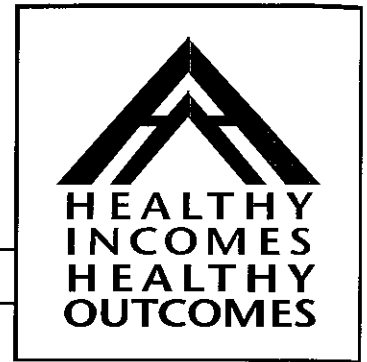


# Healthy Incomes Healthy Outcomes

A Public Education Bulletin from the Healthy Incomes, Healthy Outcomes Coalition

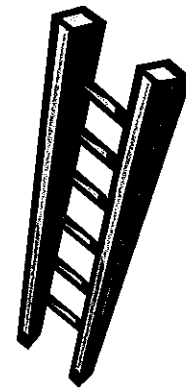


## Welfare cuts lead to higher health care costs

Health care is a hot topic in Canada right now. The focus is almost entirely on the best way to provide treatment services and how to best fund those services in the future. However, a widely recognized way of sustaining our health care system is through prevention. Most people recognize public education campaigns on topics such as the health effects of smoking or the effects of alcohol on fetal development as a mode of prevention. However, one means of prevention that is often overlooked, but increasingly supported by research, is the positive health consequences of people having adequate income.

The complicated medical concerns that arise from poverty related stress are costly to the medical system. Research has shown that health problems stemming from current poverty manifest themselves throughout life. Additionally, research from other countries tells us that when groups of people fall too far behind the mainstream, everyone's health is jeopardized. Societies that have wide disparities in economic status report more health problems among all its citizens, not just those with less income.

Right now, Alberta's poor are not receiving the kinds of community support they need to meet their basic needs, reducing the overall level of health of those on the lowest rungs of the economic scale. The HEALTHY INCOMES, HEALTHY OUTCOMES COALITION, an ad hoc group of community leaders, believes that we must address the dramatic erosion of welfare benefits for those who can't work. The HEALTHY INCOMES, HEALTHY OUTCOMES COALITION asks that you do what you can to support healthy incomes for all, so that we can all enjoy the healthy outcomes.



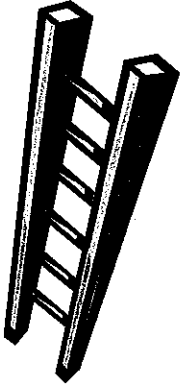
### A Step in the Right Direction

*"At each rung up the income ladder, people experience less sickness, have a longer life, and have a higher quality of life."*

*-Toward a Healthy Future: 2nd Report on the Health of Canadians, Prepared by the Federal, Provincial and Territorial Advisory Committee on Population Health*

# The cost of healthy living

## What the basic needs are and what they cost



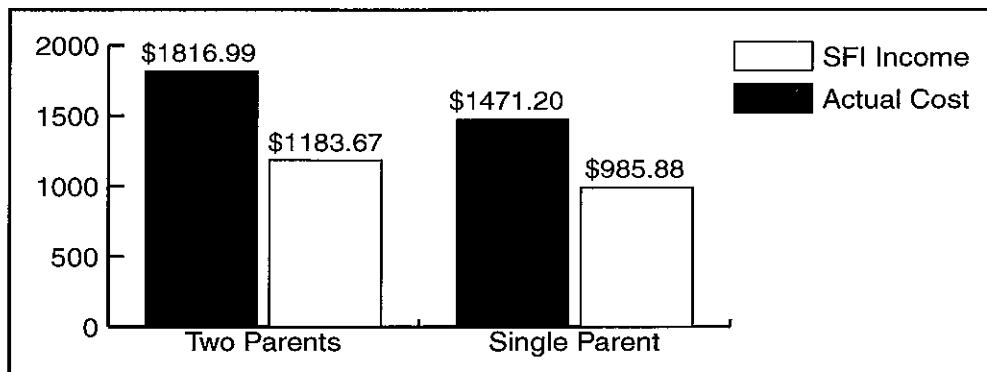
### A Step in the Right Direction

*"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."*  
 - Brian Bechtel,  
 Edmonton Social Planning Council

The cost of living is not being met by welfare. Parents cannot afford healthy diets for themselves or their children. In most cases, shelter allowances do not cover the cost of renting the smallest apartment, even in the most run down or unsafe neighbourhoods. Everyday items that are not given a second thought by most people become luxuries to those surviving on a welfare allotment.

