

#### What issues are they facing?

- Most of the street youth interviewed were squatting/sleeping rough.
- Some youth who declare sexual orientations other than heterosexual are homeless as a result of escaping an oppressive or unsupportive family or living arrangement.
- Street youth planned their entire day around making the money they need to survive.
- They face a variety of challenges to securing gainful employment.

#### How was the study done?

In-depth interviews were conducted with 34 homeless youth in Halifax as well as 7 service providers in St. John's, Montreal, Hamilton, Toronto, Winnipeg and Calgary, as well as a comprehensive literature review about informal, unregulated economies was undertaken.

## Where homeless youth work

- Most work in the informal "unregulated" economy, squeegeeing, busking, babysitting and doing yard work short-term, ad hoc work where earnings may not be reported or taxed.
- Many had worked in the formal "regulated" economy where the pay is less, but keeping a formal job was dependent on housing.
- Some survive in illegal economies such as selling drugs, sex work and theft. However, this study focused on specific informal work not criminal activities.

### **Results**

- Contrary to public perception, homeless youth are not lazy. Most want to work, but cannot easily engage in the formal economy if they are homeless. All street youth are engaged in some form of money-making activity and the majority of youth in this study had held at least one formal job.
- Street youth do not engage in informal work with the intent of making a lot of money. Rather, they have a goal of how much money they need at that moment (e.g., for their next meal). Informal work is therefore purposeful and serves a specific, immediate goal. Conversely, if street youth have funds saved beyond their next goal, they are less likely to work.
- While informal work is more precarious, it offers an element of freedom that street youth value. Still, street youth in this study said they preferred legal work over illegal because it is more rewarding.
- Negative experiences in the group home and foster care systems send many to the street.
- Most street youth have a daily routine, live in a "culture of care", and respond to their circumstances with ingenuity, resilience and hope.
- If young and poor, it is difficult to find decent work because of a lack of education, limited work experience, no stable housing and poor hygiene. Informal work is the last option to pay for basic needs.
- Informal work is a way of earning money without engaging in illegal or criminal activities; many are proud of that. It gives many a sense of citizenship despite the belittlement that often goes along with it.
- "Safe street" legislation in many cities (to curb squeegeeing and other informal activities) is making it harder for street youth to survive, and can have negative consequences when they do enter the formal workforce, such as garnished wages for fines.
- Ticketing street youth who work informally does not act as a deterrent; it does not address the problem or provide opportunities to improve their situation.
- Formal and informal work intersects the lives of street youth. Many of them straddle both worlds, because they cannot find full-time work with a liveable wage or they are socially connected to the street. They may also use informal work as a way to "top up" low-paying formal jobs or as a "safety net" if the formal job doesn't work out.

#### **Recommendations**

- Build an authentic relationship with youth so that they will keep coming back to benefit from services.
- Help youth assess themselves to determine the services they need.
- Focus employment programming on self-assessment activities because many street youth do not have the skills they need to make the transition from the street to a job.
- Recognize the collective bonds shared between those living on the street and the responsibility they feel for each other.
- Encourage the community to get involved in addressing youth poverty, as it affects everyone.
- Challenge the public's misperception of youth homelessness by increasing public education.