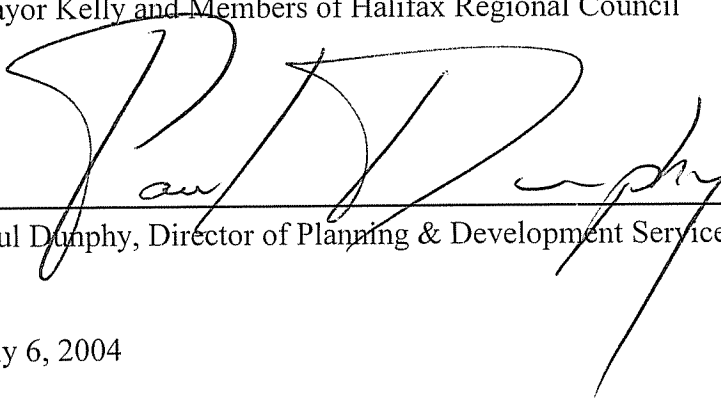


Halifax Regional Council
July 13, 2004

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:


Paul Dunphy, Director of Planning & Development Services

DATE: July 6, 2004

SUBJECT: Socio-Economic Conditions Leading to Blue Bag Scavenging

INFORMATION REPORT

ORIGIN

February 3, 2004 Regional Council session - the topic of blue bag scavenging was discussed during debate on amendments to By-law S-600 Solid Waste Collection and Disposal. The matter was referred to staff for a report regarding the socio-economic conditions which make it necessary for individuals to scavenge the blue bags in order to meet their basic needs.

DISCUSSION

The scavenging of waste materials that have monetary value has been part of the informal economy of cities since their inception. These informal economic activities may be frowned upon by members of the mainstream society but their prevalence and enduring existence indicate they fulfil a specific economic need for some disadvantaged members of our community. The purpose of this report is to provide some information on why this need may exist in HRM.

WHO

The group of people who periodically or consistently engage in the collection of blue bag materials is diverse ¹. This group may include pensioners, Income Assistance recipients, young and old, families, visible minorities, refugees and immigrants, physically and mentally disabled, youth, unemployed or underemployed individuals, and entrepreneurial individuals among others.

WHY

Disparity of Income Versus the Cost of Living: The lack of employment, underemployment, eligibility criteria for social assistance, ineligibility for Income Assistance, low assistance rates are coupled with the growing cost of housing, food, and transportation. A growing number of people in HRM are placed in a position of serious economic need which can lead to scavenging blue bag recyclables.

- There has been a 10% decline in purchasing power for the bottom 10 percentile of families (Fig.1) in HRM over the past five years².
- In HRM there are approximately 11,000 households who receive Income Assistance ³.
- Income Assistance rates in Nova Scotia are among the lowest in Canada (IA rates are attached in Tables 1 through 4 of Appendix "A"), with a basic shelter allowance for a single individual set at \$235 per month. An increase in those rates is called for since Income Assistance rates have been essentially frozen for almost a decade. This is especially true for shelter rates which do not adequately reflect housing costs in HRM.
- There are 16,595 households that spend 50% or more of their income on shelter, 73% are renters (CMHC sets affordable shelter cost at 30% of household income).
- 269 homeless individuals in 2003 and growing in 2004⁴.

Intervention to effect social change to reduce the need for scavenging would require significant time and resources and this would cost more than any estimated loss in revenue. For example,

¹ Ackerman, F. and Mirza, S. 2000. Waste in the Inner City: Asset or Assault? Global Development and Environment Institute Working Paper NO. 00-08. Tufts University. Medford, MA <http://ase.tufts.edu/gdae>

² FCM Quality of Life In Canadian Communities Highlights Report 2004., and FCM Quality of Life Reporting System Report "Falling Behind: Our Growing Income Gap", 2003 .

³ Homelessness in Halifax; Portrait of Streets and Shelters 2004, Halifax Regional Municipality

⁴ Homelessness IN HRM The Portrait of Streets and Shelters 2004 Halifax Regional Municipality. The Homeless Survey of 2003 reported 260 people. The 2004 Homeless Portrait Survey has just been completed and preliminary numbers indicate an increase in the number of homeless persons.

the Province could adjust rates for Income Assistance recipients, especially the shelter rates in HRM. However, the investment required to bring Income Assistance rates closer to a living wage would require a significant investment by both the Government of Canada and the Province of Nova Scotia.

A living wage for a single individual in a city the size of HRM is \$15,757 (see Table 5 in Appendix "A", Statistics Canada, 2001) while the current Income Assistance basic allowance is approximately \$4,500. This means that expenditures would have to be tripled. The Province could not afford to undertake such a large investment. In addition, the minimum wage would have to be more than doubled to bring it closer to a living wage. Addressing poverty should be placed on a national agenda. This does not mean that the Province should do nothing at this time. Until we succeed in eliminating those inequalities, however, the scavenging or reclaiming will continue.

