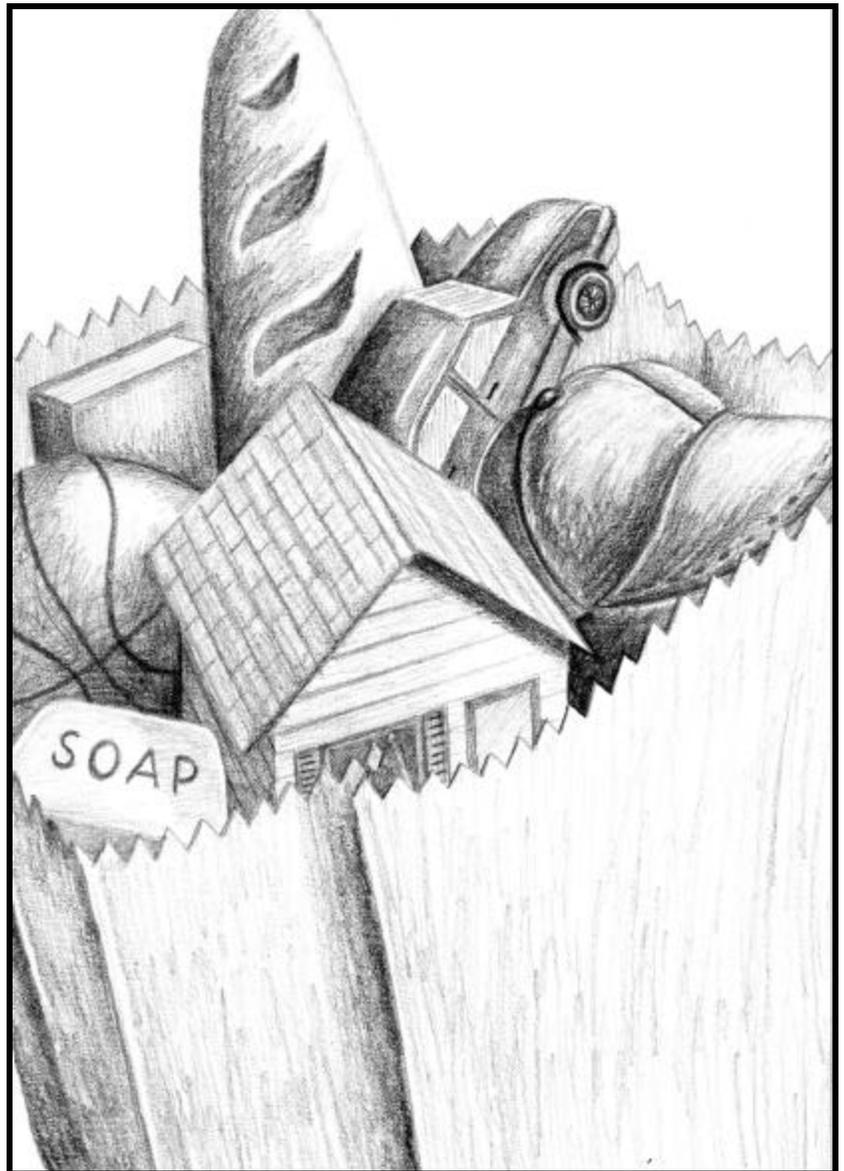


tracking the **TRENDS**

Social Health in Edmonton



Prepared By:
Edmonton Social Planning Council
2002

Tracking the Trends: Social Health in Edmonton

Other editions:

2000	The Cost of Healthy Living
1995	Mental Health
1994	Youth
1993	Aboriginal People
1991	Immigrants
1990	Families with Children
1989	Youth and Seniors

For information on previous editions, please contact:

Edmonton Social Planning Council

Suite 41, 9912 106 Street

Edmonton, Alberta, T5K 1C5

Tel: 780/423-2031

Fax: 780/425-6244

E-mail: edmspc@interbaun.com

Or visit our website at www.edmspc.com

We encourage you to photocopy materials from *Tracking the Trends* but please credit the Edmonton Social Planning Council.

Artwork and Design by Bobbie Mumby—Edmonton Social Planning Council

Preface

TRACKING THE TRENDS: *Social Health in Edmonton*, gives us a picture of Edmonton's individual, family and community health, by-products of many economic, social and political factors. Housing costs, the job market and social support systems are factors that determine health. The poverty rate, unemployment, bankruptcies, food bank use and crime rates are factors that help measure our health. They tell us how many Edmontonians cannot share in the economy or participate in the community. Economic and social planners can use these measures to refine the social welfare system and the economy. For example, the number of working poor who turn to the food bank might call for an increase in minimum wage or for new housing programs.

The 2002 edition of *Tracking the Trends*, presents new data on social and economic trends and an updated Edmonton Social Health Index. The Social Health Index shows the direction of our overall social health. It also gives us a close-up look at individual indicators, such as food bank use and bankruptcies.

This edition of *Tracking the Trends* includes previously released information on the cost of living. In 1999, the Edmonton Social Planning Council (with the help of Health Canada) began a detailed review of the cost of healthy living study. We looked at what every family must buy to live a basic, healthy life, then calculated the cost of those basics. Our hope is to secure the financial support required to update this information as it is an invaluable social planning tool.

This is the eighth edition of *Tracking the Trends*. Earlier editions are still in demand, and Edmonton Social Planning Council customers and members continue to ask for comprehensive social data. We are therefore pleased to return to this useful and popular format.

Table of Contents

- 7** **Introduction**
- 7 Why Track the Trends?

- 9** **Part 1: Major Social and Economic Trends**
- 9 Population
- 10 Consumer Price Index
- 10 Average Rent
- 11 Average Earnings
- 11 Minimum Wage
- 12 Welfare Standard Allowance
- 12 Welfare Shelter Allowance
- 13 Unemployment Rate
- 13 Labour Force Estimates
- 14 Annual Food Bank Use
- 14 Low Income Cut-Offs (LICO)
- 15 Percentage of Economic Families Living Below LICO
- 15 Economic Families Living Below LICO

- 17** **Part 2: Edmonton Social Health Index**
- 17 The Edmonton Social Health Index
- 18 The 15 Social Health Indicators
- 19 1. Life Expectancy
- 20 2. Premature Deaths
- 21 3. Low Birth-Weight Babies
- 22 4. Teen Birth Rate
- 23 5. Suicide Rate
- 24 6. Crisis Support Calls
- 25 7. Incidence of STDs
- 26 8. Child Welfare Caseloads
- 27 9. Food Bank Use
- 28 10. Percentage of Economic Families Living Below LICO
- 29 11. Single Parent Households
- 30 12. Personal Bankruptcy Rate
- 31 13. Property Crime Rate
- 32 14. Violent Crime Rate
- 33 15. Reports of Spousal Violence
- 34 Edmonton Social Health Index: Normalized Indicator Values

35Part 3: The Cost of Healthy Living

35What is the Cost of Healthy Living?

36Five Phases of the Cost of Healthy Living

36Why Do We Need Another Measure for Public Policy?

36The Theory Behind the Plan

37Constructing the Basket

37Step One: Selection of Groupings of Goods

38Step Two: Selection of the Best Available Method For Costing Goods

38Food Costs

38Methodology for Developing the Edmonton Nutritious Food Basket

40Health Care Costs

40Personal Care Costs

41Recreation Costs

42Reading Material Costs

42Shelter/Housing Costs

43Telephone Costs

44Transportation Costs

45Household Operation Costs

47Furnishings and Equipment Costs

49Clothing Costs

50Education Costs

52Child Care Costs

53Step Three: Identification of Reference Families

55Step Four: Verification of Resulting Aggregate Costs

56Comparison of Thresholds to Established Poverty Measures

57Calculation of Income

59Comparison of Minimum Incomes to Thresholds

61Conclusions

Introduction

Why Track the Trends?

Whether providing programs and services, or develop policies, timely, accurate information is critical. In Canada, most data is national or provincial. The Edmonton Social Planning Council focuses on Edmonton-based data, and places those local trends in a provincial and national context. As a planner, policy maker or analyst, this information provides a better understanding of present social conditions. This information can also help anticipate future changes and make informed decisions.

In Canada, there is no official poverty line. Statistics Canada's Low Income Cut-Off (LICO) functions as a poverty line, although Stats Can officials constantly warn against using LICO in this way. A Federal/Provincial/Territorial Working Group is now developing a Market Basket Measure of poverty.

The *Social Development Act* says the government must provide a social allowance to persons needing assistance. That allowance must be enough to purchase necessities. But what are basic necessities? Food, shelter and clothing are obvious needs, and usually what we think about when we talk about basics. However, many people support the position that basic needs are much more.

The cost of healthy living study began with an extensive literature review. The Calgary-based Canada West Foundation studied how we measure poverty and developed a comprehensive research report on poverty measures. The Edmonton Social Planning Council and Advanis Field Research then surveyed Edmontonians to learn more about basic needs. Over 90 per cent of Edmontonians saw basic needs as including child care, transportation, furniture and so on. Once the list was developed, the cost of those items and, subsequently, the cost of healthy living were calculated.

Part 1

Major Social and Economic Trends

In any community, public policy, social health and economic well-being are intricately linked. Still, few of us agree on how these factors influence each other and on how to use public policy and social programs to lower poverty and unemployment rates.

The following pages present graphs and data tables on social and economic trends in the Edmonton area. Some data show us what it costs to live, such as the Consumer Price Index and average rents. Other data show our capacity to earn an income. Labour force participation and

minimum wage tell us something about what percentage of the population is working and how much employers must pay for labour. Welfare rates reflect the standard of living for those outside the labour market.

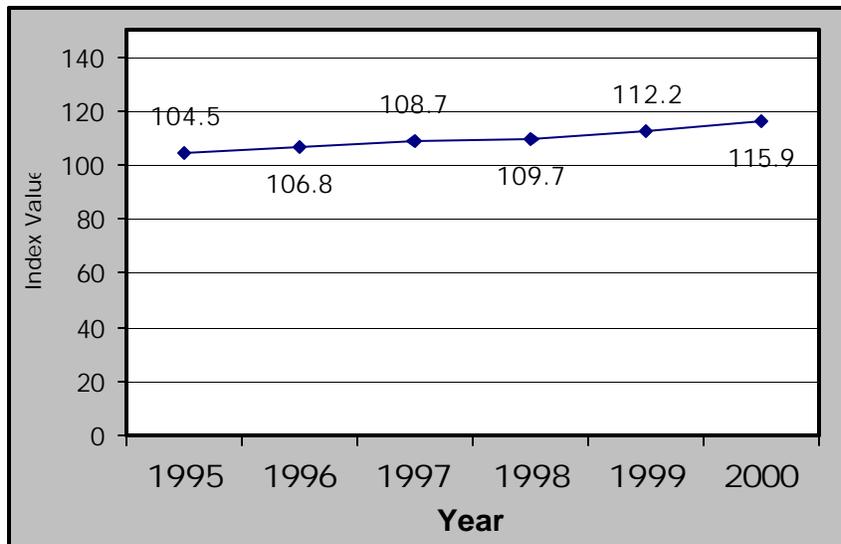
Presenting data in a central source permits us to see emerging trends. For example, the Consumer Price Index and average rents have risen steadily, while welfare rates have fallen. This section also includes Low Income Cut-Off (LICO) data, which tells us how many Edmonton families live in what Statistics Canada calls “straightened circumstances”.

Population - Edmonton

Age Range	1976	1981	1986	1991	1996	2001
0-9	68,515	71,926	83,207	92,231	85,080	78,789
10-19	91,585	86,472	73,815	76,159	81,360	87,745
20-29	103,360	137,653	140,162	123,043	98,655	109,815
30-39	56,235	74,686	100,502	119,342	113,525	107,481
40-49	51,075	52,590	58,471	73,764	91,025	107,243
50-59	41,925	45,948	49,791	50,683	55,275	69,262
60-69	27,100	28,970	36,304	43,442	45,725	48,930
70-79	14,680	16,475	20,228	24,952	30,875	36,804
80 and over	6,530	6,525	9,015	11,049	14,785	17,243
TOTAL	461,005	521,245	571,495	614,665	616,305	663,312

Source: City of Edmonton Planning and Development, *Edmonton Demographic Indicators 1993* and *Socio-Economic Forecast 2001-2006 City of Edmonton*.

Consumer Price Index - Edmonton (1992=100)



Source: Statistics Canada, all-items index.

The Consumer Price Index has risen by 11.4 basis points in just five years.

Average Rent - Edmonton

Year	Two Bedroom	Year	Two Bedroom
1981	\$460	1991	\$534
1982	\$496	1992	\$545
1983	\$472	1993	\$545
1984	\$450	1994	\$524
1985	\$459	1995	\$520
1986	\$457	1996	\$518
1987	\$471	1997	\$525
1988	\$484	1998	\$552
1989	\$496	1999	\$578
1990	\$516	2000	\$603

Source: Canada Mortgage and Housing Corporation.

Average rents for a two-bedroom apartment in Edmonton have increased by more than 21 per cent since 1989.

Average Earnings - Edmonton CMA

	1981	1987	1991	1996
Average Annual Earnings	\$18,720	\$22,422	\$27,120	\$25,974

Source: Statistics Canada, 1991 and 1996 Censuses (1990 and 1995 income years).

Data on average earnings, collected in the 2001 census, will not be released until 2003.

Minimum Wage - Alberta

Year	Minimum Wage	Year	Minimum Wage
1971	\$1.55	1986	\$3.80
1972	\$1.55	1987	\$3.80
1973	\$1.90	1988	\$4.50
1974	\$2.00	1989	\$4.50
1975	\$2.50	1990	\$4.50
1976	\$2.75	1991	\$4.50
1977	\$3.00	1992	\$5.00
1978	\$3.00	1993	\$5.00
1979	\$3.00	1994	\$5.00
1980	\$3.50	1995	\$5.00
1981	\$3.80	1996	\$5.00
1982	\$3.80	1997	\$5.00
1983	\$3.80	Oct. 1998	\$5.40
1984	\$3.80	Apr. 1999	\$5.65
1985	\$3.80	Oct. 1999	\$5.90

Source: Alberta Federation of Labour. Alberta Human Resources and Employment, Employment Standards Code.

There has been no change in the minimum wage since October, 1999.

Welfare Standard Allowance

Number of Children in a Family Unit	Ages of Children in Family Unit		Monthly Standard Allowance		NCBS	Totals incl. NCBS	
	0-11 years	12-17 years	One Adult	Two Adults	National Child Benefit Supplement	One Adult	Two Adults
0	0	0	\$229	\$426	N/A	N/A	N/A
1	1	0	\$282	\$446	\$104	\$386	\$550
	0	1	\$315	\$479	\$104	\$419	\$583
2	2	0	\$326	\$502	\$192	\$518	\$694
	1	1	\$359	\$535	\$192	\$551	\$727
	0	2	\$392	\$568	\$192	\$584	\$760
3	3	0	\$387	\$558	\$274	\$661	\$832
	2	1	\$420	\$591	\$274	\$694	\$865
	1	2	\$453	\$624	\$274	\$727	\$898
	0	3	\$486	\$657	\$274	\$760	\$931
4	4	0	\$443	\$614	\$355	\$798	\$969
	3	1	\$476	\$647	\$355	\$831	\$1,002
	2	2	\$509	\$680	\$355	\$864	\$1,035
	1	3	\$542	\$713	\$355	\$897	\$1,068
	0	4	\$575	\$746	\$355	\$930	\$1,101
5	5	0	\$499	\$670	\$437	\$936	\$1,107
	4	1	\$532	\$703	\$437	\$969	\$1,140
	3	2	\$565	\$736	\$437	\$1,002	\$1,173
	2	3	\$598	\$769	\$437	\$1,035	\$1,206
	1	4	\$631	\$802	\$437	\$1,068	\$1,239
	0	5	\$664	\$835	\$437	\$1,101	\$1,272

For most families with children, their income has increased as a result of the National Child Benefit program. However, as the Standard Allowance was reduced when the federal program came into effect, those families that do not qualify for the NCBS now have fewer financial resources than before.

Source: Alberta Human Resources and Employment, *Supports for Independence Policy and Procedures Manual*.

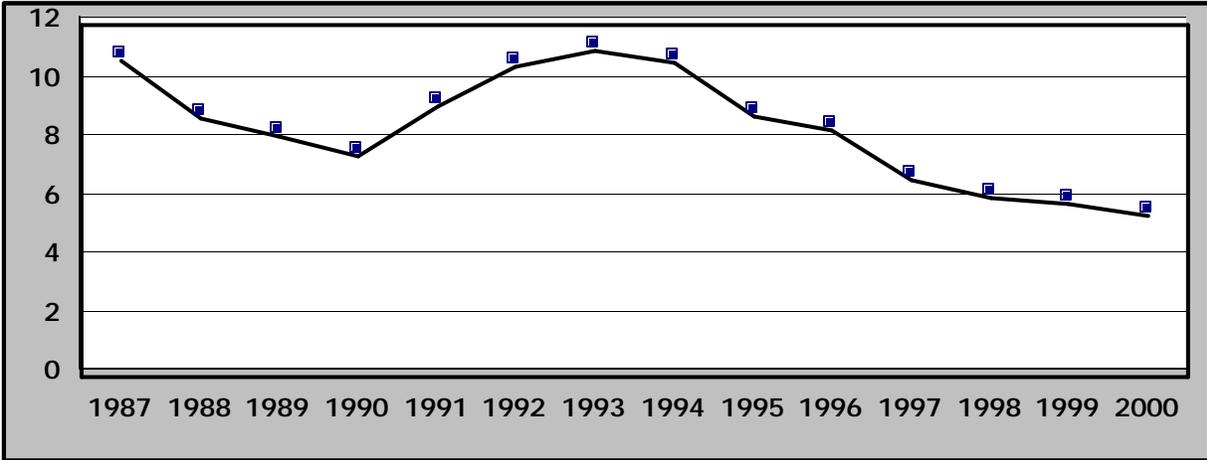
Welfare Shelter Allowance

Size of Unit	Supplement to Earnings or Employment and Training Support	Transitional Support	Assured Support
1-person unit room and board	\$168	\$168	\$218
1-person unit	\$168	\$253	\$303
2-person unit	\$336	\$336	\$436
2-person unit where one person is a dependant child	\$428	\$428	\$482
3-person unit	\$503	\$503	\$556
4-person unit	\$524	\$524	\$578
5-person unit	\$546	\$546	\$599
Greater than 5-person unit	\$546	\$546	\$599
	plus \$20 for each person in excess of 5	plus \$20 for each person in excess of 5	plus \$20 for each person in excess of 5

Shelter allowances have not been revised.

