

Surviving Not Thriving:

The untold story of struggling Calgarians



Poverty Reduction Coalition

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The Poverty Reduction Coalition is a community collaborative, initiated and supported by United Way of Calgary and Area, aimed at reducing poverty in Calgary. We work together in the belief that poverty can be reduced in Calgary and that we have the human and capital resources to do it.

In 2004, the Sustained Poverty Reduction Initiative was formed with the hope of instigating thoughtful social innovation in government policies, in the provision of social services, in systems reform and within the business community. Since that time, our name has changed, but not our intention.

The newly-coined Poverty Reduction Coalition works with all orders of government, the business community, social service organizations and community members to address the systemic barriers and policies that prevent low-income individuals and families from moving beyond the cycle of poverty.

We partner and collaborate with others to ensure sustained change.

Executive Summary: Surviving Not Thriving

PURPOSE: a closer look at the cost of living in Calgary

We are seeing a different kind of poverty in Calgary – it does not look the way it did even a decade ago. With the current economic growth and high availability of jobs, poverty in our city can be easily misunderstood.

The Calgary Homeless Foundation reports that 50% of Calgary's absolute homeless (those with no shelter of their own) are working full time, part time or occasionally. Calgary is also welcoming highly educated new immigrants to our city, but they are struggling to access the necessary Canadian-equivalency training in a reasonable amount of time at a reasonable cost and are subsequently falling into low-paying jobs in order to support their families; jobs that do not challenge them or allow Calgary to benefit from their expertise.

Studies consistently show the middle class is shrinking nationally, and the polarization between rich and poor is more and more visible, particularly in Calgary. Reports of higher than ever debt, decreasing savings, stagnating incomes, and signs of a cooling housing market contribute to financial stress and vulnerability for many Calgary families, not just those considered "low income". In fact, according to Statistics Canada, average household expenses exceeded average household incomes for half the population in Calgary in 2004.

This report examines poverty in our city, presenting eight hypothetical families, each surviving on different income sources. Each scenario compares the family's total income to their necessary monthly expenses, which include rent, food, transportation, child care and utilities.

Despite the fact that the expenses for these families have been calculated cautiously and contingencies for unforeseen expenses are not built into these scenarios, four of the families highlighted in this report experience monthly shortfalls. The other four families have monthly surpluses ranging from \$10 to \$172. How are Calgary families coping when their income is not enough to meet their needs? Families rely on the support of service agencies; health and safety issues emerge when families have to choose between paying rent or buying groceries; and catastrophic or unplanned incidents (e.g., a rent increase) threaten families who cannot meet basic needs on a monthly basis.

HIGHLIGHTS: basic needs are met in only 4 of 8 categories

Eight hypothetical households were assessed:

1. A lone mother employed full time for minimum wage, with one child, age 3
 2. A lone mother receiving Income Support, Expected to Work benefits, with one child, age 7
 3. A family of four, one low-wage employed adult, with two children, ages 13 and 7
 4. A single person receiving Income Support, Expected to Work benefits
 5. A lone parent receiving Income Support, Not Expected to Work benefits, with one child, age 2
 6. A single person with a disability receiving Assured Income for the Severely Handicapped (AISH) benefits
 7. A single senior receiving Guaranteed Income Support benefits
 8. A lone mother employed full time for minimum wage, with one child, age 3, living in Olds, Alberta
- Four of the eight families in this report face monthly financial shortfalls. Expenses such as back-to-school clothes, birthday gifts, over the counter medications, and fees for school field trips are not included in this report. Were they included, even those families with a small monthly surplus would be rendered unprepared for an emergency situation.
 - Monthly shortfalls in this report range from approximately \$150 per month to almost \$850 per month.
 - A lone parent receiving Income Support, Not Expected to Work benefits with one child, is financially better off than a single working parent who must pay for child care.
 - It costs approximately \$298 more per month for a family to live in Calgary than in Olds.
 - Many of the families interviewed to support this report who are living in poverty do so in isolation, with limited or no access to social supports.

RECOMMENDATIONS:

By 2008, approximately 19,000 households in Calgary will be at risk for homelessness if solutions are not found to properly support families like the ones described in this report.

The federal government must:

1. Work with partners to develop a national affordable housing plan
2. Assist people trying to exit social assistance
3. Support working poor families

The provincial government must:

1. Work with partners to ensure the availability of affordable housing
2. Ensure the needs of vulnerable Albertans are met
3. Promote the health, safety, and strong development of Alberta children

The municipal government must:

1. Work with partners to ensure the availability of affordable housing

Calgarians and the social service sector can:

1. Visit www.reducepoverty.ca to find out more about initiatives that the Poverty Reduction Coalition is engaged in to reduce poverty
2. Speak out about issues that concern you, contact your local politicians
3. Work within your community to develop a common voice
4. Share ideas and collaborate with all levels of government, the business community, social service organizations and community members to reduce the inequities faced by low-income individuals and families in our city
5. Get involved with the Poverty Reduction Coalition, United Way of Calgary and Area, or a community-based agency that supports Calgary families



SAMPLE HOUSEHOLD

Lone mother employed full time (minimum wage), with one child, age 3

MONTHLY INCOME	DOLLAR AMOUNT PER MONTH
Net Income	\$993
Income Support supplemental benefits	\$0
Canada Child Tax Benefit	\$114
National Child Benefit supplement	\$162
Universal Child Care Benefit	\$100
Alberta Family Employment Tax Credit	\$46
GST credit	\$49
Income Subtotal	\$1,464

MONTHLY EXPENSES	
Rent	\$850
Transportation (low-income transit pass)	\$37
Child care	\$200
Food	\$208
Utilities (power, phone, etc)	\$84
Other living expenses	\$243
School fees	\$0
Expense Subtotal	\$1,622
Total Income Minus Expenses	- \$158

**Total shortfall
per month:
-\$158**

**Total shortfall
per year:
-\$1,896**

"I have had many jobs over the years, the problem in Calgary is not finding a job, it is keeping it. Day care is a big problem. Lots of the jobs I can get mean I have to work at night or on weekends. There is no day care during that time. Also, lots of times the trains and busses are not running if I have to work a night shift. One job I had, I had to drop my daughter off at a neighbour's house after supper, when I got home at 3 in the morning I had to wake them up then take her home and get her back up at 7 to go to school. The pay was good but how are my kids supposed to live like that?"

~ Mother of two struggling to make ends meet in Calgary

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INTRODUCTION

Background

With the current economic growth and high availability of jobs, poverty in Calgary is easily misunderstood. This report examines poverty in our city, presenting seven typical low-income families from Calgary, each surviving on different income sources including low-wage employment, Income Support, Guaranteed Income Supplement (seniors) and Assured Income for the Severely Handicapped. Also included is a hypothetical family from Olds, Alberta, (Household 8), in order to compare costs. Each scenario assesses the family's net income plus available benefits and subsidies, and then compares this total income to their necessary monthly expenses, which include rent, food, transportation, child care and utilities.

