

Poverty -A reality check

What really happened in 2009?

The Common Front for Social Justice analyzed different actions taken in 2009 to reduce poverty. It realized the situation for people living in poverty has not changed. On some level it even deteriorates, especially for recipients on Social Assistance. Below is our evaluation on nine (9) crucial issues that have a direct impact on people living in poverty.

1- Social Assistance recipients -basic assistance rates

a- Cancellation this year of the promise two percent (2%) increase in basic assistance rates to all 38,952 individuals and families on Social Assistance. This increase was given for the last two years.

b- December 2009 Provincial Budget – No basic rate increases for 37,852 individuals and families. Only 1200 received an increase

c- Shawn Graham said last summer that he was breaking his Charter for Change promise to increase the basic assistance rate to the Atlantic level before the end of his mandate. This will keep our rates at the bottom of almost all the provinces.

The financial situation of people on Social Assistance has deteriorated.

2-Heating Assistance

Last year program with the Salvation Army was a failure because there was not enough money from the private sector and government and the organization could not deliver services throughout NB. The provincial government took back the delivery of the program this year. From reports we are receiving the criteria are more stringent and less people are qualifying.

3- Food

March 2009, Hunger Count Annual report revealed an increase of 14% in the number of people using food banks over the previous years. In NB, 17,889 individuals went to a food bank that month. More than a third were children and 12% were working poor.

It means thousands went to bed with an empty stomach.

4-People with disabilities

No real change this year. Their basic assistance income is the third lowest of all the provinces.

5-Policies of the department of Social Development

No plan to overhaul the policy manual in the new poverty plan, a demand asked for by many community organizations. The policies are very important because they establish the conditions under which recipients will be able to receive different items, allowable earnings ,etc. A number of these policies are punitive. No gain for people on social assistance.

6-Minimum Wage

A \$0.50 increase in 2009. We are still with the lowest minimum wage (\$8.25 an hour-\$17.160 a year) ,after BC, in all of Canada. The government announced January 5, 2010 that there will be two increases in 2010 and 2011 so as to bring the Minimum Wage to \$10.00. This is a positive move..

7-Pay Equity

No Pay Equity Legislation for the private sector in 2009. Women are still discriminated and are making 14% less than men.

8- Employment Insurance

No real changes and unemployed workers are still only receiving 55% of their salaries.

9-NB Economic and Social Inclusion Plan

Three positive changes for 2009

- i - Interim category eliminated – involves *only 1200 people*
- ii - extend health card for 3 years for those getting a job – *positive change*
- iii - modification to the household income policy- *positive change*

Most of the other proposals in the plan are over a five years cycle and **had absolutely no impact in 2009**. The proposed delivery model, turning over areas of services to the community non-profit sector, has real problems with it. There is a danger of downloading provincial programs with no planning and money.

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