Poverty Reduction
Policies and Programs

Tracing a Path from the Past to the Future

Newfoundland and Labrador

By Fran Locke with Penelope Rowe
Community Services Council Newfoundland and Labrador

Social Development Report Series, 2009
Commissioned by the Canadian Council on Social Development
Poverty Reduction Policies and Programs in Newfoundland and Labrador

Tracing a Path from the Past to the Future

By Fran Locke with Penelope Rowe
Community Services Council Newfoundland and Labrador

ACKNOWLEDGEMENTS

It was with the assistance of a number of people that this report reached its present form. The author and the Community Services Council Newfoundland and Labrador would like most especially to thank Gordon Inglis, retired Professor of Anthropology at Memorial University, who from the snow drifts of Vancouver twice read and gave astute comments on the content and organization of the paper. Thank you to Premier Danny Williams for giving a written response to our questions; to Lorraine Michael, Bill Hynd and Sarah Sharpe, who each graciously agreed to be interviewed; to Aisling Gogan who read an early draft and met with the author; and to the following who helped with research or read and gave feedback on the report in its various stages: Angie Barrington, Darcie Cohen, Pam Corrigan, Andre da Costa, Andy Horsnell, Ruth MacDonald, Sandra May, Patti Powers, Darlene Scott and Chris Wilson. Thank you also to Katherine Scott and the Canadian Council on Social Development for both the opportunity to write this paper and for valuable input on several drafts.

This report names a few of the key individuals and organizations that have contributed to social and economic development in Newfoundland and Labrador. There are numerous others that can only be acknowledged and thanked without naming them, as the list would be too long and inevitably incomplete.

Fran Locke

Fran Locke has been with the Community Services Council Newfoundland and Labrador (CSC) since 2001. She has supervised several research projects and written numerous reports, coordinated the Student Work and Service Program, organized events and developed curriculum. Prior to 2001, she taught English-as-a-Second-Language for 12 years and has been involved with community theatre and other voluntary sector organizations working in the areas of AIDS, new immigrant settlement and early childhood development. Fran has an academic background in mathematical psychology. This does not help her understand the three teenage boys in her household.
# Table of Contents

INTRODUCTION............................................................................................................................................. 1

FACTS, FIGURES AND POVERTY PROFILES..................................................................................................... 2

HISTORICAL CONTEXT ................................................................................................................................... 6
  Depression and War Years (1929-1949) ................................................................................................... 6
  Confederation with Canada (1949)........................................................................................................... 7
  Early Years as a Province (1949-1971) ...................................................................................................... 8

COMMUNITY ACTION ................................................................................................................................. 10
  Community Action for Social Justice ....................................................................................................... 10
  Community Action for Social Planning .................................................................................................... 11
  Community Action for Improved Services .............................................................................................. 12

GOVERNMENT ACTION ............................................................................................................................... 17
  Royal Commission on Employment and Unemployment: Income Supplementation Program .......... 18
  Economic Recovery Commission: A Strategic Economic Plan ............................................................... 19
  Changing Federal Policy Context ............................................................................................................ 21
  Social Policy Advisory Committee: A Strategic Social Plan ................................................................. 21
  SSP Implementation and Impact ............................................................................................................. 23
  Measuring Poverty in Newfoundland and Labrador ................................................................................. 24
  Community Action for Poverty Reduction Today ................................................................................... 24
  A Bumpy Road Well-travelled ................................................................................................................. 26

BUILDING A POVERTY REDUCTION ACTION PLAN ...................................................................................... 26
  Budget 2004 Commitments .................................................................................................................... 26
  Throne Speech 2005 ............................................................................................................................... 27
  Public Consultation 2005 ........................................................................................................................ 27
  Poverty Reduction Action Plan Released ............................................................................................... 29
  Budget Highlights to 2008 ....................................................................................................................... 31

COMMENTARY ............................................................................................................................................ 33

LOOKING FORWARD ................................................................................................................................... 34

END NOTES.................................................................................................................................................. 37

REFERENCES ................................................................................................................................................ 38
List of Figures

1: Unemployment among Population aged 15 and Older, Newfoundland and Labrador and Canada, 1992 to 2007 ................................................................. 3

2: Labour force participation Rates among Population aged 15 and Older, Newfoundland and Labrador and Canada, 1992 to 2007 ................................................................. 4

Figure 3: Percentage of Persons in Low Income Newfoundland and Labrador and Canada, 1980 to 2006 ........................................................................................................ 4

Figure 4: Newfoundland Labrador, Welfare Statistics by Household Type, 2007 .................................................. 34
Poverty Reduction Policies and Programs

NEWFOUNDLAND and LABRADOR

Tracing a Path from the Past to the Future

‘The vision is of a province where poverty has been eliminated. This will be a prosperous, diverse province where all individuals are valued, can develop to their full potential and have access to the supports they need to participate fully in the social and economic benefits of Newfoundland and Labrador.’ (Government of Newfoundland and Labrador, 2006, p.v).

INTRODUCTION

Premier Danny Williams, while Leader of the Opposition, was listening to an MHA talk about poverty in his rural region and ‘[i]t really struck home… that this was an issue we must address as a government. And not with a top-down approach. But with a collaborative effort… I did not at the time have a label for the idea, nor did I pretend to have all of the answers. But I did have a goal, and that was to see poverty reduced in the province’ (written response by Premier Williams to CSC, 2008). During the election campaign of 2003 the Progressive Conservative Party Plan included a pledge to transform Newfoundland and Labrador from the province with the most poverty to one with the least poverty within ten years. This was a bold promise, in keeping with Williams’ can-do positivism. The public acknowledgement and determination that something would be done was encouraging for community organizations and people living on low incomes who had been vocal on poverty issues for many years. The province was accustomed to high unemployment rates (Figure 1), low participation in the labour force (Figure 2), high percentage of workers earning minimum or low wages (Canadian Council on Social Development) and the highest per capita provincial debt in Canada (Statistics Canada).

Following through on its promise, the Government released Reducing Poverty: An Action Plan for Newfoundland and Labrador at a 2006 press conference hosted by the
Community Services Council Newfoundland and Labrador, espousing a broad and integrated approach to poverty prevention, reduction and alleviation that engages community partners and all orders of government.

The concept of an integrated strategy with community collaboration is welcome, as the province’s system of social assistance has traditionally consisted of a patchwork of supports with many curves and barriers to entitlements. Some say it is the squeaky wheel that gets the grease, i.e., if you know your way through the system, who to speak to, or complain loudly enough, you may get results (confidential interviews, 2008). The integrated approach is not a new idea, as will be seen as this paper reviews the history of social development in Newfoundland and Labrador. It appears to be reinvented sporadically and then allowed to fall by the wayside, as this kind of strategy requires a commitment to real change in the way government and community conduct business, as well as dedicated resources over the long term (Locke, F. et al, 2007).

