Invest in Families:
Ending Child Poverty
is Good for All

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INVEST IN FAMILIES: ENDING CHILD POVERTY IS GOOD FOR ALL

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A report to inform stakeholders in their work to end child poverty in Alberta.

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For a copy of this report, please visit www.edmontonsocialplanning.ca

Photography by Thomas Baril.

Thomas is a Métis student at the Victoria School of Arts in Edmonton. The Forgotten Moccasin photo project builds on the tragedy of Murdered and Missing Indigenous Women and Girls, but focuses on the children who are negatively affected.

“When the women suffer in a community the whole future of the community suffers.”
Every night, hundreds of thousands of Alberta children suffer the all-encompassing effects of poverty.

Introduction

Every night, hundreds of thousands of Alberta children suffer the all-encompassing effects of poverty. Poverty is the single most important determinant of health for both children and adults. In Canada, approximately 1 in 5 children live below the poverty line. This leads to debilitating effects for their personal physical and mental health, which can cause lasting damage.

Research shows that children and youth who grow up impoverished face significant challenges. They are more vulnerable to issues affecting mental health, educational attainment, health & cognitive development, housing, relationships, employment, and food insecurity. When compared to the non-poor, the long-term poor show large deficits in cognitive and socioemotional development; score significantly lower on tests of cognitive achievement than do children who are not poor. It is immoral to allow child poverty to exist – children and youth are suffering from long-term health issues and seeing their potential diminished.

Poverty is often linked to adverse childhood experiences and economic security for families is imperative in mitigating the cycle of poverty. In general, children who grow up in low income situations are more likely to remain in low income into adulthood. Family circumstances may also affect one’s life path. For instance, Alberta children living with a lone parent are five times more likely to live in low income households, while immigrant or Indigenous children are also at a higher risk of living in poverty.

Currently, children’s health is being explored through the lens of trauma. Adverse childhood experiences are traumatic events in childhood such as household instability, economic insecurity, and experiencing or witnessing violence. Adverse childhood experiences have been linked to precarious health behaviours, chronic health issues, poorer outcomes, and early death. Children who experience cumulative adverse childhood experiences are more likely to have physical, emotional, and social issues. Children whose parents are living in poverty are more likely to experience lower socioeconomic status as well as other negative outcomes as adults.
To prevent adverse childhood experiences among children, and subsequently poverty, public policy initiatives should focus on investments for families.

Financial supports for families strengthen income security, household stability and lowering parental stress, in turn preventing the likelihood of children experiencing adverse childhood experiences. This update of child poverty in Alberta will explore the most recent data and programs that help to reduce poverty and its effects. In addition, it shines a spotlight on hardships faced by Indigenous children and youth.

They are especially at-risk and as a society, we remain morally obligated to advocate for and support their health and well-being.
The most common way to measure poverty is by looking at incomes, either for an individual or a household.

One of the challenges of measuring poverty and low income is the variety of ways we collect data and how low income thresholds are calculated. While income-based measures can describe large groups of people, they do not take into account other negative aspects of poverty, such as material deprivation or low social and political inclusion.

This report will focus on the After-Tax Census Family Low Income Measure (CFLIM-AT). The Market Basket Measure, or MBM, is Canada’s official poverty line and is currently being updated and not available for this report. For a deeper look at the MBM, refer to Appendix I.

The After-Tax Census Family Low Income Measure (CFLIM-AT) uses an updated way to calculate the family unit and ensures that when talking about family units, it isn’t just about where you happen to live, it’s about the people in your family unit that may impact your financial security. The CFLIM-AT is calculated as 50% of the median national income and compares a household to how they are doing relative to other families. As such, it takes income inequality into account.

The CFLIM-AT uses the T1 Family File (T1FF) which is collected every year from tax filer data. The T1FF includes those living on First Nations reserves and collective dwellings. The CFLIM-AT uses census families as a unit of measure which includes members of a couple family, with or without children, and lone parents and their children. All other family types are considered non-census families.

