



Alberta's AISH Program Participants Live in Poverty



Alberta Disabilities Forum
AISH Benefit Working Group

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Alberta Disabilities Forum

AI SH Benefit
Working Group

106 - 10423 178 St. NW. Edmonton, Alberta T5S 1R5
www.adforum.ca | 780-488-9088 | 1-800-387-2514

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Executive Summary

Who We Are

The Alberta Disabilities Forum (ADF) is a partnership of 40 non-profit organizations that have come together to speak with a unified voice to advance public policy on issues of importance to Alberta's disability community. Through ADF's member organizations, we represent the perspectives of thousands of Albertans with disabilities.

Our Purpose

The ADF struck the AISH working group to look at how Albertans with disabilities are impacted by the amount of monthly income provided by the Government of Alberta's Assured Income for the Severely Handicapped (AISH) program. The ADF AISH working group distributed a survey to our member organizations to hear the perspectives of Albertans who participate in the AISH program and the following is a discussion of their concerns.

Alberta's AISH Program Participants Live in Poverty

The ADF has advocated for improvements to the AISH program for over a decade. We recognize the Government of Alberta has made significant strides to enhance the AISH program since its creation in 1978¹. Yet for nearly forty years, when compared to the annual low income cut-off provided by Statistics Canada, the AISH benefit is not an adequate income to pay for the current cost of living in Alberta.²

The ADF struck the AISH working group to look at how Albertans with disabilities are impacted by the amount of monthly income provided by the AISH program. Responses to the survey were received from Albertans across all types of disabilities who spoke of the rising cost of living in Alberta, increasing debt and the stress of wondering what will happen to them when their family and friends are no longer able to support their basic monthly expenses. Many of those who qualify for the program are struggling to make ends meet, while relying on family, credit, loans, and limited employment opportunities to pay for basic needs:

- 47% said they are unable to afford the costs related to their disability;
- 50% said they are unable to afford food and special diet needs;
- 52% said they are unable to afford transportation;
- 62% said they are unable to afford clothing and footwear.

Cost of Living

Each year the cost of living grows for all Albertans. Many Albertans with disabilities have extra expenses that are necessary for their health and well-being. Comments from the survey suggest the rising cost of living makes it difficult for Albertans who participate in the AISH program to afford to pay for all of their monthly expenses.

¹ Government of Alberta. (2012) *Government increases AISH benefit by \$400 per month*. Retrieved from: <http://www.alberta.ca/release.cfm?xID=3191163E5F543-E3D4-FB5E-826ED0AFD115DA5B>

² Note: See History of AISH - page 6

- ***“Instead of moving I went without adequate food.”***
- ***“I cannot afford therapy, which is not covered and is very expensive, even though therapy is very important for my well-being.”***

Relying on Family

Families can provide a great support system for people with disabilities; however, the dynamic of relying on family for financial support to meet basic needs each month creates tension within relationships, opportunities for abuse and an unhealthy dependence on a temporary solution. Numerous comments in the survey expressed worry and stress as they think about what their future will bring when their parents are no longer able to help with their basic needs.

- ***“I pay a huge emotional price and get abused by my family to obtain financial support from them.”***
- ***“I pay only what I can afford to my parents until their passing, then will be on the streets!”***

Increasing Debt

Albertans who participate in the AISH program are forced to find alternate methods of paying for their expenses. When those who cannot afford their monthly expenses were asked how they cover the shortfall, about 50% said they use credit cards and 15% said they use payday loans. Others use bank lines of credit, have bills going to collection agencies and make payment arrangements so that their utilities, such as electricity, are not disconnected.

- ***“I am only getting further and further into debt simply to survive and eat. All because one morning I woke up and couldn't feel my feet.”***
- ***“If I go bankrupt I will just end my life. I have ZERO family and ZERO support system. The burden and strain on me is just too much.”***

ADF Recommendations

We recognize that Albertans are fortunate to have access to the AISH program. We ask that the AISH program be updated to reflect the actual cost of living in Alberta, so that the Albertans who participate in the program are not living in poverty. The ADF recommends the Government of Alberta to:

- Increase the AISH benefit to meet the current cost of living in Alberta, including the necessary resources to provide adequate accommodations, utilities, food, health needs and other basic necessities for a quality life.
- Conduct an annual review of the AISH benefit to increase the benefit amount by the rate of inflation in Alberta.