The Poverty Reduction Action Plan, as well as a number of other recent government strategies (e.g., Healthy Ageing, Wellness, Violence Prevention, Sport and Recreation, Immigration, Culture), have clearly been influenced by previous policy efforts such as the Strategic Social Plan (1998). This evolution is seen in their focus on horizontal policy planning, community collaboration and integrated place-based development. There are cross-references among the strategies and often several departments are involved. There is a strong role written in for the community. This requires resources and commitment over the long term to support the part that citizens and voluntary sector organizations are expected to play in achieving greater social and economic prosperity and well-being, in breaking the cycle of poverty and effecting positive long-term change in the quality of life of lower income residents in Newfoundland and Labrador.

This report will attempt to give the reader an overview of the background and context in which the Government of Newfoundland and Labrador released its Poverty Reduction Action Plan in 2006, as well as illustrate the important role of community actors in social planning, policy development and anti-poverty initiatives. Section 2 looks at the poverty profile of Newfoundland and Labrador. Section 3 covers the history context from the Depression years to the 1970s. Sections 4 and 5 pick up the story of social and economic development in more recent times, highlighting some community and government efforts to establish specific services and a more integrated approach to social planning, particularly around issues such as poverty reduction. Section 6 traces the development of the Poverty Reduction Strategy, from its conception to the implementation of selected initiatives to its first biennial review. Section 7 provides a few comments from the community, and Section 8 concludes with a discussion of Newfoundland and Labrador’s unique approach to social development and poverty reduction.

FACTS, FIGURES AND POVERTY PROFILES

The accuracy and meaning of figures such as the rate of unemployment can be debated, but these figures and comparisons across the country have been the basis for much government policy. Figures 1
In spite of the picture presented in Figure 3, the Campaign 2000 report cards on child poverty showed Newfoundland and Labrador to have had one of the highest, often the highest, rate of child poverty in Canada from 1998 to 2004, peaking at more than 20%. By 2006, Newfoundland and Labrador was fourth lowest at about 9%, compared to 11% nationally (measured after income tax) (Campaign 2000).

Figure 1

Unemployment among Population aged 15 and Older, Newfoundland and Labrador and Canada, 1992 to 2007


‘As our once proud fishing communities wither away, we have the highest rate of rural poverty in Canada. We have among us people who must choose between heat and food. Some indigenous communities in Coastal Labrador still don’t have running water. We now have adults and youth sitting on our downtown streets day and night...’

Maura Hanrahan, writer and anthropologist (Getting Poverty on the Ballot, 2007, p. 9).
In 2003, after six years of offshore oil production, revenues had begun to flow into the provincial treasury. By 2005-06 there were budget surpluses and oil became the province’s biggest revenue source. Economist Wade Locke said then, ‘extra offshore oil revenues... provide the provincial government with new opportunities to achieve societal objectives that previously were difficult to attain’ (Locke, W., 2005, p. 27).
While economic well-being in Newfoundland and Labrador was improving by 2005, there were, and are still, many challenges. According to the 2006 Census as reported by Community Accounts:

- The before tax per capita income in 2005 was $21,600, compared to $27,400 nationally.
- Half the lone-parent families had incomes less than $23,600. Female lone-parent families with children and single people under 65 were most likely to be living below the LICO.
- 57,150 people received Income Support.
- 98,025 collected Employment Insurance.
- About 25% of people aged 18-64 did not have a high school diploma.

(http://www.communityaccounts.ca)

The Provincial Government’s 2005 consultation document, Reducing Poverty in Newfoundland and Labrador: Working Towards a Solution, stated that:

- 44% of those below the LICO were Income Support recipients.
- Children of Income Support recipients were 3.5 times more likely to receive Income Support before age 30 than others, and less likely to graduate from high school.
- 22% of poor families had a poverty gap in excess of $6,000 below the LICO, and single women aged 18-65 had the highest gap of all groups analyzed.
- Persistence of poverty was greatest for 55-64 year olds and those without high school.
- About one-third of those receiving Income Support were people with disabilities. Income levels for Aboriginal peoples were not available but on average thought lower than for non-aboriginals (Department of Human Resources, Labour and Employment, 2005).

Poverty Profile: The Working Poor

Single mother, two children, private rental. Working almost full time in department store (full-time not available). No support from father, trying through courts. Sometimes receives Income Support, but process unnerving – has to mail in form monthly, attach pay stubs, sign a document stating she has tried all necessary steps to receive child support, wait for decision on income supplement. Never knows if she is going to get small monthly check until letter arrives. This has to be done EVERY month. Lives in older house, oil heat, buys minimum oil, hopes it will last 2 weeks (most times 10 to 12 days, then no heat). Wonders why she bothers to work if she is no better off than on Income Support. Source: Confidential interview conducted by CSC, July 08.

Poverty Profile: Barriers to Entitlements

Couple, two children, on Income Support. Mother disabled, father volunteer head of tenant association, in low-income housing 15 yrs. Two-story, narrow home, no ramp, not wheelchair accessible, eight steps to parking lot, no washroom on main floor, wife has to be carried. She sleeps in living room on air mattress. Cannot find proper accommodations, as the few units planned for disabled are small, not suitable for this family. Mother trying to get a proper bed. A systemic barrier is the requirement for signatures from medical specialists (not a GP) for special needs: equipment, supplements, treatment, etc. Clients report feeling dehumanized. Source: Confidential interview conducted by CSC, July 08.
These statistics tell the reader that leading up to the development of the poverty reduction strategy, both unemployment and the percentage of people living below LICO were steadily declining, but there were still substantial numbers of people without sufficient resources to maintain a decent standard of living, and certain groups were particularly vulnerable. This report will next review some developments over the past century that helped pave the way to the road the province is now travelling.

**HISTORICAL CONTEXT**

With an economy based primarily on raw materials (fish, minerals, lumber, hydro power, oil) and semi-finished products (such as newsprint) with little local ownership or control, Newfoundland and Labrador has seldom seen steady and sustained prosperity. The Province’s population of about half a million people are scattered along 29,000 km of coastline and across an area of 405,000 km² (Atlas of Canada, n.d.). There are still, in 2008, more than 600 outports and small towns. There used to be well over twice that number. The population has to some degree redistributed itself to larger centres, sometimes by coercion (resettlement programs after Confederation) and sometimes by choice for better access to education, employment and services. This is still happening in 2008.

