

# **Manitoba Poverty Progress Profile**

**CANADA WITHOUT POVERTY, 2015** 

## **OVERVIEW**

n 2009 Manitoba released its poverty reduction and social inclusion strategy, *ALL Aboard*. The strategy has focused on building partnerships with federal and municipal governments, community and non-profit organizations, businesses, citizens, First Nations, and Métis.<sup>1</sup> In June 2011 Manitoba passed the *Poverty Reduction Strategy Act*, grounding *ALL Aboard*.<sup>2</sup>

ALL Aboardemphasizes a collaborative approach to reduce poverty, focusing on early childhood development, healthy families and communities, education and training, and the labour market.<sup>3</sup> According to Manitoba's Low Income Cut-Off (LICO) statistics, the number of Manitobans living in low income has steadily increased since the poverty plan was introduced.<sup>4</sup> Although more people are living in affordable, quality housing compared to years before the strategy, these gains have slowed down in recent years.<sup>5</sup>

# **Plan Components and Highlights**

The ALL Aboard framework and vision focused on four pillars to "reduce poverty and promote prosperity:"

- 1. Safe, affordable housing in supportive communities
- 2. Education, jobs and income support
- 3. Strong, healthy families
- 4. Accessible, coordinated services<sup>6</sup>

For more details of the four pillars, visit http://www.gov.mb.ca/allaboard/index.html.

#### COMMUNITY ENGAGEMENT IN PLAN DEVELOPMENT AND IMPLEMENTATION

In 2013 over 500 Manitobans participated in an *ALL Aboard* public survey and over 140 participated in the consultation process in-person.<sup>7</sup> The consultations included 10 public meetings in six regions, an online/print survey, and a request for written submissions, with the aim of learning what works well, what needs improvement, and what initiatives are recommended.<sup>8</sup> In August 2013 Manitoba released the results of the consultations in a report titled *ALL Aboard:* What We Heard.<sup>9</sup> The report summarizes key findings that emerged from the process, which prioritized housing and food security, as well as training and employment opportunities.<sup>10</sup> The government also noted that the work ahead must be inclusive.<sup>11</sup>

## **MEASURING PROGRESS**

# **Statistical Indicators of Poverty** (Unofficial Measurement Tools)

	<b>LICO</b> <sup>12</sup> Low Income Cut-off After-tax	LIM <sup>13</sup> Low-Income Measurement	MBM <sup>14</sup> Market Basket Measure	Food Bank Usage <sup>15</sup>	Welfare Recipients <sup>16</sup>
2000	144,000, <b>13.4%</b>	155,000, <b>14.4%</b>	117,000, <b>10.8%</b>	*	65,259
2005	139,000, <b>12.7%</b>	161,000, <b>14.7%</b>	127, 000, <b>11.6%</b>	46,161, <b>3.9%</b>	60,866
2009	101,000, <b>8.8%</b>	172,000, <b>15.0%</b>	132,000, <b>11.5%</b>	47,925, <b>3.9%</b>	56,282
2010	107,000, <b>9.2%</b>	165,000, <b>14.3%</b>	124,000, <b>10.7%</b>	57,966, <b>4.7%</b>	58,874
2011	105,000, <b>8.9%</b>	164, 000, <b>14.0%</b>	134,000, <b>11.5%</b>	55, 575, <b>4.5%</b>	60,754
2012	127,000, <b>10.7%</b>	185,000, <b>15.6%</b>	145,000, <b>12.2%</b>	63,482, <b>5.1%</b>	62,332
2013	*	177,000, <b>14.8%**</b>	*	60,229, <b>4.7%</b>	62,028
2014	*	*	*	61,691, <b>4.9%</b>	61,919

Note: 2009 - poverty strategy came into effect

<sup>\*</sup> Data not available

<sup>\*\*</sup> Please note that data from the 2013 calculation of Low Income Measure (LIM) is from the Canadian Income Survey (CIS) instead of the Survey of Labour and Income Dynamics (SLID)".

## **Manitoba's Poverty Reduction Strategy Act –** (enacted June 2011)

#### **PURPOSE**

To establish the government's responsibility to implement a long-term strategy to reduce poverty and increase social inclusion, as well as indicators that measure progress and provide annual progress reports to the public.