Despite the fact that the expenses for these families have been calculated cautiously and contingencies for unforeseen expenses are not built into these scenarios, four of the families highlighted in this report would experience monthly shortfalls. The other four families have a monthly surplus ranging from \$10 to \$172. The question becomes, how are Calgary families coping? What are they doing when their income is not enough to meet their needs? Several potential scenarios emerge: families must rely on a variety of service agencies to access the resources they need to compensate for the shortages; health and safety issues emerge when families have to choose between paying rent or buying groceries; catastrophic or unplanned incidents (e.g., a rent increase) threaten families who cannot meet their basic needs on a monthly basis.

Average household expenses for low-income families are 30% more than what they earn; yet, for families with the highest incomes in Calgary, expenses are 22% less than what they earn (City of Calgary, 2006). From that same report we know that 39% of Calgarians accessing food banks in 2006 reported wages as their primary source of income, making working families the most frequent users of the Calgary Food Bank. In order to make ends meet, people are working more than one job and reporting longer hours. Even with a second job or extended hours, low-

income families are experiencing reduced levels of family savings and increasing debt loads which add further stress and anxiety to an already heavy burden. Low interest rates make it easier than ever to access credit cards, which some low-income families use to fill the gap when paying their monthly expenses. Unfortunately, many families borrow from one credit card to pay another; a rise in interest rates could be catastrophic for these families (City of Calgary, 2005).

In Alberta, there are several financial subsidies and benefits available to families. Employed Calgarians may be eligible for Income Support benefits to supplement their employment income; however, it is important to note that in Calgary, there were 113,000 poor individuals who were not receiving any of the 3 provincial or federal income support

benefits (Income Support, Assured Income for the Severely Handicapped or Guaranteed Income Supplement) in 2003 (City of Calgary, Socio-economic Outlook 2005-2010). The common federal and provincial programs for low-income families are highlighted in Appendix A.

The intention of this report is to offer a snapshot of low-income Calgary

families and their efforts to make ends meet in a city that has a high cost of living. Suggestions or potential solutions addressing the many issues facing families who are living in poverty in Calgary are also presented.

For the purposes of this report, poverty is defined by the Statistics Canada Low Income Cut-Off (LICO): "The cut-offs represent levels of income where people spend disproportionate amounts of money for food, shelter, and clothing. LICOs are based on family size and degree of urbanization; cut-offs are updated to account for changes in the consumer price index." (Statistics Canada, 1996) According to the LICO, a household is poor if it spends at least 20% more than the average Canadian household on basic needs. Statistics Canada has determined that the average household spends 34.7% of its income on basic necessities. Therefore, a family is 'poor' if they spend 54.7% or more of their household income on their basic needs (City of Calgary, 2005, Indices of Community Well-Being for Calgary Community Districts).

Average household expenses for low-income families are 30% more than what they earn; yet, for families with the highest incomes in Calgary, expenses are 22% less than what they earn (City of Calgary, 2006).

Highlights

- Four of the eight families in this report face monthly financial shortfalls in their efforts to meet their basic needs. These families would have no funds for emergency situations or unplanned items. Back to school clothes, birthday gifts, over the counter medications, and unpredictable fees such as those for school field trips are not included in this report. Were they included, even those families with a small monthly surplus would be rendered unprepared for an emergency situation.
- Monthly shortfalls in this report range from approximately \$150 per month to almost \$850 per month depending on income source and family configuration.
- Household 1 is a lone parent with one child. The parent is working full time for minimum wage and experiencing a monthly shortfall of \$158. This scenario assumes that the parent is receiving a child-care subsidy to supplement her expenses.
- Household 2 presents a lone parent collecting Income Support with one child who faces a monthly shortfall of \$215.
- Household 3 is a family of four with one parent employed full-time for \$10 per hour, and a monthly surplus of \$10. This is the amount available to this family for their “other living expenses” such as school fees, recreation, or medications. It also assumes this family of four is living in rental accommodation for \$850 per month, although Canada Housing and Mortgage Corporation reports that the average monthly rate of a 2-bedroom unit in Calgary in December 2006 was \$960.
- Household 4 represents a single person receiving Income Support, Expected to Work benefits, with an annual deficit of \$10,164; making it extremely difficult to secure the basic needs necessary to seek employment.
- Household 5, a lone parent receiving Income Support, Not Expected to Work benefits with one child, is financially better off than the single working parent in Household 1 who must pay for child care.
- Household 6 describes a single person receiving Assured Income for the Severely Handicapped benefits who falls short by \$2,340 per year. This does not include medical expenses or supplies.
- Household 7 is a single senior receiving Guaranteed Income Support. She is fortunate to experience a monthly surplus of \$172. This is the amount that this senior has available for the other living expenses not included in our analysis such as recreation and medications.
- Household 8 represents a family living in Olds, Alberta. This analysis indicates that it costs approximately \$298 more per month for a family with the same demographics and income (Household 1) to live in Calgary than in Olds.
- Many of the families who were interviewed for this report who are living in poverty do so in isolation, with limited or no access to social supports.

Please note: this report makes a cautious (i.e. lowest expense level) assessment of the cost of basic needs. True expenses in Calgary, particularly those falling within the ‘other living expenses’, ‘rent’ and ‘food’ categories are likely to be much higher.

HOUSEHOLD 1:

Lone mother employed full time for minimum wage, one child, age 3*

MONTHLY INCOME	DOLLAR AMOUNT PER MONTH
Net Income ¹	\$993
Income support supplemental benefits ²	\$0
Canada Child Tax Benefit	\$114
National Child Benefit supplement	\$162
Universal Child Care Benefit	\$100
Alberta Family Employment Tax Credit	\$46
GST credit	\$49
Income Subtotal	\$1,464

MONTHLY EXPENSES	
Rent ³	\$850
Transportation (low-income transit pass)	\$37
Child care ⁴	\$200
Food ⁵	\$208
Utilities (power, phone, etc) ⁶	\$84
Other living expenses ⁷	\$243
School fees	\$0
Expense Subtotal	\$1,622
Total Income Minus Expenses	- \$158

**Total shortfall
per month:
- \$158**

**Total shortfall
per year:
- \$1,896**

* 47.1% of lone-parent families in Calgary are living in poverty (City of Calgary, 2006). In Calgary, between July and December 2006, there were 34,819 minimum wage (\$7 per hour) earners. 46% were over the age of 20 and 60% were women (Statistics Canada, 2006). Alberta's minimum wage has been raised to \$8 per hour as of September 1, 2007. See endnotes for references and additional statistics.

"I am a single mom. I work but our rent is \$900 a month. I can't pay it and the landlord says he is going to kick me out. I can't get social housing because the wait list is so long. I don't know where I am going to go when I get evicted. I am trying so hard to give my daughter some safety and security so she will grow up ok."

~ Lone mother facing threat of homelessness

HOUSEHOLD 2:

Lone mother receiving Income Support, Expected to Work benefits,
one child, age 7*

MONTHLY INCOME	DOLLAR AMOUNT PER MONTH
Net income – Income Support benefits ⁸	\$818
Canada Child Tax Benefit ⁹	\$114
National Child Benefit supplement	\$163
Universal Child Care Benefit ¹⁰	\$100
Alberta Family Employment Tax Credit	\$0
GST credit	\$49
Income Subtotal	\$1,244

MONTHLY EXPENSES	
Rent	\$850
Transportation ¹¹	\$37
Child care	\$0
Food	\$245
Utilities	\$84
School supplies (notebooks, etc.) ¹²	\$0
Other living expenses	\$243
Expenses Subtotal	\$1,459
Total Income Minus Expenses	- \$215

**Total shortfall
per month:
- \$215**

**Total shortfall
per year:
- \$2,580**

* In June 2004, there were 6,215 Income Support cases in Calgary, 2,027 were lone parent families (personal correspondence, Alberta Employment, Immigration and Industry)

“My husband left me with the kids and never sent any money. I do the best I can but everything is so expensive. I can’t afford school fees for my kids. I have to call the school and lie and say my kids are sick because I can’t afford the field trips. I have to scrimp and save for field trips but I don’t always have enough notice to do that. I have a place to live but I cannot afford things for my kids, I want them to have what other kids have, but I can’t.”

