

Provincial Election 2014

Questionnaire for Political parties

April 2014



New Brunswick Common Front for Social Justice Inc.

www.frontnb.ca

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1- Increase revenue

- a) **Minimum wage.** Eleven percent (11.1%) of workers in New Brunswick earn minimum wage and a high number of these are women. Only once between 2001 and 2014, our minimum wage was above the minimum wage average of the Atlantic Provinces. It has been at \$10.00 an hour since 2012 and the purchasing power of these thousands of citizens has been eroding since then. Presently, no public plan has been announced to increase the minimum wage.

What is your party proposing to do to change this situation?

Answer: Minimum wage increases are not something that our government believes should be put on a calendar and increased solely because the date has arrived. Wages are paid by business owners, organizations and the government alike and must be based upon economic realities.

The provincial government is working towards the objective in the provincial poverty reduction plan *Overcoming Poverty Together: The Economic and Social Inclusion Plan*, which is to increase the minimum wage to attain the Atlantic average and subsequently index minimum wage to the rate of inflation.

- b) **Social Assistance.** There are close to 40,000 citizens depending on social assistance in our province. The vast majority of them have not received a basic rate increase between 2009 and 2013, even if the rate of inflation was 8.9% during that time. In October 2013, they received a 4 % increase and, in April 2014, they will receive a 3 % increase. Unfortunately, that will not cover what they lost in terms of purchasing power, and their revenue will still be under the poverty line. To better understand their situation, let us specify that, in 2013, 70% of those who relied on food bank to put food on the table were social assistance recipients. That represents an increase of 10% since 2009.

What is your party proposing to do to change the situation?

Initiatives and investments by Department of Social Development:

The following social assistance reforms introduced in October 2013 represented the broadest number of policy changes to the provincial social assistance system since the 1990s. These changes represent an investment of more than \$17M to address the commitment in *Overcoming Poverty Together* to restructure and increase social assistance rates:

- Increase to the basic rate of social assistance by 4% in October 2013 and by 3% in April 2014, to all clients except single clients with no identifiable barriers to employment;
- Elimination of the shelter deduction for certified disabled social assistance clients living in the parental home when the parental income is less than \$50,000, and introduced a flat rate shelter deduction of \$100 for single disabled clients and \$150 for units with one or more persons living in the parental home with income greater than \$50,000;
- Enhancement of the wage exemption policy by reducing the amount deducted from assistance to \$0.70 for every dollar earned by the client;
- Simplification of the rate schedule by merging the two existing rate schedules into one;
- Increase to the income supplement by 20% for families with children living in high cost shelter situations;
- Elimination of the Household Income Policy for single clients with multiple education, health, housing, and social challenges that present chronic, significant barriers to employment.

As part of its ongoing work to continue to reform the provincial social assistance system, the Department of Social Development will invest an additional \$1.3 million in four additional initiatives that further support the provincial government's commitment to reducing, preventing and alleviating poverty. The following four initiatives will be implemented on October 1, 2014:

- An increase to the flat wage exemption from to \$500 per month for persons with disabilities:

The fixed portion amount of the wage exemption for persons who are certified as disabled will increase to \$500 monthly from \$250, while continuing to allow them to keep 30 per cent of every dollar earned beyond \$500. This latest change to the wage exemption policy addresses the commitment to allow disabled clients to earn higher wages and still receive social assistance.

- An increase to the allowable asset limits for life insurance asset, prepaid funeral asset and business assets for all clients and applicants;

Life insurance and prepaid funeral amounts for clients and applicants, which includes persons with a disability, will no longer be restricted, allowing them to qualify for income assistance without needing to liquidate these assets. Self-employed clients or applicants will also see the existing business asset exemption period increase from 90 days to up to a full year.

- An increase to the allowable asset limits for a registered retirement savings plan asset and liquid asset exemptions for clients and applicants with disabilities;

Persons with disabilities will benefit from a liquid asset exemption of \$10,000 per unit, an increase from the current \$3,000 for single disabled and \$4,000 for family disabled units. An exemption of \$50,000 in RRSPs will also be offered to persons with disabilities to allow those requiring assistance to qualify without liquidating accumulated assets and incurring a penalty.

- A new youth services program with a new rate and benefits structure for persons 16 to 18.