According to the CFLIM-AT the percentage of children and youth aged 0 to 17 who are low income is 16.6% of children, or 164,150 young Albertans (Figure 1). However, the distribution of these children among family types is not equal. Of those living with lone-parent families, half of them are in low income compared to only 8.3% of couple families. Among children who do not live with their parents, almost all of them are considered low income, but this number should be interpreted with caution - it does not factor in the income of these children’s caregivers.
In order to track how child poverty has changed over time, Figure 2 provides a trend of the past ten years. For all family types, the proportion of those living in poverty in Alberta has slowly declined. However, that decline is not shared equally among family types. Couple families have experienced greater drops in child poverty over time. From 2016 to 2017, the number of children in poverty dropped by 6.8% and the number of those in couple families dropped 21.8% (Figure 3). In contrast, there was a 7.4% increase in poverty rates among children who were from lone-parent families. It is clear that benefits of improved family transfer programs are not shared evenly.

Across Canada, most provinces have experienced a drop in child poverty rates, although much work remains to be done.

In 2017, 18.7% of Canadians aged 0 to 17 were in low income. Alberta enjoys higher incomes on average and thus has a slightly lower child poverty rate. However, one in six children remain in poverty and unless bold and decisive action is taken to eradicate child poverty, it will remain a pernicious problem in the province.
With the election of the new provincial government in 2019, the announcement of the budget was delayed until October.

This interim budget will be in effect until March 2020. The following are key budgetary changes that affect the incomes of families with children and youth.¹⁰

- The government fiscal plan will see a 2.8% reduction in spending over the next four years or $1.3 billion lower than 2018-19 levels. Since Alberta’s inflation and population growth is going up about 3.5% per year, in real per capita terms this represents a spending reduction of 17%. To achieve this spending reduction, the size of the public service is expected to shrink by 7.7%.

- Assured Income for the Severely Handicapped (AISH), the Alberta Seniors Benefit, Income Support, and Special Needs Assistance programs are being kept at their current levels, however they are being deindexed from the Consumer Price Index (CPI). As a result, AISH will not keep up with the rising cost of living.

- The Summer Temporary Employment Program (STEP), which provides funding to employers to hire high school or post-secondary students for summer jobs, will be eliminated after the 2019 program year. This will have a detrimental impact on students seeking to build their job-related experiences and skillsets when pursuing careers in their field of study.

- School nutrition programs will see a 20% increase after earlier facing the threat of elimination.

- The school fee reduction program is being eliminated.

- An estimated additional 60,000 children are expected to enter the K-12 education system during the next four years. However, education funding is being kept at the same $8.2 billion level. Neither inflation nor enrolment growth is being funded. This means that there will be fewer dollars per child enrolling into school.

- The Alberta Child Benefit (ACB) and the Alberta Family Employment Tax Credit (AFETC), two programs designed to support lower- and middle-income working families will be replaced with a new Alberta Child and Family Benefit program starting in July 2020. While the base benefit for the lowest income families is being increased by 15%, the benefit will be phased out more quickly as income rises so fewer families will receive the benefit. This means that low income working families who may have been relying on the ACB and the AFETC will be cut off sooner. That’s why the new single benefit will deliver about $40 million less to Alberta families than the two benefits delivered by the previous government.
Child benefits, tax credits, nutrition programs, affordable housing, subsidized child care have demonstrated to be beneficial to support these families to obtain financial security\textsuperscript{37,38} and break the cycle of poverty.

Refundable tax credits assist low-income families access basic needs such as child care and transportation that are essential for parents to remain employed in the workforce.\textsuperscript{39} In addition, by promoting equitable financial and social resources for the most vulnerable children, the government will avoid “billions of dollars in future costs through health care, crime mitigation, and other public programs”.\textsuperscript{40} Despite this evidence, the Alberta Government aims to cut or replace existing social programs such as child benefits, affordable housing, and child care and child intervention services that support the most vulnerable children in Alberta.
Low Wage Earners

According to the Statistics Canada’s monthly Labour Force Survey, the total number of employed Albertans in between June of 2018 and 2019 was 1,960,400. The Alberta government usually increases the minimum wage each year on October 1, but this year it is being frozen at $15 per hour, except for youth, who can now be paid $2 per hour less.