The political rule has traditionally been highly centralized and hierarchical with little local or regional authority. Not until the 1940s were there any incorporated municipalities outside the capital city of St. John’s. It was the mid-1970s before most communities were organized in municipal governments. Also in the 1970s, 56 regional development associations were formed to support local economic growth, but not until the 1980s did concepts like decentralized, bottom-up and integrated approaches to economic and social development become part of the policy discourse (Locke, F. et al, 2007).

**Depression and War Years (1929-1949)**

Newfoundland achieved responsible government in 1855 and became an independent Dominion of the British Empire in 1907. In the first half of the twentieth century, Newfoundland’s economic status swung like a pendulum from boom to depression and back again. The two world wars saw economic upturns. There was infrastructure development and, in 1941, an influx of thousands of Americans to occupy three areas as military bases.

In its worst state, as much as a third of the population was destitute. In 1931 the country was facing bankruptcy. Responsible Government was suspended in 1934 and the Parliament in London established a Commission of Government for Newfoundland. The collapse of international fish markets, the laying off of workers and cutting of wages in mining and forestry, the continuing system whereby fishermen and loggers were paid through credit instead of cash and held responsible for old debts, the increase in tuberculosis and other communicable diseases, all contributed to an unprecedented reliance on meagre public relief (Godfrey, 1985). The Newfoundland Adult Education Association, promoting self help and good citizenship, developed schemes for land settlement, vegetable allotments and animal husbandry.
The group hoped these actions would relieve pressure on the public purse, develop responsible behaviour among the unemployed and destitute, and avoid political activism and confrontation (Godfrey, 1985; Overton, 1997).

Tuberculosis was a critical concern in the first half of the 20th century. English experts found that Newfoundlanders died from TB at a rate two to three times higher than in Canada, England, and Wales, accounting for 12.5% of all deaths (Godfrey, 1985). They pointed out the relationship between ‘nutrition, distribution of population, standards of housing, and the poor relief rates’ (Godfrey, 1985, p. 127). It was largely the public awareness efforts, particularly in rural areas, of the Newfoundland Tuberculosis Association (formed in 1944) that led to the near eradication of TB in the province.4 Godfrey states that the results achieved through a vigorously pursued program of prevention, treatment and rehabilitation ‘is probably the most impressive example of any government-voluntary cooperative activity toward control and eradication of a major health and welfare threat during the current century’ (1985, p. 131).

Public Health and Welfare was one department at that time, but special child welfare services were established in 1944, and the Director attended meetings with Canadian counterparts under the auspices of the Canadian Welfare Council (forerunner of the current Canadian Council on Social Development). The police and local magistrates helped to administer the relief program for the purposes of efficiency and control of abuse. Until 1942 issuances were in the form of in-kind foodstuffs, not direct cash. Flour was enriched and dietary supplements such as concentrated orange juice and cod liver oil were distributed to certain groups. Care of the elderly and the handicapped was the legislated responsibility of the family. Ill and incapacitated individuals were ineligible for sick relief without medical certificates and approval from a relieving officer, and they were also ineligible for the first nine months of their illness or incapacitation. The only option was to apply for poor relief as an able-bodied individual. If one did qualify for the sick allowance, relief extended only to the patient and was rarely increased where there were dependants. Meanwhile, the government was accumulating a surplus, which had reached $40 million by 1949 (Godfrey, 1985; Overton, 1997).

Confederation with Canada (1949)

With the end of World War II, discussions ensued as to the form Newfoundland’s government should take. After two bitterly fought referenda, those in favour of a return to independence lost by a small margin to the pro-Confederation forces who, led by J.R. Smallwood, toured the Newfoundland outports with promises that union with Canada would bring social benefits such as Old Age Pensions and Family Allowances. Ads promised healthy, happy children with plenty of milk and food if parents voted for Confederation versus the Dole and Disease of Responsible Government (Hardy Cox, 1997). Hardy Cox (1997) describes the impact the new welfare state had on Newfoundlanders in terms of five socio-cultural shifts:
• Residual to institutional welfare – certain benefits became a basic right, not stigmatized and contingent on some distinction between the deserving and undeserving poor.

• Social transformation – pensions and allowances supplemented family income; children had to attend school for mothers to receive the baby bonus; many women and elderly people had cash income for the first time.

• Credit system to cash – the social security payments allowed the recipients to be independent consumers, thus undermining the credit-truck system and raising the standard of living.

• Extended to nuclear family – the state, not the family, became responsible for the aged and infirm; in time, a minimum wage, unemployment insurance, and growing provincial welfare services lessened the risk of seeking work outside the family and the outports.

• Spiritual to material values – some feared the inflow of money threatened traditional doctrines; conflict had occurred during negotiation of the Terms of Union over an interdenominational school system (Bergman, 1997), legalization of divorce, and provision of social services; the state was seen by many to be competing with church charities.

The introduction of cash into Newfoundland households diminished to some extent the need and desire to engage in household production of goods. Though the fisher-hunter-gatherer lifestyle continued, augmented by family gardens and raising of livestock, with the passing of time this way of life (a hard one) declined.

**Early Years as a Province (1949-1971)**

The new Provincial Government separated health and welfare services, forming a Ministry of Public Welfare to concern itself with both remedial action (alleviating want and distress) and preventative measures (raising standards of living and public morale). The first Minister, Dr. Herbert L. Pottle, and his Deputy, Dr. F.W. Rowe, talked publicly about the interconnectedness of education, health and public welfare; about individual and collective social responsibility for well-being; and about the need for stability between economic development and social services (Godfrey, 1985). So as far back as sixty years ago, a coordinated approach was recognized by some as the way forward. (Godfrey, 1985).

The new Ministry put in place a decentralized welfare distribution system and in-service training for welfare staff through the University of Toronto’s School of Social Work. The Ministry’s main task was to distribute funds to people in need. Provincial monies were dispersed in the form of short and long-term relief, the latter in the form of Old Age Assistance, Blind Persons Allowance and Relief to Persons with Disabilities. The need for welfare officers to link with other government and community services was acknowledged (Godfrey, 1985).

Smallwood regarded relief to able-bodied men as a disgrace (the public got nothing in return for its money), and degrading as a normal way of life (Godfrey, 1985). He instituted relief works projects supervised by the Department of Public Works, through which Welfare paid a wage of 55 cents an hour. The plan expected one day’s free labour alternated with a day’s paid work, halving hourly pay to 27.5
cents. The work for relief program did help create a system of roads and communications, making for easier delivery of goods and services.