#### **KEY PROVISIONS**

- Outlines the seven areas of need that the strategy must address (education, training, employment, income support, housing, communities, and family), stipulates that it must be targeted at groups particularly vulnerable to poverty, and promotes coordination across government ministries.
- Establishes the formation of a Poverty Reduction and Social Inclusion Committee that consists of Ministers, a member of the Premier's Advisory Council on Education, Poverty, and Citizenship (who is a regular citizen), and three community members.
- Committee provides advice on the content of the strategy, progress indicators, and proposed programs or policies. The Committee monitors its implementation, including coordination across government and community involvement, but is not responsible for distributing funds.
- Requires the government to include the poverty strategy in the annual budget. Requires
  the Minister and Committee to prepare and table an annual report on implementation and
  progress. Requires the strategy to be reviewed and updated every five years.

\*Note: many income-based indicators are not available on reserves, excluding a significant portion of Manitoba's Aboriginal population from reported data.

#### The Manitoba Government's Success Indicators

In the ALL Aboard strategy, the Manitoba Government stated it will track key indicators from the four pillars to measure progress on poverty reduction. The government released a report in March 2013, which summarized 21 indicators to monitor progress. The indicators covered key areas such as:

#### 1. SAFE AFFORDABLE HOUSING IN SUPPORTIVE COMMUNITIES:

 The total units of social and affordable housing supported by the Manitoba Housing and Renewal Corporation tallies up the rental accommodation for low-income households (social housing) and the rental units set at or below median market rent (affordable housing).<sup>17</sup> • Sense of community belonging, which measures social attachment to the community and is related to social inclusion, as well as physical and mental health.<sup>18</sup>

## 2. EDUCATION, JOBS AND INCOME SUPPORT:

- High school graduation rates and participation in adult learning programs.
- Employment rates, average weekly earnings, minimum wage rates and low-income rates.<sup>20</sup>
- Income inequality as measured by Gini coefficient.21

#### 3. STRONG, HEALTHY FAMILIES:

- Early development instrument, availability of licensed childcare spaces, children in care, and teen birth rates.<sup>22</sup>
- Potential years of life lost and prevalence of chronic diseases by income quintile.<sup>23</sup>

## 4. ACCESSIBLE, CO-ORDINATED SERVICES:

Average monthly number of people receiving coordinated home care services, continuity
of physician care, and the number of people using Access centres.<sup>24</sup>

# **Progress to Date**

Since ALL Aboard was introduced in 2009, there has been a 5.3% increase in the number of social and affordable housing units funded by Manitoba, an 8% increase in graduation rates, and a 5.5% increase in childcare availability.<sup>25</sup> However, Manitoba's poverty rate has recently increased, despite a downward trend over the past decade.<sup>26</sup>

The Poverty Reduction Strategy Act recognizes that certain populations are at greater risk and requires the government to set indicators to measure progress.<sup>27</sup> It also ensures that programs and initiatives are accessible to everyone. The Act requires an annual report and establishes the ALL Aboard Committee, whose responsibilities include reviewing and providing advice on the content of poverty reduction and social inclusion strategy, monitoring strategy implementation, and facilitating community involvement in the development and implementation of the strategy.<sup>28</sup>

## **Notes on Critical Thematic Areas**

- 5. HUMAN RIGHTS: There is no mention of human rights in Manitoba's Poverty Reduction Strategy Act, grounding ALL Aboard.
- 6. INCOME SUPPORT: In October 2014 minimum wage increased from \$10.45 to \$10.70 per hour.<sup>29</sup> In 2014 Manitoba began eliminating the senior homeowners' education property tax and will fully eliminate it by 2016.<sup>30</sup> Senior homeowners who still pay education property tax can apply for a rebate of up to \$235, which will remove another 7,200 seniors from the education property tax roll.<sup>31</sup> Basic income tax exemptions increased by \$250 in 2014, taking 5,500 low-income Manitobans off the income tax roll.<sup>32</sup> Since 2011, the exemptions have increased by \$1,000, raising the number of low-income Manitobans who do not pay income tax by 22,000.<sup>33</sup>
- 7. HOUSING: In spring of 2014 Manitoba Housing completed the provincial government's five-year commitment to add 1,500 new affordable housing units and to support 1,500 new social housing units.<sup>34</sup> In 2014 work began on Manitoba Housing's Three-Year Housing Plan (2013-2016), a commitment to build 500 new social and 500 new affordable housing units.<sup>35</sup>