Nearly a quarter million minimum wage workers in Alberta can legally have their wages frozen this year, missing a key opportunity to boost the economy by putting more money in the pockets of the province’s lowest wage workers.

In Alberta, 245,300 individuals earn the current minimum wage of $15 per hour or less (12.5%). Of those, 60,100 or one quarter, are below the age of 20.
A living wage is rooted in the belief that individuals and families should not just survive, but live in dignity and participate in community. The living wage is defined as the hourly wage that a primary income earner must make to provide for themselves, their families, and reach basic financial security. It allows for a higher standard of living than what is included in the Market Basket Measure, which is based on subsistence living. The living wage includes participation in recreation, an extended health and dental plan, and a minor emergency contingency fund. However, it does not include items that would allow families to “get ahead”, such as putting away savings or paying down debt.

The living wage calculation is consistent year to year in order to track changes in expenses and benefit programs. It is expected that the living wages for Albertan cities in 2020 will continue to increase with inflation and rising costs of living. However, other forces are at play. For example in Edmonton, parents are paying less for child care on average due to the Early Learning and Child Care (ELCC) program. The $25/day program introduced by the Government of Alberta has created a downwards pull on child care prices. It is expected that as Calgary fully implements the ELCC program, it will also see child care prices drop.

The most recently calculated living wages across Alberta are:

<table>
<thead>
<tr>
<th>City</th>
<th>Wage Description</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calgary</td>
<td>$16.45/hour</td>
<td>2018</td>
</tr>
<tr>
<td>Medicine Hat</td>
<td>$13.65/hour</td>
<td>2017</td>
</tr>
<tr>
<td>Edmonton</td>
<td>$16.51/hr</td>
<td>2019</td>
</tr>
<tr>
<td>Grande Prairie</td>
<td>$17.35/hour</td>
<td>2015</td>
</tr>
<tr>
<td>Canmore</td>
<td>$22.65/hour</td>
<td>2017</td>
</tr>
</tbody>
</table>
“Alberta is home to one of the largest, youngest, and fastest-growing Indigenous populations in Canada, yet Indigenous children still too often face unfair and unnecessary barriers to health and support services resulting in higher rates of poverty”\textsuperscript{51}

In Canada, Indigenous people make up only 4.9\% of the entire population\textsuperscript{24} with a staggering average of 47\% of First Nations children living in poverty\textsuperscript{52}. This is made even starker when compared to the poverty rate for non-racialized, non-recent immigrant, non-Indigenous children, which sits at 12\%.\textsuperscript{54} In Alberta, poverty rates for Indigenous children, both on and off reserve, have been in decline since 2010.\textsuperscript{55} It is imperative that we continue making progress on addressing the issues that these vulnerable children face.

As a result of decades of discrimination and intergenerational harm, Indigenous children are more likely to be affected by trauma and mental health issues, low high school completion rates, poor health, unemployment,\textsuperscript{56} discrimination and racism, child welfare interventions, and homelessness.\textsuperscript{57, 58}

In Alberta, 6.5\% of people identify as Indigenous\textsuperscript{59} and Indigenous children account for 11\% of the entire child population. These children experience poverty at vastly different rates—58\% of children living on reserve are considered living in poverty, compared to 26\% of those who live off reserve.\textsuperscript{60} Recently compiled data demonstrates that rates of child poverty in Alberta are in decline, but that there is still a large discrepancy between the poverty rates of Indigenous children and non-Indigenous children across the province.