A new service delivery model will be introduced that offers a more flexible, outcome-based approach to addressing the specific needs of youth aged 16-18 years. Youth aged 19 and 20 will be transferred over to the department's Transitional Assistance and Extended Benefits programs, which will enhance the services that are available to them. Both groups will see increases to the rate of support provided to them as a result of these changes.

In addition, the department will invest an additional \$305,000 in another 5% increase to the disability supplement on October 1, 2014 to help these clients with health- and disability-related expenses. This additional investment builds on earlier funding for 5% increases to the disability supplement in October 2011, October 2013 and October 2013, and it fulfils the commitment to increase the disability supplement by a total of 20%.

The budget for medical transportation benefits has also been increased by \$350,000. Effective April 1, 2014, the rates for private vehicles and taxis were increased by \$0.05 per kilometre. This funding helps social assistance recipients and low-income individuals who have a medical emergency and are unable to cover the cost of their travel.

In 2014/15, an additional \$1 million will be invested in the Health Services Program in response to the commitment to increase funding for program equipment and technical aids to persons with disabilities.

- c) **Pay Equity.** In New Brunswick, women's presence on the job market increased sizably between 1976 and 2014. Meanwhile, women's earnings have remained below men's, with women's hourly wages averaging \$2.35 less than men's, thus creating an 11.1% wage gap. This is partly because predominantly female jobs tend to be paid less than predominantly male jobs of equal value. As things stand, a considerable number of women are earning less, which can lead to a poverty situation for themselves and their families.

In 2010, the province enacted new pay equity legislation that applies to the whole public service sector, including the education and health sectors, as well as

Crown corporations, but not the private sector. Thousands of women are therefore not covered by this legislation and are not paid equitably as men for a job of comparable value.

What is your party proposing to do to change the situation?

Answer: Equal pay for work of equal value is something the Alward government takes very seriously. This government has worked hard to eliminate the wage gap within government, and the effort continues as more services are reviewed for equality. This effort includes legislation that was introduced to ensure that equal pay for equal work was enshrined within New Brunswick's public service.

Reducing the wage gap and ensuring pay equity in the private sector remains a focus of this government. To help eliminate the wage gap, the Alward government has made a number of resources available to employers so that they a) understand the issue and how it affects their employees; and b) have the knowledge-based resources at hand to help eliminate the wage gap in New Brunswick.

2- Public programs

a) New Brunswick Drug Plan. There are presently 70,000 families who don't have a drug insurance plan. Some of them are employed citizens but they don't have an employers' sponsored drug plan. Others don't have money to pay for a private drug plan or they have one that has a narrow coverage.

The actual proposed government plan would mean that those who are less able to pay would have to pay a high annual premium and a co-payment in order to be included in this plan.

What is your party proposing to do to change the situation?

Answer: During Phase 1 (May 1, 2014 – March 31st, 2015) of the Provincial Drug Plan roll-out, New Brunswickers may voluntarily pay premiums and receive the benefits of the provincial plan. Premiums will start at approximately \$67 / month and provide comprehensive and catastrophic benefits for plan members. This alleviates a huge burden for many families.

During Phase 2 (April 1st, 2015 - onward) uninsured New Brunswickers will pay premiums based on their income and their ability to pay. This scale will start at \$0/month for those New Brunswickers who are unable to pay. This model was developed by ESIC, the Economic and Social Inclusion Corporation and those interests continue to be represented throughout the implementation of the plan.

b) Child care. The availability, quality and cost of childcare represent a burning issue for many parents, particularly parents who earn a low salary or are living below the poverty line. That can be a real barrier for women who want to enter the workforce, but it is also one for those who have a job. On the other hand, child care workers need to earn a decent wage and have adequate working conditions and benefits. Presently, close to three quarters of child-care spaces are located in the three major cities leaving gaps for the rest of rural New Brunswick.

What is your party proposing to do to change the situation?

Answer: This government has been committed to making significant investments to support the affordability and accessibility of childcare services for parents with limited income.

- Additional funding has been provided to the Early Learning and Child Care Trust Fund to support the creation of new rural childcare spaces. The grant will increase by \$500 per facility to \$5,500 per facility.