The list below attempts to detail what public opinion and spending patterns show to be basic needs. While some items are beyond what is needed for the most basic survival, they were identified in a recent Alberta survey as basic needs for any Albertan to participate in society. Based on this advice, the basic items needed were priced out to develop a modest, but healthy cost of living. As shown by the graph, welfare rates fall short of what families need to raise healthy children. Another important note is that these numbers are based on Edmonton costs and other regions in Alberta may have higher actual costs.

Item	Cost for 1 Parent + 2 Children	Cost for 2 Parents + 2 Children
Personal Care Items	50.00	66.67
Food	366.92	550.83
Shelter	565.20	565.20
Clothing	103.45	137.94
Education	10.35	10.35
Recreation	112.50	150.00
Reading Materials	21.50	28.67
Telephone	21.54	21.54
Transportation	156.00	208.00
Household Operation	42.79	56.27
Furniture & Equipment	20.95	21.52
	<b>\$1471.20</b>	<b>\$1816.99</b>



Based on Edmonton cost of living, other Alberta regions are often higher  
 Source: Tracking the Trends 2000 - The Cost of Healthy Living

# The people have spoken

Across Alberta, community groups have met to discuss poverty and basic needs. Here are the resulting recommendations.

## *Alberta Council of Women's Shelters*

- Increase the standard allowances and shelter allowances under the SFI Program to a level equal with the cost of living for all recipients in Alberta.
- Take into account the differences in the cost of living between regions and provide higher SFI allowances in areas of the province with higher living costs.

## *YWCA of Calgary - The Right Thing to Do*

- Increase shelter allowance and tie it to actual regional costs. Introduce a maximum allowance to cover actual utility costs.
- Adjust the food amounts to meet the Alberta Nutritious Food Basket and provide monthly bus passes and phone rental allowances.

## *Alberta Teachers Association - Missing Pieces*

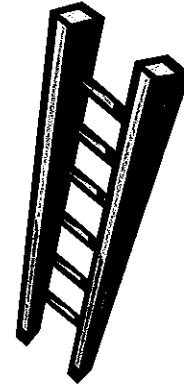
BE IT RESOLVED that the Department of Family & Social Services address deficiencies in SFI including shelter and utility allowances and the lack of indexing with cost of living increases.

## *Food Bank and ESPC - Two Paycheques Away*

It is recommended the Minister of Family & Social Services conduct a review of key components of the SFI program that has the full participation of the community. It should be conducted by a Task Force comprised of government representatives, employee representatives, SFI clients and community representatives involved on the front lines of service delivery.

## *ATA Joint Stakeholder Committee on Children and Poverty*

The Ministry of Human Resources and Employment should address deficiencies in SFI, including inadequate shelter and utility allowances and the lack of indexing with cost of living increases.



A Step in the  
Right Direction

**Good advice to  
staying healthy**

1. *Don't be poor. If you can, stop. If you can't, try not to be poor for long.*
2. *Don't have poor parents.*
3. *Own a car.*
4. *Don't work in a stressful, low paid manual job.*
5. *Don't live in damp, low-quality housing.*

**Even government sponsored advisory groups and events have called for action...**



# Let's make welfare work

**It's time for a change.**

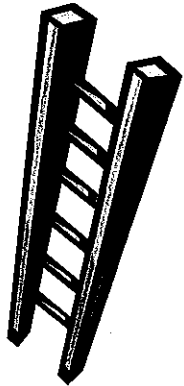
**A first step in the right direction is to make these changes to Supports For Independence.**

## **ACTION 1:**

**Adjustment of 11% to SFI rates to cover inflation since 1993, effective for 2001/2002 budget.**

## **ACTION 2:**

**Market based rates for SFI in use beginning in 2002/2003 budget, with annual adjustment.**



A Step in the  
Right Direction

*"Over 50,000 people accessed Alberta food banks in one month. That is more than the entire population of Grande Prairie and Peace River together."*

*- Marjorie Bencz  
Edmonton's Food Bank*

### **Healthy Incomes, Healthy Outcomes Media & Communication Committee**

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Produced by the Edmonton Social Planning Council in support of the Healthy Incomes, Healthy Outcomes Coalition.

