

Looking Back to Move Forward

Renewal of Overcoming Poverty Together:
The New Brunswick Economic and Social Inclusion Plan



Table of Contents

Executive Summary	3
1. Introduction	6
2. Overcoming Poverty Together (OPT)	8
3. Economic and Social Inclusion Act	20
4. Economic and Social Inclusion Corporation (ESIC).....	20
5. Community Inclusion Networks (CINs)	21
6. A Snapshot of New Brunswick: The Last Decade	24
7. Lessons Learned	33
8. Renewal of Overcoming Poverty Together (OPT).....	34

EXECUTIVE SUMMARY

Starting in February 2019, the New Brunswick Economic and Social Inclusion Corporation (ESIC), in collaboration with the Community Inclusion Networks (CINs) and partners will begin the renewal process of the Economic and Social Inclusion Plan. The new plan will begin in 2020 and will be developed based on information gathered during a public engagement process as well as on available research and observed evidence.

Over the past ten years, New Brunswick's multi-sector approach to economic and social inclusion has been unique in Canada. Through a partnership between individuals with lived experience of poverty, the non-profit sector, the business community and government, help was provided to the people of New Brunswick to more fully participate in society.

Overcoming Poverty Together (OPT)

Initiatives stemming from New Brunswick's Economic and Social Inclusion Plan and the CINs have significantly changed the lives of New Brunswick men, women and children. Stories about how these initiatives have improved the quality of life of participants are available on ESIC's website¹. The first two Economic and Social Inclusion Plans, OPT1 from 2009 to 2014 and OPT2 from 2014 to 2019, identified 22 and 28 action items respectively.

Some of the highlights achieved from OPT to-date include:

- A social assistance reform that: brought all clients up to a minimum assistance rate of \$537 per month; made it possible for adult clients to reduce expenses by sharing accommodations; and increased motivations to work by allowing recipients to keep more of their employment income, among other advances.
- The introduction of the New Brunswick Drug Plan that provides coverage to New Brunswickers who have a valid Medicare card but who don't have government or private prescription drug insurance.
- The Healthy Smiles, Clear Vision program which provides vision and dental services to children from low-income families.
- The development of a provincial transportation strategy and several community transportation services across the province.
- A series of increases to the minimum wage.
- A greater support to the school community breakfast programs.
- Various tax programs for low income and middle-class families for post secondary education, and daycare.

Economic and Social Inclusion Act

The Economic and Social Inclusion Act requires that the Economic and Social Inclusion Plan be renewed every five years through a public engagement process. Ambitious targets for reducing income poverty were included in the Act (to reduce income poverty by 25% and deep income poverty by 50% by 2015). Depending on the year and the measures used to evaluate the progress, targets have been reached or surpassed for certain groups, some targets have yet to be met.

Economic and Social Inclusion Corporation (ESIC)

In 2010, ESIC was created to oversee the development, implementation and reporting of New Brunswick's Economic and Social Inclusion plan. ESIC is uniquely structured with representation from the four sectors (citizens, non-profit, business, government) on the board of directors, as well as advisory committees.

Community Inclusion Networks (CINs)

In 2010–2011, 12 CINs were created under the Economic and Social Inclusion Act to establish regional priority actions which complement the Overcoming Poverty Together (OPT) priority actions. Every two years the CINs renew their regional action plans, which focus on community programs and services delivered through partnership collaboration. The plans address specific poverty issues in their region.

Over 90,000 New Brunswick citizens have participated in nearly 500 economic and social inclusion initiatives around the province since 2011. These projects focused on improving access to community transportation services, healthy food, and education supports. The projects have built on the strong asset already in place in communities all around the province. Residents have had an opportunity to lead initiatives that improve the quality of life for themselves and their neighbours. Furthermore, ESIC has funded local projects through grant programs, and communities have more than matched these investments through partnerships with businesses, local service organizations, and citizens.

New Brunswick Context: The Last Decade

Prior to the onset of the global recession in 2008, and in the period leading up to the development of Overcoming Poverty Together, New Brunswick was experiencing a period of labour market growth, fuelled by the anticipation of significant private sector investments. Following the recession, the economic situation changed. Over the past ten years, New Brunswick has faced considerable challenges including:

- a small population size and aging demographic
- outmigration of youth
- slow economic growth
- no net growth in employment
- persistent wage gap within many parts of Canada
- low levels of private sector investment
- increasing government debt

Despite the challenges faced, New Brunswick has strengths to build on including:

- a strong post-secondary education system graduating over 8,000 students per year
- a good quality of life
- lower housing costs relative to other parts of Canada

Renewal of the Economic and Social Inclusion Plan

New Brunswick's economic and social inclusion efforts to-date have been marked by a commitment from all sectors to work together to reduce poverty and to create a province where all citizens are able to fully participate. We invite your participation in renewing New Brunswick's Economic and Social Inclusion Plan to help reach these goals. In the next plan, ESIC wishes to focus on achieving impact through a reduced number of priorities.

1. INTRODUCTION

As New Brunswick moves toward the development of the new Economic and Social Inclusion Plan, let's look at what has been achieved in the last decade, and where we want to be moving forward.

The New Brunswick Economic and Social Inclusion Act stipulates that the Economic and Social Inclusion Plan, Overcoming Poverty Together (OPT), must be renewed every five years through a public engagement process. Starting in February 2019, the Economic and Social Inclusion Corporation (ESIC), in collaboration with the Community Inclusion Networks (CINs), will begin the renewal process by holding community and sectorial dialogues, focus groups and consultations with subject matter experts. In addition, individuals can participate by completing an online questionnaire or submitting a brief to highlight specific issues or concerns related to poverty or social inclusion.

Poverty is a complex issue that goes beyond an individual's income. Many factors can increase the odds of living in poverty: some are systemic and based on life conditions, while others are due to unexpected life circumstances. There have been many advances in poverty reduction in New Brunswick, however, there will always be challenges to face.

Addressing poverty is a shared responsibility that requires an integrated approach and the engagement of all New Brunswickers. This philosophy shapes our thinking and is the cornerstone of Overcoming Poverty Together – unique in Canada for its visionary principles and operational structure. Those who live or have lived in poverty provide a realistic view of poverty in New Brunswick. Their contribution at the decision-making level is invaluable in the formulation and execution of the plan. Businesses also feel strongly about this initiative because a skilled workforce helps companies compete in the global market. Non-profit organizations are a key component of the plan as they provide firsthand expertise in community development and service delivery. Through its financial support to ESIC and the CINs, government's direct involvement remains essential in the development of policies and the delivery of provincial programs and services.

