



Empowering People...Engaging Community...Enabling Success



Newfoundland and Labrador **Poverty Reduction Strategy** Discussion Guide

November 2014

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INTRODUCTION

In 2006, the Government of Newfoundland and Labrador released *Reducing Poverty: An Action Plan for Newfoundland and Labrador*. Since then, over \$1 billion has been budgeted for initiatives to prevent, reduce and alleviate poverty. The most recent progress report, released in June 2014, shows significant progress. Newfoundland and Labrador now has the second lowest level of poverty in Canada.¹ While the strategy has supported many people to move out of poverty, there are still many living with low incomes and the progress report outlines areas of concern stemming from the research and identifies priorities moving forward.

Collaboration and engagement with people living in poverty, Aboriginal organizations, community-based and religious groups that provide services and advocate on behalf of those living in poverty, business, labour and other concerned individuals and groups has been key to our success. While ongoing dialogue takes place, this round of more formal consultations is designed to engage with partners to shape a new action plan to guide the strategy into the future.

The Government of Newfoundland and Labrador needs to hear about the current challenges people with low income are facing in the province as well as suggestions for solutions. A solid understanding of the needs of our most vulnerable citizens is necessary so those needs can be addressed.

Everyone is encouraged to participate in this round of consultations on the Poverty Reduction Strategy. This discussion guide is designed to seek input that will inform the development of priority actions for the elimination of poverty in Newfoundland and Labrador. Responses to the questions in the guide can be provided by email, regular mail, online or through a toll free line. Additional feedback, beyond that requested through the guide can also be provided. Hosting a group or friends, community members or others to discuss solutions and ways to address poverty can also be considered. Visit our web-page for resources, in addition to this guide, to support hosting a session.

By e-mail: povertyreduction@gov.nl.ca

By phone: 1-866-883-6600 or TTY 1-888-729-5440

On-line: www.swsd.gov.nl.ca

By regular mail:

Poverty Reduction Strategy Division

Department of Seniors, Wellness and Social Development

P.O. Box 8700

St. John's, NL A1B 4J6

¹ Statistics Canada's 2011 Low Income Cut Offs (LICOs), After-Tax. Tied with Saskatchewan and behind only Prince Edward Island.

BACKGROUND

In 2003, the Government of Newfoundland and Labrador committed to make the province's rate of poverty the lowest in Canada. *Reducing Poverty: An Action Plan for Newfoundland and Labrador* was released in 2006 and has guided a long-term and integrated approach to transforming the province from having one of the highest levels of poverty to the lowest.

From 2006 to 2014, over \$1 billion in new funding has been budgeted through the Poverty Reduction Strategy to implement a broad range of initiatives in support of the goals and objectives of *Reducing Poverty: An Action Plan for Newfoundland and Labrador*. The five goals of the *Action Plan* are:

- 1 Improved access to and coordination of services for people with low income ✓
- 2 A stronger social safety net ✓
- 3 Improved earned incomes ✓
- 4 Increased emphasis on early childhood development ✓
- 5 A better educated population ✓

The goals and objectives of the Poverty Reduction Strategy are based on the key directions to prevent, reduce and alleviate poverty, as well as input received during consultations and research. Ongoing dialogue with community partners is the cornerstone of the Government of Newfoundland and Labrador's approach. It has allowed systemic barriers to be broken down and for investments to be made that have the greatest impact on society's most vulnerable. The success of the approach is reflected in the 36,000 people who have made the journey out of poverty since 2003.²

² LICO's shows a decline of individuals living in low income from 63,000 in 2003 to 27,000 in 2011 (36,000). Other low income measures show similar declines for this period - The Low Income Measure shows a decline from 101,000 in 2003 to 69,000 in 2011 (32,000), the national Market Basket Measure shows a decline from 85,000 in 2003 to 59,000 in 2011 (26,000). The NL Market Basket Measure from 97,500 in 2003 to 61,900 in 2011 (35,600). These measures are all described in more detail in Annex III.

UPDATE ON THE

Poverty Reduction Strategy

More people in the province are working than ever before and Newfoundland and Labrador's average annual unemployment rate is the lowest ever recorded. An important objective of the strategy has been to remove barriers for people to work and allow them to benefit from the province's strong economy.

All low-income measures show a large reduction in the percentage of people living in poverty in the province. For example, according to Statistics Canada's Low Income Cut-Offs (LICO):

- 63,000 people had low incomes in 2003, whereas in 2011, this number had fallen to 27,000; and,
- In 2011, the incidence of low income in Canada was 8.8 per cent while in Newfoundland and Labrador it was 5.3 per cent.