This year the Government of Manitoba launched Rent Assist, a new rental benefit available to social assistance recipients and other low-income private renters.<sup>36</sup> Rent Assist replaced the Employment and Income Assistance (EIA) shelter allowance and RentAid programs, providing "an integrated benefit program available to all household categories, based on income and rent paid".<sup>37</sup> EIA participants automatically qualify for the maximum rate, with their annual shelter benefits increasing between \$600 and \$840.<sup>38</sup>

The Manitoba Government plans on creating a plan to increase the maximum benefit levels to 75% of Median Market Rent.<sup>39</sup> The government intends to use the plan to meet families' needs without creating a poverty trap.<sup>40</sup> The enhanced RentAssist benefits are being rolled out in two installments. The first increase took place in July 2015. The second increase will take place in December 2015, bringing the benefit up to 75% of median market rent. These benefits will increase the most for parents, with the target benefit for single parents with one child set at \$736.50 per month and couples with two children set to receive \$871.50 per month. The benefits for single people with disabilities and on general assistance will increase to \$586.50 per month.<sup>41</sup>

The provincial and federal governments are jointly investing an additional \$104 million over five years to create more affordable housing across Manitoba.<sup>42</sup> The 2014-2019 new

Investment in Affordable Housing (IAH) agreement is an extension of the original 2011 agreement, where \$62 million was jointly invested for the 2011-2014 period.<sup>43</sup> From 2011 to 2014, the IAH has helped more than 2,150 Manitoban households.<sup>44</sup> The Manitoba Government is also investing \$9 million in affordable housing for seniors and plans to build 140 new units for older low-to-moderate-income renters and co-op housing members.<sup>45</sup>

8. EDUCATION: The Manitoba Government increased school funding by an additional \$24.4 million. boosting the total fundina public education for to \$1.24 billion.<sup>46</sup> Since 1999, the overall funding has increased 60.9%.<sup>47</sup>

This year the provincial government launched the new *Final-Year Apprenticeship Bursary*, funding 50 bursaries of \$1,000 each, based on individual need and industry demand.<sup>48</sup> The new bursary program is designed to provide an additional incentive for individuals who face financial challenges and the difficult choice between working and taking technical training for little to no wages.<sup>49</sup> The government acknowledges that this choice is particularly difficult for single parents and new Canadians.<sup>50</sup>

The government reports that Manitoba's high school graduation rate has risen from 71.1% in 2002 to 85.3% in 2013, and has improved 8% since 2008.<sup>51</sup> Since high school is considered the minimum legal education needed to find and maintain a job, it is therefore a main indicator of the risk of poverty.<sup>52</sup>

9. EMPLOYMENT SUPPORT: In 2014 Manitoba launched a new program called *Manitoba Works!* to help low-income individuals get job training and employment through community organization partnerships.<sup>53</sup> The government also launched the *Gateway to Apprenticeship* program, which includes targeted programs to develop skills, create apprenticeship opportunities, and introduce new trade initiatives for Aboriginal persons, youth and under-employed populations.<sup>54</sup> These apprenticeship and training opportunities, coupled with the government's five-year plan to invest \$5.5 billion in core infrastructure, will create jobs and help Manitoba's workforce to grow by 75,000 positions by 2020.<sup>55</sup>

The EIA Regulation was amended to allow family members of EIA recipients to be paid as they provide care to children when the parents are working or training.<sup>56</sup>

10. EARLY CHILDHOOD EDUCATION AND CARE: In 2013 the government announced that it was investing \$25 million to build new or expand existing childcare facilities, creating 2,000 new childcare spaces by the end of 2015.<sup>57</sup> This year the government added new funding of over \$5.5 million to fund these new spaces.<sup>58</sup> Manitoba is launching a five-year plan, in-

vesting \$25 million for 20 new or expanded early learning and childcare centres and 5,000 more childcare spaces.<sup>59</sup> The government acknowledges that having access to affordable, quality childcare means that parents can focus on their jobs, training, or education.<sup>60</sup>

