



PURPOSE

Vibrant Communities Saint John (VCSJ) is pleased to have the opportunity to submit to the Commission on Post Secondary Education. The focus of our brief is on the **readiness of New Brunswickers** to participate in post-secondary education and training opportunities. Our recommendations are three-fold:

1. **Comprehensive:** Findings of the Commission be set within a context of an overall Province wide Poverty Reduction Strategy that involves all departments and communities;
2. **Accessible:** Remove cost barriers attached to programs that can help a household leave social assistance, and remove the Welfare Wall.
3. **Accountable:** Strengthen programs for individuals with low levels of education/literacy. Commit significant resources for innovative education and training approaches.

VIBRANT COMMUNITIES SAINT JOHN

Saint John recognizes the gains for the whole community if its poverty rate of 25% can be reduced. To this end, local leaders have established a multi-sector leadership roundtable (see page 11 for list of members), Vibrant Communities Saint John, to engage the community in the design and implementation of a poverty reduction strategy.

The strategy aims to strengthen the capacity of government, business and community organizations to involve people who live in poverty and together put in place the right resources, tools and supports that families require for economic self-sufficiency. VCSJ partners have learned that it takes collective community leadership to grow the public understanding of the systemic determinants of poverty and to address traditional attitudes, policy gaps and program silos that are keeping many families trapped in poverty.

RECOMMENDATIONS

1. Findings of the Commission be set within a context of an overall Province wide Poverty Reduction Strategy that involves all departments and communities

Ongoing poverty has absolute human, social and economic costs for New Brunswick. Its persistence weighs down on the large number of provincial non-profits dedicated to serving low-income individuals and families, and the fact that roughly 100,000 New Brunswickers remain mired in low-income virtually guarantees that New Brunswick will continue to be a have-not province, for as long as current conditions remain.

The continued presence of poverty in New Brunswick also has a dramatic effect on all key government priorities – lower family incomes reduce lifetime educational attainment, increase pressures on an already overburdened medical system, and produce a substantial drag on government efforts to enhance New Brunswick’s economic performance. And poverty crosses the administrative divisions on which government is organized; as a consequence, poverty is generally not an issue that generates much government discussion, often ignored at the Cabinet table in favour of other ministerial priorities, be they education, health, or economic development.

Vibrant Communities Saint John developed a policy discussion paper, entitled **Some Ideas on How the Provincial Government Can Be More Dynamic in its Approach to Poverty Reduction**. The paper was submitted to the Self-Sufficiency Task Force and the Community Non-Profit Task Force. The proposed policy changes for a comprehensive poverty reduction strategy range from a focus on increasing labour force participation to creating a more dynamic housing sector to leveling the playing field for New Brunswick children.

In this brief, we will reference specific recommendations that are related to the “readiness of New Brunswickers” to participate in post-secondary education.

Enterprise Saint John’s Discussion Paper, Saint John Post Secondary: A Strategic Framework, prepared by Amulet Growth Strategies, recognizes that the readiness for post-secondary education in New Brunswick and Saint John is low as a result of a number of factors including significant K-12 drop out rates. It recommends that Saint John take ownership of the educational readiness of its citizens, and in particular its citizens living in poverty and that it makes good economic sense to increase our workforce base and enable people to productively participate in society. **“Breaking the cycle of poverty demands a holistic poverty reduction strategy and the post secondary sector should have a role to play in such a strategy”**.

The government of New Brunswick has made achieving provincial self-sufficiency one of its principal goals; VCSJ feels that one of the best ways New Brunswick can achieve self-sufficiency is to empower more low-income New Brunswickers to seek greater opportunity. The idea that government should actively work toward *reducing* the level of poverty is gaining momentum in other jurisdictions – the governments of Quebec and Newfoundland & Labrador both have official strategies, while the Government of Nova Scotia is considering adopting one. Tackling poverty was the principal goal of the most recent Ontario budget.

Recommendation: Transform how Government reacts to poverty and embrace poverty reduction as a core strategy to achieving self-sufficiency by 2026.

2. Remove cost barriers attached to programs that can help a household leave social assistance, and remove the Welfare Wall.

The Government of New Brunswick spends roughly \$200 million annually on income support programs – an expenditure that hasn't changed much in recent years, despite a growing labour market.

