

Thematic Brief

Income and Employment

The Income and Employment theme refers to people's income and expenses as well as access to employment and the labour market. You may choose to answer one or more of the questions. You may answer directly in the questionnaire and use as many pages as you need. You may also submit a separate document on the topic.

Once the questionnaire is completed, please send it to esic-sies@gnb.ca or the following mailing address:

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Fredericton, NB
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As you are reviewing the questions related to Income and Employment, we encourage you to consider:

1. The Spirit of the *Overcoming Poverty Together* plan:
 - At the heart of *Overcoming Poverty Together* is the desire for every New Brunswicker to be included and to have the opportunity to thrive. True economic and social inclusion cannot be reached without addressing the needs of the most vulnerable and those who are at risk of falling into poverty.
2. That economic and social inclusion means the ability of a person to participate fully in the economic and social activities of society.
3. That poverty means the condition of a person who lacks the resources, means, opportunities and power necessary to acquire and maintain economic and self-sufficiency or to integrate into and participate in society.
4. The realities experienced by people living in poverty or at risk of falling into poverty
5. The different levels of intervention (local, provincial and national) that impact poverty and inclusion.
6. The cross-sectoral approach necessary for defining the problems and identifying solutions.

The information that you submit will be disseminated and analyzed as part of the *Overcoming Poverty Together* plan renewal. Participation in the process is voluntary and the information received during the public engagement process is designed to be collected and reported on

anonymously. You are not required to provide your identifying information to submit a brief, but we welcome submissions with names and contact information that will allow us to reach out for additional thoughts and collaboration. We will make every effort to preserve anonymity and dignity throughout this process.

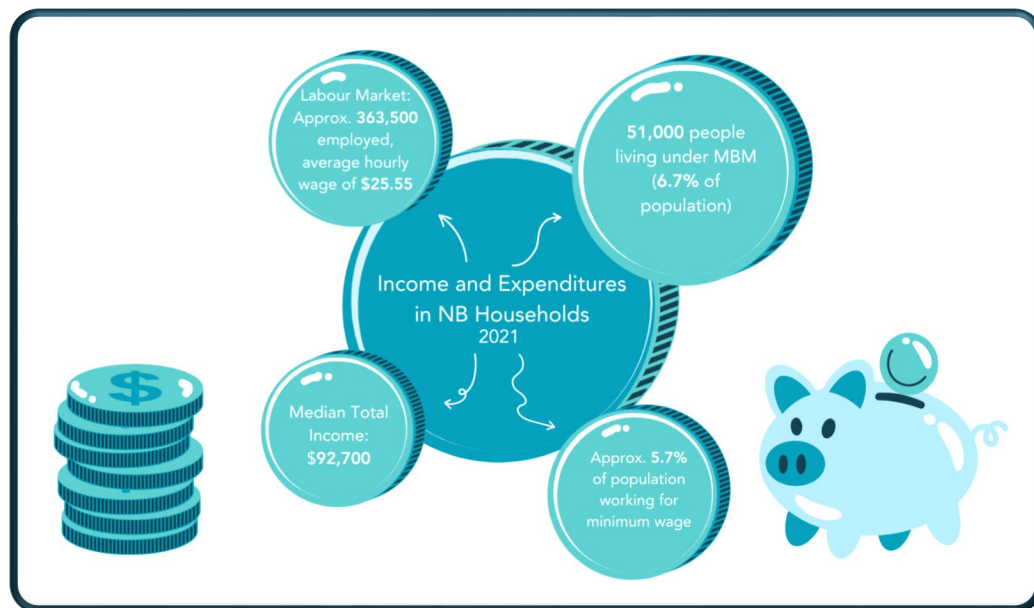
Thank you for seizing the opportunity to be part of renewing the plan to overcome poverty and increase economic and social inclusion in New Brunswick.

The New Brunswick Economic and Social Inclusion Corporation

Additional Context Related to Income and Expenses in New Brunswick

In 2018, with the release of *Opportunity For All: Canada's First Poverty Reduction Strategy*, the **Market Basket Measure (MBM)** became Canada's Official Poverty Line. To ensure consistency, ESIC adopted the MBM as its official measurement of poverty in New Brunswick. There are other measurements, including the **Low-Income Cut-Off (LICO)** before and after tax, and the **Low-Income Measure (LIM)**, which provide additional context for measuring poverty in our province. Looking at the MBM allows us to see that, in 2021, **51,000** people (or **6.7%** of the population) were living below the poverty line.

Where an individual or family's disposable income is insufficient to purchase the predetermined basket of goods, they are considered to be living in poverty. Provisional estimates for 2022 were released showing that the MBM in rural New Brunswick is **\$46,665**, and the average of the three major cities provides an MBM for urban areas of **\$48,674**. Current projections indicate that this measure will continue to **rise**, and without additional interventions, New Brunswick families will continue to feel the pressure of rising costs for basic necessities.



Individuals working full time do not necessarily make enough to meet their basic needs. Despite significant changes to the minimum wage rates in New Brunswick over the past several years, people making minimum wage are often living below the poverty line, especially if they are not receiving other government benefits. Studies show that people who have a higher risk of poverty are more likely to work in minimum wage positions.

In New Brunswick, in 2022, there were **30,655** people receiving provincial social assistance payments to meet their basic needs of food, clothing and shelter. The number of social recipients has continued to decline, with the exception of the time period when individuals transitioned from pandemic supports back to social assistance. Social assistance is

considered the last resort of people who are struggling. Some people who are relying on social assistance to meet their basic needs are living in a state of deep poverty.

In 2021, the median total income in New Brunswick was **\$92,700** and the average household expenditures were **\$76,577**. The median after tax income for an economic family was **\$81,500**. In 2022 more than **373,000** people were part of the New Brunswick labour market and the average hourly rate was **\$27.39**.

Access to employment income is one of the main ways out of poverty. For many, work provides economic autonomy, status, and regular social connections while fostering self-esteem. It is often an important vector of social and economic integration, a way to develop and contribute to society.

There are many things that hinder a person's ability to enter or remain in the labour market. Individuals may face barriers related to their mental or physical health, addictions, disability, discrimination, or level of education. Additional barriers arise when individuals encounter difficulty securing affordable housing or access to transportation.

In recent years, New Brunswick businesses have faced labour shortages across most sectors, and particularly in skilled trades.

Questions Relating to Income and Employment

1. In terms of accessing income, what barriers do you think that people who are living in poverty face as they seek to meet their basic needs of food, shelter, transportation, and recreation?
2. What courses of action or solutions could improve the disposable income and living conditions of people living in poverty?
3. Do you think that certain groups of the population are more affected than other groups living with access to similar income and employment? And if so, which populations, and what are the differences?
4. What barriers do you think people living in poverty face in terms of securing and maintaining employment?
5. What other points could you make about income, employment, and the labour market as it relates to supporting people who are experiencing poverty?