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SOCIAL POLICY

A Poverty Reduction Strategy for Nova Scotia

by

Sherri Torjman

November 2009

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ISBN 1-55382-411-3

Published by:

Caledon Institute of Social Policy
1390 Prince of Wales Drive, Suite 401
Ottawa, ON K2C 3N6
CANADA
Phone: (613) 729-3340

E-mail: caledon@caledoninst.org
Website: www.caledoninst.org

Introduction

In December 2007, the Government of Nova Scotia passed Bill 94, *An Act to Establish a Poverty Reduction Working Group in Nova Scotia*. The mandate of the Working Group was to prepare a report recommending strategies and priorities to reduce poverty.

To inform the deliberations of the Working Group, a public survey was conducted in March 2008. The survey results indicated that more than 50 percent of the 1,300 respondents were either unfamiliar with the government's programs and services, or believed that these had no impact on poverty. The Working Group proposed that any strategy to tackle poverty be organized around four main goals:

- meaningful collaboration to ensure consistent and coordinated action
- poverty alleviation to meet the needs of those with long-term work barriers
- poverty reduction to meet the needs of low-income workers and their families
- poverty prevention to build a foundation for prosperity.

The Working Group made a series of recommendations in respect of the above goals. It suggested, for example, the following enhancements to the last-resort Employment Support and Income Assistance Program (i.e., welfare):

- increasing food and shelter allowances, with special attention to the needs of persons with disabilities
- allowing recipients to retain more of their earned income
- reviewing the special needs list to better reflect the actual cost of goods and services
- providing funding for telephones and disability supports
- encouraging participation in the labour market by allowing individuals to move in and out of the workforce as their life circumstances change.

The Working Group also proposed that the Government of Nova Scotia adopt a program similar to the Saskatchewan Employment Supplement, which bolsters the earnings of low-wage workers. In addition, Nova Scotia should create a new tax bracket so that individuals living at or below the low income cut-off pay no provincial income tax. Employers should be required and assisted to pro-rate benefits for part-time, casual and other non-standard forms of employment.

Additional recommendations included the engagement of the disability community in formulating a Disability Strategy and coordinating the provision of programs and services. The strategy should include accessible, affordable and visitable housing; access to technical aids; accessible and affordable transportation; and a navigation system to sort through myriad supports.

The Working Group recommended that Nova Scotia collaborate with the federal and municipal governments to establish a Transportation Strategy that makes use of all existing resources, including underutilized vans and buses. Community-based transportation and transit

programs should be extended across the province, and should provide service on evenings and weekends. The province should enable access to bus passes for income assistance clients for recreation and other quality-of-life activities.

Government departments should work collaboratively with diverse sectors to improve education and apprenticeship opportunities. The province should increase access and supports to a full spectrum of training and education, with a particular focus on persons with barriers. The province should also identify labour shortages and create linkages to skills training that match these employment opportunities.

The Working Group proposed that the province introduce a housing initiative as part of the overall Poverty Reduction Strategy. This component of the broader strategy would address the need for more transitional and affordable housing, and for home ownership assistance. Targeted rent supplement programs in certain areas should also be considered.

The province should continue to increase supports to families during the early years and to enhance child development. It also should advocate a National Child Care Strategy that recognizes the need for quality, universal, accessible and developmentally appropriate child care.

Finally, the Poverty Reduction Working Group noted that there are four Pharmacare programs in the province – for income assistance recipients, seniors, families and low-income children. It was confused by the duplication and urged streamlining in this area.

Based on the recommendations of the Working Group, the Government of Nova Scotia released on April 3, 2009 its Poverty Reduction Strategy entitled *Preventing Poverty, Promoting Prosperity*. The Strategy put forward a framework for tackling the needs of persons living in and at risk of falling into poverty, while promoting prosperity for all.

To achieve its twin vision of reducing poverty and promoting prosperity, the Poverty Reduction Strategy identified a set of related themes. In terms of *health and well-being*, all Nova Scotians should have access to the information, services, care and support they need to be as physically and mentally healthy as possible. *Lifelong learning* means that all Nova Scotians are able to gain useful skills, knowledge and experience that enhance personal growth throughout their lives. *Access and inclusion* imply that all Nova Scotians should have equitable access to opportunities to meet their potential and contribute to prosperity. *Citizenship development and engagement* encourage all Nova Scotians to participate in their communities. *Safety and security* mean that all citizens should feel safe in their communities and secure in meeting their basic needs by themselves or with support.