Source: Alberta Human Resources and Employment, *Supports for Independence Policy and Procedures Manual*.

Unemployment Rate - Edmonton CMA



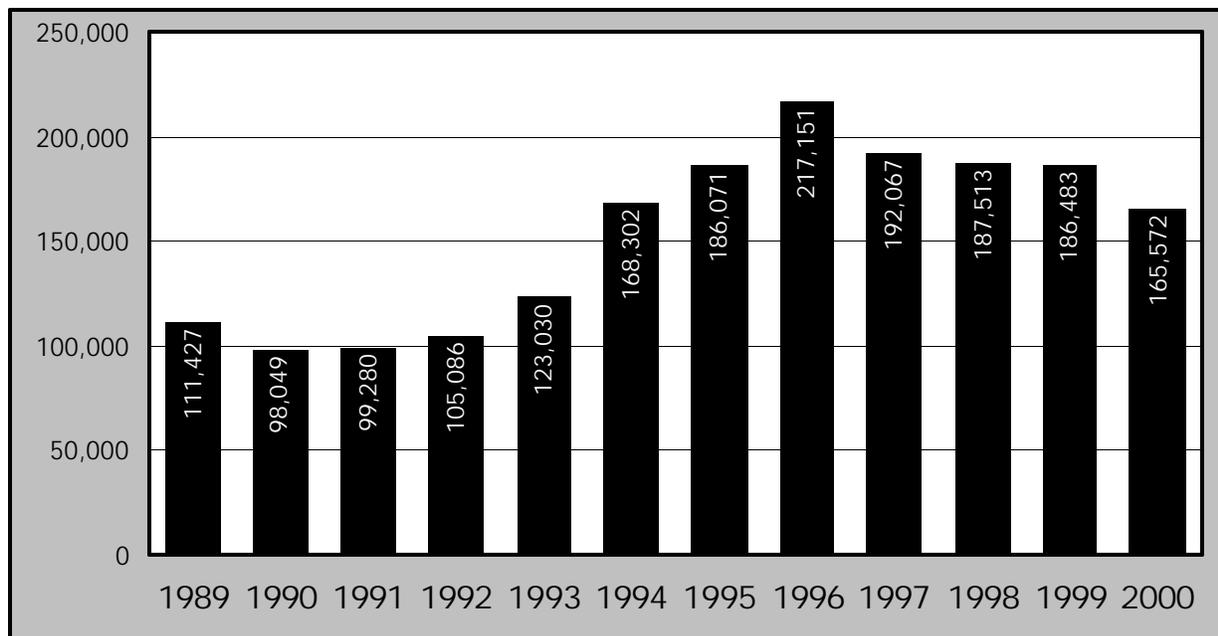
Source: Statistics Canada.

Labour Force Estimates - Edmonton CMA

Year	Employed ('000s)	Employed Full Time (%)	Employed Part Time (%)
1987	399.0	83.0	16.9
1988	410.2	82.8	17.2
1989	415.6	82.8	17.2
1990	423.5	83.7	16.4
1991	428.1	83.4	16.6
1992	428.9	81.6	18.4
1993	422.0	80.1	19.9
1994	428.5	81.7	18.3
1995	441.3	81.2	18.8
1996	440.5	80.6	19.4
1997	466.1	81.2	18.8
1998	474.9	80.5	19.5
1999	483.1	79.8	20.2
2000	488.9	80.4	19.6

Source: Statistics Canada.

Annual Food Bank Use - Edmonton



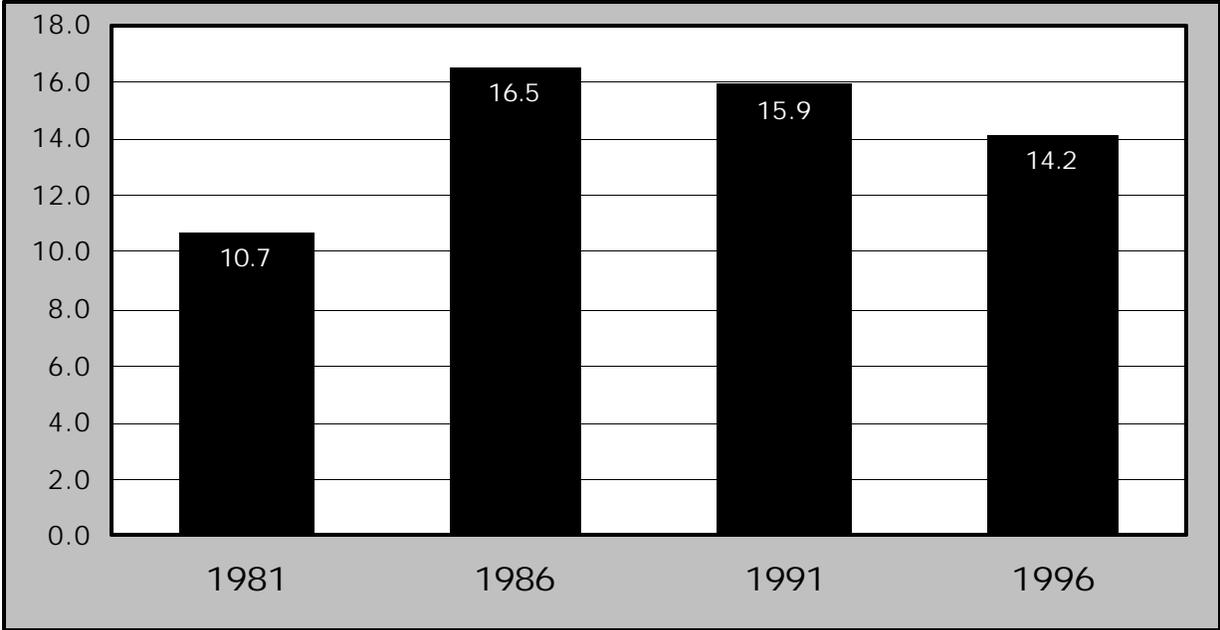
Source: Edmonton's Food Bank.

Low Income Cut-Offs (LICO) 2000 (1992 base) before tax income

Number of People in a Household	Urban Areas				Rural Areas
	500,000 and over	100,000 to 499,999	30,000 to 99,999	Less than 30,000	
1 person	\$18,371	\$15,757	\$15,648	\$14,561	\$12,696
2 persons	\$22,964	\$19,697	\$19,561	\$18,201	\$15,870
3 persons	\$28,560	\$24,497	\$24,326	\$22,635	\$19,738
4 persons	\$34,572	\$29,653	\$29,448	\$27,401	\$23,892
5 persons	\$38,646	\$33,148	\$32,917	\$30,629	\$26,708
6 persons	\$42,719	\$36,642	\$36,387	\$33,857	\$29,524
7 or more persons	\$46,793	\$40,137	\$39,857	\$37,085	\$32,340

Source: Statistics Canada.

Percentage of Economic Families Living Below LICO - Edmonton CMA



Source: Statistics Canada.

Economic Families Living Below LICO - Edmonton CMA

Family Type and Situation	1993	1994	1995	1996	1997	1998	1999	*2000
All Families	222,000	245,000	260,000	249,000	255,000	261,000	270,000	270,000
Percentage below LICO	19.0	17.2	18.3	14.2	13.8	12.6	11.2	11.2
Number of Families below LICO	42,180	42,140	47,580	35,358	35,190	32,886	30,240	30,240
Single Parents with Children	23,000	23,000	28,000	24,000	21,000	21,000	22,000	22,000
Percentage below LICO	59.3	61.0	64.4	69.0	62.0	21.2	n/a	n/a
Number of Families below LICO	13,639	14,030	18,032	16,560	13,020	4,452	n/a	n/a
Two Parents with Children	91,000	98,000	98,000	101,000	100,000	102,000	100,000	100,000
Percentage below LICO	16.8	14.6	15.4	10.0	11.3	13.7	6.5	6.5
Number of Families below LICO	15,288	14,308	15,092	10,100	11,300	13,974	6,500	6,500
All Families with Children	114,000	121,000	126,000	125,000	121,000	123,000	122,000	122,000
Percentage below LICO	25.4	23.4	26.3	21.3	20.1	15.0	n/a	n/a
Number of Families below LICO	28,927	28,338	33,124	26,660	24,320	18,426	n/a	n/a

Source: Statistics Canada.

As Statistics Canada modified the data collection methods for LICO, comparisons of data for periods 1993 - 1997 and 1998 onwards should be made with caution.

Part 2

Edmonton Social Health Index

The Edmonton Social Health Index

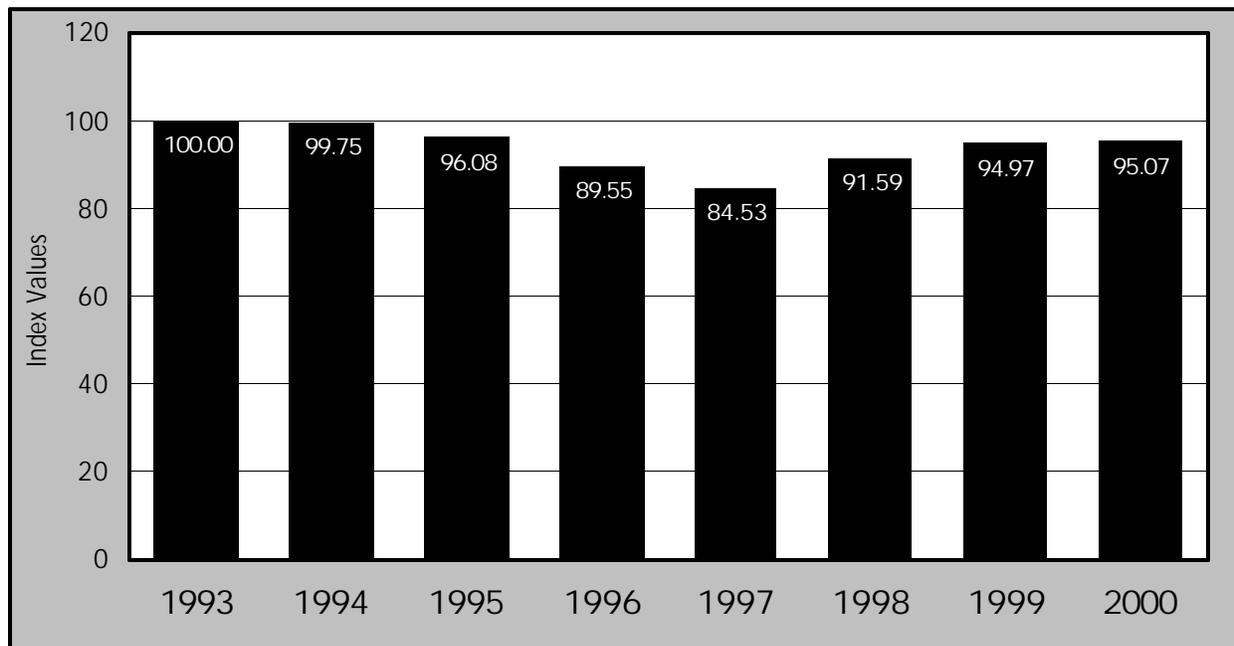
The Edmonton Social Health Index includes 15 indicators, each one measuring an aspect of our social health, while the composite index measures overall social health of Edmonton.

The index and the indicators set 1993 as the benchmark year. The raw data are then normalized and aggregated into an index. When data are not available, we extrapolate for those years as indicated by an asterisk. The composite index gives equal weight to each indicator.

In the 2001 version, to provide context to the data, we asked local experts to analyze the results. We would like to thank them for their insight and contribution to the development of the Index. We continue to include their comments from that time.

Previous versions of the Social Health Index had to rely on data for the Capital Health Region as a whole. As data specific to the City of Edmonton becomes available, it is incorporated to give a more precise picture of the City. Therefore, all data are for the City of Edmonton unless otherwise indicated.

Edmonton Social Health Index



Overall our social health has declined since 1993.

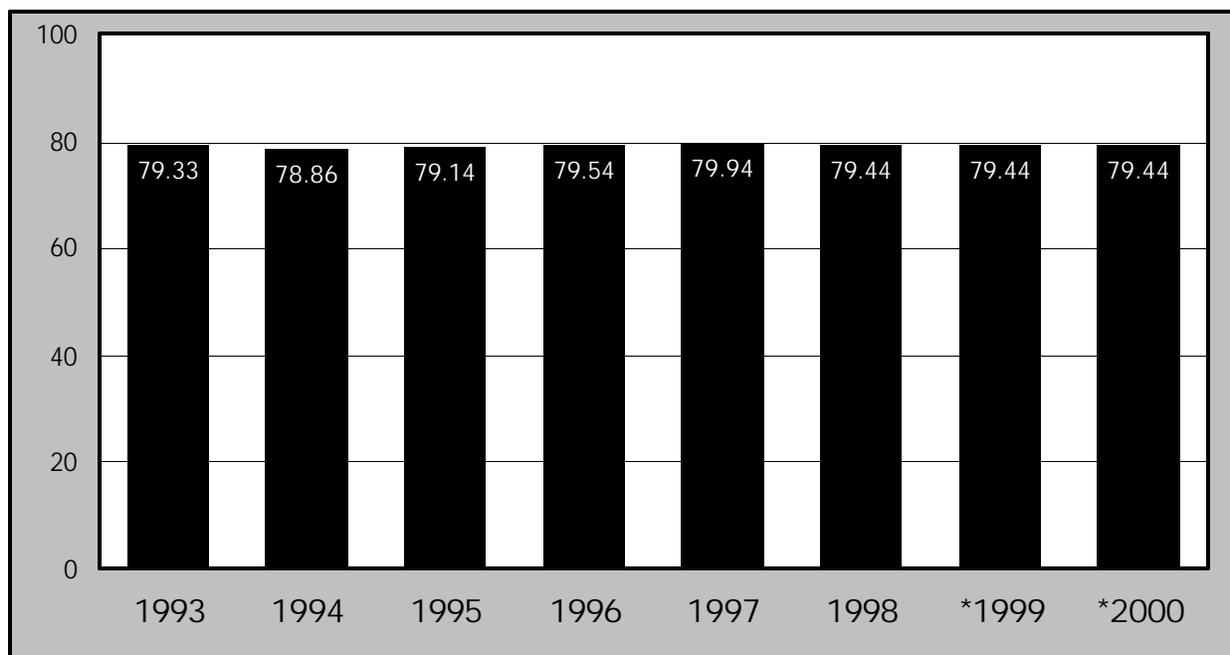
The 15 Social Health Indicators

These 15 key indicators measure personal health, safety and financial well-being and those in crisis in our city.

The indicators are:

- 1 Life Expectancy
- 2 Premature Deaths
- 3 Low Birth-Weight Babies
- 4 Teen Birth Rate
- 5 Suicide Rate
- 6 Crisis Support Calls
- 7 Incidence of STDs
- 8 Child Welfare Caseloads
- 9 Food Bank Use
- 10 Percentage of Families Living Below LICO
- 11 Single Parent Households
- 12 Personal Bankruptcy Rate
- 13 Property Crime Rate
- 14 Violent Crime Rate
- 15 Reports of Spousal Violence

1. Life Expectancy



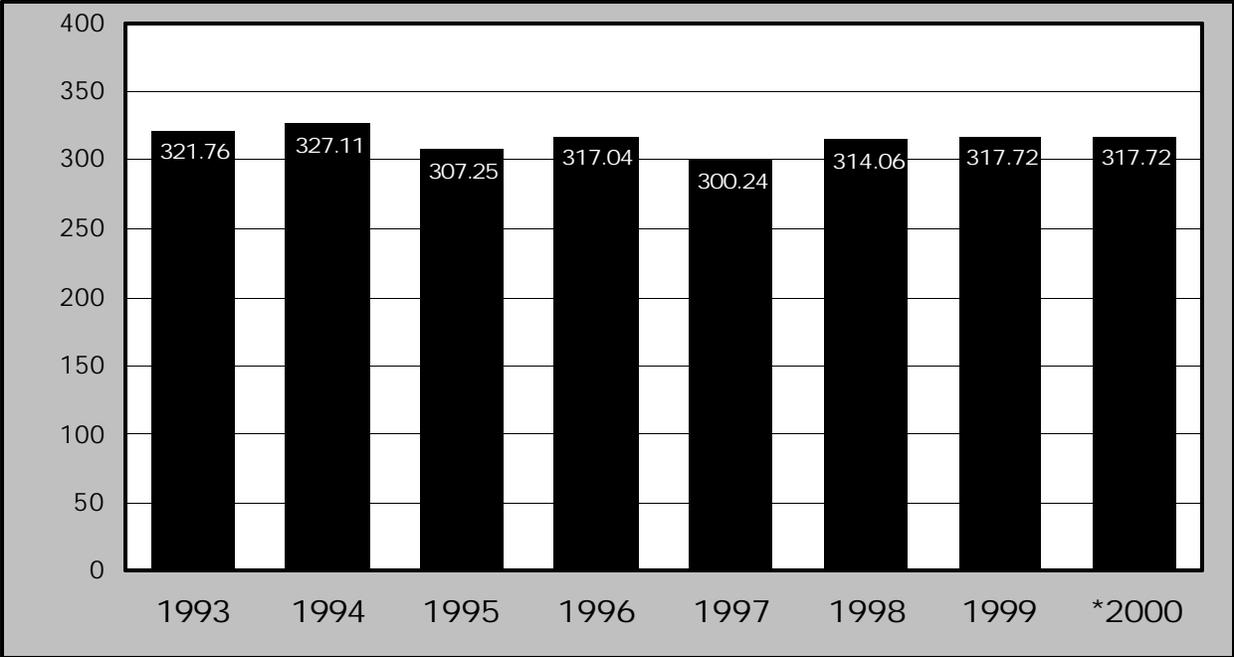
There has been little change in average life expectancy in the Capital Region.

