

Cost of eating in Alberta

2008



This report is published by the Alberta Community/Public Health Nutritionists Food Security Subcommittee and Dietitians of Canada, Alberta and the Territories Region.

Dietitians of Canada (DC) is the professional organization representing over 5500 dietitians in Canada including approximately 650 dietitians in Alberta and the Territories. Dietitians of Canada speaks out on food and nutrition issues important to the health and well-being of Canadians.

The Alberta Community/Public Health Nutritionists Food Security Subcommittee is made up of registered dietitians who work in community and public health in the province. This group aims to improve the nutrition of Albertans and Canadians by strengthening key programs and initiatives surrounding food insecurity and poverty.

We gratefully acknowledge Drs. Lynn McIntyre and Sharon Kirkpatrick of the University of Calgary for their review of the report. In addition, we acknowledge the contribution of Rhonda King Blood, who provided guidance for the discussion of food insecurity in a First Nations community.

The ongoing support of Alberta Agriculture and Rural Development and M. C. Wenger Consulting for the Alberta Nutritious Food Basket Price Reports and the many community nutritionists who collect food cost data in their communities are vital to the production of this report.

A copy of this report can be downloaded from Dietitians of Canada's Resource Centre at www.dietitians.ca or Growing Food Security Alberta resource page at www.foodsecurityalberta.ca. Permission is granted to reproduce copies of the report in its entirety for personal or educational purposes, provided credit to the publishers is included.

This report is endorsed by:

*Growing Food Security Alberta
Alberta Public Health Association*



Forward

Social activist Abbie Hoffman advised that you 'Steal This Book'; my advice is to read this report. The Alberta Community /Public Health Nutritionists Food Security Subcommittee has done a remarkable job in producing a document that shows you exactly why low -income individuals and families in Alberta cannot meet the requirements of Eating Well with Canada's Food Guide. They modestly state that, "The findings of this report are not new," a comment that is both true and untrue. Their carefully conducted food costing methodology shows us again why it is improbable for any of the highlighted individuals or families to be able to consume a healthy diet. Time after time we emphasize that these studies reflect a best possible scenario. Nothing new as well that the report reminds us that when finances are tight, cuts are made in the quality and eventually the quantity of food purchased. And the echo you hear is the same refrain from food costing studies that are documenting similar misery across the country. What is new is the substantial 10%

increase in the cost of food staples of the Alberta Nutritious Food Basket Price Report in one year. This is surely more than incomes rose over that time period for these vulnerable groups. Also of concern is the increasing bite that rent and other shelter costs are taking out of budgets. And now the inclusion of data for a First Nations community shows that food insecurity is about income yes but also about other barriers to accessing affordable, healthy food. Finally, what is also new in this report is a set of hard-hitting recommendations that if enacted could restore dignity to these households. So my recommendation is to 'Steal a Moment' from your busy day and read this report.

*Dr. Lynn McIntyre, Professor
& CIHR Chair in Gender and Health,
Department of Community
Health Sciences, University of Calgary,
Calgary, AB*

Cost of eating in Alberta

Executive Summary

Food security is recognized as an important public health issue in Canada. Everyone has a right to healthy food.

What do we know about food insecurity?

Food insecurity is defined as a “lack of access to affordable, adequate food through socially acceptable means.” Measures of household food insecurity on national health surveys provide an indication of the scope of this problem in Canada. According to the Canadian Community Health Survey, Cycle 2.2 (CCHS), 1.1 million or 9.2% of Canadian households experienced moderate or severe food insecurity in 2004. In Alberta, this rate of household food insecurity is 10.7% (one out of every ten households). Individuals from food insecure households are at increased risk of poor nutritional status and poor health. Failing to invest in this issue has serious impacts.

Certain populations experience higher rates of food insecurity. The CCHS and other research have clearly demonstrated that an adequate income is essential to ensure reliable access to adequate food. Almost half (49%) of Canadians with the lowest incomes are food insecure. In Alberta, the rate of food insecurity amongst those receiving social assistance as their key income source is 84%, a rate much higher than the national average of 60%.

How do we know some households don't have enough money for food?

Community and public health nutritionists in Alberta price a basket of food at a number of grocery stores in Alberta using the Alberta Nutritious Food Basket. This nutritious food basket tool includes 51 basic foods that require some food preparation skills. In June 2008 in Alberta, the average monthly cost of the nutritious food basket, for a family of four, was \$774. This is a 10% increase from November 2007.

The cost of food is one component of the issue for households living on low income. When exploring whether food is affordable for households with a limited income, the cost of other basic needs such as shelter, transportation and childcare must also be considered. When a household lacks the money to pay all basic monthly household expenses the amount of money available to spend on food may be reduced. Food brought into the home may be compromised both in quality (how healthy the food choices are) and quantity (the amount of food available).

What did our Cost of Eating in Alberta 2008 analysis reveal?

The Cost of Eating in Alberta 2008 report examined the incomes and costs of four basic needs (shelter, food, transportation and childcare) in six different lower income household scenarios. Costs were collected in six Alberta communities. These scenarios were created to examine the affordability of basic needs for household situations known from national surveys to be at risk of food insecurity. As expected, the households depicted would have a very difficult time meeting basic needs.

- A monthly household food cost of not more than 15% of household net income is considered affordable. Food costs ranged from 14% to 32% of income. In all but one of the scenarios examined, the cost of a healthy diet exceeded the recommended percentage.
- Monthly shelter costs of not more than 30% of household total before-tax income are considered affordable. The cost of shelter was a significant household cost for all the scenarios examined, ranging from 23% to 73% of total before-tax income. The high burden of housing cost was particularly evident in the urban centres where it made up 37% to 71% of the household income.

Why should we be concerned about these findings?

The findings of this report are not new. Numerous reports have demonstrated that food insecurity is related to inadequate household income. Housing and food are both basic needs, however, as the proportion of income spent on housing increases, household income available to spend on necessities such as food decreases. High costs of housing, childcare and transportation can place lower income households at great risk of food insecurity.

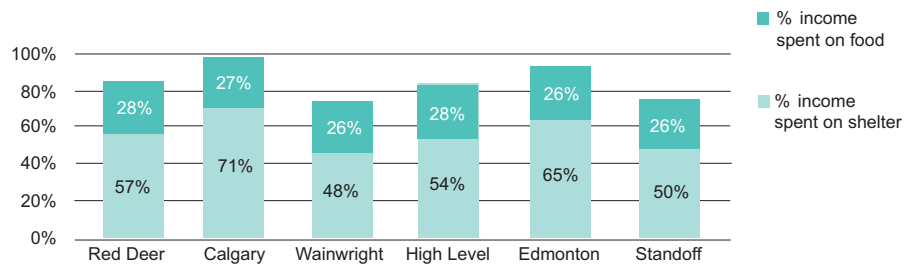
For individuals and families to achieve healthy eating recommendations for health and the prevention of chronic disease, they must have the capacity to make healthy choices. Those who are food insecure do not have this capacity. Ensuring that lower income households have enough money to buy adequate amounts of nutritious food and pay for the other basic costs of living (shelter, transportation, childcare) is fundamental. A lack of knowledge about healthy eating or poor budgeting skills are not the issues that limit lower income households in providing nutritious food for their families. Food insecurity results from inadequate household income.

What can be done to help?

- Make sure that you and those that you connect with are informed about food insecurity

Efforts to address household food insecurity are weakened by incorrect information or stereotypes around individuals and families at most risk of food insecurity. There is plenty of evidence to support that low income is a major predictor of food insecurity.

Percentage of income spent on food and shelter for a lone mother of two receiving income support in communities across Alberta



- Support actions in Alberta and Canada that address poverty and food insecurity

Visit the websites of the coalitions and networks working on the issues of poverty and food insecurity and decide how you can help out. Share this information and your actions with those with whom you work and socialize.

- Make one phone call or write one letter

Every letter or phone call has the potential to make a difference. Everyone has a role to play – the Prime Minister, the Premier, Members of the Legislative Assembly (MLA), municipal councilors, family, friends, and other community members. Write a letter or visit your local MLA and/or the Minister responsible for the policies and programs that affect poverty. Ask for a fair income support rate and a living wage that are adequate and indexed every year.

- Bring food insecurity to discussions about affordable housing

Housing is on the agenda of many municipalities and local governments. Many actions to alleviate the housing crisis have been suggested.

Conversations and action plans often focus solely on increasing affordable housing options. This report and others have clearly demonstrated the link between lack of affordable housing and food insecurity; food insecurity issues must be considered at any table where housing is discussed.

- Bring healthy food and good nutrition into local food security strategies

Many local actions exist to provide charitable food to households living in poverty. It is important that households who access the charitable sector for food receive foods that promote health. Food, meals and snacks provided should be nutritionally rich and provide a model of healthy food and dietary practices.