The Mothers’ Allowances Act, Dependants’ Allowances Act, and Disabled Persons’ Act were some of the key provincial legislative policies aimed at reducing poverty and included the awarding of allowances to unmarried mothers. Records of welfare during the 30 year period of 1949-1979 indicate a gradual increase in the number of unmarried mothers requesting help. The number of children on welfare from 1966-1975 increased by 135%. The greater availability of services can partly explain this, combined with the introduction of federal cost-sharing under the Canada Assistance Program (CAP) in 1966. CAP was established to pay 50% of most income support programs targeting those in need. The addition of new welfare officers enabled the Department to take on new clients. In 1967 the province established the Newfoundland Housing Corporation, a step towards addressing housing needs, and from 1965 to 1969, tuition was free at Memorial University.

Reliance on the cod fishery made much of the population susceptible to the ebb and flow of the market. Smallwood launched economic diversification and industrialization projects, with the promise of long-term jobs and the hope of stemming the tide of out-migration to the Canadian mainland. The frozen fish sector began to replace the salt fish industry, and light industry manufacturing companies were introduced under a policy of develop-or-perish. High transportation costs for raw materials and re-export, lack of workforce skills and experience, obsolete equipment, and competition in price and quality from established mainland operations all contributed to failure of these enterprises. Only through large government subsidies could they stay in operation. In the process, Smallwood used up the $40 million surplus inherited from the Commission of Government and began large-scale borrowing. Newfoundlanders benefited in the short term from construction jobs, but long-term employment did not occur and the numbers of beneficiaries of social assistance increased into the 1970s. Major resource development continued with capital from outside (Godfrey, 1985).

Through the provincial Centralization Program (1954) and the federal-provincial First Resettlement Agreement (1965), cash payments were used to encourage residents of isolated communities to move to designated growth centres. Aiming to reduce costs of service provision, they assumed that development in concentrated areas would generate further economic spin-offs. Thousands of Newfoundlanders moved. However, there were insufficient jobs and many people returned to their summer fishing grounds. They also lost access to traditional winter resources (hunting and trapping), and there were social divisions between old and new residents (Godfrey, 1985). The federal and provincial governments, however, agreed to another five-year term. The Second Newfoundland Resettlement Agreement was signed in 1970 with administration by the federal Department of Regional Economic Expansion (DREE) Social Adjustment and Rural Development Program and the provincial Department of Community and Social Development (Godfrey, 1985).
COMMUNITY ACTION

The 1960s and 1970s witnessed a coming together of social activists and a proliferation in the number and variety of community-based groups, non-profit organizations and coalitions which provided services, fought injustice and spoke up for the rights of various vulnerable populations. Their methods included everything from satirical theatre to publications and policy briefs to public protests. This happened not in isolation but within the global zeitgeist of the feminist movement, the American civil rights movement, flower power, and large demonstrations in many countries. The Provincial Government gradually came to incorporate more public consultation and collaboration with community organizations into the policy process, as well as realize that social and economic development occur in tandem. The community and government action described in this report spanned the same timeframe, but the report will focus first on the groundswell coming out of the community, and then on government strategies. The sustained community focus on persistent social and economic problems associated with poverty set the stage for the emergence of Newfoundland and Labrador’s Poverty Reduction Strategy.

Community Action for Social Justice

St. John’s may have been the hub from which much of the activism radiated in the 1970s and 1980s, but the focus was very much on issues that affected the whole province. When policies and programs changed, they changed province-wide. Support for a facility such as the province’s first women’s shelter in St. John’s led to similar facilities in other communities. In 1972, a group of social justice activists interested in both international development and local issues started the St. John’s Oxfam Committee, which incorporated independently from the national organization for the express purpose of supporting provincial initiatives as well as the global struggle for justice and development education.

The leaders in the fight for social justice travelled the province and knew it well. Bill Hynd, who became Executive Director of the local branch of Oxfam, was hired in 1976 by the Newfoundland Association for Full Employment to hitchhike across the province and talk to unemployed people. Lorraine Michael, current leader of the NDP and Member of the House of Assembly, worked as a teacher in many different towns and regions from 1963-76. She co-founded the local Oxfam Committee, the Social Action Commission (SAC) and the Coalition for Equality. These groups overlapped and those involved included church representatives, academics, people living in poverty and other community agitators. SAC initiated the first literacy program in the St. John’s neighbourhood of Rabbittown and got NLHC to release housing units for community development purposes.

The Mummers Troupe did research on location and performed across the province such plays as the 1974 Buchans, a Mining Town/Company Town and the 1976 Oxfam-commissioned What’s That Got to Do With the Price of Fish? (Farquharson, 2000). Memorial University’s Extension Services, the University’s agent ‘for extending the resources of the University to rural communities, including... to support social and economic change’ (Bill, 2008, p. 2) was active through field staff in rural Newfoundland for three decades until it was axed in 1990. In 1967, an Extension Film Unit was
established with the assistance of the National Film Board of Canada. It pioneered a technique of community involvement known as the Fogo Process which became internationally acclaimed (Crocker, 2008). MUN Extension, working with the Social Action Commission and Bell Island community action groups, for example, led to the Bell Island Community Development Co-op. The Centre for the Development of Community Initiatives operated at the university from 1973-78, offering a multi-disciplinary degree in community and development studies (Memorial University, n.d.). No such program exists today.

Other important initiatives included the People’s Commission on Unemployment, funded by the Federation of Labour and chaired by Father Des McGrath (1978), who was also instrumental in the formation and growth of the Fishermen’s Union in the 1970s (now Fish, Food and Allied Workers, part of Canadian Auto Workers).

**Community Action for Social Planning**

The Community Services Council Newfoundland and Labrador (CSC) was established in 1976 by a group of concerned citizens, including mental health activist Margaret MacDonald and Stella Burry from the United Church Children’s Home Board. With support from the provincial and federal governments, CSC was set up as a social planning, research and development council aiming, among other things, to identify gaps in the service system, improve coordination and cooperation amongst various service agencies, encourage interaction between the voluntary sector and government and advocate for new programs and policies. The Community Services Council promotes an approach to planning that melds social and economic perspectives and has striven to put social policy matters in the public eye through research, public forums, media interviews, submissions to federal and provincial governments, consultations, community organizing, and participation in multi-organization committees (e.g., Accessibility Action Committee, Mental Health and Youth Committee, Youth Action Committee, Working Group on Child Sexual Abuse, Early Childhood Training Program Resource Committee, Ad Hoc Committee on Women’s Detoxification Services).