Foreword

Who We Are

The Alberta Disabilities Forum (ADF) is a partnership of 40 non-profit organizations that have come together to speak with a unified voice to advance public policy on issues of importance to Alberta's disability community. Through ADF's member organizations, we represent the perspectives of thousands of Albertans with disabilities.

ADF uses the collective expertise of its member organizations to develop strategies for improving a broad range of disability-related services in areas such as health, housing, transportation, income supports, employment, education and community inclusion. Our working groups focus on specific issues and develop strategies to address barriers encountered by Albertans with disabilities when accessing services in these areas.

Our Purpose

The AISH program provides income, medical and supplementary benefits to Albertans whose disabilities prevent them from being able to earn a living. The annual income provided to Albertans who participate in the AISH program is significantly less than the annual low income cut-off determined by Statistics Canada, which means that many Albertans with disabilities are living in poverty. The ADF urges the Government of Alberta to increase the AISH benefit to meet the current cost of living in Alberta and index future increases of the AISH benefit to the annual rate of inflation.

The ADF struck the AISH working group to look at how Albertans with disabilities are impacted by the amount of monthly income provided by the Government of Alberta's Assured Income for the Severely Handicapped (AISH) program. The working group distributed a survey amongst our member organizations to gain the perspectives of Albertans who participate in the AISH program and the following is a discussion of their concerns.³

³ Note: The results of the ADF AISH working group survey represent the perspectives of Albertans who participated in the survey and do not reflect the concerns for all who participate in the AISH program.

Definitions

Accommodations: Describes the place where a person lives. In the responses to the ADF AISH working group survey, Albertans who participated in the survey live in a variety of accommodations:

- 35% said they rent their accommodations
- 20% said other - most of which named living with family
- 12% said supported living
- 11% said home ownership
- 10% said group home
- 7% said shared accommodations
- 2% said long-term housing
- <1% said co-op housing and designated housing

AISH benefit: Refers to the maximum monthly income that is received by Albertans who participate in the AISH program, including the modified AISH benefit. The program also provides medical and supplementary benefits; however, this discussion is focused on the monthly income.

Low income cut-off (LICO): “An income threshold below which a family will likely devote a larger share of its income on the necessities of food, shelter and clothing than the average family.”¹ Each year, Statistics Canada determines the LICO for “seven family sizes and five community sizes and results in a table of 35 cut-offs.”⁴ If the annual income of a family is below the LICO for the family size and location, the family is considered to be low income.

Poverty: While there is no official definition of poverty provided by the Government of Alberta or the Government of Canada, we use the term ‘poverty’ to refer to “the intersection of low income and other dimensions of ‘social exclusion’, including things such as access to adequate housing, essential goods and services, health and well-being and community participation.”⁵ The low income cut-off can be used to estimate of the average annual income cut-off under which Canadians and their families are living in poverty.

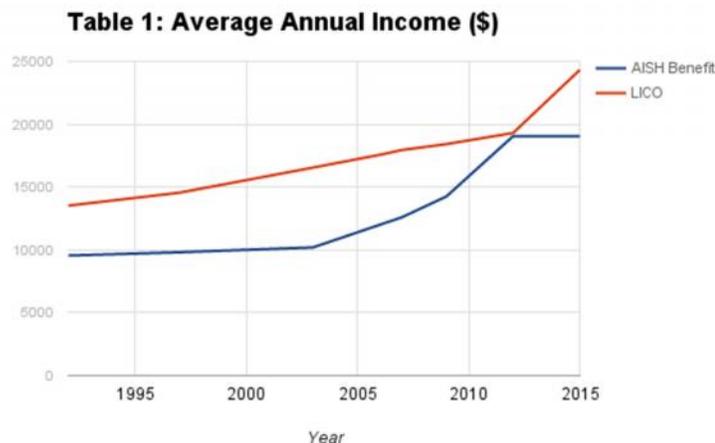
⁴ Statistics Canada. (2015) *Low income cut-offs*. Retrieved from:
<http://www.statcan.gc.ca/pub/75f0002m/2009002/s2-eng.htm>