~ Lone mother trying to make ends meet without child support

HOUSEHOLD 3:

Family of four, one employed adult earning \$10/hour, two children, ages 7 and 13*

MONTHLY INCOME	DOLLAR AMOUNT PER MONTH
Net income (@ \$10/hour) ¹³	\$1,250
Canada Child Tax Benefit	\$217
National Child Benefit supplement	\$305
Universal Child Care Benefit	\$0
Alberta Family Employment Tax Credit	\$89
GST credit	\$59
School and other subsidies	\$0
Income Subtotal	\$1,920

MONTHLY EXPENSES	
Rent	\$850
Transportation ¹⁴	\$91
Child care	\$0
Food	\$586
Utilities	\$84
School supplies (notebooks, etc.)	\$56
Other living expenses	\$243
Expenses Subtotal	\$1,910
Total Income Minus Expenses	\$10

**Total surplus
per month:
\$10**

**Total surplus
per year:
\$120**

* In 2005, there were 64,800 employed Calgarians over the age of 15 earning less than \$10 an hour. Women are disproportionately represented among low wage earners in Calgary with 38,300 earning less than \$10 an hour (Statistics Canada, Low Wage, 2006).

“The last 8 years have been a cycle of getting closer to getting on top of things, then something happens and you’re down again. The hardest part is my kids. They always ask, ‘Mom why you aren’t eating? Mom why are you sad? It will be ok.’ I don’t want them to be older than they are. I don’t want to burden them with all of this, but they know. It forces them to grow up too soon. I just want them to play and have fun like other kids. I want to buy them new pants or new toys like their friends have. That’s the hardest part.”

~ Mom of two struggling to survive on a single income

HOUSEHOLD 4:

Single person receiving Income Support, Expected to Work benefits

MONTHLY INCOME	DOLLAR AMOUNT PER MONTH
Net income	\$402
Canada Child Tax Benefit	\$0
National Child Benefit supplement	\$0
Universal Child Care Benefit	\$0
Alberta Family Employment Tax Credit	\$0
GST credit	\$19
School and other subsidies	\$0
Income Subtotal	\$421

MONTHLY EXPENSES	
Rent ¹⁵	\$723
Transportation (low-income transit pass)	\$37
Child care	\$0
Food	\$181
Utilities	\$84
School supplies	\$0
Other living expenses	\$243
Expenses Subtotal	\$1,268
Total Income Minus Expenses	- \$847

**Total shortfall
per month:
- \$847**

**Total shortfall
per year:
- \$10,164**

“There is a stigma associated with being poor. People think you are lazy or stupid. My rent went up \$700 a month. How can anyone afford to pay that? That is why I do not have enough money to buy food.”

~ Single male juggling rent increases and groceries

HOUSEHOLD 5:

Lone parent receiving Income Support, Not Expected to Work benefits,
one child, age 2*

MONTHLY INCOME	DOLLAR AMOUNT PER MONTH
Net income	\$954
Personal needs supplement	\$78
Canada Child Tax Benefit	\$116
National Child Benefit supplement	\$162
Universal Child Care Benefit	\$100
Alberta Family Employment Tax Credit	\$0
GST credit	\$49
School and other subsidies	\$0
Income Subtotal	\$1,459

MONTHLY EXPENSES	
Rent	\$723
Transportation (low-income transit pass)	\$37
Child care	\$0
Food	\$200
Utilities	\$84
School supplies	\$0
Other living expenses	\$243
Expenses Subtotal	\$1,287
Total Income Minus Expenses	\$172

**Total surplus
per month:
\$172**

**Total surplus
per year:
\$2,064**

* This family could potentially qualify for additional supplemental benefits

"You learn how to juggle. I can't pay all my bills every month so one month I pay the phone bill and the next I pay utilities. Or I give a little bit to each, but never pay the whole thing, so I am always behind. My taps leak and I have to pay for that water. I have to get hot water from the bathroom to wash dishes; there's none in my kitchen. There is water leaking from the upstairs apartment into my light fixtures. It is very dangerous. If you make any additional money your rent goes up, there is no way to get ahead. I feel trapped but I cannot afford to do anything about it."

~ Lone parent falling deeper into debt each month

HOUSEHOLD 6:

Single person receiving Assured Income for the Severely Handicapped (AISH) benefits*

MONTHLY INCOME	DOLLAR AMOUNT PER MONTH
Net income ¹⁶	\$1,050
Canada Child Tax Benefit	\$0
National Child Benefit supplement	\$0
Universal Child Care Benefit	\$0
Alberta Family Employment Tax Credit	\$0
GST credit	\$23
School and other subsidies	\$0
Income Subtotal	\$1,073

MONTHLY EXPENSES	
Rent	\$723
Transportation ¹⁷	\$37
Child care	\$0
Food	\$181
Utilities	\$84
School supplies	\$0
Other living expenses ¹⁸	\$243
Expenses Subtotal	\$1,268
Total Income Minus Expenses	- \$195

**Total shortfall
per month:
- \$195**

**Total shortfall
per year:
- \$2,340**

* In 2005, there were 11,854 individuals in Calgary receiving AISH benefits. There were 31,500 Albertans receiving AISH benefits in the same year.

“My husband is a quadriplegic and on AISH. Once I pay for rent and household bills, there’s not much left for groceries. We are not eating properly, that is the hardest part, and I can’t leave my husband alone. I have to be with him all the time, so I can’t work.

Basically I am a nurse. We live from cheque to cheque and one bad thing like getting sick could be very serious. We only get paid once a month; that makes it very hard to stretch the money out.

I have no family to help me. Someone comes twice a week to exercise my husband’s arms - no more.”

~ Wife in dire need of respite care

HOUSEHOLD 7:

Senior receiving Guaranteed Income Supplement (GIS) benefits

MONTHLY INCOME	DOLLAR AMOUNT PER MONTH
Net income – Old Age Security (OAS)	\$492
Net income – Guaranteed Income Supplement ¹⁹	\$620
Alberta Seniors benefit*	\$283
Net income - other ²⁰	\$0
Canada Child Tax Benefit	\$0
National Child Benefit supplement	\$0
Universal Child Care Benefit	\$0
Alberta Family Employment Tax Credit	\$0
GST Credit	\$23
School and other subsidies	\$0
Income Subtotal	\$1,418

MONTHLY EXPENSES	
Rent	\$ 723
Transportation ²¹	\$ 15
Child care	\$ 0
Food	\$181
Utilities (power, phone, etc.)	\$84
Other living expenses	\$243
School fees	\$0
Expenses Subtotal	\$1,246
Total Income Minus Expenses	\$172

**Total surplus
per month:
\$172**

**Total surplus
per year:
\$2,064**

* In 2004 there were 25,178 seniors in Calgary collecting GIS benefits. For the purpose of this table “senior” refers to a person who is 65 years or older. The Alberta Seniors Benefit supplements all seniors’ income so that the minimum monthly income a senior can earn is \$1,395.