The Community Services Council has been the catalyst or incubator for many programs that still exist today, albeit in different forms or operated by other agencies, such as Credit and Debt Solutions, Kids Eat Smart Program, and the Early Childhood Education diploma program. CSC research contributed to the first social centre for ex-psychiatric patients, the introduction of home support services for seniors, and detox services for women with drug and alcohol dependencies. A Supportive Housing Action Committee to advocate for people living in boarding houses was launched after undercover research in 1983 revealed substandard conditions. As a result of a CSC study in 1976, the first independent living group home for adults with disabilities was opened in 1978 (CSC, n.d.), and Community Housing and Support Services was ‘a prime motivator behind the development of a housing coop movement in Newfoundland and Labrador’ (Community Services Council NL, 1986, 1996). Through its ability to convene multi-agency committees, CSC has strengthened the position and legitimacy of community actors in their quest for fair and reasonable social planning, policy development and program delivery. The effects of policy changes advocated by CSC in partnership with colleagues are still felt today.
The Community Services Council also participates on a leadership level in pan-Canadian coalitions, research activity and conferences, e.g., the 1980 National Biennial Conference on Social Development, the 1983 Task Force to Redefine Poverty Measurement, sponsored by the Canadian Council on Social Development, the 1993 National Social Welfare Conference, co-hosted and organized by CSC and Memorial University’s Department of Social Work, and the CSC-hosted *Welfare to Work: The Next Generation, a National Forum* in 2003. Since 1990, the CSC has been the provincial partner for Campaign 2000’s efforts to draw attention to high levels of child poverty across Canada. Through annual events, hundreds of colleagues from non-profits, people living in poverty, media and government have come together to discuss poverty issues. In 2003, a panel discussion and public forum, *The Ins and Outs of Child Poverty*, was attended by about 85 people, including two Provincial Cabinet Ministers. That event highlighted *Expanding Their Universe, Reshaping the Future: A Report on the Impact of School Fees and Fundraising on Social Inclusion*, research conducted by CSC in partnership with MacMorran Community Centre in St. John’s (CSC, 2003). This study influenced Government’s decision in 2006 to eliminate school fees and, in phases, to provide school textbooks free of charge. This has been an important step in providing equitable access to education for children in Newfoundland and Labrador, some of whom may still be excluded from school activities like swimming, skating and excursions that require a fee.

**Community Action for Improved Services**

In the CSC’s first presentation to the Social Policy Committee of the Provincial Cabinet in 1984, CEO Penelope Rowe stated, ‘The 1970s brought demands for consumer involvement, greater acceptance of those with handicaps, and a public awakening to the need for improved social services’ (Community Services Council NL, 1984, p. 22). In the mid-1970s community groups were targeted by government to identify needs and develop proposals to address those needs. Many organizations formed with federal dollars, and there were also provincially-funded projects designed to remove eligibility barriers encountered under federal programs and make use of traditional skills (Godfrey, 1985).

In this section, a few examples illustrate how community action has contributed to improved policies and services for several groups particularly vulnerable to poverty, including people with disabilities, single parent families, low-wage earners and individuals and families in receipt of Income Support.

**People with Intellectual Disabilities**

Prior to the 1970s, most individuals with intellectual challenges lived with their families, with minimal social service support. In crises, government intervened and removed individuals to institutions in St. John’s. In 1955, Vera Perlin organized parents to form the Newfoundland Association for the Help of Retarded Children and, with the aid of donations and volunteer work, opened the Vera Perlin School in 1959. By the time of her death in 1974 there were ten such schools across Newfoundland and Labrador (Vera Perlin, n.d.). In 1956, the Newfoundland and Labrador Association for Community Living (NLAACL) was founded and it still serves as a provincial advocacy association dedicated to developing communities that welcome persons with intellectual disabilities. Incorporated in 1976, it has 18 local voluntary associations that provide support in rural areas throughout the province (http://www.nlacl.ca).
In the 1970s, the institutionalization model was reviewed and deemed inadequate. In 1977, a Division of Mental Retardation Services (MRS) was created within the Department of Social Services and there was a rapid expansion in supports, e.g., Direct Home Services, Residential Services, Foster Care, Special Child Welfare Allowance, etc. MRS undertook a public relations campaign to create more positive perceptions. In 1981, the institutions of Exon House and the Children’s Home were closed (Gallant, 1997) and funding ‘re-allocated to the community to support both residential and employment requirements…’ (Department of Human Resources, Labour and Employment, 2001, p. 13). Group homes and cooperative apartments were introduced, along with a supported employment model which grew and continues to this day.

**Women in Need of Shelter**

Prior to the availability of emergency shelter services, members of the Women’s Place Collective provided safe housing in their St. John’s homes to women and their children. Two grant applications in the 1970s from the Status of Women Council (SWC) for a shelter were turned down by the Province. The St. John’s Rape Crisis and Information Centre began the operation of a 24-hour crisis line in 1977, and in 1980 the Department of Social Services finally announced funding for Newfoundland’s first shelter for women and their children leaving abusive home situations. Several others followed in communities province-wide. SWC later responded to the gap in housing for women leaving shelters by opening Kirby House (Herbert & Foley, 1997). There have been funding cuts and reinstatement since then, and several increases in recent years.

**Housing for People Living on Low Incomes**

In 1979, Emmanuel House, owned by the United Church of Canada, was established to provide residential counselling for young people. It became part of the national Urban Core Support Network – agencies serving marginalised people in inner cities. A long-term housing program for former residents of Emmanuel House was developed in 1985 consisting of apartment-sharing supported by Emmanuel staff. Next, interested community members and staff from various non-profits, along with their clients, came together and formed a non-profit housing agency called P.O.W.E.R.F.L.I.P. (Pursuit Of Wealth, Employment, and Resources For Low Income People), which made a successful application to the Newfoundland and Labrador Housing Corporation (NLHC) for the development of a six-unit apartment complex. At least 50% of the board were tenants or potential tenants (Seymour & MacLeod, 1997).