Overcoming Poverty Together 2009 – 2014 (OPT1) was the initial plan, which focused on legislation, establishing ESIC and the CINs. These were to support community and regional partnership development, and improve provincial services to address poverty issues. New Brunswick recognized the need to join forces and work together in building capacities for each of us. The 12 CINs, established as part of OPT1, play a vital role in building the collective capacity of working together. Considerable progress has been made since the beginning stages of the poverty reduction plan through the community and regional work of the CINs.

Overcoming Poverty Together 2014 – 2019 (OPT2) was collaborative at both the provincial (ESIC) and regional levels (CINs) in

advancing ideas on poverty-focused initiatives and supporting the collaboration of the four sectors thereby working together toward poverty reduction and economic and social inclusion in New Brunswick.

While many of the issues raised during the OPT2 process were like those uncovered during the public engagement process of the first plan, the conversation has evolved. New emphasis has been placed on community capacity-building and recognizing the fact that everyone has a role to play in fostering economic and social inclusion. More so, it has been acknowledged that communities must be empowered to tackle poverty and social and economic inclusion in New Brunswick.

ESIC will continue to reinforce, with decision makers, the importance that many on-going programs and services from the first two plans provide to the citizens of New Brunswick to improve their economic and social situation.

There is still work to be done to reach realistic poverty reduction objectives and economic and social inclusion in New Brunswick. ESIC has become the cornerstone of those objectives as is the willingness of all stakeholders to make the change necessary. All the participants in this partnership are working toward building a fair and inclusive New Brunswick. Reaching our poverty reduction objectives will take a great deal of political will and renewed commitment from the private and non-profit sectors to work collaboratively to reduce poverty in New Brunswick.

As of 2018, almost every province and territory has a poverty reduction strategy. In addition, in August 2018, the Government of Canada released the first national poverty reduction strategy called Opportunity for All, which will help reduce poverty, support Canadians working hard to join the middle class, and build a diverse, prosperous and truly inclusive country.

The new plan, to commence in 2020, will be developed from information gathered during the public engagement process. This process will provide an opportunity for the residents of New Brunswick to come together to discuss poverty issues surrounding economic and social inclusion. As with the development process during OPT2, ESIC acknowledges that many comments expressed during this upcoming process are or will be addressed in other plans and strategies already in place. In the new plan, ESIC will focus on continuing to achieve impact through a smaller number of priorities.

2. OVERCOMING POVERTY TOGETHER: THE NEW BRUNSWICK ECONOMIC AND SOCIAL INCLUSION PLAN

The first two poverty reduction plans, OPT1 in 2009 – 2014 and OPT2 in 2014 – 2019 identified 22 and 28 action items respectively which focused on projects ranging from social assistance reform, development of a drug plan, social enterprise, food security networks, transportation, minimum wage, one stop shop, living wage and pay equity, housing, education, social inclusion and hundreds of community lead poverty focused programs to highlight a few. Priority actions that were not fully completed and are ongoing:

- evaluation and implementation of an urban and rural transportation strategy;
- evaluation and implementation of a one-stop shop,
- continuation and expansion of the Community Volunteer Income Tax Program – Get Your Piece of the Money Pie,
- implementation of person-centered integrated service-delivery,
- review of minimum wage,
- reduction of barriers to continuing education, and
- addressing availability of registered early learning spaces.

Overcoming Poverty Together 2009 – 2014 (OPT1)

In 2009, New Brunswick launched an innovative, non-partisan, approach to poverty reduction. This involved a comprehensive public engagement process led by the Department of Social Development. The public engagement focused on three questions:

1. What does poverty mean to you?
2. What causes poverty?
3. What can be done to reduce poverty?

Over 2,500 residents of New Brunswick, including those with lived experience of poverty, participated in this process which led to the development of New Brunswick's first Economic and Social Inclusion Plan. New Brunswick's poverty reduction structure is unique among Canadian jurisdictions. The spirit of the plan was built around the coming together of the four sectors (citizen, non-profit, business and government) to create and support opportunities for socio-economic development and reduce poverty.

Twenty-two priority actions divided into three pillars of Being, Becoming and Belonging were identified in OPT1 as key activities to overcoming poverty. Through OPT1, significant progress was made.

OPT 1 Success Stories

Social Assistance Reform

A social assistance reform took place between January 2010 and October 2014 with changes mainly to the wage exemption policy and household income policy.

**January
2010**

Interim assistance rate was eliminated. Over 1000 existing social assistance recipients received an 82% increase (\$294 to \$537) in their rates and single persons qualified under the new rate.

**August
2011**

School supplement was increased from \$50 to \$100 per school-aged child. The benefit was extended to include all low-income children, not just those on social assistance.

**October
2013**

- Income supplement increased by 20%.
- The wage claw back rate was reduced from 100% to 70%.
- Certified disabled clients living with parents no longer subject to the "shelter deduction".
- Single clients with multiple education, health, housing and social challenges that present chronic, significant barriers to employment may share accommodations.
- Allowable asset limits were increased for disabled clients.

**April
2014**

Rates increased by 7% for Extended Benefit and non-single Transitional Assistance recipients.

**October
2014**

Flat wage exemption limit was extended from \$250 to \$500 for disabled clients.

Healthy Smiles, Clear Vision

Healthy Smiles, Clear Vision was developed and implemented during OPT1 as a dental and vision program for children of low-income families who do not have dental and vision coverage through any other government program or private insurance plan. As of March 31, 2014, 16,339 New Brunswick children had access to the program.



“The New Brunswick Healthy Smiles, Clear Vision program is the answer in providing basic dental care that every child should receive to grow and become healthy responsible adults. Through this initiative, children can access basic dental care at an earlier age. Dental decay is entirely preventable and this program helps us to minimize the impact on these children.”

– *Dr Suzanne Drapeau-McNally, Moncton Dentist and President of the New Brunswick Dental Society*

“The New Brunswick Association of Optometrists believe comprehensive vision care is not a privilege but rather a right that should be universally available for everyone to access especially for the most vulnerable of our population. The Healthy Smiles, Clear Vision Program is a step in the right direction.”