“My granddaughter lives with me. If we had our TV on during the day, the landlord yelled at us to turn it down. I broke my ankle on some stairs in the rental unit and we got evicted. Now we are living in a falling-down trailer at an RV park because there is no place I can afford on my income. What makes it really hard is I need lots of prescriptions, but I haven’t got health insurance; one of them is \$147 every month. I have a very nice doctor who gives me free samples. If it was not for him, I would not be able to take my medicine or take care of my granddaughter.”

~ Senior caregiver of eight year old granddaughter

HOUSEHOLD 8:

Lone mother employed full time for minimum wage, one child, age 3,
living in Olds, Alberta*

INCOME	DOLLAR	AMOUNT PER MONTH
Net income		\$993
Income Support supplemental benefits ²²		\$0
Canada Child Tax Benefit		\$114
National Child Benefit supplement		\$162
Universal Child Care Benefit		\$100
Alberta Family Employment Tax Credit		\$46
GST credit		\$49
School and other subsidies		\$0
Income Subtotal		\$1,464

EXPENSES		
Rent ²³		\$620
Transportation (transit pass) ²⁴		\$0
Child care ²⁵		\$100
Food ²⁶		\$193
Utilities (power, phone, etc) ²⁷		\$76
Other living expenses ²⁸		\$335
School fees		\$0
Expenses Subtotal		\$1,324
Total Income Minus Expenses		\$140

**Total surplus
per month:
\$140**

**Total surplus
per year:
\$1,680**

“We were living in a small town. I am a single mom. I thought if we moved to the big city (Calgary) we would get more help. There would be more options and we would get cheaper groceries and maybe even cheaper rent. I was wrong, things are harder here, it is more expensive and we do not get any more support. We should have stayed where we were. At least we knew people there.”

~ Mom striving for a better life for her daughter

QUICK FACTS: COST OF LIVING IN CALGARY

Housing

- In 2006, inflation in Calgary was significantly higher than the rest of the province, but shelter was the major contributor to this higher cost of living. Between September 2005 and September 2006, the cost of housing increased by 17%. This compares to 6.8% in Edmonton and 0.5% nationally (Government of Alberta, Calgary & Area Labour Market Report, Third Quarter 2006).
- Calgary's rental stock fell by 1,083 apartments in 2006, following a 919-unit decline in 2005 (CMHC Rental Market Report December 2006).
- Calgary's apartment vacancy rate dropped from 1.6% in October 2005 to 0.5% in October 2006, the lowest vacancy rate in Canada at that time (CMHC Rental Market Report 2006).

Food Security

- Between September 2006 and August 2007, the Calgary Food Bank provided 33,088 grocery hampers to 85,411 clients; 42% were children (personal communication).
- Lone-parent families made up 32% of Albertans accessing food banks in 2006 (Hunger Count, 2006).
- In 2006, 39% of people accessing food banks in Calgary reported wages as their primary source of income (City of Calgary, Socio-Economic Outlook 2006-2016).
- Studies show that when additional income is given to families who are reporting food insecurity, the additional income is spent on quality food intake (McIntyre, 2006).
- Studies also show that milk consumption for children decreases toward the end of the month and increases at the beginning of the month when parents generally receive their monthly income (McIntyre, 2006).
- Between September 2006 and August 2007, the Calgary Food Bank distributed more than 2.3 million pounds of food to 74 agencies.
- Working with partner agencies, the Food Bank will distribute food to families and individuals to help get them through crises.

Family Income

- In 2004, the bottom 20% of Albertans had an average total income of \$13,100 whereas the top 20% had an average total income of \$152,800 (Statistics Canada, Income Trends 2004).
- Almost 72,000 families in Calgary lived in poverty in 2004; representing 17.5% of all Calgary families (Statistics Canada, Income Trends 2004).
- Between July and December 2006 more than 100,000 Calgarians over the age of 25 made \$15 per hour or less (Statistics Canada, Labour Force Survey, 2006).
- In 2004, 26,361 Alberta families with at least one full-time earner had been living in low-income households for three years or more (Statistics Canada, Survey of Labour and Income Dynamics SLID 1999-2004).
- Lone-parent families were almost 10 times as likely to be poor than two-parent families in 2004. 47.1% of lone-parent families were poor versus 5.1% of two-parent families (Statistics Canada, Income Trends 2004).



CONCLUSIONS AND RECOMMENDATIONS

This report provides a snapshot of seven hypothetical families living in Calgary and one living in rural Alberta. The intention is to show that many families are struggling every month just to meet their basic needs. These households are often one catastrophic or unexpected incident away from homelessness. By 2008, approximately 19,000 households in Calgary will be at risk for homelessness if solutions are not found to properly support families like the ones described in this report (City of Calgary, 2005).

There are many factors that contribute to family poverty in Calgary: high rents, low vacancy rates, high utility expenses, a lack of affordable child care and the rising costs of basic needs such as food and clothing. There are many community-based resources for families who need assistance either on an ongoing basis or in a temporary crisis situation. As mentioned, some low-income families could be eligible for additional provincial benefits on an individualized basis. However, many families do not know about these additional benefits; and those that do know find that the eligibility process is complicated and time consuming. An employed individual could lose pay and/or be unable to take the time off work for appointments, each time an application for additional funding is required.

The Poverty Reduction Coalition has advanced or is the process of advancing several progressive policies and community action plans that could help low-income families meet their basic needs. Below is a brief description of the Poverty Reduction Coalition's requested actions to each level of government. Also outlined are activities that Calgarians in general and the social service sector specifically, can undertake to help reduce the cost of meeting basic needs for low-income Calgarians.

The Federal Government must:

I. Reduce the Cost of Housing

- Implement a national affordable housing plan
- Eliminate capital gains on donations of real estate to registered charities that provide perpetually affordable housing. Gifts of land and buildings for affordable housing still attract capital gains tax which is a major disincentive. A change in federal policy, consistent with

those for gifts of land or buildings to nature conservancy, would create positive incentives for land donations for affordable housing

- Eliminate GST on construction materials associated with affordable housing and affordable rental housing developments
- Dedicate federal reserve land for affordable housing

II. Assist People Trying to Exit Social Assistance

- Increase the Working Income Tax Credit for all working low-income adults from the current maximum benefit of \$500 per year to a maximum of \$1,800 per year

III. Support Working Poor Families

- Increase the amount of the Universal Child Care benefit from \$100 per month per child to \$200 per month per child
- Raise the age limit from 6 to 12 years

The Provincial Government must:

I. Reduce the Cost of Housing

- Dedicate reserve lands to affordable housing initiatives
- Work with the municipalities to create incentives for private-public affordable housing initiatives
- Expand the rent supplement program to \$100 million provincially, which would be proportionate to the funds other provincial governments have implemented
- Amend the Municipal Government Act (MGA) to allow municipalities to use municipal and surplus school reserve lands for perpetual affordable housing
- Subsidize permit fees for all secondary suites that meet Building Code, Fire Code and Bylaw standards
- Provide adequate funding to financial institutions to offer low-interest loans at or below market rates for up to \$15,000 to homeowners for upgrades or the creation of new secondary suites