Child Care subsidy rates have increased over a three year period (2012-13 to 2014-15). The last increase is scheduled for October 2014. The final subsidies will be:

- The control point for annual family income to be eligible for a full subsidy will have increased to \$30,000 from \$22,000.
- The control point for the annual family income cut-off point will go from \$40,000 from \$55,000.
- The maximum daily subsidies for infants (birth to 24 months) will be increased by \$4 per day, bringing the maximum daily rate to \$28.50 per day from \$24.50 per day.
- The maximum daily subsidies for preschoolers (two to five years old) will be increased by \$1.75 per day, bringing the maximum daily rate to \$24.25 per day from \$22.50 per day.

Support of Child Care Educators wage enhancements to secure recruitment and retention of child care educators:

- Re-instatement of the wage enhancement of \$2.75 per hour for the untrained staff, effective September 1, 2012, and retroactive to April 1,

2012. This initiative supports the pay equity measures for early learning and childcare personnel.

- Increase of 50 cents per hour of the wage top-up for trained staff over two years (2013-2014 to 2014-2015), with the top-up going to \$5 per hour from \$4.50 per hour.

c) Home Care. In New Brunswick, one person in seven is 65 or over. Most of these citizens live in their own home and would prefer to continue to do so for many years to come. As the population ages, an increasing number of individuals will need home-care services.

New Brunswick does not have a public program in place to offer these both essential services to seniors. Instead, the province chooses to let some 50 private and community agencies sell their services to clients, while partly funding them. Because these services are not a part of a public program, there are inequalities in the quality and in the delivery of services in different parts of the province. There are differences in wages, working conditions, staff training and the ability to offer the services in official languages.

What is your party proposing to do to change the situation?

Initiatives and investments by Department of Social Development:

The Department of Social Development is investing \$6.4 million in the innovative new Home First Strategy: to help seniors maintain their independence; and to support them to remain in their homes and communities as long as possible and avoid unnecessary hospital stays and residential placements. The programs and services needed to support seniors in their communities and maintain and their health and independence will be outlined when the new strategy is released in the coming weeks.

The Department will invest an additional \$725,000 to increase support to home support agencies from \$16 per hour to \$16.33 per hour, effective October 1, 2014. Wages for support home workers will increase by \$0.25 per hour. This investment further supports earlier investments in October 2012 when the funding to home support agencies was increased from \$15 per hour to \$16 per hour.

The home support sector will also be provided with \$150,000 in new funding for the completion of standardized curriculum development and for the implementation of competency-based training for senior care workers. This latest

investment builds on earlier funding provided to the sector for the implementation of Tier 1 and Tier 2 training.

- d) **Social Housing and Homelessness.** Housing is not just an amenity, it is an essential good. Access to adequate housing is included among the list of human rights. The province is responsible for ensuring that low-income citizens can access clean and affordable premises, suitable for human occupation. Therefore, the issue of social housing is a public concern, rather than a private one.

Presently too many citizens living in poverty have to pay more than 30% of their income for their accommodation and too many are living in substandard housing. There is also a need for more funding for housing repairs.

What is your party proposing to do to change the situation?

Initiatives and investments by Department of Social Development:

Under the *2014-2019 Canada – New Brunswick Agreement for Investment in Affordable Housing (IAH)*, \$39 million in new federal funding will be cost-matched by \$39 million in funding by the provincial government and partners. This combined investment of \$78 million will be invested over the next 5 years in initiatives and programs to continue to improve the quality, availability and affordability of housing options for New Brunswick's low-income families, seniors and persons with disabilities.

Under this new IAH, the province has the flexibility to design and deliver a range of programs to address local housing needs and priorities. The funds will be used to increase the supply of affordable housing through new construction; improve housing affordability through rental subsidies; improve and preserve existing housing stock occupied by low-income homeowners and rental households; and foster safe and independent living for seniors and persons with disabilities.

This new funding will be invested in the creation of new affordable housing units, the creation of additional rental supplements, and in additional financial assistance for low-income homeowners to make the repairs necessary to remain safely in their homes. These investments will mean that more seniors will be provided with affordable housing and others will benefit from funding that they need to make necessary housing repairs.

- e) **Literacy.** Poverty and illiteracy are closely connected. It is a vicious circle that is difficult to break. People from poor families, as well as the long-term unemployed, seniors, Native people, prisoners, people with disabilities, and racial and cultural minorities, all have higher rates of both illiteracy and poverty. They have fewer

choices when it comes to jobs, education, housing and other things we need to have full lives.

