

For November 5, 2015

## Budget 2015 – Fall Edition

The NDP's 2015-2016 Provincial Budget was released October 27 and differs from the PC Spring version in a few ways that are of interest to disability workers. Here are some highlights.

### Protecting the spending power of the poor

The previously proposed “health care contribution levy” has been entirely eliminated (previously only true for those with a taxable income under \$50,000). The new graduated income tax will not impact those earning under \$125,000 (up from the PC's \$100,000). Low-income disability workers with children will benefit from the enhanced [Alberta Family Employment Tax Credit](#) in July 2016, with rates increasing from 8% to 11%. The threshold for phasing out the benefit will increase from \$36,778 to \$41,250. Starting in August 2016, an [Alberta Child Benefit](#) has also been introduced for low-income families who already access the Alberta Family Employment Tax Credit. These items protect the spending power of low- and middle-income Albertans and affect the majority of people working in the disability services field.

### Rising costs

Insurance premium tax rates will increase by 1% as of April 1, 2016; however, the previously planned increases to motor vehicle and some other fees have been reversed. The fuel tax increase of 4¢/litre in the previous PC budget is maintained, which will continue to negatively affect disability workers who drive extensively as part of their work. Costs of alcohol and tobacco will rise, affecting some individuals.

### Programs for vulnerable Albertans

**Services.** The combined budget for programs supporting adults and children with disabilities is projected to be between nearly \$1.066 and \$1.068 billion (no change from the previous Spring budget), an increase of about 10.4% over the actual money spent last year in this Ministry. Budgets for PDD Operating Supports and Program Planning & Delivery now decrease by 8 – 15% respectively, while the budget for PDD Direct Operations (e.g., Michener) now increases by more than 11.5%. By comparison, funding for Community and Employment Supports now increases by about 4% and Family Supports increase by 3%.

Human Services Ministry – Supports to Persons with Disabilities (in thousands)			
	2014-2015 Actual	2015-2016 Spring Budget Estimate	2015-2016 Fall Budget Estimate
Program Planning & Delivery	\$972	\$823	\$823
PDD Operating Supports	\$168,434	\$148,008	\$158,008
PDD Direct Operations	\$52,392	\$82,447	\$58,447
PDD-funded Community Supports*	\$586,570	\$601,710	\$611,710
PDD-funded Employment Supports	\$30,122	\$31,478	\$31,478
Family Support for Children with Disabilities	\$152,857	\$157,460	\$157,460
Other Programs (FASD, Premier's Council, Provincial Disability Supports)	\$55,837	\$43,979	\$47,979
<b>Total</b>	<b>\$965,468</b>	<b>\$1,065,905</b>	<b>\$1,065,905</b>

\* Includes Community Living, Community Access and Specialized Community Supports

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These latter funding boosts support increased uptake, but provide no increases for disability worker compensation.

The Fall budget proposes a new 2-year [Job Creation Incentive Program](#), which gives Alberta employers grants of up to \$5000 (based on insurable earnings) for each new job created. This money might be used to offset costs of new workers required to support individuals coming into the PDD or family support systems. We continue to remind the Human Services Ministry of the necessity of acting on the previous government's promise of a further 5% increase for compensation to disability workers if it wishes to fulfill its commitment of stability of services in this sector. Without an increase in wages, it will be increasingly difficult for anyone to find, train and support new disability workers to provide services to individuals assumed to be entering the service system.

**Income support.** The AISH benefit is being maintained at a maximum of \$1,588/month with no increase for inflation anticipated. The financial assistance budget for the AISH program will increase to over \$916 million compared to \$886 million spent in 2014/2015, a 3% increase intended to allow more people to access the program.

**Health and mental health.** The budget increases health funding to \$19.7 billion (compared to \$18.9 billion in the PC budget) in 2015/2016. A total of \$10 million is budgeted for mental health services. These figures do not include capital projects, such as more long-term care and health facilities.

#### **Disability worker education and training**

**Post-secondary education.** Operating support for colleges and universities increases by over \$14 million in 2015/2016 over last year's spending. Students will have tuition costs frozen for two years. However, some disability studies programs across Alberta are still at risk of disappearing while the need for skilled disability workers continues to increase.

If wages in our sector remain low as expected, disability workers will find it hard to pay back loans and be unable to take advantage of frozen tuition costs. The [Alberta Low-Income Grant](#) continues to be a way to make education more affordable, as it does not have to be repaid.

**Employment training.** The Fall budget offers little that is new to disability workers. The [Canada-Alberta Job Grant](#) continues to be a tool that employers in our sector can access to provide needed training to new and current disability workers. It covers at least one-third of direct training costs with grants of up to \$10,000 per employer. This grant can cover courses that are part of a degree, diploma or certificate program as well as non-credit courses not already offered at a worksite.

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