II. Ensure the Needs of Vulnerable Albertans are Met

- Increase the earning exception by 25% for people on Assured Income for the Severely Handicapped (AISH), and increase their annual income to levels consistent with established poverty cut-off levels
- Raise the Income Support rate for people who are categorized as “Not Expected to Work” to levels consistent with established poverty cut-off levels
- Build awareness of the provincial benefits and supports that are available to low-income families and individuals
- Reduce any administrative barriers or hardships in accessing these benefits

III. Promote the Health, Safety, and Strong Development of Alberta Children

- Increase Income Support payments for families with dependant children by \$100 per child per month to contribute to the nutrition of these children
- Provide child support payments directly to the custodial parent and acquire the payment from the non-custodial parent
- Increase the human resources funding for child-care workers, after-school program employees, and social services personnel who are historically low-income workers

The Municipal Government must:

I. Reduce the Cost of Housing

- Work with the provincial government to provide incentives or subsidies to homeowners to enable them to develop legal secondary suites as affordable housing units
- Implement density bonuses
- Fast-track the approval process for affordable housing initiatives
- Contribute surplus or underutilized land and buildings for affordable housing initiatives

Calgarians and the social service sector can:

- Visit the Poverty Reduction Coalition website at www.reducepoverty.ca to find out more about initiatives we are engaged in to reduce poverty

- Speak out about issues that concern you, raise public awareness and contact your local politicians. For more information about who to contact: http://www.assembly.ab.ca/lao/mla/mla_help.htm for provincial information (MLA) and <http://www.parl.gc.ca/common/index.asp?Language=E> at the federal level (MP)
- Work within your community to develop a common voice. Get everyone talking about the issues. See the Calgary Housing Action Initiative website for ideas on how to engage your community: <http://housingaction.ca/action/outreach>
- Share ideas and collaborate with all levels of government, the business community, social service organizations and community members to reduce the inequities faced by low-income individuals and families in our city
- Get involved with the Poverty Reduction Coalition, United Way of Calgary and Area or a community-based agency that supports Calgary families: call 231-6265 or visit www.reducepoverty.ca

An expansion of existing government supports, education and awareness about available benefits for families and the addition of some new initiatives such as those highlighted above, would go a long way to lifting many Calgary and Alberta families out of poverty. This report highlights how collaboration, cooperation and further assistance from the government to streamline services, child-care costs, tax credits, affordable housing and income support could enable many families who live on the margins to at the very least address their monthly shortfalls.

“My kids watch me struggle and try to help keep my spirits up. I feel guilty for saying no to my kids when they need or want something. I can’t say no all the time, so if I have to buy them something, the phone bill does not get paid that month. It is not fair. Every cent goes to pay the bills and there is never enough to get by. Lots of juggling between what I can afford to pay this month. The stress is very hard. I never know if I will have enough or not, or if it will all end if I lose my place”.

~ Mother of three under extreme financial stress

ENDNOTES

¹ For this report, full-time employment was calculated using Canadian Policy Research Network guidelines of 2,000 employed hours per year. Net income was calculated using the Canada Revenue Agency federal and Alberta provincial tax rate information for particular tax brackets (25.5% for this scenario). Please note: this lone parent may be receiving child support payments that are not included in the income total.

² In Alberta, by booking an appointment in person with a representative of Alberta Employment, Immigration and Industry, low-income families may qualify for additional provincial government benefits and supports. The amounts of additional benefits are based on individualized need and therefore fluctuate from family to family. This scenario does not include additional benefits for two reasons: first, it is difficult to determine exactly how much this family might qualify for, given that assessments are conducted in person and are individualized; and second, only a very small percentage of working families are taking advantage of these supplemental benefits (Statistics Canada, 2006; personal correspondence – Alberta Employment, Immigration and Industry).

³ The CMHCs 2007 prediction for the average rental rate of a 2-bedroom apartment in Calgary is \$1,010, as reported in the CMHC Rental Market Outlook (October 2006). This report shows an adjusted rate of \$850, reflecting the assumption that a low-income person or family would not be living in an “average” 2-bedroom apartment but in a less expensive unit such as a basement suite or 1-bedroom apartment. This does not take into account the rental vacancy rate in Calgary, which CMHC reported at 0.6% for 2006, nor does it take into account security deposits required to secure housing or miscellaneous or emergency expenses such as appliance repair, paint, structural damages or other household expenses not covered by landlords.

⁴ Due to the many variables with child care (licensed, family day care, differing rural/urban rates, age-related rates) it is difficult to obtain an average child-care rate. According to the Child Care Advocacy Association of Canada, this is a current gap in child-care research, and due to the highly variable data, there is no agreed upon average child-care cost per province. Public Interest Alberta uses \$800-900 a month for infants in full-time child care in Alberta, and \$600-750 for toddlers and older children in Alberta. Note: There is a Child Care Subsidy in Alberta for children

attending licensed day care and this report includes that subsidy in the calculation. However, in 2004 the number of children receiving the Alberta Child Care Subsidy was 10,614, out of a total of 65,726 regulated child-care spaces (not including unregulated child-care attendance). Thus, in 2004, 84% of children attending regulated child care did not receive subsidies.

⁵ Average taken from Alberta Nutritious Food Basket Price Report 2006: Average Weekly Cost for Calgary, Alberta for Week of June 19-23, 2006.

⁶ Using average monthly utility charges in Calgary for 2005: telephone (\$26.92) and electricity (\$57). The total assumes that gas, water, sewer, garbage collection and drainage services are included in the rent. Source: Socio-Economic Outlook 2006-2016 Calgary and Region, City of Calgary October 2006, Table 22. NOTE: Television cable expenses were not included.

⁷ The ‘Other Living Expenses’ category is measured from 2003 spending pattern cost averages for the lowest income quintile in Canada (households that made \$23,499 or less). The ‘other’ expenses included in that report are: clothing, health, personal care and estimated costs associated with content insurance, furniture, bedding, dishes and cooking utensils; this 2003 statistic does not take into account inflation or the rising cost of living in Calgary. NOTE: In Alberta, health expenses may be covered for low-income families, therefore, health expenses were subtracted. The above amounts do not include any recreation costs, gifts, over the counter medications, or vehicle or registration costs. Source: Spending Patterns in Canada (2005), Statistics Canada. Please note that this report uses a narrow definition and thus is a cautious estimate of other living expenses. The Cost of Eating in Alberta used a definition of ‘other living expenses’ to only include health, toiletries and clothing. Their ‘other living expenses’ category averaged \$389 per month or \$4,668 a year, significantly higher than the amount used in this report.

⁸ In Alberta, in 1998 when the National Child Benefit Supplement was introduced, Income Support amounts for those expected to work were cut back by almost the same amount to reflect the difference. Since 1998 the Supplement has been increased by \$32 per month; currently Alberta Works does not count the increase when calculating Income Support payments (Campaign 2000, 2005).

⁹ This amount was calculated using the online calculator on the Canada Revenue Agency website. According to the website “The calculations provided by this program are only an estimate and are based solely on the information you provide. When you apply for the CCTB, the CRA will use the information from your application and your tax return to calculate an actual amount.”