The costs attached to programs that can help a household leave income assistance can be small (such as \$40 to write a GED test) or large (such as a few hundred a month for regulated child care), but they undermine the economic benefits of leaving social assistance. The combined impact of severe clawbacks when families on assistance work part-time, reduced healthcare assistance, costs of post-secondary education and low entry-level wages make it extremely difficult to climb out of social assistance – producing a wall of barriers blocking progress; often referred to as a Welfare Wall. In examining its social assistance expenditures, government should look at all obvious and hidden economic barriers facing households who desire to leave social assistance.

Removing the Welfare Wall: Supports for families

Adequate child care supports must be in place to support families, particularly single parent families, who form almost half the population living in poverty in Greater Saint John. **Increasing licensed childcare spaces for children 0-4, and providing greater financial support for regular and flexible child care, can dramatically help New Brunswick mothers.**

In some provinces, like Alberta, all low-income children receive health benefits, regardless of whether or not their parent is on social assistance. **Dedicated dental/medical coverage for all low-income New Brunswick children and their families is needed.**

Removing the Welfare Wall: Supports for Training

Further training beyond high school contributes significantly to someone's chances of moving out of poverty, resulting in an intergenerational impact by influencing the future of their children. It is encouraging that the Province has established initiatives that assist students in covering their post-secondary costs, through the \$2,000 benefit for university students, the New Brunswick Tuition Rebate and the NBCC Foundation.

Individuals who currently receive employment insurance or have received benefits within the past three years may qualify for financial support toward training beyond high school. Under the Training and Skills Development (TSD) program of the Department of Post Secondary Education Training and Labour, this may include assistance with 50% of the tuition (up to \$7,000), materials, childcare and transportation costs. Usually an individual will need a student loan to make up the difference. This makes the option of further training significantly more affordable for some.

However, individuals whose only source of income is income assistance do not receive the same level of financial support for further training beyond high school as someone eligible for EI. Although they can continue to receive income assistance and their health card, they must bear the burden of a larger student loan to cover tuition plus childcare plus transportation. Exceptions occur when an individual on income assistance is able to participate in an employment experience program, where they work enough weeks to qualify for financial supports under the TSD program.

To Illustrate: A single parent who qualifies for EI or reachback, previously working full-time at \$10/hour receives an amount in EI benefits similar to a single parent on income assistance. The difference in financial burden between the two scenarios for one year is minimally \$7,500 for a course at New Brunswick Community College (not taking

into consideration cost at a private college). The following itemizes the difference:

• Childcare in licensed centre @ \$25/day	\$ 6,150
• Monthly Bus pass (\$60 x 10)	600
• ½ Tuition cost	<u>1,300</u>
	\$7,450

A single parent, who qualifies for the TSD program for Practical Nursing, reported that she still has a \$12,000 student loan to pay back, despite the assistance she received.

In the State of Maine, the government commits specific funds to encourage parents on social assistance to complete higher education under a Parents-As-Scholars initiative; the results were very encouraging. More information on the Maine initiative can be found at:

<http://www.mejp.org/PaSeduworks.htm>

It is encouraging to note that **The New Brunswick Reality Report Part 3: Policy Directions** from the Self-Sufficiency Task Force, recommends that the Labour Market Development Agreement between the provincial and federal levels of government (through which unemployed workers with EI attachment are eligible for training) be renegotiated to fund retraining and skills upgrading for employed as well as unemployed workers. Individuals living on low incomes who do not qualify for EI benefits should also eligible for supports.

Recommendation: Remove Cost Barriers Attached to Programs that can help a household leave social assistance, and remove the Welfare Wall, with targeted financial supports for Post-Secondary Education and Training.

3. Strengthen programs for individuals with low levels of education/literacy. Commit significant resources for innovative education and training approaches for individuals.

The continuum of learning

Literacy skills are developed at an early age. The Business Community Anti-Poverty Initiative (BCAPI) and Vibrant Communities are championing approaches that begin with Early Learning Centres established for young families in vulnerable neighbourhoods. BCAPI has been instrumental in the establishment of the PALS program (Partners Assisting Local Schools), a partnership between an inner city school (elementary) and local business where businesses contribute employee mentors, volunteers and funds to enrich the school learning environments and social supports to help the children thrive and succeed.

Our drop-out rate in high school means that some teens require alternative learning environments that provide flexible/individual learning plans, small student-teacher ratios, and the opportunity to strengthen life skills and to train for specific trades. Teens who grow up in poverty are more likely to drop out of school, and the likelihood of adult poverty is certainly higher for teens who don't complete high school.

