

Building Income Security to Help More Nova Scotians Grow and Succeed

Building a stronger Nova Scotia means helping more people work while being able to look after themselves and their families. Government wants to help our Income Assistance clients earn their own money, by exempting more of the wages they receive. This way, the more you earn, the better off you'll be.

We know that people who struggle to provide food, shelter, and transportation for themselves and their families want to be self-sufficient. Government is making changes over the next two years that will result in significant monthly increases to the amounts our clients receive in income assistance.

2016/2017

Government **increased the Personal Allowance**. This \$7 million investment was the largest increase in the province's history. Community Services also doubled the allowable asset levels for both single individuals and families.

2017/2018

Community Services made significant additional investments in preventative supports for youth at-risk to help reduce the cycle of intergenerational poverty. Eligible dependents of Employment Support and Income Assistance clients and youth in the care of the Minister can now be funded to participate in community projects, attend leadership workshops, gain work experience, and receive some supports to attend Nova Scotia Community College core programs.

2018/2019

Community Services will **introduce part one of the Standard Household Rate, a wage exemption**, that will allow clients to keep more of the money they earn before seeing a reduction in their Income Assistance. This will help clients stabilize their income while they transition into the workforce – and make it easier to work. This way, the more they work, the more financially stable they will become.

Community Services will **fully exempt Child Support payments as chargeable income** in determining income assistance amounts. This means clients who receive child support will no longer have these payments deducted from their income assistance.

Community Services is **doubling the Poverty Reduction Credit (PRC)** from \$250 to \$500 annually. This will be a huge help to many single adults. This is the largest group of income assistance recipients. Increasing the PRC will provide additional help with their basic needs.

Community Services will be **introducing a bus pass pilot project** with Halifax Transit that will provide all Income Assistance clients and family members, who live near a bus stop, access to a bus pass.

2019/2020

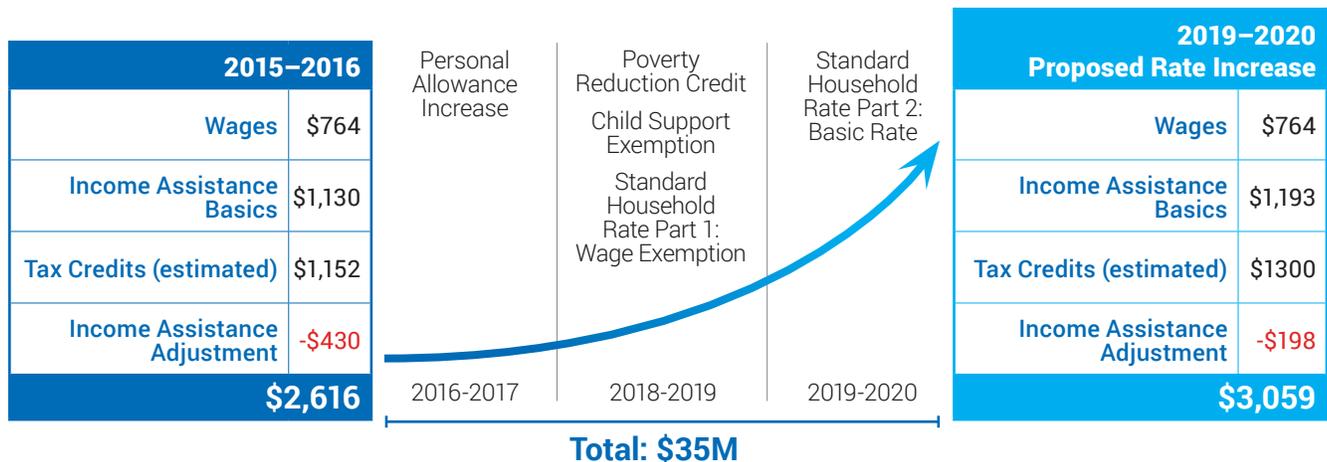
Community Services will **implement part two of the Standard Household Rate** that will increase the rates for all Employment Support and Income Assistance recipients to the maximum level for which clients are eligible. The implementation of a Standard Household Rate will include a 5% increase to the rate for single clients who own or rent their shelter and are under the following circumstances: are disabled; fleeing an abusive situation; have a chronic mental, cognitive, or physical condition that limits participation in employment services; are 55 years of age or over; or are youth aged 16-18; and a 2% increase for all other recipients.

Couple, with Two Children

A couple – one of whom earns a \$764 net monthly wage – with two children, will receive \$443 more per month than they received in 2015/2016.

Before today, a couple with two children, where one person works, would face a high reduction in their monthly income assistance because of their earned wages. Let’s look at Michael and Leslie. Michael works and earns \$764 per month, and receives \$1,130 in income assistance for the household. But his income means that he loses \$430 of his income assistance payment. In 2016, Michael and Leslie saw an additional \$40 come into their household with the increase of the personal allowance levels. Now, in 2018, Michael and Leslie will see an additional \$232 in their pockets with the wage exemption increase, and continue to receive available tax credits and Canada Child Benefits. Once the Standard Household Rate increase comes into effect in 2019, Michael and Leslie will receive about \$443 more per month or \$5,316 more per year, than in 2015/16.

ESIA Transformation - Annualized Investments/Commitments:



* This scenario is only an example and may vary depending upon individual circumstances.

* Tax credit amounts include both provincial and federal credits, as applicable.