¹⁰ This is a taxable benefit; benefit amounts received by families must be claimed as income on their tax returns.

¹¹ Calculated using Calgary Transit Fares for one Low-Income Monthly Transit Pass (\$37.50, rounded to \$37 for this report). The child’s bus pass is not included, as elementary school children who require bussing would use charter transportation. This fee would be waived for low-income families. NOTE: this amount does not include the cost of the children’s bus tickets purchased for occasional transportation needs such as grocery shopping, doctor’s appointments, etc.

¹² The Retail Council of Canada estimated that in 2006 the average Canadian will spend \$337 a year on school supplies. Although this is not likely to be a monthly expenditure but an expense which occurs periodically throughout the year, for calculation purposes, the total yearly amount is divided by 12 in this report. In some cases families can qualify to have school supplies paid for by the provincial government. The actual numbers of families who take advantage of this little known benefit is unknown (personal correspondence – AEII) Note: School fees are not listed as an expenditure in this report, the Calgary Board of Education has a waiver application process for families in financial need. Mandatory school fees for elementary school children are approximately \$195 per year; this figure includes lunchroom supervision for students who are bussed. An additional fee of \$230 is required for each student who eats lunch at school but is within walking distance. There is no waiver for this fee, effectively restricting one parent’s ability to be available for full-time employment. Non-mandatory school fees such as field trips and extra-curricular fees are not eligible for waivers. Each school is responsible for either covering or not covering the extra fees for their low-income families. Given this, low-income children may not participate in optional school programs; school fees would be an expense in addition to the ones listed in this report.

¹³ This calculation is an estimate based on Canadian Policy Research Network’s definition of full-time employment as working at least 2,000 hours per year. Net income is

calculated using online federal and provincial tax calculators on the Canada Revenue Agency website. This amount does not take into account lost pay for sick days or other days off. Actual take home income may be lower.

¹⁴ Calculated using Calgary Transit Fares for two Low-Income Monthly Transit Passes (\$74) and one subsidized youth bus pass (\$16.50) per month. NOTE: Calgary Board of Education provides subsidized bus passes to low-income youth if the youth are living a specified distance away from their designated school. If children are in grades K-6, charter transportation would be provided and fees waived. If youth are in grades seven to nine, as in this Household, the transit pass would be subsidized by \$30.50 per month.

¹⁵ The CMHCs 2007 prediction for the average rental rate of a one-bedroom apartment in Calgary is \$780, as reported in its CMHC Rental Market Outlook (October 2006). This report shows an adjusted rate of \$723, operating on the assumption that a low-income person or family would not be living in an “average” one-bedroom apartment but in a less expensive unit such as a basement suite or bachelor apartment. This does not take into account the rental vacancy rates in Calgary, which CMHC reported at 0.6% for 2006, nor does it take into account security deposits required to secure housing. As a result, the cost of rent will actually be higher than what is given here.

¹⁶ This report has used the maximum monthly living allowance for AISH recipients. Note: Basic AISH benefits include a monthly living allowance and any additional personal income support benefits (Continuous or Non-Continuous). The Continuous Benefits a person may be eligible for are: Child Supplement, Other Continuous Needs, Child Care, Extraordinary Transportation Benefit, Medical Alert Service, Remote Community Allowance, Service Animal Supplement, and Special Diet. Non-Continuous Benefits an individual may be eligible for on a one-time basis are: Alberta Centennial Education Savings Plan Benefit, Addictions Treatment Allowance, Medical Equipment or Supplies, Other Non-Continuous Needs, Children’s School Expenses, Community Start-Up Allowance, Emergency Allowance, Employment and Training Supports, Escaping Abuse, Exceptional Travel Benefit, Funeral Expenses, Infant Allowance, Moving Allowance and Specialized Clothing. Additional personal income support benefits are needs-tested and cannot be averaged due to the diversity of people’s needs under AISH.

¹⁷ Calculated using Calgary Transit Fares for one Low-Income Monthly Transit Pass (\$37). Please note: some AISH recipients will qualify for the Extraordinary Transport Benefit.

¹⁸ Government of Alberta Seniors and Community Supports states that “in an average year it is estimated that a person with disabilities or their family/support persons will pay \$1,000 to \$25,000 for disability-related expenditures over and above basic living expenses.” However, there are a number of benefits at a federal level including Disability Tax Credit and Supplement for Children, and Adult Care. Additional benefits at a provincial level include Community Housing Program, Alberta Aids to Daily Living Program, Community Rehabilitation Services, and Palliative Care Drug Services.

¹⁹ OAS and GIS payments are calculated annually and are based on total income from all sources. Sources of income according to the HRSDC website include CPP or QPP, private pensions or superannuation, foreign pension income, RRSPs that were cashed, EI benefits, interest on savings, capital gains or dividends, income from rental properties, any employment income, WCB, alimony, etc. This analysis would be a senior with none of the identified sources of income.

²⁰ Low-income seniors in Alberta may qualify for provincial supports to supplement the above federal supports. Benefit amounts would be assessed and based on individual need. It is difficult to determine the exact amount that a senior in this scenario might qualify for, so no provincial supports were added.

²¹ The City of Calgary offers a subsidized transit pass of \$15 for low-income seniors.

²² This family could qualify for the same Income Support benefits as highlighted in Household 1 of this report assuming they had access to an Alberta Employment, Immigration and Industry office for an in-person visit.

²³ The CMHC only produces average rental rates for communities with a population greater than 10,000. Olds, Alberta had a population of 6,700 in 2005. The Alberta Economic Development 2005 Place-to-Place Survey for Selected Alberta Communities was used to calculate average costs for a one-bedroom apartment in Olds, Alberta. This report uses Edmonton statistics as a baseline, so an approximation was made based on the percentage

differences between Calgary and Olds as compared to Edmonton. Caution should be used when making direct comparisons between these numbers and Calgary numbers for calculations in this family scenario.

²⁴ This amount is zero as there is no public transit system in Olds. When comparing expenses with Household 1, the Calgary family has an additional monthly expense of \$37 for a transit pass. However, vehicle expenses are not included in this calculation.

²⁵ The Alberta Economic Development 2005 Place-to-Place Survey for Selected Alberta Communities shows that child care in Calgary is 16.6% higher than in Olds, Alberta. It should be noted that the 2005 report combines child-care expenses with other household services in Olds and the \$585 expense for child care in this report is an average estimated amount based on the fact that all household services (including day care) are approximately 16.6% higher in Calgary than in Olds. This calculation assumes that this lone mother is receiving the provincial child-care subsidy.

²⁶ Average food expenses were calculated using The Alberta Economic Development 2005 Place-to-Place Survey for Selected Alberta Communities. This survey suggests a 3.4% difference between Calgary and Olds; Calgary being higher.

²⁷ Average utility expenses were calculated using The Alberta Economic Development 2005 Place-to-Place Survey for Selected Alberta Communities. This survey suggests a 6.9% difference between Calgary and Olds; Calgary being higher.