The 2012 PISA [Programme for International Student Assessment] study, carried out by the Organisation for Economic Co-operation and Development, measured the extent to which 15-year-old students in Canada have acquired some of the knowledge and skills that are essential for full participation in modern societies. New Brunswick had the third lowest scores among the provinces in reading and science and the fifth lowest in mathematics.

What is your party proposing to do to change the situation?

Answer: The New Brunswick government is always looking to improve PISA test scores by continually assessing the best data available to ensure this provinces' children stay competitive in Canada and the world. To that effort, New Brunswick is committed to continuous improvements in the education of our youth.

Specifically, as literacy is a critical skill, New Brunswick has implemented a high school literacy graduation requirement, to ensure our graduates are able to go forward and pursue opportunities beyond public school. The *English Language Proficiency Assessment / Reassessment* has shown significant improvement over the last three years.

While these results show that New Brunswick is moving in the right direction, there is a great deal of work that is still needed. New Brunswick has the opportunity and classroom expertise to be a world leader. Literacy and numeracy is far too crucial to so many aspects of everyday living and social outcomes to be content with today's results

This government is committed to empowering and enabling our teachers and schools to do their best for New Brunswick's students. As a province we are pleased that our scores are increasing, but we cannot be complacent, we need to be constantly making strides to improve literacy and numeracy for all New Brunswick students.

- f) People with disability.** New Brunswick has the second highest rate of disability in Canada at 16.4%. National employment participation figures clearly demonstrate that people with disabilities lack opportunities for employment compared to the general population. Approximately one-fifth, 22% of working age adults with disabilities live in low income households.

While we now understand that having a disability does not make you unemployable, the employment reality for adults with disabilities is far from

acceptable. People with disabilities work half as many weeks per year as others, are unemployed longer, and spend nearly three times as many weeks out of the labour force. Meaningful employment is generally recognized as the primary method by which adults contribute to their individual well-being and that of the larger society. Persons with disabilities are still greatly overrepresented within the ranks of unemployed Canadians.

What is your party proposing to do to change the situation?

Answer: The Employment Action Plan for Persons with a Disability was presented to government in May 2012 and is a five year plan with 38 recommendations to be addressed by various government departments in collaboration with stakeholders representing the disability community.

The Department of Healthy and Inclusive Communities leads a group of government representatives and stakeholders, referred to as the Joint Implementation and Monitoring Group, to oversee the implementation of the recommendations in the Employment Action Plan for Persons with a Disability.

The Group has met on 6 occasions since being established in June 2013 and will continue to meet to monitor the implementation of the Action Plan and report on indicators established to measure the effectiveness of the Plan. Departments that have the lead on specific recommendations have established sub-committees within their departments that include stakeholders to work on details of action items from the Plan.

The first Progress Report that has been jointly prepared by the Joint Implementation and Monitoring Group will be presented on June 2nd during Disability Awareness Week and an annual progress report will be prepared going forward.

On May 12th a Roundtable will be held with New Brunswick employers to engage them in a dialogue on the hiring persons with a disability and trying to raise awareness related to the benefits of being an inclusive society by employing persons with a disability.

The Roundtable is being held in conjunction with a larger event being hosted by the Department of Post-Secondary Training and Labour – the Job Summit which will also promote the employability of persons with a disability.

3- A Fair Tax system. Income tax is the way for government to generate revenue in order to provide services to its citizens and to make the government function. It is a

fair system because it is based on the individual ability to pay; the higher your revenue, the more income tax you pay.

Presently, the levels of individual income tax and corporate tax are not generating enough revenue and the provincial taxation system has lost some of its fairness.

What is your party proposing to do to change the situation?

Answer: This government has worked diligently over its mandate to increase the fairness in New Brunswick's tax system.

All tax brackets and credits will continue to be indexed. In addition, the enhancements to the Low-Income Tax Reduction that were announced in 2009 will continue in the interest of helping protect lower-income New Brunswickers from the tax rate changes.

What do these changes mean for lower income earners? In 2013, single individuals with incomes up to \$15,667 pay no provincial income tax and one-earner families with incomes up to \$27,779 pay no provincial income tax. Also, single individuals with incomes up to \$35,334 and one-earner families with incomes up to \$55,000 will continue to receive some benefit from the Low-Income Tax Reduction.

**Note: Please return the Questionnaire, before April 25, 2014, to the:
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Élection provinciale 2014

Questionnaire à l'intention des partis politiques