– *Dr. Harvey Bass, Grand Falls Optometrist, President of the New Brunswick Association of Optometrist*

“The prescription drug program is yielding very positive results for New Brunswickers with health problems and financial constraints. In my opinion this program is the largest social public policy initiative for New Brunswickers since Medicare itself and the Equal Opportunity Program.”

– *Dr. Dennis J. Furlong, physician, committee chair and former Minister of Health*

New Brunswick Drug Plan

The New Brunswick Drug Plan was developed to provide prescription drug coverage for New Brunswick residents who have a valid Medicare card but who don't have government or private prescription drug insurance. Since May 1, 2014, the New Brunswick Drug plan has provided access to drug coverage to uninsured New Brunswick residents as a voluntary plan. Before its introduction, many residents could not get coverage due to pre-existing conditions or could not afford to buy private drug coverage. As of December 31, 2014, 2,438 individuals had enrolled in the plan.



Community Economic Development Corporation

In 2014 – 2015, enhancements to the Small Business Investor Tax Credit program were made to allow for the development of the Community Economic Development Corporation which allowed individuals and corporate investors to invest in a registered local community fund. The Small Business Investor Tax Credit (SBITC) program allows for individuals to invest in local registered community economic development corporations and provides a non-refundable personal income tax credit for their commitment to local community investment (50% credit to individual investors and 15% credit to corporations or associations).

For the fiscal year 2017 – 2018, 175 companies were approved to participate in the SBITC with potential investments of \$55.3 M. Tax credits representing total of 39.9 M were issued for the 2017 taxation year. So far, for the 2018 – 2019 fiscal year, there have been 125 companies approved in the SBITC program with potential investments of \$37.1 M.

2014 to present

Total applicant Corporations and approved for registration	704
Total \$ invested through the SBITC program	\$141,027,824
Total \$ value of tax credits issued under the SBITC program	\$64,763,642

Minimum Wage

The minimum wage objective was to raise it to the Atlantic average by September 1, 2011, and adjust for inflation annually thereafter. The objective was partially reached. The automatic indexation adjustment, as of the date of this document, has not yet been achieved.

September 2009	\$8.25
April 2010	\$8.50
September 2010	\$9.00
April 2011	\$9.50
April 2012	\$10.00
December 2014	\$10.30
April 2016	\$10.65
April 2017	\$11.00
April 2018	\$11.25

Economic and Social Inclusion Corporation's (ESIC) Get Your Piece of the Money Pie Program

In 2010, ESIC in partnership with the Canada Revenue Agency (CRA) created the Get Your Piece of the Money Pie program to inform low-income New Brunswickers about the opportunities and benefits of filing their income tax and benefit return for free through CRA's Community Volunteer Income Tax Program. By filing a return, New Brunswickers can be eligible to receive federal and provincial credits and access benefits such as GST/HST Credit, Canada Child Tax Benefit, Canada Learning Bond, New Brunswick School Supplement, Healthy Smiles, Clear Vision and the New Brunswick Drug Plan.

Money Pie	2010	2011	2012	2013	2014
# volunteers	363	352	443	579	539
# of returns filed	13,969	14,481	17,705	17,763	20,124
# host organizations	61	62	68	89	99
\$ Benefits accessed	—	\$22.57M	\$25.96M	\$29.40M	\$32.36M

Overcoming Poverty Together **2014 – 2019: The New Brunswick Economic and Social Inclusion Plan**

OPT2 was built as a roadmap for New Brunswick to move towards economic and social inclusion for all. It was not meant as a “how to” but rather a “what can be done collectively” plan to reduce poverty and to improve the quality of life of all people living in New Brunswick.

The public engagement process leading to the development of OPT2 focused on the assets that citizens, communities, and organizations have that could be part of the solution. OPT2 was developed with the principles of capacity building, recognizing that citizens and their communities are a driving force to sustainable change. The public engagement process for OPT2 focused on the following three questions:

1. What can we do together as a province to reduce poverty and contribute to economic and social inclusion?
2. What can we do together as a community to reduce poverty and contribute to economic and social inclusion?
3. What can you do as a citizen and/or an organization to reduce poverty and contribute to economic and social inclusion?

Nearly 5000 New Brunswickers participated in the fifteen OPT2 regional and sectoral dialogue sessions, or submitted online comments and briefs. This helped develop a renewed plan with 10 themes and 28 priority actions broken down into four pillars: community empowerment, learning, economic inclusion and social inclusion.

OPT 2 Success Stories

Healthy Smiles, Clear Vision

Healthy Smiles, Clear Vision continued into OPT2 as the dental and vision program for children of low-income families which also included Syrian refugee children and children four years of age. As of March 31, 2018, 18,120 children accessed the program, an increase of 11% since March 2014.

New Brunswick Drug Plan

The New Brunswick Drug Plan also continued into OPT2, providing prescription drug coverage for New Brunswickers who have a valid Medicare card but who don't have government or private prescription drug insurance. In April 2015, the Government introduced two lower premiums (\$200 and \$400 per year) to provide relief to low-income earners. More information about the New Brunswick Drug Plan can be found at the following web page: www.gnb.ca/drugplan. As of 2017-2018, there were close to 11,000 New Brunswick residents accessing this program totaling a little over \$28.1 million.

Economic and Social Inclusion Corporation's (ESIC) Get Your Piece of the Money Pie Program

In 2015 – 2017, ESIC's Get Your Piece of The Money Pie program continued to expand and flourish. In 2016, Super Clinics were created to help citizens of New Brunswick file their taxes, obtain a Social Insurance Number for their child from Service Canada and register their children for the Canada Learning Bond all in one location. There were seven super clinics in 2017 and six in 2018. Since 2011, through this program, there has been a 190% increase in the number of clinic host organizations, a 67% increase in the number of returns filed and a 72% increase in the value of benefits accessed as of 2016.

Money Pie	2015	2016	2017
# volunteers	450	571	571
# of returns filed	21,402	22,671	23,389
# host organizations	125 (61-year-round)	166 (87-year-round)	177 (75-year-round)
\$ Benefits accessed	\$35.84M	\$38.87M	\$46.8M

Canada Learning Bond

Since 2015, ESIC has been a champion of the Canada Learning Bond (CLB) in New Brunswick. The CLB offers up to \$2000 in free money to eligible children (a family net income of approximately \$46,000 and under) born after December 31, 2004 for their post-secondary education. There was a 23.6% participation rate with 11,806 New Brunswick children registered for the CLB as of December 31, 2015, compared to a 27.7% rate in September 2018 with 17,762 children registered, indicating a 50.4% increase since 2015. This is an ongoing project for ESIC because as of September 30, 2018 there were 64,215 New Brunswick children eligible for the CLB.