Since 1999 the overall budget for child care in Manitoba has grown more than 184% (\$152 million in October 2014),<sup>61</sup> and the number of funded spaces has increased by more than 80%.<sup>62</sup> After Québec, Manitoba has the second lowest regulated childcare fees nationwide.<sup>63</sup>

11. HEALTHCARE: In 2013 a new Mental Health Crisis Response Centre, the first of its kind in Canada, was opened as a central access point for adults experiencing mental health issues.<sup>64</sup> The 2013 consultations stressed that Manitobans are likely to experience poverty because of mental health issues and addictions, therefore needing more support.<sup>65</sup> Research demonstrates that a history of mental illness and substance abuse increases a person's risk of homelessness, most likely due to an inability to maintain employment or stable housing.<sup>66</sup>

This year Manitoba added 227 and 98 new medications to its *Pharmacare* program in February and July respectively.<sup>67</sup> These medications will allow individuals to treat illnesses and chronic conditions such as renal cancer, pancreatic tumors, advanced breast cancer, diabetes, asthma, arthritis, and blood clots.<sup>68</sup> Manitoba's *Pharmacare* program removes financial barriers for any person with benefits based on family income, covering 100% of eligible drug costs regardless of the person's medical condition or age.<sup>69</sup> Manitoba's *Pharmacare* program also has a deductible payment program which allows applicants to pay off their deductible in installments through their Manitoba Hydro bill, so that they are able to get their medications before their deductible has been paid in full.<sup>70</sup>

12. COMMUNITY BUILDING: In 2014 the provincial government continued to support recreational, sport, music, and cultural programming. Manitoba expanded the *After School Leaders* program for youth in at-risk communities.<sup>71</sup> The program provides high school students with career exploration opportunities in fields such as the arts, sports, science, and technology.<sup>72</sup>

Manitoba has also committed more than \$4 million annually since 2012 to the *Bright Futures* Fund, which allows schools to work with community organizations to increase access to post-secondary education for disadvantaged, under-represented and low-income students.<sup>73</sup>

13. ABORIGINAL MANITOBANS: The Manitoba Government's 2014 summary expenditure estimate for Aboriginal and Northern Affairs is \$37,193,000.<sup>74</sup> The government continues to partner with Shine On, helping Aboriginal high school students access school-based and

summer camp activities to develop necessary skills for post-secondary education.<sup>75</sup> A new initiative, Our Circle to Protect Sacred Lives, partners the Manitoba Government with the Assembly of Manitoba Chiefs, the Canadian Women's Foundation and remote communities. The goal is to develop strategies to end the sexual exploitation and human trafficking of First Nations women and children.<sup>76</sup> The Manitoba Government and the Canadian Women's Foundation will contribute \$100,000 to fund the initiative.<sup>77</sup>

## **Views From Outside the Manitoba Government**

Make Poverty History Manitoba (MPHM) believes that Manitoba can do better and urges the government to increase EIA rates closer to the MBM of poverty. 78 MPHM stresses that people should be able to meet their basic needs and experience more social inclusion. 79

The Canadian Centre for Policy Alternatives (CCPA) criticized the provincial government for freezing the housing budget in its 2014 budget.<sup>80</sup> The government increased spending instead on the justice and health care systems; the CCPA points out that investments in housing could address spill-over effects contributing to higher costs in both these areas.<sup>81</sup> Adequate housing is linked to better health and decreased crime; currently, about 10% of Manitobans experience inadequate housing.<sup>82</sup>

Campaign 2000: To End Child and Family Poverty in Canada is critical of the Government of Manitoba, suggesting that the government is doing something wrong.<sup>83</sup> More children are living in poverty, and Indigenous families are disproportionately living in poverty because of the political control on their lives.<sup>84</sup> Campaign 2000 states that getting a job is not enough to cure poverty – living wage jobs, regular hours, benefits, and protections are needed.<sup>85</sup>

Finally, the provincial government has been criticized for using vague indicators and not including concrete goals to evaluate performance.<sup>86</sup>

## THE BOTTOM LINE

Poverty rates in Manitoba remain some of the worst in the country. Although the child poverty rate in Canada has been slowly decreasing between 2008 (before Manitoba's poverty strategy took effect) and 2012, the child poverty rate in Manitoba has increased, with almost 84,000 children living in poverty.<sup>87</sup> With a child poverty rate second only to Nunavut, almost 3 out of 10 Manitoban children were living in poverty in 2012.<sup>88</sup> Since the launch of *ALL Aboard*, almost 14,000 more Manitobans rely on food banks monthly. Between 1989 and 2010, the average annual incomes of the wealthiest Manitoba families have increased by \$51,929, while the lowest income families have gained only \$4,937 (in constant dollars).<sup>89</sup> Although the Manitoba Government has taken positive steps by funding new initiatives, much more work needs to be done before change happens in the province.

