

BRIDGING THE AFFORDABILITY GAP

REPORT AND RECOMMENDATIONS

JUNE 2021



Centre to End All
Sexual Exploitation



Published by:

Edmonton Social Planning Council, #200 -10544
106 ST, Edmonton, Alberta, T5H 2X6

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Edmonton Social Planning Council

Design by Diva Communications Inc.

ISBN: **978-0-921417-80-4**

Acknowledgments

Thank you to John Kolkman for writing and completing the report. Thank you to Susan Morrissey of the Edmonton Social Planning Council, Kathleen Quinn, Maureen Reid, Chandrea Henshall, and Pamela Spurvey of the Centre to End All Sexual Exploitation for data collection, input and feedback. We also wish to acknowledge and thank the five courageous women who participated in the project. And thank you to Jenn Rossiter of the Edmonton Social Planning Council for the edits.

This report is published by the Edmonton Social Planning Council in partnership with the Centre to End All Sexual Exploitation. Any errors, omissions, and opinions are strictly those of the authors. For a copy of this report, please visit www.edmontonsocialplanning.ca



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PROJECT BACKGROUND

Economic poverty in Canada has long been gendered, with women having consistently higher poverty rates than men. When family relationships end, women are still overwhelmingly responsible for children and over 90% of lone-parent families are headed by women. The most recent data shows that 36.2% of Edmonton women who are lone-parents live below the poverty line, over three times the average for all persons. Of all family types, lone-parent families also experience the greatest depth of poverty. In 2018, lone-parent families in Edmonton with two children had a median after-tax income of \$22,680, which was \$15,136 below the low-income threshold for a family size of three. ^[1]

Despite very slow progress in closing the wage gap, women consistently earn less than men. Women on average have after-tax incomes that are 31.3% lower than men. ^[1]

Each year, the Edmonton Social Planning Council (ESPC) calculates a living wage for Edmonton. Working full-time for the entire year, a single parent with one child would need to work at an hourly rate of \$17.87 (and \$17.59 for a single adult) to provide for essential needs and maintain a modest standard of living. According to the most recent calculation, 63.7% of those earning less than Edmonton's living wage are women. ^[1]

These negative trends for women have been worsened by the COVID-19 pandemic. This has led some to dub the pandemic downturn a *(she)cession*. In past recessions, men in Edmonton have typically incurred higher unemployment rates since they tend to be disproportionately employed in resource

industries (especially oil and gas) that experience more economic ups and downs.

When family relationships end, women are still overwhelmingly responsible for children and over 90% of lone-parent families are headed by women.

Since the onset of the pandemic in March 2020, job losses have been disproportionately concentrated in economic sectors like travel, hospitality, arts, culture, and entertainment. Occupations involving in-person services (everything from hair salons to massage) have also experienced lengthy periods of government-ordered closures due to public health restrictions. Compared to men, women are disproportionately employed in these sectors and occupations.

The impact of the *(she)cession* is reflected in Alberta labour force data. In early 2020, before the pandemic, the unemployment rate was approximately one percentage point lower for women (6.9%) than it was for men (7.9%). By early 2021, the unemployment rate for women (10.5%) exceeded that of men (10.2%). ^[2]

The resulting lack of financial security can drive women to sell access to their bodies and related sexual services. This can lead—and has led—unscrupulous people (mostly men) to take advantage of women's vulnerability.

PROJECT OBJECTIVES AND DESCRIPTION

In response to the pandemic worsening the systemic vulnerabilities already faced by women, the Centre to End All Sexual Exploitation (CEASE) received funding from the Emergency Community Support Fund, established by the Community Foundations of Canada and administered locally by Edmonton Community Foundation.

Women have told CEASE staff that they have insufficient income to make ends meet during the pandemic and don't want to turn back to the sex trade to pay the bills. Bridging the Affordability Gap (BAG) was an enhanced stream of CEASE support for vulnerable persons with histories of sexual exploitation to access during the pandemic. Project funding provided a "bridge" that covered basic living costs, financial coaching, and CEASE program support on a monthly basis for five months, from November 2020 through March 2021. CEASE staff worked with each person to identify gaps in their budget, address those gaps on a short-term basis, and take steps toward earning a sustainable and liveable income. Other CEASE programs that were included with BAG were Empower U (a financial literacy and matched savings program), bursaries, one-to-one coaching support, and food cards.

