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Edmonton Social Planning Council

Social policy and the 2004 Alberta election

ELECTION BULLETIN November 2004

This is the third election bulletin to be published by the Edmonton Social Planning Council this year. In this bulletin we raise similar issues to those we profiled for the civic and federal elections. And like those, we provide some context by asking a 'big picture' question. Some unique perspectives are offered by our two guest commentators (see the 1st and last pages of this bulletin).

Then on pages 2 & 3 we have asked the three major political parties to summarize their party's platforms on several specific social issues.

In the context of growing social (and infrastructure) deficits in Alberta, and in the context of a debt-free, wealthy province ... What will it take to eliminate poverty in Alberta?

Is it time for an Alberta Social Policy Heritage Fund?

by Karim Jamal, Alexander Hamilton Professor of Business, University of Alberta

A central feature of the Alberta budget is the province's reliance on a very volatile stream of resource revenues. A provincial government absolutely committed to avoiding a budget deficit has thus chosen a low level of regular program spending to avoid even a remote possibility of going into a deficit. While it is possible to reduce the volatility of revenue, the steps required to achieve this such as diversifying the economy, a provincial sales tax, or resource royalty payments that are not tied to the price of oil and gas, require a long time horizon, and are politically unpopular and thus unlikely to be adopted by any political party. During the current election, it is unlikely that any significant change can be made in voter's desire for avoiding deficits, or to the volatility of the province's revenue cycle.

A strategy of keeping regular spending low will thus generate a budget surplus in most years, with very large surpluses in some years. The key political issue is to decide how

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Elimination of poverty: a political goal

by Bill Moore-Kilgannon, Executive Director, Public Interest Alberta

While the current Alberta government is boasting that they have eliminated the debt, they have done so by creating a serious social and infrastructure debt that only serves to accelerate the growing gap between rich and poor. If we are going to successfully eliminate poverty in this province, we need to challenge this situation and develop a comprehensive strategy to resolve it.

This will involve working together to advocate for:

- Increasing the minimum wage, establishing the Market Basket Measure as a baseline for funding welfare and AISH, and work with all levels of government to put in place a low income housing strategy.
- Making sure that everyone has equal access to quality health care that recognizes the importance of both preventative and mental health. This also will mean that we work together to stop any economic barriers to care like the proposed health insurance deductibles.

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The Market Basket Measure, income support and minimum wage rates

The Market Basket Measure (MBM) is a new tool for measuring the number of people living in low income in Canadian communities. The MBM tabulates the income required to buy the basic necessities such as food, shelter, clothing, transportation and other household expenses. Should the Alberta government adopt the MBM as the measure of low income in Alberta and then use the MBM as the tool to set income support (for AISH and welfare) and minimum wage rates?

Conservative Party

The province already has adopted the MBM as a measuring tool to statistically indicate the percentage of Albertans who are above certain income thresholds. The MBM is useful in helping to set income support and student funding rates by identifying people most in need, and the priority for new program spending. The MBM should not be used to set the minimum wage. It should reflect the market.

Liberal Party

We are committed to increasing AISH and social assistance rates by \$150 per month, the minimum wage to \$7 and conducting meaningful reviews annually. These reviews would take into account how much it costs a person to survive. We would commit to considering a MBM that would adequately reflect all the items needed in order to live comfortably in a particular geographic location.

New Democratic Party

Yes, the Alberta NDP will ensure that AISH and social assistance rates allow people to meet basic necessities of life by tying rates to a Market Basket Measure.

The 'social deficit' in cities

Canada's cities are financially strapped and are faced with crumbling physical and social infrastructures (roads, transit, affordable housing, environment). The federal government has offered a "new deal" to cities that would give them a large and secure source of funding. How should the Alberta government support the cities/municipalities to address their social (and infrastructure) deficits?

Conservative Party

The province has already helped municipalities address infrastructure needs with ongoing additional funding. The challenge for the municipality is to clarify which projects are priorities for their community.

Liberal Party

Our plan includes a provincial budget participation process for municipalities, municipal involvement in the redesigning of the Municipal Government Act, a charter for municipalities clearly outlining their power to levy taxes without provincial approval, and a contract to pay the entire cost of programs and services delivered by municipalities on behalf of the province. We have also committed to putting \$3 billion into infrastructure immediately as well as dedicating 25% of budget surpluses to a capital account intended to address municipal infrastructure needs.

New Democratic Party

We will establish a Living Wage Taskforce to explore with employers, workers and municipalities the possibilities of "living wage protocols." We will emphasize early intervention for children living in poverty through hot lunch programs, full-day kindergarten and junior kindergarten and other early childhood investments. We will also negotiate long-term stable funding agreements to enable municipalities to address their infrastructure deficits. This includes funding to extend light rail transit and improve public transit.

