

## Income Disparity and the Impact on Health and Wellness

**Subject expert:** Carol Lawson, a Registered Social Worker who works in health care in Calgary. She is a member of the Alberta College of Social Workers.

*The following is a transcript of an Alberta College of Social Workers podcast recorded January 31, 2008. [Click here](#) to hear the audio version.*

**INTERVIEWER:** What are the implications of income disparity as it affects one's health and wellness?

**CAROL:** I could talk about all of the social determinants of health. As we know, poverty creates ill health. I want to talk a lot about what happens to people who are already marginalized in Alberta and then become ill. It's a huge problem in Alberta and for these people.

**INTERVIEWER:** So what sort of people are we talking about? Can you describe who you would categorize as marginalized?

**CAROL:** There are many, many Albertans who are working for incredibly low wages here in Alberta. They can barely afford to pay their rent, to buy food, to buy clothes for their kids, to pay for medication. Then all of the sudden they become ill. They have an acute illness, come to a hospital and then are discharged. Now they are not able to work. Those are the people that I'm talking about. They suffer incredibly in this land of plenty.

**INTERVIEWER:** So this would also include people who are perhaps making a reasonable amount of money in the eyes of others but are living pay cheque to pay cheque and living in expensive housing? Which nowadays necessarily isn't above the norm it's just a fact of life.

**CAROL:** We are absolutely talking about those sorts of people. We're talking about many Albertans who are living pay cheque to pay cheque. They are one pay cheque away from being homeless. They then become ill and can't go back to work to even earn that amount of money. Most of these people have no benefit plans. They have no sick benefits. They have no short-term disability.

They may be able to apply for unemployment insurance. Unemployment insurance takes about six to eight weeks to collect if you are eligible. During that period of time, they are struggling financially because they didn't have six to eight weeks of income in their bank. Already they were living pay cheque to pay cheque and so, as social workers, we try and get them social services.

Now, we're talking about someone who is ill. They have to go down to social services, wait in line, perhaps go back two or three times. During that period of time they are still stressed about their illness. They probably are supposed to be buying medication or going for treatment. But they have no money for transportation. They have no bus tickets. They have no ability to even provide the necessities for their health. They face the prospect of homelessness.

**INTERVIEWER:** How does that situation contribute to overcrowding in our hospitals?

**CAROL:** If you are forced to make a decision to buy medication or to buy groceries, obviously you're going to buy groceries to feed your family or to feed yourself. Most of these people are given a prescription for medication and don't go out to fill it. Of course they become more ill and then they have to return to the emergency department and be hospitalized again for a longer period of time. It's just a spiral that goes on and on and on. Everyone in that situation spirals downward.

**INTERVIEWER:** So how does that impact the rest of Albertans? Society in general?

**CAROL:** It costs us far more to have people in the hospital system. It costs us far more for people to be on the streets. It costs us far more in the justice system. It costs us far more in the mental health system. When we're looking at the costs to Albertans, we realize that all of this contributes to the growing gap between those people who have and those people who don't have.

**INTERVIEWER:** Are you seeing the situation becoming worse or better in the future?

**CAROL:** The only way that I see the situation getting better is if the government decided to institute policies that would help people that are marginalized. There are many ways they could do that. The other way is if our economy slows down so that rents and the ability to purchase the basic necessities of life catch up with the amount of money people are receiving.

**INTERVIEWER:** Could we talk about some of the things you just referenced in terms of policy change. What changes would help the situation?

**CAROL:** One of the very first changes that could help the situation is if the Government of Alberta decided that everyone in Alberta should receive a living wage for the work they do. Not only a living wage but a living wage with benefits so that if you become ill you have recourse to sick benefits; you have recourse to short-term disability. That way you can actually get over being ill and return to the workforce without creating all the problems I discussed previously.