“After tremendous jumps, average life expectancy is levelling off. We probably won’t see a decline but it should stay flat or rise slightly. A rise in cancer is impacting life expectancy. But on the other side, an aging trend within the senior population is causing life expectancy to go up. More and more people are hitting 85. People who reach 80 often hit 85. And if you hit 85, you are probably going to hit 90. A lot of it is health care. Some of it is luck. These are also people who never smoked, who always managed to eat a high fibre diet. They walked to the mailbox instead of driving. They have been healthy all their lives.”

- Dr. Donna Wilson, Faculty of Nursing, University of Alberta

Source: Capital Health Authority. Data based on the Capital Health Region population. As data are not available for 1999 and 2000, data from 1998 are used, assuming no change. The data are gender-weighted. We assume the male/female population ratio is 49/51. The two measures of life expectancy are combined to give us a single measure.

2. Premature Deaths (Per 100,000)



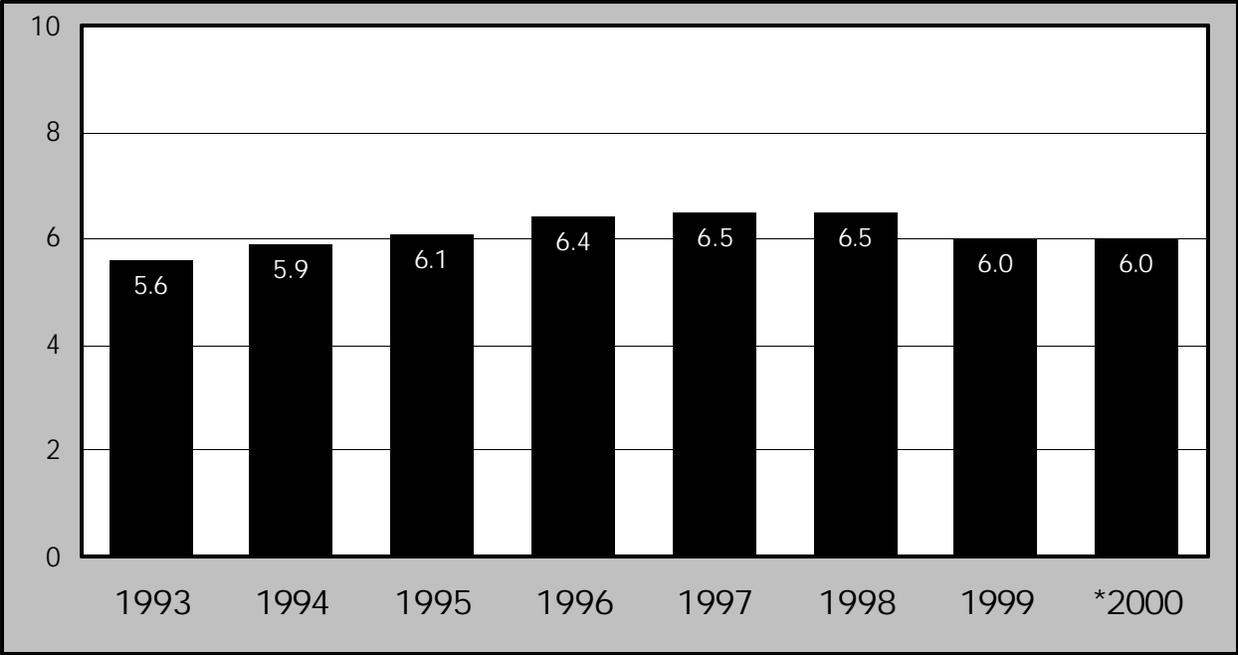
Premature deaths are those that occur before the age of 75.

“We definitely have a problem with people dying prematurely due to preventable causes. The most preventable deaths are injury related. For the region, the leading cause of premature death is suicide. Most people think it is car crashes. About 100 people a year die from suicide. For individuals under 44, injuries are the leading cause of death. It accounts for more potential years of life lost than the next two or three causes of death combined, and is the most neglected public health problem we face.”

- Dr. Louis Hugo Francescutti , Department of Public Health Sciences, University of Alberta

Source: Capital Health Authority (CHA). Rates are calculated on the population younger than 75 years old. CHA uses population estimates for the City for 1994 and 1995.

3. Low Birth-Weight Babies (Percentage of live births)



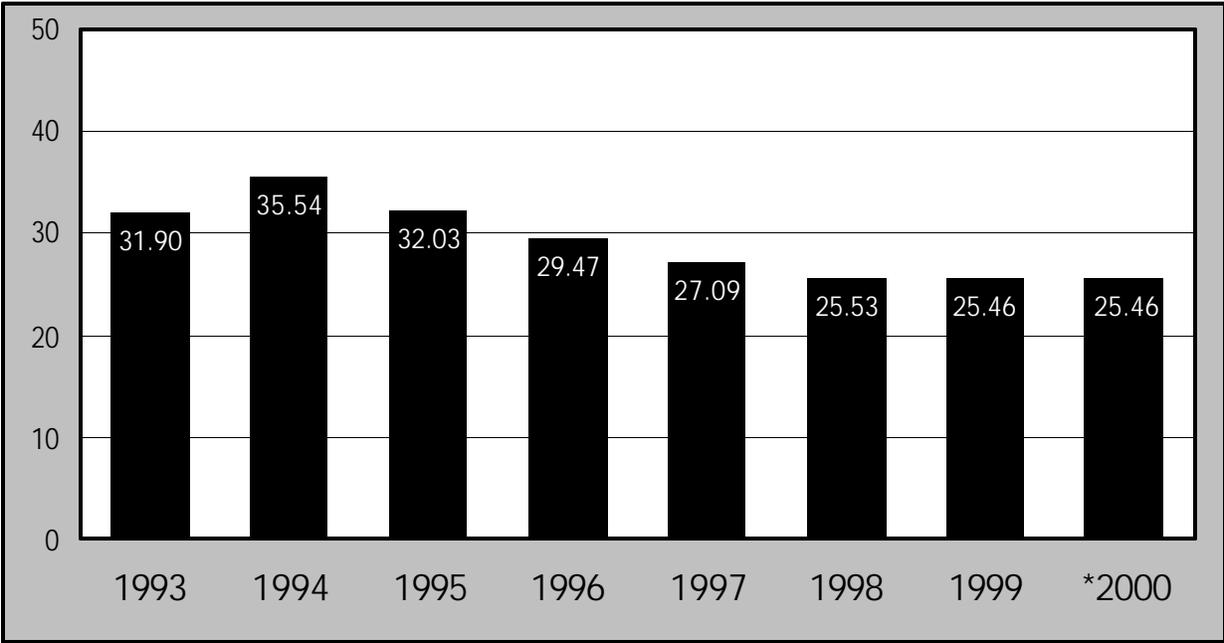
For the period 1993 - 2000, Edmonton experienced a slight increase in the number of babies born weighing less than 5 1/2 pounds (2,500 grams).

“The number of low birth-weight babies is known internationally as an indicator of a population’s health status. This is an unacceptably high number. The factors responsible include lifestyle (smoking, alcohol consumption and drug dependency), maternal age and pregnancy complications. It can lead to infant mortality, neurological defects and the slow development of the child.”

- Dr. Christine Newburn-Cook, Faculty of Nursing, University of Alberta

Source: Capital Health Authority (CHA). CHA uses population estimates for the City for 1994 and 1995.

4. Teen Birth Rate (Per 1000 females 15-19 yrs)



The teen birth rate measures the number of live births among young women aged 15 to 19.

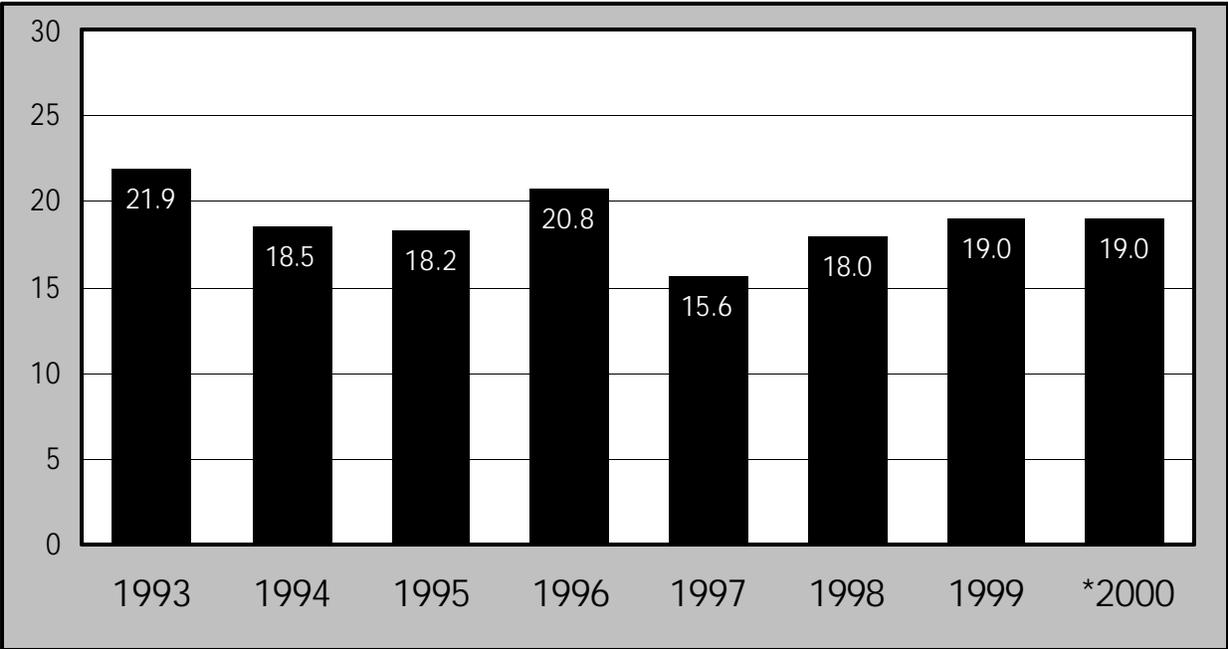
“There is a decrease in live births but we are only capturing one picture—those teens who choose to go on and have children and not have an abortion. The abortion rate matches the live birth rate. If you add on the number of teens who experienced a pregnancy that wasn’t completed, which is about 25 per cent, you come up with a different picture.

“Teen pregnancy is complicated. It is not about sex. There is a real correlation between teen pregnancy and people living in family situations where they don’t feel valued, where the emotional needs aren’t being met. They get those emotional needs met somewhere else. To really make a shift in the rates of teen pregnancy, we have to look at the systemic issues. We need to provide young people with supports so there are better ways of meeting those needs.”

- Karen Mottershead, Executive Assistant, Terra Association

Source: Capital Health Authority (CHA). CHA uses population estimates for 1994 and 1995.

5. Suicide Rate (Per 100,000)



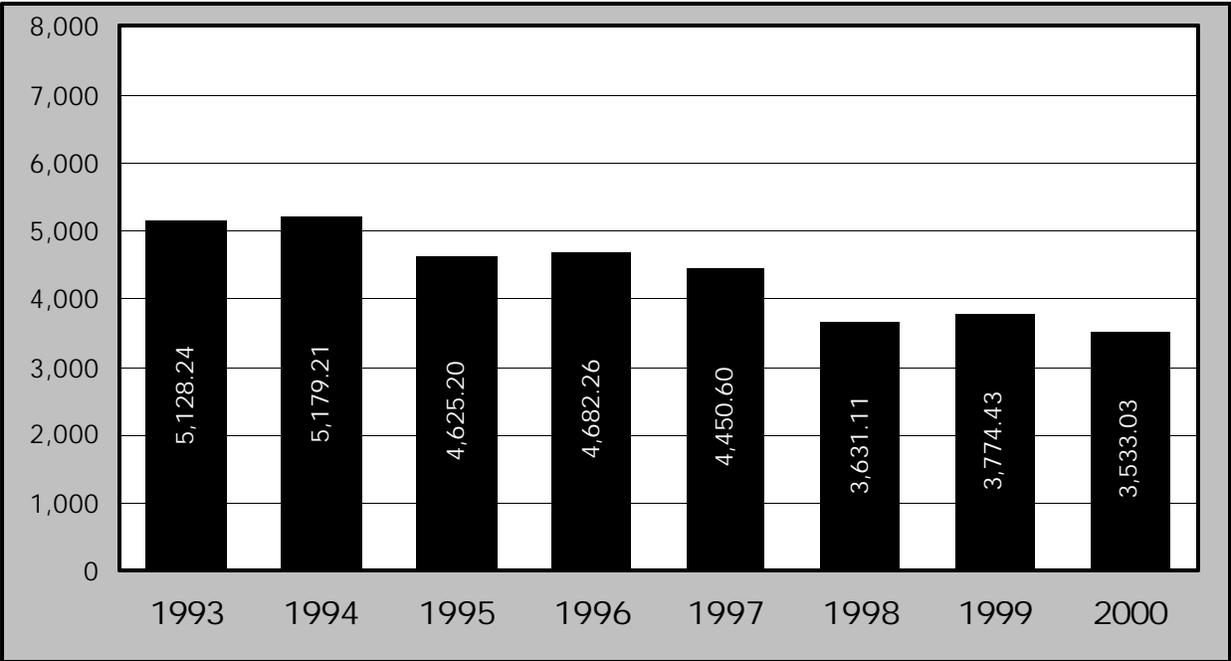
Suicide rates continue to fluctuate from year to year, with an overall decrease.

“We need to see people with mental illness and depression as worthy of services. Also, we need more support for families with abuse. We know there is a relationship between abuse and suicide.”

- Gerry Harrington, Executive Director of the Suicide Information & Education Centre and the Suicide Prevention Training Programs

Source: Office of the Chief Medical Examiner. The 1993 and 1994 rates are based on 1993 estimates of City of Edmonton population. The 1997- 1999 rates are based on City of Edmonton as the place of death.

6. Crisis Support Calls (Per 100,000)



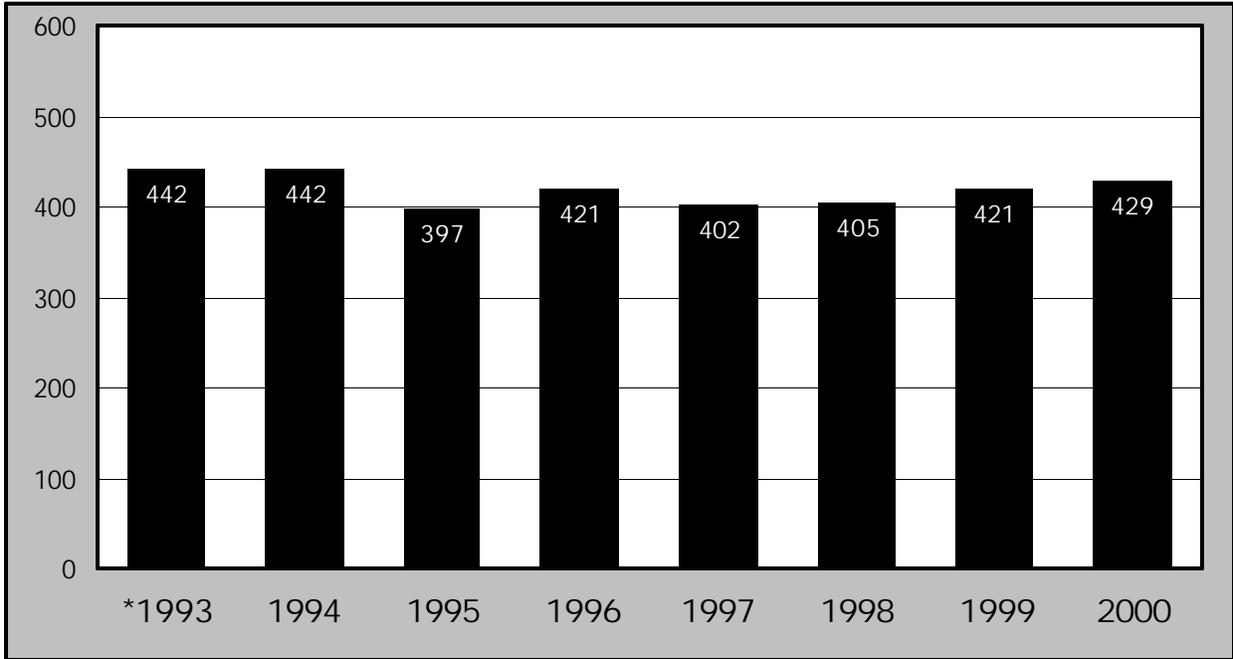
The number of crisis support calls reflects the number of individuals in the community who are reaching out for help.