## **For More Information**

#### CANADA WITHOUT POVERTY

251 Bank Street, 2nd Floor Ottawa, ON K2P 1X3 613-789-0096 (1-800-810-1076) info@cwp-csp.ca

## **ENDNOTES**

- 1 Manitoba, 2009: "ALLAboard: Manitoba's Poverty Reduction and Social Inclusion Strategy," p 6.
- 2 Poverty Reduction Strategy Act, CCSM c P94.7.
- 3 Manitoba, 2009: "ALLAboard: Manitoba's Poverty Reduction and Social Inclusion Strategy," p 2.
- 4 Statistics Canada, 2013: "Table 202-0802 Persons in low income families, Catalogue no 75-202-X." Retrieved from http://www.statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/famil41a-eng.htm
- 5 Bernas, Kirsten, 2014: "Further poverty reduction efforts needed in Manitoba." Retrieved from https://www.policyalternatives.ca
- 6 Manitoba, 2009: "ALLAboard: Manitoba's Poverty Reduction and Social Inclusion Strategy," p 2.
- 7 Manitoba, 2013: "ALLAboard: What We Heard," p 2.
- 8 Ibid.
- 9 Ibid.
- 10 Ibid, at 6-9.
- 11 Ibid, at 15.
- 12 Statistics Canada, 2013: "Table 202-0802 Persons in low income families, Catalogue no 75-202-X." Retrieved from http://www.statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/famil41a-eng.htm
- 13 Ibid.
- 14 Ibid.
- 15 Food Banks Canada, 2014: "HungerCount (2008-2014)" Retrieved from http://www.foodbankscanada.ca/Learn-About-Hunger/Publications/Research.aspx
- 16 Makhoul, Anne, 2015: "Social Assistance Summaries 2014," p 24. Retrieved from http://www.caledoninst.org/Publications/PDF/1062ENG.pdf
- 17 Manitoba, 2014: "2013/14 Annual Report," p 11.
- 18 Ibid, p 14.
- 19 Ibid, p 17-18.
- 20 Ibid, p 19-22.
- 21 Ibid, p 23-24.
- 22 Ibid, p 28-31.
- 23 Ibid, p 32-34.
- 24 Ibid, p 37.40.
- 25 Bernas, Kirsten, 2014: "Further poverty reduction efforts needed in Manitoba." Retrieved from https://www.policyal-ternatives.ca
- 26 Ibid.
- 27 Poverty Reduction Strategy Act, CCSM c P94.7.
- 28 Ibid, ss 3(1), 3(2).
- 29 Manitoba, 2014: "What is Minimum Wage?" Retrieved from http://www.gov.mb.ca/labour/standards/doc,minimum-wage,factsheet.html