<table>
<thead>
<tr>
<th>Child Poverty Rates by Region</th>
<th>2010</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status First Nation on reserve</td>
<td>59%</td>
<td>54%</td>
</tr>
<tr>
<td>First Nation off reserve</td>
<td>39%</td>
<td>35%</td>
</tr>
<tr>
<td>Métis</td>
<td>20%</td>
<td>17%</td>
</tr>
</tbody>
</table>

Table. Proportion of Alberta children living in poverty on reserve. Source: Beedie et al. (2019)
Indigenous Children

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**Moving Forward**

Starting January, 2020, An Act Respecting First Nations, Inuit and Métis Children, Families and Youth (Bill C-92) will be implemented across Canada. This Bill will establish national standards for how provincial and territorial child welfare agencies deal with Indigenous children who have been taken into care. Indigenous governing bodies will have jurisdiction over their own services and the ability to pass child welfare laws that would trump provincial or federal laws. These initiatives aim to improve conditions for Indigenous children in Canada and Alberta. However, more reliable data for Indigenous peoples living on and off reserve is required for preventative and informed action.

In September 2018, a national Indigenous Early Learning and Child Care Framework was released in a joint effort between the Government of Canada and First Nations, Inuit and Métis Nation leadership, providing $1.7 billion dollars over ten years for a collaborative, culturally appropriate, child care system.

Following this, in March of 2019 the Métis National Council (including the Métis Nation of Alberta) signed their own Métis Nation Early Learning and Child Care Accord ensuring a distinct early learning framework for Métis-centered programs and services. These two historic documents provide Indigenous governing bodies with oversight for the education of young children across the country. Together, these agreements will affect roughly 97% of the Indigenous population in Alberta and hopefully play a role in improving future outcomes for Indigenous children.

**Child Intervention Services**

Indigenous children have higher rates of contact with child intervention services in Alberta. Because of this, 69% of children in care are Indigenous. Between 2018 and 2019, the monthly average number of children and youth receiving child intervention services was 10,948 (an increase of 4% from 2017-2018). Indigenous children made up 62% of those files. The following figure breaks these numbers down further:

- **62% Indigenous**
  - 10,948 Average Cases / Month

- **69% Indigenous**
  - 7,757 In Care
  - 3,191 At Home

- **56% Indigenous**
  - 2,636 Temp. Care
  - 5,121 Permanent Care

These figures are evidence of the overrepresentation of Indigenous children in the intervention system. Owing to this, the first five Calls to Action by the Truth and Reconciliation Commission of Canada focus on child welfare, demonstrating the importance and dire need for change at the very first step.

There are limitations to understanding poverty among Indigenous populations living on reserve, as the federal government does not track income data outside of census collections and therefore does not report poverty rates on reserve or in the territories. Approximately one quarter of Indigenous peoples in Canada live on a reserve, which demonstrates the inadequacy of available data. The MBM cannot be applied for those living on reserves or in territories because they are measurements that rely on price and expenditure data, which is not available in these geographic areas and would fail to consider cultural contexts that affect the measurement and experiences of poverty for those who live more traditional lifestyles. Since the CFLIM-AT is based solely on income, it is currently the only measure for poverty rates for populations living on reserve or in territories.

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A proven method for lowering child poverty and increasing health outcomes is high quality, universally accessible, and affordable childcare.

Child care for a family may be the second largest household expense after housing and can be as high as 67% of their monthly income, making it extremely difficult for a family to afford for nutritious food, housing, education, and other expenses. It is therefore critical, recognizing that lower income families pay a larger proportion of their income to child care that subsidies or low-cost child care is available. Collaboration between federal and provincial governments is therefore necessary to provide a solid foundation for improving availability and affordability of child care.

Affordable and quality child care is beneficial to our society in multiple ways.

Past research in Manitoba has “found that for every child daycare job, 2.15 other jobs were either created or sustained in the local economy” while for “every $1 invested in child care provided a return of $1.38 for the Winnipeg economy and $1.45 for Canada’s economy.” A recent study suggests that children in universal, low-cost childcare have better physical health, better development, and psychological conditions by ages 6 to 7. These effects are particularly distinct for children from low income families. Better health means children can live fuller lives, miss fewer days of school, and contributes meaningfully to the physical and mental health of our society.