²⁸ The ‘Other Living Expenses’ category was measured using The Alberta Economic Development 2005 Place-to-Place Survey for Selected Alberta Communities. This survey suggests an average difference of 8.8% between Calgary and Olds; Olds being higher. It should be noted that the 2005 report calculated personal care products, household supplies and household equipment. This number includes items such as furniture, bedding, cooking utensils and dishes. It does not include gifts, registration, insurance costs or other miscellaneous expenses. Caution should be used when comparing this number directly with the Calgary number as the exact same items are not compared between the two municipalities.

APPENDIX A

Benefits available to low-income Albertans

Alberta Works Income Support (IS)

Income Support (IS) is an income-related benefit providing financial help for people who do not have the resources to meet their basic needs, like food, clothing and shelter. These benefits are managed through the provincial department, Alberta Employment, Immigration and Industry. There are three categories of people who collect this benefit, those who are expected to work (ETW), those not expected to work (NETW) and learners. “You may qualify for Income Support if:

- you are doing everything you can to find a job if you are able to work, and
- you and your spouse/partner have income less than the financial benefits provided under Income Support, and
- you or your spouse/partner are 18 or over, and
- you live in Alberta, and
- you agree to apply for all resources available to support you and your family, including child support, and
- you and your spouse/partner have assets lower than the limits allowed under Income Support” (Alberta Works: Your Guide to Income Support, Alberta Employment, Immigration and Industry).

Standard benefit amounts depend on family size, the number of adults, the age of the children, ability to work, financial resources and special needs.

Please note: there may be additional individualized benefits available to low-income families should they need employment training, rent assistance or help paying delinquent utility accounts. To apply for individualized benefits a person must make an appointment in person at an Alberta Employment, Immigration and Industry office.

For more information visit:
<http://employment.alberta.ca/cps/rde/xchg/hre/hs.xsl/689>

Assured Income for the Severely Handicapped (AISH)

AISH is a provincial program that provides financial assistance, supplementary assistance and health-related assistance to adults with a disability. “The disability must

severely limit the ability to earn a living and must be permanent (e.g. all opportunities for rehabilitation and training have been exhausted). ...The disability must be the main factor that limits your ability to earn a living, not your age, lack of education or lack of available jobs. Your disability is permanent” (Alberta Seniors and Community Supports website). The income and assets of both the applicant and their spouse must be below a certain level; applicants must be between the ages of 18 and 65 and be permanent residents of Alberta. The provincial department responsible for this program is Seniors and Community Supports. The maximum monthly living allowance for single adults is \$1,050; earned income from employment must be below \$400 to be fully exempt. A single parent with a child can earn up to \$975 of income that is considered exempt. Successful applicants must apply for the benefit and have written medical information for a doctor that identifies that individual as having a severe enough disability to limit employment.

For more information visit:
<http://www.seniors.gov.ab.ca/AISH/index.asp>

Working Income Tax Benefit

The 2007 federal budget introduced a Working Income Tax Benefit (WITB) to assist low-income workers and encourage people to move from social assistance into the workforce. The federal department that is responsible for this benefit is the Canada Revenue Agency. To qualify, “you must be a resident in Canada throughout the year, 19 years of age or older at the end of the year, and not enrolled as a full-time student for more than three months in the year. As a single parent family, you must be a resident in Canada throughout the year and at the end of the year, the primary caregiver of a dependant child in Canada. Low-income individuals or families must have over \$3,000 of earned income (for the purpose of the WITB)” (Canada Revenue Agency website). To apply, applicants must file a tax return. The maximum amount of the tax credit for individuals is \$500 and \$1,000 for families.

For more information visit: <http://www.cra-arc.gc.ca/agency/budget/2007/witb-e.html#q19>

Alberta's Child Care Subsidy Program

The provincial Child Care Subsidy Program is designed to help parents with the cost of child care. It is applied to

preschool-age children who attend licensed day-care centers, approved family day homes, licensed out of school care centers, licensed nursery schools and early childhood development programs. The provincial department responsible for this benefit is Alberta Children Services. To apply, “you and your spouse/partner must be Canadian Citizens or Permanent Residents of Canada and live in Alberta. You and your spouse/partner must be currently working, attending school, looking for work or have special needs. Your children are aged 0-7 and are not yet attending Grade 1” (Alberta Children’s Services website). Subsidy amounts can be up to \$607 per month for children between the ages of newborn to 18 months who are registered in licensed day care centers, and \$527 per month for children from 19 months to age five. For family day homes, the subsidy amounts can be up to \$502 per month for infants between the ages of newborn to 18 months and \$422 per month for children from 19 months to 5 years. The subsidy is typically paid directly to the child-care provider. Please note: the provincial government has recently expanded this subsidy to include ‘kincare’; this subsidy is paid directly to low-income parents who have a relative looking after their child. The relative must live in a separate residence from the parent and child and must submit receipts. The subsidy amount has a maximum of \$317 per month.

For more information visit:
<http://www.child.gov.ab.ca/whatwedo/childcaresubsidy/page.cfm?pg=Subsidy%20Information>

National Child Benefit Initiative

The National Child Benefit initiative includes The Canada Child Tax Benefit (CCTB) and the National Child Benefit Supplement (NCBS). The National Child Benefit (NCB) initiative is a partnership of the federal, provincial, and territorial governments and First Nations. The Government of Canada contributes to the NCB initiative through a supplement to its Canada Child Tax Benefit system. The National Child Benefit Supplement provides extra support to low-income families with children by topping up the monthly payments they receive under the CCTB system. The federal department that is responsible for this benefit is the Canada Revenue Agency. This benefit is geared towards low- and middle-income Canadian families. Eligibility criteria includes the requirement that: “you and your spouse must be at least 18 years old and file income tax returns” (Canada Revenue Agency website). Standard benefit amounts are calculated automatically based on your (and your spouse's or common-law partner's) tax returns.

Families receive monthly cash payments through the Canada Child Tax Benefit based on family net income and number of children. Note: The Child Disability Benefit (CDB) is an additional tax-free benefit for families who care for a child under the age of 18 with a severe and prolonged disability; it is paid monthly as a part of the CCTB.

For more information visit:
http://www.nationalchildbenefit.ca/home_e.html

Universal Child Care Benefit

The Universal Child Care Benefit is a federal benefit which gives the parents of children under the age of six a payment of \$100 a month for each eligible child. All families are eligible for this payment, no matter what their income. It is a taxable benefit, and will be taxable to the parent with the lowest income.

For more information visit:
http://www.hrsdc.gc.ca/en/publications_resources/por/subjects/child_care/2006/060911/060911.shtml

Alberta Family Employment Tax Credit (AFETC)

This is a family-based provincial tax credit designed to support low- and middle-income working families and provide incentives for parents to stay in the workforce. The provincial department responsible for this tax credit is Alberta Finance. To be eligible you must be a “resident of Alberta for at least one month, parent of one or more children under 18, (have) more than \$2,760 annual family working income, and have a family net income of less than \$39,475 for families with one child, \$52,225 for families with two children, \$59,875 for families with three children, and \$62,425 for families with four or more children” (Alberta Finance website). To qualify you must file a tax return; eligibility is determined by the information the federal government uses for the Canada Child Tax Benefit (CCTB). The tax credit is applied to one parent’s tax return, the same parent who receives the CCTB.