Depending on their unique circumstances, bridge funding of up to \$1,200 per month for five months was provided for five women. Targeted transitional support was also provided in April 2021 to ensure the complete expenditure of project funds.

The purpose of this project was to document the significant improvements that short-term bridge funding and financial empowerment tools made in the lives of the participating women and their children. In so doing, we hope to contribute to the discussion around basic income, or equivalent policies, as we begin to emerge from the pandemic and short-term federally funded programs like the Canada Recovery Benefit come to an end.

The five women who participated were consulted throughout the term of the project. The type of bridging support they received depended on their unique circumstances. In addition to support from CEASE staff, participants could receive peer support from women with previous lived experience of sexual exploitation. Exit interviews were conducted with each of the participants when the project came to completion.

REVIEW OF RELEVANT RESEARCH

This section of the report is not a comprehensive literature review. Rather it highlights key findings of several reports directly relevant to the BAG project.

In 2014–15, ESPC collaborated with CEASE on a project called Building Blocks for Families: The Affordability Gap (BBF). The project tracked three women with children over a two-year period and quantified how much their monthly income fell below a modest living standard. One of the women had a full-time low-wage job, one was on Assured Income for the Severely Handicapped (AISH), and one was on Alberta Works (social assistance). Regardless of their income source, all three women routinely experienced financial shortfalls of \$1,000 or more per month. Some of the recommendations made in the BBF report called for a reduction in the affordability gap and have been implemented, such as enhanced child benefits from the federal and provincial governments. Other recommendations were not implemented at the provincial level—in particular, a fully-funded rent-geared-to-income program for all low-income tenants. [3]

Groups like the Basic Income Canada Network (BICN) and its provincial affiliates have for many years advocated for a basic income (sometimes called a basic income guarantee or a universal basic income). In January 2020, shortly before the pandemic, BICN released its most detailed report to date on policy options for a universal basic income designed within the Canadian context. [4]

An early basic income experiment took place in the town of Dauphin, Manitoba in the mid-1970s. More recently, in 2018, Ontario introduced a basic income pilot project in four of its communities. Sadly, both of these pilot projects ended prematurely due to a change in government. Efforts to evaluate both of these pilot projects show promising early findings on improved physical and mental health along with improved financial security, as well as no discernible decline in work effort. However, the short duration of the Manitoba and Ontario pilots has made it challenging to reach definitive conclusions.

The federal government response to the pandemic resulted in renewed interest in a basic income that would establish an income floor for all Canadians. Early on in the pandemic, the federal government implemented the Canada Economic Recovery

Benefit (CERB) that provided \$2,000 every four weeks from March 15, 2020 to September 26, 2020. About 8.9 million Canadians received CERB payments, significantly exceeding the 5.5 million Canadians who lost their jobs or had their hours reduced due to the pandemic. [5]

CERB recipients received twice as much, or more, per month than they received on provincial social assistance. The reduction in provincial income support caseload during the time CERB, and its successor the Canada Recovery Benefit (CRB), was in effect suggests that the Alberta government—like other provincial governments—was happy to off-load recipients onto federal supports, even admitting as much in public communications. Alberta’s income support caseload declined 28.7% between January 2020 and January 2021. [6]

British Columbia is the most recent provincial government to take a detailed look at a basic income. An expert panel was appointed, consulted widely, and issued a report containing 65 recommendations in December 2020. [7] Instead of a basic income to replace many existing programs, the authors recommended a suite of measures to achieve the same objective. Major recommendations include: changing provincial financial assistance programs by eliminating asset limits, relaxing income testing, reducing the welfare wall by increasing earnings exemptions, indexing income assistance, and ensuring all low-income residents receive rental assistance.

Long wait-lists for affordable accommodation are likely to persist for the foreseeable future.

In February 2020, ESPC published a report called *The High Cost of Waiting*. This report tried to offer solutions for unacceptably long wait times that low-income renters are forced to endure in order to secure safe and affordable housing to which they are legally entitled. [8] The report made a number of recommendations on how a jointly funded federal and provincial portable housing benefit could ensure that all low-income Albertans would be able to afford safe accommodation. In its 2017 National

Housing Strategy, the federal government had expressed a willingness to make a significant financial contribution to a portable housing benefit.