Preventing Poverty, Promoting Prosperity is a multi-year plan with four main goals, each of which is described briefly below.

- enable and reward work
- invest in households in need

- focus on children
- coordinate and collaborate.

i. Enable and reward work

This goal seeks to help low-income individuals prepare for the future through training and education, work experience, removal of employment disincentives and creation of job opportunities.

Nova Scotia will assist individuals looking for work through targeted investments in training and job creation. Under the Canada-Nova Scotia Labour Market Development Agreement, Ottawa is transferring responsibility to the province along with an annual \$81 million for programming. The funding will help workers not eligible for Employment Insurance and groups typically under-represented in the labour market – aboriginals, persons with disabilities, immigrants, African Nova Scotians, Acadian and francophone Nova Scotians, older workers, women, social assistance recipients, people formerly self-employed and workers with less than Grade 12 education.

To apply the Labour Market Agreement funds as quickly as possible, an inter-departmental team has developed an investment strategy with several components. Literacy programs, skills training and adult high school programming will be expanded. Apprenticeship options and access to community college for income assistance recipients will be increased. The province will enhance English as a second language training for immigrant professionals, and will extend sector-specific training, apprenticeship, mentorship and vocational supports.

The Government of Nova Scotia also administers programs to help income assistance (i.e., welfare) recipients enter or re-enter the workforce. *Educate to Work* pays for tuition and books for diploma and certificate programs at the Nova Scotia Community College. *Career Seek* allows eligible individuals to continue to receive income assistance while they attend a post-secondary educational program of more than two years' duration. *One Journey: Work and Learn* provides opportunities for skills development and employment.

Skilled Trades Centres functioning as construction sites, work areas and classrooms have been established at 10 high schools. Co-operative education is now offered at 70 percent of high schools, providing practical experience through neighbourhood employers. *Options and Opportunities* helps vulnerable students re-engage in learning and connect with employers.

Cost is a major barrier to post-secondary education. To reduce this obstacle, the province is investing \$180 million over three years to freeze tuition until 2010 for all students attending university in Nova Scotia.

The province has allocated \$1.9 billion to *Building for Growth*, one of the largest infrastructure programs in its history. The total includes \$24 million in training for infrastructure-

related jobs and individuals affected by the economic downturn. The Industrial Expansion Fund, which provides loans and other assistance to business, is being increased. Employment ideally will be created through investments in Nova Scotia Business Incorporated, the Community Economic Development Investment Fund, Community Development Trust, Business Retention and Expansion project, and community-based regional development authorities.

Finally, the province has committed to increasing minimum wage rates annually to \$9.65 per hour by 2011. The Minimum Wage Review Committee will meet regularly over the next three years to monitor economic indicators.

ii. Invest in households in need

The main objectives of this goal are to improve access to basics and to enable greater participation in society.

The province will begin with a review of the last-resort Employment Support and Income Assistance Program in order to help more low-income individuals find work and become financially self-sufficient. In the interim, the province has committed to annual adjustments of personal allowances based on the Consumer Price Index. For the purposes of determining available income, the program will exempt the value of the federal Working Income Tax Benefit and Registered Disability Savings Plan.

With federal support, the province will allocate \$59 million over three years to expand and upgrade affordable housing. The investment is part of the province's *Building for Growth* plan, earlier described. Close to \$9 million of the total will be used over a 10-year period to subsidize rents. The new construction and upgrades will also help make the affordable housing energy efficient. The \$92 million *Heat Smart* program will provide home heating assistance over the winter.

As part of the \$7.8-million Aboriginal Off-Reserve Trust, the province has been working with members of the aboriginal off-reserve community to formulate affordable housing solutions, including housing repairs, new home ownership, rental preservation and support services. The Department of Health will implement its Aboriginal Health Transition Fund Adaptation Plan financed by Health Canada – with mental health and addictions as a priority focus.

An in-depth profile of persons with disabilities and other low-income, high-risk groups in Nova Scotia will be created to make services more responsive to their needs. To ease access to government resources and services, the province will develop – in collaboration with community groups – materials that describe the range of supports for low-income Nova Scotians. An evaluation plan will be designed to ensure periodic assessment of services.