The provision of emergency food supplies to the most needy fills an important short term need but long term solutions are required. Policy changes to ensure households have the financial resources to purchase healthy foods at all times, in short to achieve food security, is critical.

Table of Contents

| | |
|---|----|
| Executive Summary | 1 |
| Table of Contents | 3 |
| What is Household Food Insecurity? | 4 |
| How is Household Food Insecurity Measured? | 4 |
| Do Albertans Experience Food Insecurity and Hunger? | 4 |
| Why is Food Insecurity and Hunger a Concern? | 5 |
| How do Dietitians Determine the Cost of Eating in Alberta? | 6 |
| What Does it Cost to Eat a Nutritious Diet? | 6 |
| The Alberta Nutritious Food Basket Price Report and Cost of a Nutritious Diet | 6 |
| How Do Dietitians Determine if Food is Affordable? | 8 |
| The Cost of Basic Needs in Alberta | 9 |
| Does Food Cost Too Much in Alberta? | 12 |
| What Can be Done to Help? | 12 |
| References | 14 |
| Appendices | 15 |
| Net Income | 15 |
| Cost of Basic Needs | 16 |
| Household Scenarios Detailed Costing | 18 |

What is Household Food Insecurity?

"Food security exists when all people, at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life." (Food and Agriculture Organization, 1996) (1).

A lack of food security is food insecurity. One key aspect of food insecurity is whether individuals and their households have enough money to access healthy foods in adequate amounts. In this context, food insecurity is defined as a *"lack of access to affordable, adequate food through socially acceptable means."*

How is Household Food Insecurity Measured?

In the past, food bank data have been one of the only consistent measures of hunger. While these data were helpful, they were incomplete as many people did not or could not access a food bank. Measures of household food security on national health surveys provide a much better indication of the scope of this problem in Canada. In 2004, food insecurity was measured in the Canadian Community Health Survey (CCHS), Cycle 2.2 (2)

Using data from this survey, households were classified as food secure or moderately or severely food insecure based upon the extent to which their food choices and eating patterns were affected by their financial situation (2). The last category, severely food insecure, relates to actual food deprivation or what is commonly

referred to as hunger. The lack of financial ability for a household to access adequate, nutritious food is referred to as *household food insecurity*.

Do Albertans Experience Food Insecurity and Hunger?

The CCHS survey revealed important national and provincial data about food insecurity. According to CCHS 2.2, 1.1 million or 9.2% of Canadian households experienced moderate or severe food insecurity in 2004. In Alberta, this rate of household food insecurity is 10.7%. One out of every ten households in Alberta is food insecure. Individuals with severe food insecurity often experience a lack of food which leads to hunger (2).

Certain populations experience higher rates of food insecurity, notably low income Canadians. Half of Canadians in the lowest income group are food insecure. Lone parent families headed by women; Aboriginal people living off-reserve; those who do not own their home; and those receiving social assistance as their key income source report higher rates of food insecurity (2).

Household food insecurity is defined as the financial inability of households to access adequate foods which is strongly related to household income.

In Alberta, the rates are similar to the national average for these sub groups. One notable exception is the rate of household food insecurity amongst social assistance recipients. Nationally 6 of every 10 households supported by social assistance report food insecurity. In Alberta the rate is 8 of every 10 households.

Unfortunately, the CCHS survey did not capture the entire picture of those who are food insecure. Some of the most vulnerable groups for food insecurity were not included in the survey. Examples include the homeless and Aboriginal people living on-reserve.

The report Income-Related Household Food Insecurity in Canada, based on an in-depth examination of the CCHS 2.2 data, is available at: www.hc-sc.gc.ca/fn an/surveill/nutrition/commun/income_food_sec-sec_alim-eng.php

Why is Food Insecurity and Hunger a Concern?

Everyone has a right to healthy food. Investing resources in this issue now will save money in the long term. Risks of failing to invest in this issue are well documented. Some of these risks are discussed below.

Impacts on Health

Food security is recognized as an important public health issue in Canada. Individuals in food insecure households have been shown to have poorer nutrient intakes than individuals living in food secure households (2). An adequate household income is necessary to purchase nutritious foods and consume the nutrients necessary for good health across the lifespan.

- The effects of food insecurity can have a lifelong impact on a child's development beginning in the prenatal period. Poor nutrient intakes among pregnant women contribute to low infant birth weights and increase the risk for poor pregnancy outcomes (3,4).
- Children from low-income households with food insecurity can be at greater developmental risk than children from low-income households that are food secure (5). Young children with poor intakes of nutrients such as iron can experience impaired cognitive, social and emotional development (6). In children, iron deficiency causes developmental delays and behavioral problems. Iron deficiency has been found to be more common among food insecure than food secure children (7).

- Older children, adolescents and adults in food insecure households are more likely to have inadequate nutrient intakes than average income Canadians (8). In adults, poor nutrient intakes contribute to chronic diseases such as heart disease, diabetes and cancer. Individuals experiencing food insecurity likely have difficulty managing any dietary aspects of their health conditions. Members of food insecure households are also more likely to be affected by mental illness, including depression (9,10).

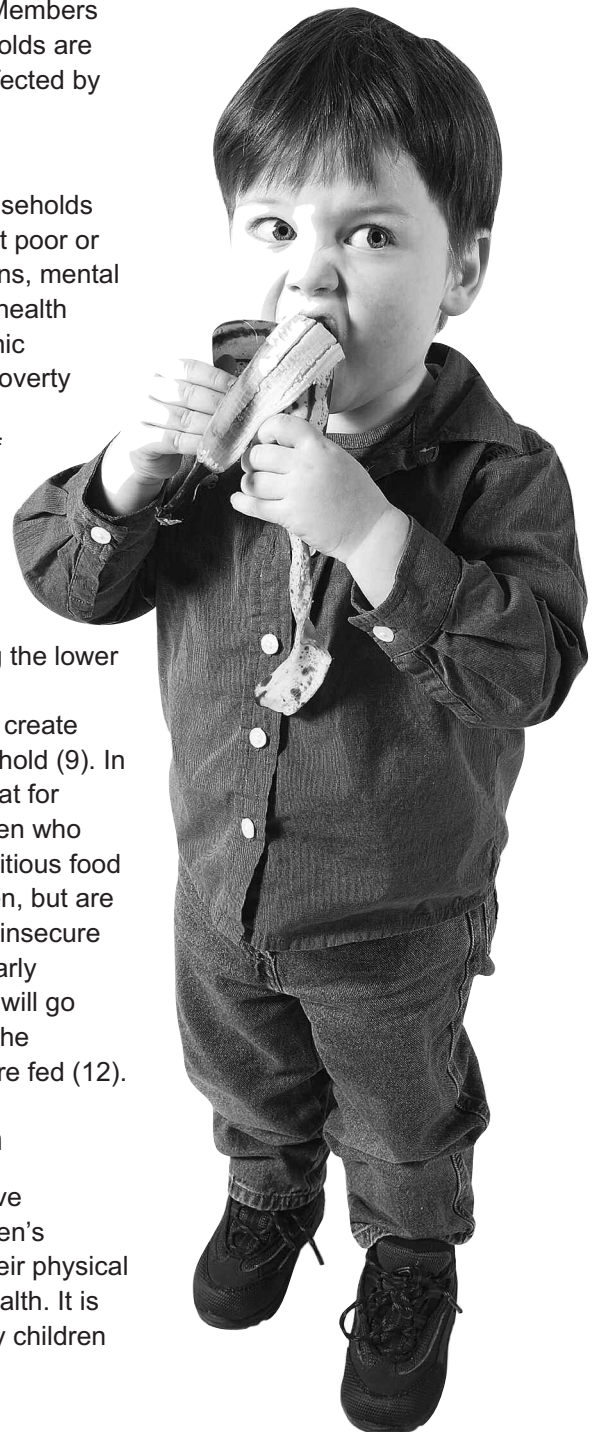
People in food insecure households are also more likely to report poor or fair health, physical limitations, mental health problems, children's health problems and multiple chronic conditions (9,10). Data on poverty and health in Edmonton demonstrated lower rates of self-reported good health, higher rates of hospital admissions for chronic health conditions and acute health problems, and lower life expectancy rates among the lower income groups (11).

Food insecurity can also create significant stress in a household (9). In particular, stress can be great for mothers and pregnant women who know the importance of nutritious food for the health of their children, but are unable to provide it. In food insecure households, adults, particularly mothers and older children, will go without food to ensure that the youngest family members are fed (12).

Impacts on Education

Inadequate nutrition can have detrimental effects on children's learning ability as well as their physical development and mental health. It is widely accepted that healthy children

learn better. Recent Canadian research found an association between higher academic performance and the consumption of milk, vegetables and fruit (13). As well, adequately nourished children are known to have better school attendance (14), cognitive performance (15) and improved capacity for active learning while at school (16).



