



# Alberta Poverty Progress Profile

---

## OVERVIEW

Alberta has faced a history of economic booms and busts for decades. Generally, the wealthier Albertans profit from strong provincial economic growth while middle and lower income Albertans struggle with income security, low personal disposable income, lack of social cohesion, and unaffordable housing.<sup>1</sup> One in ten Albertan children live in poverty – about 73,000 children.<sup>2</sup> Approximately, 24, 695 children living in poverty have either one or both parents working full time, full year which means, having a job is no longer a way out of poverty. Alberta's living costs, especially for housing, are amongst the highest in Canada, which means an additional burden on low income families.<sup>3</sup> Currently, Alberta does not have a provincial poverty plan to reduce and eliminate poverty, however on April 11, 2012, Premier Alison Redford was elected on a promise to develop an ambitious poverty reduction plan. The two main goals were to eliminate child poverty in 5 years and poverty in 10 years.<sup>4</sup> The plan is now in development.

### Action on the Ground

Recently, organizations within Alberta have set up an initiative to end homelessness in the province within the next decade, as well as a movement to end poverty. The Alberta Secretariat for Action on Homelessness, part of the government of Alberta, was established in January 2008 to produce the province's long-term strategic plan to end homelessness. Accepted by the Government of Alberta in March 2009, *A Plan for Alberta: Ending Homelessness in 10 Years* represents a fundamental shift in Alberta's approach to homelessness.

Those involved in the Alberta Secretariat for Action on Homelessness include service providers, community-based organizations, and municipal leadership.<sup>5</sup> More specifically, Calgary has implemented an initiative for the need to end homelessness within the city, and also recently announced the development of a municipal poverty strategy.<sup>6</sup> The Calgary Homeless Foundation is working towards ending homelessness in Calgary by January 2018.<sup>7</sup>

In a further effort to bring poverty reduction to the forefront of provincial political conversation, in 2010, the Edmonton Social Planning Council and Public Interest Alberta released a new report to develop a poverty strategy for Alberta; *Time for Action: Working together to end Poverty in Alberta*.<sup>8</sup> Prior to Premier Redford's announcement that the government will develop a provincial plan poverty plan, this report was seen as a base for a future strategy. The Action to End Poverty coalition has surfaced as the primary group advocating the government on poverty issues.

Premier Redford has yet to release the Alberta strategy to eliminate poverty but has proposed ideas on how this goal will be achieved financially. Beginning in May 2012, savings will be made with the screening of the department of Human Resources through the Results Based Budgeting which will create savings which will then be allotted into the poverty reduction plan.<sup>9</sup> The Premier may wish to consult recommendations already compiled by regional organizations. The Alberta College of Social Workers: *Social Policy Framework 2010* has suggested seven key points for the province to consider:

**1. Strengthening community services**

- Shift away from a business model to one based on core service delivery and away from the reliance on charity to a model based on rights
- Provide more stable and long term funding, salaries equal to the public sector and appropriate accountability measures<sup>10</sup>

**2. Quality of life for all Albertans**

- Improve access to quality social programs, increase leisure time, and reduce stress on families through
- Increased spending on culture and leisure, childcare and early learning, education, and healthcare
- Reduced working hours (move toward European Union standards of a 38.6 hour work week)
- Increased vacations (20 days of paid vacation plus existing paid public holidays)
- Expanded community based public health and other services for Aboriginal communities<sup>11</sup>

**3. Investing in Housing Affordability**

- Fulfill promise to eradicate homelessness by 2019 by complying with commitment of \$3.3 billion in spending and building the necessary 8,000 new housing units<sup>12</sup>
- Under *A Plan for Alberta: Ending Homelessness in 10 Years* three key components will be focused on in order to successfully carry out this plan:
  - Rapid re-housing of homeless Albertans, moving them from streets and shelters into permanent housing
  - Providing client-centered supports to re-housed clients, helping them obtain the assistance they need to restore their stability and maintain their housing
  - Preventing homelessness through emergency assistance and by providing adequate and accessible government programs and services to Albertans<sup>13</sup>

