**Chapter 3 Notes Part Two**

**Understanding Poverty Answer Key**

**Page 50 - 52**

1. In 2000, an organization called *Campaign Against Child Poverty* estimated

that *one out of every five children in Canada live with poverty.*

1. Define Standard of Living. What does it include? *Standard of living is a measure of how much buying power a family has. It includes just about everything you can buy with money, such as food, home , entertainment and transportation.*
2. If you have as much as everyone else in your community, does this mean you are not in poverty? Explain.

*No, you could still be in poverty even if you have the same as everyone else. If everyone in your community is facing hardship and are living in poverty and you have the same standard of living as other people in your community, then you too are living in poverty.*

1. Another way to define poverty is *to calculate whether or not you can survive on the money you make.*
2. Define Quality of Life*: This includes all the other things we need and want that money can’t buy (love, friendship, feeling safe)*
3. Draw the poverty cycles on page 52 and explain each of them.

 Diagram 1 Diagram 2

Poverty

Poverty

Can’t get to job interview

No transportation

Can’t work

Poor health

Explanation of Diagram 1 Explanation of Diagram 2

If you do not have a car or other transportation, you may not be able to get to work or to an interview. As a result you may not get a job .If you don’t get a job, then you can’t save up to pay for transportation such as a car. As a result you still can’t get a job . And so the cycle continues.

If you are in poor health, you may not be able to work or you might miss shifts. As a result you may not work enough to get enough money to take care of your needs. This may include medicine to get better. If no medicine to get better then you continue to be in poor health. And so the cycle continues.

**Grade 7 Social Studies**

## Chapter 3

**Worksheet Answer Key**

**Complete the following sheet by reading through your text on the indicated pages.**

# Page 54 Why do we have Poverty?

1. When one part of an economic system changes, it affects many other things.
2. If people lose their jobs and they can’t find a job right away, they may get caught in the poverty cycle
3. A cycle is when the same events keep happening over and over again.

**Building Personal Capital**

**Page 54**

1. Personal capital includes anything you have that can help you improve your economic situation.
2. Some examples of types of personal capital might include:

Savings in the bank

Skills

Willingness to work hard

property

1. If you take advantage of a sale on soup (or something else), you will be able to save money by buying many cans on special instead of just one. This money can then be used to help you save even more money.

**Owning a Home**

**Page 55**

1. A family’s home is usually its biggest capital investment.
2. The portion of a home that a family pays to start off is called a downpayment
3. A mortgage is : money borrowed from the bank. After a down-payment is made then the rest has to be borrowed in order to purchase a house.
4. Each month, the family makes a payment that increases the amount of the house that it owns.
5. Fill in the following diagram showing how a mortgage increases a family’s capital. \*\*See textbook page 55

    

 First Year 5 years 10 years 15 years 20 years

 owning home owning home owning home owning home owning home

# Breaking the Poverty Cycle

1. People who are caught in the poverty cycle have little chance to increase their personal capital
2. People can break the poverty cycle in many ways. One way that a person can break the poverty cycle is to get training or further education to improve your job skills.
3. The poverty cycle can also be broken when people work together to help each other.

**A Closer Look: Habitat for Humanity**

**Page 56 answer the following questions.**

1. Who are Habitat for Humanity?

Habitat for Humanity is a volunteer organization that helps families get around the problem of needing a lot of capital to buy a house. It uses cash donations , volunteer workers and donated materials to build houses for people.

1. What do they do to help people break out of the poverty cycle?

They work together with the people in need so that these people can have their own home.

1. What do the new homeowners have to contribute to the house or to Habitat for Humanity?

They contribute by doing 500 hours worth of work on the house and helping Habitat

for Humanity in other ways.

**The newspaper article (page 56)**

1. Ana Nan has a son who is 6 years of age when their home was built.
2. Ana Nan earns about $ 25, 000 each year.
3. The home that they built for her is valued at about $75,000
4. Her mortgage on this new home is about $ 160 per month.
5. Ms. Nan and her son are said to be good examples of a ‘Habitat family’ because they are hard-working and considerate
6. Ms. Nan worked as a registered nurse in her home country of Romania.
7. More than 5000 hours of work went into the home.
8. There is one Habitat home completed somewhere in the world every 48 minutes.