For more information visit:
http://www.finance.gov.ab.ca/business/tax_rebates/alberta_family_employment_taxcredit.html

Alberta Adult Health Benefit

This provincial health benefit is designed to support adults who are leaving Income Support and entering the workforce but have limited employment income. Adults can apply for support with dental and optical care, prescription drugs, essential diabetic supplies, emergency ambulance

services, and enrollment in the Alberta Health Care Insurance premium-free group. People who leave Income Support are eligible to receive health benefits if they are living in Alberta, and their health benefits are not covered by the Federal Government or fully covered by an employer plan. Benefits are available for 12 months after entering the workforce. The provincial department responsible for this benefit is Alberta, Employment, Immigration and Industry.

For more information visit:

<http://employment.alberta.ca/cps/rde/xchg/hre/hs.xsl/2085.html>

Alberta Child Health Benefit

The Alberta Child Health Benefit pays for health services for low-income children, including eye glasses, prescription drugs and dental care if they are not available through the standard Alberta Health Care Insurance. The provincial department responsible for this benefit is Alberta Employment, Immigration and Industry. Children are eligible until they turn 19 years of age, but must live with their parent(s) and attend school until grade 12. Family income must be less than \$24,397 per year, although this amount goes up as the number of children in the family increases. To apply, families must complete an application form and be approved. Accounts are assessed every August; the Alberta government will confirm that family income is similar to the previous year, and if so, the children will be re-enrolled. Families will have a card that lists each child's name and identification number. The card is to be shown to the child's doctor, dentist, pharmacist, optician or ambulance attendant each time a service is used. Application forms can be printed from the internet and submitted by mail.

For more information visit:

<http://employment.alberta.ca/cps/rde/xchg/hre/hs.xsl/2076.html#4>

GST Credit

"The GST/HST credit is a tax-free quarterly payment that helps individuals and families with low and modest incomes offset all or part of the GST or HST that they pay. To receive the GST/HST credit, you have to apply for it, even if you received it last year. To apply, you have to file an income tax and benefit return for 2006, even if you have no income to report. We base your credit for the period of July 2007 to June 2008 on: the number of children for whom you have registered for the Canada Child Tax Benefit or the GST/HST credit; and your family net income for 2006" (Canada

Revenue Agency website).

For more information visit:

<http://www.cra-arc.gc.ca/E/pub/tg/rc4210/README.html>

Alberta Seniors Benefit Program

The Alberta Seniors Benefit program is a monthly payment from the provincial government that supplements Old Age Security, Guaranteed Income Supplement, Federal Allowance and the GST credit. The cash benefit is determined by several criteria: the type of residence a person lives in, their marital status, and total income from all sources. To be eligible, "you must be 65 years of age or older, have lived in Alberta for at least three months immediately before applying, be a Canadian citizen, or have been admitted into Canada for permanent residence (landed or sponsored immigrants) and have an income level within the limits allowed by the program" (Alberta Seniors and Community Supports website). To be eligible, a single senior may have an income of \$21,700 or less, and a couple may have a combined annual income of \$34,900 or less. Low-income seniors may also be eligible for health benefits under this program. The provincial department responsible for this benefit is Alberta Seniors and Community Supports.

For more information visit:

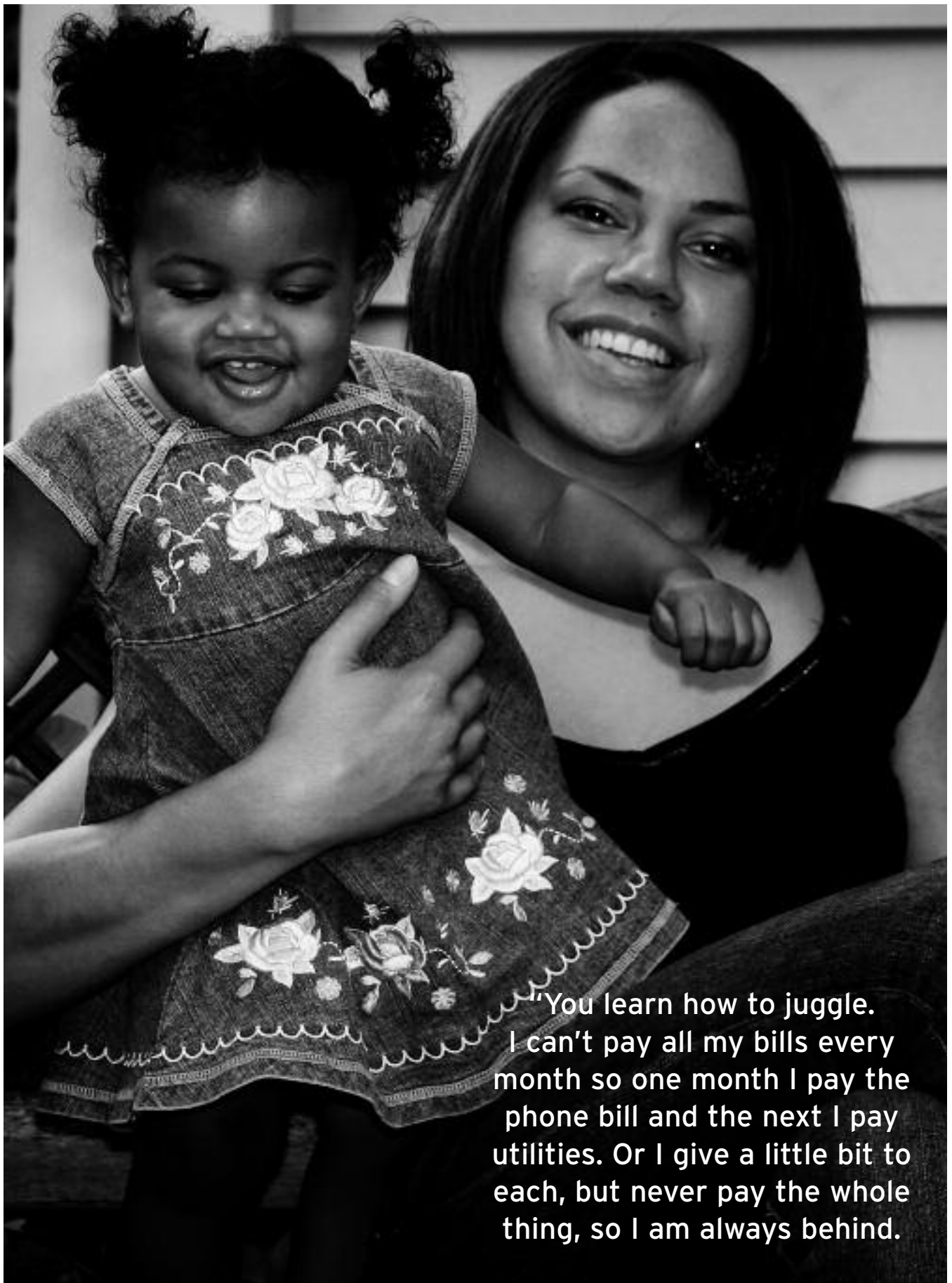
http://www.seniors.gov.ab.ca/financial_assistance/seniors_benefit/index.asp



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"You learn how to juggle. I can't pay all my bills every month so one month I pay the phone bill and the next I pay utilities. Or I give a little bit to each, but never pay the whole thing, so I am always behind.



Poverty Reduction Coalition

For further information or for additional copies of this report,
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