



November 21, 2008

**REWARDING WORK STRATEGY TO REDUCE RENT BURDEN, HELP BUILD SAVINGS  
FOR LOW-INCOME MANITOBANS IN UNCERTAIN TIMES: MACKINTOSH**

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**New Anti-poverty Initiatives Build on Lowest Poverty Rate Outside Quebec**

The province is committing \$3 million to help people escape poverty through housing stability and asset building, Family Services and Housing Minister Gord Mackintosh announced today.

“We have made progress in our fight to reduce poverty but we must increase our efforts to help people find jobs and become independent,” said Mackintosh. “A recent report by the federal government shows Manitoba has the lowest rate of poverty outside of Quebec, considering cost of living. Today, we’re introducing more measures to help further reduce poverty through the recently introduced Manitoba Shelter Benefit and a new initiative called Manitoba Saves!”

Stable housing is a critical element in escaping poverty, said the minister. In this tight rental market, some low-income working people need help to pay their rent. Today, the province is announcing improvements to the Manitoba Shelter Benefit:

- seniors will see an average monthly benefit increase of \$54,
- families will see an average monthly benefit increase of \$43, and
- people with disabilities will see an average monthly benefit increase of \$31.

These changes will take effect in Jan. 2009 at a cost of \$2.2 million and will benefit about 4,000 Manitobans.

The province also recognizes the need to help low-income Manitobans save for their future as well as have money set aside for unexpected expenses, Mackintosh said. Manitoba Saves! will help people put away money to pay for education, start a business, build independence and provide greater family stability.

“We see evidence every day that supporting low-income Manitobans in their savings goals is an effective way to fight poverty,” said Cindy Coker, executive director of Supporting Employment and Economic Development (SEED) Winnipeg. “For example, it has been shown that for every public dollar invested to match savings accounts, \$5 is generated for the community in new business and jobs, increased earnings and educational achievements, new and improved homes, higher tax receipts and reduced welfare.”

The three initial components of Manitoba Saves! are:

- Financial education: Up to 700 low-income Manitobans (up from 240) will enrol in money

management training through SEED on such issues as how to budget, save and use financial institutions.

- Asset-building incentives: Up to 450 low-income Manitobans (up from 240) who save for housing, education or small business will be encouraged through SEED by a three-to-one match on savings accounts up to a specified limit.
- Clawback relief: Exempted assets in determining eligibility for social assistance will include:
  - Registered Disability Savings Plan savings and income (December 2008),
  - Gifts to a Manitoban with a disability up to \$500 a month (January 2009), and
  - modest savings of Manitobans who have lost their jobs up to \$4,000 (currently only for people with disabilities - January 2009).

“Especially in uncertain times, we not only have to help and encourage low-income Manitobans to save for emergencies, but also to enhance economic independence and create choices outside of welfare through ownership opportunities,” said Mackintosh. “Families have told us they want to help out, too, so we’re removing disincentives while promoting economic security.”

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BACKGROUND INFORMATION ATTACHED