**4. Ensuring dignity and an adequate income for the most vulnerable**

- Strengthen the province's social safety net through the development of programs that provide a liveable income, are universal, accessible and delivered in a non-stigmatizing manner<sup>14</sup>

**5. Protecting workers**

**Alberta Poverty Progress Profile**  
**Canada Without Poverty, May 2012**

- Improve income security, equality and quality of life, through expanded worker protections
- Provide more comprehensive protection and assistance to those working full-time, full-year to ensure an adequate standard of living<sup>15</sup>

**6. Democracy and good governance**

- Reform the democratic process to ensure that it accurately represents Alberta’s diversity, especially Alberta’s Aboriginal peoples<sup>16</sup>

**7. Progressive revenue reform**

- Return to progressive taxes and raise corporate and other taxes to levels that allow continued support for public services like healthcare, education and social programs that Albertans feel are citizenship rights<sup>17</sup>

**MEASURING PROGRESS**

**Statistical Indicators of Poverty in Alberta (unofficial measurement tools)**

	<b>LICO<sup>18</sup></b> <i>Low Income Cut-off After-tax</i>	<b>LIM<sup>19</sup></b> <i>Low-Income Measurement</i>	<b>MBM<sup>20</sup></b> <i>Market Basket Measure</i>	<b>Food Bank Usage<sup>21</sup></b>	<b>Welfare Recipients<sup>22</sup></b>
<b>1995</b>	396,000, <b>14.8%</b>	296,000, <b>11.0%</b>	-	-	-
<b>2000</b>	326,000, <b>11.1%</b>	303,000, <b>10.3%</b>	323,000, <b>11.0%</b>	48,975, <b>1.7%</b>	63, 400, <b>2.1%</b>
<b>2005</b>	271,000, <b>8.5%</b>	279,000, <b>8.7%</b>	260,000, <b>8.1%</b>	45,481, <b>1.4%</b>	56, 400, <b>2.0%</b>
<b>2009</b>	274,000, <b>7.7%</b>	322,000, <b>9.1%</b>	353,000, <b>9.9%</b>	53, 976, <b>1.5%</b>	-
<b>2010</b>	-	-	-	59,311, <b>1.6%</b>	-

\* – data not available

**Views From Outside the Alberta Government**

While the provincial government often sounds well-intentioned in its goal to reduce poverty, the reality is that programs designed to meet the goal are typically driven by budget priorities and a neo-liberal ideology. For the last 75 years, Alberta’s public policy has reflected values supporting individual responsibility, deregulation, minimal government intervention, and a free enterprise model; social policy typically takes a back seat. Consequently, when the economy slows or is in recession, support programs are cut or left unchanged when poor Albertans need the help.<sup>23</sup> Public Interest Alberta and Edmonton Social Planning Council are two organizations that are actively working towards reducing and eventually eliminating poverty in Alberta. Currently, Public Interest Alberta’s main concerns are creating a water allocation system, emphasizing the need for an increased living wage and significantly reducing poverty – specifically child poverty. In 2008 to 2009 the number of children living in poverty rose from 53,000 to 73,000 in only one year.<sup>24</sup>

**Notes on Critical Thematic Areas**

- 1. Human Rights:** The Alberta Human Rights Code references discrimination due to source of income,<sup>25</sup> but does not explicitly state that poverty is a violation of human rights. It has yet to be seen whether the current government will incorporate a human rights framework in the newly announced poverty strategy.
- 2. Income Support:** In Alberta, social assistance rates are dramatically below the poverty line – they have not been keeping up with inflation which makes it very difficult to escape from poverty. Support rates in Alberta remain the lowest in Canada – particularly for lone-parent families and single employable adults.<sup>26</sup> Many community agencies must invest significant resources helping people get income support due to the overwhelming application process and complex routes through bureaucratic systems. It can be especially difficult for people already coping with personal challenges. Until the recession in 2008, the number of people receiving income support was at a historic low level as many low income Albertans were working. The October 2009 caseload was up 36% from the year before and one in three income recipients were single parents with children. Social assistance funding budgeted has not increased to keep pace with the growing need.<sup>27</sup>
- 3. Housing:** The numbers of homeless individuals in Alberta are growing immensely across both large and small urban centres. The cost of living for an average, middle-class individual has increased by 134% from 1985 to 2005. An Aboriginal person living in Alberta will suffer significantly more than the non-Aboriginal population whether in housing or employment – the impacts which could ultimately result in increased poverty.<sup>28</sup> In Edmonton, a 2010 survey reported that 38% of people living on the street are of Aboriginal descent. However, *Housing First*, a provincial initiative that provides front line workers who offer support to residents to ensure they maintain their housing, has been specifically helpful and effective with Aboriginal residents.<sup>29</sup> As previously mentioned, in 2009 the Government of Alberta accepted *A Plan for Alberta: Ending Homelessness in 10 Years*.<sup>30</sup>