“The fact that we get this many calls is a sign that there are problems in our lives and in our society. The number of violence-related calls is not decreasing. About 2000 calls were violence related. These include family violence, sexual assault and child abuse. About 10 calls a week were so critical we had to send someone out. Combining these things, I don’t think we can be happy about this trend. It doesn’t necessarily indicate things are going well.”

- Joan Wright, Executive Director of the Support Network

Source: The Support Network, Annual Statistics for the Distress Line.

7. Incidence of STDs (Per 100,000)



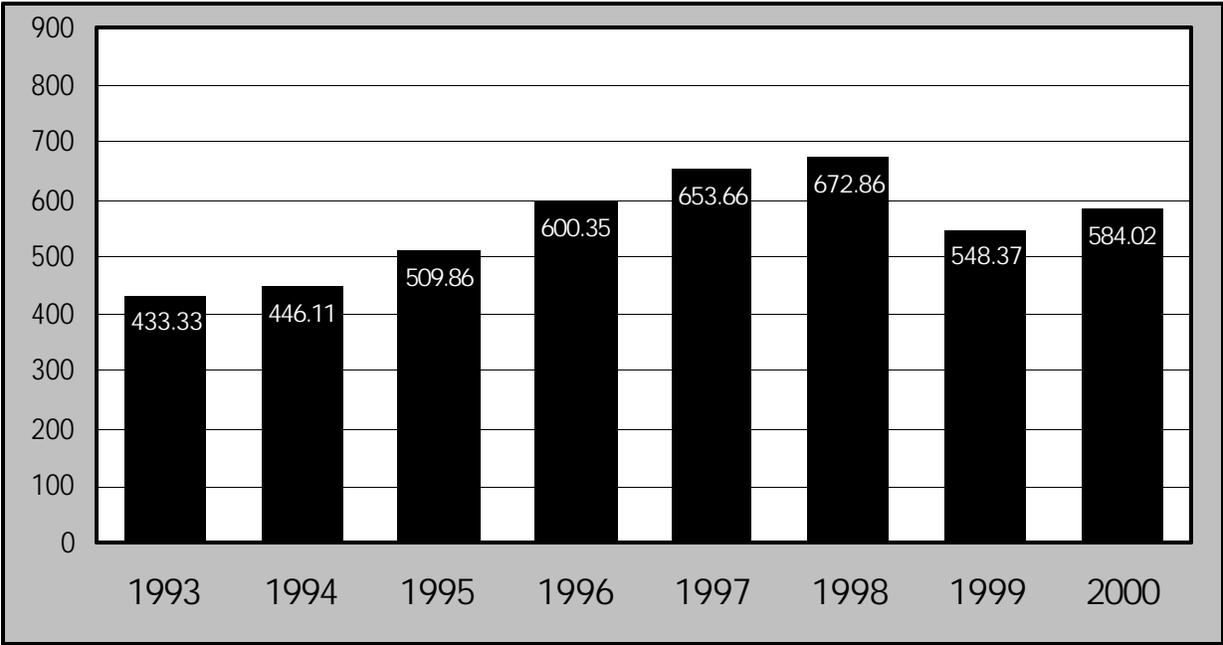
There has been very little fluctuation or decline in the incidence of sexually transmitted diseases (STDs). The numbers here include NGU/MPC, chlamydia, gonorrhoea and syphilis only.

“The essentially stable rates of STDs in Edmonton between 1993 and 1998 means that our current public health efforts are good to a certain point. However, some individuals are not practicing safe sex and therefore the transmission of STDs continues to occur.”

- Dr. Ameeta Singh, Provincial STD Medical Consultant

Source: The 1994 data are from Alberta Health, *Information to Support the Health Authority Business Plans and Annual Reports, 1997*. The 1995 - 2000 data are from the STD Services Disease Control and Prevention, Alberta Health. For 1993, 1994 data are used based on the assumption of no change. The number of incidents are based on the Capital Health Region as place of treatment rather than place of residence. Rates are calculated on City of Edmonton population as the Capital Health Region population is not available for all years which slightly over represents the rate.

8. Child Welfare Caseloads (Per 100,000)



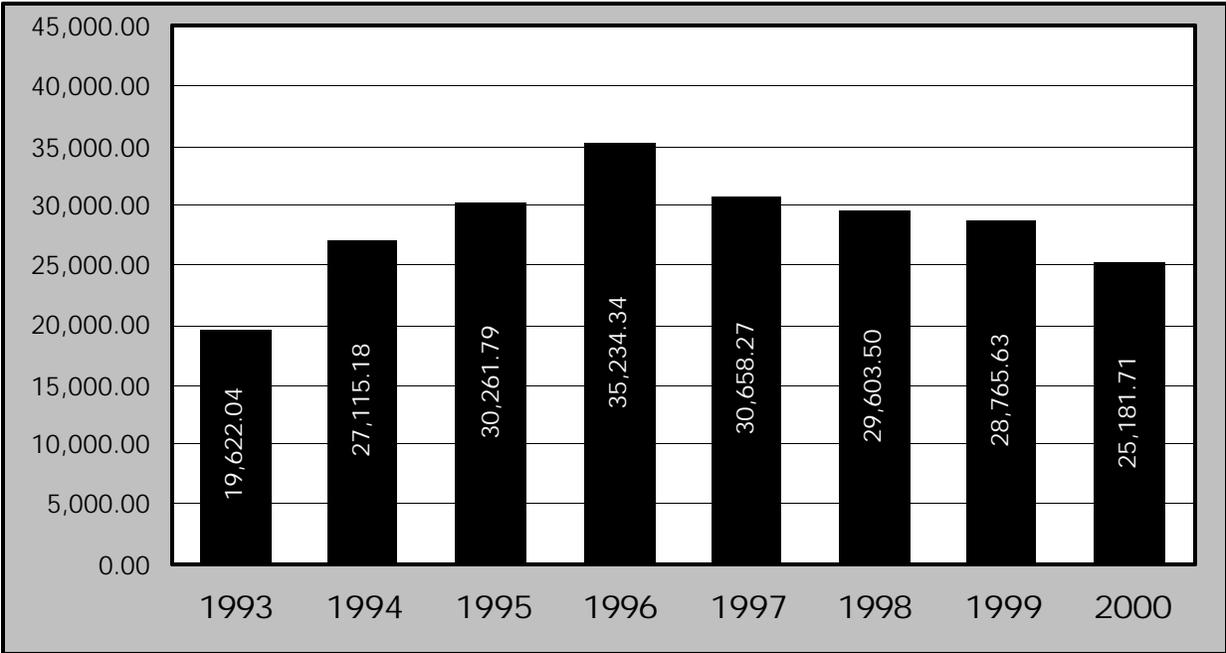
Since 1993, the general direction of the rate of child welfare caseloads has shown an increase.

“The correlation between poverty and child neglect has been well established in the research literature. It seems more than coincidental that Child Welfare caseloads have increased following the benefit reductions and stringent eligibility requirements imposed by the province. Yet no examination has yet taken place to understand the potential link between an increase in Child Welfare caseload and decreased public assistance caseloads.”

- Jean LaFrance, Assistant Professor, Faculty of Social Work, University of Alberta

Source: Alberta Children’s Services, Child Welfare. Figures are based on fiscal years. For example, 1994 rate is for the 1994/95 fiscal year. Direct comparisons maybe made with some caution between 1993-98 reporting years and 1999 onward. Figures for 1993-98 were reported on the Alberta and Family Social Services Edmonton region. Beginning in the 1998/99 reporting period the number of caseloads is based on Children’s Services Region 10. Nonetheless, the figures are presented together as the City of Edmonton constitutes the majority of the population in either case.

9. Food Bank Use (Per 100,000)



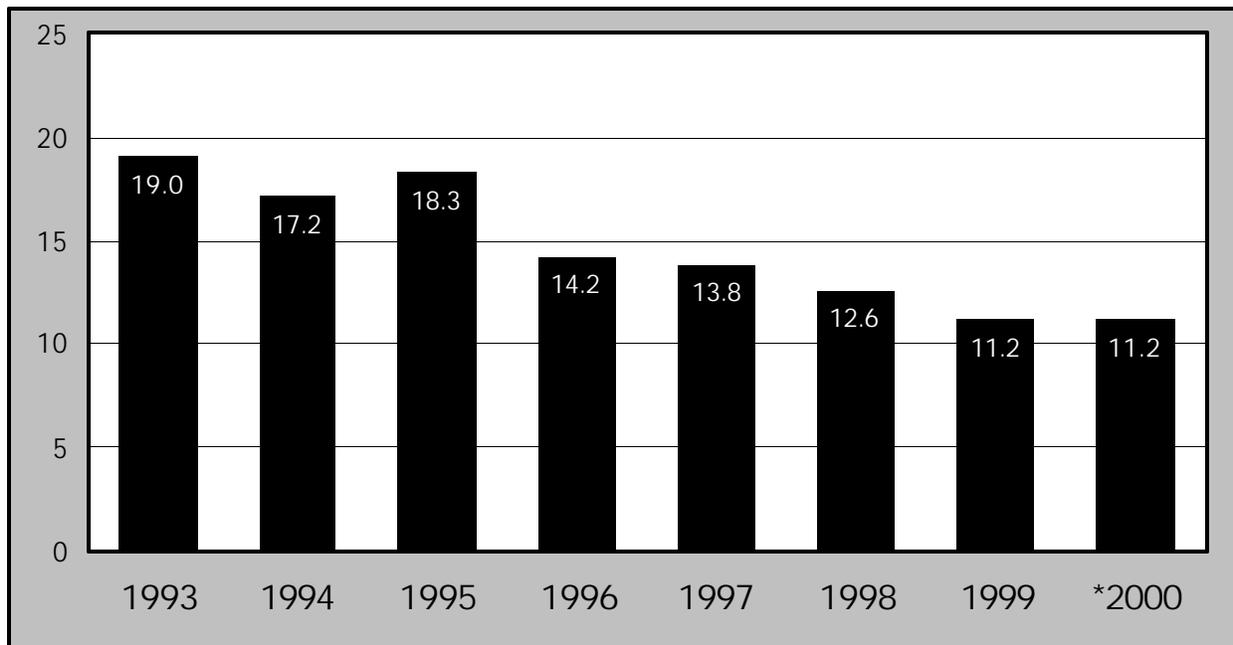
Although food bank use has dropped since 1996, it is still well above the 1993 benchmark.

“Food bank use peaked in ‘96 but the number of people in our city who need food banks is still really high. It should be a call for action. For some people, the economy has improved. Some people who were on welfare have moved on to employment and training opportunities but we are still seeing between 15,000 and 16,000 people using our services each month. The other reality is those people tend to be more destitute than 10 years ago. They don’t have access to phones, and multiple barriers exist for them.

- Marjorie Bencz, Edmonton’s Food Bank

Source: Edmonton’s Food Bank annual statistics.

10. Percentage of Economic Families Living Below LICO (Edmonton CMA)



Since 1995, the number of economic families living below the Low Income Cut-Off (LICO) has dropped considerably. To determine LICO, Statistics Canada calculates how much of average gross family income goes to food, shelter and clothing. This is expressed as a percentage of gross family income, then 20 per cent is added. LICO is not a direct measure of poverty, but does provide a relative measure of the economic circumstances of Edmonton families.

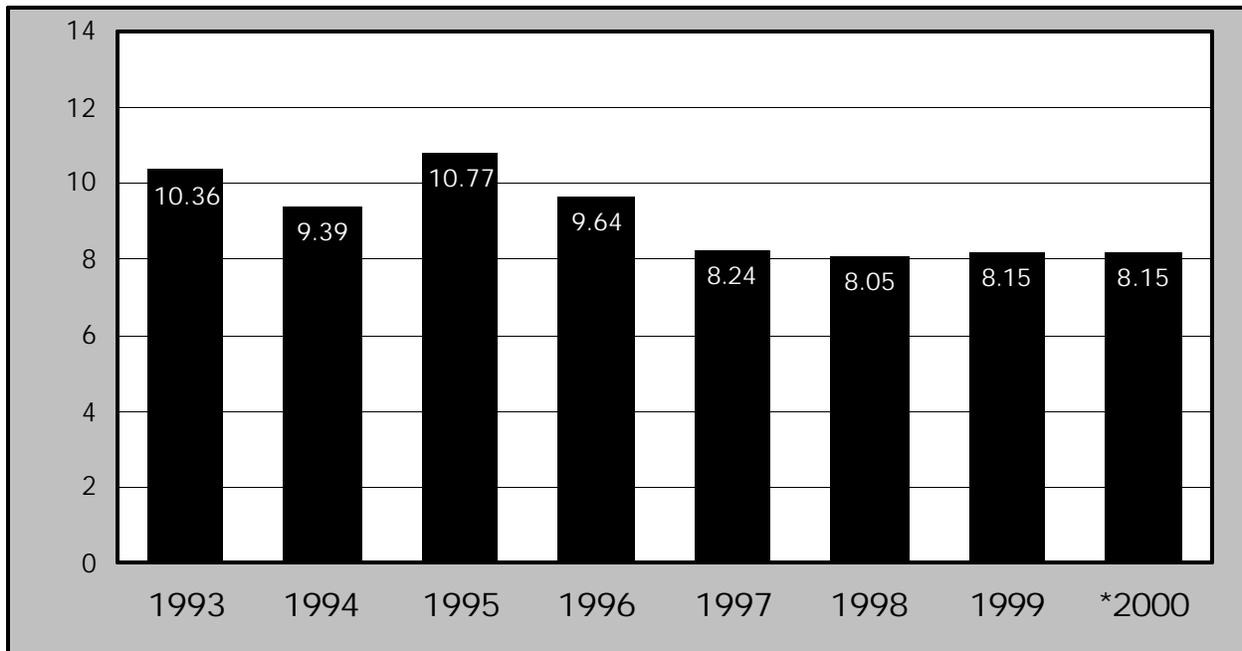
“LICOs really measure income inequality. What is the norm and how much income is required to participate in society? In Canada, it is considered the norm to be able to do more than meet basic needs. We should be able to participate in society in a way that enhances our psychological and social well-being.”

“A growing body of research evidence shows the ability to participate in society affects the health of individuals as a whole. This data says in 1997 almost 14 per cent of Edmonton families had incomes below a level that would allow them to participate in society in a way considered normal in our society. Families that had incomes quite a bit lower than the Low Income Cut-Off probably couldn’t meet even their basic needs.”

- Deanna Williamson, Department of Human Ecology, University of Alberta

Source: Statistics Canada (1992 base LICO). Data are based on the Edmonton Census Metropolitan Area, which may understate the percentages.

11. Single Parent Households (Edmonton CMA)



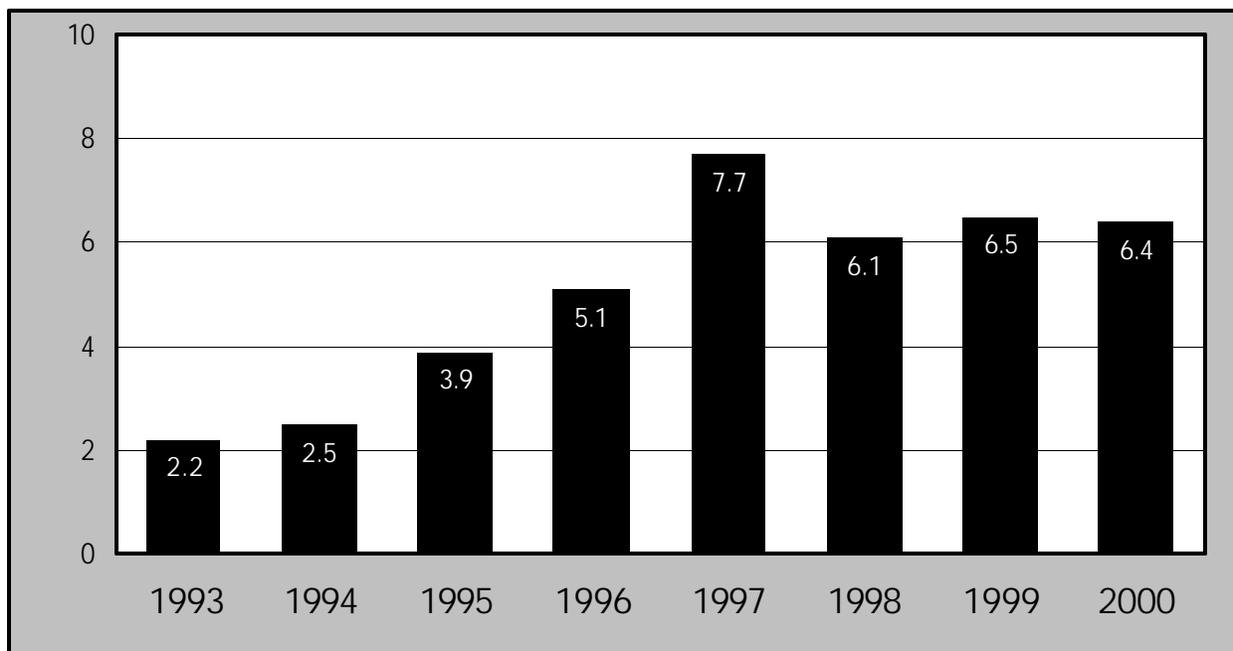
The percentage of households headed by a single parent has fluctuated only slightly in the past few years.

“I would expect the number to be around nine to 10 per cent. You seldom see things change that quickly. In fact, I would expect them to be moving in the opposite direction, mainly because the city has grown. Perhaps the 1995 number is too high. At this point, we would be doing our single parents a disservice if we say the numbers are going down and things are getting better.”