Finally, the Poverty Reduction Strategy introduces a number of measures to enable participation in society. The province has expanded the Community Transportation Assistance

Program and Accessible Transportation Assistance Program for seniors, persons with disabilities and others in need. Within the broader poverty and prosperity initiative, the province will develop a sustainable transportation strategy, as recommended by the Poverty Reduction Working Group.

iii. Focus on children

The primary objectives of this goal are to break the cycle of poverty and strengthen supports for children and families. The Poverty Reduction Strategy includes the *Healthy Beginnings* home visiting program, which connects at-risk families to community resources in order to promote healthy childhood development. More than two-thirds of program funding assists children in low-income families. The pilot project *Parenting Journey* builds on *Healthy Beginnings* by pairing families with resources on healthy child and youth development, parent-child relationships and other family challenges. These approaches follow the recommendations in *Our Kids Are Worth It, Our Strategy for Children and Youth* released by Nova Scotia in December 2007.

The government will aid low-income families with children by investing \$3.5 million in subsidized child care through the Early Learning and Child Care Plan. The money will reduce the fees paid by low-income parents while creating more subsidized spaces in licensed child care and family home day cares. All subsidies will become portable so that families can apply them to a space at the child care centre of their choice. The expansion is intended not only to promote healthy childhood development but also to enable workforce participation. As recently as October 27, 2009, the province announced \$6 million for an additional 300 child care spaces and subsidies for low-income households.

Targeted action is being taken to help identified students, including English-second language students, who are struggling with math and literacy. The province has also invested \$4.1 million over three years in projects to support African Nova Scotian education in priority areas, such as inclusive curriculum and early literacy and numeracy skills.

Health Promoting Schools delivers a range of programs such as school breakfasts, physical activity, youth sexual health, tobacco reduction and injury prevention. *Schools Plus* involves teams of professionals from across government who provide coordinated services and activities to help children at risk. Five youth navigators are working with teens and families with complex needs to connect them to various community and government agencies. *Kidsport Nova Scotia* and *Everybody Gets to Play* seek to ensure that all children, regardless of household income, can participate in recreational programs. Additional investments are being made in recreational programs in First Nation communities.

Finally, the province directed \$30 million in 2007 to the Nova Scotia Family Pharmacare Program, available to anyone who applies. The Low Income Pharmacare for Children Program was launched in 2006 to provide prescription drug coverage for children under 18 in families

receiving the Nova Scotia Child Benefit. The income thresholds for the Low Income Pharmacare for Children Program are being increased to reflect the threshold change to the Nova Scotia Child Benefit, allowing an additional 3,700 low-income children to qualify.

iv. Collaborate and coordinate

The Poverty Reduction Strategy acknowledges the need for all orders of government and community partners to work together to combat poverty and promote opportunity. In December 2008, the Premier signed a Collaboration Agreement with the Nova Scotia Volunteer Community Advisory Council. At the provincial level, the number and type of collaborative initiatives are increasing – e.g., the Child and Youth Strategy, Crime Prevention Strategy and Community Development Policy.

An inter-ministerial committee will guide the implementation of the Poverty Reduction Strategy and will include the following departments: Community Services, Economic and Rural Development, Education, Finance, Health, Health Promotion and Protection, Justice, Labour and Workforce Development, and Treasury and Policy Board. The position of Coordinator of Poverty Reduction will be created to implement the directions of the inter-ministerial committee.

The province will monitor progress toward its goals by measuring actions against a set of designated targets. It will assess efforts to enable and reward work, for example, through uptake of the Working Income Tax Benefit intended to bolster the incomes of working poor households. Improvements for children will be determined by the prevalence and number of children under age 18 living on low income. In respect of coordination and collaboration, the province will identify the extent of the population informed about the causes and consequences of poverty.

The Nova Scotia Poverty Reduction Strategy clearly is a work in progress. It will take time before substantial results are achieved. In the meantime, the initiative is noteworthy by virtue of the wide range of interrelated measures undertaken by government and non-governmental actors within an overarching framework of stated objectives. Nova Scotians will not be the only ones awaiting the progress reports on this significant poverty reduction initiative.

Reference

Nova Scotia. (2009). *Preventing Poverty. Promoting Prosperity: Nova Scotia's Poverty Reduction Strategy*. Halifax: Province of Nova Scotia.