

A Poverty Reduction Plan for Manitoba in Budget 2017:

Increase the **EIA basic needs benefit** as part of a **comprehensive plan** to address poverty

Proposed actions:

- 1) Manitoba will release a comprehensive poverty reduction plan in Budget 2017. This plan must be developed in consultation with community members and include targets and timelines for reducing poverty.**

With a new provincial government, it is time for a renewed comprehensive plan for poverty reduction and social inclusion – one that invests in food security, childcare, housing, job training, wages, education, mental health and other social services. We believe *The View From Here (2015)* provides such a blueprint. Find this report at: tinyurl.com/VFH2015.

Targets and timelines for reducing poverty are needed to provide a vision and roadmap of strategic actions. If we don't know where we are going, how will we determine the best way to get there?

- 2) Manitoba will increase the basic needs benefit in Budget 2017 as part of its new poverty reduction plan.**

EIA's basic needs budget has barely increased in two decades while the cost of living has gone up by more than 40 percent. Even with Rent Assist in place, single adults and persons with disabilities on EIA live in deep poverty with total incomes that are 47% and 32% below the poverty line, respectively (see Table 1 below).

We ask the Province to ensure all Manitobans have a total income equal to at least 75% of the poverty line. This can be achieved by replacing EIA's basic needs budget with a new and enhanced portable benefit for eligible low-income Manitobans, on and off EIA. This proposal affects single adults and persons with a disability.

Our vision is a Manitoba without poverty. While our proposed benefit does not achieve that vision on its own, it is a significant and realistic step in the right direction as part of a comprehensive plan. The enhanced benefit is estimated to cost at least \$52M annually, less than 0.3% of the Manitoba budget.

Why is this important? Low EIA rates perpetuate reliance on EIA. EIA incomes are so low that people are forced to focus all resources on acquiring basic needs. Living in an ongoing state of crisis makes it next to impossible to pursue training and jobs leading to financial independence. For people with disabilities who face barriers to employment, low EIA rates condemn them to a life of poverty.

It also makes economic sense. Every penny given to EIA participants goes right back into the economy. The Province is indexing tax brackets so Manitobans can keep up with the cost of living. The same logic must be applied to income supports. Implementing this proposal is the right thing to do.

Table 1: Total monthly incomes for various family types receiving EIA

Family Scenario	75% of poverty line MBM¹	Total monthly income²	Total monthly income as percent of MBM	Monthly increase needed to get to 75% of MBM
Single adult	\$1,092	\$776	53%	\$316
Single person with disability	\$1,092	\$997	68%	\$95
Single parent, two children ³	\$1,891	\$2,331	92%	-
Two parents, two children ⁴	\$2,184	\$2,523	87%	-

¹Statistics Canada's Market Basket Measure (2013); ²EIA, Rent Assist, federal child benefits, and the GST credit; ³Ages 10/13; ⁴Ages 4/7

Contact: manitoba@makepovertyhistory.ca to indicate your support