6. *Be able to afford to go on an annual vacation to a sunny paradise.*
7. *Practice not losing your job and don't become unemployed.*
8. *Use all the medical benefits that your job offers if you are sick, disabled or retired.*
9. *Don't live next to a busy roadway or near polluting industry.*
10. *Learn how to fill in complex application forms before you become homeless and destitute.*

- Gordon, 1999

### ***Alberta Urban Municipalities Association***

NOW THEREFORE BE IT RESOLVED THAT the AUMA urge the Government of Alberta:

- to provide an overall increase in shelter allowances;
- to apply a regional formula to shelter allowances, given that there are regional variances in average rental costs;
- to examine the criteria for the benefit eligibility to allow homeless individuals access to the SFI "standard allowance" portion of benefits.

### ***City of Calgary Homeless Initiative - Community Action Plan***

- Establish higher rates for SFI and AISH (Assured Income for the Severely Handicapped) by linking benefit rates to cost of living changes.
- Develop a set of regional allowances that reflect market rates for decent, safe, suitable housing on the open market.

### ***Inter-City Forum on Social Policy (Alberta Cities)***

- An increased minimum wage to ensure adequate income.
- Differential and increased Supports for Independence rates.
- Increase to out of school care subsidies.
- Increase the supply of affordable housing.

### ***Edmonton Community Plan on Homelessness***

- Review and revise SFI policies to reflect Edmonton rents, cover damage deposits, and remove discouragements to responsible parenthood.

### ***Government of Alberta Growth Summit***

- Increase levels for SFI and AISH recipients.
- Review welfare policies so that people trying to get off welfare do not lose benefits that prevent them from supporting themselves. This will require co-ordination across government departments.

### ***Edmonton Task Force on Homelessness - A Call to Action***

- Review SFI policies with the intention of ensuring they provide sufficient support to meet recipient's housing needs.
- Revise current shelter allowance from providing one blanket rate across the province to having community specific rates that reflect current market rents. Look at reinstating the policy of paying security deposits.

### ***Government of Alberta Children's Forum - Uniting for Children***

- The Supports For Independence shelter allowance must meet the cost of food and other basic needs. SFI should also include money for school fees, damage deposits, and bus passes.
- A government/community resource group be established to review SFI policy, regulations and the appeal process.

# Albertans understand...

## the link between Healthy Incomes and Healthy Outcomes

In a recent telephone survey, Albertans told us a lot about the long term costs of poverty<sup>1</sup>.

Research by the Edmonton Social Planning Council and the Alberta Council of Women's Shelters said that an unemployable single parent with two children needs at least \$1,471 a month to raise two healthy young children.

***Two out of every three Albertans (64%) said our estimates were actually too low.***

We told them welfare provides only \$980 a month.

***One half of them (49%) told us that the Government should raise welfare rates. Only one in ten (10%) said that "charities" should pick up the slack.***

We suggested that "public programs that make sure families have enough money to live healthy lives now will significantly reduce future health care costs".

***Four out of every five (80%) agreed we could reduce future health care costs.***

We also suggested that good public income security programs could reduce future family violence, involvement with the criminal justice system, and high school dropout rates *and* save money in the long term. ***Albertans agreed all the way by at least 63%.***

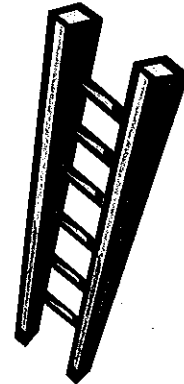
We wanted to know if Albertans would support more public spending on children's services.

***72% said funding for children's services should be increased.***

But aren't tax cuts what people want?

***No, 74% agreed they would rather "see more money spent on children's services than have a tax cut".***

These poll results make one thing very clear. Albertans understand that poverty costs everybody more. They know that public programs reduce the effects of long term poverty. When given all the facts, they support change. Now is the right time to reinvest in the futures of our children.



### A Step in the Right Direction

*"The likelihood of finishing high school is greatly diminished if a child comes from a poor family, thereby perpetuating a cycle of poverty."*

*-Toward a Healthy Future.: 2nd Report on the Health of Canadians, Prepared by the Federal, Provincial and Territorial Advisory Committee on Population Health*

<sup>1</sup> The survey of 610 Albertans was conducted for the ESPC by Advanis May 25-30, 2000. It is considered accurate to within plus or minus 4%, nineteen times out of twenty.