⁵ Government of Nova Scotia. (2008) *Poverty Stats*. Retrieved from:
https://www.novascotia.ca/coms/department/backgrounders/poverty/Poverty_Stats-May2008.pdf

History of AISH

The ADF has advocated for improvements to the AISH program for over a decade, including the treatment of income under AISH;^{6, 8} medical benefits and the barriers that the participants of the AISH program face when seeking employment;⁷ and the importance of annual increases in the AISH benefit⁸. We recognize that the Government of Alberta has made significant strides to enhance the AISH program since its creation in 1978.⁹ Yet nearly forty years later, the AISH benefit does not provide adequate income support to pay for the current cost of living in Alberta.

Table 1 uses the base low income cut-off (LICO) from Statistics Canada in 1992, when the LICO for one person families in cities with a population greater than 500,000 was \$13,526.¹⁰ During the same year, the annual AISH benefit was \$9,552,¹¹ which is nearly 30% less than the LICO for that year. The LICO in 2011 was \$19,307¹⁰ for the same group of Canadians and in 2012 the annual AISH benefit was increased from \$14,256 to \$19,056.¹¹ This 33% increase was a necessary boost for Albertans who participate in the AISH program; however, the AISH benefit was already well below the LICO and the additional funding helped many participants to catch up to the cost of their monthly expenses at the time. The AISH benefit has remained static for nearly five years and continues to fall below the LICO. Meanwhile, many Albertans with disabilities who rely on this program for income support are living in poverty.¹²



⁶ Note: See Alberta Disabilities Forum. (2004)

⁷ Note: See Alberta Disabilities Forum. (2005)

⁸ Note: See Alberta Disabilities Forum. (2007)

⁹ Government of Alberta. (2012) *Government increases AISH benefit by \$400 per month*. Retrieved from: <http://www.alberta.ca/release.cfm?xID=3191163E5F543-E3D4-FB5E-826ED0AFD115DA5B>

¹⁰ Statistics Canada. (2015) Retrieved date: September 30, 2016 <http://www.statcan.gc.ca/pub/75f0002m/2012002/tbl/tbl01-eng.htm>

¹¹ Note: The AISH benefit rate is multiplied by 12 to estimate the annual income.

¹² Kauffman, B. (2016) *Lack of hike in AISH payments in Alberta budget concerns advocates for the disabled*. Calgary Herald. Retrieved date: September 30, 2016. <http://calgaryherald.com/news/local-news/lack-of-hike-in-aish-payments-in-alberta-budget-concerns-advocates-for-the-disabled>

Alberta's AISH Program Participants Live in Poverty

The ADF member organizations represent thousands of Albertans with disabilities, many of whom rely on the AISH program to meet their daily needs. The ADF continues to advocate for improvements to the AISH program because of the significant impact that a limited income has on the quality of life for Albertans with disabilities. Albertans are fortunate to have the AISH program and grateful for the benefits that it provides; however, the reality is that many Albertans who participate in the AISH program are living in poverty.

The ADF struck the AISH working group to look at how Albertans with disabilities are impacted by the amount of monthly income provided by the AISH program. The working group distributed a survey amongst our member organizations to gain the perspectives of Albertans who participate in the AISH program. Responses were received from Albertans with many different types of disabilities, including: deaf, hard of hearing, speech, mobility, agility, pain, learning, physical, developmental, mental, memory, brain injuries, progressive medical conditions, and obesity. Many Albertans who participate in the AISH program are faced with rising costs of living, increasing debt and the stress of wondering what will happen to them when their family and friends are no longer able to support their basic monthly expenses. The ADF urges the Government of Alberta to increase the AISH benefit to meet the current cost of living and index future increases of the AISH benefit to the annual rate of inflation in Alberta.