In April 2019, there was a change of government in Alberta. The new government focused on cost-cutting that resulted in a funding reduction to provincial rental assistance. Wait-lists for affordable housing in Edmonton have grown to such an extent that Civida (formerly Capital Region Housing) was instructed by the province to no longer add qualifying households to the bottom of their wait-list. The ESPC report on wait-lists was released just one month before the pandemic was declared a global health emergency. Work on a federal-provincial housing benefit stalled as the federal government focused on financial support programs like CERB.

As the financial support provided through BAG was coming to an end, the Alberta government lifted the freeze on wait-lists for rent assistance, effective April 2021. Two new rent assistance programs were announced: one program is ongoing with a limited number of supplements available, the other is temporary (up to two years) and only available to those not on any kind of income support. ^[9] One thing is clear—funding for rent assistance allocated in the most recent provincial budget falls short of a fully-funded program. Long wait-lists for affordable accommodation are likely to persist for the foreseeable future.

FINANCIAL SUPPORT AND PROFILES

A total of \$25,000 was distributed among the five project participants. The following table breaks down the financial support provided, by major expense category.

Table 1. Expenditures Eligible for Reimbursement from the BAG Project

Category	Amount	(%)
Rent	\$14,330	57%
Food	\$6,880	28%
Cell Phone Bills	\$1,420	6%
Internet Bills	\$1,368	5%
Utility Bills	\$1,002	4%
Total	\$25,000	100%

It is no surprise that shelter costs (61% for rent and utilities) amounted to the largest financial shortfall for the participants. Shelter costs include mostly rent, but also costs for utilities such as natural gas, electricity, water, and sanitation—all of which are more often billed directly to tenants rather than included in rent. In Edmonton, 38.1% of renters pay more than 30% of their income to shelter costs, and of those, half pay more than 50% of their income to these costs. ^[10]

Food costs (28%) were the second highest expense covered for participants. CEASE staff provided food cards to participants so they could plan monthly expenses. After shelter costs, food is the largest expense for those living with low incomes, making up about one-fifth of total household spending for the lowest income quintile. ^[11] Four participants were provided food cards to help ease these shortfalls; the fifth participant preferred the rental assistance and indicated that if rent was partially covered she could manage her food needs.

Another major category for financial shortfall with BAG participants was communications technology, including cell phones (6%) and home internet (5%). Technology is essential for daily living, whether filing tax returns, accessing important programs or services, or staying in touch with children to ensure they are safe. This is a household expenditure that is now deemed essential by federal and provincial governments when calculating basic needs for those living below the poverty line. The federal government recently changed Canada’s official poverty measure (the Market Basket Measure) to include communications technology, such as basic cell phone and internet service, as an essential need. ^[12]

PARTICIPANT PROFILES AND SUPPORT RECEIVED

The following offers a brief profile of each participant in the BAG project, along with the type of supports they received through CEASE (financial and other). To ensure anonymity, participant names are withheld and they are profiled in random order.

PARTICIPANT 1 is in her early 20s. She is single and has no children. She was trafficked as an escort and worked in body rub parlours across Canada. She aspires to permanently leave sexually exploitative work and is actively exploring education and career options. Her only source of income is the shelter component of Alberta Supports social assistance for those living with family. Participant 1 has parental support, is currently living with her mom, and is contributing her income to the household. She received financial assistance from the BAG project for her cell phone bills, as well as

food for herself and three other household members.

PARTICIPANT 2 is a single parent in her early 30s. She has two elementary school age children. She is currently living in subsidized rent-geared-to-income housing but has previously incurred debts that she struggles to pay off. Her ex-husband has custody of the children during the week so he receives government child benefit payments. To financially support herself, participant 2 has worked in body rub parlours as well as working as a household cleaner. Prior to the BAG project, she received CERB for several months, but was unable to prove that her net self-employment income met the eligibility requirements. Participant 2 received financial assistance from the BAG project for utilities, internet, and food costs.