- Dr. Harvey Krahn, University of Alberta

Source: Statistics Canada. This graph represents the number of single parent households as a percentage of total economic households of families with two persons or more.

12. Personal Bankruptcy Rate (Per 1000 population)



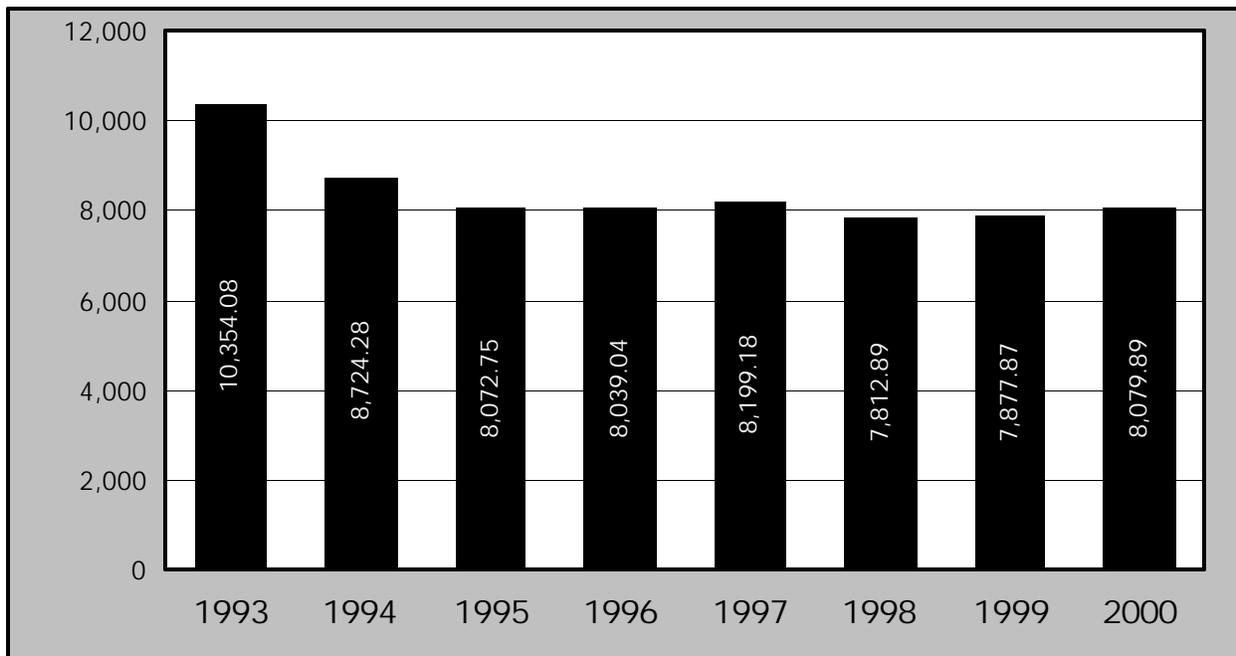
Although the number of people declaring bankruptcy rose dramatically between 1993 and 1997, and levelled out from 1998 - 2000, the rate remains significantly higher than the 1993 benchmark.

“As long as you have access to credit, you are going to have bankruptcies. It doesn’t matter if the economy is good or bad. More middle-income individuals file for bankruptcy because low income people have a more difficult time getting credit. We saw a sharp increase in personal bankruptcies in 1997 because that year the federal government passed new laws affecting student loans. After 1997, student loans would survive bankruptcy. That change generated a number of personal bankruptcies as individuals rushed to file before the law changed.”

- Willie Exelby, Licensed Bankruptcy Trustee, Exelby & Partners

Source: Office of the Superintendent of Bankruptcy, Consumer Annual Bankruptcy Rates. Data from 1993 to 1996 are provided by the Office of the Superintendent of Bankruptcy as rates. The 1997 to 2000 rates were calculated using the City of Edmonton population.

13. Property Crime Rate (Per 100,000)



Property crimes include break and enter, theft, vehicle theft, fraud and arson. The overall trend is toward lower property crime rates.

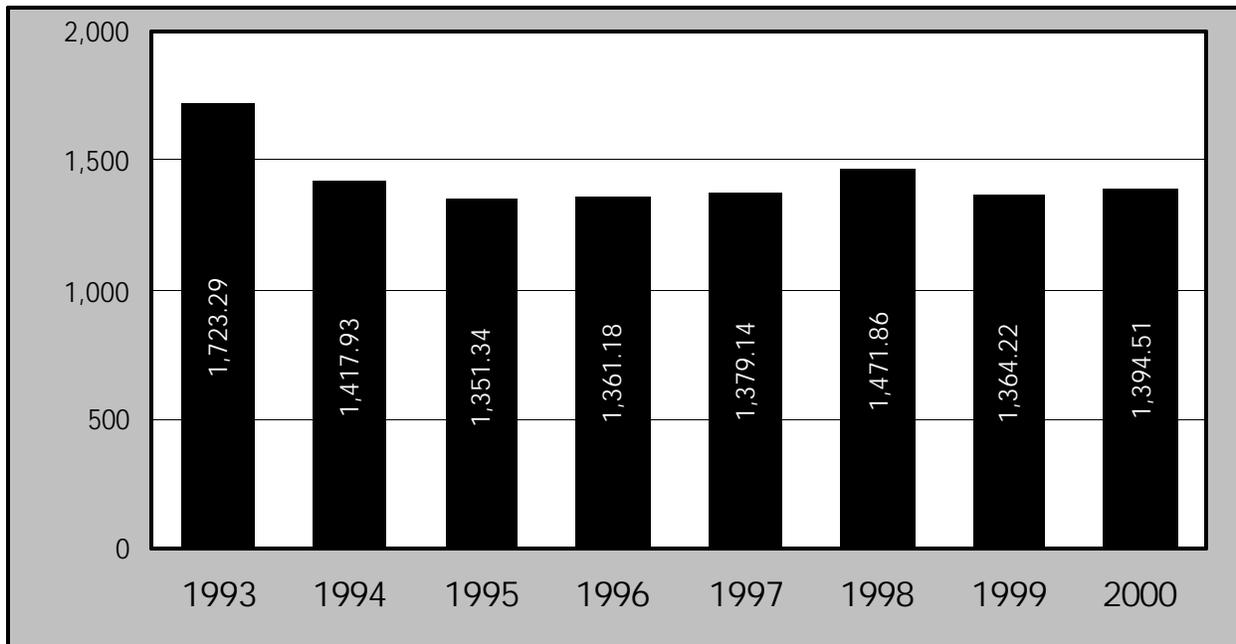
“Edmonton’s property crime rate reflects the general downward trend in crime in Canada. One possible explanation is the age composition in the population. Young, adult males between 14 and 25 commit a disproportionate amount of crime. If you get fewer males in that age range, you will have less crime. Economic circumstances also affect the crime rate. Better economic times mean less motivation to crime, and economic circumstances are generally better in Edmonton than they were earlier. On the other hand, property crime can also be partly a function of prosperity because there is more property to be stolen.”

“People’s willingness to report can affect property crime rates. One of the things that drives crime reporting is whether people think it is going to make a difference. If you get a decline in people’s confidence in the police, you are likely to get a decline in reporting. On the other hand, everyone is going to report their car being stolen, partly because of insurance requirements. However, not all shoplifting is reported because a lot of businesses won’t know about the crime until the year end. From that point of view, these numbers are clearly an under representation of the total amount of crime there is.”

- Dr. Tim Hartnagel, Professor of Sociology, University of Alberta

Source: Edmonton Police Service.

14. Violent Crime Rate (Per 100,000)



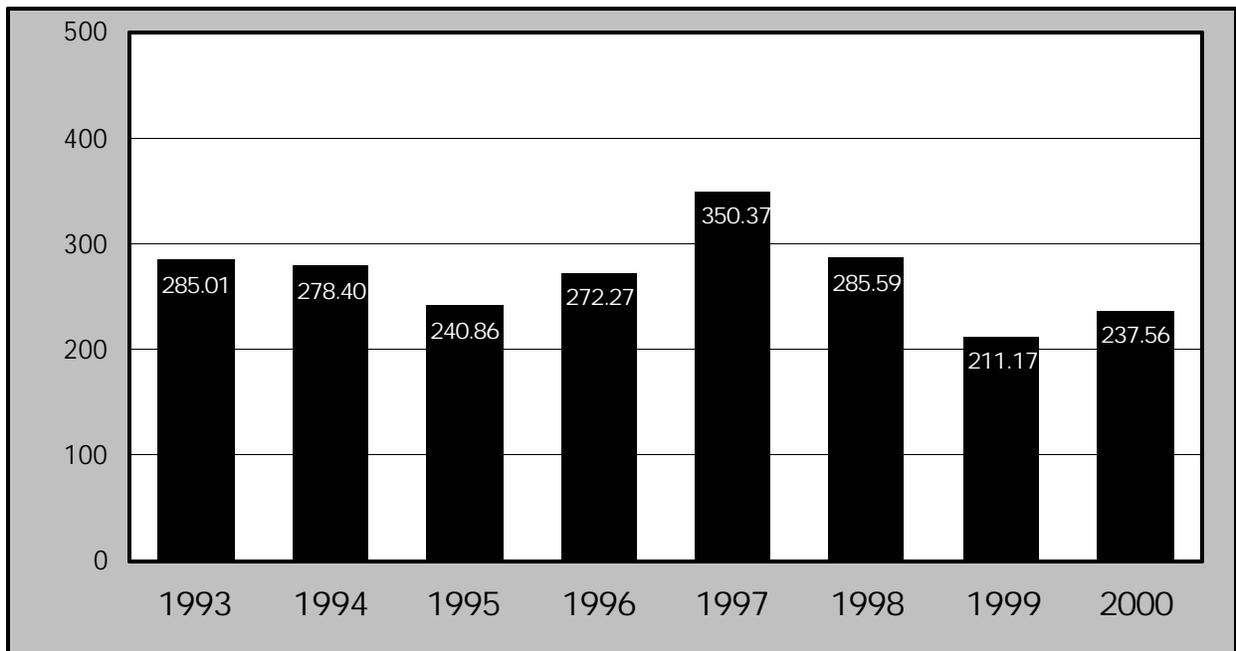
Despite small fluctuations, Edmonton's 2000 violent crime rate continues to be lower than the 1993 benchmark. Violent crimes include criminal deaths, attempted murder, robbery, sex-related crimes and assaults.

"If counselling and support networks are set up both within the community and within the family, you are going to see a decrease in crime rates in general and in particular violent crime rates."

- Edmond O'Neil, Lawyer, Beresh Depoe Cunningham

Source: Edmonton Police Service.

15. Reports of Spousal Violence (Per 100,000)



This indicator reflects the number of reported incidents of family violence where Edmonton police responded. These numbers include situations where no charges were laid.

“We know from research that abuse will be severe and prolonged before women will contact the police. This can account for the rise and fall in statistics over time. We haven’t seen a decrease in the amount of violence, but a fluctuation in reporting.”

- Arlene Chapman, Provincial Co-ordinator, Alberta Council of Women’s Shelters

Source: Edmonton Police Service, Family Violence (Spousal Abuse) Report, 1993 - 2000, Annual Reports.

Edmonton Social Health Index: Normalized Indicator Values

	1993	1994	1995	1996	1997	1998	1999	2000
Life Expectancy	100.00	99.41	99.76	100.26	100.77	100.14	100.14	100.14
Premature Deaths (per 100,000)	100.00	98.34	104.51	101.47	106.69	102.39	101.26	101.26
Low Birth-Weight Babies (% of all births)	100.00	95.56	90.82	85.23	83.69	83.73	93.13	93.13
Teen Birth Rate (per 1,000 females aged 15-19)	100.00	88.56	99.58	107.62	115.06	119.95	120.18	120.18
Suicides (per 100,000)	100.00	115.53	116.89	105.02	128.77	117.81	113.38	113.38
Crisis Support Calls (per 100,000)	100.00	99.01	109.81	108.70	113.21	129.19	126.40	131.11
Incidence of STDs (per 100,000)	100.00	100.00	110.21	104.76	108.91	108.26	104.68	102.71
Child Welfare Caseloads (per 100,000)	100.00	97.05	82.34	61.46	49.16	44.72	73.45	65.23
Food Bank Use (per 100,000)	100.00	61.81	45.78	20.43	43.76	49.13	53.40	71.67
Percentage of Economic Families below LICO	100.00	109.47	103.68	125.26	127.37	133.68	141.05	141.05
Single Parent Households (percentage of households)	100.00	109.39	96.05	106.97	120.51	122.34	121.35	121.35
Personal Bankruptcies (per 100,00)	100.00	86.36	22.73	-31.82	-147.83	-76.42	-94.55	-92.84
Property Crime Rate (per 100,000)	100.00	115.74	122.03	122.36	120.81	124.54	123.92	121.96
Violent Crime Rate (per 100,000)	100.00	117.72	121.58	121.01	119.97	114.59	120.84	119.08
Reports of Spousal Violence (per 100,000)	100.00	102.32	115.49	104.47	77.07	99.79	125.91	116.65
Edmonton Social Health Composite Index	100.00	99.75	96.08	89.55	84.53	91.59	94.97	95.07

Part 3

The Cost of Healthy Living

What is the Cost of Healthy Living?

There are currently no objective standards used to establish or evaluate income levels for major public assistance programs. Welfare rates, for example, are increased or reduced depending on political and budgetary circumstances, not what it actually costs to live a healthy life in a modern community.

The instrument most commonly used to assess the income status of individuals in the community is the Statistics Canada Low Income Cut-Off, or LICO, often referred to as the poverty line. LICO is a largely relative assessment of poverty. It is calculated by adding 20 percent to the average percentage of gross family income spent on basic needs (food, clothing, and shelter). A household spending a greater percentage of total income on

basic needs is determined to be low income. LICO is an important tool for the assessment of economic equality or income disparity, but in its long history, it has never been accepted as a standard for the evaluation of public income support programs or for the performance of the labour market.

The Edmonton Social Planning Council approached the Canada West Foundation (CWF) in 1998 with a view to co-operating in developing an alternative measure. The Cost of Healthy Living project was to be developed in five phases. Conceptualization, Focus Groups, Edmonton Cost of Living Threshold, Dissemination and Evaluation and Participatory Threshold.

Five Phases of the Cost of Healthy Living

Phase 1: Conceptualization

ESPC and CWF staff together developed a conceptual framework for the project. These discussions culminated in the paper entitled, "Defining Canadian Poverty: Meeting Needs in the Three Spheres of Social Integration," written by the CWF, which described differentiating between "basic" needs and "social participation" needs.

Phase 2: Focus Groups

ESPC and CWF staff co-operated to conduct three focus groups. The role of the focus groups was to describe the range of issues faced in developing a threshold.

Phase 3: Edmonton Cost-of-Living Threshold Pilot

The ESPC undertook the development of an Edmonton-based "basic" threshold in the summer of 1999.

Phase 4: Dissemination and Evaluation

The CWF will seek funding to disseminate and lead the discussion on the need for a local cost of living measure and the potential for the ESPC model, or a variation thereof, to fill that niche.

Phase 5: Participatory Threshold

Plans to establish a participatory threshold are yet to be developed.

Why Do We Need Another Measure for Public Policy?

The ESPC Cost of Healthy Living Threshold (CHLT) Project was based on the belief that there is a need for a new measure in two broad areas of public policy: Public Assistance Programs and Labour Market performance.

Modern public policy development is increasingly driven by a need to demonstrate the effectiveness of public programs. Without a clear public standard, we have no means of setting policy targets or evaluating policy outcomes.

Increasingly, the labour market is seen as the primary method of providing income to all citizens. Waves of public policy reform have been based on a blind faith that there are enough jobs and that people in need will find those jobs. Despite this single-minded reliance on the labour market, or perhaps because of it, there have been no efforts to develop an instrument with which to measure the adequacy of levels of income from employment. Unemployment rates are still seen as the only measure of the success of the labour market. Minimum wage legislation is the only public policy instrument in place with the potential to affect income levels.

The Cost of Healthy Living (CHL) Project is an attempt to demonstrate and test a practical method for developing a locally based Cost of Healthy Living Threshold.

The Theory Behind the Plan

The theoretical framework for the CHLT is essentially a population health framework. There are many factors which influence the health of people which have nothing to do with the health care system. Income is clearly identified as a prime determinant in any discussion of population health.

The framework is based on some fundamental assumptions.

- In a modern society, purchasing needed goods is the only option for most families. People with incomes below the threshold may not necessarily be living unhealthy lives in every case. They may be supplementing their income with non-cash resources such as food banks, collective kitchens or friends and family. Yet, because these resources are sporadic in their availability, they cannot be counted upon and should not be factored into any measure.

- Poverty is more than the simple want of the bare essentials. It is as much a social and psychological condition as a material or economic one. A Cost of Healthy Living Threshold does not attempt to describe the total condition of poverty, but focuses instead on the capacity to procure the goods needed for healthy living as an essential precursor to any other level of participation¹.
- A “Basket of Goods” approach is the best choice for a Healthy Living Threshold. It has the potential to be relatively easy to understand, which is important for any public policy, and it is broadly based on output capacity as opposed to a LICO-type measure which is based more on input capacity.
- Community standards must play a role in the establishment of any credible basket. Baskets are not necessarily an “absolute” approach to measuring socio-economic stress, although the more rigid baskets come very close. The approach used by the ESPC for this project is not an absolute measure in that the basket is designed to reflect community standards and is, therefore, largely “relative.”

The primary goal of any societal structure must be to provide needed goods to all its people.

Defining what is needed by all people to maintain health is the challenge of this project.

Constructing the Basket

There were four steps in the construction of the basket.