Calgary, in particular has come together to create the Calgary Homeless Foundation; which will reduce and eventually eliminate homelessness in Calgary. By January 29, 2018 the goal is that no one will be left on the street or need to use a shelter for more than a week before they will be moved to into a safe, affordable home with the support to maintain it.<sup>31</sup>
- 4. Education:** Large class sizes result in a much larger population of students compared to teachers. This significantly affects students missing out on one-on-one time with teachers as needed. As of October 2011, new Premier of Alberta – Alison Redford - has committed to restoring \$107 million in the province’s education system.<sup>32</sup> High school dropout rates continue to increase, opportunities for special needs students are scarce<sup>33</sup> and the level of educational success for aboriginal children is

much lower than non-Aboriginal students.<sup>34</sup> For those entering post-secondary education it is common for oversized classes and high tuition rates.<sup>35</sup>

- 5. Early Childhood Education and Care:** According to *We must do better: It's time to make Alberta poverty-free*; a report published by Public Interest Alberta and the Edmonton Social Planning Council, the availability of affordable good-quality day care and after-school care is a major concern. Alberta provides subsidies for childcare but many low income families cannot afford the parent fee above the subsidy and are unable to access licensed day care or day homes for their children. Another crucial issue in Alberta is the number of immigrant families who have challenges with the child care system. It can be extremely difficult for families with preschool children to be involved in official language learning programs when their first language is not English. Recent immigrants may also feel isolated when they look for child care when they are new to an area with no community connections and may not speak English well.<sup>36</sup>
- 6. Health Care:** Alberta's current health care situation needs to be addressed. The Alberta government spent \$4,295 per capita last year on health care while the national average for the year was only \$3,663, which was more than any other province in Canada, except for Newfoundland. It has been mentioned that Alberta is considering incorporating private medical insurance and user fees for some services in order to reduce healthcare spending. However, if Alberta decides to allow a privatized healthcare system this would create an increased burden on the poor.<sup>37</sup> Alberta lacks family physicians and extended wait times have been increasing, specifically in emergency rooms.<sup>38</sup>
- 7. Employment Support:** Alberta's low-income workers are struggling to survive; full-time, full-year work is not enough to provide income security or one's long-term well being. Currently, Alberta's minimum wage is among one of lowest in Canada set at \$8.80, which was just raised in 2007. Minimum wage does not cover the costs to live and work at levels that allow individuals to realistically meet their basic costs and needs. Middle-income families have been working more hours to keep up with inflation, have less disposable income, increasing debt loans, and people are paying out of their own pockets for public services such as healthcare, education, vehicle insurance, etc. Albertans work the highest number of hours throughout Canada, have less holiday entitlements and are ultimately paid less. Alberta's Aboriginal population experience the most income inequalities – Aboriginal incomes are at 2/3 the average income for men and ½ for women, while the level of unemployment is triple the provincial average.<sup>39</sup>
- 8. Community Building/Investment:** With Alberta's ethnically diverse population it is important for the province to be aware of the number of immigrants who reside within the province – because of the increasing numbers, it's important not to exacerbate inequalities between the provinces' diverse populations. As of January 2011 the Canadian Government decided to increase funding for immigrant-settlement programs for 2012. The Government's funding for programs such as these

allows settlement agencies to give more assistance and aid for immigrants moving to Canada – specifically Alberta – to settle into their new community.<sup>40</sup>