In 1980 Community Housing and Support Services (CHASS) was created by the Community Services Council to develop and deliver non-profit and cooperative housing for people of low and moderate income, as well as for special needs groups. It became a separate legal entity in 1982. Over the five years of its existence it was associated with non-profit groups across the province and delivered about $24 million in non-profit housing, working with Canada Mortgage and Housing Corporation’s Social Housing Program, the National Housing Act and the Province’s Department of Social Services. This included 300 coop housing units, involvement with senior citizens’ housing projects, development of group homes, transitional housing for abused women and ex-psychiatric patients, and eight reduced rent units developed with Melville Native Housing Association and federal Urban Native Assistance Plan.
In 2009, Newfoundland and Labrador Housing Corporation (NLHC) has nine offices across the province to address the housing needs of people who are most in need. One of its objectives is to work in partnership with community groups. The corporation ‘rents housing to low-income families, seniors, non-elderly single people, native people, disabled individuals and others in need of housing’ (Newfoundland and Labrador Housing Corporation, n.d.). It provides rent supplements to low-income households in private rental accommodations, administers a home repair program, an education incentive program and a scholarship program, among other services. However, clients complain that many of the units operated by NLHC are too big for the needs of today’s families, may be in poor repair, are energy inefficient and too expensive to heat, and there are too few units for persons with disabilities (St. John’s Status of Women Council and Women’s Centre, 2005).

In 2005, the Province launched a study of social housing through province-wide consultations. ‘What We Heard’: the Report on Consultations for Development of a Provincial Housing Strategy was released in June 2008 by NLHC. There was overwhelming support for a provincial housing strategy; several issues were emphasized, including supply and condition of public housing, range of supports and services needed by particular populations and individuals, integrated service delivery, and declining federal funding. Recently the Province made increased investments of nearly $50 million in programs and housing initiatives delivered through NLHC, including a $25.5 million increase over the next five years in the Modernization and Improvement budget and a doubling of contributions to the Provincial Home Repair Program to $24 million over the next six years. ‘Since 2003 the Affordable Housing Program... has committed over $24 million to 46 private and non-profit sector groups to create 484 homes for low-income households province-wide by 2010’ (Department of Human Resources, Labour and Employment, ‘Provincial Housing,’ 2008, ¶ 4).

**Persons with Disabilities**

Numerous non-profit organizations exist across the province to create awareness and provide services, support and advocacy for persons with disabilities. One of these, the Independent Living Resource Centre (ILRC) in St. John’s, evolved from Escasoni Civic #4, the first transitional housing program for people with physical disabilities in the Atlantic Provinces, established after a study prepared by the Community Services Council in 1978. ‘The program involved attendant services and skills development programs to support people with disabilities to maximize their independence. The centre adopted operational principles of consumer control and personal empowerment in delivering support and services to its users’ (ILRC, 2008, p. 3). In 1997, the Independent Living model was adopted. ILRC today provides services in the areas of Individual Advocacy, Peer Support and Volunteerism, Information and Networking, Adaptive Technology, Career Development, Community Access Program - public internet access, Independent Living Internships, and Research and Development (Independent Living Resource Centre, n.d.). People with disabilities are supported to visit, phone or meet with peers to learn and share.

The Coalition of Persons with Disabilities (COD), originally called the Consumer Organization of Disabled People of Newfoundland and Labrador, is a cross-disability advocacy organization that a student established in 1980. ‘COD is proactive, working to improve legislation and services at all government
levels and networking with national and regional groups to support independence and foster positive self-concept of its members’ (Coalition of Persons with Disabilities, n.d.).

A large proportion of persons with disabilities are unemployed and in receipt of Income Support. The provincial-federal Employability Assistance for Persons with Disabilities (EAPD) program, cost-shared under the Labour Market Agreement for Persons with Disabilities, ‘is designed to assist individuals with a disability acquire the skills, experience and support necessary to successfully prepare for, enter or remain in the work force. Services include employment counselling and assessment, employment planning, pre-employment training, post-secondary education, skills training, technical aids and other supports...’ (Department of Human Resources, Labour and Employment, ‘Employability Resources,’ n.d., p. 1). The 2008 budget committed to establishing a Division of Disabilities within the Department of Human Resources, Labour and Employment. Strides have been made in accessibility for persons with disabilities to buildings, services, education, information and employment, but much remains to accomplish.

**Single Parents**

The Single Parent Association of Newfoundland (SPAN), incubated at CSC by Margaret Acreman while participating in CSC’s volunteer management training program, was founded in 1987 to provide supports for single parents to regain control over their lives for the empowerment of themselves and their children. Among other services and supports, SPAN, in partnership with the Provincial Department of Human Resources, Labour and Employment, operates a program to help single parents in receipt of social assistance re-enter the workforce. Participants take part in 5-6 weeks of half-day classes covering job readiness and life skills. Supports such as an earned income supplement, assistance in job search, recognition of the real costs of working, etc. have enabled over 800 single parents (91.4%) to obtain employment. Approximately 32% of clients, by their third year, no longer need any Income Support (Single Parent Association of Newfoundland, n.d.).

**Mental Health Consumers**

Moyra Buchan, formerly Executive Director of the Canadian Mental Health Association NL for 25 years, has written that by the early 1990s consumers’ voices were making a difference – identifying issues, going public, and effecting change. Poverty was the most basic problem for many mental health consumers and for other groups as well – unemployed youth, single parents, people with disabilities and the elderly. The answer she said was to build coalitions. In 1996, the Community Alliance for Better Solutions (CABS) was formed, triggered by cuts to public services and layoffs, at same time as banks and big corporations were reporting record profits. It angered community groups to see enormous wealth alongside poverty. CABS produced and distributed a leaflet called *Stark Facts* and held televised People’s Forums and meetings with government ministers. Buchan developed community education material through video projects such as *Changing Minds* and *Depression Awareness for Youth* (Buchan, 1997).
The Homeless

Homelessness is a problem across Newfoundland and Labrador, both in St. John’s and in smaller towns and rural communities. The National Homelessness Initiative (NHI) has funded a range of initiatives to meet the needs of the homeless and those ‘at risk’ of homelessness (e.g., emergency shelters for abused women and children). Since 2000, the NHI has supported the St. John’s Community Advisory Committee on Homelessness, a multi-sectoral team including federal and provincial governments, City of St. John’s, and community groups. The Committee identifies housing problems and engages in community planning to address homelessness. It directs the funding it receives from NHI to community organizations for various housing projects and support services for the homeless. Groups representing Aboriginal peoples, people with mental health issues, homeless youth, and people with AIDS / HIV are involved; most of the work of the Committee is carried out by the individual organizations (Interview with NHI staff, 2005).

A Housing Strategy for Newfoundland and Labrador, a proposal developed by the Housing Policy Working Group and convened by the St John’s Status of Women Council, states that NHI funding ‘has addressed emergency housing needs of homeless people, but more action is required to address the long-term housing security of low-income people as a whole, in all parts of the province’ (St. John’s Status of Women Council, 2005, p. 10). ‘More than a third of tenant households in Newfoundland and Labrador spend 30% or more of their income on shelter and are in ‘core housing need’ as defined by [the Canadian Mortgage and Housing Corporation] CMHC’ (St. John’s Status of Women Council, 2005, p. 8).

