

Budget Paper D

**REDUCING POVERTY AND PROMOTING
SOCIAL INCLUSION**

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REDUCING POVERTY AND PROMOTING SOCIAL INCLUSION

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INTRODUCTION

This paper sets out the ways in which Budget 2016 will begin to correct the course and set the stage for renewal of the province's agenda for poverty reduction.

In recent years, Manitoba has lagged behind Canada as a whole in poverty reduction. Both the percentage and the number of Manitobans living in poverty have increased. From 2008 to 2013 (the most recent year for

which data are available), Manitoba's low-income rate increased from 10.0% to 11.6%, an increase of 16%, compared with an increase of 9% for Canada as a whole. Certain groups of Manitobans, notably children, those living in lone-parent families and Aboriginal people living off-Reserve, have fared much worse, as shown in the table below.

Low-Income in Manitoba 2008 to 2013 (Statistics Canada Market Basket Measure¹)

		2008	2013	2008-2013 (Per Cent Change)
All Manitobans	Rate (%)	10.0	11.6	16.0
	Rank ²	3	4	
	Number (000)	113.0	140.0	
Children	Rate (%)	12.5	15.3	22.4
	Rank	3	5	
	Number (000)	32.0	40.0	
Lone-Parent Families	Rate (%)	24.6	40.0	62.6
	Rank	2	4	
	Number (000)	F	31.0	
People with Disability³	Rate (%)	10.2	14.7	
	Rank	2	2	
	Number (000)	28.0	37.0	
Aboriginal People (Off-Reserve)	Rate (%)	14.2	26.3	85.2
	Rank	3	6	
	Number (000)	13.0	28.0	

F – Indicates that the data are too unreliable to be published.

¹ All data are from Statistics Canada, Market Basket Measure of Low Income.

² Rank: 1 is best; 10 is worst.

³ Statistics Canada has changed how it defines persons with disabilities. In 2008, data were based on persons with activity limitation; 2013 data were based on persons with disabilities. Therefore, the 2008 and 2013 data should not be directly compared.

BUDGET 2016

We are pleased to present a budget very early in our mandate that begins to correct the course and move away from the increasing debt and taxes that have eroded incomes for all Manitobans, including those living in poverty. In doing so, Budget 2016 will lay the foundation for the development of a new approach to addressing poverty.

Budget 2016 provides tax relief to low-income Manitobans. Our New Government is indexing the basic personal exemption to inflation, bringing it closer towards the national average and giving 2,770 low-income Manitobans freedom from income taxes.

This budget freezes taxes, and gives Manitobans a permanent tax break that will keep up with the cost of living by ending bracket creep and indexing income tax brackets to the rate of inflation.

Providing safe, secure housing is a fundamental part of our approach to addressing poverty. This budget significantly increases resources to support new construction, improvement and maintenance to the Manitoba Housing and Renewal Corporation's multi-year capital program, to expand and improve affordable housing.

To further assist those in need, this budget provides for full indexation to 75% of Median Market Rent through the Rent Assist program, to help low-income Manitobans who live in private rental housing.

Budget 2016 launches a value for money review of all government spending that will reduce waste, duplication and overlap, so that more resources can be dedicated to front-line services, including those that assist low-income Manitobans.

Work on Budget 2017 will begin immediately, and with it the development of a comprehensive plan to address poverty. In future budgets and as part of that strategy, our government is committed to:

- Fostering new business, social and community partnerships, aimed at giving Manitobans work and social supports through Social Impact Bonds (SIBs). SIBs will improve the outcomes of front-line services, benefiting low-income Manitobans who rely on them.
- Promoting job creation and economic growth for First Nations communities through the further development of Urban Indigenous Economic Development Zones in partnership with First Nations.
- Creating innovative community and private sector partnerships that promote practical home ownership opportunities for First Nations and Metis families.

Our New Government recognizes there is much work to be done to address chronic rates of poverty that have become worse over the mandate of the previous government, and look forward to bringing forward new ideas and approaches in the months ahead.

APPENDIX 1: INDICATORS OF POVERTY REDUCTION AND SOCIAL INCLUSION

The *Poverty Reduction Strategy Act* requires that the Manitoba government set indicators to measure progress in reducing poverty and increasing social inclusion. These 21 indicators, included in regulation since 2012, are listed below.

INDICATOR	SOURCE OF INFORMATION
Total units of social and affordable housing supported by Manitoba Housing and Renewal Corporation	Manitoba Families
New households served through Manitoba Housing and Renewal Corporation programs and services (excluding those entering social housing)	Manitoba Families
Households in core housing need	Canada Mortgage and Housing Corporation
Sense of community belonging	Statistics Canada (Canadian Community Health Survey)
High school graduation rates	Manitoba Education and Training
Participation in adult learning programs	Manitoba Education and Training
Employment rate	Statistics Canada (Labour Force Survey)
Average weekly earnings	Statistics Canada (Labour Force Survey)
Minimum wage rate	Manitoba Growth, Enterprise and Trade
Low-income rate	Statistics Canada (Canadian Income Survey)
Income inequality	Statistics Canada (Canadian Income Survey)
Post-secondary education participation	Statistics Canada (Labour Force Survey – custom tabulation)
Early Development Instrument scores	Manitoba Education and Training
Availability of child care	Manitoba Families
Number of children in care	Manitoba Families
Teen birth rates	Manitoba Health, Seniors and Active Living and Statistics Canada (Vital Statistics – custom tabulation)
Potential years of life lost by income quintile	Manitoba Health, Seniors and Active Living
Prevalence of chronic diseases by income quintile	Manitoba Health, Seniors and Active Living
Average monthly number of persons receiving co-ordinated home care services	Manitoba Health, Seniors and Active Living
Continuity of physician care	Manitoba Health, Seniors and Active Living
Number of people using ACCESS centres	Manitoba Families and Manitoba Health, Seniors and Active Living