The purpose of the AISH program is to provide income, medical and supplementary benefits to Albertans whose disability prevents them from being able to earn a living. Many of those who qualify for the program are struggling to make ends meet, while relying on family, credit, loans, and limited employment opportunities to pay for basic needs such as rent, utilities, food, transportation, and medical expenses. Nearly 70% of the survey respondents said they had no money left over at the end of each month. If they are lucky enough to have a bit extra money it often goes toward child expenses, education, savings, and social time. For many, these extras are not obtainable as they juggle bills, rely on the food bank and go without necessary medical supports to get through each month.

Cost of Living

Each year the cost of living grows for all Albertans - rent, transportation, electricity and other utilities, groceries, health and dental care, vehicle maintenance, and childcare. These are some of the basic expenses that Albertans need to pay for to have a quality life. Many Albertans with disabilities have extra expenses that are necessary for their health and well-being. The rising cost of living makes it very difficult for Albertans who participate in the AISH program to afford to pay for all of their monthly expenses.

Currently, the AISH benefit is \$1588 per person, with additional benefits available for a dependent spouse and children. Albertans who use the AISH program and are able to work part-time can earn up to an additional \$800 monthly before the program begins to deduct money from the AISH benefit, though many are unable to work. This means that single Albertans with disabilities who rely on the AISH program are limited to roughly \$1,588 - \$2,738 as their maximum monthly income.¹³ For families where one partner is participating in the AISH program and the second partner has employment income, the couple can earn up to an additional \$1,950 combined before their AISH benefit begins to reduce. For families where both partners participate in the AISH program and have dependent children, one participates in the single Albertan program and the second participates in the family program. In 2012, the Government of Alberta estimated that the average AISH benefit was \$1050 per person and an additional \$370 monthly for health expenses.¹⁴

“My previous apartment increased by more than \$300 after the one year lease. We had to move.”

“Instead of moving I went without adequate food.”

“I cannot afford therapy, which is not covered and is very expensive, even though therapy is very important for my well-being.”

The most concerning cost of living named in the responses to the survey is rising accommodation expense, such as rent and utilities. Many Albertans mentioned that the cost of rent uses up most of the AISH benefit, which leaves very little for their remaining expenses. The comments spoke of rental increases that are unpredictable, uncontrollable and stressful when your monthly budget is already stretched beyond capacity. Nearly 1/6 of the survey respondents said they were forced to move due to rental increases and several disclosed they cannot afford the additional expenses of moving. Affordable accommodations are difficult to find, which is especially true for those who require accessible accommodations to meet the needs of their disability. Being forced to choose between the extra expense of increased rent, moving or eating food has a negative impact on the quality of life of Albertans with disabilities.

People with disabilities often have expensive health needs that are not covered by the AISH medical benefits, such as medical equipment, medications, counseling, service dogs, communication devices and skill-building programs. A surprising number of responses to the survey mentioned the phrase “go without” for several of the questions and nearly half of the respondents said that their monthly income does not cover the

costs associated with their disability. Multiple comments spoke of feeling forced to choose between paying bills, buying food or meeting medical needs because they cannot afford all expenses.

¹³ Government of Alberta. (2014) *AISH Program Policy*. Retrieved from: <http://www.humanservices.alberta.ca/AWonline/AISH/7221.html>

¹⁴ Government of Alberta. (2012) *Government increases AISH benefit by \$400 per month*. Retrieved from: <http://www.alberta.ca/release.cfm?xID=3191163E5F543-E3D4-FB5E-826ED0AFD115DA5B>

“I pay a huge emotional price and get abused by my family to obtain financial support from them.”

“I pay only what I can afford to my parents until their passing, and then I will be on the streets!”

“If I go bankrupt I will just end my life. I have ZERO family and Zero support system. The burden and strain on me is just too much.”

“I am only getting further and further into debt simply to survive and eat. All because one morning I woke up and couldn't feel my feet. From that moment on, my life has been nothing but an uphill battle.”