PARTICIPANT 3 is a single parent in her early 30s. She has one child of pre-school age and two elementary school age children. Before participating in the project, she worked in body rub parlours. She lives in a market-rate rental apartment. Participant 3 received financial help from the BAG project to partially cover her monthly rent and for food so she and her children could eat a healthier diet.

PARTICIPANT 4 is a single parent in her early 40s. She has two teenage children. She has worked both as an escort and in body rub parlours. She pays full market rent that she is unable to afford. CEASE helped her pay off rental arrears and then contributed funds that partially covered her monthly

rent. She was then able to cover her other monthly expenses.

PARTICIPANT 5 is a single woman in her late 20s. She was working in body rub parlours prior to participating in the project. She wants to create new options for herself. She is enrolled in a post-secondary program to gain employment in the medical field. She pays full market rent and needs the most help with this shelter cost to bridge her affordability gap. CEASE contributed to her rent during the project and she was able to cover her other monthly expenses. This support helped her to budget for rent going forward while she continues her education.

ANALYSIS OF PROJECT RESULTS

This project was designed to enable participants to cover their affordability gaps in essential areas based on greatest need. In covering these gaps, participants were able to use their other source(s) of income for additional monthly expenses. All five participants expressed that not having to worry about monthly expenses helped to reduce financial stress and stabilize their lives. They felt empowered to imagine an improved future for themselves.

We are aware of limitations to the analysis and results of the BAG project. One limitation is the small number of participants (only five). Despite efforts to get the word out about the project, the participants who enrolled were not necessarily representative of the diversity of women currently engaged in sexually exploitative work in Edmonton. Some of the most vulnerable women, for example, are those who lack permanent residency status in Canada or who have limited English proficiency. They may have been unaware of the opportunity to participate in the project, or perhaps felt too vulnerable or fearful to participate.

While recognizing the limitation of participant self-selection, all participants face difficult life challenges and would benefit from additional support. Every participant faces mental health challenges—challenges that are made worse by previous involvement in sexually exploitative work. Two of the participants identify as Métis and one is of mixed racial heritage. Four participants entered sexually exploitative work in their late teens (one as early as 17), and one participant entered this work in their mid-20s.

The ongoing public health restrictions, due to the pandemic, resulted in another project limitation. Communication with participants had to be virtual

(by phone, text, or email) rather than in-person. Virtual support can be particularly difficult, as non-verbal cues or emotional distress can be harder to decipher and effectively respond to.

Despite these limitations, the participants are all planning next steps and working toward new life goals that will enable them to permanently leave dependence on sex trade income. So far, plans made by participants include: a path to new employment; enrollment in college; post-secondary program completion (open studies for one participant, first-year law for another); and the start of a medical office assistance program.

The project involved much more than providing financial assistance to address affordability gaps. Just as important was financial literacy mentorship and personalized support by CEASE staff. Referrals were made to other CEASE-supported programs like the matched-savings Empower U collaborative. CEASE staff helped with filing overdue tax returns to ensure participants received payments for child benefits and GST credits to which they are legally entitled. One participant was able to reduce communications technology services payments by about \$100 per month. The ongoing support, coaching, and financial support alleviated many struggles for these participants and their children during the project timeline.

CEASE is acutely aware of its ongoing responsibility to the participants following the completion of the BAG project. Firm follow-up plans have been put in place and unused project funds will go toward transitional assistance with rent, food, and other necessities during the month of April. All five participants will be offered ongoing support and transitions to other CEASE programs.

The ongoing support, coaching, and financial support alleviated many struggles for these participants and their children during the project timeline.

BASIC INCOME AND INCOME SUPPORT PROGRAMS

In answer to a question on the intake form, only one of the five participants was previously aware of basic income. Despite this, all agreed by the end that a basic income would be helpful to bridge their affordability gaps. In their own words,

“I wouldn’t have to turn to the sex trade if there was a basic income.”

“A basic income would mean no judgment and make life easier.”

“A basic income would make life better for single women.”

“Sex work would, or could, no longer be an option.”

The pandemic exposed inadequacies in the existing social safety net. The idea to replace at least some of these existing programs with a national basic income has since gained momentum; at its April 2021 national convention, the governing Liberal Party adopted a policy resolution to explore a national basic income.

