

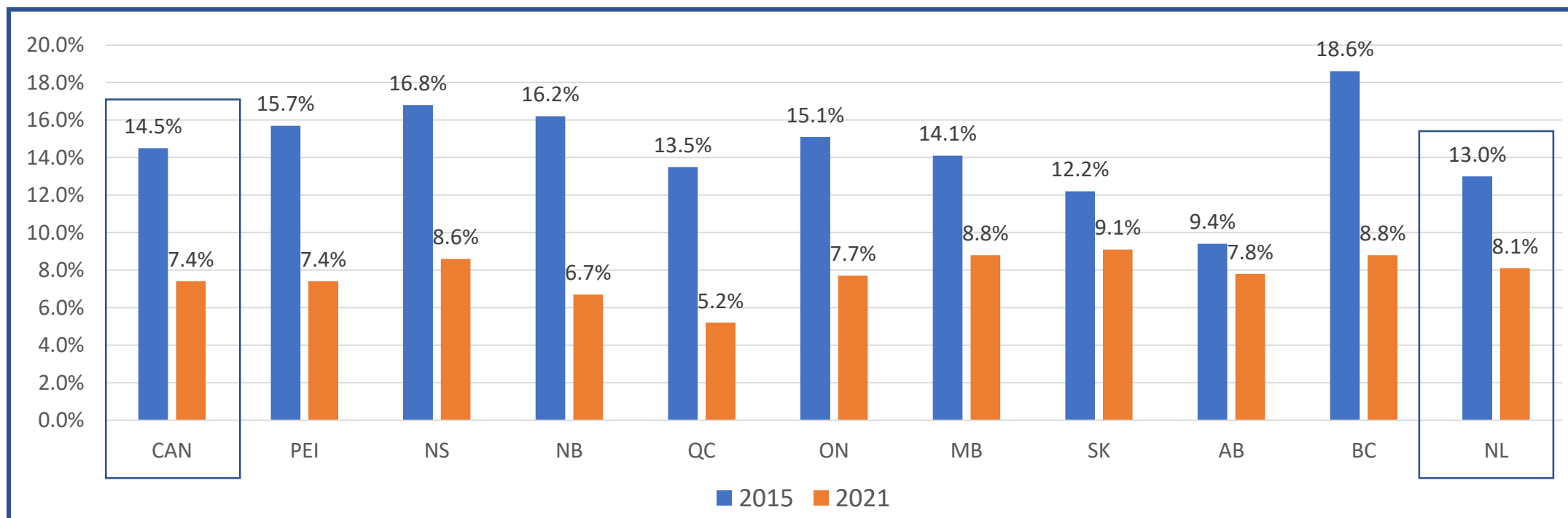


Newfoundland and Labrador Poverty Reduction Plan

November 8, 2023

Percentage of all persons in Poverty by Province

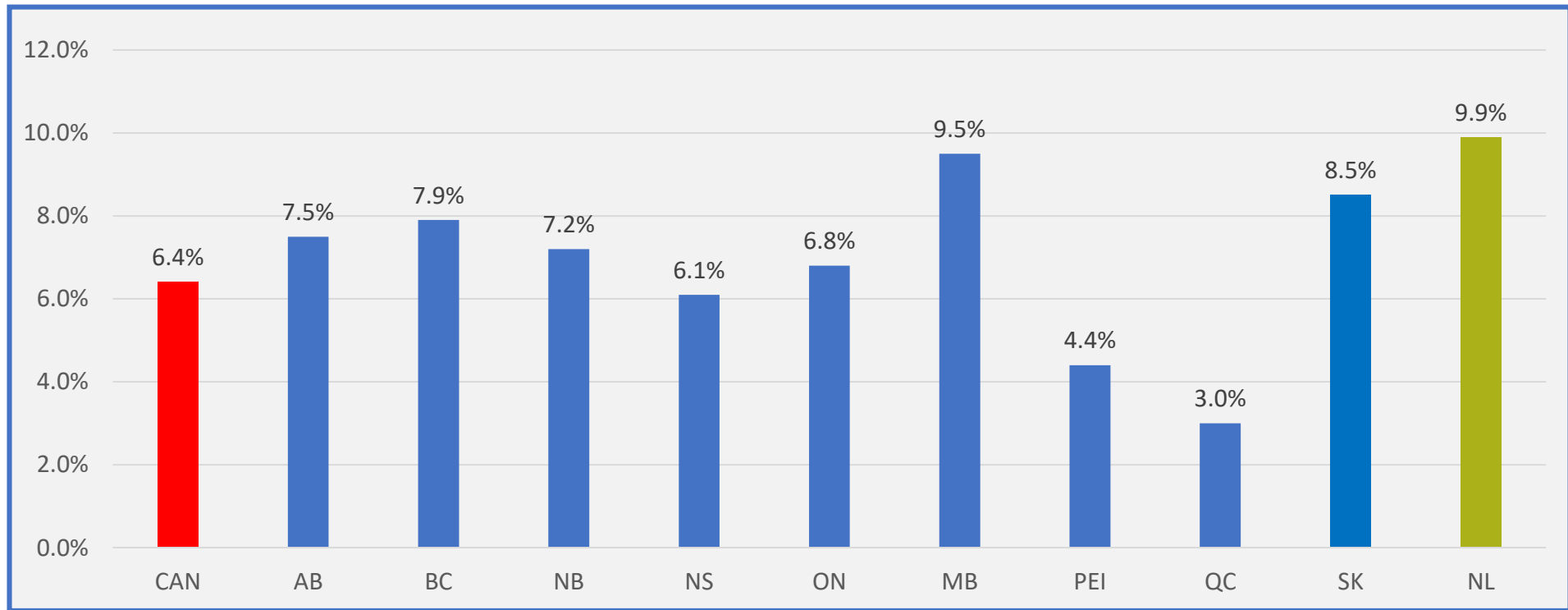
(MBM, 2015 vs. 2021)



- In 2015, NL ranked 3rd of all provinces; in 2021, NL ranked 7th
- Low income prevalence was lower for all provinces in 2021, likely as a result of federal COVID supports, but is slowly trending upward, back to pre-pandemic levels.

Child Poverty:


Percentage of persons <18 years in low income (MBM, 2021)



Source: Market Basket Measure

- In NL, approximately 9000 children (9.9%) <18 years live in low income
- NL is above the Canadian average and about three times higher than Quebec

To support well-being, the Poverty Reduction Plan will be rolled out over three years with interventions designed to support well-being and achieve the three main objectives



Poverty Reduction Plan Three Main Objectives:

1: Reduce childhood poverty

2: Improve income supports

3: Encourage meaningful, sustainable employment

Childhood Poverty Interventions:



Prenatal-Early Childhood Nutrition Supplement



NL Child Benefit (NLCB)



School Food Programming



Prenatal-Early Childhood Nutrition Supplement

- Non-Taxable Benefit of \$150 per month to assist with the extra costs of healthy eating during pregnancy and up to the child's first birthday
 - Payments are made by CSSD until the child is born and then Government of Canada administers on behalf of the provincial government as a portion of the Canada Child Benefit payment until the child is one year old
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CHANGE:

- Expand the program to age five providing \$150 per month for an additional four years
- Rename Prenatal Infant Nutrition Supplement to the Prenatal - Early Childhood Nutrition Supplement to better reflect the intention of the program to provide nutritional support during pregnancy and children in their early years

IMPACT:

- An additional 2,000 families will receive the benefit



NL Child Benefit

- Non-taxable benefit paid monthly to help with the cost of raising children (<18 years)
 - Annual Rates - One Child - \$447, Two Children - \$921, Three Children - \$1430, and \$547 for every additional child
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CHANGE:

- Increase the NL CB by 300% with the initial increase by March 2024 and retroactive to January 2024
- New annual rates by January 2024 - One Child - \$1788, Two Children - \$3684, Three Children - \$5720, and \$2188 for every additional child

IMPACT:

- Families of 14,000 children will receive increased benefits



School Food Programming

- School breakfast program has been implemented in all schools
 - Approximately 32 percent of students have access to school lunch
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CHANGE:

- Work with partners to expand school lunch programs by need and capacity to all Junior Kindergarten to Grade 9 students in the province
- Lunches provided in all schools over the next two years

IMPACT:

- This will extend school lunch to over 30,000 additional students

Income Interventions:



Increase Income Support Comforts Allowance



Streamline & Improve Income Support Benefits



Introduce a targeted basic income pilot



Increase Income Support Comforts Allowance

- Monthly Income Support amount provided to qualifying applicants and recipients for cost of clothing and personal items while staying in temporary accommodations, such as an emergency homeless shelter, where meals are provided

CHANGE:

- Increase the Comforts Allowance benefit amount from \$125 per month to \$175 per month – Effective November 15, 2023

IMPACT:

- People staying in temporary accommodations will have a higher monthly benefit amount



Streamline & Improve Income Support Benefits

- Income Support provides basic financial benefits and other services to eligible people to assist with basic living expenses, based on an assessment of all household income and assets
 - The program structure is complex with more than 30 different basic monthly rates that are based on household composition and living arrangements, as well as additional amounts that require documentation from an approved professional
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CHANGE:

- Streamline and improve Income Support benefits to provide financial supports that are improved and simplified in a more timely manner
 - **Improved and simplified benefits:** Fewer separate benefit rates that are standardized and at higher levels
 - **Increased flexibility:** Benefit amounts less dependent on household composition and living arrangements
 - **Improved ease of access:** Reduced requirements for documentation

IMPACT:

- Increased benefits and reduced poverty for the most vulnerable people



Targeted Basic Income Pilot

- People with long-term requirements for supportive services to live independently are among those who experience the highest barriers to employment, and often require ongoing financial supports.
 - Currently, financial supports are provided through Income Support and the NL Health Services Community Support Program
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CHANGE:

- Implement a targeted basic income for people age 60 to 64 currently receiving basic monthly financial supports through the Income Support program and the NL Health Services' Community Support Program, at an amount equal to the basic Federal seniors benefits, which will result in more adequate, stable financial supports to a vulnerable group of seniors
- A targeted basic income will provide higher monthly incomes through a single source, eliminate separate financial assessments and reduce required documentation, which will reduce overall administrative costs

IMPACT:

- Higher monthly incomes to target group and reduced administration

Employment Interventions:



Employment Stability Pilot



Non-EI eligible training support program



Employment Stability Pilot

- The recently expanded Employment Stability Pilot provides enhanced incentives and supports for participants receiving Income Support who begin a new job and/or maintain and increase their hours of work
 - The pilot provides opportunities for people in receipt of Income Support to immediately realize increased financial benefits from working through an increased overall monthly income and experience increased financial rewards for entering and remaining in the workforce
 - The pilot provides people with financial stability needed to ease the transition from Income Support to work
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CHANGE:

- Continue to work with community partners to complete independent evaluation
- Assess whether to implement evaluation recommendations
- Promote incentives and supports to encourage labour market participation

IMPACT:

- Increased workforce attachment and higher overall incomes for Income Support recipients



Non-EI eligible training support program

- Currently, people who are not eligible for Employment Insurance (EI) do not have access to robust employment and training programs to assist with retraining or upskilling in the same manner as those who are EI eligible
- A program to encourage, retrain or upskill people who are non-EI eligible to fill workforce shortages

CHANGE:

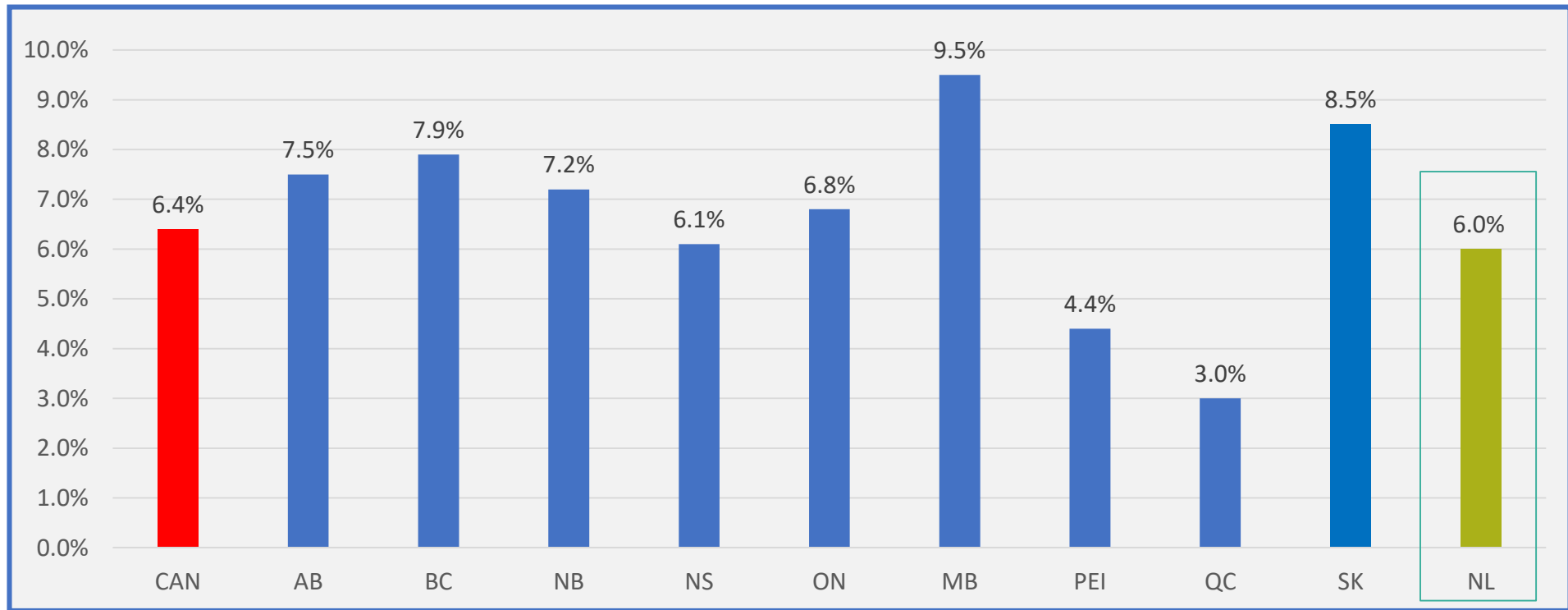
- Provide a skills training program to support people who are not EI eligible to attend post-secondary programming that will lead to employment in the same manner as is currently available for people who are EI eligible, including funding for living allowance, childcare, and costs of training
- Expand existing enhanced referral and assessment process for Income Support Social Workers to refer Income Support recipients
- Training will prioritize post-secondary programs with entrance requirements suitable to upskilling people with no previous post-secondary, history of low paying jobs and connections to Income Support

IMPACT:

- Increased skills development to support long-term attachment to the labour market

Child Poverty:

Percentage of persons <18 years in low income (MBM, 2021)



Source: Market Basket Measure

- With an increase in the Child Benefit and expansion of the Early Childhood Nutrition Supplement, NL will be among the provinces with the lowest rates of Childhood Poverty

Source: Cansim Table 11-10-0066-01 Market Basket Measure (MBM) thresholds for the reference family by Market Basket Measure region, component and base year, Statistics Canada.