

MAKE POVERTY HISTORY MANITOBA

Make Poverty History Manitoba
432 Ellice Avenue
Winnipeg, MB, R3B 1Y4

Hon. Heather Stefanson, Minister of Families
Room 357 Legislative Building
450 Broadway
Winnipeg, MB, R3C 0V8
cc: Deputy Minister of Families

June 4, 2019

Dear Minister Stefanson,

As you know, Make Poverty History Manitoba is a coalition of over 150 groups and hundreds of individuals dedicated to ending poverty in Manitoba. Make Poverty History Manitoba (MPHM) is a multi-sectoral collaborative coalition representing individuals with lived experience of poverty, business, education, student, youth, Indigenous, newcomer, labour, women's, disability, urban, rural, and northern communities.

Our coalition is committed to changing public policy to achieve a Manitoba without poverty.

PROVINCIAL POVERTY REDUCTION PLAN

Make Poverty History Manitoba eagerly awaited the updated provincial poverty reduction plan. We provide our analysis of *Pathways to a Better Future* in the enclosed document "Failing Grade: Manitoba Poverty Reduction Strategy and Budget 2019". While we participated in the consultation for the poverty reduction strategy and were offered one meeting with the Deputy Minister of Families, none of Make Poverty History Manitoba community priorities were included in your provincial plan. We were greatly disappointed in this, as we have been repeatedly speaking to government about the need for action to bring down poverty rates through our five priority areas, amidst a comprehensive poverty reduction plan. While we are pleased targets and timelines have been adopted, it is disappointing the province has adopted targets that have already been met, in the case of child poverty, and the federal target already announced.

In 2015, Make Poverty History Manitoba, along with community partners, updated *The View From Here: Manitobans Call for a Renewed Poverty Reduction Plan*. Prior to the provincial election of 2016, six recommendations were prioritized, based on extensive community consultation using *the View From Here* as the basis for discussion. These six prioritized themes included; minimum wage, housing, childcare, mental health support, basic needs budget, and a comprehensive poverty reduction plan with targets and timelines.

The Livable Basic Needs Benefit was one of these six key areas. Our proposal is for comprehensive reforms to the Employment & Income Assistance program. Our proposed benefit, which would be part of a comprehensive plan to address poverty, should be set at a level to cover the actual cost of basic needs such as food, clothing, communications and transportation. The proposed benefit would be sufficient, when combined with other federal and provincial income supports, to lift all Manitobans to at least the

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Market Basket Measure poverty line, as well as eliminate the welfare wall that prevents Manitobans on EIA who are able to work from accessing meaningful employment.

We need visionary income assistance policy within a comprehensive poverty reduction strategy, along with accompanying budgetary resources, to end poverty, support local economies, and ensure safe communities. Unfortunately, recent changes to Rent Assist and Employment and Income Assistance (EIA) are regressive and move away from our coalition's proposed solutions.

CHANGES TO RENT ASSIST REGULATION

Effective July 1, the Province is freezing Rent Assist for individuals without disabilities on EIA and for individuals under the age of 55, not on EIA. Other Rent Assist recipients will receive a regularly scheduled annual increase in benefits to keep up with rental inflation, as mandated under legislation. Those impacted will not receive the additional \$27 per month that individuals over 55 and those on disability will receive on July 1.

These changes recklessly weaken Rent Assist, leaving thousands of households more vulnerable to housing crisis and homelessness. The creation of a new category of reduced rent assist for individuals under the age of 55 is arbitrary and discriminatory. It creates a false division suggesting that some people living in poverty are more deserving than others. We call on you to immediately reverse these changes and invest in the Rent Assist program.

\$25 CUT TO EMPLOYMENT AND INCOME ASSISTANCE (EIA)

We were dismayed that your government cut the \$25 job seekers allowance from nearly 12,000 households in May 2019. This decision runs counter to the commitments your government made in 2016 to make poverty reduction a top priority. We call on you to replace the benefit immediately for affected households, either by re-introducing the benefit, or by replacing it with an increase in the basic needs amount to lift all affected households up to the poverty line.

The \$25 job seekers allowance was available to adults on general assistance without children. Since its introduction in 2008 it has been included as a part of the basic package of benefits eligible households receive. *Pathways to a Better Future* included the job seekers allowance in its calculation of total income received by a single adult on General Assistance (p. 25). Even with this income, single adults on general assistance had the lowest income of any group in Manitoba at just 52 percent of the Market Basket Measure of poverty. Losing \$300 per year, their income will now dip to just 50 percent of MBM.

Throwing individuals, people with disabilities, and couples without children deeper into poverty is reckless. Households who already cannot afford food will depend more heavily on food banks, stripping them of their independence. As documented in stories collected by Make Poverty History Manitoba, in our campaign "[The 12 Basic Needs of Christmas](#)" people on EIA not only cannot afford healthy food, but even lack basic needs like transit tickets, laundry soap, or toiletries. Your decision to cut EIA will put these even further out of reach. It will negatively affect their health and job readiness. Imagine going out to look for work if you haven't eaten breakfast, don't have clean clothes and can't afford essential hygiene products. Ending the Job Seekers Allowance will reduce the capacity for EIA recipients to get back to work.

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CLIMATE ACTION INCENTIVE EXEMPTIONS

We also are writing to be sure that the Manitoba Assistance Regulation be amended to exempt climate action incentives payments in the calculation of financial resources for recipients of EIA. We have been informed by provincial EIA staff that internal policy at EIA has meant that up until now these payments are not being deducted. We are pleased with this interim measure, however a regulatory exemption is needed to provide certainty for all affected households.

This year, the federal government began distributing Climate Action Incentives to households, based on their 2018 taxes – approximately \$339 for a family of four. These payments will help ease the costs of carbon taxes. It is vital that recipients of EIA receive the full benefit of these incentive payments.

Make Poverty History Manitoba supports action on climate change, especially since the effects of global warming will be felt most severely by vulnerable and low-income households and communities with fewer means to adapt. The climate action incentive payments are essential for low income households in particular to weather the costs of action on climate change. In order for the costs of climate action to be borne fairly, Manitoba must ensure that the lowest income households, including those on EIA, have access to incentive payments to adjust to their increased household costs resulting from carbon taxes. Please confirm the EIA regulation is being updated to reflect this.

CONCLUSION

Over the past few months, these numerous changes have left the most vulnerable Manitobans on social assistance reeling. Meanwhile, it remains unclear what budgetary resources and visionary commitments are part of your government's plan to support eliminating the welfare wall and helping Manitobans access meaningful employment, while supporting those individuals, such as people on EIA with disabilities, have access to livable income supports.

We request a meeting with you to understand what the government's plan for Employment and Income Assistance entails, as well as present *The View from Here*, the community-based poverty reduction strategy, and other policy recommendations for a comprehensive poverty reduction strategy that lifts all Manitobans at least to the Market Basket Measure poverty line.

Thank you for the opportunity to present our concerns to you, and we look forward to hearing from you.

Sincerely,

Michael Barkman
Chair, Make Poverty History Manitoba

On behalf of Make Poverty History Manitoba Steering Committee