

# MAKING CANMORE AFFORDABLE

Creating and maintaining an affordable community is a shared responsibility between community, business, and all levels of government. Canmore’s Living Wage is not meant to provide direction but is a tool to help community, business and government evaluate the impact that programs can have on community affordability.

## Food

The cost of food is calculated using the Alberta Nutritious Food basket, which is a community specific measure that calculates cost of healthy eating based on current nutrition recommendations.

In Canmore, and across Alberta, the cost of food continues to trend up. The 2021 Canada Food Price report <sup>(6)</sup> forecasts an overall food price increase of 3 to 5 percent in 2021, with the most significant increases being in meat, baked goods, and vegetables. In September 2021, the Alberta government <sup>(7)</sup> reported that the price of wheat has increased by over 25% in the last three months. This represents the largest price jump in wheat in the last five years. The 2021 Canada Food Bank hunger count reported that between 2019 and 2021, total food bank visits increased by 20.3 percent <sup>(8)</sup>.

The rising cost of food is a Canada-wide concern, and although local programs have a significant impact on community livability, additional Provincial and Federal programs are needed.

The Bow Valley Food Alliance lists several food resources that provide low-cost access to nutritious food <sup>(9)</sup>. These programs have a significant impact on community affordability. The Living Wage reports an annual food cost of \$15,601 per year, below is a summary of food programs that individuals can access to increase community affordability:

- 1) Food and Friends: For a small donation, families can access this community-building food program once per week. The estimated weekly food costs savings for a family of four is approximately \$20 per week, which would result in an annual savings of \$1,040
- 2) Good Food Box: once per month families can collect a Good Food Box, which is valued at \$60 per box, for the price of \$30. Families that use this program would have an annual savings of approximately \$360
- 3) Food Recovery Barn: Is a group that focuses on diverting food waste from the land fill by making slightly old food available to community. The program can be accessed weekly for the cost of a donation. If a family uses this program weekly, their estimated cost saving is \$10 per week or \$500 annually

<b>Community Program</b>	<b>Annual estimated Savings</b>	<b>Impact to Living Wage (Current Living Wage= \$37.40)</b>
Food and Friends	\$1040	\$36.90
Good Food Box	\$360	\$37.25
Food Recovery Barn	\$500	\$37.18

<b>Total Program Impact</b>	<b>\$1,900</b>	<b>\$36.25</b>
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There are also other food programs in Canmore that support individuals who are experiencing acute income challenges. The Canmore Food Bank and Canmore’s Family and Community Support Service can help eligible families who are low-income with additional food supports and programs.

**Clothing and Footwear**

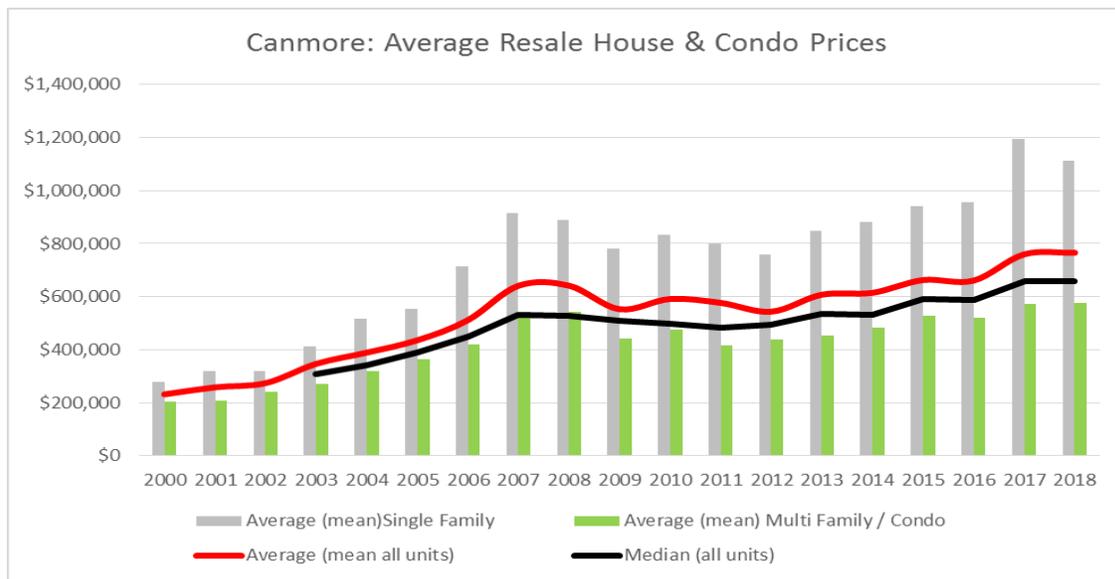
The cost of clothing and footwear is calculated using a Statistics Canada’s Market Basket Measurement (MBM). Statistics Canada calculates cost of a basket of goods as a way to define ‘low-income’. MBM expenses are conservatively calculated and represent the minimum expenditures that a family would need to make to cover basic costs and live above the poverty line. The cost of clothing and footwear has remained relatively consistent in the Living Wage.

