Vibrant COMMUNITIES Calgary

VCC in motion!

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VIBRANT COMMUNITIES CALGARY

IN THE NEWS:

- **The Federal Government increased the basic personal amount individuals can earn tax-free from $8,929 to $9,600, retroactive to 1 January, 2007. In 2009, the allowance will increase to $10,100.**
- **The Calgary Foundation Vital Signs report indicated that supporting a Living Wage is the area in most need of attention.**

THANK YOU TO OUR FUNDERS:

United Way of Calgary and Area

The J.W. McConnell Family Foundation
La fondation de la famille J.W. McConnell

The Calgary Foundation

Low Wages in a Boom Town

Vibrant Communities Calgary's *Low Wages in a Boom Town* report is available to the public.

The aim of the study is to investigate why some Calgarians continue to work for low wages when higher paying jobs are vacant. 150 low paying employers and 73 low-income employees were anonymously interviewed in an attempt to answer this question.

The study concludes by suggesting that some employers in Calgary may not understand the principle factors motivating their employees to work for low wages. This misunderstanding seems to contribute to some organizations' challenge to attract and retain employees.

Employers who better understand their employees' motivation are in a much better position to develop effective human resource strategies that increase worker satisfaction levels and minimize variables that contribute to job dissatisfaction.

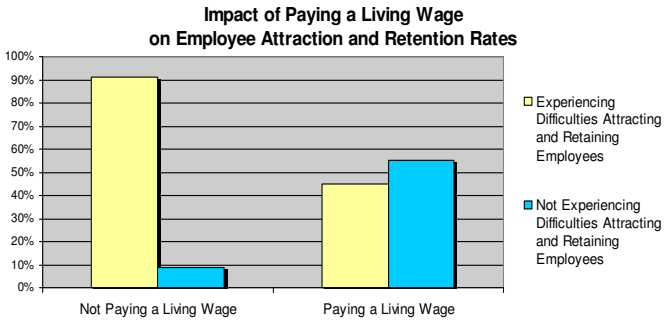
Many of the employees interviewed for this study explained that wage issues influence their decision to work for an employer. Perhaps as a result, many employers have increased wages with great success.

91% of employers paying less than a Living Wage, for example, report that they have experienced difficulties attracting and retaining employees.

55% of employers paying a Living Wage report that they had no difficulties attracting and retaining employees during the past year.

Brian Murphy, manager of Cottage Care Calgary South, explains that "Becoming a Living age employer hasn't solved all my staffing challenges but it has improved them."

Please visit www.vibrantcalgary.com to download a copy of the report.



Impact of Affordable Transportation

Calgary Transit offers a Low Income Transit Pass that enables low-income adult Calgarians to purchase a monthly transit pass for $37.50, half the current full fare. Calgary Transit and Vibrant Communities Calgary commissioned Hargroup Management Consultants, Inc., to assess the socioeconomic benefits and outcomes of the Pass. The study revealed that Low Income Transit Pass users are able to visit with friends and family more often when they have the Pass, go to medical appoints more often, are able to keep a job, take more training/educational classes and find employment (or better employment) when they have the Pass.

According to one Calgary Transit Low-Income Monthly Transit Pass user, "I use the pass for medical reasons. I can no longer drive and depend on the pass to get to doctor's appointments. I have to go to the hospital three times a week. The $37.50 I save means one prescription for me".

Other users use the discounted pass to volunteer, improving the quality of life for countless others. According to one transit user living in Greenview, "The low income pass helps me; I sit on the Board of Developmental Disabilities Resource Centre of Calgary. Without the bus pass I would be stuck at home and not able to volunteer".

Lee used his pass to get a better paying job. One Whitehorn resident uses her pass to get to her full-time job, and uses the money she saves to buy food.

The principle barrier to community inclusion is a lack of affordable transportation. Other municipalities seem to agree and, perhaps as a result, have implemented low-income transit pass programs . Vancouver, Edmonton, Grande Prairie, Regina, Brandon and Ottawa, for example, all offer discounted transit passes for low-income people, thereby assisting low income people to access education, skills training and employment, buy groceries and other essentials, volunteer, attend medical appointments and places of worship, take their children to recreational activities and enjoy the many opportunities that their municipalities have to offer.

In addition to the direct benefits that low-income Calgarians enjoy by purchasing a Low-Income Transit Pass, all Calgarians benefit through the savings to health care, education and criminal justice systems, through an increased tax base, increased productivity, and increased vibrancy in our communities, improving the quality of life for all people.

All Calgarians deserve to have access to social and employment opportunities. And everybody wins with affordable transportation.