The effects of universally accessible and affordable child care on families are especially profound when it comes to single mother families, who consistently are among those most affected by poverty.

The percentage of children living in low-income households more than triples when they are part of a family headed by a single-mother. Universal and affordable childcare can be a powerful incentive to bring mothers back into the workforce and can help lift these vulnerable families out of poverty. Children’s total number of hours in child care during infancy, toddlerhood, and the preschool years is associated with higher maternal wages and more hours of employment when children are in first grade helping to empower single mothers to have the same opportunities as other families and contributing to solving the feminization of poverty that plagues our society.
In 2017, the Alberta government launched the Early Learning and Child Care (ELCC) program, which offers care for children aged 0 to kindergarten at a subsidized cost of $25/day. The program has since expanded to over one hundred centres province wide. The widely reported $25 per day aspect is aimed explicitly at making child care more affordable for Albertans. According to a yearly survey of child care fees across Canada in May/June of 2018, the ELCC program has already reduced the median cost of child care in Edmonton. Fees dropped 6% between 2017 and 2018, with evidence to support that this is due to the implementation of the $25/day set fee.

In Calgary fees increased by 1%, but Calgary has been slower to reach the number of proposed ELCC centres. It is likely that when Calgary finishes building all of the proposed ELCC centres, median child care costs will lower child care costs where these centres exist. While Calgary’s child care fees are higher than Edmonton’s, they are middle-of-the-pack compared to the other major metropolitan areas in Canada. In Edmonton, 88% of centres have wait lists while 74% of centres in Calgary have waitlists, and the wait for these centres are typically 12 months or more. The prevalence of wait lists is fairly stable in Edmonton but seems to be rising in Calgary. Of these centres, 13.4% of operators charge a one-time wait list fee, which may be an accessibility barrier for low income families — in some cases this fee can be as high as $200.

In Edmonton, there is only one child care space for every two children. This is even higher for Calgary, where half of all children live in a child care desert. The ELCC pilot project will continue until the end of their three-year terms and thereafter will undergo a review, with no assurance that they will be continued or expanded.

As the government begins its review of the ELCC program next year, we implore them to ensure that the process is a public one that takes into account and hears the voices of Albertans who have been so positively impacted by the ELCC.

Implementing a universally accessible, affordable, and high quality childcare program is one of the best ways to combat child poverty, improve children’s health, lessen the financial burden for families, and help us to build a fairer and more inclusive society.

It is imperative that we educate the Alberta public about the importance of investing in our children from an early age in order to ensure their future success.
Affordable housing is a necessity to prevent and combat child poverty in Alberta.

The Government of Canada, Alberta Government as well as municipal governments throughout Alberta have created Housing Strategy plans to address homelessness and poverty. The Canadian National Housing Strategy is a $40-billion plan that aims to decrease chronic homelessness by 50% within 10 years. Since November 2015, $13 billion had been distributed to specific housing projects across Canada. In 2018, the federal government, as part of the National Housing Strategy, agreed to partner with provinces and territories to develop a portable Canada Housing Benefit initially delivering an average of $2,500 per year to qualifying households. This proposed national benefit has the potential to significantly expand the number of Edmonton households receiving direct rent subsidies. The NDP Alberta government agreed to co-develop and cost-share the Canada Housing Benefit for implementation in the 2020-21 fiscal year.

The Alberta Government’s Affordable Housing Strategy has dedicated $1.2 billion over five years to build more affordable housing for Albertans. The target is to create “4,100 new and regenerated affordable housing units completed by 2021.” Funding for affordable housing and homelessness is being maintained for the balance of the 2019-20 fiscal year but starting in the 2020 fiscal year, there will be a 24% reduction to the Rental Assistance Program and a 3.5% reduction in operating budgets for housing management bodies like Capital Region Housing.

It is unclear how vulnerable populations relying on the Rental Assistance Program will be affected, but it is expected that their risk of eviction will increase as a result.