“Since I benefit of the services of the CTC, I no longer miss my important appointments for me and for my daughter. Next year I’m going back to school and if I missed my appointment, I would have missed this opportunity!”

– *A single mother in the Chaleur region*

Community Transportation

Through the collaborative work of the CINs, there are now 17 community transportation initiatives in operation or in development in New Brunswick, compared to one in 2010. More than half of the users of the programs are seniors. Horizon’s Community Health Needs assessment shows that access to affordable transportation options remain a concern for the New Brunswick population. Transportation programs now reach from one region to the other, allowing people to attend their medical appointments, go to work or participate in community events.

A Rural and Urban Transportation Advisory Committee was created to develop a comprehensive rural and urban transportation strategy for the province. The final report was released in December 2017 and an interdepartmental committee on transportation was formed in January 2018, to develop a government response to the report. As part of this project, ESIC was selected to lead a public innovation lab on transportation. This six-month process will resolve issues surrounding marginalized citizens accessing transportation. More information on community transportation needs and services are outlined in ESIC’s 2017 report *From Surfaces to Services*.

One-Stop-Shop

In April 2017, a working group was formed to research and develop options for a New Brunswick One-Stop-Shop information system to centralize information from government and non-profit programs. The working group has presented the final report to the ESIC Board. ESIC and government are currently having ongoing discussions concerning the project’s options for next steps.

Career Development Opportunities

The Career Development Opportunities program at the Department of Social Development has undergone a transformation in the past few years and has become a world class leader in providing pre-employability type services that empower clients to act for self-improvement. Through Pre-Employment Modules (In Motion and Momentum), social assistance clients can now focus on acquiring the skills/attitudes necessary to move forward with case planning and begin career exploration. Furthermore, the Experiential Learning and Employment (ELE) Continuum program has helped many clients address personal barriers to employment through a more comprehensive approach linking personal development, Workplace Essential Skills, job preparation and occupation specific skills:

Finally, Motivational Interviewing has transformed how social assistance clients are served by a more client centered approach that lights the internal motivation of the client to act to improve their lives.

Comparative table of the two first Overcoming Poverty Plans

	OPT1	OPT2
Public dialogue questions	<ol style="list-style-type: none"> 1. What does poverty mean to you? 2. What causes poverty? 3. What can be done to reduce poverty? 	<ol style="list-style-type: none"> 1. What can we do together as a province to reduce poverty and contribute to economic and social inclusion? 2. What can we do together as a community to reduce poverty and contribute to economic and social inclusion? 3. What can you do as a citizen and/ or an organization to reduce poverty and contribute to economic and social inclusion?
Public dialogue process	Public dialogues, round tables and final forum	Public dialogues, regional and provincial stakeholders' meetings
Pillars/Themes	<p>Opportunities for being (meeting basic needs)</p> <p>Opportunities for becoming (life-long learning and skills acquisition)</p> <p>Opportunities for belonging (community participation)</p>	<p>Community Empowerment</p> <p>Learning</p> <p>Economic Inclusion</p> <p>Social Inclusion</p>
# of priority actions	22	28
# of advisory committees created	<p>Heath</p> <p>Social assistance reform</p> <p>Social enterprise and community investment fund</p>	<p>Living Wage/Pay Equity</p> <p>One Stop Shop</p> <p>Rural and Urban Transportation Systems</p>

Through the collaboration of governments, business and non-profit sectors, people living in poverty and individual citizens, all men, women and children in New Brunswick shall have the necessary resources to meet their basic needs and to live with dignity, security and good health. Furthermore, all New Brunswickers shall be included as full citizens through opportunities for employment, personal development and community engagement.

– *Vision of the Economic and Social Inclusion Act, 2010*

3. ECONOMIC AND SOCIAL INCLUSION ACT

At the final forum leading to the adoption of the Plan in November 2009, the four sectors recommended that an Act be created to secure the longevity of the poverty reduction plan by establishing a non-partisan Crown Corporation called the Economic and Social Inclusion Corporation. The four sectors' participants understood the importance of ensuring the continued partnership of the citizens of New Brunswick in the development, adoption, implementation and evaluation of an Economic and Social Inclusion Plan.

The Act indicates that the Overcoming Poverty Together Plan be renewed every five years through a public engagement process.

4. ECONOMIC AND SOCIAL INCLUSION CORPORATION (ESIC)

Since 2010, ESIC has been responsible for the coordination and implementation of the OPT poverty reduction plans. ESIC and OPT are uniquely structured as the Board, committees and other groups formed under ESIC have representation from the four sectors.

The Economic and Social Inclusion ACT describes "poverty" as the condition of a person who lacks the resources, means, opportunities and power necessary to acquire and maintain economic self-sufficiency or to integrate into and participate in society.

ESIC's foundation and operations as a Crown Corporation are guided by the Economic and Social Inclusion Act. As outlined in the Act, the main purpose of ESIC is to:

- lead the implementation and evaluation of the Provincial Plan and the development and adoption of other Economic and Social Inclusion Plans, and
- coordinate and support the CINs in the development of their regional plans and in the implementation of the objectives of the Provincial Plan set out in their regional plans.

ESIC's reach ranges from the CINs in the communities across New Brunswick to the provincial government level, with three government Ministers on the Board and a GNB Interdepartmental Working Group on Poverty. ESIC and its operations continue to work collaboratively to address the multi-faceted issues of poverty in New Brunswick.

Since their creation more than ten years ago, ESIC and the CINs have teamed up with various organizations to improve the lives of the people of New Brunswick, building stronger families, and promoting economic and social inclusion to reduce poverty in New Brunswick. These networks are very active in their communities, and year after year, they succeed in bringing together citizens, groups and other partners to help their fellow citizens improve their quality of life.

5. COMMUNITY INCLUSION NETWORKS (CINS)

At the heart of the OPT plan are 12 CINS supported by ESIC. Over the years, they have created a movement of community engagement which is unprecedented in the province.

In 2010 – 2011, 12 CINS were created under the Economic and Social Inclusion Act to establish regional priority actions which were parallel to the OPT priority actions. Every two years, the CINS renew their regional action plans focusing on community programs and services delivered through partnership collaboration which address specific poverty issues in their region.