## **THE BOTTOM LINE**

Alberta has the potential to be one of the wealthiest provinces in Canada considering the availability and proximity to the oil and gas industry, however, income earned in these sectors are concentrated in the hands of the few and this has aided in a dramatic increase in income inequality throughout the province. The provincial government continues to assume that market forces in a strong economy will reduce welfare recipients by increasing employment. As Alberta's experience has shown, an economic upswing and high-wage job creation can reduce reliance on welfare, but when it is accompanied by higher costs, it merely shifts poverty to the shoulders of low-income workers.<sup>41</sup> It is important that both Alberta's income support programs and inflation complement each other in order to keep low-income workers above the poverty line. Premier Redford's proposed poverty reduction plan is a welcome announcement that many organizations have been pushing for. The Premier has acknowledged the benefits of creating a strategized poverty reduction plan in the province and assured the public that the plan is "about doing our best to ensure everyone has the same opportunity to benefit from our economy"<sup>42</sup> A detailed outline of the strategy is the next step.

## **FOR MORE INFORMATION**

Canada Without Poverty  
@UnderOne Roof  
251 Bank Street, 2<sup>nd</sup> Floor  
Ottawa, ON K2P 1X3  
613-789-0096 (1-800-810-1076); info@cwpcsp.ca

## ENDNOTES

- <sup>1</sup> Alberta College of Social Workers, "ACSW Social Policy Framework 2010: Visioning a more equitable and just Alberta", (2010), 13, [http://www.acsw.ab.ca/pdfs/acsw\\_social\\_policy\\_framework\\_2010.pdf](http://www.acsw.ab.ca/pdfs/acsw_social_policy_framework_2010.pdf)
- <sup>2</sup> Vibrant Communities Calgary and Action to End Poverty in Alberta, "Poverty Costs: An Economic Case for a Preventative Poverty Reduction Strategy in Alberta," (2012), 1.  
[http://pialberta.org/sites/default/files/Documents/Report\\_2012\\_Poverty-Costs.pdf](http://pialberta.org/sites/default/files/Documents/Report_2012_Poverty-Costs.pdf)
- <sup>3</sup> Make Poverty History, *Poverty Reduction & Alberta*, (2010),  
<http://www.makepovertyhistory.ca/learn/issues/poverty-reduction-plan/alberta>
- <sup>4</sup> Karen Kleiss, "Alison Redford's campaign promise to end poverty requires reshaping of Alberta's social services: advocates", *National Post*, (25 April 2012), <http://news.nationalpost.com/2012/04/25/alberta-election-promise-alison-redford-poverty/>
- <sup>5</sup> Government of Alberta: Human Services, "Alberta Secretariat for Action on Homelessness", (2011),  
<http://employment.alberta.ca/homelessness/14601.html>
- <sup>6</sup> City of Calgary, "Calgary Poverty Reduction Initiative leadership announced," (January 11, 2012)  
<http://blog.calgarymayor.ca/2012/01/calgary-poverty-reduction-initiative.html>
- <sup>7</sup> Calgary Homeless Foundation, (2011), <http://calgaryhomeless.com/>
- <sup>8</sup> Public Interest Alberta & Edmonton Social Planning Council, "Time for Action: Working Together To End Poverty In Alberta", (2010), [http://pialberta.org/sites/default/files/Documents/Alberta-Poverty-Report\\_2010.pdf](http://pialberta.org/sites/default/files/Documents/Alberta-Poverty-Report_2010.pdf)
- <sup>9</sup> Progressive Conservative, "Plan for Poverty Reduction", (2012),  
<http://www.voteperc.ca/admin/contentx/dpNews/launch.cfm?itemid=2470>
- <sup>10</sup> Alberta College of Social Workers, (2010), 6.
- <sup>11</sup> Ibid.
- <sup>12</sup> Ibid.
- <sup>13</sup> The Alberta Secretariat for Action on Homelessness. "A Plan for Alberta: Ending Homelessness in 10 Years", (2008), 2, [http://housing.alberta.ca/documents/PlanForAB\\_Secretariat\\_final.pdf](http://housing.alberta.ca/documents/PlanForAB_Secretariat_final.pdf)
- <sup>14</sup> Alberta College of Social Workers. (2010), 6.
- <sup>15</sup> Ibid.
- <sup>16</sup> Ibid.
- <sup>17</sup> Ibid.
- <sup>18</sup> Statistics Canada. CANISM table 202-0804.
- <sup>19</sup> Ibid.
- <sup>20</sup> Ibid.
- <sup>21</sup> Food Banks Canada, "Number of separate individuals assisted by food banks, March of each year," (1999-2010), *Food Banks HungerCount Survey*; New Brunswick Department of Finance.
- <sup>22</sup> Human Resources and Skills Development Canada. "Social Assistance Statistical Report: 2008", (2008),  
[http://www.hrsdc.gc.ca/eng/publications\\_resources/social\\_policy/sasr\\_2008/page12.shtml](http://www.hrsdc.gc.ca/eng/publications_resources/social_policy/sasr_2008/page12.shtml)
- <sup>23</sup> Canadian Council on Social Development, "Poverty Reduction Policies and Programs, (2009), 1.
- <sup>24</sup> Public Interest Alberta: Advocating for a Better Alberta for All, (2011), <http://pialberta.org/>
- <sup>25</sup> Alberta Human Rights Commission, "Human rights in providing goods, services, accommodation or facilities,"  
<http://www.albertahumanrights.ab.ca/services.asp>
- <sup>26</sup> Alberta College of Social Workers, (2010), 28.
- <sup>27</sup> Gurnett, J. (2009), 10.
- <sup>28</sup> Alberta College of Social Workers, (2010), 8.
- <sup>29</sup> Narine, S. (2011). *More provincial dollars will help homeless Aboriginals*,  
<http://www.ammsa.com/publications/alberta-sweetgrass/more-provincial-dollars-will-help-homeless-aboriginals>
- <sup>30</sup> The Alberta Secretariat for Action on Homelessness, (2008), 2-44.
- <sup>31</sup> Calgary Homeless Foundation.
- <sup>32</sup> "Alberta teachers, students react to Redford promise", *CBC News: Calgary*, (4 Oct 2011),  
<http://www.cbc.ca/news/canada/calgary/story/2011/10/04/calgary-education-funding-reverse.html>