A portable housing benefit would prevent evictions due to non-affordability of market rents and help those precariously housed to stay housed. However, this potential will only be realized if a portable housing benefit is correctly applied to the Edmonton context to complement existing programs and approaches.
Family violence within the home correlates with child poverty and homelessness.

In 2017, 59,236 children and youth in Canada were victims of police-reported family violence incidents. Fifty-six percent of children were females. From 2016 to 2017, there was a 6% increase of police-reported family violence and non-family violence against children and youth nationally.87 The number of children and youth who experience family violence in the home is expected to be much greater due to under-reporting to police. Adult women comprise 79% of police-reported victims of intimate partner violence (IPV) in Canada.88 In addition, 33% of adults in Canada had experienced or witnessed some form of family violence during childhood.89 Some of the women and children fleeing family violence will access family violence shelters to be safe from the abuse. Some incidents of family violence will never be reported to police. Police involvement with women accessing emergency shelter services may depend on the victim’s choice to involve the police, the nature and severity of the abuse, legislation guiding the work of police as well as the training and resources of police. Indigenous women are less likely to receive information or transportation from the police to leave their home.90 Consequently, Indigenous children and youth are underrepresented in police-reported statistics. Family violence has significant effects on children such as increased impulsivity,91 behavioural issues,92 decreased emotional regulation,93 increased risk of crime,94 and increased risk of family violence throughout life.95 In addition, children who have experienced or witnessed family violence are more likely to experience mental health issues as adults.96

From October 2009 to August 2010, there were 1,833 children and youth admitted into emergency shelters in Alberta; 47% of these children were 3 years of age or younger.97

In a ten-year analysis between 2000 and 2010, the Alberta Council of Women’s Shelters98 identified an increase in unemployment rates for women accessing shelter services from 69% in 2006 to approximately 75% in 2010. In addition, 108,055 children were turned away from emergency shelters across Alberta. In addition, 80% of the women and children were turned away from Edmonton and Calgary emergency shelters; 48% of women and children turned away were due to capacity shortages.99
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Health Budget

The 2019 provincial budget makes several new funding commitments to meet the provincial government’s promise “to maintain or increase health spending and provide a universally accessible, publicly funded health system.” The budget makes new funding commitments to mental health, the opioid crisis, and a variety of other things. $100 million has been allocated for a mental health and addictions strategy, $40 million has been pledged for an Opioid Response Strategy, $20 million for palliative care, and $6 million for a new sexual assault hotline that provides “24-hour support with a sexual assault nurse examiner.” These budgetary commitments are occurring alongside serious cuts to health services, and arguably breaking the government’s initial promise.

By increasing funding in some areas, from a fiscal standpoint the system appears publicly funded through the spending commitments.

But the cuts to the system stemming from this budget will have a far more significant impact on the efficiency of the system and the quality of care Albertans will receive.

Mental Health & Children

Alberta Health Minister Tyler Shandro has stated that “there is no crisis in children’s mental health”. Yet evidence shows otherwise.

The number of hospitalizations of children related to mental health issues have been steadily increasing over the past few years and there is a serious need for centres as such. Data from the Stollery Children’s Hospital in Edmonton and the Alberta Children’s Hospital in Calgary have reported that in 2017-2018, there were 645 emergency room visits related to self-harm, and increase from the 2013-2014 number of 294. Even though the government is allocating $100 million to a mental health and addictions strategy, there have been no plans brought forward to explain what this strategy will look like and what it will cover. Although the government is emphasizing this funding and strategy, necessary mental health projects are being delayed. The proposed child and adolescent mental health centre at the Royal Alexandra Hospital has seen its funding deferred as a result of this budget.