The CINS have focused on community and regional initiatives to foster partnerships, build capacity, and leverage resources to directly impact the lives of the people of New Brunswick which helps to meet OPT's economic and social inclusion goals. Through ESIC's financial and mentoring support of the networks, there have been noticeable improvements in:

- capacity building at the community level,
- access to transportation,
- access to healthy food for low-income individuals and families,
- after school and summer programs for children and youth,
- adult return-to-work training programs,
- social enterprise creation,
- adult and children literacy programs, and
- affordable housing initiatives.

These programs have built pathways to strengthen the social inclusion of participants and enabled leadership capacity among volunteers.

A key aspect of the community projects is that they have built on the strong existing assets in communities around the province. Through these projects, the people of New Brunswick have had an opportunity to lead initiatives that improve the quality of life for themselves and their neighbours. ESIC has invested in these local projects through grants, and communities have more than matched the investments through partnerships with businesses, non-profit organizations and citizens.

Community Inclusion Networks (CINs) **Success Stories**

The Super Duper Fun Fun Fun Camp

Milltown Elementary School, in partnership with the Boys and Girls Club of Charlotte County and Vibrant Communities Charlotte County, have been operating a FREE Literacy & Numeracy Enhancement Summer Camp for the past eight years. This was undertaken as an effort to prevent the academic “summer slide” in K-5 students from low income families. The results and impact have been outstanding with over 300 students from Milltown benefitting from this program, which has expanded to two other schools where it continues to have positive impact.

Community Food Smart

The idea was simple; pool money, take advantage of bulk price breaks, and put more affordable fruit and vegetables on people’s tables. This bulk food buying club started in Fredericton five years ago and has grown from 40 local members to 1500 plus individuals/families in over 17 additional communities. It engages monthly well over 100 volunteer who contribute more than 3000 volunteer hours annually. Community Food Smart demonstrates the ability of collaborative, network organizations to successfully leverage the necessary resources to deliver a valuable service to the community at minimal cost.

Enviro Plus South-East

Since 2013, Enviro Plus South-East has worked to recycle household appliances and furniture. The goal of the promoters is to facilitate the integration of marginalized people into the labour market. The company provides work for people in difficult life circumstances, such as transitional residents or ex-prisoners. They also provide trainees with basic employability and coping skills that increase their chances of joining the workforce. Twenty-three participants aged between 19 and 65+ had the opportunity to benefit from this initiative in the first year.

Nourishing Minds New Brunswick

Nourishing Minds New Brunswick was set up to secure new funding support for community led school food programs. This was done to develop a repository of resources to support the delivery of food literacy in schools, and build networks that promote bulk food buying and procurement of local food for schools. The growth of this initiative is due to the over 1100 volunteer hours contributed from partners ranging from community volunteer’s organizations, schools, local provincial governments and many more. ESIC has provided funding of \$100,000 to Nourishing Minds New Brunswick.

Connexions Compétences

From October 2016 to May 2017, the CBDC Restigouche provided activities related to employability-enhancing and group-oriented skills, as part of a work experience program. This initiative helped 22 participants aged 15 to 30 years to overcome multiple barriers to employment and gain the skills and knowledge they need to make a successful transition to work or return to school. They completed their employability skills program through work experience with small and medium-sized businesses. Eighteen of them secured employment, one participant enrolled in college for the summer, and three participants were actively looking for work.

Community Inclusion Networks

	OPT1	OPT2
CINs’ objective	Identify, through a collaborative, regional poverty issues and priorities: and develop and implement a regional poverty reduction plan that aligns with OPT1 and OPT2.	
# of CINs	12	
# of community projects funded	212	250+
Number of individuals mobilized	44,027 participants	70,000+ participants
ESIC \$ invested in projects	\$3,009,112	\$3,584,375
Community project investment	\$6,851,082	\$12,606,158
Value of community projects	\$9,860,194	\$16,190,534
Community investments per ESIC \$ invested	\$3.28 to \$1	\$4.52 to \$1

6. A SNAPSHOT OF NEW BRUNSWICK: THE LAST DECADE

The following sections will shed light on the various factors that have an influence on poverty as well as provide a poverty profile of New Brunswick.



Economy²

Prior to the 2008 global recession, New Brunswick was experiencing a period of employment growth marked by the anticipation of private sector investments, especially in the energy sector. The economic and labour market situation of the last ten years has been very different from the expectations in the period leading up to the development of Overcoming Poverty Together. In fact, the last decade was marked by:

- Low levels of economic growth and a widening gap between the national and provincial growth in real Gross Domestic Product.
- Stagnant average annual growth in employment while a modest growth was observed nationally.
- A prolonged period of low private sector investments.
- An increasing provincial debt.



Demography

New Brunswick has a small population, relative to most provinces in Canada. The province, like the Atlantic region overall, has seen low levels of population growth over the past decade compared to Canada.³

In 2015, New Brunswick experienced a natural population decline where deaths exceeded births for the first time on record. More people are currently moving out of New Brunswick than coming from other provinces, despite that there have been more people coming to New Brunswick from other countries than the opposite. There is also an age-related trend to migration patterns, with youth and young adults being more likely to move out of New Brunswick and seniors being more likely to move to the province.

New Brunswick's population is aging faster than the Canadian population. The median age of New Brunswickers in 2017 was 45, while Canada's median age was 40. The age composition of New Brunswick's population has been changing quickly in recent years as the senior dependency ratio has grown:

- In 2005, there were five NB residents of typical working age (15–64 years) for each NB senior (aged 65+).
- In 2017, there were only 3.3 working age residents for every NB senior.⁴

This shift is expected to continue. It will impact the potential labour supply and the demand for health care and other services that are required at a higher rate by seniors.

² Based on Post-Secondary Education, Training and Labour's New Brunswick Labour Market Outlook 2017–2026 and Profile of the New Brunswick Labour Force (2018) available at www.nbjobs.ca/trends; New Brunswick Provincial Budgets/Main Estimates; and Statistics Canada data from the Labour Force Survey.