A basic income could support those with affordability gaps using two basic approaches. One would be in the form of a new federal–provincial program that would replace many of the existing income support programs. The other would enhance existing federal and provincial programs in such a way that affordability gaps are closed or substantially reduced.

Most basic income advocates do not propose replacing all income support programs. Retirement benefits and federal and provincial child benefits should not be rolled into a basic income, as they are already universal and/or income-tested based on tax return files. Though most advocates propose replacing existing provincial social assistance with a basic income, there is no consensus on which benefits and public services should be replaced. Programs like child care subsidies, employment

insurance, disability income, rent supplements, GST and climate action rebates, extended health and dental benefits, and workers compensation benefits are just a few examples of programs that are believed to be better off enhanced rather than replaced by a basic income. In many cases, these benefits are tied to specific policy outcomes (e.g., to reduce energy use or prevent workplace injury) and are difficult to incentivize with a basic income.

Suggestions that federal COVID-19 benefits like CERB and CRB could be a model for a basic income abound. For many Canadians these benefits were a lifeline; several participants received pandemic-related benefits before the BAG project started in November 2020. At \$2,000 per week, these benefits were considerably more generous than social assistance benefits provided by the provinces, in many cases more than double.

Although federal pandemic benefits were designed to offer only short-term relief, they may open the door to some badly needed income support reforms for working age Canadians. We learned from the pandemic that provinces are less capable than the federal government to finance programs with high front-end costs. The federal government was able to rely on the Bank of Canada to finance pandemic-related program costs—a policy tool not available to provinces.

One solution would be for the federal government to take responsibility for income support for all working age adults. It is already primarily responsible for income supports for seniors and children. Given the tendency for provinces to possessively safeguard their jurisdiction, even when it is not in their best interests, it may be more feasible for the federal government to cost-share provincial income support programs. In exchange, provinces would accept national standards around income adequacy and eligibility.

WHAT WE HEARD

Exit interviews with project participants took place mid-April 2021 by CEASE staff. This section tells of the impact the project had, in the words of the participants.

One participant remarked:

I don't know how I would have gotten through if I didn't have the financial support from this project. It helped with little things that enabled me to continue my education and care for my kids. I was able to finish studying and provide for my kids.

I now have a savings account. I am able to plan more easily and save for future needs.... I'm looking forward to finishing my degree and obtaining full-time employment.

Another participant wrote a page-long letter to CEASE expressing her thanks and gratitude. Excerpts include:

I've been working in the adult industry for about 10 years. I started young wanting to get ahead in life and pay off some debt, seemed simple enough right? Well my goal was to save a certain amount while paying off my debt by the age 25 as I started working at about 18/19. Well it wasn't that simple, yes I made good money but it's hard to save when you're working with cash and I ended up putting myself into more debt. Yes I was able to help my family financially while working but it's time for me to move on in life, I was tired of the constant lying to my family, going day by day hoping I make enough to pay my bills monthly it was getting too stressful. One day a representative from CEASE came in to talk to the girls about options and dropped off a binder of Info, at first I was sceptical afraid they would judge me instantly because of what I did for a living so it took me 3 years before I finally reached out and met a wonderful lady who has been nothing but kind from the minute she answered her phone, no judgment and she

encouraged me to get back to school and with her faith I felt I was ready to start school and start to move on.

She got me started in my upgrading school in order to start the process of getting my college done and I will forever be grateful. Because of her I was officially enrolled to take a course to get into the medical field. She assured me she will help me in any way she can, mentally, emotionally and financially and she kept her word. With the funds donated by generous people the program was able to help me pay for schooling all together and I'm so excited to get it done and I'm so thankful to everyone.

One day she called me about a new program to help girls in the same situation as I'm in trying to get out of the business and move on in the world without feeling the need to look back, it was a great opportunity as they helped me pay my rent for 5 months and I was able to actually save money for once without worrying and that feeling alone has been the best feeling I've had in 10 years. Not only was she able to help me save, she helped me and directed me to other programs that helped me also get me ready for school (i.e. getting a laptop for my online courses). If they can keep this program going and help more girls it will definitely change lives and the outlook on sex workers, knowing they will have options and support without judgment, is a big thing for us. This program honestly saved my life.