How do Dietitians Determine the Cost of Eating in Alberta?

The CCHS has shown that an adequate income is essential to ensure reliable access to food. Food costing contributes to the monitoring of household food insecurity by estimating the cost and affordability of a basic nutritious diet (17). A 'basket' of nutritious food items is the benchmark used to estimate the cost of a healthy diet. In Alberta, a 51 food item tool called the Alberta Nutritious Food Basket Price Report is used. The overall cost of the 'basket' is determined through a partnership between the Provincial Community Nutritionists of Alberta and Alberta Agriculture and Rural Development.

The food items included in the Alberta Nutritious Food Basket Price Report are minimally processed foods that are widely available in grocery stores. Some food preparation skills are required to use the foods. The

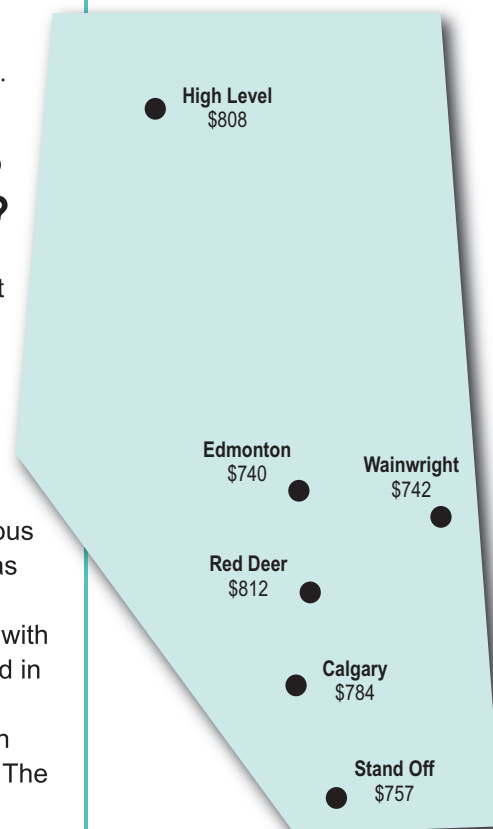
food basket does not include convenience foods, packaged foods, take-out or restaurant meals. It also does not take into account special dietary needs (such as gluten-free or low sodium food options) or differences in cultural food choices.

What Does it Cost to Eat a Nutritious Diet?

The Alberta Nutritious Food Basket Price Report can be used to estimate the cost of a nutritious diet for individuals and families. For this report, data were collected and analyzed for six Alberta communities in June 2008. The average monthly cost of the nutritious food basket, for a family of four, was \$774. This is a 10% increase from November 2007, and is consistent with similar food costing work completed in other provinces (18).

Food costs were not collected in any remote northern communities. The food costs in remote and northern communities are often higher (18).

MONTHLY COMMUNITY FOOD COSTS



* Food costs based on data collected in Cardston and Fort Macleod.

The Alberta Nutritious Food Basket Price Report and Cost of a Nutritious Diet

Each year in February, June and November in communities across Alberta, retail food prices are collected from local grocery stores for the Alberta Retail Food Prices Survey. The survey is conducted by M.C. Wenger Consulting for Alberta Agriculture and Rural Development with assistance in data collection from regional health

representatives (19). Food costing is conducted in grocery stores, the most common place Canadians buy food. The survey is designed to monitor the costs of a basket of food items over time.

The Alberta Nutritious Food Basket Price Report is made up of 51 food items from the Alberta Retail Food Prices Survey. The nutritious food basket takes into account national dietary guidelines and food purchasing patterns of Canadian consumers and is based in part on the National Nutritious Food Basket protocol. The food costing data is used to calculate the weekly

and monthly cost of food for 23 age and gender groups in participating communities. Food costs averaged for the 6 communities (High Level, Edmonton, Wainwright, Red Deer, Calgary and Stand Off) are shown in Table 1 (19). The cost of food for the family of four are based upon the food costs for a man and a woman (25-49 years), a boy (13-15 years) and a girl (7-9 years).

It should be noted that the 51 food items included in the Alberta Nutritious Food Basket Price Report require that individuals have food preparation skills as the food basket does not include

convenience foods, packaged foods, take-out meals or restaurant meals. Though the food basket is designed to provide some substitution between nutritionally similar foods, it offers little variety, does not incorporate cultural foods nor account for special dietary needs such as gluten-free or low sodium options or differences in activity levels. It also does not include any personal care or household items such as shampoo or laundry soap that are often included in a family's grocery bill. Statistics Canada estimates that an additional \$107.33 per household per month is spent on these expenses (20).

For the monthly food costs of the household scenarios in this report, an additional 10% was added to the weekly cost of food for additional food items such as condiments, baking supplies, tea, and coffee. This food cost was then multiplied by 4.33 to arrive at a monthly cost.

The weekly and monthly food costs are based upon a family of four. Families or households of fewer than four people experience increased costs due to the small family size (17). Likewise, larger families or households experience greater efficiency in food purchasing and their costs are adjusted downward to reflect this. The adjustments for family size are listed in Table 2.

| Table 2. Adjustment for Small or Large Households | |
|---|------------|
| Household Size | Adjustment |
| 1 person | + 15% |
| 2 persons | + 10% |
| 3 persons | + 5% |
| 4 persons | 0 |
| 5 persons | - 5% |
| 6 persons | - 10% |

The cost of a healthy diet reported in the Household Scenario Detailed Costing tables (Appendix 3) reflects

the monthly cost of food for the different age groups and genders in each of the household scenarios.

| Table 1. Cost of a Nutritious Diet, June 2008 | | |
|---|-----------------|-----------------|
| | Weekly | Monthly |
| Food Cost for Family of Four | \$178.74 | \$773.94 |
| Child | | |
| 1 year | \$20.30 | \$87.89 |
| 2-3 years | \$21.95 | \$95.06 |
| 4-6 years | \$29.41 | \$127.34 |
| Boy | | |
| 7-9 years | \$35.70 | \$154.60 |
| 10-12 years | \$43.81 | \$189.70 |
| 13-15 years | \$51.14 | \$221.45 |
| 16-18 years | \$59.80 | \$258.93 |
| Girl | | |
| 7-9 years | \$33.75 | \$146.12 |
| 10-12 years | \$39.71 | \$171.95 |
| 13-15 years | \$42.74 | \$185.05 |
| 16-18 years | \$40.73 | \$176.35 |
| Man | | |
| 19-24 years | \$56.60 | \$245.08 |
| 25-49 years | \$54.50 | \$236.00 |
| 50-74 years | \$48.92 | \$211.81 |
| 75+ years | \$44.10 | \$190.94 |
| Woman | | |
| 19-24 years | \$41.57 | \$180.02 |
| 25-49 years | \$39.35 | \$170.38 |
| 50-74 years | \$38.46 | \$166.51 |
| 75+years | \$37.33 | \$161.63 |
| Pregnancy | | |
| Trimester 1 | \$43.35 | \$187.70 |
| Trimester 2 | \$46.14 | \$199.77 |
| Trimester 3 | \$46.14 | \$199.77 |
| Breastfeeding | | |
| | \$47.25 | \$205.32 |

How Do Dietitians Determine if Food is Affordable?

The cost of the nutritious food basket can provide insights into the affordability of a nutritious diet for households with particular characteristics when it is interpreted in the context of a household's income and costs of basic needs. Since food insecurity results from insufficient financial resources, household income and the costs of basic needs for the household are critical to consider. The costs of many basic needs such as shelter, childcare and transportation are usually fixed, whereas food costs are more flexible. When a household lacks money to pay all basic monthly household expenses the amount of money allocated to spend on food may be reduced. Food brought into the home may be compromised both in quality (how healthy the food choices are) and quantity (the amount of food available).

In order to place some context to the cost of food in relation to household income, spending 15% of household net income on food was used in this report as a benchmark for what is considered affordable. This

amount is based on results of other provincial cost of eating reports, particularly the Cost of Eating in BC 2007 report (18).

Although housing and food are both basic needs, as the proportion of income spent on housing increases, household income available to spend on other necessities such as food decreases. It is well recognized that housing payments have priority over food purchases in low-income families (21). This tension between housing and food among low-income families has been expressed by the phrase “pay the rent or feed the kids” (22). The risk of rent default and becoming homeless may be viewed as a greater threat than compromising food purchases.

As a general rule, housing is considered to be unaffordable if more than 30% of total before-tax household income is spent on shelter costs (23). For this report, 30% is utilized as a benchmark to assess affordability of shelter. Shelter costs include rent or mortgage payments plus applicable utility charges. Other reports state that “when rents take 30% to 50% or more of one’s income, there is little money left for food, recreation, transportation and the other necessities of life” (24). Housing affordability problems affect renters more than owners. In terms of

food insecurity, national surveys show that food insecurity is more prevalent among those who do not own their dwellings (homes) (2).