There are many innovative examples of alternative school programs; some operate quite successfully in New Brunswick. BCAPI has supported the development and sustainability of an Alternative School at First Steps Housing Project, a residential facility offering supportive environment for pregnant and parenting young moms. These programs need to grow to help every teen succeed in achieving self-sufficiency by adulthood. **School districts should work in partnership with the non-profit sector and local industry to strengthen and grow innovative, alternative high school completion programs for teens and young adults.**

Meeting the Adult Literacy Challenge

After the age of 18, an individual with literacy challenges becomes the responsibility of Post Secondary Education Training and Labour.

The New Brunswick Reality Report Part 3: Policy Directions from the Self-Sufficiency Task Force recommends that the policy framework for

education and training should encourage a new partnership between the provincial government, the federal government, and the private sector to double the adult literacy rate in the next decade.

However, on September 25, 2006, the federal government announced a \$17.7 million cut (over two years) to the Adult Learning and Literacy Skills Program. The decision comes at a time when the need for investment in literacy has never been greater.

We are still learning about the specifics of the impact of these cuts, however this funding, in partnership with the provinces and territories, supported coordination, promotion and learner recruitment, professional development, research, partnership development, and sharing of best practices.

Many NB learning agencies dedicated to helping high-school dropouts learn are unable to track the success of their clients, due to funding constraints. And despite some progress, our school districts continue to produce hundreds of young adults annually who have not completed high school. Adult education programs are meant to rectify these statistics, yet the current dropout rate among government-supported adult learning programs is alarmingly high (Literacy NB, 2004).

More needs to be invested in evaluation of existing adult learning programs, and government should direct more funding towards those programs that have the greatest success in helping clients succeed. To help the evaluation process, government should be setting community targets in adult learning/literacy and actively support those organizations that help meet the targets.

Going back to school to get a GED is not for everyone, particularly those for whom school has been a negative experience. More also needs to be invested in exploring innovative programs that build on the assets of individuals and have both an essential skills component and work placement. The Saint John Learning Exchange is currently offering Pathways to Success, building on the experiences of Passerelles d'accès, a

partnership involving Post Secondary Education Training and Labour and the NBCC-Chaleur Region.

An additional best practice with a significant track record comes out of The Annie E. Casey Foundation (www.aecf.org) in the United States which promotes short-term employer specific training for individuals with low levels of education. Results indicate that individuals stay with the job and after a period of time, a number go back to school and on to post-secondary training.

VCSJ supports other submissions to the Commission who recommend the standardization and availability of prior learning assessments. This means that individuals are assessed for post secondary education based not only on grade levels but also on their skills, assets, and experiences.

Vibrant Communities is currently testing a “neighbourhood approach” in low- income neighbourhoods (also characterized by low levels of education). The goal of this initiative is to assist individuals in their transition to high school completion and further education or employment opportunities. It incorporates a research, outreach, and connecting role involving many partners, including residents. VCSJ believes that this kind of approach which better connects individuals to existing opportunities and identifies gaps in services has significant merit in building pathways out of poverty.

The provincial “**Select Committee on Literacy**”, recently announced by Minister Ed Doherty will hopefully promote greater attention to the kinds of innovative and responsive programming that is required and that can link individuals to post-secondary education.

Recommendation: Strengthen programs for individuals with low levels of education/literacy. Commit significant resources for innovative education and training approaches for individuals.

Thank you.

**Submitted by Cathy Wright, Social Planner
Vibrant Communities Saint John
May 1, 2007**

Resources:

Some Ideas on How the Provincial Government Can be More Dynamic in its Approach to Poverty Reduction, by Kurt Peacock, Vibrant Communities Saint John, March 2007

Education to Employment Pathways out of Poverty, Working Paper, by Cathy Wright, Vibrant Communities Saint John, September 2006

BACKGROUND ON VIBRANT COMMUNITIES SAINT JOHN

In 2003, at the invitation of Vibrant Communities Canada, BCAPI joined with the City of Saint John, the SJ Human Development Council and the Urban Core Support Network (SJ) to establish a poverty reduction Leadership Roundtable, develop a poverty reduction strategy and submit a proposal to VC Canada for “Trail Builder” status and funding. Status was granted in 2004 at yearend. Saint John is one of seven cities in Canada and the only community in the Atlantic Provinces awarded “Trail Builder” status and multi-year funding. The J.W. McConnell Family Foundation, Tamarack Institute for Community Engagement and the Caledon Institute of Social Policy are the national partners.