In her exit interview, another participant stated:

I discovered that with the right people to guide me, I can actually go back to school regardless of how old I am and there's nothing wrong with starting over. I've been able to budget better, live within my means, save and slowly learn how to get ahead financially. I

don't want to fall back into the lifestyle I'm trying to leave and the people who helped me mentally, emotionally, and financially don't deserve me giving up.

Regarding the pandemic's impact, one participant commented that: "One of the biggest challenges was COVID restrictions and not being able to meet in person—we talked and texted."

Another participant talked about how she has developed better habits as a result of the project,

by: "Not having so many distractions, [not] using bad coping skills, having more faith in myself, [and] having a better understanding of how I react to things."

When asked about what she was most looking forward to, one participant answered: "Being able to stand on my own two feet and being more hopeful that I will be able to achieve my goals."

RECOMMENDATIONS

There are efforts under way to design a basic income program that would provide financial security to all Canadians, but the implementation of such a program is still likely a long way off due to its complexity and issues of federal and provincial jurisdiction. The 10 recommendations in this report therefore focus on existing programs and services, and how they can be enhanced to achieve similar results.

RECOMMENDATION #1

Revamp provincial income support programs to function as a basic income.

Though a move to unconditional cash transfers for those with low incomes may be too drastic at this point, the existing Alberta Supports program could be changed to have fewer self-defeating rules. For example, by getting rid of the extremely low asset limits that require recipients to drain their savings or sell their vehicles to gain eligibility. These rules, such as the 75% clawback rate after the first \$230 per month in employment income from paid employment or net-self employment, currently punish recipients who are trying to better their economic circumstances. A simple short-term fix would be to adopt the same rules that exist with the AISH program for asset limits, earnings exemptions, and benefit clawback rates: allowing \$100,000 in financial assets, \$1,072 per month in employment earnings, and a 50% benefit clawback on the next \$937 per month. ^[13]

RECOMMENDATION #2

Change the name of the Assured Income for the Severely Handicapped (AISH) program to Assured Income Supporting Health.

Same acronym, different name. Program names matter, and the existing name stigmatizes vulnerable Albertans in several different ways. The word *handicapped* is considered a dated and offensive term. The current program name also fails to include Albertans with serious mental illness, brain injury, fetal alcohol effects, or other barriers that can be just as debilitating as a physical disability.

RECOMMENDATION #3

Transition caseloads from the Alberta Supports' Barriers to Full Employment category to the AISH program.

If recipients are not expected to work due to health or a disability, they should not be trapped in a program that provides a much lower level of financial support and more punitive eligibility rules.

RECOMMENDATION #4

Revamp the Alberta Supports program to better tailor support for working age adults who have temporary income loss, who are not eligible for federal employment insurance (EI) or their EI benefits have expired, and who are expected to return to paid employment.

For income support recipients in the Expected to Work category or the Learner Income Support and Skills Investment Bursary programs, asset limits should be increased and allow recipients to keep more earned income. Given the shared jurisdiction, and the somewhat overlapping responsibilities, this represents an important opportunity for better federal-provincial coordination and cost-sharing.

RECOMMENDATION #5

Reinstate indexing all provincial income support programs, including Alberta Supports and AISH.

A major step forward took place when the previous Alberta government indexed income support rates to changes in living costs. Failure to index means a reduction in living standards for those who rely on these supports. The decision made in the 2020 Alberta budget to discontinue indexing must be reversed as soon as possible.

RECOMMENDATION #6

Eliminate the long wait-lists for affordable housing so that all qualifying households receive rental assistance based on 30% of their income on a timely basis.

Three of the five participants who pay full market rent would benefit from this recommendation. Rental assistance should be portable, paid directly to tenants, and available to all qualifying households whether they live in social housing or market housing. Despite inadequate funding, the Rent Assistance Benefit announced by the Alberta government on March 27, 2021, strengthens the foundation for portable housing benefits in Alberta. Prior to the pandemic, the federal government committed to cost-sharing a portable housing benefit with provinces as part of a key component to its National Housing Strategy. The Alberta government must urgently negotiate an agreement with the Canadian government to unlock federal funds available for a portable housing benefit.