The CCHS found the highest rates of food insecurity in the lowest income households. Since food insecurity is related to poverty and low income, this report examines the affordability of a nutritious diet from the perspective of six low income households.

The household scenarios reflected different family compositions and sources of income. See Appendix 1 for more details. For each household the costs of basic needs for shelter, transportation, food and childcare were determined. Shelter costs included rent, electricity, gas, telephone, water, sewage and garbage expenses. Transportation costs were based on public transportation where available. Childcare costs were determined utilizing average childcare costs in each community and any eligible childcare subsidies. Costs of many items that most families consider necessary were excluded for simplicity. Details on the costs included and excluded can be found in Appendix 2. The six household scenarios studied in this report are described in the table following.

| Table 3. Household Scenario Descriptions | | | | | | |
|--|--|--|--|---------------------------|----------------------------|---|
| Family Composition | Family of four | Single mother of two children | Single mother of two children | Single male | Senior | Student |
| | Male & female 25-49 years, girl 4 years, boy 7 years | Female 19-24 years, Two children 3 and 5 years | Female 19-24 years, Two children 3 and 5 years | Male 25-49 years | Female over 75 years | Male 19-24 years |
| Source of Income * | Minimum/low wage | Low wage | Income support | Disability assistance | Government pension | Student loan, low wage |
| Shelter** | Rented 3 bedroom house | Rented 2 bedroom apartment | Rented 2 bedroom apartment | Rented bachelor apartment | Rented 1 bedroom apartment | Rented 3 bedroom house with 2 roommates |
| Childcare | Yes | Yes | No | No | No | No |

* Refer to Appendix 1 for details on how household incomes were calculated. **The type of shelter was based upon the family composition. An exception to the described shelter details occurs in the community of Standoff where limited shelter options exist. (Appendix 2)

The Cost of Basic Needs in Alberta

Family of four earning a low income

What does it cost to feed this family?

Our findings show that a healthy diet for this household costs \$740 to \$812 per month. This represents 27 to 29% of the estimated net income of this household, far exceeding the 15% considered affordable.

Can this family afford their basic needs?

It is estimated that this family will spend \$794 to \$1278 per month on shelter. This represents 35 to 37% of the estimated total household before-tax income for four of the six households in the communities analyzed. In only two communities did the cost of shelter fall under the 30% benchmark for housing affordability. To bring housing costs into the affordable range of 30%, both parents in this scenario would need to earn a minimum of \$13 per hour.

Even when only examining the most basic needs, in three of the six communities the family would experience a monthly shortfall of \$171 to \$229. Only in the two rural communities examined was the household determined to have a monthly surplus; however, this is likely a misrepresentation since the household would have to own and maintain at least one vehicle in order to travel to and from work and childcare - a conservative estimate since many other additional costs are excluded.

Lone mother of two children, earning a low wage

What does it cost to feed this family?

Our findings show that a healthy diet for this household costs \$403 to \$444 per month. This represents 20 to 22% of the estimated net income of this household.

Can this family afford their basic needs?

It is estimated that this family will spend \$753 to \$1121 per month on shelter. This represents 34 to 51% of the estimated total before-tax income of this household. For this female-led family dependent upon on a low wage, meeting basic needs is a monthly struggle.

Even when only examining the most basic needs, in four of the six communities the family would experience either a significant monthly shortfall of \$269 to \$662 or virtually no money left at the end of the month. Due to the restricted costs collected the small surplus reported in the other two communities is again unlikely the reality for this family. At the minimum transportation costs are expected to be greater than those calculated.

While conducting the research for this report it was found that childcare costs can vary greatly even within a small town or a city. In this analysis, a working mother receiving the maximum childcare subsidy would pay \$276 to \$541 per month for childcare. Childcare expenses for lower income families can easily leave a family without enough money to meet their basic needs including food.

Low and minimum wage earners struggle

- 22% of Albertans make less than \$12 an hour, with half of these individuals being over 24 years of age (25).
- Wages are the main source of income for 56% of Canadian households who were food insecure (26).
- 28% of Alberta households using food banks report employment income as their primary source of income – double the national average of 14% (27).
- In Alberta, 24,695 children living in poverty have one or both parents working full-time, all year. Four out of five (78%) of low income children in Alberta live in families where at least one parent works part-time or part of the year (28).

Female-led families and childcare expenses increase the risk of being food insecure

- Twenty-five percent of female-led families experience food insecurity according to data from CCHS 2.2 (2).
- Almost two thirds (64%) of individuals making less than \$12 per hour are women. There are 219,600 women earning less than \$12 per hour in Alberta (25).
- Mothers living in poverty will often go without food in order to feed their children (29)
- Low income families struggle to afford childcare.

See Appendix 3 for basic needs costing details for all household scenarios.

Lone mother of two children, on income support

What does it cost to feed this family?

Our findings show that a healthy diet for this household costs \$403 to \$444 per month. This represents 26 to 28% of the estimated net income of this household.

Can this family afford their basic needs?

It is estimated that this family will spend \$753 to \$1121 per month on shelter. This represents 48 to 71% of the estimated total before-tax income of this household. For this female-led family receiving income support, meeting basic needs is a monthly strain.

Even when only examining the most basic needs, in two of the six communities the family would experience a monthly shortfall of \$132 to \$146. In four communities where this analysis showed a positive balance, the amount was minimal and would likely be consumed by other expenses not factored into the basic monthly costs. Normal household expenses such as clothing, recreation and birthday gifts would place this household into a monthly shortfall.

Single male on disability assistance (AISH)

What does it cost to feed this household?

Our findings show that a healthy diet for this household costs \$260 to \$285 per month. This represents 24 to 26% of the estimated income for this individual.

Can this individual afford his basic needs?

It is estimated that this individual will spend \$592 to \$794 per month on shelter. This represents 54 to 73% of the estimated income of this household. In order for this single male on disability assistance to meet the recommended 30% of income spent on shelter his assistance rate would need to increase to \$2336 per month. Otherwise at his current assistance rate of \$1088 per month, he would need to find shelter that would cost around \$325 per month.

For a single male living on AISH, meeting basic needs is a monthly battle. Even when only examining the most basic needs, a monthly shortfall or a minimum positive balance \$19 to \$124 was estimated.

Any additional transportation costs, household, clothing or recreation expenses, or critical costs such as rental insurance would result in a monthly shortfall.

Elderly woman living on a pension

What does it cost to feed this household?

Our findings show that a healthy diet for this household costs \$178 to \$195 per month. This represents 14 to 15% of the estimated income for this individual.

Can this individual afford her basic needs?

It is estimated that a senior in this situation will spend \$630 to \$944 per month on housing (includes rent, utilities and telephone). This represents 46 to 69% of the estimated income of this individual.

As a percentage, food costs appear to be relatively affordable but housing costs are much greater than the recommended 30% of income spent on shelter. This discrepancy is particularly great for seniors renting accommodations in Edmonton and Calgary. At the current assistance rate an elderly woman on a pension would need to find shelter at a cost of approximately \$390 per month to meet recommended percentage of income on shelter.



Social assistance recipients are particularly at risk of being food insecure.

In Alberta, among households who report "social assistance" as their main source of income, 84% reported food insecurity. This Alberta rate greatly exceeds the national average of 59.7% (2).

Support for those on social assistance remains insufficient. In 2007 the Province of Alberta announced an increase of \$50 in monthly AISH benefits; however, these rates remain insufficient to meet basic needs.

Student living on student loans

What does it cost to feed this household?

Our findings show that a healthy diet for a male student aged 19-24 years, costs \$270 to \$297 per month. This represents 29 to 40% of the estimated net income for this individual.

Can this individual afford his basic needs?

It is estimated that a student in this scenario will spend \$265 to \$430 per month on shelter. This represents 33 to 46% of the estimated income of this individual.

A number of assumptions were made in the student scenario. These included that the student is receiving the maximum student loan allowance less tuition, books and supplies; that he would be working for four months between school terms but not during school semesters; and that he is renting a three-bedroom house with two other roommates. Even with the shared accommodation, the percentage this student pays on housing is higher than the recommended 30%. At his current income, he would need to find shared accommodation that would cost approximately \$223 per month.

In the community of Standoff, public transportation is not an option and therefore, transportation costs are significantly higher. Education grants are available from the Blood Tribe, however, the majority of these students attending programs at the University of Lethbridge do not access student loans for numerous reasons, causing more barriers to accessing post secondary education. A monthly deficit of \$833 was calculated for this scenario.

Rising post secondary tuition is placing higher education out of reach for many young adults.