Highlights of other indicators include:

- Median Family Income has increased 26 per cent from 2003 to 2011, from \$47,900 in 2003 to \$60,300 in 2011;
- The Jobless Family Rate, the percentage of families in which no one is working, has fallen from 14.9 per cent in 2003, to 12.5 per cent in 2011;
- For students from low-income families beginning university fall 2014, Newfoundland and Labrador remains the most affordable province on the Cost of Learning Index; and,
- The number of people receiving Income Support in Newfoundland and Labrador is at an all-time low. In 2003, about 10 per cent of the population in the province received Income Support monthly, compared with about seven per cent in 2013. The caseload (number of families and single people) receiving benefits at any point during the year decreased from 36,700 in 2003 to 29,650 in 2013.

The latest progress report was released in June 2014 and is available on-line at www.swsd.gov.nl.ca/poverty/pdf/prs_progress_report.pdf or by calling 1-866-883-6600.

PRIORITIES

While the Poverty Reduction Strategy has supported many people to move out of poverty, there are still many who are living with low incomes. One area of concern highlighted in the progress report is that the number of people living in extreme low income has not decreased at the same rate as low income overall. Targeting initiatives to people with extreme low incomes is a priority. Other priority areas may include removing remaining financial disincentives to employment, particularly those for persons with disabilities, continuing to increase supports for early learning, child care and vulnerable youth, and addressing the impact of increasing costs of necessities, such as housing, food and heating, on people with low income.

There is still much work to be done and challenges to be faced with respect to eliminating poverty. With continued collaboration with advocates, community-based groups and Aboriginal organizations, business, labour, and people living in or vulnerable to poverty, these challenges can be met. The continuation of the Poverty Reduction Strategy demonstrates the Provincial Government's commitment to improve the quality of life of the province's most vulnerable citizens.

Priority Areas:

- People living in extreme poverty
- Remove remaining financial disincentives to employment, particularly for persons with disabilities
- Increase supports for early learning and child care
- Increase supports for vulnerable youth
- Address the impact of increasing costs of necessities such as housing, food and heating, on people with low income

How to share your ideas:

By e-mail: povertyreduction@gov.nl.ca

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On-line: www.swsd.gov.nl.ca

By regular mail:

Poverty Reduction Strategy Division
Department of Seniors, Wellness and
Social Development
P.O. Box 8700
St. John's, NL A1B 4J6

Please send your response by January 19, 2015

QUESTIONS

for Consideration

1. From your personal experience or what you have seen in your community; what worked well in the first Poverty Reduction Strategy action plan?

2. What gaps remain in addressing poverty in your community and in the province?

3. Do you agree with the proposed priority areas on page 6? Are there other areas that should be included?

4. Do the five goals in the first Poverty Reduction Strategy action plan (see page 4) reflect the priorities you identified in number 3? If no, what should the goals be?



5. What are the most important things that the Government of Newfoundland and Labrador could do to address these priorities in your community and in the province?

6. What can community groups, businesses and residents do to help prevent, reduce and alleviate poverty in your community and in the province?

Any additional comments:

What region of the province do you live in?

☐ Labrador

☐ St. Anthony - Port au Choix

☐ Corner Brook - Rocky Harbour

☐ Stephenville – Port-aux-Basques

☐ Grand Falls-Windsor – Baie Verte – Harbour Breton

☐ Gander – New-Wes-Valley

☐ Clarenville – Bonavista

☐ Burin Peninsula

☐ Rural Avalon Peninsula

☐ Northeast Avalon Peninsula



APPENDIX I:

Goals and Objectives

Reducing Poverty: An Action Plan for Newfoundland and Labrador

Goal 1: Improved access and co-ordination of services for people with low incomes

- 1.1** Increased capacity within the Provincial Government to support an integrated and coordinated approach
- 1.2** Improved access to existing programs and services for people with low incomes
- 1.3** Development of tools for ongoing analysis of combined impacts of programs, including tax implications, to avoid unintended impacts
- 1.4** Work with Aboriginal people to improve their quality of life

Goal 2: A stronger social safety net

- 2.1** Increased supports to enable people with disabilities to participate fully in society
- 2.2** Enhanced justice system supports for vulnerable people
- 2.3** Increased availability of affordable housing
- 2.4** Improved access to necessities for those most vulnerable to poverty
- 2.5** Increased Income Support rates

Goal 3: Improved earned incomes

- 3.1** Fewer barriers to work and greater support for low-income workers
- 3.2** Greater supports for the development of employment skills
- 3.3** Greater supports for labour force participation and improved earnings from employment
- 3.4** Establish an alternative to Income Support for youth which allows for a coordinated service specific to their needs
- 3.5** Develop and expand employment skills programs for vulnerable groups whose needs are not currently being met

APPENDIX I:

Goals and Objectives

Reducing Poverty: An Action Plan for Newfoundland and Labrador

Goal 4: Increased emphasis on early childhood development

- 4.1** Strengthen the regulated early learning and child care system
- 4.2** Promotion of healthy child development
- 4.3** Strengthen early intervention services and programs

Goal 5: A better educated population

- 5.1** A K to 12 system where more students graduate
- 5.2** Increased responsiveness of the K to 12 system
- 5.3** Greater access to post-secondary education, literacy and adult basic education



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