In 2015 a report on mental health in Alberta from the NDP government suggested improving “mental health and educational outcomes for children and youth by enhancing school-based addiction and mental programs across the province.” In conjunction with funding the children’s mental health centre, adopting policies such as recommended in 2015 will be beneficial in alleviating the children’s mental health crisis in Alberta.
Privatization

Healthcare spending recommendations from the Blue Ribbon Panel Report— or the Mackinnon Report— have been in favour of increasing the amount of private delivery of health services in Alberta.\textsuperscript{105} The report recommends that “the government should increase the use of private clinics to deliver day surgeries and other procedures that do not have to be delivered in hospitals”\textsuperscript{106}. It is also recommended that “The government should also increase the use of alternative service delivery—using not-for-profit or private facilities—for delivering other services and programs in healthcare and other areas.”\textsuperscript{107} The Mackinnon report can foreshadow the steps the government will take in the future regarding healthcare provision and spending.

The 2019 Budget has begun to implement these recommendations, which will negatively affect the quality of care Albertans receive as well as reduce their access to and coverage within the health system. To find savings, the government is considering “outsourcing of linen and other services”\textsuperscript{108} from Alberta Health Services (AHS) to private contractors. The ambiguity stemming from other services in this statement may mean that a variety of essential medical services have the potential to be outsourced and privatized. The proposed outsourcing is in line with the goal of the government to steadily keep increasing the percentage of surgeries performed in non-hospital surgical facilities—likely private—over the next four years.\textsuperscript{109}

Expanding the private delivery of health services will harm the majority of the population.

This will increase the out-of-pocket payments people will make to access health services, resulting in only those who can afford to pay to receive treatment quickly. This will result in what is known as queue-jumping, where those who can afford to pay to get the service quickly while creating longer waits for those who cannot afford to pay for treatment and rely on the public delivery of health services.

Pharmacare

Out-of-pocket drug expenses leave one in four Canadian households with a member who cannot afford to get the necessary medication that has been prescribed to them, even with some coverage.\textsuperscript{110}

This budget introduces a variety of program changes that will reduce prescription drug coverage for many Albertans, resulting in an increased financial burden on Albertans who will likely have to increase the amount of out-of-pocket payments for their medications. The first set of changes are to the the Biosimilars Initiative and Maximum Allowable Cost pricing rules. Changes to both of these programs will reduce drug benefit coverage to generic forms of drugs, reducing coverage for many trade name medications.\textsuperscript{111} The Alberta seniors drug benefit program currently enables seniors and any of their non-senior dependants to receive coverage for prescription drugs. The program will be ending dependant coverage by the end of the year, with about 46,000 Albertans losing their drug coverage, including grandchildren being raised by their grandparents.

There currently is no pharmaceutical coverage program for children in Alberta. The only program that provides some coverage for children is the Alberta Child Health Benefit. This program provides dental, prescription and over the counter drugs, vision care, diabetic supplies, and ambulatory service coverage for children 18 and under in low-income families.\textsuperscript{112} To receive this benefit, a family’s income must fall below a threshold that varies based on whether the applicant is a single parent or in a couple and how many children are in the household. For example, a single parent with two kids would have to be earning less than $31,010, and a couple with two kids less than $36,634. Applicants for this benefit cannot be covered by AISH, be on income support, be a refugee sponsored by the federal government, or be covered by Canadian programs for individuals with First Nations or Metis status. This coverage is not complete, and some restrictions—namely, prescription drugs—still exist with this benefit.

The income thresholds for families to qualify for this program are also very low, so those who do qualify are living under the national poverty line, which for a two-parent and two children family is under $37,546.\textsuperscript{113} These thresholds exclude lower and middle-income families whose income is above the threshold. Excluding these families from drug coverage results in them paying more substantial sums out of pocket for prescription pharmaceuticals and other services, dissuading them from using that service and potentially creating other costly health problems down the line.

It is recommended that children receive universal prescription drug coverage, whether it be through programs initiated by the federal government, or having the province step up and provide coverage to children. A model Alberta could follow is OHIP in Ontario, which “makes more than 4,400 drug products free for anyone age 24 years or younger who is not covered by a private plan”\textsuperscript{114}. 
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101. Government of Alberta. 2019a, p.84


107. Government of Alberta, 2019d, p. 28

108. Government of Alberta, 2019a, p. 84


111. Government of Alberta. (2019a, p. 84


