



Community Services,
Seniors and Labour

Preventing and Reducing Poverty in Prince Edward Island: Talking and Working Together



Summary Paper



ONE ISLAND COMMUNITY

ONE ISLAND FUTURE

Foreword

We are fortunate to live in a caring and close-knit society which offers a good life. It is important that all Islanders have the opportunity to share this.

Prince Edward Island compares well to other provinces. We have already taken a number of steps to help Islanders with low incomes, but we need to do more.

We look forward to working with Islanders to understand what we have done together to prevent and reduce poverty in PEI. There are some questions near the end of this booklet. Please help us find out what more can and should be done to make sure that our One Island Community is truly One Island Society.



Janice Sherry
Minister of Community Services, Seniors and Labour

Poverty on Prince Edward Island

Many people in Canada and in Prince Edward Island enjoy lives in which all of their basic needs are met. This is not true for everyone. Some people don't have enough money to buy food, clothing and to find safe, affordable housing. Poverty is not only about money. Poverty is also about a person's ability and opportunity to take part in society.

Some provinces in Canada have plans to reduce poverty. PEI is also working to reduce poverty. A lot has already been done but there is more to do. Poverty cannot be fixed overnight. It is a problem that can only be fixed if everyone works together.

Who is at risk for poverty?

Single parent families Single parent families, particularly single moms, are more likely to have a low income because only one person in the home earns money. But they still have to pay many of the same bills as families with two incomes.

Single adults Single adults are also more likely to be poor, especially if they are age 45 to 64. Many have health problems that make it hard for them to work.

People with disabilities People with disabilities are more likely to have low incomes. Their disability may keep them from working. It may also cause them to have a lot of extra expenses like equipment and transportation.

Aboriginal Islanders Aboriginal people have lower incomes than non-Aboriginals for many reasons.

Newcomers Many people who moved to Canada have lower incomes than people who were born here. If they do not speak English, or they have training that is not accepted here, they may find it hard to get jobs. Refugee newcomers are especially likely to have low incomes.

Seniors Because of pensions, most seniors today have a moderate fixed income. But many seniors face high costs that younger people do not have. Extra costs are for things like walkers, hearing aids, and help with household chores. Single or widowed seniors are more likely to be poor. Francophone seniors, especially women, often have lower incomes than other seniors.

Low-waged workers Low income among working people is a bigger problem in PEI than in most other provinces. Many people in PEI have low wages or rely on Employment Insurance for part of the year. In PEI, many food bank clients have jobs or Employment Insurance benefits.

People with mental health and addiction problems Mental health and addiction problems can lead to poverty. Many Islanders who are receiving social assistance have mental health or addiction problems. These problems can get worse when someone is living in poverty.

Islanders with low levels of literacy Adult Islanders with low levels of literacy or education are less likely to have a job and more likely to have low incomes than Islanders with education beyond high school.

Why is it important to reduce poverty?

There are many good reasons to reduce poverty. Most Islanders want everyone to have a fair chance to succeed in life. Reducing poverty helps everyone. Families and children would have a better life with less stress. Many people believe that reducing poverty more than pays for itself.

People with better incomes tend to be healthier and do not need as much health care. Children who grow up in families with a reasonable income have fewer learning problems. They are more likely to finish high school and go on to college or university. Well educated and skilled workers help make our economy strong.

The things that cause poverty also cause other problems. If we work on them, we will also make progress on things like mental health, addictions, crime, and family breakdown. By doing this together, we will make PEI a better place for all of us.

What tools do we have?

Many things are being done to prevent and reduce poverty.

Preventing Poverty All parents want their children to have a better life. Preventing poverty starts with our children. Things like pre-natal care, public health, the Best Start program, and family resource centres help parents to bring up happy, healthy children.

The early childhood system partners with parents. Together, they help young children learn and grow. Government is making many changes to the early childhood system. When those changes are complete, parents everywhere in PEI will get the same high quality of service from trained staff, at the same cost. The Child Care Subsidy Program helps low income families with the cost of care.

The school system has many supports for children to help them succeed. Government has made kindergarten a full day program. There are more educational assistants than ever before to help children with special needs. Class sizes have gotten smaller.

More young people are finishing high school than ever before. Many of them go on to college or university. If they attend college or university in PEI, they can receive the \$2,000 George Coles Bursary, other grants, and student loans. Other people who do not finish high school can attend adult learning programs to get their GEDs.

Jobs are changing and need new skills. Training and employment programs help thousands of Islanders each year. They help people get new skills and work experience, and find jobs. Also, minimum wage is going up, and rules have changed to make working conditions better.

Some people have extra barriers. People with disabilities may find it harder to work and face a lot of extra costs. People who have come here from other countries may not speak English, or may not have job skills. There are action plans and partnerships in place to help them.

Reducing Poverty All these things help to keep people from becoming poor. But it is also important to make things better for people who are already poor. This is being done in many ways.

Affordable housing is very important. Today, almost three thousand rental units in PEI are subsidized, so people pay only one-quarter of their income in rent. There are grants to help low income Islanders repair their homes and make them more energy efficient.

In the Charlottetown area, people can get around more easily with public transit.

Drug programs help seniors and many low income Islanders with the cost of medicines. The dental program provides care to all children under 18.

There are also many programs which provide income to people. The federal government provides:

- Old Age Security and the supplement for seniors
- Canada Pension Plan for retired people
- the Employment Insurance system which is paid for by employers and workers
- Child Tax Benefit
- GST credit
- veterans' benefits
- Aboriginal funding, and other programs.

The provincial government runs the Workers Compensation system for injured workers. It also provides Social Assistance to people who cannot work or who are having trouble making ends meet. The tax system provides savings and refunds in many areas.

Together, all these programs add up to more than \$800 million. Over \$700 million of this is federal money. The provincial government spends more than \$100 million. We have some important questions for Islanders on how we can do better.

We'd like to hear from you

We invite you to consider these questions and let us know your thoughts. Our contact information is on the last page. Thank you.

1. How does poverty affect your community?
2. What is working well to reduce poverty in PEI?
3. What needs to be improved?
4.
 - a) How can individuals and families help reduce poverty?
 - b) How can community and volunteer organizations help reduce poverty?
 - c) How can businesses and employers help reduce poverty?
 - d) How can government help reduce poverty?
5. What are the top three things that can help reduce poverty in PEI?
6. Other comments or suggestions?

Ways to get in touch

Email us at peipovertystrategy@gov.pe.ca

Go to our website, www.peipovertystrategy.ca . There is a comment form that you can fill in.

Write to us at Poverty Reduction Strategy,
 Government of PEI
 PO Box 2000
 Charlottetown PE C1A 7N8

We will also be talking to many organizations who represent people in poverty or who provide supports. Please let them know your ideas as well.

For more information...

This summary document is a short version of a longer paper.
The long paper has information on:

- Measures and definitions of poverty
- Poverty reduction strategies in the rest of Atlantic Canada and work to date in PEI
- Patterns and trends in poverty in Prince Edward Island
- Profiles of groups who are especially at risk of poverty
- The impacts of poverty and why we should take action
- Descriptions of the various programs and services that could form part of the strategy
- The consultation process and questions for consideration.

The papers are available on www.peipovertystrategy.ca . You can also get copies mailed to you by calling 1-866-594-3777.

Thank you!