RECOMMENDATION #7

Ensure the Alberta Supports' Additional Shelter allowance (up to \$307 per month) provided to clients paying market rent is flexible, with no fixed time limit for single parents with children, until a fully-funded rent assistance program is available to all low-income tenants.

The policy on the additional shelter allowance could be enhanced in these ways:

- Clarify the intent of the policy, "To meet the additional shelter requirements of individuals with specific shelter needs," by adding, "Especially single women and single parents who need safe housing to support their mental and physical health, and that of their children."

- Change the requirement that the household must be a new recipient of the Income Support program.
- Change the duration from three months to no fixed time limit for single parents with children.
- Change the duration from three months to twelve months for single women who need housing that meets their needs for safety, mental and physical health, and affordability.

Enhancing this policy will reduce the serious risks of eviction and help prevent women turning to the sex trade, accommodations that are less safe, or even homelessness.

RECOMMENDATION #8

Strengthen bridging programs by easing qualification rules and reducing reliance on individual donors.

Bridging programs are usually needed to prevent evictions due to an inability to pay rents, damage deposits, or utilities. Eviction, utility disconnection, and moving are very expensive and time consuming for tenants, landlords, and utility providers alike. Under current rules, Alberta Supports can provide an Emergency Needs Allowance to existing clients on a one-time basis. However, the emergency allowance is inadequate, leading the Bissell Centre to set up a Community Bridge (CB) program. This program—funded by donors—provides a rapid response interest-free loan to prevent eviction by enabling qualifying tenants to pay down their rent, utilities, and arrears. The requirement to repay CB loans makes this program better suited to low-income working Albertans who suffer job loss or incur an unexpected expense. The CB program is not well-suited for Income Support recipients, who receive fixed-cost assistance that is already well below what is needed to cover essential expenses, let alone to repay loans.

RECOMMENDATION #9

Identify opportunities for low-income Edmontonians to save on their communications plans (internet, TV, and cell phone). This can be achieved through efforts between Empower U, the Edmonton Financial Employment Collaborative, and the United Way working in collaboration with telecommunications providers.

It is very easy for anyone including those with low incomes to be up-sold on communications packages beyond their needs, and—essential as they are—communications are forming a larger share of household budgets. As mentioned earlier in the report, through effective advocacy by CEASE staff, one of the BAG participants was able to achieve a \$100 per month reduction in the overall cost of her communications services. For low-income single parents with children receiving the maximum Canada Child Benefit, the federal government’s Connecting Families initiative provides basic home internet service for \$10 per month, but is due to

expire on March 31, 2022. It is important that it be renewed and made available to more families.

RECOMMENDATION #10

Enhance food security through collective kitchens, community gardens, and food cards.

After shelter, food is the second largest expense for those with limited incomes. Shelter costs are mandatory, since failing to pay rent and utilities on time will lead to eviction and/or utility disconnection. For a low-income person facing an affordability gap, there is some flexibility in how much income must be spent on food. For example, a low-income family may go to the food bank once a month, access free meals from social agencies, rely on school lunch programs for school age children, or, in a worst-case scenario, go hungry. Initiatives that allow those with limited incomes to grow and prepare nutritious food for their families can be life changing.

CONCLUSION

This report confirms that the BAG project benefited the five participants through financial and mentorship support.

These benefits were determined from informal communications between participants and CEASE staff and formal exit interviews. Despite the challenges the pandemic posed for in-person interaction, all participants agreed that the assistance provided—both monetary and through mentoring—addressed their financial challenges, increased their well-being and those of their families, and pointed them in the direction of improving their lives. All the while supporting them to permanently leave sexually exploitative work.

This report focuses not on designing a basic income program, but on learnings gained through additional financial support provided to the participants. The support helped close their affordability gap and allowed them to live with greater dignity, without the constant fear of not making payments for such essentials as rent, utilities, and food.

In the absence of a basic income, changes to existing programs can be made to achieve the objective of enhancing the financial security of formerly sexually exploited women so they do not have to return to the sex trade. The recommendations in this report include elements that are compatible with a basic income should a program be adopted in Canada, such as eliminating or relaxing restrictions on assets, financial savings, and punitive benefit clawbacks for those who aim to advance themselves through paid employment.



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