According to the Annual Kijiji Second-Hand Economy Index <sup>(11)</sup>, Alberta is one of the most active provinces for purchasing and selling second-hand goods. The report highlights that the average Canadian saves approximately \$723 dollars per year by purchasing second-hand goods instead of new ones. Canmore has three second stores that are well stocked, and there are also several gear-swaps in town. The Living Wage reports annual clothing and footwear costs of \$1,897 per year. If families use second-hand items, their estimated annual costs saving is approximately \$723.

<b>Community Program</b>	<b>Annual estimated Savings</b>	<b>Impact to Living Wage (Current Living Wage= \$37.40)</b>
Second-hand purchases	\$723	\$37.05

**Shelter**

The Living Wage expenses for shelter is \$45,658 per year and is based on Statistics Canada MBM for Edmonton, indexed to Canmore using the Alberta Spatial Price Survey <sup>(10)</sup>. According to the Spatial Price survey, Canmore’s housing is 241 percent more expensive than Alberta’s baseline (Edmonton). The survey considers all forms of housing, including ownership. The below graph shows Canmore’s average resale price, which has been trending up since year 2000.

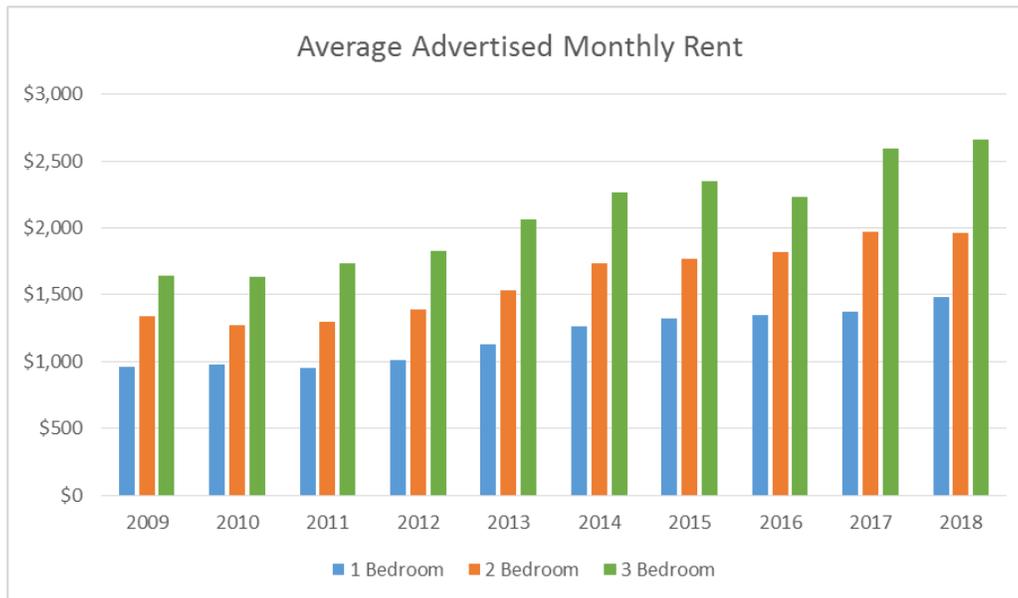


High housing costs are a Canada-wide concern. Across Canada housing prices have been steadily increasing. In 2021, the MLS Home Price Index reported that Canada had experienced the fastest monthly increase of home prices (2.7%) since 2006 <sup>(13)</sup>. Provincial and Federal investment in affordable and attainable housing in an essential component of community affordability.