- **Step One:** Selection of groupings of goods (p. 37)
- **Step Two:** Selection of best available methods for costing of goods (p. 38)
- **Step Three:** Identification of reference families (p. 53)
- **Step Four:** Verification of resulting aggregate basket costs (p. 54)

Step One: Selection of groupings of goods.

As mentioned previously, a key component in the approach used by the ESPC involved incorporating community standards into the basket. For that reason, it was decided from the outset to incorporate community input. Since it is clearly not possible to test every item in a basket with a representative sample, it was decided to ask respondents to indicate whether a “grouping” of goods should be included in a basic basket.

Various established groupings of items were considered for use. The groupings used by Statistics Canada in its annual Family Expenditure (FAMEX) survey were ultimately chosen because they are well-established and widely recognized and their use would allow for the use of FAMEX data for the actual pricing of groups of items.

A private firm was commissioned to poll a representative sample of Edmontonians in July 1999². Respondents were given the following definition of basic needs: “what an individual needs to be able to stay alive and be physically and mentally healthy.” They were then asked whether specific groupings of items should be included in the basket. The responses surprised researchers with the strong support for the inclusion of all groupings, except “Tobacco & Alcohol.” For that reason, all other 13 FAMEX groupings were included:

Food . . . . .	.100%
Housing . . . . .	.99%
Clothing . . . . .	.99%
Education . . . . .	.99%
Kitchen Supplies . . . . .	.97%
Health Care Costs . . . . .	.96%
Transportation . . . . .	.96%
Personal Care Items . . . . .	.95%
Household Operation Items . . . . .	.94%
Reading Material . . . . .	.93%
Recreation . . . . .	.91%
Telephone . . . . .	.91%
Child Care . . . . .	.89%

¹ The Canada West Foundation authored a report entitled Defining Canadian Poverty: Meeting Needs in the Three Spheres of Social Integration, which established “basic” and “participation” thresholds as two distinct but related concepts.

² The sample of 500 Edmontonians was conducted by Advanis Field Research and is accurate within 4.5 per cent 19 times out of 20.

Step Two: Selection of the best available method for costing goods. For the best method of costing the individual groupings, researchers looked to the literature for established, credible methods of costing the various groupings. Some long-established methods were used, such as the clothing list of the Montreal Diet Dispensary, and other methods established by Fraser Institute Fellow Christopher Sarlo in his book *Poverty in Canada*.

For categories where no credible method was readily available, such as Health Care, it was decided to base estimates on established expenditure patterns as described by the FAMEX data. It is not reasonable to construct a basket of goods for a grouping such as Health Care because needs, and therefore expense, will vary widely. A basket of goods for a frail senior will be radically different from a healthy young single parent with a child.

After much deliberation, it was decided to use the average expenditures of the lowest quintile, or the poorest 20 per cent. This choice was made based on the assumption that this cohort would maximize opportunities for economy, and spend as little as possible.

There are, however, some legitimate questions which arise from the use of lowest quintile expenditure pattern data. For example, did the spending reflect what people really needed, or merely what they could afford? This is particularly important for Health Care where the consequences of not spending on needed health supplies could be serious. It is less urgent in a grouping such as Recreation where few would suggest that what the average Edmontonian spends on recreation should be available to all.

Despite these concerns, it was decided to use the poorest quintile FAMEX data in a number of categories. In every case, when there was doubt, researchers opted for the lowest cost credible method of costing.

Food Costs

Food was the only grouping for which an entirely new method was constructed. Under the supervision of Dr. Kim Raine-Travers of the University of Alberta Centre for Health Promotion Studies in the Department of Agricultural, Food and Nutritional Sciences, Tara Rankin undertook to develop an Edmonton Nutritious Food Basket (ENFB) for her MSc thesis and in support of this project. The ENFB follows a decade of work to develop regionally appropriate food baskets within the context of Health Canada's newly developed National Nutritious Food Basket. This work was key to the project overall and an important contribution to the community at large.

Methodology for Developing the Edmonton Nutritious Food Basket (ENFB) *Rationale for Food Baskets.* One's food choices are a significant factor in determining health, and these choices are often limited by income. Monitoring the cost of a nutritious food basket is vital to ensuring sufficient income to meet or exceed basic food needs.

Determining the Food Contents. The Edmonton Nutritious Food Basket (ENFB) is intended to meet or exceed nutrient requirements, according to the 1990 Nutrition Recommendations (Health and Welfare Canada, 1990), and follow Canada's Food Guide to Healthy Eating (1992). Societal norms and typical eating patterns were considered in the development of the food basket. For example, foods that do not provide nutritional benefit, but are typically included as part of a diet (such as tea and coffee) were considered reasonable.

Use of Focus Groups. Two focus groups consisting of 29 people from economically diverse circumstances were presented with the challenge of determining what should be included in the food basket. Foods selected for inclusion in the ENFB were then converted into sample menus. Focus group testing was also used to ensure that acceptability, palatability and food preference needs were adequately addressed for the food items selected to be included in the basket.

Determining the Nutrient Requirements and Quantity of Food. The quantity of food one is required to consume to meet nutrient and caloric requirements varies with sex and age. The amount of food was determined based on the following considerations:

- Canada’s Food Guide to Healthy Eating’s (CFGHE) recommended number of servings and appropriate serving size.
- Canada’s Nutrition Recommendations (Recommended Nutrient Intake) (1990) served as a guide to ensure that minimum nutrient requirements for each age and sex combination were met or surpassed. Food Smart (1999) nutritional software was used to determine the nutrient content of foods, the overall nutritional content of the food basket, and the appropriate serving sizes for each age/ sex combination.

Food Price Survey. A standardized list of foods representing the ENFB contents was priced in 30 stores throughout the City of Edmonton. Each food item was priced for a specific product size that was reasonable for a family to purchase.

Selection of Supermarkets and Grocery Stores. Supermarkets and grocery stores were selected through stratified random sampling. The calculated average neighbourhood income for Edmonton in 1999 acted as a guide to ensure that supermarkets and grocery stores in low income and mixed

income areas were included. Stores with a wide range of foods were included for study purposes because they represent where people typically do the majority of their food shopping. Ten superstore /combination stores (SSCS) were randomly selected. The SSCS were all classified as mixed-income since this type of store is typically centrally located thus drawing shoppers from a larger area. Large traditional grocery stores (LTS) and small traditional grocery stores (STS) were classified as low-income or mixed-income based on neighbourhood income. Five low-income and mixed-income stores were each selected for both large and small traditional grocery stores.

Determining the Cost of the Basket. Average food prices were entered into Food Smart software, which automatically calculated the conversion from purchased food portions to edible portions to determine the amount necessary for a given serving size. The final outcome of the Food Smart analysis was the weekly cost of food per family member. The weekly cost was then multiplied by 4.3 weeks to determine the monthly food cost per person. A monthly allowance was then added for spices, based on the number of family members. The cost of food for family members was summed to give the cost of healthy eating for a given family size. Numbers are rounded.

Food Costs

Single Parent with Two Children

Item	Individual Costs		Household of Three Persons	
	Average Annual	Average Monthly	Average Annual	Average Monthly
Food	\$1,467.72	\$122.31	\$4,403.04	\$366.92

Two Parents with Two Children

Item	Individual Costs		Household of Four Persons	
	Average Annual	Average Monthly	Average Annual	Average Monthly
Food	\$1,652.52	\$137.71	\$6,609.96	\$550.83

Health Care Costs

The cost of health care is based on FAMEX data for the poorest quintile of Edmonton households as health care expenditures are rarely discretionary. FAMEX data has two categories of information: one person households and two or more person households. To calculate the costs for families of differing sizes, a methodological decision was made to multiply the costs associated with a one person household by the number of people in the family.

Health Care Costs

Single Parent with Two Children

Item	Individual Costs		Household of Three Persons	
	Average Annual	Average Monthly	Average Annual	Average Monthly
Health Care	\$392.04	\$32.67	\$1,176.00	\$98.00

Two Parents with Two Children

Item	Individual Costs		Household of Four Persons	
	Average Annual	Average Monthly	Average Annual	Average Monthly
Health Care	\$392.04	\$32.67	\$1,568.04	\$130.67

FAMEX Data

Item	Individual Costs		Household of Two or More Persons	
	Average Annual	Average Monthly	Average Annual	Average Monthly
Health Care	\$392.04	\$32.67	\$1,266.00	\$105.50

Personal Care Costs

The cost of personal care is based on FAMEX data for the poorest quintile of Edmonton households. Again, the costs for an individual were multiplied by the number of people in the family.

Personal Care Costs

Single Parent with Two Children

Item	Individual Costs		Household of Three Persons	
	Average Annual	Average Monthly	Average Annual	Average Monthly
Personal Care	\$200.04	\$16.67	\$600.00	\$50.00

Personal Care Costs

Two Parents with Two Children

Item	Individual Costs		Household of Four Persons	
	Average Annual	Average Monthly	Average Annual	Average Monthly
Personal Care	\$200.04	\$16.67	\$800.04	\$66.67

FAMEX Data

Item	Individual Costs		Household of Two or More Persons	
	Average Annual	Average Monthly	Average Annual	Average Monthly
Personal Care	\$200.04	\$16.67	\$564.00	\$47.00

Recreation Costs

The cost of recreation is based on FAMEX data for the poorest quintile of Edmonton households.

Recreation Costs

Single Parent with Two Children

Item	Individual Costs		Household of Three Persons	
	Average Annual	Average Monthly	Average Annual	Average Monthly
Recreation	\$450.00	\$37.50	\$1,350.00	\$112.50

Two Parents with Two Children

Item	Individual Costs		Household of Four Persons	
	Average Annual	Average Monthly	Average Annual	Average Monthly
Recreation	\$450.00	\$37.50	\$1,800.00	\$150.00

FAMEX Data

Item	Individual Costs		Household of Two or More Persons	
	Average Annual	Average Monthly	Average Annual	Average Monthly
Recreation	\$450.00	\$37.50	\$1,619.04	\$134.92

Reading Material Costs

The cost of reading materials is based on FAMEX data for the poorest quintile of Edmonton households.

Reading Material Costs

Single Parent with Two Children

Item	Individual Costs		Household of Three Persons	
	Average Annual	Average Monthly	Average Annual	Average Monthly
Reading Material	\$86.04	\$7.17	\$258.00	\$21.50

Two Parents with Two Children

Item	Individual Costs		Household of Four Persons	
	Average Annual	Average Monthly	Average Annual	Average Monthly
Reading Material	\$86.04	\$7.17	\$344.04	\$28.67

FAMEX Data

Item	Individual Costs		Household of Two or More Persons	
	Average Annual	Average Monthly	Average Annual	Average Monthly
Reading Material	\$86.04	\$7.17	\$194.04	\$16.17

Shelter/Housing Costs

Canada Mortgage and Housing Corporation (CMHC) figures for the City of Edmonton were used to estimate the cost of housing in the city. It was decided that 90 per cent of the average cost of housing set out by the CMHC would be used as a measure because it is unrealistic to assume that all families will live in average-cost housing. Apartments were chosen as the type of accommodation, as they are generally less costly than other alternative forms of housing.

According to the CMHC, a minimum standard of acceptable housing requires the following: no more than two persons occupy a bedroom, parents have a separate bedroom from their children, household members over the age of 18 have separate bedrooms (unless married or common law), and children of the opposite sex over the age of five years have separate bedrooms. Given these guidelines, a three-bedroom apartment was selected as the basic housing requirement for both reference families. For more information on the CMHC standards, see their publication entitled “Core housing needs in Canada.”

Shelter/Housing Costs

Single Parent with Two Children

Type of Housing	CMHC Cost Estimate	90% of CMHC	Annual Cost
Three Bedroom+ Apartment	\$628	\$565.20	\$6,782.40

Two Parents with Two Children

Type of Housing	CMHC Cost Estimate	90% of CMHC	Annual Cost
Three Bedroom+ Apartment	\$628	\$565.20	\$6,782.40

Based on 90% of CMHC Estimates for the City of Edmonton, 1998

Type of Housing	CMHC Cost Estimate	90% of CMHC
Bachelor Suite Apartment	\$389	\$350.10
One Bedroom Apartment	\$449	\$404.10
Two Bedroom Apartment	\$552	\$496.80
Three Bedroom+ Apartment	\$628	\$565.20

Telephone Costs

Manual costing of telephones was conducted at three stores: London Drugs, Zellers and Wal-Mart. The least expensive phones were priced. The prices from each store were averaged to obtain a reasonable representation of cost. Monthly telephone service is based upon the least expensive local and residential rates offered by TELUS.

Telephone Costs

Single Parent with Two Children

Item	Price (including GST)	Replacement (times per year)	Annual Cost (including GST)
Telephone Service			\$255.52
Telephone	\$14.62	0.20	\$2.92
TOTAL			\$258.44

Telephone Costs

Two Parents with Two Children

Item	Price (including GST)	Replacement (times per year)	Annual Cost (including GST)
Telephone Service			\$255.52
Telephone	\$14.62	0.20	\$2.92
TOTAL			\$258.44

Individual Cost

Item	Price (including GST)	Replacement (times per year)	Annual Cost (including GST)
Telephone Service			\$255.52
Telephone	\$14.62	0.20	\$2.92
TOTAL			\$258.44

Transportation Costs

Transportation costs are based on the cost of adult bus passes. The rates for children over five years old are largely dependent on the school to which they attend and have restrictions that limit transportation to school hours. Given these restrictions, and taking into account that a family with no other means of transportation would require unlimited access to public transportation, it was felt that all members of the family should have adult monthly bus passes. These passes, although expensive, provide access to public transportation at all times.

Transportation Costs

Single Parent with Two Children

Item	Number Needed	Monthly Cost	Annual Cost
Adult Bus Pass*	3	\$156.00	\$1,872.00

Two Parents with Two Children

Item	Number Needed	Monthly Cost	Annual Cost
Adult Bus Pass*	4	\$208.00	\$2,496.00

* Assume adult costs for all members of the family as the only children's passes available are limited to school hours

Household Operation Costs

The items identified by Christopher Sarlo in his book *Poverty in Canada* as necessities to household operation were considered as basic requirements. Each item was manually priced out in three discount stores: The Real Canadian Superstore, Zellers and Wal-Mart. A methodological decision was made to price the least expensive items in each category while maintaining consistency by ensuring similar sizes and types of items were compared. The prices from each store were averaged together to reach a realistic cost estimate for each product. Some difficulty occurred in estimating consumption rates for each item as the literature provides no direction in this area. To arrive at a reasonable measure of consumption, an informal poll was conducted to gain an adequate idea of product use. While this methodology is suspect, the average cost of household items remains similar to the average cost as determined by Christopher Sarlo. Sarlo estimated that a family of three would require \$465 for adequate household operation. This figure is dated to 1988. When adjusted to for inflation, the cost in 1999 would be \$606. The Edmonton Social Planning Council, however, estimates that \$513 is adequate for average household operation for a family of three.

Household Operation Costs

Single Parent with Two Children

Item	Average Price	GST incl.	Quantity Needed/Year	Annual Cost	Monthly Cost
Detergents (25 loads)	\$5.21	\$5.57	6.0	\$33.45	\$2.79
Dishsoaps (950mL)	\$1.50	\$1.61	3.0	\$4.82	\$0.40
Cleaning Powders (400g)	\$0.81	\$0.87	6.0	\$5.20	\$0.43
Paper Towels (6 rolls)	\$3.72	\$3.98	12.0	\$47.76	\$3.98
Plastic Garbage Bags (10)	\$0.98	\$1.05	12.0	\$12.58	\$1.05
Light Bulbs (4 pack)	\$0.99	\$1.06	4.0	\$4.24	\$0.35
Sheets*	\$13.96	\$14.94	1.5	\$22.41	\$1.87
Pillow Cases	\$11.98	\$12.82	1.5	\$19.23	\$1.60
Table Cloth and 4 Napkins (Fabric)	\$22.31	\$23.87	1.0	\$23.87	\$1.99
Kitchen Towels and Cloths (Variety Packs)	\$7.95	\$8.51	1.5	\$12.76	\$1.06
Brooms, Brushes, Mops	\$9.52	\$10.19	1.5	\$15.28	\$1.27
Laundromat Costs**	\$2.00/load	\$2.00	156.0	\$312.00	\$26.00
TOTAL				\$513.59	\$42.80

* Price based on average of twin and double sheet sizes.