The VCC Trail Builder agreement enables Saint John to receive \$100,000 annually from the J.W. McConnell Family Foundation, provided the funding is matched. The McConnell commitment is for 4 years (2005 – 2008) with the potential for continued support beyond 2008.

The *Business Community Anti-Poverty Initiative* (BCAPI), the sponsoring organization, involves local business leaders and professionals who are working with the community to eliminate the life prospect of poverty for the next generation. Initiated in 1997, by retired banker, Bill Gale, BCAPI is a “catalyst” organization, bringing new leadership, business skills and resources to the community table to help break the poverty cycle through targeted investments in children and youth and single parent families. Examples of BCAPI-supported projects are:

- PALS – Partners Assisting Local Schools – Local businesses have entered into multi-year partnerships with local schools in high poverty neighbourhoods.
- First Steps – a comprehensive program of supports for homelessness pregnant and parenting young women to help set them on the path to self-sufficiency. Services include a safe place to live, life-skills and parenting training, an alternative high school, and post-secondary education scholarships.

VCSJ's 10-year goal (2015) is to reduce poverty in Saint John from 24.5% to the national average (16.2%); and by 2008, VCSJ will enable 2,000 individuals or 800 households to accelerate their journey out of poverty.

To meet these targets, VCSJ has completed the research and engaged the local leadership to champion:

- Leadership development within vulnerable neighbourhoods to empower residents to address their priorities through their own actions and voices and to make vital connections with governments, businesses and community organizations to achieve progress;
- Increased investments in children and youth who live in poverty to level the playing field of opportunity for educational achievement;
- The provision of safe and affordable housing and the revitalization of vulnerable neighbourhoods;
- Removal of the welfare wall – systemic policy barriers and practices that are preventing low-income families from moving out of poverty through the routes of education, training and employment.

VCSJ is led by a multi-sector Leadership Roundtable and involves 80 organizations, drawn from local businesses, three levels of government, community non-profit groups and individuals living in poverty. VCSJ provides a mechanism for bringing together local leaders and the sectors to tackle the complex challenges of poverty in Saint John, realizing that no sector can solve the problems alone, yet each has a stake in trying to do so. The emphasis is involvement, cooperation and partnership in a poverty reduction strategy built from the “ground up” on the basis of local knowledge, and delivered through networked relations crossing program silos and jurisdictional turfs.

For more information on Vibrant Communities Saint John, contact Cathy Wright at cathywright.vibrantsj@nb.aibn.com or go to www.vibrantcommunities.ca and go to the section on Saint John.

Vibrant Communities Saint John

Members of the Leadership RoundTable

- Sister Sandra Barrett, *Sisters of Charity*
- Donna Beaton, *Family & Community Services*
- Erminie Cohen, *VCSJ Patron*
- Brian Dunstan, *Deloitte*
- Keith De'Bell, *University of New Brunswick Saint John*
- Gary Foster, *Academy of Hair Design*
- Bill Gale, *Business Community Anti-Poverty Initiative*
- Tom Gribbons (chair), *RBC Dominion Securities*
- Randy Hatfield, *Human Development Council*
- Trevor Holder, *Member of the Legislature*
- Gregor Hope, *Business Community Anti-Poverty Initiative*
- Lyn King, *Urban Core Support Network*
- Dale Knox, *Tabufile Atlantic Limited*
- Colleen Knudson, *Atlantic Health Sciences Corporation*
- Mayor Norm McFarlane, *City of Saint John*
- Barbara McGill, *Atlantic Health Sciences Corporation*
- Anne Marie McGrath, *Community Representative*
- Bonnie McGraw, *St. Joseph's Community Health Centre*
- Councilor Peter McGuire, *City of Saint John, Common Council*
- Brenda Murphy, *Urban Core Support Network*
- Terri-Ann Richards, *Community Representative*
- Narinder Singh, *Saint John Non-Profit Housing*
- Donnie Snook, *Inner City Youth Ministry*
- Carolyn Stephenson, *Human Resources and Social Development Canada*
- Bob Stranach, *National Crime Prevention Centre*
- Don Uhryniw, *Centenary Queen Square United Church*
- Jim Woods, *Human Resources and Social Development Canada*
- Pat Woods, *City of Saint John*
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