Relying on Family

Many Albertans who participate in the AISH program are fortunate to have help from their family - parents, siblings, grandparents, other relatives and friends. Families can provide a great support system for people with disabilities; however, the dynamic of relying on family for financial support to meet basic needs each month can create tension within relationships, opportunities for abuse and an unhealthy dependence on a temporary solution. Nearly 1/6 of the survey respondents said they lived with and are financially dependent on their parents, while many others named family and friends as their financial support.

Relying on family is not a sustainable financial plan for Albertans with disabilities. As parents age, they are often not able to afford continuing financial support due to their decreased income in retirement. Numerous comments in the survey expressed worry and stress as they think about what their future will bring when their parents are no longer living. Many mentioned they meet their basic needs each month by depending on the generosity of family and friends, the stability of these relationships and the ability of their family to afford to provide financial support. In some situations the need to rely on family can create an unhealthy balance in power, where the person with the disability is taken advantage of in order to receive financial support.

Increasing Debt

As the cost of living continues to grow, medical costs increase with age and the AISH benefit remains the same, Albertans who participate in the AISH program are forced to find alternate methods of paying for their expenses. When those who cannot afford their monthly expenses were asked how they cover the shortfall, about 50% said they use credit cards and 15% said they use payday loans. Others mentioned using bank lines of credit, bills going to collection agencies and making payment arrangements so that their utilities, such as electricity, are not disconnected. Numerous comments shared the feeling of going deeper into debt to pay for basic needs.

Increasing debt creates financial instability and stress. This is especially true for Albertans who participate in the AISH program because it is not likely that they will have the means to pay off the

debt, which creates even more debt as interest and payday loan fees accrue. Many of the survey respondents said their growing debt is stressful, but they have no other options to pay for their basic monthly expenses. Relying on debt is another temporary solution to the financial crisis of many Albertans who participate in the AISH program.

Quality of Life

The AISH program is designed to support Albertans whose disability limits their ability to earn money to pay for the necessities of life, which is why it is important for the AISH benefit to accurately reflect the cost of living in Alberta. When Albertans who participate in the AISH program are unable to pay for basic monthly expenses, their quality of life is negatively impacted by the stress of financial instability and worsening health due to unmet needs. The majority of the survey respondents said their monthly income was not enough to pay for their basic monthly expenses:

- 47% said they are unable to afford the costs related to their disability;
- 50% said they are unable to afford food and special diet needs;
- 52% said they are unable to afford transportation;
- 62% said they are unable to afford clothing and footwear.

“I have been near homelessness 3 times and there are times I wonder if I’ll eat today or starve because of the lack of services.”

Not being able to afford the additional costs related to having a disability can pose further barriers to a quality life for Albertans with disabilities. People with disabilities often require specific equipment, such as mobility and communication devices, that are expensive and require regular maintenance. Several of the survey respondents said they are unable to leave their homes because they cannot afford renovations to make their entrances accessible and they cannot afford to move to a new home that would meet their accessibility requirements.

Living in poverty leaves Albertans with disabilities vulnerable and unsure of where to turn for help. There are many participants of the AISH program who do not have the support of family or access to credit. Some of the survey respondents shared that they have to take extreme measures just to get by each month, such as participating in the sex industry, panhandling, street performing and pawning their belongings.

About 80% of the survey respondents have no money for emergencies.

ADF Recommendations

The ADF has been advocating for improvements to the AISH program for over a decade because every day our member organizations see the negative impact that living in poverty has on the quality of life for Albertans with disabilities. We recognize that Albertans are fortunate to have access to the AISH program. We ask that the AISH benefit be updated to reflect the actual cost of living in Alberta, so that the Albertans who participate in the program are not living in poverty. The ADF recommends the Government of Alberta to:

- Increase the AISH benefit to meet the current cost of living in Alberta, including the necessary resources to provide adequate accommodations, utilities, food, health needs and other basic necessities for a quality life.
- Conduct an annual review of the AISH benefit to increase the benefit amount by the rate of inflation in Alberta.

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