³ Statistics Canada: 2006, 2011 and 2016 Census

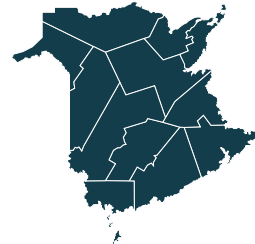
⁴ Labour Market Outlook 2017–2026 available at nbjobs.ca

	2006	2011	2016	+/- 2006 – 2016
Canada	31,612,897	33,476,688	35,151,728	11.19%
Atlantic	2,284,779	2,323,568	2,333,322	2.12%
NB	729,997	751,171	747,101	2.34%

Geography

New Brunswick has three urban centres, which are small compared to other Canadian urban centres. The three largest cities Fredericton, Moncton, Saint John and their surrounding areas, are home to half of the province’s population. Another 13% live in the cities of Bathurst, Miramichi, Edmundston, and Campbellton. Over one-third of New Brunswick’s population lives in rural areas.⁵

New Brunswick’s small population is spread across a large geographic area. Over 80% of New Brunswick is made up of forested areas⁶. This distribution of population results in service delivery challenges and higher costs per person for delivering services compared to more highly populated regions in Canada.



Education⁷

In 2017, almost 40% of New Brunswickers aged 25 to 64 had a post-secondary certificate or diploma. More women (19%) had completed a Bachelor’s degree than men (13%), while men and women (aged 25 – 64) had the same attainment rate of university degrees above a Bachelor’s level (7%). There are differences in the field of study by gender, which leads to differences in the work field. For example, over 90% of apprentices in all Atlantic Provinces are male, with the highest proportion being in New Brunswick⁸. These differences contribute to the gender wage gap (differences in earnings between men and women).



5 Statistics Canada Table: 11-10-0010-01

6 Department of Environment and Local Government

7 Statistics Canada: Table 14-10-0020-01

8 New Brunswick Institute for Research, Data and Training: Apprenticeship Programs in the Atlantic Provinces – Program Characteristics, Apprenticeship Mobility and Earnings



Literacy⁹

Adult literacy was most recently (2012) assessed through the Program for the International Assessment of Adult Competencies (PIAAC):

- NB's average adult literacy scores are within the same levels as Canada (level two on a five-level scale).¹⁰
- Among those with a Bachelor degree or higher, NB's literacy scores are higher than the national average.¹¹

Among those aged 25–65, New Brunswick's literacy scores were lower among the older cohorts (those aged 45–54 and 55–65). Within New Brunswick, there are regional differences in literacy scores. On average, the central economic region had the highest literacy scores, while the northeast economic region had the lowest. This is likely a reflection of demographic differences and regional economic makeup. Average scores were lower in regions where there is more employment in the goods-producing sector, where average age is higher and where educational attainment rates are lower.



Labour Market¹²

New Brunswick's participation rates are lower than Canada's. However, much of the gap is due to an older age structure in New Brunswick. When looking at the core working age population (aged 25–54), New Brunswick's participation rates are on par with Canada's.

As of 2017:

- 383,900 NB residents were employed or looking for work.
- The employment rate was 56.5% and the unemployment rate was 8.1%.
- The labour market was stronger in urban areas of the province. Employment rates were higher in Southern NB (location of the largest cities) where the unemployment rate was 6.0% compared to the provincial average of 8.1%.
- Women represented half of full time and 70% of part-time employees.
- Most employees worked full-time (86%).
- The majority of those employed in New Brunswick worked for an employer, while 12% were self-employed¹³.

⁹ Based on analysis conducted by the Department of Post-Secondary Education, Training and Labour.

¹⁰ NBJobs.ca: Assessing Adult Skills in New Brunswick – An Introduction to PIAAC; Statistics Canada: Skills in Canada – First Results from the Programme for the International Assessment of Adult Competencies (PIAAC).

¹¹ Council of Ministers of Education Canada: Postsecondary Education and Skills in Canada – Findings from the Programme for the International Assessment of Adult Competencies (PIAAC).

¹² Profile of the New Brunswick Labour Force (2018); Statistics Canada data from the Labour Force Survey.

¹³ Statistics Canada, Labour Force Survey.

Wages/Income¹⁴

According to the 2016 Census, two-thirds (68%) of New Brunswickers aged 15 and over had employment income.

The minimum wage in New Brunswick currently stands at \$11.25 per hour. In 2017, many minimum wage earners were: young (15–24); female; part-time employees; were working in non-unionized jobs; and/or were employed in sales and service occupations¹⁵. Many minimum wage earners were permanently employed and many had been working in their job for more than one year. In 2017, 8% of female employees earned minimum wage, compared to 6% of male. Over the last ten years, there has been a shift in the composition of minimum wage earners. A growing share of them are: older workers (aged 55+); and individuals with a high school diploma or with post-secondary completion.



Median After-Tax Annual Income (2016)

Canada

\$50,620

New Brunswick

\$45,420

In 2017, New Brunswick's median hourly wage was \$19.35. This was the second lowest median hourly wage among all provinces.

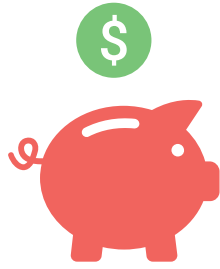
In 2017, New Brunswick had a gender wage gap of 7%. The largest gender wage gap was among employees aged 55 years or older. On average, women receive lower hourly wages than men in full-time jobs and higher average hourly wages in part-time jobs. Several factors impact the gender wage gap including: occupational differences; differences in average earnings among high income earners and pay inequities. Gender differences in annual income are impacted by average hours worked (e.g. part-time versus full-time employment).

More recently (2018), the Human Development Council and the Canadian Council for Policy Alternatives released New Brunswick's first living wage rate for the city of Saint John. It was calculated at \$18.18 per hour (based on a family of 2 adults and 2 children). It is the wage rate needed for full-time employees to afford a life of basic social inclusion¹⁶. Furthermore, the Economic and Social Inclusion Corporation advisory committee on Pay Equity and Living Wage has recommended that the living wage of other communities across the province be calculated.

¹⁴ Profile of the New Brunswick Labour Force (2018); Statistics Canada: Table 282-0152.

¹⁵ 2018 Minimum Wage Report, released by the Department of Post-Secondary Education, Training and Labour at www.nbjobs.ca.

¹⁶ Human Development Council and Canadian Centre for Policy Alternatives Living Wage: The Saint John Living Wage 2018, available at www.sjhdc.ca/living-wage.html.



Poverty

Income Poverty

In the 2018 national poverty reduction strategy, the Government of Canada identified the Market Basket Measure (MBM) to be Canada's official poverty line. The MBM threshold varies by geographic region/population density and is adjusted for family size. The 2016 MBM threshold for a family of four in Moncton was \$35,698 and for an unattached individual living in Moncton, it was \$17,849. The MBM is a measure of material deprivation while the Low-Income Measure (LIM-AT) is a measure of relative income poverty (the income threshold at half of median income).

