

ALBERTA'S PROGRESS IN POVERTY REDUCTION

WE ARE MAKING PROGRESS, POVERTY COSTS 2.0 – FIVE YEARS LATER

Vibrant Communities released Poverty Costs 2.0 in 2013 and an updated report Poverty Costs 2.5 in 2015. Many of the report's 71 recommendations were addressed to the Government of Alberta with 22 recommendations implemented. Progress on implementing the recommendations in Poverty Costs 2.0 has significantly contributed to advancing the goals of Calgary's poverty reduction strategy – *Enough for All* – that was launched by the City of Calgary and United Way of Calgary and area in 2013. The following are key recommendations that were acted upon.

Arguably the most significant recommendation that was implemented was the introduction of a provincial child benefit. In 2015, the Government of Alberta introduced the **Alberta Child Benefit**. The benefit resulted in \$175 million going to 127,345¹ families with household incomes of less than \$41,200. Combined with the Government of Canada's changes to the national child benefit, the level of child

poverty in Alberta was reduced by 50 per cent. The chart² below highlights the level of child poverty in Alberta compared to other provinces since the introduction of the Alberta Child Benefit and enhanced federal Child Benefit.

Recommendation: **Increase benefit rates for social service recipients** to within 10 per cent of the poverty line by 2023 and index the rates to the cost of living. The rates were increased and indexed to future cost of living by the provincial government in Bill 26: [An Act to Combat Poverty and Fight for Albertans with Disabilities](#) that was implemented in January 2019. In addition, the asset limits for Assisted Income for the Severely Handicapped (AISH) were increased.

Recommendation: **Increase minimum wage** to \$11.00/hr and index to inflation and move to a single tier. The minimum wage was increased to \$15 per hour on October 1, 2018.

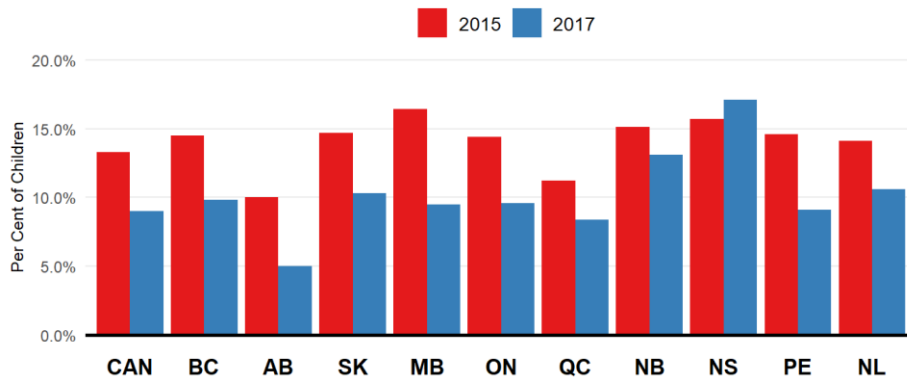
Recommendation: **Create 5,000 new affordable public child care spaces**: The Government of Alberta expanded the pilot in April 2018 to 122 early childhood child care centres totaling 7,276 spaces³.

Recommendation: **Invest in the creation of community hubs**⁴: The Community Hubs Collective released the community hubs tool kit to assist community leaders in developing and opening hubs. The City of Calgary and the United Way of Calgary Area and the Rotary Club of Calgary are implementing a plan to open six community hubs in the Calgary's most vulnerable neighbourhoods.

Recommendation: **Eliminate school fees from kindergarten to Grade 12**⁵: The Government of Alberta proclaimed **legislation that reduced schools' fees** affecting 600,000 school children saving families \$200 million.

Canada's Child Poverty Rate, by Province, 2015 vs 2017

Source: Statistics Canada data table 11-10-0135



Graph by @trevortombe

¹ https://open.alberta.ca/dataset/57586894-5f36-4db8-8534-c797893b1a36/resource/219abb34-efe9-488b-86e1-8523afd31232/download/ped_tax_v4.pdf

² <https://www.cbc.ca/news/canada/calgary/alberta-child-poverty-benefits-federal-provincial-1.5034243>

³ <https://open.alberta.ca/dataset/79d4a4f2-e4a1-436d-84b6-86e8ea6eca2/resource/3294f2b3-4aae-4945-b959-375257756357/download/elcc-centres-by-the-numbers-april-2018.pdf>

⁴ <https://www.calgaryunitedway.org/impact/communities/community-hubs>

⁵ <https://www.cbc.ca/news/canada/edmonton/alberta-to-eliminate-25-per-cent-of-mandatory-school-fees-1.4007576>

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Recommendation: Free Transit for people living on low-incomes: Public transit in Alberta remains cost prohibitive for many Albertans; however, as part of the Enough for All strategy the City of Calgary with financial support from the **Government of Alberta launched a sliding scale low income transit pass** in 2017 as part of the City's Fair Entry program. More than 48,000 Calgarians purchased a low-income transit pass in 2017. Those in the lowest income received a monthly transit pass for \$5.15.

Recommendation: **Modify Payday Loan Regulations:** New regulations were adopted by the Government of Alberta in November 2017. Service Alberta reported that the first year of the new payday loan regulations saved Albertans payday loan borrowers over \$10 million in loan fees in 2017.

These changes in policies and regulations have had an impact on the quality of life for Calgarians and Albertans. It is testimony to what is possible when policy recommendations developed by community are implemented by government. There are many other recommendations in Poverty Costs 2.0 that need to continue to be worked upon. For example, recommendations related to ensuring that people who are unemployed, underemployed or receive social assistance are able to access market-relevant employment training and matched to prospective employers is an opportunity for future policy attention.

The success to date reducing poverty in our province through effective policy demonstrates what is possible. As the City's poverty reduction strategy Enough for All, is updated this year it is critical that we continue to build on the progress achieved over the last five years.

In addition, The School of Social Policy has published a recent study⁶ showing that in 2017, the prevalence of poverty fell in all provinces relative to 2007, however the measured depth of poverty increased. There is still more work to be done.

For more information, please send an email to info@vibrantcalgary.com.

For further reading, please visit www.enoughforall.ca and read [Enough for All 2.0](#).



⁶ <https://www.policyschool.ca/wp-content/uploads/2019/03/Social-Policy-Trends-Poverty-Depth-and-Prevalence-March-2019-USE.pdf>

⁷ <http://enoughforall.ca/wp-content/uploads/2019/03/EnoughforAll2.0.pdf>