Affordable low-income housing

Since the mid 1980s the federal and provincial governments largely abandoned what previously had been a successful social housing strategy. For cities such as Edmonton this has resulted in a huge shortage of affordable housing for low-income individuals and households. How should the Alberta government address the growing crisis of large numbers of homeless people in our cities and the shortage of affordable housing for low income families and individuals?

Conservative Party

The province should set the right economic environment for the private sector to build affordable housing. Federal, provincial and municipal governments working with the community to identify priorities can help investment dollars go further. Agencies continue to work with the homeless and try to provide the appropriate treatments and support to resolve their ongoing issues of mental illness or addictions.

Liberal Party

We would provide incentives to companies that build affordable housing in order to alleviate homelessness and instances of people living in unsafe housing. Right now across the province we need about 18,000 affordable housing units. That demand is growing every year. We feel that strong steps to eliminating homelessness could be addressed by building more affordable housing.

New Democratic Party

Edmonton desperately needs more affordable housing to get people off the streets and to ensure low income families and individuals have appropriate shelter. The Alberta NDP will commit funding to build an additional 1,000 new units of safe, affordable housing each year to address the housing crisis.

National standards for social programs

The Canada Health and Social Transfer (CHST) was split as of April 1, 2004 (at the recommendation of the Romanow Commission) in order to facilitate the tracking of how the province's spend the federal health and social money. Should the Alberta government work with the federal government and the other provinces to enhance the Canada Social Transfer and jointly develop a set of shared principles and objectives for social programs in Canada?

Conservative Party

Alberta has already agreed to the National Child Benefit, with its objectives of reducing child poverty and increasing the parents' ability to work and become attached to the labour force. Additional shared principles, objectives and spending should support the outcome of helping people help themselves.

Liberal Party

We believe that by developing a set of shared principles and objectives for social programs in Canada, citizens of each province can be assured of equitable treatment, and innovative solutions can be more quickly shared and implemented. Alberta needs to be at the table when discussions regarding the Canada Social Transfer occur in order to ensure that an agreement can be reached that benefits all, including Albertans in challenging circumstances.

New Democratic Party

Yes. It is in the best interests of all Albertans that the province co-operate with other governments to establish the best possible social programs across the country.

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Links to other organizations providing election information

"A Fair Deal for Alberta Families"
Public Interest Alberta
www.pialberta.org
780-420-0471

"Vote Homes For All"
Alberta Housing Coalition
www.albertahousingcoalition.ca

"One Woman One Vote"
AYWCA of Edmonton initiative
www.onewomanonevote.org
780-423-9922 ext. 504



Edmonton Social Planning Council
www.edmspc.com
780.423.2031

Creating a social policy fund

Continued from page 1, by Karim Jamal

these surpluses will be used. At the present time, some of the surplus is used for discretionary spending in various social programs that are popular with voters, such as healthcare, K-12 education, and road construction. The remainder of the surplus is saved in the Alberta Heritage Savings Trust Fund (AHSTF). Spending money to help those living in poverty is not currently politically popular, so it is unlikely that any of the surplus will be devoted to alleviating poverty.

One way to direct a part of the surplus to alleviating poverty is by setting up an Alberta Social Policy Heritage Fund. Designating a percentage of the provincial surplus for social policy purposes will alleviate the need to constantly ask politicians to devote resources to poverty programs that do not translate into added votes.

A drive by the Chamber of Commerce to have local businesses provide contributions which can be matched by the provincial government could help set up a public-private partnership to help those living in poverty in our community. In some communities in the U.S. (e.g., Minneapolis) it is common for local businesses to join a program where they agree to contribute a fixed percentage of their profit to local charities.

An Alberta Social Policy Heritage Fund Board can ensure that funds are directed to those living in poverty and who lack sophisticated advocacy and fund raising capabilities. A partnership with a business group like the Chamber of Commerce can provide funding, political support, and managerial expertise to social policy related organizations.

Eliminating poverty

Continued from page 1, by Bill Moore-Kilgannon

- Building an education system that has the resources and staffing that gives all children the opportunity they need to reach their potential. Specifically, establishing full day kindergarten and junior kindergarten programs would really help children in poverty to get the education foundation they need.
- Supporting a post-secondary education system that is open to all Albertans regardless of their economic status and gives students a quality education that will allow them to get work in emerging sectors of the economy. We must make sure post-secondary institutions do not turn away thousands of students each year or force those students who do get in to accumulate massive student loans.
- Having a co-ordinated delivery of a continuum of services for families with young children, aged 0 – 6. This must include comprehensive pre- and post-natal programs, supports for effective parenting, early intervention programs for families with children at risk, affordable quality child care for working parents and wide spread access to early learning programs and supports.
- Working to establish programs and policies that are targeted to different sectors of society that are affected by poverty. This means that we need to address the unique issues of poverty as it relates to seniors, farmers, women, aboriginal people and newcomers to Canada.

Public Interest Alberta is interested in building a strong provincial network of organizations and individuals that will be able to take this integrated and comprehensive approach to transform the political culture of the province and make the elimination of poverty a political goal for all Albertans.