<sup>33</sup> The Calgary Foundation, "Calgary's Vital Signs: 2009 Citizens Report Card", (2009).

<sup>34</sup> Alberta College of Social Workers. *ACSW Social Policy Framework 2010: Visioning a more equitable and just Alberta*. (2010).

<sup>35</sup> The Calgary Foundation, "Calgary's Vital Signs: 2009 Citizens Report Card", (2009), 3,  
[http://www.thecalgaryfoundation.org/documents/09VitalSignsFinal\\_003.pdf](http://www.thecalgaryfoundation.org/documents/09VitalSignsFinal_003.pdf)

<sup>36</sup> Gurnett, J. "We Must do Better: It's Time to Make Alberta Poverty-Free", (2009), 3,  
<http://www.campaign2000.ca/reportCards/provincial/Alberta/RC2009WeMustDoBetter.pdf>

<sup>37</sup> McClure, M. "Privatization not the solution to rising health care costs: Ex-Alberta health authority", Vancouver Sun, (2 Nov 2011),  
<http://www.vancouversun.com/news/alberta/Privatization+solution+rising+health+care+costs+Alberta+health+authority/5648149/story.html>

<sup>38</sup> The Calgary Foundation, (2009).

<sup>39</sup> Alberta College of Social Workers, (2010), 8.

<sup>40</sup> Canadian Immigration News, "Funding for Alberta immigrant-settlement program will increase this year", (6 Jan 2011),  
[http://www.migrationexpert.ca/visa/canadian\\_immigration\\_news/2011/jan/0/718/funding\\_for\\_alberta\\_immigrant-settlement\\_program\\_will\\_increase\\_this\\_year](http://www.migrationexpert.ca/visa/canadian_immigration_news/2011/jan/0/718/funding_for_alberta_immigrant-settlement_program_will_increase_this_year)

<sup>41</sup> Canadian Council On Social Development, (2009), 2-3.

<sup>42</sup> Progressive Conservative.