- One-third of youth who never attend post-secondary institutions cite financial barriers as the largest single reason for not attending (30).
- Of youth who leave post-secondary education without graduating, 22% cite financial reasons (30).
- Undergraduate tuition in Alberta has gone up by 275% since 1991, the largest increase in Canada (30).
- Of all Aboriginal youth who never attend post-secondary institutions, 59% cite the need to financially support their family and 40% cite a lack of funds as reasons (30).

The Community of Standoff

Household costs for the Blood Tribe, represented in the data as the community of Standoff, demonstrates the challenges facing First Nations peoples living in isolated communities with limited housing, transportation and grocery store options. In terms of food access, residents of Standoff must travel between 60 and 125 km (round trip) to access grocery stores in neighbouring towns. A few convenience stores on the Blood Tribe stock pre-packaged calorie dense fast foods,

with an extremely limited selection of fresh fruit and vegetables. Access to a vehicle is a key factor in increasing access to not only healthy food, but to work, education and many services. All situations analyzed for Standoff households indicated significant monthly household shortfalls, ranging from \$145 to \$1362 a month. The top two barriers to food security identified by Blood Tribe members are lack of access to healthy food and poverty (31).

First Nations communities in Alberta face unique barriers to food security.

- The Aboriginal population is growing much faster and is much younger than the non-aboriginal population (28).
- The problem of unemployment and lack of economic opportunity is a challenge for aboriginal people and particularly for those living on First Nations (28).
- One out of three (33%) off-reserve Aboriginal households are food insecure. This is much greater than the rate among non-Aboriginal households (2).
- Information regarding food insecurity is limited for First Nations communities; however, poverty data and available surveys indicate food insecurity is a major problem for First Nations communities (32).
- Food available at stores is expensive, and often unavailable, and of poorer quality and nutritional value among First Nations communities (32).

Does Food Cost Too Much in Alberta?

In the household scenarios highlighted in this report, household income was insufficient to meet basic needs. The issue is not necessarily that food costs too much in Alberta, but that sufficient healthy food is not affordable to lower income households because of inadequate household income. The expenditure estimates in this report were conservative and excluded many basic needs such as clothing, personal care and household items such as shampoo and laundry soap. In addition, the nutritious food basket tool is in the process of being updated to reflect new dietary guidance included in Eating Well with Canada's Food Guide, and thus underestimates the true cost of a nutritious diet.

Ensuring that lower income households have enough money to buy an adequate amount of nutritious food, as well as being able to pay for the other basic costs of living (shelter, transportation, childcare) is fundamental. For families who cannot afford to purchase sufficient, safe and nutritious food provision of nutrition programming to increase knowledge, skills or capacity to make appropriate nutrition choices are not the solution.

What Can be Done to Help?

Make sure that you and those that you connect with are informed about food insecurity

Efforts to address income-related household food insecurity are weakened by incorrect information or stereotypes about individuals and families at most risk of food insecurity. Evidence supports that low income is a major predictor of food insecurity.

Many reports are available. Some of the key reports about food insecurity are:

Income-Related Household Food Insecurity in Canada, available at: www.hc-sc.gc.ca/fn-an/surveill/nutrition/commun/index-eng.php

Towards Food Security Policy for Canada's Social Housing Sector, 2008 available at: www.cprn.org/doc.cfm?doc=1936&l=en

Hunger Count 2007, available at: www.cafb-acba.ca/main2.cfm?id=10718668-B6A7-8AA0-6E4255B2954F4EEE

Individual and household food insecurity in Canada: Position of Dietitians of Canada, available at: www.dietitians.ca/news/highlights_positionitions.asp

Support actions in Alberta and Canada that address poverty and food insecurity

Visit the websites of the coalitions and networks working on the issues of poverty and food insecurity and decide how you can help out. Share this information and your actions with those with whom you work and socialize.

Key groups are:

Growing Food Security Alberta - a provincial food security network, accessible at: www.foodsecurityalberta.ca

Public Interest Alberta (PIA) - a provincial advocacy organization for public interest issues, accessible at: www.pialberta.org.

- Join PIA's living wage campaign
- Find out more about PIA's Child Care actions

Campaign 2000 - a cross-Canada anti-poverty coalition of over 120 partners, accessible at: www.campaign2000.ca.

- Send the federal government the message that Canada needs a national poverty reduction strategy and join the growing list of supporters.

Vibrant Communities is a community-driven effort to reduce poverty in Canada. Both Edmonton and Calgary have Vibrant Communities partnerships and project, accessible at: www.tamarackcommunity.ca.

Many municipalities have local networks or coalitions that address poverty, food security and other social issues. Call your local social service organizations (e.g. F.C.S.S., Neighbourhood Places, Parent Link) to find out what exists in your community.

A living wage is the amount of income an individual or family needs to: meet basic needs; maintain a safe, decent standard of living in their community; save for future needs and goals.

Make one phone call or write one letter

Every letter or phone call has the potential to make a difference. Everyone has a role to play – the Prime Minister, the Premier, Members of the Legislative Assembly (MLA), municipal councilors, family, friends, and other community members. Write a letter or visit your local MLA and/or the Minister responsible for the policies and programs that affect poverty. Ask for affordable housing initiatives, fair income assistance rates and a living wage that are adequate and indexed every year. To find your local MLA or minister see www.elections.ab.ca/streetkey/index.cfm

Bring food insecurity to discussions about affordable housing

Housing is on the agenda of many municipalities and local governments. Many actions to alleviate the housing crisis have been suggested.

Temporary programs such as the Alberta Housing and Eviction Prevention Fund (HEP) provide support for households in a housing crisis. Long term policy changes beyond this are necessary to bring stability to lower income households.

Conversations and action plans often focus solely on increasing affordable housing options although low-income households may struggle with other basic needs including food. This report and others have clearly demonstrated the link between lack of affordable housing and food insecurity; food insecurity issues must be considered at any table where housing is discussed.

Bring healthy food and good nutrition into local food security strategies

Many local actions exist to provide charitable food to households living in poverty. It is important that households who access the charitable sector for food receive foods that promote health. Food, meals and snacks provided should be nutritionally rich and provide a model of healthy food and dietary practices.

The provision of emergency supplies to the most needy fills an important short term need but long term solutions are required. Policy changes to ensure households have the financial resources to purchase healthy foods at all times, in short to achieve food security, is critical.