- 30 Manitoba, 2014: "Budget 2014," at E7. 31 lbid. 32 lbid. 33 Ibid. 34 Ibid at E6. 35 Ibid. 36 lbid. 37 Ibid. 38 Ibid. 39 Ibid. 40 Ibid. Make Poverty History Manitoba, "MPHM Goals," Retrieved from http://makepovertyhistorymb.com/campaigngoals/. 42 Manitoba, 2014: "Governments of Canada and Manitoba Announce Funding for Housing." Retrieved from http:// news.gov.mb.ca/news/index.html?item=32005&posted=2014-07-29 43 Ibid. 44 lbid. 45 Manitoba, 2014: "Province Invests in More Safe, Affordable Homes to Help Seniors Live Independently: Minister Bjornson." Retrieved from http://news.gov.mb.ca/news/index.html?item=20550&posted=2014-02-24 Manitoba, 2014: "Province Maintains Commitment to Students and Families, Increases Education Funding by Two Per Cent." Retrieved from http://news.gov.mb.ca/news/index.html?item=20230&posted=2014-01-30 47 Ibid. Manitoba, 2014: "Budget 2014," at E14. Ibid, at E3. 50 Ibid. 51 Manitoba, 2014: "2013/14 Annual Report," p 17. 52 Ibid. Manitoba, 2014: "Budget 2014," at E14. Ibid, at E7. 55 Manitoba, 2014: "Budget 2014: A Focused Plan to Create Good Jobs, Grow the Economy, Protect Front-Line Services for Families." Retrieved from http://news.gov.mb.ca/news/index.html?item=30100&posted=2014-03-06
- 56 Manitoba, 2014: "Budget 2014," at E13.
- 57 Ibid, at E15.
- 58 Ibid.
- 59 Manitoba, 2014: "Province Announces New Five-Year Plan to Provide More High-Quality Child Care for Manitoba Families." Retrieved from http://news.gov.mb.ca/news/index.html?item=30665&posted=2014-05-01
- 60 Ibid.

- 61 Manitoba, 2014: "Manitoba Government Announces Capital Building Fund to Create Additional High-Quality, Affordable Child Care for Families." Retrieved from http://news.gov.mb.ca/news/index.html?archive=&item=32850
- 62 Manitoba, 2014: "Province Announces Construction to Begin on More than 250 New, High-Quality, Affordable Child-Care Spaces." Retrieved from http://news.gov.mb.ca/news/index.html?item=20490&posted=2014-02-19
- 63 Ibid.
- 64 Manitoba, 2013: "Mental Health Crisis Response Centre to Provide Critical Help During Times of Need: Premier." Retrieved from http://news.gov.mb.ca/news/index.html?archive=2013-05-01&item=17383
- 65 Manitoba, 2014: "Action Plan: Targeted Supports for Those Most in Need," p 1.
- 66 Ibid.
- 67 Manitoba, 2014: "Pharmacare Strengthened with Addition of 227 New Medications." Retrieved from http://news.gov.mb.ca/news/index.html?item=20333&posted=2014-02-06; Manitoba, 2014: "Province Announces New Medications will be Added to Manitoba's Pharmacare Program." Retrieved from http://news.gov.mb.ca/news/index.html?item=3176 5&posted=2014-07-11
- 68 Ibid.
- 69 Ibid.
- 70 Manitoba, "Manitoba Pharmacare Program: Deductible Instalment Payment Program for Pharmacare," Retrieved from http://www.gov.mb.ca/health/pharmacare/dippp.html.
- 71 Manitoba, 2014: "Action Plan: Creating Opportunities for Youth," p 6.
- 72 Ibid, p 4.
- 73 Ibid, p 7.
- 74 Manitoba, 2014: "Budget 2014," p 5
- 75 Ibid, p 8.
- 76 Manitoba, 2014: "Province Joins AMC, Community Partners to Fight Child Sexual Exploitation." Retrieved from http://news.gov.mb.ca/news/?item=30041&posted=2014-03-03
- 77 Ibid.
- 78 Make Poverty History Manitoba, 2014: "Fact Sheet 2014," p 1-2. Retrieved from http://www.oaktable.ca/wp-content/uploads/2014/02/make\_poverty\_history\_factsheet\_2014.pdf
- 79 Ibid at 1.
- 80 "Bernas, Kirsten, 2014: "Further poverty reduction efforts needed in Manitoba." Retrieved from https://www.policyalternatives.ca
- 81 Ibid.
- 82 Ibid.
- 83 Campaign 2000, 2014: "Manitoba Child and Family Poverty: Report Card 2014," p 6.
- 84 Ibid.
- 85 Ibid, p 2.
- 86 Graham, Paul, 2013: "Manitoba's shocking poverty rate." Retrieved from http://www.communitynewscommons.org/our-city/manitobas-shocking-poverty-rate/
- 87 Campaign 2000, 2014: "Manitoba Child and Family Poverty: Report Card 2014," p 5.
- 88 Ibid at 4.
- 89 Ibid at 2 citing Canadian Centre for Policy Alternatives using Statistics Canada's SLID pre-tax data, 2011.