**Assume one load of laundry per person per week

Household Operation Costs

Two Parents with Two Children

Item	Average Price	GST incl.	Quantity Needed/Year	Annual Cost	Monthly Cost
Detergents (25 loads)	\$5.21	\$5.57	8.0	\$44.60	\$3.72
Dishsoaps (950mL)	\$1.50	\$1.61	4.0	\$6.42	\$0.54
Cleaning Powders (400g)	\$0.81	\$0.87	8.0	\$6.93	\$0.58
Paper Towels (6 rolls)	\$3.72	\$3.98	16.0	\$63.69	\$5.31
Plastic Garbage Bags (10)	\$0.98	\$1.05	16.0	\$16.78	\$1.40
Light Bulbs (4 pack)	\$0.99	\$1.06	4.0	\$4.24	\$0.35
Sheets*	\$13.96	\$14.94	2.0	\$29.87	\$2.49
Pillow Cases	\$11.98	\$12.82	2.0	\$25.64	\$2.14
Table Cloth and 4 Napkins (Fabric)	\$22.31	\$23.87	1.0	\$23.87	\$1.99
Kitchen Towels and Cloths (Variety Packs)	\$7.95	\$8.51	2.0	\$17.01	\$1.42
Brooms, Brushes, Mops	\$9.52	\$10.19	2.0	\$20.37	\$1.70
Laundromat Costs**	\$2.00/load	\$2.00	208.0	\$416.00	\$34.67
TOTAL				\$675.42	\$56.29

Individual Cost

Item	Average Price	GST incl.	Quantity Needed/Year	Annual Cost	Monthly Cost
Detergents (25 loads)	\$5.21	\$5.57	2.0	\$11.15	\$0.93
Dishsoaps (950mL)	\$1.50	\$1.61	2.0	\$3.21	\$0.27
Cleaning Powders (400g)	\$0.81	\$0.87	4.0	\$3.47	\$0.29
Paper Towels (6 rolls)	\$3.72	\$3.98	4.0	\$15.92	\$1.33
Plastic Garbage Bags (10)	\$0.98	\$1.05	4.0	\$4.19	\$0.35
Light Bulbs (4 pack)	\$0.99	\$1.06	2.0	\$2.12	\$0.18
Sheets*	\$13.96	\$14.94	0.5	\$7.47	\$0.62
Pillow Cases	\$11.98	\$12.82	0.5	\$6.41	\$0.53
Table Cloth and 4 Napkins (Fabric)	\$22.31	\$23.87	1.0	\$23.87	\$1.99
Kitchen Towels and Cloths (Variety Packs)	\$7.95	\$8.51	1.0	\$8.51	\$0.71
Brooms, Brushes, Mops	\$9.52	\$10.19	0.5	\$5.09	\$0.42
Laundromat Costs**	\$2.00/load	\$2.00	52.0	\$104.00	\$8.67
TOTAL				\$195.41	\$16.28

* Price based on average of twin and double sheet sizes.

**Assume one load of laundry per person per week

Furnishings and Equipment Costs

The items identified by Christopher Sarlo in his book *Poverty in Canada* as essential furnishings were considered to be the basic minimum standard. The items were manually priced at various discount department and furniture stores including: Zellers, Wal-Mart, United Furniture Warehouse, Discount Jim's, Superstore, Nation Wide Warehouse and Army and Navy. Again, the least expensive items were priced regardless of brand name, while maintaining consistency in terms of types and sizes of furniture and equipment.

Using the formula set by Sarlo (the cost of the furniture divided by the expected useful life of the item) an annual price for each item is determined. However, Sarlo does not specify how he determines the life expectancy of the items. To ensure proper methodology was followed, Sarlo was consulted. He notes that his determination of the life expectancy of items is based mostly on "common sense" as the literature did not offer any guidance in this area and as such his method is open to criticism. Sarlo notes that the Edmonton Social Planning Council's proposed method of using a 10-year life expectancy for each item, while acknowledging that some items will last longer than ten years and others will last a shorter time, is an "acceptable" method of calculating annual costs of furnishings and equipment.

A determination into the quantity of items a family would need was based on a similar method to that of household operation items. Informal polling of individuals and a common sense approach was used as the literature provides no direction in this area. It was assumed that each person in the family would need their own bed and dresser, while living room furniture could be used by all members of the family. Application of this method results in prices slightly higher than those of Sarlo's, even after adjusting for inflation.

Furnishings and Equipment Costs

Single Parent with Two Children

Item	Average Cost	Average Cost (incl. GST)	Number Needed	Replacement (in years)	Annual Cost	Monthly Cost
Bedroom Dresser (5 drawers)	\$64.29	\$68.79	3	0.1	\$20.64	\$1.72
Bed (boxspring, mattress, frame)*	\$255.98	\$273.90	3	0.1	\$82.17	\$6.85
Mattress Cover*	\$6.11	\$6.54	3	0.1	\$1.96	\$0.16
Bedsread*	\$27.64	\$29.57	3	0.1	\$8.87	\$0.74
Blanket*	\$21.65	\$23.17	3	0.1	\$6.95	\$0.58
Bedroom Costs					\$120.59	\$10.05
Chesterfield Set (couch and chair)	\$657.65	\$703.69	1	0.1	\$70.37	\$5.86
Coffee Table (3 piece set)	\$184.39	\$197.30	1	0.1	\$19.73	\$1.64
Kitchen Table Set (5 piece set)	\$271.49	\$290.49	1	0.1	\$29.05	\$2.42
Dishes (16 piece set)	\$16.25	\$17.39	2	0.1	\$3.48	\$0.29
Dishes (glasses, variety sets)	\$3.07	\$3.28	2	0.1	\$0.66	\$0.05
Pots and Pans (7 piece set)	\$29.97	\$32.07	1	0.1	\$3.21	\$0.27
Flatware (20 piece set)	\$12.83	\$13.73	2	0.1	\$2.75	\$0.23
Toaster (2 slice)	\$14.62	\$15.64	1	0.1	\$1.56	\$0.13
Kitchen and Living Room Costs					\$130.80	\$10.90
TOTAL COSTS					\$251.39	\$20.95

Furnishings and Equipment Costs

Two Parents with Two Children

Item	Average Cost	Average Cost (incl. GST)	Number Needed	Replacement (in years)	Annual Cost	Monthly Cost
Bedroom Dresser (5 drawers)	\$64.29	\$68.79	4	0.1	\$27.52	\$2.29
Bed (boxspring, mattress, frame)*	\$255.98	\$273.90	3	0.1	\$82.17	\$6.85
Mattress Cover*	\$6.11	\$6.54	3	0.1	\$1.96	\$0.16
Bedspread*	\$27.64	\$29.57	3	0.1	\$8.87	\$0.74
Blanket*	\$21.65	\$23.17	3	0.1	\$6.95	\$0.58
Bedroom Costs					\$127.47	\$10.62
Chesterfield Set (couch and chair)	\$657.65	\$703.69	1	0.1	\$70.37	\$5.86
Coffee Table (3 piece set)	\$184.39	\$197.30	1	0.1	\$19.73	\$1.64
Kitchen Table Set (5 piece set)	\$271.49	\$290.49	1	0.1	\$29.05	\$2.42
Dishes (16 piece set)	\$16.25	\$17.39	2	0.1	\$3.48	\$0.29
Dishes (glasses, variety sets)	\$3.07	\$3.28	2	0.1	\$0.66	\$0.05
Pots and Pans (7 piece set)	\$29.97	\$32.07	1	0.1	\$3.21	\$0.27
Flatware (20 piece set)	\$12.83	\$13.73	2	0.1	\$2.75	\$0.23
Toaster (2 slice)	\$14.62	\$15.64	1	0.1	\$1.56	\$0.13
Kitchen and Living Room Costs					\$130.80	\$10.90
TOTAL COSTS					\$258.27	\$21.52

Individual Cost

Item	Average Cost	Average Cost (incl. GST)	Replacement (in years)	Annual Cost	Monthly Cost
Bedroom Dresser (5 drawers)	\$64.29	\$68.79	0.1	\$6.88	\$0.57
Bed (boxspring, mattress, frame)*	\$255.98	\$273.90	0.1	\$27.39	\$2.28
Mattress Cover*	\$6.11	\$6.54	0.1	\$0.65	\$0.05
Bedspread*	\$27.64	\$29.57	0.1	\$2.96	\$0.25
Blanket*	\$21.65	\$23.17	0.1	\$2.32	\$0.19
Bedroom Costs				\$40.20	\$3.35
Chesterfield Set (couch and chair)	\$657.65	\$703.69	0.1	\$70.37	\$5.86
Coffee Table (3 piece set)	\$184.39	\$197.30	0.1	\$19.73	\$1.64
Kitchen Table Set (5 piece set)	\$271.49	\$290.49	0.1	\$29.05	\$2.42
Dishes (16 piece set)	\$16.25	\$17.39	0.1	\$1.74	\$0.14
Dishes (glasses, variety sets)	\$3.07	\$3.28	0.1	\$0.33	\$0.03
Pots and Pans (7 piece set)	\$29.97	\$32.07	0.1	\$3.21	\$0.27
Flatware (20 piece set)	\$12.83	\$13.73	0.1	\$1.37	\$0.11
Toaster (2 slice)	\$14.62	\$15.64	0.1	\$1.56	\$0.13
Kitchen and Living Room Costs				\$127.36	\$10.61
TOTAL COSTS				\$167.56	\$13.96

* Price based on average between double and twin beds

Clothing Costs

It was decided that the clothing list provided by the Montreal Diet Dispensary would not be appropriate for the purposes of costing out individual items of clothing. While the Montreal Diet Dispensary's list of clothing is regarded as a good measure of the minimum adequate standard for clothing, the list has not been revised since the late 1950s and as such is quite outdated. Many items contained within the MDD's list are simply no longer sold in stores. The inclusion of such items would not serve to provide a reliable list of current clothing needs. As such, a list of clothing was obtained from the Edmonton Social Planning Council's 1992 publication of the *Family Budgeting Guide*, which is based on a previously published list from the Toronto Social Planning Council. While the items contained within the list are very similar to that of the MDD list, they are more up to date and better reflect needed items of clothing.

Manual pricing of all items was completed at Wal-Mart stores. As with previous pricing, the lowest cost items were priced regardless of brand. Many items were not currently in stock due to their seasonal nature. To obtain this data, department managers were consulted. They provided the least expensive price of items based on previous season stock. When items were not available, prices were obtained from an Army and Navy discount store.

For the purposes of simplicity, an average of men, women and children's clothing was taken to use in the final budgets. To ensure that the clothing budget was not extravagant, comparisons were made between it and the budget set out by the Montreal Diet Dispensary. It was found that the clothing budget outlined by the Montreal Diet Dispensary was somewhat higher than the Edmonton Social Planning Council's budget. This difference can be accounted for by the fact that the ESPC's pricing was conducted in discount stores, while the MDD's pricing is based on prices obtained in higher-priced department stores. Individual prices on clothing items have not been included in this section.

Clothing Costs

Single Parent with Two Children

	Average Annual Costs	Average Monthly Costs
Individual	\$413.81	\$34.48
Single Parent with two children	\$1,241.43	\$103.45

Two Parents with Two Children

	Average Annual Costs	Average Monthly Costs
Individual	\$413.81	\$34.48
Two Parents with two children	\$1,655.24	\$137.94

Clothing Costs

Breakdown per Category

Sex/Age	Annual Costs	Monthly Costs
Child		
Infant	\$600.16	\$50.01
1 year	\$338.73	\$28.23
2-5 years	\$326.33	\$27.19
Girl		
6-11 years	\$368.57	\$30.71
12-18 years	\$473.06	\$39.42
Boy		
6-11 years	\$358.84	\$29.90
12-18 years	\$371.37	\$30.95
Woman		
employed	\$530.14	\$44.18
home based	\$349.32	\$29.11
elderly	\$246.25	\$20.52
Man		
employed	\$659.79	\$54.98
home based	\$415.27	\$34.61
elderly	\$341.69	\$28.47
AVERAGE	\$413.81	\$34.48

* For the sake of comparison the MDD has an average clothing cost of \$494.21 per person.

Education Costs

The cost of education is based on registration fees and the cost of school supplies. Based on the pre-determined reference families, information was needed on the cost of schooling for one child enrolled in Grade 1. The Edmonton Public School Board, the Edmonton Separate School Board and a sample of individual schools within the City of Edmonton were contacted.

Public schools do not charge any type of registration fee, textbook rental or photocopying fee. Separate schools, on the other hand, charge a minimum \$40 fee for textbook rental and individual schools have the option of charging additional school fees, although not all schools exercise this option. Inner city schools tend not to charge any type of fee, as parents would be unable to afford such a cost.

To gain a representative sample of registration fees, 16 schools in the separate school district were contacted. An average of the costs between these schools was taken to achieve the average cost of school fees for the separate school district.

It was decided that every parent deserves the opportunity to choose the publicly funded education that best meets the needs of their child. As such, the costs of registration fees are based on the cost of separate school attendance, as it is the highest cost of publicly funded education.

Individual schools across the city were requested to provide a school supply list for Grade 1 students. Every effort was made to achieve a representative sample of schools from diverse areas within the city. This proved difficult, as many schools were unwilling to provide this list. In total, 20 schools were asked to provide school supply lists, and only 10 schools responded.

The required school supplies and the quantity requested differed tremendously between schools. To arrive at a list that was inclusive, items that appeared on the majority of individual school lists were included, and the quantity was estimated by finding a median quantity of supplies between schools. Manual pricing of school supplies was done in three low cost stores: Superstore, Zellers and Wal-Mart. The costs from each store were averaged to obtain a representative sample of cost. The estimated costs of education are extremely low. This study has not included additional school related expenses (such as field trips, bake sales, hotdog days, school fundraisers and school concerts) which place an additional burden on low-income families.

Education Costs for a Child in Grade 1

Item	Cost
Registration Fees	\$68.07
School Supplies	\$60.41
TOTAL	\$128.48

Registration Fees

School (Separate School System)	Cost
St. Gabriel	\$75.00
St. Elizabeth	\$70.00
Anne Fitzgerald	\$65.00
Elizabeth Seton	\$75.00
John Paul	\$65.00
Our Lady of Mt. Carmel	\$75.00
Our Lady of the Prairies	\$70.00
St. Augustine	\$65.00
St. Basil	\$62.00
St. Benedict	\$65.00
St. Bernadette	\$60.00
St. Boniface	\$75.00
St. Dominic	\$60.00
St. Vincent	\$66.00
St. Michael	no fee
St. Brendan	\$73.00
AVERAGE FEE	\$68.07
School (Public School System)	Cost
None of the public schools charge a registration fee	\$0.00

Cost of School Supplies

Item	Superstore	Wal-Mart	Zellers	Quantity Needed	Total Cost	Total Cost incl. GST
Metric Ruler	\$0.38	\$0.44	\$0.49	1	\$0.44	\$0.47
HB Pencils (Pkg. Of 10)	\$0.58	\$0.78	\$0.69	2	\$1.37	\$1.46
Pencil Crayons (box of 36)	\$2.98	\$3.77	\$3.27	1	\$3.34	\$3.57
Erasers (Pkg. Of 6)	\$0.58	\$1.33	\$1.49	1	\$1.13	\$1.21
Small Scissors	\$2.98	\$1.96	\$2.69	1	\$2.54	\$2.72
Pkg. Wide Felt Markers (8)	\$2.88	\$3.94	\$3.99	1	\$3.60	\$3.86
Pkg. Wax Crayons (16)	\$0.58	\$1.47	\$3.99	1	\$2.01	\$2.15
1/2 Ruled 1/2 Plain Scribblers	\$0.88	\$0.94	\$0.99	4	\$3.75	\$4.01
Fully Lined Scribblers (Pkg. Of 4)	\$1.52	\$1.26	\$1.49	1	\$1.42	\$1.52
Duotangs (Pkg. Of 4)	\$0.78	\$0.88	\$0.91	1	\$0.86	\$0.92
Coiled Scrapbook	\$1.68	\$2.77	\$2.49	1	\$2.31	\$2.48
White Glue	\$0.68	\$1.17	\$1.99	2	\$2.56	\$2.74
Glue Sticks (Pkg. Of 2)	\$1.48	\$1.47	\$2.29	3	\$5.24	\$5.61
Paint Shirt	\$0.00	\$0.00	\$0.00	1	\$0.00	\$0.00
Kleenex (150)	\$1.67	\$0.67	\$1.09	2	\$2.29	\$2.45
Running Shoes (Indoor)	\$9.98	\$14.98	\$10.99	1	\$11.98	\$12.82
Pencil Case	\$2.98	\$1.94	\$2.99	1	\$2.64	\$2.82
Back Pack	\$6.98	\$9.97	\$9.97	1	\$8.97	\$9.60
TOTAL COSTS						\$60.41

Child Care Costs

Child care was priced based on the least expensive options available in Edmonton. As the reference family consists of one preschool aged child and one school aged child, both day care costs and out of school costs were considered. Children who are zero to kindergarten age receive daycare while children enrolled in Grades 1 through 6 receive out of school care.

Subsidy programs were investigated to ensure that the lowest possible cost estimates were obtained.

Daycare subsidy programs are administered by the provincial government. The net income and the number of children in the family determine the amount of subsidy available for daycare. A single parent family with two children and a net income of \$1830 or less is eligible for a full subsidy in the amount of \$380 per month. A two parent family with two children and a net income of \$2010 or less per month is also eligible for the full subsidy of \$380 per month. Both reference families have net incomes below such level and are therefore eligible for the full child care subsidy. An employee of the subsidy office noted that the lowest cost care would be approximately \$420 per month. The parent is then responsible for the remaining \$40 per month.

Subsidies for out of school care are administered by the City of Edmonton. As the reference families have one child already approved for provincial care, means testing is not necessary. The usual costs for out of school care are reduced due to sibling participation in provincial child care and the family is required only to pay a base fee of \$40 for out of school care. The subsidy covers the remainder of the costs.

Child Care Costs

Single Parent with Two Children

Type of Care	Number of Children	Subsidy Amount (Monthly)	Parental Portion (Monthly)	Parental Portion (Annually)
Daycare	1	\$380.00	\$40.00	\$480.00
Out of School Care	1		\$40.00	\$480.00
TOTAL			\$80.00	\$960.00

Two Parents with Two Children

Type of Care	Number of Children	Subsidy Amount (Monthly)	Parental Portion (Monthly)	Parental Portion (Annually)
Daycare	1	\$380.00	\$40.00	\$480.00
Out of School Care	1		\$40.00	\$480.00
TOTAL			\$80.00	\$960.00

Step Three: Identification of reference families. Four reference families were identified on the basis of composition and source of income:

- A single parent family on welfare with two children.
- A single parent family with full time employment at minimum wage with two children.
- A two parent family on welfare with two children.
- A two parent family with both parents with full-time employment at minimum wage with two children.

The cost summaries for each of the four reference families follow. In each case, the children were specified as a three year old girl and a seven year old boy.