References

1. Food and Agriculture Organization. (1996). *Rome declaration on world food security and world food summit plan of action*. Rome, Italy. Retrieved November 24, 2008, from <http://www.fao.org/docrep/003/w3613e/w3613e00.HTM>
2. Health Canada. (2007). *Canadian community health survey cycle 2.2, nutrition (2004). Income-related food insecurity in Canada*. Retrieved October 15, 2008, from http://www.hc-sc.gc.ca/fn-an/surveill/nutrition/commun/income_food_sec-sec_alim-eng.php
3. Ohlsson, A., & Prakeshkumar, S. (2008). *IHE Report: Determinants and prevention of low birth weight: A synopsis of the evidence*. Institute of Health Economics: Alberta, Canada.
4. Fowles, E.R. (2004). Prenatal nutrition and birth outcomes. *Journal of Obstetric, Gynecological, and Neonatal Nursing*; 33: 809-822.
5. Rose-Jacobs, R., Black, M., Casey, P., Cook, J., Cutts, D., Chilton, M., et al. (2008). Household food insecurity: Associations with at-risk infant and toddler development. *Pediatrics*, 121(1), 65-72.
6. Tara, H. (2005). Nutrition and Student Performance at School. *Journal of School Health*, 75(6), 199-213.
7. Skalicky, A., Meyers, A., Adams, W., Yang, Z., Cook, J., & Frank, D. (2006). Child food insecurity and iron deficiency anemia in low-income infants and toddlers in the United States. *Maternal and Child Health Journal*, 10(2), 177-185.
8. Kirkpatrick, S., & Tarasuk, V. (2008). Food insecurity is associated with nutrient inadequacies among Canadian adults and adolescents. *Journal of Nutrition*, 138(3), 604-612.
9. Vozoris, N., & Tarasuk, V. (2003). Household food insufficiency is associated with poorer health. *Journal of Nutrition*, 133, 120-126.
10. Che, J., & Che, J. (2001). Food insecurity in Canadian households. *Health Reports*, 12, 11-22.
11. Predy, G.N., Edwards, J., Fraser-Lee, N., Ladd, B., Moore, K., Lightfoot, P., et al. (2008). *Poverty and health in Edmonton*. Edmonton, Alberta: Public Health Division, Alberta Health Services (Edmonton Area).
12. McIntyre, L., Glanville, N.T., Officer, S., Anderson, B., Raine, K.D., & Dayle, J.B. (2002). Food insecurity of low-income lone mothers and their children in Atlantic Canada. *Canadian Journal of Public Health*, 93(6), 411-5.
13. MacLellan, D., Taylor, J., & Wood, K. (2008). Food intake and academic performance among adolescents. *Canadian Journal of Dietetic Practice and Research*, 69, 141-144.
14. Pollitt, E., & Mathews, R. (1998). Breakfast and cognition: an integrative summary. *American Journal of Clinical Nutrition*, 67, 804S-813S.
15. Bryan, J., Osendar, S., Hughes, D., Calvaresi, E., Baghurst, K., & Willem van Klinken, J. (2004). Nutrients for cognitive development in school-aged children. *Nutrition Reviews*, 62(8), 295-306.
16. Cueto, S. (2001). Breakfast and dietary balance: the enKid study. *Public Health Nutrition*, 4(6A), 1429-1431.
17. Nova Scotia Participatory Food Security Projects. (2007). *Cost and affordability of a nutritious diet in Nova Scotia: Report of 2007 food costing*. Retrieved November 24, 2008 from www.gov.ns.ca/hpp/repPub/food_costing_study.pdf
18. Dietitians of Canada. (2007). *The cost of eating in B.C. 2007: The bite nutritious food takes from the income pie*. Retrieved October 15, 2008 from <http://www.dietitians.ca/resources/resourcesearch.asp?fr=view&contentid=1944>
19. MC Wenger Consulting & Alberta Regional Health Authorities. Original data prepared for Alberta Agriculture and Rural Development, Economics and Competitiveness Division, Statistics and Data Development Unit.
20. Statistics Canada. (2007). *Spending patterns in Canada*. Retrieved January 12, 2009 from <http://www.statcan.gc.ca/pub/62-202-x/2006000/t020-eng.pdf>
21. Pothukuchi, K., & Kaufman, J.L. (2000). The food system: A stranger to the planning field. *Journal of the American Planning Association*, 66 (2), 113-124.
22. Friendly, A. (2008). *Towards food security policy for Canada's social housing sector*. Retrieved November 24, 2008, from <http://www.cpm.ca/doc.cfm?doc=1936&f=en>.
23. Canada Mortgage and Housing Corporation. (2003). *Canadian housing observer 2003*. Ottawa, ON: Canada Mortgage and Housing Corporation.
24. Edwards, P. (2003). *The social determinants of health: An overview of the implications for policy and the role of the health sector*. Retrieved November 25, 2008, from http://www.phac-aspc.gc.ca/ph-sp/oi-ar/01_overview-eng.php
25. Public Interest Alberta. *Wages and child and family poverty in Alberta: Fact sheet*. Retrieved October 15, 2008, from http://www.pialberta.org/program_areas/living_wage/low_wage_factsheet
26. Tarasuk, V. (2008). Personal communication, March 28, 2008.
27. Canadian Association of Food Banks. (2008). *Hunger count 2008*. Retrieved January 15, 2009 from http://foodbankscanada.ca/documents/HungerCount_en_fin.pdf
28. Edmonton Social Planning Council. (2008, November). *We can do better: Toward an Alberta child poverty reduction strategy for children and families*. Retrieved November 28, 2008 from <http://www.pialberta.org>
29. McIntyre, L., Glanville, T., Raine, K., Dayle, J., Anderson, B., & Battaglia, N. (2003). Do low-income lone mothers compromise their nutrition to feed their children? *Canadian Medical Association Journal*, 168, 686-691
30. Public Interest Alberta. *Affordability and post-secondary education in Alberta*. Retrieved November 28, 2008 from http://www.pialberta.org/program_areas/pse/pse_affordability/view
31. Growing Food Security in Alberta. *Community Building for Food Security (CBFS) Workshop September 2006*. Standoff, AB: Moses Lake Homeless Shelter.
32. Gender and Health Collaborative Curriculum Project. (2008). *Food insecurity in on-reserve First Nations and Inuit populations*. Retrieved November 30, 2008 from <http://genderandhealth.ca/en/modules/poverty/poverty-foodsecurity-12.jsp?r>

Appendix 1 - Income

Net Income

After determining each scenario's source and amount of income, appropriate deductions and additions were considered. In most scenarios disposable income includes gross income less taxes, Canada Pension Plan, and employment insurance (1) plus applicable child and family benefits (2). This information was gathered from the Canada Revenue Agency website.

Household Income Details

- A. Family of four, earning a low income:

This family's income is based upon one parent earning the minimum hourly wage of \$8.40 and the other parent earning a slightly higher hourly wage of \$10. Both parents work 40 hours per week.

- B. Lone mother and two children, earning a low wage:

This family's income is based upon an hourly wage of \$10 for 40 hours per week.

- C. Lone mother and two children, receiving income support:

This family's income was calculated using information from Alberta Employment and Immigration (3,4).

- D. Single male supported by disability assistance:

This man's income was calculated using information from Alberta Seniors and Community Supports for an individual supported by Assured Income for the Severely Handicapped (AISH) (5). It was assumed that this man had no other job or income.

- E. Elderly woman, living on pension:

This woman's income is based upon entitlements from the Canada Pension Plan (CPP) (on October 2007) (6), the Old Age Security and

Guaranteed Income Supplement (7). No CPP income was attributed to the Elder living in Standoff as many of the elder women do not receive CPP due to previous unemployment or poor employment opportunities on the Blood Tribe. (8, 9).

- F. Student supported by student loan, grants and summer employment:

This man's income was calculated based upon information from the Alberta Government website (10). The Living Allowances and Funding Limits section outlines that students can receive a maximum loan limit of \$13,300. It was assumed for this document that students would be enrolled fulltime in both the fall and winter semesters and work the 4 months between school years. The Alberta Learning and Information Services website states that the expected contribution from working 4 months of the summer is \$1350 (11). Once tuition, fees, books and supplies are accounted for, students are expected to have \$941 per month remaining from their loan and summer earnings to cover all other living costs (10).

For the student in Standoff, income is based upon a monthly grant of \$860 and summer employment with earnings providing an additional \$422 per month because only approximately 10% of Aboriginal students at the University of Lethbridge receive student loans (12). Once tuition, fees, books and supplies are accounted these students have \$689 per month remaining.

Child and Family Benefits

Where appropriate, the Canada Child Tax Benefits were calculated using Canada Revenue Agency's Child and Family Benefits Online Calculator. This provides an estimated amount one might receive dependent on the income tax information given, provincial location, and marital status (2).

Table 4. Adjusted Net Income Calculation

| Scenario | Gross Monthly Income | Tax | CPP | EI | Net Monthly Income | Net Annual Income | Child & Family Tax Benefits | Adjusted Net Monthly Income (includes child & family tax benefits) |
|----------|----------------------|----------|----------|---------|--------------------|-------------------|-----------------------------|--|
| A | \$2944.00 | \$488.68 | \$131.29 | \$50.93 | \$2273.10 | \$27,277 | \$481.32 | \$2754 |
| B | \$1600.00 | \$127.27 | \$64.76 | \$28.80 | \$1379.17 | \$16,550 | \$600.23 | \$1979 |
| C | \$1005.00 | 0 | 0 | 0 | \$1005.00 | \$12,060 | \$569.82 | \$1575 |
| D | \$1088.00 | 0 | 0 | 0 | \$1088.00 | \$13,056 | 0 | \$1088 |
| E | \$1377.79 | \$77.03 | 0 | 0 | \$1300.76 | \$15,609 | 0 | \$1301 |
| F | \$941.00 | 0 | 0 | 0 | \$941.00 | \$7,528 | 0 | \$941 |
| F* | \$689.00 | 0 | 0 | 0 | \$689.00 | \$5,512 | 0 | \$689 |

* Income calculation for residents of Standoff

Appendix 2 - Cost of Basic Needs

Basic Needs Expenses Excluded

For simplicity, this report examines only the cost of the most basic needs to determine if the households can afford a nutritious diet. Items that most families consider necessary were excluded. Examples of household items that were not included in this report are listed below.

- healthcare expenses not covered by Alberta Health Care
- prepared food or meals prepared outside the home
- general household operation expenses (e.g. furniture, appliances, maintenance, cleaning supplies)
- personal care expenses (e.g. haircuts, toothbrushes, shampoo)
- costs associated with physical activity and recreation
- educational expenses
- expenses related to existing debt
- life and home insurance
- saving for the future
- family emergencies
- family celebrations such as gifts for birthday.

Cost of Shelter

In our household scenarios, shelter referred to a rented house or apartment depending upon the family size and community. In the case of the student, the total cost was divided by three because it was assumed that the three students shared the expenses. In Standoff, shelter options include either a three bedroom house or three bedroom trailer.

In the household scenarios in which shelter refers to a rented house, the shelter costs include rent, electricity, gas, telephone, water, sewage and garbage.

