



Fast

FACTS

CANADIAN CENTRE FOR POLICY ALTERNATIVES – MANITOBA

there is an alternative.

February 2, 2016

Fight food insecurity with income

The rise in food costs disproportionately affects the poor as food makes up a larger portion of their spending. Increased income, educational programs and northern food subsidies need to work hand in hand if the food security crisis in Manitoba is to be overcome.

Canadians can expect an increase in food costs of 4.5 percent in 2016, putting a squeeze on those who struggle to get by on low incomes and increasing peoples' reliance on already over-burdened food banks. Food bank use has been on a steady rise over the past decade across Canada. Manitoba has the highest per capita use in the country; 4.93 percent of Manitobans make use of food banks compared to 2.83 percent for the Canadian average.

The largest percentage of food bank users is those on Employment and Income Assistance (EIA). The 2015 Canadian Hunger Count finds that 54.5 percent of Manitobans who use food banks are on EIA, just over 30,000 people. There were 63,000 people in EIA in 2014, the last year data is available. Food banks are subsidizing almost half of those on welfare.

Why is this the case? The income people on EIA receive to cover basic needs has not kept pace with actual costs. The EIA basic needs budget is intended for use on food, clothing, personal and household supplies. Currently, single people's basic needs budget is \$117/month which covers 40 percent of the actual cost of buying food – estimated at \$295/month. Single parents receive 61 percent of

the estimated cost of food for this family type. This works out to \$4 per day per person and is not indexed to inflation so rising food costs shrink the meager buying power of the welfare budget.

Food is already expensive in northern and remote communities struggling with high and rising rates of chronic diseases, like diabetes. Diabetes costs the Manitoba health system half a billion dollars per year, so investment in preventing diabetes only makes good public policy sense. Ensuring that people have access to a healthy diet could lower incidence of diabetes dramatically.

The federal government subsidizes food to some northern remote communities but not all. Recently the Manitoba government stepped in and is funding subsidies in remote communities with high food costs not eligible for the federal subsidy. The new federal government should make food security in remote First Nations and all communities a major priority to make up for many years of under-funding. Partnerships amongst all levels of government are needed to reverse concerning negative trends.

Food Matters Manitoba and many other community organizations are dedicated to food security: ensuring citizens have access to healthy, affordable and culturally-appropriate food. Food insecurity is part of the complex problem of poverty, and requires a

CCPA-MB
205-765 Main St.
Winnipeg, MB
R2W 3N5

phone

(204) 927-3200

email

ccpamb@policyalternatives.ca

website

[www.policyalternatives.ca/
manitoba](http://www.policyalternatives.ca/manitoba)

blog

www.policyfix.ca
twitter

@ccpamb

continued..

comprehensive response. As Food Matters Manitoba explains, “People won’t eat foods if they can’t afford them, find a store that sells them, or know what to do with them.”

Manitoba is home to a variety of innovative food security programs funded all or in part by the provincial government: school and maternal nutrition programs in low socio-economic neighbourhoods, Indigenous traditional food programs, and community gardens, greenhouses and farms. But educational programs can only go so far in the face of stagnant incomes and rising food prices. Researchers Joyce Slater and Mihiri Witharana found children’s food security programs are worthwhile but have limited impact because families with low incomes simply can’t afford healthy food.

In response to this, some are calling for a Basic Income (BI), or a guaranteed income for all. *The View from Here 2015: Manitobans Call for a Renewed Poverty Reduction Plan* agrees that BI is the goal, but such an approach would need strong financial support from the federal government. If Manitoba were to go it alone without the federal government on BI, tough decisions would need to be made. A future provincial government may choose to cut programs people rely on to pay for BI.

But the need for these programs will not disappear just because people have more income. Furthermore, the increased funding for a BI would need to be substantial to improve the incomes of those on EIA, and without public education and community supports, more income will not necessarily lead to healthier eating. Rather than a simple reliance on BI, a comprehensive response is needed, which includes nutrition education, local food initiatives like community gardens, northern food subsidies and increased incomes.

Rising food costs make the stagnant EIA food budget of critical importance. Make Poverty History Manitoba’s provincial election campaign calls for doubling the

basic needs budget immediately for those on EIA. The province could choose to respond to this call like they did with Rent Assist.

After several years of lobbying from the community about the rising costs of rent and the low shelter allowance for those on assistance, the province created Rent Assist. Rent Assist is a rent subsidy set at 75 percent of median market rent, so that if rents go up, shelter benefits go up. Rent Assist is available to those on EIA and to the working poor.

A similar approach could be taken to address food insecurity: increase and index the food budget to meet actual costs adjusted by household and region. Consideration should be given to the working poor and other food insecure groups like low-income seniors. Combined with Rent Assist, a food benefit would cover the majority of household expenses for those who struggle with poverty and create a solid foundation for a BI.

Savings would be returned to the health care system from reduced rates of diabetes and other diet-related illnesses. Increased incomes would enable more local purchasing and economic development.

Most importantly this investment would ensure all Manitobans can eat good healthy food, which is priceless.

Molly McCracken is the director of the Canadian Centre for Policy Alternatives Manitoba

CCPA-MB
205-765 Main St.
Winnipeg, MB
R2W 3N5

phone
(204) 927-3200

email
ccpamb@policyalternatives.ca

website
www.policyalternatives.ca/
manitoba

blog
www.policyfix.ca

twitter
@ccpamb