Summary of Costs

Single Parent with Two Children, Welfare

Basic Needs	Annual Cost	Monthly Cost
Personal Care Items	\$600.00	\$50.00
Recreation	\$1,350.00	\$112.50
Reading Materials	\$258.00	\$21.50
Housing	\$6,782.40	\$565.20
Telephone	\$258.44	\$21.54
Transportation	\$1,872.00	\$156.00
Household Operation	\$513.48	\$42.79

Summary of Costs

Single Parent with Two Children, Welfare - continued

Basic Needs	Annual Cost	Monthly Cost
Furniture and Equipment	\$251.39	\$20.95
Clothing	\$1,241.43	\$103.45
Food	\$4,403.04	\$366.92
Education	\$124.22	\$10.35
TOTAL ANNUAL COST	\$17,654.40	
TOTAL MONTHLY COST		\$1,471.20

Single Parent with Two Children, Employed

Basic Needs	Annual Cost	Monthly Cost
Personal Care Items	\$600.00	\$50.00
Health Care	\$1,176.00	\$98.00
Recreation	\$1,350.00	\$112.50
Reading Materials	\$258.00	\$21.50
Housing	\$6,782.40	\$565.20
Telephone	\$258.44	\$21.54
Transportation	\$1,872.00	\$156.00
Household Operation	\$513.48	\$42.79
Furniture and Equipment	\$251.39	\$20.95
Clothing	\$1,241.43	\$103.45
Food	\$4,403.04	\$366.92
Education	\$124.22	\$10.35
Child Care	\$960.00	\$80.00
TOTAL ANNUAL COST	\$19,790.40	
TOTAL MONTHLY COST		\$1,649.20

Two Parents with Two Children, Welfare

Basic Needs	Annual Cost	Monthly Cost
Personal Care Items	\$800.00	\$66.67
Recreation	\$1,800.00	\$150.00
Reading Materials	\$344.00	\$28.67
Housing	\$6,782.40	\$565.20
Telephone	\$258.44	\$21.54
Transportation	\$2,496.00	\$208.00
Household Operation	\$675.28	\$56.27

Summary of Costs

SinTwo Parents with Two Children, Welfare - continued

Basic Needs	Annual Cost	Monthly Cost
Furniture and Equipment	\$258.27	\$21.52
Clothing	\$1,655.24	\$137.94
Food	\$6,609.96	\$550.83
Education	\$124.22	\$10.35
TOTAL ANNUAL COST	\$21,803.81	
TOTAL MONTHLY COST		\$1,816.99

Two Parents with Two Children, Employed

Basic Needs	Annual Cost	Monthly Cost
Personal Care Items	\$800.00	\$66.67
Health Care	\$1,568.00	\$130.67
Recreation	\$1,800.00	\$150.00
Reading Materials	\$344.00	\$28.67
Housing	\$6,782.40	\$565.20
Telephone	\$258.44	\$21.54
Transportation	\$2,496.00	\$208.00
Household Operation	\$675.28	\$56.27
Furniture and Equipment	\$258.27	\$21.52
Clothing	\$1,655.24	\$137.94
Food	\$6,609.96	\$550.83
Education	\$124.22	\$10.35
Child Care	\$960.00	\$80.00
TOTAL ANNUAL COST	\$24,331.81	
TOTAL MONTHLY COST		\$2,027.65

Step Four: Verification of resulting aggregate costs. To validate the thresholds as developed through the construction of various baskets of goods, in the same poll of 500 Edmonton residents asked to identify the groupings of goods which were “basic needs,” respondents were also asked to estimate the approximate monthly incomes required for a “single parent family with two children” and a “family of four.” There was no attempt made to differentiate between welfare and employed families since few respondents would likely be aware of the whole range of programs available to the various groups.

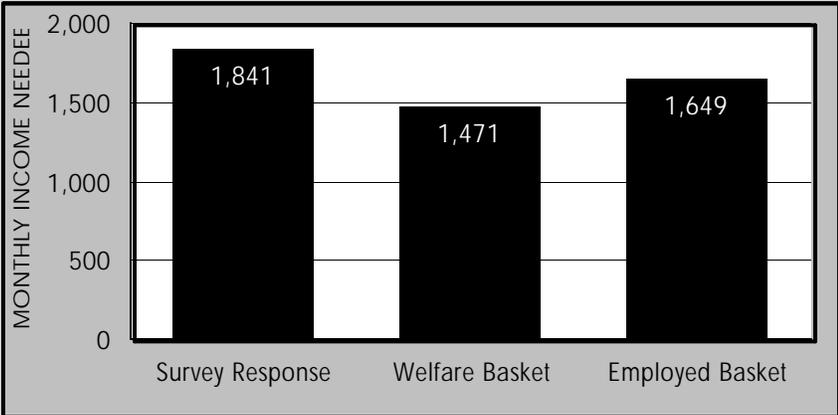
Each of the four thresholds is significantly lower than the average estimate obtained through the survey. This suggests that the Cost of Healthy Living Thresholds do reflect general public attitudes. They appear, in fact, to even be modest by public standards.

Comparison of Thresholds to Established Poverty Measures. Another method of assessing the CHLTs is to compare them to established poverty measures. Three other measures were selected to provide points of comparison.

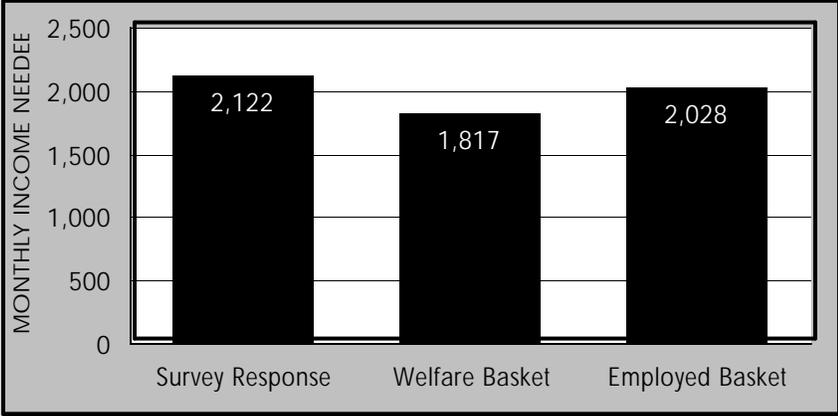
• **Sarlo’s Total Costs**

As a point of comparison, we have included Christopher Sarlo’s budget that appears in his book *Poverty in Canada*. Given that Sarlo has a reputation of extreme conservatism, a comparison between his budget and that of the ESPC could prove interesting. It should be noted that many items that appear in the ESPC’s budget do not appear in Sarlo’s budget. As such, it should be expected that Sarlo’s total budget will be lower than that of the ESPC.

Comparison of Welfare Threshold, Employed Threshold, and survey-based averages for one parent and two children



Comparison of Welfare Threshold, Employed Threshold, and survey-based averages for two parents and two children



- **Statistics Canada Low Income Cut Off (LICO)**

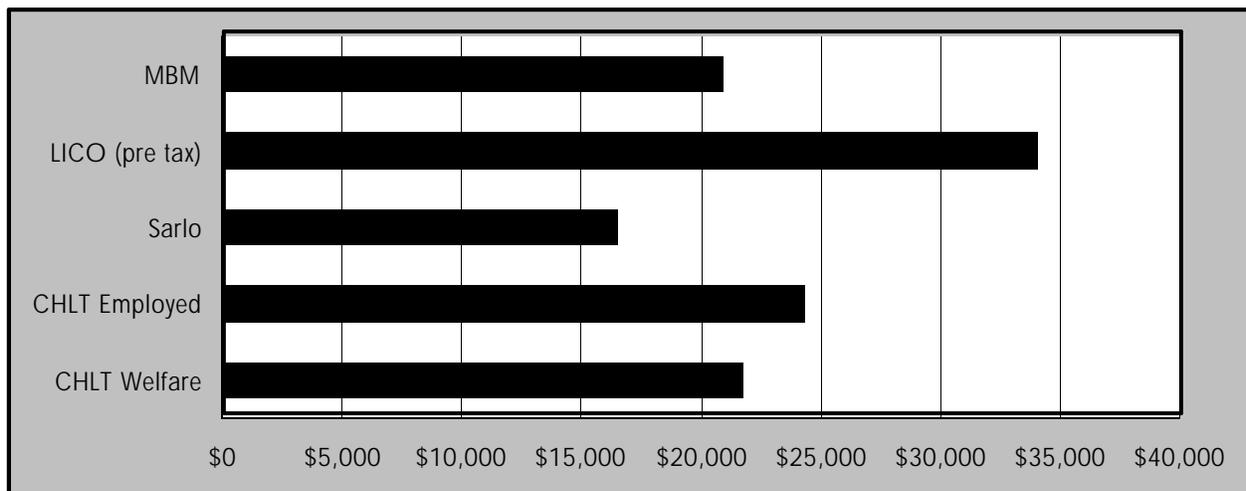
The LICO is the measure used most frequently to describe the numbers of people living in poverty. StatsCan does not itself refer to LICO as a “poverty” measure, referring to it instead as a measure below which people live in “straitened” circumstances. The 1997 LICO (1992 base) was used as a start point and inflation-adjusted to 1999.

- **Market Basket Measure (MBM)** The MBM is a proposed measure developed by a Federal/Provincial/Territorial working group for consideration as an official poverty measure. Figures are only available for 1996 at this time. They were inflation adjusted to 1999 for the purposes of this comparison.

Comparison of Cost of Healthy Living Threshold to Other “Poverty” Measures

	Amount Annually
ESPC CHLT: Welfare	\$21,804
ESPC CHLT: Employed	\$24,332
Sarlo	\$16,553
1999 LICO (pre tax)	\$34,087
Market Basket Measure	\$20,942

1999: Two Parents with Two Children



Calculation of Income. To provide for a point of reference with respect to the adequacy of the minimum incomes of the reference families, incomes were calculated according to policies in place as of October 1, 1999. All sources of income including transfer payments and applicable tax benefits were included. Numbers are rounded. Monthly total is annual total divided by 12.

Income Totals

*Single Parent with Two Children, Welfare**

Source of Income	Amount Annually	Amount Monthly
Standard Allowance	\$5,196.00	\$433.00
Housing Allowance	\$6,036.00	\$503.00
GST Rebate	\$598.52	\$49.88
TOTAL INCOME	\$11,830.52	\$985.88

Single Parent with Two Children, Employed

Source of Income	Amount Annually	Amount Monthly
Employment Earnings (Net)	\$10,647.60	\$887.30
Basic Child Benefit	\$1,939.00	\$161.58
Supplemental Child Benefit	\$1,010.00	\$84.17
Alberta Family Employment Tax Benefit	\$331.81	\$27.65
GST Rebate	\$586.82	\$48.90
TOTAL INCOME	\$14,515.23	\$1,209.60

*Two Parents with Two Children, Welfare**

Source of Income	Amount Annually	Amount Monthly
Monthly Standard Allowance	\$7,308.00	\$609.00
Housing Allowance	\$6,288.00	\$524.00
GST Rebate	\$608.00	\$50.67
TOTAL INCOME	\$14,204.00	\$1,183.67

Two Parents with Two Children, Employed

Source of Income	Amount Annually	Amount Monthly
Employment Earnings (Net)	\$21,294.00	\$1,774.50
Basic Child Benefit	\$1,939.00	\$161.58
Supplemental Child Benefit	\$934.65	\$77.89
Alberta Family Employment Tax Benefit	\$1,000.00	\$83.33
GST Rebate	\$608.00	\$50.67
TOTAL INCOME	\$25,775.65	\$2,147.97

* Child tax credit not included because the welfare benefit is reduced by the amount of the child tax credit.

Comparison of Minimum Incomes to Thresholds. Once precise minimum income levels from the two sources, employment and welfare, are determined, it then becomes possible to compare income levels to the thresholds for the four reference families. When we compare incomes to the thresholds we see that three of the four reference families experience significant deficits in their household

budgets. The largest deficit is experienced by the two parent family on welfare. The only reference family grouping which is in a surplus situation is the two parent family with both parents working full time. Even at that, the surplus is very small, leaving little room for emergencies or unexpected expenses.

Comparison of Minimum Income to Cost of Healthy Living Threshold

Single Parent with Two Children, Welfare

	Amount Annually	Amount Monthly
Income	\$11,830.52	\$985.88
Expenses	\$17,654.40	\$1,471.20
SURPLUS (Deficit)	(\$5,823.88)	(\$485.32)

Single Parent with Two Children, Employed

	Amount Annually	Amount Monthly
Income	\$14,515.23	\$1,209.60
Expenses	\$19,790.40	\$1,649.20
SURPLUS (Deficit)	(\$5,275.17)	(\$439.60)

Two Parents with Two Children, Welfare

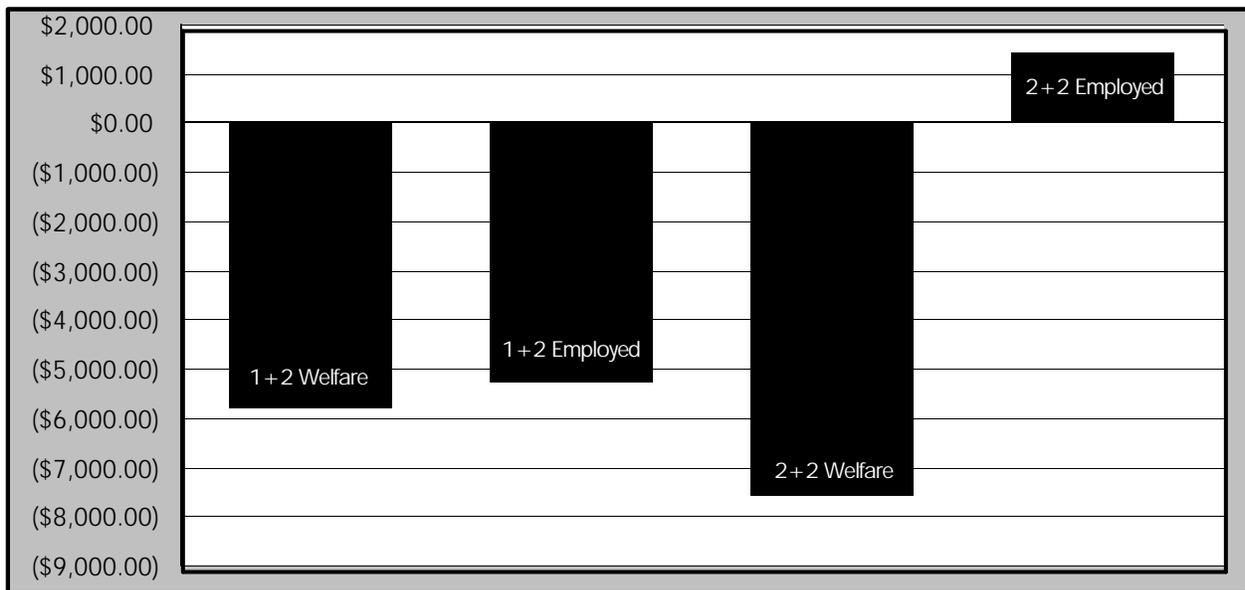
	Amount Annually	Amount Monthly
Income	\$14,204.00	\$1,183.67
Expenses	\$21,803.81	\$1,816.98
SURPLUS (Deficit)	(\$7,599.81)	(\$633.32)

Two Parents with Two Children, Employed

	Amount Annually	Amount Monthly
Income	\$25,775.64	\$2,147.97
Expenses	\$24,331.81	\$2,027.65
SURPLUS (Deficit)	\$1,443.83	\$120.32

Annual Surpluses (Deficits) for Reference Families

Compares Minimum Incomes with Healthy Living Thresholds



Monthly Surpluses (Deficits) for Reference Families

Compares Minimum Incomes with Healthy Living Thresholds



Conclusions

The measurement of poverty is a highly politicized and sensitive subject. This is as it should be. It could be argued that establishing a socioeconomic floor below which no members of a society are forced to live is one of the most important exercises of any community. The measurement of poverty must take into account many and varied factors which include not only material hardship, but also economic status relative to the mainstream.

The measurement of material hardship alone has, to date, been entirely the domain of those who primarily seek to undermine the efforts of those who advocate greater social investment. Advocates of this minimalist approach to poverty measurement, most notably Fraser Institute Fellow Christopher Sarlo, suggest that true poverty levels are much lower than those described through the use of measures like the Low Income Cut Off. On one level, he accurately reflects a legitimate point of view held by many in the community. There is no evidence of a popular will to move all Canadians to LICO-level incomes based solely on a social justice argument.

Would Canadians respond differently if the argument for adequate incomes was put to them as part of a general population health strategy? Most would agree that raising healthy children

is at least partially a collective responsibility. Would it be possible to rebuild support for income security programs through a population health approach? If yes, what would a health-driven income threshold look like? This is the question this project sought to answer.

The Edmonton Social Planning Council sought to assess general public attitudes with respect to developing a Cost of Healthy Living in Edmonton Threshold. Edmontonians were asked what groups of items were needed for healthy living. They were also asked to broadly estimate the incomes needed by the specified reference families. The results were very clear. The resulting thresholds were substantially higher than the harsh measures proposed by the minimalist advocates, but lower than the levels suggested by the more comprehensive measures such as LICO.

When we compare the resulting thresholds with the incomes of the reference families, both on welfare and marginally employed, we find that only one of the four reference families realizes an adequate income. If the goal is to ensure healthy development through the realization of adequate incomes, we must conclude that our labour market and income security policies are grossly inadequate. They do not ensure adequate incomes for families on welfare who cannot work, nor do they ensure that single parent families who work receive enough to live healthy lives.