In 2016, the rate of income poverty in New Brunswick was:

- 11.8% according to the MBM, and
- 17.1% according to the LIM-AT.¹⁷

While the two measures report different rates, they identify the same trends in the data. In 2016, there were approximately 86,000 people in New Brunswick experiencing income poverty, according to the Market Basket Measure (approximately 127,000 using LIM-AT).¹⁸

Since 2009, the number of people in poverty has fallen by 12,000 persons (-13%) according to the MBM and by 2,540 (-3%) according to LIM-AT¹⁹. From 2015 to 2016, the rate of poverty decreased significantly according to both measures. Some of this decrease may be due to the 2016 changes in federal transfers to families with children and seniors. Furthermore, the rate of Deep Poverty has decreased by 3% since 2009 and stood at 5.4% (39,960 individuals)²⁰ in 2015.

There is a lot of variability in income poverty rates from year to year. Since 2009 and in some years, income poverty was reduced by over 25% for certain family types. For example, using the MBM, female lone parents have seen a 32.6% and a 48.3% decrease from 2009 during the years 2010 and 2011 respectively. As for non-family persons, they saw a decrease of 27.2% since 2009 during the year 2014.

Overall, both MBM and LIM show that unattached individuals and lone parent families have the highest levels of poverty. Together, these groups accounted for 60% of persons living in poverty in 2016. The rate of poverty among lone-parent families has been dropping since 2012; however, the rate of poverty among unattached individuals has remained high. The poverty rate among non-elderly unattached females is higher than non-elderly unattached males.²¹

In New Brunswick, poverty rates are highest in Campbellton, Bathurst and Saint John and lowest in Dieppe, Rothesay, Quispamsis

¹⁷ Statistics Canada: Table 11-10-0136-01 (formerly CANSIM 206-0042) and Table 11-10-0018-01 (formerly CANSIM 111-0046)

¹⁸ Ibid

¹⁹ Ibid

²⁰ Deep income poverty refers to individuals who have an income that is half of the LIM-AT

²¹ Statistics Canada: Table: 11-10-0136-01 (formerly CANSIM 206-0042)

and Hampton. The areas with the highest levels of poverty also have the highest incidence of lone-parent families. The age groups most over-represented in low-income are children and youth. Young people aged 0 to 24 years old account for 26% of the population and they represent 36% of the low-income population.²²

Some groups of people in New Brunswick have much higher rates of low-income compared to the total population (17.1%) and are over-represented in low-income relative to their share of the population such as Indigenous, visible minorities, immigrants, persons with disabilities.²³

Social Assistance

New Brunswick's social assistance benefit rates range from \$537 per month for a single person to \$995 for a couple with two children. Persons with disabilities or documented medical conditions are supported through the same program; however, they receive a different benefit amount (\$663 per month for a single person with a disability). New Brunswick's social assistance rates are not indexed to changes in the cost of living.

Overall, caseload trends have been decreasing at a rather constant pace since the recent social assistance reform (2010). The reform increased social assistance rates and enhanced the wage exemption policy to a 70% wage claw back, meaning that after the first \$200 of earned income individuals can keep \$0.30 of every earned dollar. This makes it easier for individuals to transition from income assistance to the workforce.

There are other government subsidies and transfers available to eligible individuals and recipients. To date, the largest federal transfers have been targeted to families with children (e.g. Canada Child Benefit) and seniors (e.g. Canada Pension Plan, Guaranteed Income Supplement, and Old Age Security). In 2017, a couple with two children who was eligible for social assistance would have also been eligible for other transfers equal to \$1,200 per month.

Maytree Foundation's report *Welfare in Canada* reviews social assistance benefits and other provincial and federal transfers and subsidies available to individuals by province. In 2017, the report indicated that the income of individuals and families of all household types receiving social assistance and other government transfers would be lower than Canada's official poverty line which estimates the income needed to afford a modest, basic standard of living.



22 Human Development Council and Campaign 2000: A Reboot for Poverty Reduction – 2018 Child Poverty Report Card New Brunswick

23 Low-Income Measure from Census 2016



Core Housing Needs and Homelessness

In 2016, New Brunswick's rate of core housing need was 9%, down from almost 10% in 2011. New Brunswick and Quebec have the lowest rate of core housing need across Canada. Core housing need represents a housing situation that does not meet the criteria of adequacy (e.g. leaky roof), suitability (e.g. ratio of number of bedrooms vs. number of household occupants) and affordability.²⁴

There are many different types of housing needs. Some individuals need assistance to repair the house they live in. Other people need assistance to find affordable housing options, or a housing situation that is suitable to their family size. Public housing exists to address housing need; however, there is a public housing waitlist. Some individuals require emergency housing assistance (e.g. use of emergency shelters). A new provincial housing strategy is in development. Homelessness is a difficult social issue to count and measure. The following do not account for the number of individuals who sleep hard, couch surf, or remain in volatile situations.

According to the Greater Moncton Homelessness report card (2017), 759 individuals were admitted to shelters in 2016, collectively staying for a total of 13,041 nights. Moncton has 103 beds between three emergency housing shelters as well as 19 beds used for drug or alcohol detox. The average length of stay in a Moncton shelter was six nights.

In Fredericton, 244 adults stayed in emergency shelters in 2017 according to the Community Action Group on Homelessness. At the men's shelter, the average length of stay was 44 days versus 32 days at the women's shelter. The average nightly occupancy rate was 96% at the men's shelter and 67% at the women's shelter. All shelters in Fredericton saw an increase in occupancy rates and number of residents. During the same period, there was a 24% increase in the number of women staying at a Violence Against Women shelter or second stage housing compared to the previous year. It is to be noted that during the winter period of 2018-2019, shelter capacities were reached in many cities such as Moncton and Fredericton prompting emergency shelters to respond to the demand.

In addition, the Homelessness report card for Saint John reported that 356 individuals used an emergency shelter in 2017. There was a combined occupancy rate of 86% (all shelters) and an average length of stay of 26 nights. As for the Chaleur region, according to their 2018 Report Card on Homelessness, there were 98 individuals who stayed in a shelter bed for an average length of stay of 10.4 days.