Early Childhood

In 1982 the Community Services Council initiated the province’s first Early Childhood Training Centre for early childhood educators. The Centre included a full-time program, onsite daycare and evening courses, and operated until 1996. From 1991-94, CSC operated the province’s first Family Resource Centre with funding from the federal Child Care Initiatives Fund, and assisted in the establishment of FRCs in other parts of the province (CSC, 1996). In the early 1990s, the federal government working with the province established eight Family Resource Centres (FRCs) under the Community Action Program for Children (CAP-C). These centres were placed in the least prosperous communities to provide services to some of Newfoundland and Labrador’s poorest children. Later, when the federal government increased and transferred funds for early childhood development to the provinces, the Government of Newfoundland and Labrador established more FRCs in other communities where poverty was high. Initially operated by Community Health Boards, they were turned over to parents and community volunteers and became non-profit organizations. The number of sites is increasing.

Food Security

In 1998, the Food Security Network of Newfoundland and Labrador was formed, instigated by Dieticians of Canada Local Action Group, responding to a growing concern about hunger (Coombes, 2007). Its main activities are public awareness and advocacy. National food bank usage statistics from 1997 to 2007 show Newfoundland and Labrador consistently with the highest per capita use by far. In 1997, this amounted to an estimated 35,000 users (6.2% of the population); the rate peaked in 1999 at close to 7%
and has since fallen gradually to 5.3% in 2007 (est. 26,746 users) (Canadian Association of Food Banks Hunger Count, n.d.). However, at least one St. John’s food-aid centre, Bridges to Hope, reported a 46% increase in the number of families assisted in 2008 over 2007.

GOVERNMENT ACTION

The 23 years of Liberal rule under Smallwood ended in 1972. The new Progressive Conservative government inherited several large projects which added to the public debt, and it came to realize that profits from the Churchill Falls hydro-electric development resulting from higher energy costs would go to Quebec, not to Newfoundland. Both the Moores (1972-1979) and Peckford (1979-1989) governments fought with Ottawa for the province to gain greater control over its natural resources, including future oil and gas revenues, but with limited success. High unemployment, out-migration and government deficits continued (Newfoundland and Labrador Heritage, n.d.).

This set the context for government efforts over the next thirty years to put the province onto a more secure economic and social footing and to address stubbornly high levels of poverty. For example, a scheme was devised by the Moores government to get Social Assistance (SA) recipients onto the federal payroll through the Employment Opportunities Programme, the creation of wage jobs which, when finished, would qualify people for Unemployment Insurance benefits. Recognizing that Social Assistance recipients often lacked essential skills, the program also assumed some responsibility for training. As a result, there was a gradual reduction of Social Assistance caseloads between 1972 and 1982.

There were other notable reforms in this period. Social Assistance recipients have always suffered from a stigma not associated with those in receipt of federal unemployment benefits. Some modicum of dignity was awarded in 1973 when payment of short-term assistance came by cheque directly to recipients. Prior to this, they received vouchers for food, housing, fuel and clothing. Many only received food vouchers and were refused other supports. Emergency vouchers continued to exist, but basic
supports, with the exception of housing, were combined into one cheque known as regular assistance. Rates increased and supports were also provided for special needs such as diets. In 1972, the Newfoundland and Labrador Housing Corporation took over responsibility for all housing programs. Today, housing and myriad supports for special needs remain separate from basic assistance, a situation which has led to confusion for recipients trying to access supports.

At the end of the 1970s, there was hope that a boom in the fishery, related to Canada’s declaration of the 200-mile limit in 1977, would lead to greater economic prosperity. Both governments supported expansion in harvesting and processing, doubling the number of fish plant workers, and more than doubling the number of registered fishermen. Women in rural areas found jobs on a scale not previously experienced, in fish plants and make-work projects (House, et al., 1986). The boom was short-lived however. In the mid-1980s, the official rate of unemployment was about 20% of the labour force (or 45,000 people); in reality it was much higher, as there were an estimated 30,000 others who had stopped looking for work, realizing that few jobs existed (House et al., 1986).

**Royal Commission on Employment and Unemployment: Income Supplementation Program**

High unemployment rates in the mid-1980s and early 1990s led to a number of provincial government initiatives spearheaded by Dr. Doug House, Professor of Sociology at Memorial University. Notably, a Royal Commission on Employment and Unemployment (RCEU) was established. Its final report, *Building on Our Strengths*, recommended a community-based and regional approach to economic development, an integrated and coordinated strategy across government and sectors, and the encouragement of small enterprise initiatives as viable and sustainable alternatives to industrialization and urbanization (House et al., 1986). The Commission emphasized the need to invest heavily in education and to provide equal employment opportunities and supports to underprivileged citizens such as Aboriginal peoples, people with disabilities, rural residents, youth, and women.

The RCEU recognized that the impacts of poverty included isolation, diminished self-worth and deteriorating social relationships. Rural people particularly were poorly educated, demoralized and too dependent on government. The RCEU feared the outports would turn into welfare communities (House, et al., 1986). Knowing that seasonal work would continue in rural Newfoundland, supplemented by household production and some form of income support, ‘the need for which should decline... as the rural economy becomes stronger’ (House, 1993, p. 23), the Commission called for an overhaul of social security structures, nationally and provincially. They pointed out the defects in an unemployment insurance (UI), make-work system used as income supplementation by fishermen and other seasonal workers. There was an entrenched 10-week syndrome whereby people worked for UI stamps, and available jobs rotated through the community’s labour force so that as many as possible qualified for UI benefits. The system, said the RCEU, was a disincentive to work, discouraged self-employment and undermined the importance of education. In addition, many short-term make-work projects were not very practical or useful (House et al, 1986).
The RCEU posited reform which would combine a small Guaranteed Basic Income (GBI) with an Earned Income Supplement (EIS) to a certain income level, both to be administered through the income tax system. An education incentive would form part of the new arrangement, and for those unable to work there would be improved Social Assistance benefits to top up the GBI. UI would provide income maintenance for workers temporarily unemployed.