Lack of Employment at Living Wage: Post industrial economies are creating jobs that require much higher levels of learning and a significant portion of our citizens have not been able to elevate educational and technical skills to be competitive in the market place. Low skill jobs have disappeared. HRM has a small population of people that experiences long term unemployment⁵, among them youth (1.2%), and workers over 40 years old (1.5%). The collection of blue bag materials provides an opportunity for those who cannot gain access to employment to engage in income generating activities which would otherwise elude them. A small portion of this group experiencing long term unemployment may also face health related conditions that make employment on a regular basis for them nearly unachievable. They may have the training and the education, but health issues undermine those skills. Scavenging as a form or irregularly scheduled self-directed employment offers a real chance to earn or supplement fixed income and increase quality of life.

BUDGET IMPLICATIONS

None

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

⁵.Statistics Canada, Long Term Unemployment, by age-15+,15-24,15-39,40+, by sex - 1996, 2001, FCM Quality of Life Reporting System , 2004 . Long term unemployment involves the inability to work enough weeks to earn eligibility for benefits, repeated claims or ineligibility for claims, low job market for related skills..

ALTERNATIVES

None

ATTACHMENTS

Appendix A: Tables 1 through 4, Table 5
Figure. 1

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

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Appendix "A" - Prescribed Income Assistance Allowances

<http://www.gov.ns.ca/just/regulations/regs/esiaregs.htm>

Table 1: Shelter Allowance

Family Size	Rent/Own Home	Board
1	\$235	\$197
2	\$550	\$242
3+	\$600	\$282

Table 2: Incremental Shelter Allowance

Family Size	Rent/Own Home	Board
1	\$300	\$26

Table 3: Personal Allowance

Adult	Dependent Child (under age 18)	Dependent Child (age 18 to 20 inclusive)
\$180 renting, own home, boarding	\$133	\$180

Table 4: Other Allowances

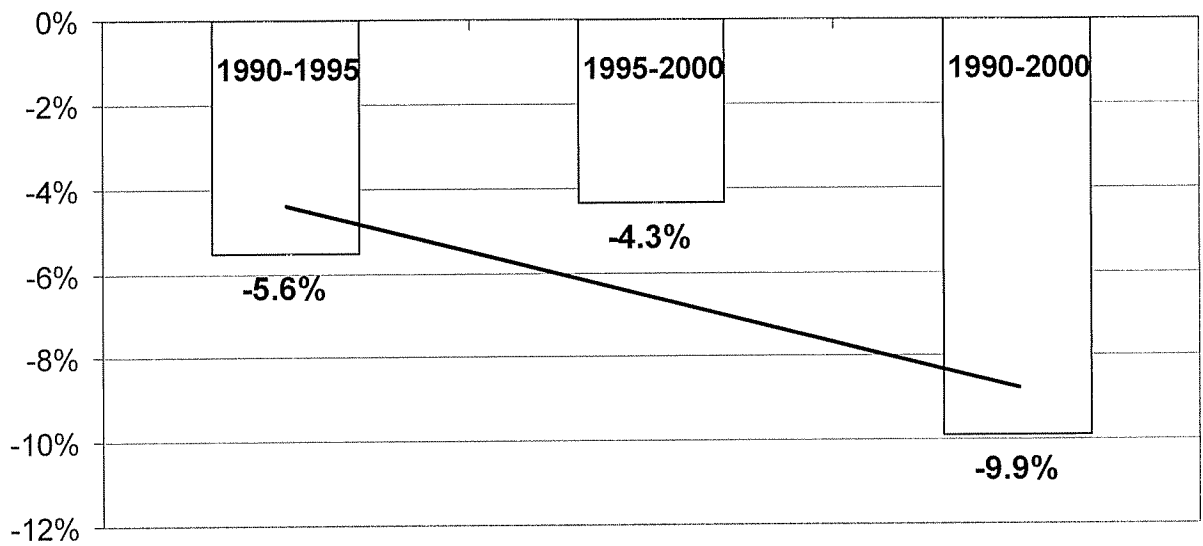
Maternal nutritional allowance	\$29
School supplies supplement - dependent children aged 5 - 12 years	\$50
School supplies supplement - dependent children aged 13 - 20 years	\$100

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Table 5: Low Income Cut-offs for Economic Families and Unattached Individuals, 2000 (Statistics Canada, 2001)

Family size	Size of area of residence 100,000 to 499,999
1	15,757
2	19,697
3	24,497
4	29,653
5	33,148
6	36,642
7+	40,137

Fig.1: Change in Income of the 10% of Families with the Lowest Incomes, in Halifax Regional Municipality



Source: Quality of Life in Canadian Communities. 2003. FCM