²⁴ Statistics Canada, Census of Population, 2011 and 2016

Food Insecurity

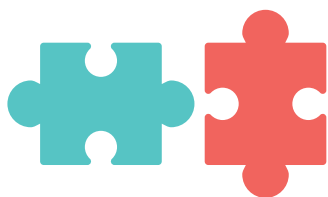
Food insecurity exists within a household when one or more members do not have access to the variety or quantity of food that they need due to lack of money. Through the years leading up to 2014, the food insecurity rates have increased to reach 15.2% in New Brunswick. Amongst children aged 18 and below, this rate was even higher and was standing at 21%. Across Canada, Moncton, Saint John and Peterborough (ON) were the urban centers of 100,000 individuals and over who were experiencing the highest rates of food insecurity (all above 16%) during the same period.²⁵

As for food bank usage, New Brunswick's food banks have seen a constant increase in the total number of individuals assisted since 2009. Children and youth still represent an important part of the individuals assisted by food banks in New Brunswick.²⁶



²⁵ PROOF Food Insecurity Policy Research: Household Food Insecurity in Canada 2014

²⁶ Food Banks Canada: HungerCount 2016 and 2018



Moving Forward

Overall, it seems clear that New Brunswick's aging population will lead to ongoing pressures. The growing number of seniors in New Brunswick will increase the demand for government services such as healthcare and homecare. It will also lead to a decrease in the unemployment rate as the baby boomers permanently exit the labour force resulting in job openings.

New Brunswick's labour market outlook projects 110,000 job openings in the province between 2017 to 2026²⁷. Individuals who can work will have an easier time finding employment. The majority (60%) of job openings will require post-secondary education or management skills, while 30% of job openings are projected to require a high school diploma (or equivalent) and 10% are projected to require on-the-job training only.

Innovation teams are working on solutions for issues that are of concern to low-income New Brunswickers, including community transportation and literacy. There is also a new provincial housing strategy that is forthcoming as the previous one ended in 2017. In 2017, a National Housing Strategy was introduced for the first time with a focus on affordable housing and bringing together the public, private and non-profit sectors to ensure more Canadians have a place to call home.

Canada's First Poverty Reduction Strategy

On August 21, 2018, the Government of Canada released the first long term national poverty reduction strategy called Opportunity for All. The strategy set targets to reduce poverty by 20% by 2020 and by 50% by 2030, compared to the 2015 level, as measured by the Market Basket Measure. The 50% poverty reduction target aligns with the Sustainable Development Goal to end poverty that was adopted by Canada in 2015. Having a federal poverty reduction plan will complement the efforts of provinces and territories to achieve economic and social inclusion for all Canadians and residents.

7. LESSONS LEARNED

Through the Overcoming Poverty Together process, lessons have been learned. To highlight a few:

- The state of the economy plays a vital role in the poverty landscape of New Brunswick
- During periods of economic growth, it is typical to see an increase in employment and a decrease in social assistance caseloads
- Over the past decade in NB there has been modest economic growth and no net employment growth, however social assistance caseloads have still decreased
- The measurement of poverty in Canada has seen significant changes since 2009 which include changes to the Statistics Canada census and the development of an official poverty line for Canada
- OPT's priority actions are led by multiple stakeholders including ESIC, thereby increasing the complexity of tracking and completing actions
- The delivery of assistance measures in addition to income; such as free transportation, subsidized daycare, food assistance programs, and other non-monetary related benefits have been provided by multiple agencies and departments across the province
- As some of the priorities outlined in OPT1 and OPT2 were designed to alleviate rather than decrease poverty it is difficult to provide statistical outcomes for those priorities. Significant benefits at the community level however have been observed

8. RENEWAL OF OVERCOMING POVERTY TOGETHER (OPT)

Starting in February 2019, ESIC in collaboration with the CINs will begin the renewal of the plan through a public engagement initiative. The process leading to the development of OPT3 will include a public online questionnaire, community and sectorial dialogues, focus groups, a call for briefs submissions, and consultations with subject matter experts. This process will provide an opportunity for the people of New Brunswick to come together to discuss poverty issues surrounding economic and social inclusion which will lead to the new action plan.

New Brunswick's poverty reduction efforts at their onset in 2009 and again in 2014 were marked by a commitment from all sectors to work to reduce poverty and to create a province where all citizens have the means to fully participate. We are stronger when we work together. ESIC will be renewing this partnership with the development of the next plan that builds on the successes achieved to-date and on the lessons learned over the past decade. In the next plan, the focus will be on achieving impact through a smaller number of priorities. Comments received during preliminary discussion with various stakeholders in the past six months have led us to conclude that a smaller number of more focused priority actions would allow the new plan to achieve greater impact.

Throughout the renewal process the focus will be on gathering input from the following questions:

1. What would have the greatest impact on reducing poverty for individuals in New Brunswick?
2. How could each of the following further help reduce poverty:
 - a. How could citizens of New Brunswick further help reduce poverty?
 - b. How could non-profit organizations in New Brunswick further help reduce poverty?
 - c. How could businesses in New Brunswick further help reduce poverty?
 - d. How could municipal and provincial governments of New Brunswick further help reduce poverty?

New Brunswickers are invited to get involved in the public engagement process. There are multiple ways to share your thoughts and ideas. Visit www.NBTogether.ca to:

- Participate in one of the public dialogues that will be hosted across New Brunswick.
- Complete the online questionnaire.
- Submit a brief on the issues you think are most important to economic and social inclusion in New Brunswick.

Renewal of Overcoming Poverty Together (OPT3) Estimated Timeline

Online questionnaire	February 21 – April 30, 2019
Public dialogues	February 21 – April 30, 2019
Briefs	February 21 – April 30, 2019
Best Brains Exchange	Spring 2019
Analysis	Spring/Summer 2019
Develop OPT3	Summer/Fall 2019
Launch OPT3	January 2020

If you have any questions, please contact ESIC at:

Economic and Social Inclusion Corporation (ESIC)

440 King Street, Suite 423
Fredericton, New Brunswick
E3B 5H8

Toll Free: 1-888-295-4545
Fax: 1-506-444-2978
Email: esic-sies@gnb.ca

Supporting Resources:

Facebook: www.facebook.com/OPTEVP

Website www.gnb.ca/poverty

ESIC Act: laws.gnb.ca/en/ShowPdf/cs/E-1.105.pdf

ESIC publications

www2.gnb.ca/content/gnb/en/departments/esic/publications.html

www2.gnb.ca/content/gnb/fr/ministeres/sies/publications.html

NOTES: