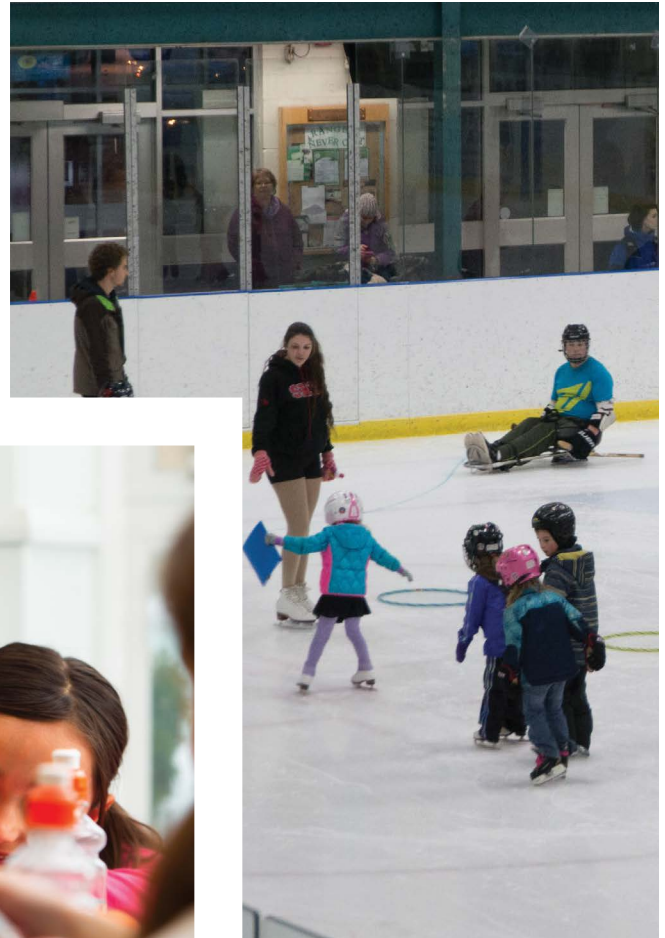


**Ensemble** Pour vaincre la pauvreté  
Overcoming Poverty **Together**



**Overcoming Poverty Together 3**  
**The New Brunswick Economic and Social Inclusion Plan**

## Acknowledgments

The New Brunswick Economic and Social Inclusion Corporation would like to thank the individuals who have been a part of *Overcoming Poverty Together* over the past 10 years, as a participant, volunteer, organiser, funder or board member. Your participation has been key to the success achieved since 2009 and your contributions have provided an example of the role citizens and sectors can play in making economic and social inclusion a reality in our province.

We would also like to thank the many participants who contributed to the public engagement renewal process. Your collective contributions of passion, opinion and expertise have helped shape this third installment of *Overcoming Poverty Together* that will support and improve the quality of life for all New Brunswickers.

### Economic and Social Inclusion Corporation

Overcoming Poverty Together 3  
The New Brunswick Economic and Social Inclusion Plan

**Published by:**

Province of New Brunswick  
P.O. Box 6000  
Fredericton, New Brunswick  
E3B 5H1

January 2020  
Printed in New Brunswick  
ISBN 978-1-4605-2412-1 (print)  
ISBN 978-1-4605-2413-8 (PDF)

**Photo credits:**

Cover page:  
Skating Picture by Hetty Smyth  
Transportation picture by  
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Page 20:  
Transportation picture by  
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*"Overcoming poverty is not a gesture of charity. It is the protection of a fundamental human right, the right to dignity and a decent life."*

**Nelson Mandela**

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## Message from the Minister

Poverty and social isolation are complex problems. While there are many causes of poverty, its roots often lie in individuals experiencing a difficult start in life or not being able to fully access available opportunities because of systemic barriers.

Reducing poverty and eliminating those barriers to allow the full inclusion of all New Brunswickers is a challenge near and dear to my heart. I have had the privilege to sit on the board of directors of the Economic and Social Inclusion Corporation (ESIC) since 2012.

Our province's economic and social inclusion efforts have been marked by a commitment from all sectors – citizens with lived experience, businesses, non-profit and government – to work together to reduce poverty and to create a province where everyone is able to fully participate.

*Overcoming Poverty Together* is not a government plan. It is New Brunswick's plan, created in New Brunswick, for New Brunswick. We all have a role to play when it comes to improving the lives of New Brunswickers.

Our government continues to be an engaged stakeholder with ESIC, the Community Inclusion Networks, and their partners in the implementation of *Overcoming Poverty Together 3: The New Brunswick Economic and Social Inclusion Plan*. We believe the outcomes of the priority actions identified in this plan will help lift New Brunswickers out of poverty.



**K. Dorothy Shepard**

As a government, we will invest strategically to provide tools and create initiatives that help individuals, families and communities work together to overcome poverty.

I wish to thank the many New Brunswickers who provided their input during the public engagement that took place in the spring of 2019. By working together, we are on the right track to achieving our poverty-reduction goals and helping tens of thousands of New Brunswickers improve their quality of life.

### **Honourable. K. Dorothy Shepard**

Minister responsible for the Economic and Social Inclusion Corporation



**Monique Richard**  
Co-Chair  
Citizens



**Nick Ganong**  
Co-Chair  
Business



**Roger Martin**  
Co-Chair  
Non-Profit



**K. Dorothy Shephard**  
Co-Chair  
Government

## Message from the Co-Chairs

As co-chairs of the Economic and Social Inclusion Corporation (ESIC), we are pleased to present New Brunswickers with the *Overcoming Poverty Together (OPT3): The New Brunswick Economic and Social Inclusion Plan*. This plan is built from the 25,000 comments voiced by 2,500 New Brunswickers who participated in the public engagement process that took place in the winter and spring of 2019. The feedback received during the exercise identified economic and social inclusion challenges facing our fellow citizens.

In the past 10 years, close to 100,000 New Brunswickers have participated in nearly 500 economic and social inclusion projects focused on improving access to community transportation, healthy food, education support and more.

At the heart of these initiatives are Community Inclusion Networks (CINs). Over the years, the CINs have created a movement of community engagement which is unprecedented in the province. They focus on community and regional initiatives to foster partnerships, build capacity, and leverage resources to directly impact the lives of the people of New Brunswick. A key aspect of these community projects is that they build on the strong existing assets in communities around the province.

We acknowledge the involvement of the non-profit organizations who, day in, day out, provide much needed services and programs to those most in need. These local charitable groups play a key role in community capacity building and in the wellness of all New Brunswickers.

The business sector also plays a crucial role in the implementation of OPT. In addition to providing human, material and financial resources to local community projects, businesses of all sizes feel strongly about this initiative because a skilled workforce helps companies to thrive and compete at the local, regional and global levels.

Government is major stakeholder in OPT. We wish to acknowledge the ongoing collaboration and support from the successive governments, and from the official opposition, over the years, through funding and improved social policies.

The ongoing participation of those who lived in or have experienced poverty in OPT is without contest the cornerstone of OPT. From the outset, representatives of this sector were at the table; they gathered confidence and strength as the process unfolded and their voices were and continue to be heard.

We would like to extend our sincere thanks to the ESIC board members and staff for their work. Your dedication, commitment and cooperation speak the vitality of the community development and capacity-building movement spreading through our province.

We look forward to continuing working with all stakeholders as we move forward to achieve our vision that *everyone living in New Brunswick has the opportunities, resources, and security to thrive and actively participate in community life*.

### The Co-Chairs

**Monique Richard, Roger Martin,  
Nick Ganong, K. Dorothy Shephard**





## Executive Summary

Poverty is complex, it isn't just one thing. It is a combination of social, economic and personal challenges that impact a person's ability to meet their basic needs, prioritize their health, have full access to opportunities and enjoy their best quality of life.

Since 2009, New Brunswick's poverty reduction efforts through the Economic and Social Inclusion Plan has been led by four sectors and coordinated by the Economic and Social Inclusion Corporation (ESIC). Citizens with lived experience of poverty, the non-profit sector, the business sector and government have been working together to build a fair and inclusive province. ESIC has coordinated actions and invited the four sectors to come together to address important aspects of poverty reduction and economic and social inclusion such as housing, transportation, social economy, one stop shop, social assistance, health, food security, education and community development. With this new plan, ESIC will continue ongoing efforts from the two previous Economic and Social Inclusion Plans.

The Community Inclusion Networks (CINs) will continue to call upon local and regional partners to help them develop their regional plans for poverty reduction and economic and social inclusion.

As of 2017, 71,000 New Brunswickers (9.7%) were living in poverty according to the Market Basket Measure (MBM), which was named Canada's official poverty line in 2018. The percentage of New Brunswickers living in income poverty has decreased by 31.7% since 2009. While the rate of poverty has been decreasing, the depth of

poverty has increased, and some segments of the population and areas of the province continue to face very high rates of poverty. Poverty statistics across Canada can be positively or negatively impacted by multiple factors such as social, economic or political changes at the provincial and federal levels.

New Brunswick is a small province with a population of 750,000 people spread out over a large land mass, and half of its population live in rural areas. Over the last decade, New Brunswick has faced many challenges including an aging population and an outmigration of youth, slow economic growth with little net growth in employment and low levels of private sector investment. Despite these challenges, New Brunswick has important strengths to build on, including a great quality of life built on safe and close-knit communities, a strong post-secondary education system graduating over 8,000 students per year, and lower housing costs compared to other parts of Canada.

In 2015, Canada, along with nearly two hundred other countries, committed to the United Nations' 2030 Agenda for Sustainable Development Goals. The agenda identifies the elimination of poverty in all its forms as the greatest global challenge and an essential requirement for sustainable development. *Overcoming Poverty Together 3* (OPT3) will align with this global commitment as an overarching framework.

In August 2018, the Government of Canada released its first poverty reduction strategy called *Opportunity for All*. The strategy is about working together to end poverty so that

## The three pillars of OPT3 are:



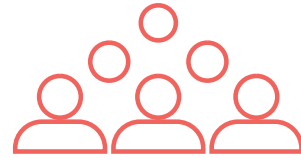
### 1. Income Security

Supporting New Brunswickers to move through the income security continuum and providing adequate income support to those who cannot work.



### 2. Coordination of Programs and Services

Helping New Brunswickers access the programs and services they need.



### 3. Inclusion and Healthy Communities

Helping New Brunswickers live with dignity.

Canadians can live with dignity, have real and fair access to opportunities to succeed, and be resilient enough to get through difficult times. The strategy includes targets to reduce poverty by 20% by 2020 and by 50% by 2030, which aligns with the Sustainable Development Goals (SDG) for developed nations to reduce poverty in all its dimensions by 50% by 2030, according to national definitions.

In 2019, ESIC led its most comprehensive public engagement process on poverty since the adoption of the first plan in 2009. It brought together individuals who have experienced poverty, community members, non-profit organizations, the business community, government officials, stakeholders and academics. More than 40 community dialogues and eight sectorial dialogues were held. The process also included an online survey about poverty, focus groups with people living in poverty and a call for briefs that was answered by 26 organizations wishing to present their perspectives on poverty. Altogether, 2,500 New Brunswickers provided 25,000 comments. Also, ESIC and the Canadian

Institutes of Health Research hosted a Best Brains Exchange that brought together key stakeholders, researchers, and policy and decision makers from across federal, provincial and territorial governments, with expertise in economic and social inclusion.

At the heart of *Overcoming Poverty Together* is the desire for every New Brunswicker to be included and to have the opportunity to thrive. True economic and social inclusion cannot be reached without addressing the needs of the most vulnerable and those who are at risk of falling into poverty.

The new plan, which starts in early 2020, has a lower number of priority actions. OPT3 has three pillars and nine priority actions which allows for a more focused approach from the partners to have a greater impact on the reduction of poverty in NB.

To ensure ongoing dialogue and meaningful engagement, the Economic and Social Inclusion Corporation will establish advisory and working committees to improve alignment, collaboration and outcomes.



In alignment with Canada’s Poverty Reduction Strategy and the United Nations 2030 agenda for Sustainable Development Goals, the global objective of the OPT3 Plan is to reduce income poverty by at least 50% by 2030. A 50% reduction in the Market Basket Measure for New Brunswick would decrease it from 14% in 2015 to 7% in 2030. Achieving this target would mean lifting 50,000 New Brunswickers out of income poverty.

Research shows that relative poverty and inequality also have a significant impact on well-being and population health. As a complementary measure, ESIC will track the change in the Low-Income Measure after tax (LIM-AT), a relative measure of income poverty, calculated as 50% of median adjusted household income for Canada. A dashboard to track other meaningful socio-economic indicators will be created to provide greater awareness by reporting annually on indicators related to income, employment, education, housing and homelessness, food security, health and wellness.

It will take the collective action of all sectors to ensure that residents of New Brunswick have the

chance to thrive. We heard through the public engagement that many people experiencing poverty do not feel understood. The pursuit of economic and social inclusion needs to start with better understanding and the coordination of the collective efforts.

*“With no formal education, you are left with minimum wage jobs and that is not enough to support a family.”*

**Individual with lived experience**



# Introduction

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 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 residents of New Brunswick. This philosophy shapes our thinking and is the cornerstone of *Overcoming Poverty Together* (OPT) – unique in Canada for its visionary principles and operational structure. The New Brunswick model for poverty reduction invites collaboration from the four sectors. 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. Government’s direct involvement remains essential in the development of policies and the delivery of provincial programs and services as well as its financial support to the Economic and Social Inclusion Corporation (ESIC) and the Community Inclusion Networks (CINs).

*The Economic and Social Inclusion Act* recognizes both the financial and non-financial aspects of poverty.

*“Poverty” means 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.*

**Economic and Social Inclusion Act**

The *New Brunswick Economic and Social Inclusion Act* states that a new economic and social inclusion plan shall be adopted every five years. *Overcoming Poverty Together 3* begins early 2020.

## Connections to Overcoming Poverty Together 1 and Overcoming Poverty Together 2

*Overcoming Poverty Together 2009 – 2014 (OPT1)* was the initial plan, which focused on legislation and establishing ESIC and the Community Inclusion Networks. The main objective for ESIC and the CINs was to address poverty issues by supporting community and regional partnerships plus improving provincial services and policies. Considerable progress has been made since the beginning stages of the poverty reduction plan through the combined efforts of all sectors.

*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 OPT3 process were like those uncovered during the public engagement process of the first and second plan, the conversation has evolved. Emphasis has been placed on strengthening the alignment with the four sectors and recognizing the fact that everyone has a role to play in promoting economic and social inclusion.

OPT3, through ESIC's coordination, will continue to reinforce with all partners, the importance that many on-going programs and/or services from OPT1 and 2 provide to the citizens of New Brunswick to improve their economic and social situation.

Based upon the experience, knowledge and willingness to improve the quality of life of residents of New Brunswick, ESIC has developed a new vision for OPT3.

There is still work to be done to reach the poverty reduction target and economic and social inclusion in New Brunswick. Reaching the target will take a great deal of political will and renewed commitment from the four sectors, and the CINs with their partners, to work collaboratively to reduce poverty.

The work on poverty reduction also must take into consideration where we live. New Brunswick is a small province with a population of 750,000 people spread out over a large land mass. Half of the population is living in rural areas spread between smaller towns, villages and communities. The rest of New Brunswick's population live in the major urban areas around Fredericton, Moncton and Saint John.

Over the last decade, New Brunswick has faced many challenges including an aging population and an outmigration of youth, slow economic growth with little net growth in employment and slowed investment from the private sector. New Brunswick has the second lowest median wage rate in Canada, resulting in a wage gap with other parts of the country. Despite these challenges, New Brunswick has important strengths to build on including: a great quality of life built on safe and close-knit communities, a strong post-secondary education system graduating over 8,000 students per year, and lower housing costs relative to other parts of Canada.<sup>1</sup>

<sup>1</sup> For a more comprehensive outlook on the last ten years of OPT, refer to the *Looking Back to Move Forward* document: [www.nbtogether.ca/wp-content/uploads/2019/03/LookingBack2019\\_WEB\\_ENG.pdf](http://www.nbtogether.ca/wp-content/uploads/2019/03/LookingBack2019_WEB_ENG.pdf)

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## *VISION*

*Everyone living in  
New Brunswick has the  
opportunities, resources,  
and security to thrive and  
actively participate in  
community life.*

---

# Overcoming Poverty Together Renewal Process

In 2019, ESIC led a comprehensive public engagement process which brought together individuals who have experienced poverty, community members, non-profit organizations, the business community, municipalities, provincial and federal governments, stakeholders and academics.<sup>2</sup>

*“Free meals in/at school:  
breakfast and lunch.”*

**Community Dialogue Participant**

## **Participants were asked two questions:**

- 1. What would have the greatest impact on reducing poverty for individuals in New Brunswick?**
- 2. How could citizens, non-profit organizations, businesses and municipal and provincial governments of New Brunswick further help reduce poverty?**

After listening to the comments and analyzing the information received, ESIC is releasing this plan and inviting all New Brunswickers to find a role in our collective efforts.

<sup>2</sup> A summary of the renewal process can be found in Appendix B.





## What We Have Heard

Many New Brunswickers are struggling to make ends meet. Many people said that they need more income to be able to afford their basic needs such as safe and adequate housing, healthy food, accessible transportation and quality child care.

Individuals called on government and the private sector to step up and increase the amount of income provided through wages and/or government transfers, so they could better provide for themselves and their families.

*“Please institute the 211 network. It can direct citizens to government and other social programs where they may get help with problems.”*

**Citizen who responded to the questionnaire**

New Brunswick individuals and families are looking for employers to improve wages and working conditions, including providing full-time hours and employee benefits. Many suggestions also came in for better income support from government, including the use of guaranteed annual income or increased income assistance rates to improve the standard of living for our province’s most vulnerable residents.

Across the province, people spoke about the difficulty they experience in finding important information and navigating application processes to access the services they need. People often don’t know what services are available and if they are eligible for them.

Those with lived experiences of poverty repeatedly told us that the lack of income support and affordable housing, difficulties in navigating programs and getting to the needed services, as well as the lack of access to mental health and addictions supports are leaving them to struggle daily. Discrimination was also said to be a major barrier resulting in feeling excluded from society and continuing the cycle of poverty.

Residents of New Brunswick spoke about the ability of each person to make a difference by being a good neighbour and sharing knowledge and skills. In doing so, we will all be part of building strong and inclusive communities. Residents also spoke of the need for more income support through a guaranteed basic income, higher wages and access to affordable housing, transportation and childcare.

Stakeholders made recommendations for higher wages and better support for low-wage workers, higher income assistance rates to bring people up out of income poverty, and the need to decrease wait lists and improve timely access to the supports and services that people need to live well, like housing and mental health and addictions supports.

The non-profit sector emphasized needing better coordination and called on government and the private sector to streamline access to funding and reporting requirements. They spoke about having their feet on the ground in communities and seeing first hand the needs around them.

*“Inexistent mental health support, 6 months wait.”*

**Individual with lived experience**

*“Systematic changes to current programs are needed.”*

**Individual with lived experience**

The business community spoke to the benefits that come through collaboration and the potential that exists in building socially minded enterprises, where community development is a fundamental part of the corporation.

Poverty and social isolation are complex problems. We know that a one size fits all approach will not work. There are many possible causes of poverty; in many cases it is the result of individuals having a difficult start in life or not having full access to opportunities due to systemic barriers. Government has a role to play in removing barriers and providing opportunities for vulnerable residents to take steps on the road out of poverty and into social inclusion.



# Spirit of the Plan

At the heart of *Overcoming Poverty Together* is the desire for every New Brunswicker to be included and to have the opportunity to thrive. True economic and social inclusion cannot be reached without addressing the needs of the most vulnerable and those who are at risk of falling into poverty.

*Overcoming Poverty Together 3: The New Brunswick Economic and Social Inclusion Plan* is a roadmap for the province to move towards economic and social inclusion for all. This plan is focused on poverty reduction and improving the quality of life for people living in our province.

The plan has a unique and collaborative approach which requires the alignment of all sectors at the local, regional and provincial level. Just as this plan is collaborative, it is also inclusive. It embraces diversity as each measure is intended to apply to all New Brunswickers. In keeping with this spirit, everyone's voice is important and must be heard.

Public, private and non-profit partners as well as citizens need to come together to look at the impact of services and programs designed for people living in poverty. Factors that affect economic and social inclusion should be collectively identified, considered and, ultimately, shape the implementation and execution of policies and initiatives.

## Guiding Principles

The following guiding principles are key to collectively building a province where no one is left behind.

### Equity

One size does not fit all. Inequality results in different levels of access to opportunities.

### Inclusion

It's ensuring that everyone can fully participate in the community and economy.

### Affordability

Ensuring people have the financial resources to meet their basic needs.

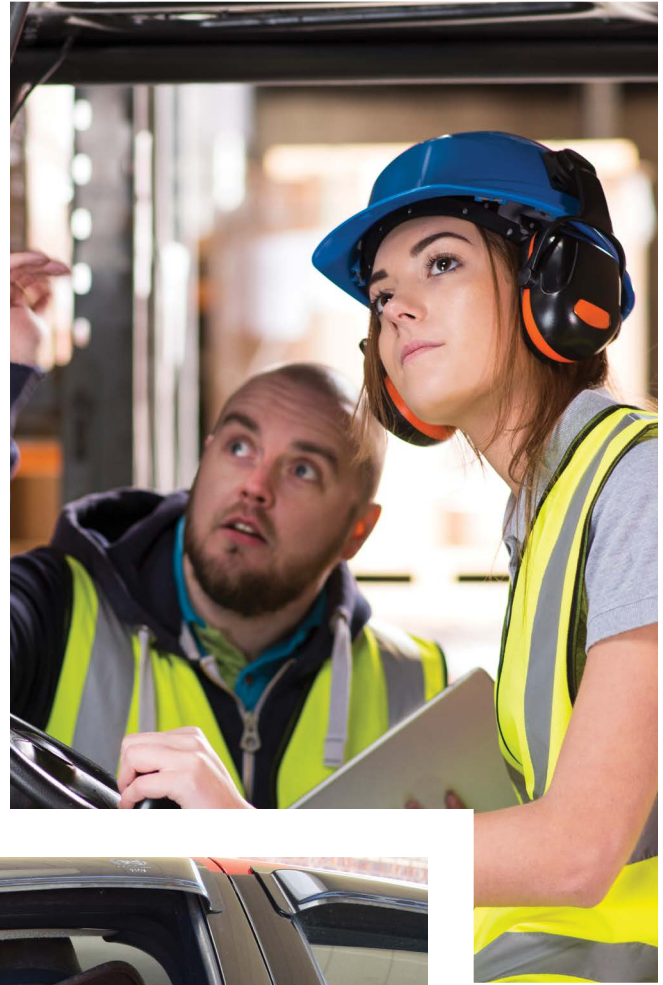
### Well-being

Helping individuals thrive so everyone can reach their best quality of life.



## Pillars

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 residents are able to fully participate. In OPT3, ESIC will focus on achieving impact in economic and social inclusion, through a targeted number of priority actions.





## Pillar 1

### Income Security

Income Security is about the adequacy of income to meet one's needs. Income can come from various sources including employment earnings, progressive taxation policies, and targeted financial transfers from all levels of government. Income security is a priority that requires both public and private sector leadership.

Many employed New Brunswickers struggle to afford their basic needs. The low-skilled segment of the labour market is often marked by low wages, limited benefits and less than full-time work hours. New Brunswick's income assistance rates are among the lowest in the country and are not indexed to the cost of living.

#### Priority Actions

1. Conduct a social assistance reform to remove barriers to employment for employable clients and provide adequate income support for multi-barriered clients who do not have the capacity to work.
2. Consult on changes to the Employment Standards Act to better support low-income workers by addressing the overtime rate, improving sick leave provisions, repealing the exemption of domestic workers, and benchmarking the minimum wage to the Atlantic average by 2021, which would continue to be indexed annually.
3. Make investments through a new social finance fund to increase the capacity and sustainability of social enterprises within non-profit organizations in New Brunswick.

*"We don't like to live in NB Housing or receive social assistance. We want to work and contribute to the New Brunswick economy."*

**Individual with lived experience**

*"Offer skills to non-profits to help set up their own social enterprises so they can be financially sustainable."*

**Individual with lived experience**



## Pillar 2

### Coordination of Programs and Services

Coordination of programs and services is about making information easy to find and understand and simplifying application processes. It is about streamlining service delivery and ensuring that New Brunswickers know about important supports that exist and how to access those that they are eligible for. Improved coordination will reduce duplication and result in better outcomes and increased collaboration between organizations and sectors.

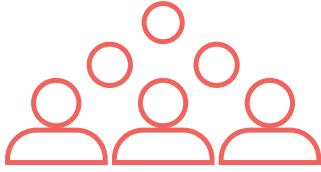
*"It is important to offer recreation opportunities (sport, leisure, music, arts, etc.) to the youth"*

**Sectorial dialogue participant**

#### Priority Actions

4. Conduct a review of government programs, services and tax policies targeted to low-income individuals and families to eliminate areas of duplication, simplify complex application requirements, and ensure program effectiveness to better support New Brunswick residents.
5. Implement a One-Stop-Shop to help New Brunswickers access information and navigate government and community programs and services they need more easily.





### Pillar 3

## Inclusion and Healthy Communities

Healthy communities are about creating and improving the physical and social environments where New Brunswickers feel included. It is about the equitable access to health services, educational opportunities, healthy food options, leisure activities, adequate and safe housing, etc. It is creating an environment where individuals can live and thrive with dignity.

*“Rural communities are frequently forgotten considering that they are isolated and lack transportation options.”*

**Individual with lived experience**

### Priority Actions

6. Improve access to mental health and addictions services and reduce wait times.
7. Develop and implement regional transportation plans to increase accessibility, affordability and availability of transportation services.
8. Work with partners to provide inclusive opportunities for sport, recreation and leisure activities for low income New Brunswickers.
9. Support children and youth by ensuring there are school food programs in all New Brunswick Schools.

# Continued Strategies

ESIC, the Community Inclusion Networks and partners from the four sectors are working on poverty reduction through different regional and provincial actions to address aspects of economic and social inclusion. Examples such as transportation, housing, food security, education, financial empowerment and asset-based community development have been championed across New Brunswick. Advances in provincial programs include the creation of the Prescription Drug program, access to vision and dental services for children, and increases in day care spaces. As many of the programs and services started under OPT1 and OPT2 are on-going, ESIC will continue to monitor and improve the programs as required within OPT3.

The OPT3 public engagement process also brought forward other important areas of focus that have a significant impact of poverty. ESIC will continue to align with other local, regional or provincial strategies that contain actions that are fundamental to the improvement of the quality of life of residents of New Brunswick.

The Economic and Social Inclusion Corporation will establish advisory committees or working groups as needed, to further research and develop action strategies for specific priority actions. ESIC will evaluate the best approaches to expand collaboration and partnerships with each sector: citizens, non-profit, business and government.





# SUSTAINABLE DEVELOPMENT GOALS



## OPPORTUNITY FOR ALL **CANADA'S FIRST POVERTY REDUCTION STRATEGY**

# Alignment with United Nations and Canada's Poverty Reduction Strategy

## United Nations 2030 Agenda for Sustainable Development

In 2015, Canada along with nearly two hundred other countries, committed to the United Nations 2030 Agenda for Sustainable Development.<sup>3</sup> The agenda identifies the elimination of poverty in all its forms as the greatest global challenge and an essential requirement for sustainable development. The agenda is made up of 17 Sustainable Development Goals (SDGs) which balance three dimensions of sustainable development: economic, social and environmental. An important guiding principle to the 2030 agenda is to leave no one behind. It recognizes that protecting the dignity of all segments of society, including the most vulnerable, is fundamental to reaching our full potential.

OPT3 will align with this global commitment as an overarching framework for the development and implementation of the new plan.

## Opportunity for All – Canada's first poverty reduction strategy

In August 2018, the Government of Canada released its first poverty reduction strategy called *Opportunity for All*. It is about working together to end poverty so that all Canadians can live with dignity, have real and fair access to opportunities to succeed, and be resilient enough to get through difficult times. As part of the strategy, the Market Basket Measure (MBM) was identified as Canada's official poverty line.

The strategy includes targets to reduce poverty by 20% by 2020 and by 50% by 2030, which aligns with the SDG for developed nations to reduce poverty in all its dimensions by 50% by 2030, according to national definitions.

OPT3 will align with Canada's Poverty Reduction Strategy targets.

<sup>3</sup> [sustainabledevelopment.un.org/](https://sustainabledevelopment.un.org/)

# Overcoming Poverty Together 3

## Global Objective

**In alignment with Canada's Poverty Reduction Strategy and the United Nations 2030 agenda for Sustainable Development Goals, the global objective of the OPT3 Plan is to reduce income poverty by at least 50% by 2030.**

### Measuring, Monitoring and Reporting

ESIC will expand the reporting of the Plan with evidence-based measurement and monitoring. New to OPT3, the plan will align with Canada's baseline year of 2015 to calculate the poverty rate based on the Market Basket Measure. In addition, a dashboard will be created to track other socio-economic indicators.

The MBM is a measure of absolute poverty, based on the level of disposable income required to afford a specific basket of goods and services, which represent a modest basic standard of living for individuals and families in specific geographic areas.

A 50% reduction in the MBM for New Brunswick would decrease it from 14% in 2015 to 7% in 2030. Achieving this target would mean lifting 50,000 New Brunswickers out of income poverty.

Research shows that relative poverty and inequality also have a significant impact on well-being and population health. As a result, ESIC will track the change in the Low-Income Measure after tax (LIM-AT). The LIM-AT is a relative measure of income poverty, calculated as 50% of median adjusted household income for Canada.

Despite the decreases in the rate of poverty, the depth of poverty (the gap between the low-income line and the average income of those in low-

income) and the number of people in deep poverty has increased. ESIC will continue to work towards the reduction of deep poverty. Going forward, ESIC will monitor and report on these factors.

In alignment with the *Economic and Social Inclusion Act*, ESIC will release a progress report every two years on the movement of the implementation of the plan. In addition to reporting bi-annually, a dashboard will be created to track other socio-economic indicators. The dashboard will provide information on indicators related to income, depth of poverty, employment, education, housing and homelessness, food security, health and wellness to name a few. Where applicable and available, data will be presented by regional and demographic characteristics to better understand areas and sub-groups that are experiencing poverty.

Based on OPT1 and OPT2's results, global objectives on poverty reduction and statistics are affected by multiple economic, social and political factors that are beyond the scope of the provincial plan. In OPT3, these factors will also be highlighted in the dashboard.

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*The global objective of the OPT3 Plan is to reduce income poverty by at least 50% by 2030.*

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# Moving Forward

It will take the collective action of all sectors to ensure that residents of New Brunswick have the chance to thrive. There are systemic barriers and inequities that need to be identified and removed to provide all New Brunswickers with the opportunity to take the next step in their journey towards economic and social inclusion. Some people need support and healing to be able to move past trauma, the limitations of a disability or chronic health condition, addiction, discrimination or generational poverty. Others may need encouragement that they have the strengths and abilities they can use to succeed.

OPT3 cannot change everything at once, but we can all be part of the solution and inspire each other as we move forward towards a brighter future. People around us have had different

starts in life and different life experiences. We can celebrate with our neighbours when goals are achieved, such as: the completion of education, getting a job, moving back in to employment, experiencing financial security, supporting a healthy family, or building a strong community.

We heard through the public engagement that many people experiencing poverty do not feel understood. The pursuit of economic and social inclusion needs to start with better understanding. Let's find the courage to increase our understanding by asking questions with an open mind to better understand those around us. Together, we can build the future of New Brunswick where everyone has opportunities to thrive and no one is left behind.

## Appendix A

# Poverty in New Brunswick

## Cost of Poverty

Poverty has high societal and personal costs. In 2011, the Canadian Centre for Policy Alternatives published *The Cost of Poverty in New Brunswick* which estimated the annual cost of poverty to be \$2 billion (overall for society). The annual cost of poverty to Government of New Brunswick was estimated to be \$500 million.<sup>4</sup> Poverty is linked to poorer health and educational outcomes and results in increased demands on the health and justice systems. There is a significant cost to not addressing poverty and other social determinants of health. Research shows that outcomes, including health, can be improved significantly from investments in adequate social systems, like supportive housing.

<sup>4</sup> [www.cwp-csp.ca/resources/sites/default/files/resources/Cost\\_of\\_Poverty\\_NB.pdf](http://www.cwp-csp.ca/resources/sites/default/files/resources/Cost_of_Poverty_NB.pdf)

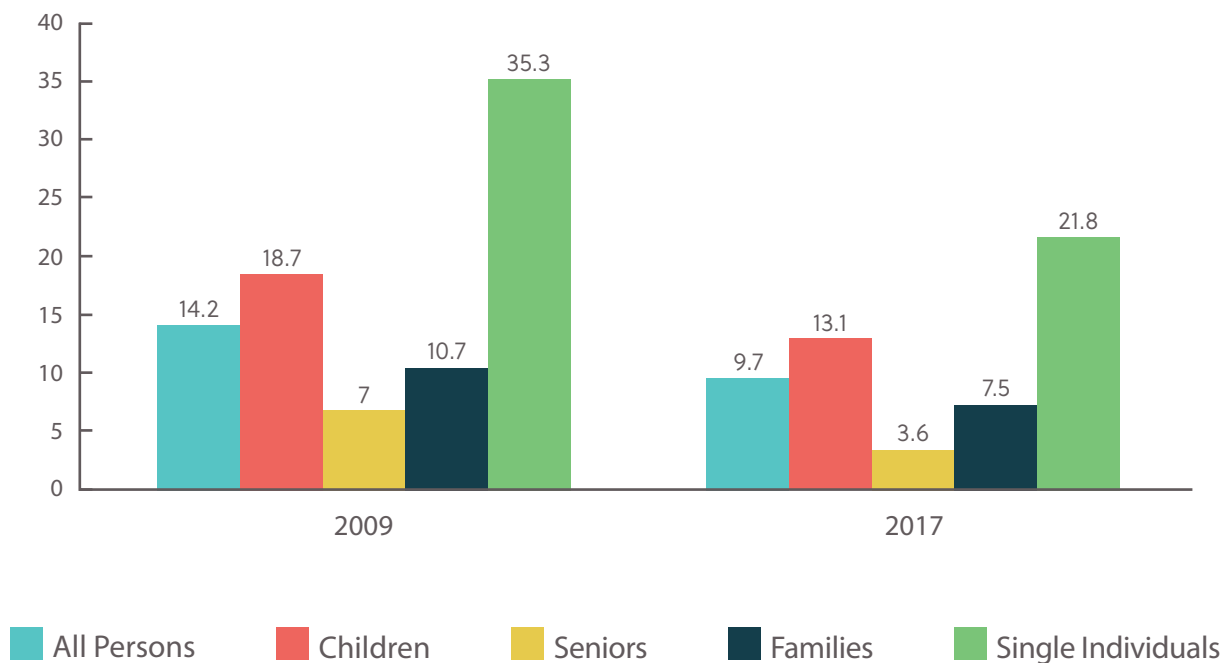
## Poverty Rates

### Market Basket Measure

According to the most recent figures of the Market Basket Measure (MBM) for New Brunswick<sup>5</sup>, Canada's Official Poverty Line, there are currently 71,000 New Brunswickers (9.7%) who can't afford the cost of a specific basket of goods and services representing a modest, basic, standard of living because their income falls below the estimated threshold for their region. The percentage of New Brunswickers living in income poverty has decreased by 31.7% since 2009, with most of the decrease taking place between 2015 and 2017. Much of this decrease is a result of increases in federal transfers to families with children, and seniors.

<sup>5</sup> Statistics Canada. Table 11-10-0135-01: [www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110013501](http://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110013501)

## Prevalence of low-income (%) in New Brunswick (MBM), 2009 – 2017



As of 2017, the low-income thresholds for a reference family of four according to the MBM are as follows<sup>6</sup>:

Area	Low-income thresholds
Rural	\$38,088
Population under 30,000	\$38,665
Population of 30,000 to 99,999	\$38,082
Fredericton	\$39,029
Saint John	\$36,644
Moncton	\$35,651

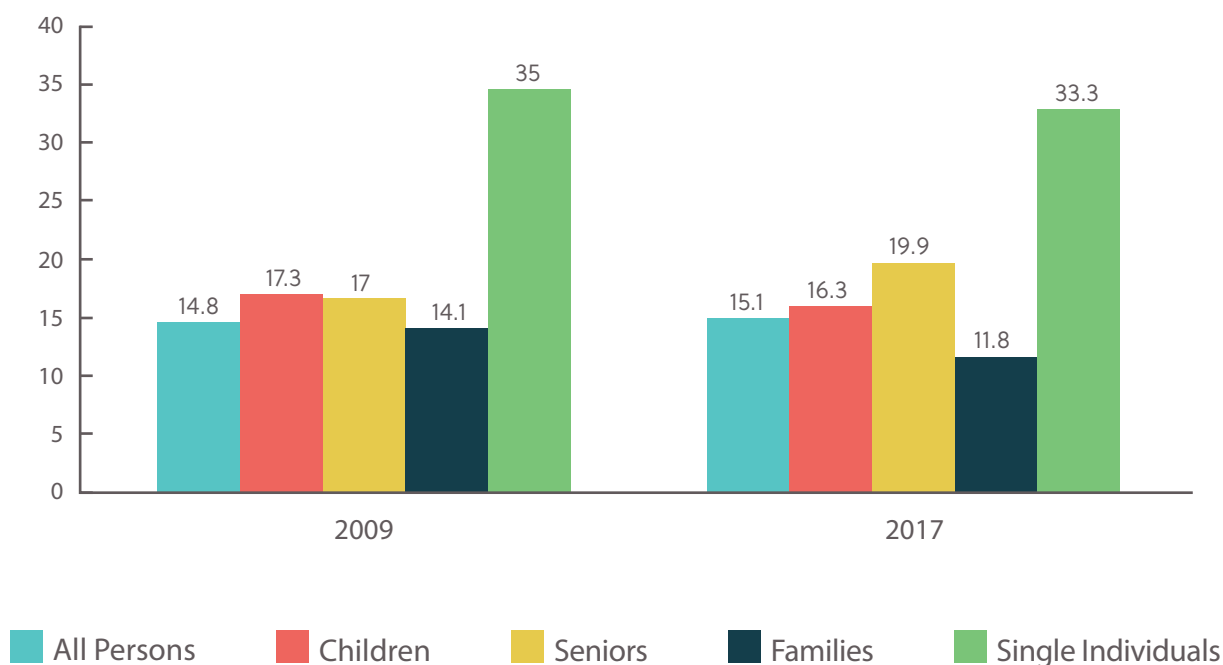
## Low Income Measure

The Low-Income Measure (LIM)<sup>7</sup> is based on the concept that one has a low income relative to the Canada-wide median. Trends in the MBM and LIM rates can differ due to the way the two measures are being calculated. It is often recommended to report on both the absolute (MBM) and relative (LIM) measures to have better picture of the state of poverty. In general, for the LIM rate to fall, the income gap between individuals in low income and individuals above the income line must narrow. According to the LIM after-tax (LIM-AT), overall poverty rates have increased from 2009 to 2017 by 2%.

<sup>6</sup> Statistics Canada. Table 11-10-0066-01: [www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110006601](http://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110006601)

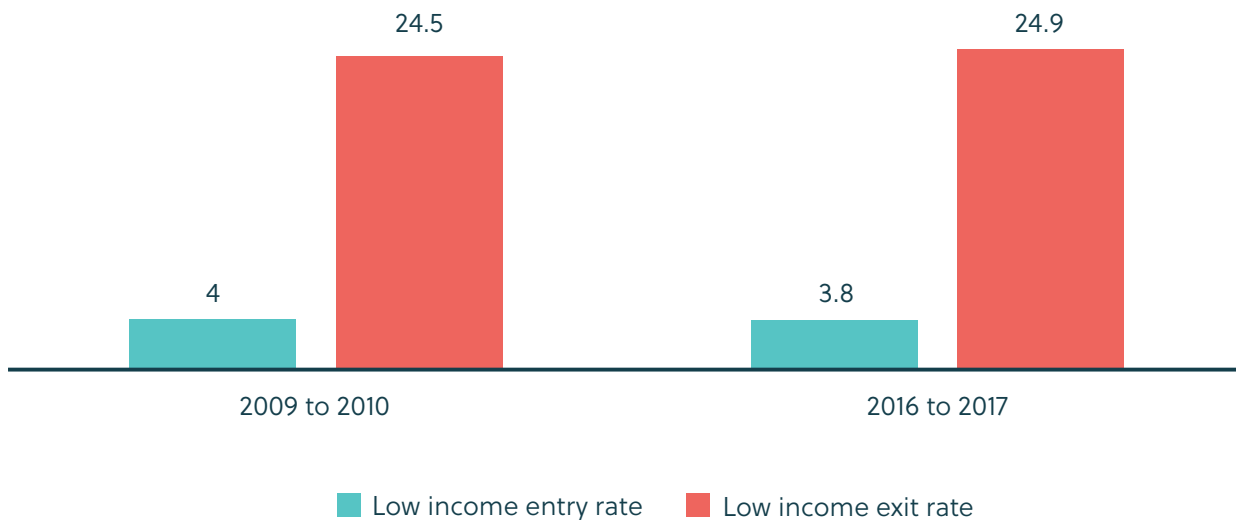
<sup>7</sup> Statistics Canada. Table 11-10-0135-01: [www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110013501](http://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110013501)

## Prevalence of low-income (%) in New Brunswick (LIM-AT), 2009 – 2017



## Low income entry and exit rates of tax filers in New Brunswick

The low income entry rate has decreased from 2009 – 2010 to 2016 – 2017, from 4% to 3.8%. This represents a 5% decrease. As for the low income exit rate, it has increased by 1.6% during the same period from 24.5% to 24.9%. These numbers indicate that less individuals are entering, and more individuals are transitioning out of poverty.<sup>8</sup>



<sup>8</sup> Statistics Canada. Table 11-10-0024-01: [www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110002401](http://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110002401)

## Depth of poverty

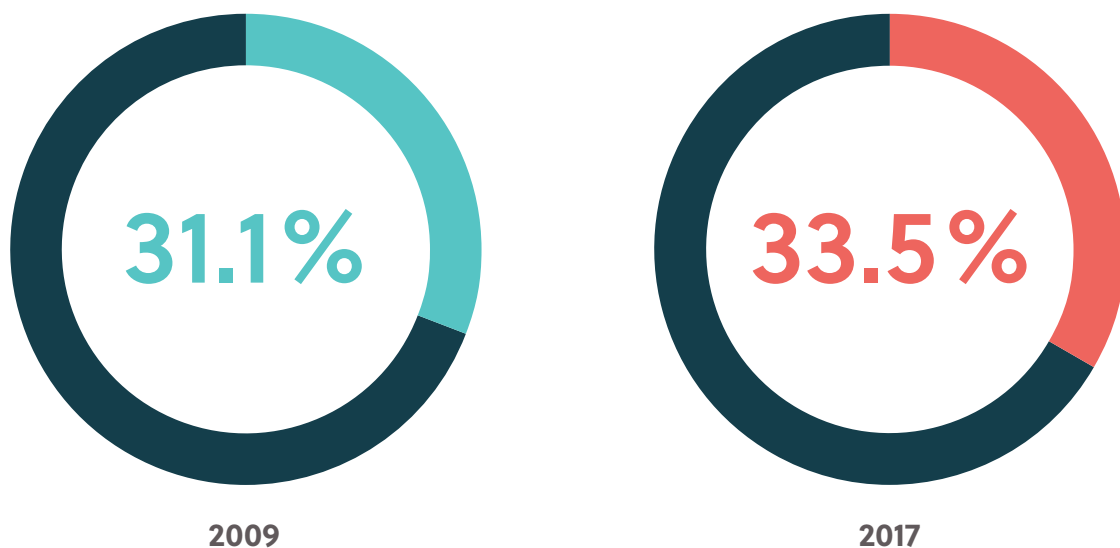
Although the rate of poverty has been on the decline according to national definition (MBM), the difference between the low-income threshold and the household income has increased overall from 2009 to 2017 bringing those individuals who remain, deeper into poverty.<sup>9</sup>

Furthermore, approximately 4% of the New Brunswick population is living in deep income poverty.<sup>10</sup> The rate of deep poverty in New Brunswick has stagnated from 2009 to 2015. It has increased in the Southern part of the province and decreased in Central and Northern New Brunswick. Deep poverty is most prevalent among middle aged single individuals. Families with children and seniors are less likely to be in deep poverty due to the protective factor

of targeted federal transfer payments like the Canada Child Benefit, Old Age Security and the Guaranteed Income Supplement.<sup>11</sup>

Although the measurement and reporting of poverty reduction is mostly done in a quantitative way, it is as important to factor in qualitative success stories that may not be reflected with numbers. Significant benefits both at the individual and community levels have been observed through various interventions supported by the Community Inclusion Networks and Overcoming Poverty Together such as work and life essential skills, strengthening families, financial budgeting and planning, food security and being part of a community.

### Average Gap Ratios (%) in New Brunswick (MBM), 2009 – 2017



<sup>9</sup> Statistics Canada. Table 11-10-0135-01: [www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110013501](http://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110013501)

<sup>10</sup> In New Brunswick, Deep income poverty is calculated as half of the Low-Income Measure.

<sup>11</sup> Dutton, D.J., & Emery, J. C. H. (2019). Deep Poverty in New Brunswick: A Description and National Comparisons. Fredericton, NB: New Brunswick Institute for Research, Data and Training.

## Regional View

Some segments of the population and areas of the province continue to face very high rates of poverty. Individuals without a high school diploma are more likely to be living in poverty as are the individuals who are not employed. Children, Indigenous and new-immigrants are among other groups that face disproportionately high rates of poverty. Major cities like Fredericton, Saint John, Bathurst and Edmundston as well as the counties of Saint John, Queens, Restigouche, Charlotte and Victoria all have rates of poverty above 17.5% according to the MBM. For a detailed regional analysis of poverty by various socioeconomic characteristics, consult the [Poverty in New Brunswick](#) Infographics Series.

## Social Assistance, Housing and Food Security

### Social Assistance

Social assistance caseloads have been on the decline since the 2010 reform where changes were made to increase rates and enhance the wage exemption policy. As of November 2019, 21,511 cases were reported receiving extended benefits or transitional assistance compared to 22,985 at the same period in 2009.<sup>12</sup> This represents a decrease of 6.4%.

### Housing and Homelessness

In 2016, New Brunswick's rate of core housing need was 9%, down from almost 10% in 2011. New Brunswick has one of the lowest core housing need in Canada. Core housing need represents a housing situation that does not meet the criteria of adequacy (e.g. leaky roof), suitability (e.g. number of bedrooms) and affordability.<sup>13</sup> This said, the homelessness population in the province continues to increase as the 24-hour homelessness March 2018 point in time count for New Brunswick (Moncton, Saint John, Fredericton and Bathurst) estimates that 315 individuals were homeless at that time.<sup>14</sup>

### Food Security

According to the latest Hunger Count released by Food Banks Canada,<sup>15</sup> there were a total of 22,265 visits in the province of which 32% were children. This represents an increase of close to 8% from 2018, adding to the constant increase of assisted individuals since 2009. Children and single individuals still account for a large proportion of all food bank users in New Brunswick.

<sup>12</sup> Department of Social Development: [www2.gnb.ca/content/dam/gnb/Departments/sd-ds/pdf/Statistics/CaseloadTrends/2019/2019-11-e.pdf](http://www2.gnb.ca/content/dam/gnb/Departments/sd-ds/pdf/Statistics/CaseloadTrends/2019/2019-11-e.pdf); [www2.gnb.ca/content/dam/gnb/Departments/sd-ds/pdf/Statistics/CaseloadTrends/2009/2009-11-e.pdf](http://www2.gnb.ca/content/dam/gnb/Departments/sd-ds/pdf/Statistics/CaseloadTrends/2009/2009-11-e.pdf)

<sup>13</sup> Statistics Canada, Census of population, 2016: [www12.statcan.gc.ca/census-recensement/2016/dp-pd/chn-biml/index-eng.cfm](http://www12.statcan.gc.ca/census-recensement/2016/dp-pd/chn-biml/index-eng.cfm)

<sup>14</sup> Homelessness Hub. Community Profiles: [www.homelessnesshub.ca/community-profile/bathurst](http://www.homelessnesshub.ca/community-profile/bathurst)

<sup>15</sup> Food Banks Canada. Hunger Count 2019 Report: [hungercount.foodbankscanada.ca/](http://hungercount.foodbankscanada.ca/)



## Appendix B

# Overcoming Poverty Together 3 Plan Development Process

The renewal process was launched in the summer of 2018 with a leader's tour across the province where representatives from the Economic and Social Inclusion Corporation (ESIC) met with business, non-profit and government to envision what the poverty reduction agenda could look like over the next 10 years.

In the fall of 2018, ESIC's board of directors agreed on the public engagement process – as stipulated in the Economic and Social Inclusion Act – that would lead to the development of the new plan. The public engagement process would span over three months from February to April 2019. ESIC launched the public engagement process on February 21<sup>st</sup>, 2019 with the release of a background document – the Looking Back to Move Forward outlining the efforts of the last 10 years and the current situation of poverty in New Brunswick.

Led by ESIC and in collaboration with the Community Inclusion Networks, the public engagement process gathered the perspective of New Brunswickers, including citizens with lived experiences, the business and non-profit sectors as well as all levels of government on what the priorities for the renewal of the Plan could be.

The following questions were asked:

- 1. What would have the greatest impact on reducing poverty for individuals in New Brunswick?**
- 2. How could citizens, non-profit organizations, businesses and municipal and provincial governments of New Brunswick further help reduce poverty?**

Overall, close to 2,500 New Brunswickers provided approximately 25,000 comments by taking part in one of the following public engagement activities:

### Online Questionnaire

**Community Dialogues:** local and regional meetings where New Brunswickers provided input on addressing poverty in New Brunswick.

**Sectorial Dialogues:** regional meetings by invitation where individuals from the four sectors provided input on addressing poverty in New Brunswick.

**Focus Groups:** small group discussions where individuals who currently live in poverty shared their perspective.

**Briefs:** written submissions that provided opinions, comments and recommendations about the state of poverty in New Brunswick.

**Best Brains Exchange:** meeting with a cross-section of experts to discuss the high priority issues of poverty.

The information gathered was analysed and grouped into the themes below:

**Income Security**

**Programs and Services**

**Community Development**

**Education and Training**

**Employment**

**Government**

**Housing and Homelessness**

**Food Security**

**Health**

**Awareness**

**Economic Development**

**Transportation**

**Children and Family Support**

**Environment**

*Overcoming Poverty Together 3 (OPT3)* was created based on recommendations received from the public, stakeholders, experts and available research and evidence.



## Appendix C

# Highlights of Overcoming Poverty Together

Initiatives stemming from New Brunswick's Economic and Social Inclusion Plan and the Community Inclusion Networks (CINs) have significantly changed the lives of New Brunswick residents. Stories about how these initiatives have improved the quality of life of participants are available on [ESIC's website](#). 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 Overcoming Poverty Together (OPT) to-date include:

- In the past ten years, close to 100,000 New Brunswickers have participated in nearly 500 economic and social inclusion projects in partnership with the CINs
- Over the past two plans, the funding leveraging capacity of the CINs has increase up to five times the value of community partner commitments compared to ESIC's investment
- Non-profit and business sectors have extensively contributed at the community, regional and provincial levels in poverty reduction
- A social assistance reform that: increased the monthly rates, made it possible for adult clients to reduce expenses by sharing accommodations, and allowed recipients to keep more of their employment income, among other advances
- The introduction of the New Brunswick Drug Plan
- The Healthy Smiles, Clear Vision program
- The development of a provincial transportation strategy and 17 community transportation services across the province.
- A series of increases to the minimum wage
- Various tax programs for low income and middle-class families for post secondary education and daycare
- Enhancements to the Small Business Investor Tax Credit program
- Increased benefits by promoting filing of income tax and benefits returns – in partnership with the Canada Revenue Agency

For more information on OPT results please refer to [ESIC's publications](#).

# Notes