

Submission to the Senate Standing Committee of National Finance Study on Bill S-233: The Potential for a Guaranteed Livable Basic Income to Reduce Food Insecurity and Improve Health

RECOMMENDATION

Make the reduction of food insecurity an objective within the framework for a guaranteed livable basic income. Food insecurity is a marker of pervasive material deprivation and potent social determinant of health. Including it as a focus of the framework aligns with the spirit of the bill and its goal of “improving income equality, health conditions, and educational outcomes”.

We are encouraged by the measures outlined under Content (3) of Bill S-233. Research has shown that reducing household food insecurity requires the commitment of public resources to ensure that income supports for low-income, working-aged Canadians and their families are adequate, secure, and responsive to changing costs of living, irrespective of their income sources.

A guaranteed basic income program that provides enough income to “ensure that individuals can lead a dignified and healthy life” and is not contingent on “participation in education, training or the labour market” has the potential to substantially reduce food insecurity.

Given the concerns expressed the potential financial costs of a basic income program during the second reading of the bill, the study of this committee and proposed framework must also consider the potential savings from the health benefits, as well as the cost of continuing without evidence-based policy action on food insecurity.

SUMMARY

The latest release of household food insecurity statistics from the Canadian Income Survey showed that in 2022, 6.9 million Canadians in the ten provinces (18.4%) lived in households with inadequate or insecure access to food due to a lack of money.¹

The extraordinarily high rate of food insecurity is concerning because food insecurity takes a serious toll on the health of Canadians and on our healthcare systems.

The only interventions proven to reduce food insecurity are those that improve the incomes of vulnerable households, but our existing income supports for working-aged adults are piecemeal and insufficient. A guaranteed livable basic income has the potential to address income-related problems of food insecurity, which would improve people’s health, offset considerable public health care expenditures, and reduce the burden household food insecurity now places on health care resources.

It is critical for the development of the framework through Bill S-233 to consider the urgent need to address food insecurity in Canada. Despite monitoring the problem as part of the federal poverty reduction strategy and naming food insecurity as a central part of the national Food Policy, there have been no targets or plans established.

To date, funding for the expansion of food charity through the Ministry of Agriculture and Agri-Food has been the only federal intervention taken in the name of reducing food insecurity.² These investments will not reduce food insecurity because food charity is unable to address the underlying problem of income inadequacy.

The collaboration between the Minister of Finance, Minister of Health, and the ministers responsible for employment, social development and disability, brought forth by Bill S-233 could bring an important shift in the government’s approach to reducing food insecurity.

EVIDENCE

What is household food insecurity in Canada?

Household food insecurity, as this problem is measured and monitored in Canada, refers to the inadequate or insecure access to food due to financial constraints. It has been systematically monitored by Statistics Canada through the Canadian Community Health Survey since 2004 and Canadian Income Survey since 2019.

The questions used to determine a household's food insecurity status ask about the experience of food deprivation over the past 12 months, ranging from worrying about running out of food and/or limiting food selection (*marginal food insecurity*), to compromising in quality and/or quantity of food (*moderate food insecurity*), to missing meals, reducing food intake and at the most extreme going day(s) without food (*severe food insecurity*), all because of lack of money.

What does household food insecurity tell us?

While these questions ask about the ability to afford food, the deprivation experienced by food-insecure households is not confined to food. By the time a household is food-insecure, it is also likely compromising spending on other necessities, including housing and prescription medications.^{3, 4} As the severity of food insecurity increases, so does the likelihood of delayed bill payments, rent arrears, pawning and selling possessions, and giving up household services.⁵⁻⁷

Although food insecurity was initially understood to be a “food problem”, it is now understood as an experience-based measure of pervasive material deprivation that captures financial hardship in a way that income-based measures of poverty, like Canada's Official Poverty Line, do not.

The deprivation captured by household food insecurity is the product of household income; the stability and security of that income over the year; assets like homeownership; access to financial resources outside of income like savings, credit, or help from family or friends; debt; and costs of living.

By identifying whether households have difficulty affording food, we learn more about their economic wellbeing and hardship, making this measurement an important indicator of poverty for policy makers to attend to.

What is the state of household food insecurity in Canada?

The latest statistics, collected through the Canadian Income Survey from January to June 2022, found that 6.9 million people in the ten provinces (18.4%), including almost 1.8 million children under the age of 18, lived in a food-insecure household.¹ This is the highest number and percentage of people affected by food insecurity documented to date. It is especially concerning that 1.5 million Canadians lived in severely food-insecure households – households where members have at times gone without eating because of a lack of money for food.

Prior to the systematic monitoring of food insecurity through national surveys and the popularization of the statistics, the main point of reference was food bank usage statistics, which we now know seriously understate the scale of the problem. In 2022, the number of Canadians living in food-insecure households was over four times the number of visits received by Food Banks Canada.⁸

How would a guaranteed livable basic income improve health and reduce healthcare costs?

A guaranteed livable basic income designed with the objective of reducing food insecurity would greatly benefit Canadians' health and the healthcare system. Extensive research on the health implications of living in a food-insecure household has shown that food insecurity is tightly linked to adverse health outcomes, above and beyond the influence of other social determinants of health.

The health implications of food insecurity

The strongest evidence comes from research linking food insecurity data from population health surveys with administrative health records, which found that food-insecure people are more likely to be hospitalized for a wide array of conditions, stay in hospital longer, and die prematurely from all causes except cancer.⁹⁻¹³

Food-insecure people are not only more likely to experience various physical and mental health conditions like depression and anxiety disorders, heart disease, hypertension, and chronic pain;¹⁴⁻¹⁶ they are also less able to manage both chronic and acute health problems and therefore more likely to suffer adverse outcomes from those conditions.^{4, 15} These relationships are graded, with more severe food insecurity associated with greater likelihood of poor health.

While food insecurity is associated with poorer quality dietary intake,¹⁷ the breadth of health problems beyond poor nutrition and compromises to basic needs reinforces the need for interventions that focus on address households' financial circumstances, not food provision.¹⁸

Policy interventions to reduce food insecurity

Contrary to the popular perception that problems of food insecurity can be addressed by food banks, meal programs, or other kinds of food programs, there is no evidence that food insecurity in Canada is reduced by food charity or food subsidies.¹⁹⁻²⁵

The only interventions proven to reduce household food insecurity are those that improve the incomes of vulnerable households. Research on federal and provincial policies, like public old-age pensions, social assistance, child benefits, and minimum wage, has documented reductions in food insecurity when those interventions improve the incomes of low-income households.²⁶⁻³⁵

Basic income as a policy approach to reducing food insecurity

Research on the impact of our public old-age pension system provides the strongest parallel to a guaranteed livable basic income. Reaching the age of eligibility for collecting public pensions has been shown to reduce the risk of food insecurity for low-income, unattached adults by half.²⁶ While the income provided through public pensions is still low, it is well above the incomes of people reliant on provincial/territorial social assistance programs or precarious employment, and it is much more stable.³⁶

Households relying on provincial/territorial social assistance or Employment Insurance have a very high risk of being food-insecure.³⁷ These programs, which make up our social safety net for working-age adults and their families, appear to be part of the problem, rather than part of the solution.

Simply having a job and existing supports for low-income workers like the Canada Workers Benefit are not enough to ensure adequate income for basic needs. In 2021, half of food-insecure households reported their main source of income as wages, salaries, or self-employment.³⁷

Establishing an income floor for working-aged Canadians and their families, similar to that provided to seniors through public pension programs, would help address the vulnerability of households reliant on employment incomes but still unable to make ends meet, and ensure that working-aged adults not in the workforce also have sufficient incomes to meet basic needs.

Reducing food insecurity can reduce healthcare burden and expenditure

Worse health outcomes and increased need for healthcare services translates to greater health costs. Research on health care expenditures in Ontario showed that adults in more severely food-insecure households incurred over double the annual health care costs than their food-secure counterparts.³⁸

Another Ontario study found that food insecurity is the strongest predictor of being a high-cost health care user, someone who ranks in the top 5% of total annual spending.³⁹ Broader Canadian research examining hospitalization also documented greater acute care costs for food insecure adults.⁹

The persistence of food insecurity in Canada will continue to inflate our public health care budgets. By reducing food insecurity, a guaranteed livable basic income could offset considerable public health care expenditures.

Other jurisdictions have started recognizing the link between social policy, food insecurity, and health. The new Health Accord for Newfoundland and Labrador emphasizes that measures to address social determinants of health like food insecurity and poverty, are the only feasible path to health system sustainability in the province and supports a livable and predictable basic income as a central component to improve health.⁴⁰ It also calls on federal support and collaboration around basic income like the framework proposed through Bill S-233.

ABOUT

PROOF is an interdisciplinary research team investigating household food insecurity in Canada led by Dr. Valerie Tarasuk at the University of Toronto. Over the past 12 years, PROOF's work has helped establish food insecurity as a serious public health problem, a marker of pervasive material deprivation, and a matter of public policy.

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