For more information on Calgary Transit's Low-Income Transit Pass, please visit www.calgarytransit.com or the Customer Service Centre at 224 – 7 Avenue SW, or call (403) 262-1000. Please visit www.vibrantcalgary.com to download a copy of the Low Income Transit Pass Outcome Survey.

Perceived Benefits of the Low Income Transit Pass

Statements	Agree	Disagree
You were able to keep a job because you had the Low Income Transit Pass (n=388)	59%	41%
You take more training/educational classes when you have the Low Income Transit Pass (n=388)	55%	45%
You found employment (or better employment) when you have the Low Income Transit Pass (n=382)	49%	51%
You volunteer more often when you have the Low Income Transit Pass (n=389)	48%	52%

Did You Know?

- Since 1990, the average annual earnings for Calgary's largest industry, the wholesale and retail trade industry, representing 87,000 people, has decreased by $2,500 per year. (City of Calgary, 2007)
- The average annual earnings for Calgarians working in the accommodation and food service industry is $16,900. The average annual earning for Calgarians working in the forestry, fishing, mining, oil and gas industry is $94,500 (City of Calgary, 2007).
- The median income of the average Canadian was the same in 2004 as in 1982, despite the fact that the economy grew, in real per capita terms, by more than 50%. (Statistics Canada, 2008).
- The Alberta Works monthly core (standard) benefits for a couple with 2 children, not expected to work, decreased by $864 per year, from February 1991 to August 2007. A single adult, not expected to work, is given $303 per month for shelter (Government of Alberta, 2007).
- The average monthly rent for a two-bedroom apartment in October in Calgary was $1,089, the highest in Canada. (Canada Mortgage and Housing Corporation, 2007).

Vibrant Communities Calgary's "Vibrant Workplaces: Creative strategies to attract and retain Calgary employees" guide is available online at www.vibrantcalgary.com/vibrantworkplaces

"A further challenge for the city is the growing wealth divide that has resulted in increased social pressures for the city and its social service agencies. Homelessness has increased, as has the percentage of low income households, resulting in a higher level of disenfranchisement of a portion of the population… Most recent available information reports that in 2004, 38% of individuals living in Calgary had a total income of less than $20,000, while 52% of families had a total income of less than $50,000. In a rising cost environment, these numbers are not acceptable.

Source: City of Calgary, 2008

VCC Endorses the Calgary Chamber of Commerce's 3-Point Provincial Budget Strategy

The Calgary Chamber of Commerce advises the Government of Alberta in its 2008 budget to make personal income and small business tax rates more competitive, institute a budgeting and saving framework that secures the 'Alberta Advantage' for the future, and ensures quality and sustainable service delivery through controlled spending policies, to attract the next wave of workers.

To improve Alberta's competiveness, the Chamber recommends an increase in the basic personal exemption from $15,435 to $18,000. This tax relief strategy would disproportionately benefit low income Albertans.

As the second element of the strategy, the Chamber believes that the provincial government has an opportunity to establish a more sustainable budgeting framework, saving at least one third of resource revenue each year. This will allow the government to rely less on volatile commodity revenues.

The key to paying for the personal tax changes and fulfilling the savings target is the final element of the strategy — spending restraint. The Chamber recommends that government limit spending by adopting a bandwidth approach delimited by population growth and inflation, and real growth in the economy. For 2008, this range is 5.8% and 6.5%.

About 70% of Chamber members believe the provincial government should manage spending by basing yearly increases within this bandwidth. VCC believes that additional resources should be dedicated to social services; however, VCC also believes funds can be reallocated from other areas of spending.

"More competitive personal income taxes, savings for the future, and fiscal prudence will position Alberta as 'the place' to live, work, and raise a family," says Heather Douglas, the President & CEO of the Calgary Chamber of Commerce. VCC agrees.

The implementation of these recommendations will alleviate poverty in Calgary, and so VCC offers its support for the Calgary Chamber of Commerce' 3-Point Budget Strategy.

The Chamber's detailed 2008 Pre-Budget submission is available online: www.calgarychamber.com.

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Vibrant Communities Calgary (VCC) exists to ignite community action to create and implement bold solutions that reduce and prevent poverty through collaboration and education. VCC is part of a national network where diverse community leaders from across Canada share ideas, practices and policies that strengthen their community-based poverty reduction initiatives.

VCC develops and supports creative and innovative poverty reduction strategies in Calgary, knowing that our combined diversity of experience and expertise will achieve results none of us could achieve individually.

Vibrant Communities Calgary Partners

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Alison Azer, *Azer Consulting Ltd.*
Julie Ball, *Calgary Talent Pool*
Kristi Baron, *Community Representative*
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Murray Crosby, *Community Representative*
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