



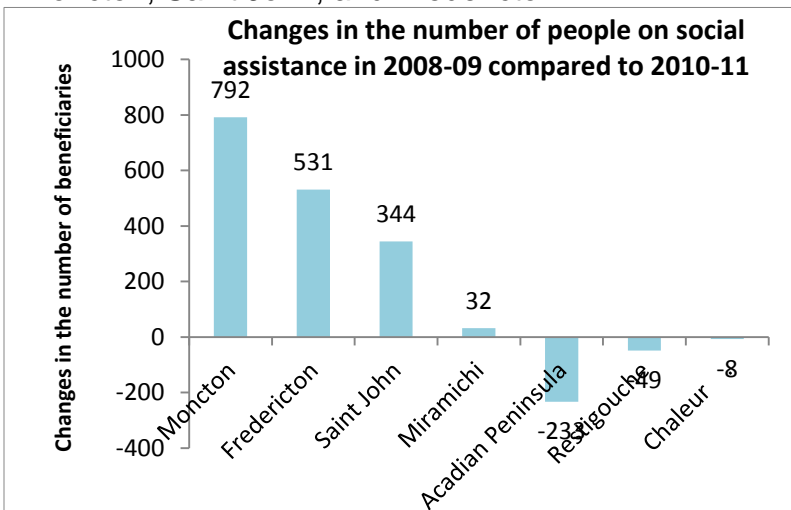
## 2008 Economic Crisis, an increase of poverty in urban regions.



A major consequence of the 2008 economic crisis has been increased poverty in New Brunswick and other provinces.

Before the crisis, in 2007-2008, the number of people getting social assistance was declining in all areas of N.B. Between 2008-2009 and 2010-2011, however, the number of people getting social assistance increased by almost 1,500.

Some areas have been harder hit than others. As shown in the figure below, almost all the increase in the number of people getting social Assistance lived around urban areas like Moncton, Saint John, and Fredericton.



Yet, rural areas, with the exception of Miramichi, did see a small decrease in the number of social assistance recipients.

Several factors help explain why the number of people getting social assistance has been increasing in the three largest urban areas, but not in rural areas.

These factors include:

- Job numbers in N.B are much worse since 2008. From 2008 to 2011, the number of people working full-time went down every year. The province lost a total of 7,800 jobs, and many people were forced to apply for social assistance. The creation of 800 part-time jobs doesn't even begin to make up for this loss.

**From 2006 to 2012, the cost of food in New Brunswick went up 26.5%. Costs for electricity, gasoline and furnace oil also increased. Yet basic social assistance rates have been frozen for the past four years!**

- Since 2008, the unemployment rate has gone up every year and is now nearing 11%. Federal changes to the Employment Insurance Program coupled with N.B.'s inability to create good jobs mean even more people have been forced into poverty.

- The severe cuts to public services like health care, education, libraries, highway maintenance in rural areas means people living in poverty are more likely to move to urban areas in search of the services they need.

- The fact that there are more community organizations to help people in need in urban centers encourages people living in poverty to move to the city.

- The rising cost of food, clothing and shelter, as well as the lack of public transit in rural areas, makes the situation of people living in poverty and other low income earners and their families even more precarious.