Table 5. Rented Accommodation Costs by Community

| Rented Accommodation Costs | | | | | | |
|----------------------------|-----------|----------|-------------|-------------|-----------|-------------|
| | Red Deer* | Calgary* | Wainwright† | High Level† | Edmonton* | Standoff** |
| Bachelor | \$570 | \$658 | \$562 | \$590 | \$682 | N/A |
| 1 bedroom | \$723 | \$919 | \$600 | \$704 | \$837 | N/A |
| 2 bedroom | \$866 | \$1096 | \$723 | \$822 | \$1000 | N/A |
| 3 bedroom | +\$1013 | +\$1031 | +\$714 | +\$969 | +\$1039 | \$488-\$600 |

* Canada Mortgage and Housing Corporation, Rental Market Report – Spring 2008
† Apartment Vacancy and Rental Costs Survey 2007 from Housing Alberta
** Blood Tribe Housing Office

In the household scenarios in which shelter refers to an apartment, the shelter costs include rent and telephone. It was assumed that all other utilities were included in the cost of rent.

Rent costs for the three major centres (Edmonton, Calgary and Red Deer) were referenced from the Canada Mortgage and Housing Corporation (CMHC) Rental Market Report from spring 2008 (13). The CMHC report also provided average rent costs across Alberta.

Rental costs for Wainwright and High Level are based upon the annual Apartment Vacancy and Rental Costs Survey conducted by Housing and Urban Affairs (14). This survey includes communities with a population of over 100 and does not include the communities that are surveyed in the Canada Mortgage and Housing Corporation.

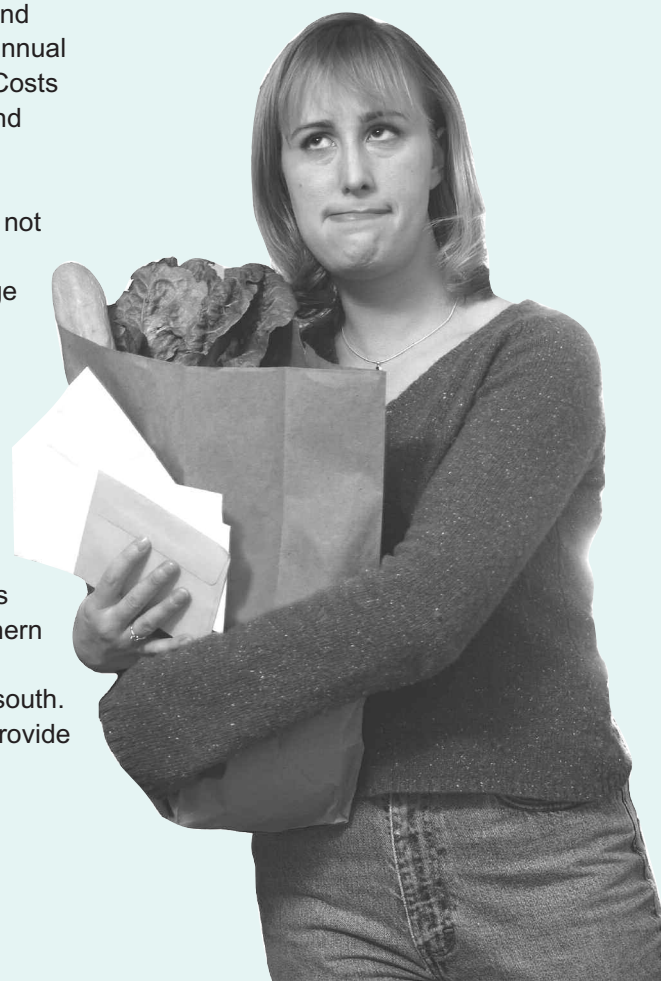
Electricity and Gas

The electricity and gas rates were determined by contacting Direct Energy (15). Direct Energy provided the average gas rates for both northern and southern Alberta. Southern Alberta was defined as being Red Deer and south. Direct Energy was also able to provide

the average electricity cost for all of Alberta.

The average Alberta consumption rates of gas and electricity was found on the government of Alberta website (16). The average home in Alberta consumes 11.25 gigajoules of natural gas per month and 650 kilowatt-hours of electricity a month.

This average consumption rate and the average gas and electricity costs provided an estimated gas and electricity rate.



Telephone

The telephone rates were found for each community by contacting Telus and identifying the rates for each location. The Alberta average for phone cost was determined by calculating the mean from these six communities.

Water, Sewage and Garbage

The water, sewage and garbage rates were all identified by contacting each town office. There is a large variation across the province depending on the type of infrastructure each community has in place. The Alberta average for water, garbage and sewage was determined by calculating the mean from the five communities.

Residents of Standoff pay \$20 per month for garbage collection and ~\$40 to ~\$60 per month for hauled water. There are no costs for sewage (17).

Cost of Transportation

The cost of transportation was calculated using public transportation where available (Calgary, Edmonton and Red Deer) (18, 19, 20) and four round trip taxi rides each month.

In communities where no public transportation exists (Wainwright, High Level) eight round trip taxi rides a month were included.

Taxi costs were determined by contacting a number of companies in each community and calculating the cost of an average trip in each community.

For many students in both Edmonton and Calgary, the bus pass costs are included in tuition expenses.

Table 6. Mileage Calculation for Residents of Standoff

| | Round trip | Single Trip Cost (based on 71.4¢) | Monthly costs (2 trips/ week x 4.33) | Monthly Average cost of travel to 3 communities |
|---------------------|------------|-----------------------------------|--------------------------------------|---|
| Lethbridge | 124 km | \$88.54 | \$767 | \$512 |
| Cardston | 60 km | \$44.56 | \$385 | |
| Fort Macleod | 60 km | \$44.56 | \$385 | |

It was therefore determined that students in both Edmonton and Calgary would only need to pay for the four round trip taxi rides per month.

In Standoff, neither public transportation nor taxi services are available, other than for people with disabilities. Therefore, the transportation costs for the family of four, a single mother earning a low wage and male student are based upon the cost of vehicle ownership.

The estimated annual costs of owning a vehicle, based upon a Grand Caravan driving 24,000 kilometers annually according to the Canadian Automobile Association report, Driving Costs 2008 (21) are \$13,045 or \$1087 per month.

Transportation costs for the single mother supported by income support and our elderly woman, in Standoff are based upon the estimated average cost of two weekly round trips to Lethbridge, Cardston or Fort Macleod. For the male supported by disability assistance, transportation is available through Handi-bus.

Cost of Childcare

Reported childcare costs in the household scenario detailed costing tables (Appendix 5) reflect the average childcare costs in each community and any eligible childcare subsidy for each of our household scenarios.

To determine average cost of childcare in each community, local daycares (from a variety of locations) listed with the Alberta Government Children and Youth Services website (23, 24) were contacted.

Costs were collected for the appropriate aged children in our household scenarios and averaged for the city or town. Childcare costs for each household scenario reflects the number and age of the children in the scenario.

The childcare subsidy for each household scenario was calculated using the Government of Alberta Children and Youth Services estimator tool (24). The estimator tool uses family gross monthly income and other family characteristics. The reported childcare costs for each household scenario includes the subsidy. The Alberta childcare average was determined by calculating the mean from these five communities in each of the scenarios.

In Standoff, monthly childcare costs are \$225 per child on the Blood Tribe and \$600 per child off the Blood Tribe (25).

Appendix 3 - Household Scenarios Detailed Costing

Table 7. Family of Four Earning a Low Income

| | Red Deer | Calgary | Wainwright | High Level | Edmonton | Standoff |
|------------------------------|----------------|----------------|--------------|--------------|------------|----------------|
| Net Income | \$2754 | \$2754 | \$2754 | \$2754 | \$2754 | \$2754 |
| Shelter costs | \$1254 | \$1271 | \$941 | \$1195 | \$1278 | \$794 |
| Food costs | \$812 | \$784 | \$742 | \$808 | \$740 | \$757 |
| Transportation costs | \$190 | \$195 | \$112 | \$160 | \$205 | \$982 |
| Childcare costs | \$704 | \$675 | \$231 | \$0 | \$531 | \$450 |
| What's left? | (\$206) | (\$171) | \$728 | \$591 | \$0 | (\$229) |
| % of income spent on shelter | 37% | 37% | 27% | 35% | 37% | 23% |
| % of income spent on food | 29% | 28% | 27% | 29% | 27% | 27% |

Table 8. Lone Mother of Two Children Earning a Low Wage

| | Red Deer | Calgary | Wainwright | High Level | Edmonton | Standoff |
|------------------------------|------------|----------------|--------------|--------------|-------------|----------------|
| Net Income | \$1979 | \$1979 | \$1979 | \$1979 | \$1979 | \$1979 |
| Shelter costs | \$895 | \$1121 | \$753 | \$848 | \$1026 | \$794 |
| Cost of Food costs | \$444 | \$429 | \$406 | \$439 | \$403 | \$415 |
| Transportation costs | \$131 | \$157 | \$112 | \$160 | \$138 | \$982 |
| Childcare costs | \$502 | \$541 | \$457 | \$276 | \$375 | \$450 |
| What's left? | \$7 | (\$269) | \$251 | \$256 | \$37 | (\$662) |
| % of income spent on shelter | 41% | 51% | 34% | 39% | 47% | 36% |
| % of income spent on food | 22% | 22% | 20% | 22% | 20% | 21% |