The other thing that we could do in Canada would be to institute a national pharmacare program. If we had a national pharmacare program then everybody who had to purchase medication would be able to. Medications would be available without the necessity of buying it at a time when you actually have no money. Tommy Douglas talked about a national pharmacare program many years ago and still the Government of Canada drags its feet on that. It just makes sense for people to get the medication they require so that they can actually get healthy and return to work.

The other thing that we could do is have affordable housing for people who aren't making big dollars. People should have access to housing that actually meets the income that they're getting. The housing situation in Alberta in the last few years has become horrendous for people. People are struggling to work two jobs and when they become ill they can't work at all. Then we blame them for having no roof over their family's head.

Another thing is to develop more accessible housing for people who are already ill. We have many people in this province who are chronically ill. Many are on AISH and receive \$1,000 a month. Being on AISH means that you are unemployable. It means that you likely will never return to the workforce so you will have a \$1,000 a month for the rest of your life. How do you manage when rent here in Calgary is around \$1,000 - \$1,200 a month to rent a one bedroom apartment?

It is an impossible situation for people with chronic illnesses. Many of those people are in shelters here in the city. They are chronically ill and we've decided they're unemployable yet they are living in a shelter because they can't afford to live anywhere else. That's a shame in a province where there is all of this money.

We need to increase AISH benefits. It all ties together. All of these policies tie together so that people can actually afford to live in the province of Alberta.

**INTERVIEWER:** You referenced a living wage. Is a living wage more than just a per hour standard above what currently is the minimum pay?

**CAROL:** It could be. There have been many studies about what a living wage is. A living wage means that people have the ability to pay their rent, pay their utilities, buy their food, put a little bit of money away in savings for a rainy day in case they become ill. They are able to send their children to school, perhaps put some money away in an RRSP for when they retire. We're not talking about big dollars here but we're talking about the ability to actually have a decent income; to take advantage of the Alberta advantage.

There is a living wage task force in the Calgary area. A couple of years ago they identified a living wage as \$12 an hour plus benefits or \$14 an hour without benefits. I'm not sure that in the Calgary area that figure would actually constitute a living wage because our rents and our home buying are so expensive.

All areas of Alberta would have to develop their own living wage depending on what their economy is. We all know how expensive it is to live in Fort McMurray so the cost of a living wage in Fort McMurray would be different. The living wage in Pincher Creek would likely be very different than what would constitute a living wage for Calgary. It has to be referenced against how much it costs to live in an area.

**INTERVIEWER:** How does income disparity affect your ability to do your job as a social worker and to help others?

**CAROL:** I've been a social worker in Alberta a very long time. I have never been as frustrated as I have been in the last few years. People come into a hospital who are ill and they're incredibly stressed about their finances. Never mind about their health.

There is absolutely no ability to help them. I help them complete an application for subsidized housing and I send them down to Calgary Housing. We look at them being on a wait list for two

years. Tell me how that benefits anybody who requires subsidized housing now that they've become ill.

I had a lady yesterday who came to see me. She's been on the wait list for Calgary Housing for 10 years. It's a ludicrous situation and I don't know what to suggest to people. I say to them, "Do you know anybody that can room with you? Can you find two or three roommates and rent together? Do you know anybody that's looking for room & board?" There just aren't any possibilities out there to help people with.

Social workers are becoming increasingly stressed. I've noticed social workers are starting to enforce these ludicrous policies because they don't know what else to do. They go home at night feeling very frustrated that this is what they're doing, maintaining the status quo because it just seems so hopeless.

**INTERVIEWER:** You had mentioned earlier that one of the helpful things would be for the economy to slow down. Do you see this boom being far worse than any other previous boom that Alberta has had in terms of your experience as a social worker?

**CAROL:** This is the worst that I have ever seen because I have never seen it last as long with no hope in sight for all of the people living on the streets; who are struggling with two jobs. I've never seen people feel so hopeless particularly the group of people who are so marginalized from the Alberta advantage.

I've never seen people feeling, "How will I ever own a house?" because the cost of housing has increased so dramatically. I feel that people at the bottom of our society are feeling more and more marginalized from the good things in Alberta.