Through Canmore Community Housing (CCH), the Town of Canmore has invested in Vital Home programs that support long-term affordable ownership. Eligible residents of Canmore can reduce their annual ownership costs by approximately \$20,143 per year (with a 20 percent down payment) by accessing this program <sup>(14)</sup>. The number of available units are limited. In addition, CCH offers first-time homeowners a low interest matching down payment program, where new homeowners can increase their down payment when purchasing a home.

Community Program	Annual estimated Savings	Impact to Living Wage (Current Living Wage= \$37.40)
3-bedroom Vital Home Ownership	\$20,143	\$27.65

In previous Living Wage calculations (2015 and 2017), the methodology only included rental units, not ownership. As depicted in the below graph, the average advertised monthly rents have consistently increased from 2009 to 2018 <sup>(12)</sup>.



If the Living Wage methodology only considered rental expenses, which is consistent with methodology from the 2015 and 2017 calculation, Canmore Living Wage would change from \$37.40 to \$34.20. Since long-term monthly shelter costs are lower for homeowners, as compared to home renters <sup>(15)</sup>, and since there are limited 3-bedroom home rentals in Canmore <sup>(12)</sup>, homeownership was incorporated into the 2020 and 2021 Living Wage calculation.

Through the Vital Home Rental program, Canmore Community Housing offers a number of affordable and attainable rental options for Canmore residents <sup>(14)</sup>. If a family accesses a vital home rental, their annual shelter costs would decrease by \$24,945.

Community Program	Annual estimated Savings	Impact to Living Wage (Current Living Wage= \$37.40)
3-bedroom Vital Home Rental	\$24,945	\$25.41

### Transportation

Transportation expenses are calculated using Statistic’s Canada MBM, which includes the cost of local public transit. The calculation assumes that families use one car and public transit. The 2015 Living Wage expenses did not include public transit as Canmore’s ROAM transit program was not yet available. The annual cost savings that a family who uses ROAM in addition to one vehicle experiences, as opposed to families who solely rely on vehicle transportation, is approximately \$4,467 per year. The below chart depicts the impact that public transit has had on Canmore’s Living Wage.

Community Program	Annual estimated Savings	Impact to Living Wage (Current Living Wage= \$37.40)
No Public Transportation	(\$4,967)	\$39.70

## Childcare

Childcare is the second largest Living Wage expense. Expenses are calculated based on actual childcare costs in the Bow Valley. The methodology for calculating costs changed between 2020 and 2021. In 2020, it was assumed that Childcare was closed for three months (due to the Covid-19 pandemic) and that families did not use afterschool care.

In Canmore, if a family earns a Living Wage, they do not qualify for the Alberta Childcare subsidy program. Only communities that have a Living Wage below \$24 per hour can incorporate the Alberta Childcare Subsidy program into the calculation. This subsidy program has a significant impact on affordability.

Recently the Province of Alberta announced a Federal-provincial childcare agreement to increase Albertan's access to affordable, quality childcare. As part of this plan, Child Care fees for children 0 to kindergarten will be reduced on average by 50 percent in early 2022 <sup>(16)</sup>. If Canmore families are able to access this new childcare program, the 2022 Living Wage annual childcare expenses would decrease by \$7,620.

<b>Community Program</b>	<b>Annual estimated Savings</b>	<b>Impact to Living Wage (Current Living Wage= \$37.40)</b>
Federal-provincial childcare agreement	\$7,620	\$33.62

## Summary

Creating and maintaining an affordable community is a shared responsibility between community, business, and all levels of government. Canmore's Living Wage is not meant to provide direction but is a tool to help community, business and government evaluate the impact that programs can have on community affordability. Community affordability is complex, and no single solution can bridge the gap between community expenses and community livability. The below graph is summary of how different programs can come together to create a more livable Canmore (based on the Living Wage reference family):

<b><u>Community Programs</u></b>	<b><u>Annual Estimated Savings</u></b>	<b><u>Impact to Living Wage (Current Living Wage= \$37.40)</u></b>
Food and Friends	\$1040	\$36.90
Good Food Box	\$360	\$37.25
Food Recovery Barn	\$500	\$37.18
Second-hand purchases	\$723	\$37.05
3-bedroom Vital Home Ownership	\$20,143	\$27.65

<b>Total impact of Community Programs (without Childcare agreement)</b>	<b>\$26.17</b>
<b>Total impact of Community Programs with Federal-Provincial childcare agreement</b>	<b>\$22.67</b>

Community programs increase affordability. By accessing different local programs, a family can potentially reduce their Living Wage expenses from \$37.40 to \$22.67.