Table 9. Lone Mother of Two Children Receiving Income Support

| | Red Deer | Calgary | Wainwright | High Level | Edmonton | Standoff |
|------------------------------|--------------|----------------|--------------|--------------|------------|----------------|
| Net Income | \$1575 | \$1575 | \$1575 | \$1575 | \$1575 | \$1575 |
| Shelter costs | \$895 | \$1121 | \$753 | \$848 | \$1026 | \$794 |
| Food costs | \$444 | \$429 | \$406 | \$439 | \$403 | \$415 |
| Transportation costs | \$131 | \$157 | \$112 | \$160 | \$138 | \$512 |
| Childcare costs | 0 | 0 | 0 | 0 | 0 | 0 |
| What's left? | \$106 | (\$132) | \$304 | \$128 | \$8 | (\$145) |
| % of income spent on shelter | 57% | 71% | 48% | 54% | 65% | 50% |
| % of income spent on food | 28% | 27% | 26% | 28% | 26% | 26% |

Table 10. Single Male Supported by Disability Assistance (AISH)

| | Red Deer | Calgary | Wainwright | High Level | Edmonton | Standoff |
|------------------------------|-------------|---------------|--------------|-------------|-------------|-------------|
| Net Income | \$1088 | \$1088 | \$1088 | \$1088 | \$1088 | \$1088 |
| Shelter costs | \$599 | \$683 | \$592 | \$615 | \$707 | \$794 |
| Food costs | \$284 | \$275 | \$260 | \$285 | \$260 | \$264 |
| Transportation costs | \$131 | \$157 | \$112 | \$160 | \$102 | \$0 |
| What's left? | \$74 | (\$27) | \$124 | \$28 | \$19 | \$30 |
| | | | | | | |
| % of income spent on shelter | 55% | 63% | 54% | 57% | 65% | 73% |
| % of income spent on food | 26% | 25% | 24% | 26% | 24% | 24% |

Table 11. Senior on a Pension

| | Red Deer | Calgary | Wainwright | High Level | Edmonton | Standoff |
|------------------------------|--------------|-------------|--------------|--------------|--------------|----------------|
| Net Income | \$1301 | \$1301 | \$1301 | \$1301 | \$1301 | \$1169 |
| Shelter costs | \$752 | \$944 | \$630 | \$730 | \$863 | \$709 |
| Food costs | \$195 | \$188 | \$179 | \$194 | \$178 | \$181 |
| Transportation costs | \$104 | \$135 | \$112 | \$160 | \$84 | \$ 512 |
| What's left? | \$250 | \$34 | \$380 | \$217 | \$176 | (\$233) |
| | | | | | | |
| % of income spent on shelter | 55% | 69% | 46% | 53% | 63% | 58% |
| % of income spent on food | 15% | 14% | 14% | 15% | 14% | 16% |

Table 12. Male Student Living on Student Loans, Grants and Summer Employment

| | Red Deer | Calgary | Wainwright | High Level | Edmonton | Standoff |
|------------------------------|--------------|--------------|--------------|-------------|--------------|----------------|
| Net Income | \$941 | \$941 | \$941 | \$941 | \$941 | \$689 |
| Shelter costs | \$418 | \$430 | \$314 | \$399 | \$426 | \$265 |
| Food costs | \$294 | \$285 | \$270 | \$297 | \$270 | \$275 |
| Transportation costs | \$123 | \$120 | \$112 | \$160 | \$72 | \$982 |
| What's left? | \$106 | \$106 | \$245 | \$85 | \$173 | (\$833) |
| | | | | | | |
| % of income spent on shelter | 44% | 46% | 33% | 42% | 45% | 38% |
| % of income spent on food | 31% | 30% | 29% | 32% | 29% | 40% |

References for Appendices

1. Canada Revenue Agency. *Welcome to the payroll deductions online calculator*. Retrieved December 7, 2007, from <https://apps.craarc.gc.ca/ebci/rhpd/startLanguage.do?lang=English>.
2. Canada Revenue Agency. (2008). *Canada child tax benefits (CCTB)*. Retrieved March 17, 2008 from <http://www.cra-arc.gc.ca/bnfts/cctb/menu-eng.html>
3. Alberta Government, Employment and Immigration. (2007, July 1). *Schedule 1 core income support payments, Table A: Core essential benefits*. Retrieved March 16, 2008, from http://employment.alberta.ca/hre/iesa/reg/Display.asp?EntityCode=HLEVEL_4&EntityKey=7909561.
4. Alberta Government, Employment and Immigration. (2004, April 1). *Schedule 1 core income support payments, Table B: Core shelter benefit*. Retrieved March 16, 2008, from http://employment.alberta.ca/hre/iesa/reg/Display.asp?EntityCode=HLEVEL_4&EntityKey=7909562
5. Alberta Government, Seniors and Community Supports (2007, April 1). *Assured income for the severely handicapped (AISH)*. Retrieved April, 2008, from <http://www.seniors.gov.ab.ca/AISH/>
6. Service Canada. (2007, December 18). *Canada Pension Plan (CPP) - Payment rates*. Retrieved March 1, 2008, from <http://www1.servicecanada.gc.ca/en/isp/pub/factsheets/rates.shtml>.
7. Service Canada. (2008, March 11). *Tables of rates for old age security, guaranteed income supplement and the allowance*. Retrieved March 20, 2008, from <http://www.hrsdc.gc.ca/en/isp/oas/tabrates/tabmain.shtml>.
8. Service Canada. (2008, December 9). *Old age security (OAS) payment rates*. Retrieved January 13, 2009 from <http://www1.servicecanada.gc.ca/eng/isp/oas/oasrates.shtml>.
9. Service Canada Representative. (2008). Personal communication. December, 2008.
10. Alberta Government, Learning Information Services (ALIS). (2008). *Living allowances and funding limits for 2008-2009*. Retrieved August, 2008, from <http://alis.alberta.ca/et/fo/studentsfinance/living-allow.html>
11. Alberta Government, Learning Information Services (ALIS). *Calculating financial need*. Retrieved August, 2008, from <http://alis.alberta.ca/et/fo/studentsfinance/expenses.html>
12. University of Lethbridge, Student Finance and Scholarship Department Representative. (2008). Personal communication. December, 2008.
13. Canada Mortgage and Housing Corporation. (Spring 2008). *Rental market report, Alberta Highlight*. Ottawa, ON: Canada Mortgage and Housing Corporation.
14. Alberta Government, Housing and Urban Affairs. (2007). *Apartment vacancy and rental cost survey*. Retrieved June, 2008, from <http://www.housing.alberta.ca/535.cfm>
15. Direct Energy. *Residential energy products*. Retrieved March 10, 2008, from www.directenergy.com
16. Alberta Government, Energy. (2007). *Energy Measurements*. Retrieved April, 2008, from http://www.energy.gov.ab.ca/About_Us/1132.asp
17. Cotton, D., Blood Tribe Chamber of Commerce Representative. (2008). Personal communication. October, 2008.
18. City of Red Deer. (2008, April 3). *Transit fares*. Retrieved March 10, 2008, from <http://www.reddeer.ca/Connecting+with+Your+City/City+Services+and+Departments/Transit/Transit+Fares.htm>
19. City of Calgary, Transportation Department. (n.d.). *Calgary transit fares*. Retrieved March 10, 2008, from <http://www.calgarytransit.com/html/fares.html>
20. City of Edmonton. (1995 - 2008). *Edmonton transit system, fares*. Retrieved March 10, 2008, from http://www.edmonton.ca/portal/server.pt/gateway/PTARGS_0_0_280_218_0_43/http%3B/CMS/Server/COEWeb/getting+around/fares/
21. Canadian Automobile Association. (2008). *Driving costs*. Retrieved June 2008, from <http://www.caa.ca/documents/DrivingCostsBrochure-2008-eng-web.pdf>
22. Alberta Government, Children and Youth Services. (2008, February). *Day care lookup*. Retrieved March 3, 2008, from <http://www.child.alberta.ca/home/DayCareLookup.cfm>
23. Alberta Government, Children and Youth Services. (n.d.). *Family day home lookup*. Retrieved March 12, 2008, from <http://www.child.alberta.ca/home/FamilyDayHomeLookup.cfm>
24. Alberta Government, Children and Youth Services. (n.d.). *How to estimate your subsidy*. Retrieved March 12, 2008, from <http://www.child.alberta.ca/home/712.cfm>
25. Kainai Child Centre Representative. (2008). Personal communication. November, 2008.