The Province endorsed the recommendation of the RCEU and in 1988-89 established an internal Task Force, comprised of an inter-departmental committee and several academics. It held focus groups with Social Assistance recipients to assess the impacts of poverty and barriers in the Social Assistance program to work and self-reliance, and considered options. The report of the Task Force was not released, but in 1989 a new Liberal administration led by Premier Clyde Wells established the Economic Recovery Commission (ERC) to implement the recommendations of the RCEU. The ERC engaged several of the academics who worked on the Task Force to undertake an analysis of the Employment Insurance and Social Assistance systems using the Social Policy Simulation Model of Statistics Canada. The analysis showed that distribution of support through the EI program was inequitable, with the lion’s share going to those with higher incomes while little was received by Social Assistance recipients and minimal amounts going to the working poor. Furthermore, EI is an individual-based program, allowing multiples of EI recipients in a single family.

The ERC proposed the Income Supplementation Program (ISP) to redistribute EI and Social Assistance benefits to lower income people through savings resulting from cutbacks to the EI benefits of short-term workers. The ISP goal was to reduce employment disincentives in existing income security programs by providing a supplement to earned income that would decrease gradually as income rose. All individuals and families would be eligible, and it was to be delivered as a negative income tax. A proposal for an Additional Support Program was also developed for recipients with special needs. Many background reports were completed, including one by the Community Services Council that focused on the potential impacts of the proposed program on the poor (Community Services Council, 1995). The Province suggested that the federal government implement the ISP as a pilot in Newfoundland and Labrador. This was still under discussion when Premier Wells resigned in 1996. Premier Brian Tobin closed down the ERC and shelved plans for income security reform.

**Economic Recovery Commission: A Strategic Economic Plan**

The Economic Recovery Commission was also involved in a two-year consultation and economic planning process, including public meetings, presentations and roundtables across the province. Its final report, entitled *Change and Challenge: A Strategic Economic Plan for Newfoundland and Labrador* (Government of Newfoundland and Labrador, 1992), documented the scale of the challenges facing the province, relative to Canada. On three key indicators, the Commission concluded that there had been little change from 1976 to 1990:
• Earned Income (per capita) was 55 to 60% of the Canadian level.
• GDP hovered around 60% of the Canadian level.
• Unemployment was twice the Canadian rate, with a dip to 150% in 1982-83.

The Strategic Economic Plan reiterated the 1986 RCEU recommendation for ‘an integrated approach to rural and regional development, having the various agencies and departments of government working together to achieve common objectives’ (Blake, 2003, p. 206). It outlined 134 actions around concepts such as long-term planning, human resource development and life-long learning, entrepreneurship, new partnerships amongst all sectors, and productive and meaningful work. It also called for more appropriate social programs and income security reform to encourage enterprise, education and employment, and to support ‘real economic growth and diversification’ (Government of Newfoundland and Labrador, 1992, p. 11). It recognized a need for a more flexible, responsive and streamlined bureaucracy. One recommended action was to establish the Newfoundland and Labrador Conservation Corps, to ‘channel funds into social and useful activities that will both contribute to environmental enhancement and provide valuable work experience and training for its members’ (Government of Newfoundland and Labrador, 1992, p. 29). In 2008, the Corps continues as a registered charity with significant funding from the province and about 40% funding from community and corporate partners.

The Strategic Economic Plan called for revitalization and diversification in the fishery. Coincidentally, the moratorium on the cod fishery was announced the following month, bringing a wave of economic and social problems that buffeted hundreds of communities that had lived off cod for centuries. Thirty thousand people were thrown out of work (12% of the labour force) and the province lost 10% of its population over the next ten years (Newfoundland and Labrador Heritage, ‘Economic’, 2008; Randell, 2002). Other demographic trends (i.e., low birth rate, aging population) created additional pressures.

The Strategic Economic Plan, together with the report of the federal-provincial Task Force on Community Economic Development, Community Matters: the New Regional Economic Development (1994), led to the establishment of 20 Regional Economic Development zones with community-based volunteer boards (REDBs). Local people were to play the lead role in development, with the private sector as the main driver, and a strong supportive and facilitative function for government (Blake, 2003). Each Board was charged with strategic economic planning for its region. Minister Judy Foote said at the time, ‘Individuals, communities and groups... have come together... to organize themselves better to coordinate and integrate development efforts... But... they need the support of government. This cannot, and will not, take the form of top-down direction, but of a partnership approach’ (Department of Development and Rural Renewal, 1996, p. 8). She called it revolutionary. She went on to say, ‘...we must learn new ways of doing business... Innovation, efficiency and partnership take on real meaning as government departments and agencies strive to maintain or enhance service with fewer resources. Partnerships with the voluntary sector are a key aspect of this’ (Department of Development and Rural Renewal, 1996, p. 23).
Changing Federal Policy Context

There were a number of changes at the federal level during the 1990s that had an impact on the province. A shift was made in 1996 from the Canada Assistance Plan (CAP), which cost-shared health, post-secondary and social services with the provinces, to a new merged block payment program, the Canada Health and Social Transfer (CHST). The community saw potential advantages with this change (i.e., opportunity for innovative community-based service delivery through regionally and locally sensitive programs) and disadvantages (i.e., reduction in total dollars, weakening of services, loss of fundamental rights, entitlements and national standards, erosion and nipping away at programs, etc.) (Locke, W., 1996, pp. 12-13). The reality 12 years later is that the total level of federal transfers fell.

In the late 1990s, the federal government in collaboration with the provinces and territories instituted the Canada Child Tax Benefit and National Child Benefit Supplement, a new income-tested child benefit program which was intended to take children off Social Assistance. The provinces were to use their social assistance savings to reduce poverty or the impacts of poverty. In Newfoundland and Labrador, the government chose to implement a provincial Child Tax Benefit and to establish Community Youth Networks (CYN), open to all youth but focused on those challenged by poverty and other social development issues. Like the FRCs, the CYNs became non-profit organizations and the number of sites continues to expand. At the same time, in 1998, the province announced increases to social assistance rates, a $150 cost of living allowance to families on the coast of Labrador, $1 million to the Children’s Food Foundation (now Kids Eat Smart), and ‘after much soul-searching’ (Human Resources and Employment, 1998, p. 10), decided that families on social assistance would be allowed to keep the full National Child Benefit Supplement (Human Resources and Employment, 1998). However, a 1999 Coalition for Equality analysis asserted that under Social Assistance restructuring, the province was still clawing back some of the child tax benefit from Income Support recipients (National Anti Poverty Organization, 1999). After 1999, the clawback was no longer an issue.

Social Policy Advisory Committee: A Strategic Social Plan

During an era of government cutbacks, lay-offs, a wage freeze in the civil service, and the collapse of the fishery, economic planning had status within the political arena. This was a cause for concern among voluntary organizations whose representatives believed that economic development on its own would do little to ameliorate existing social problems and could in fact aggravate them. By this time, the Community Services Council NL had determined to take a broader and more comprehensive, big picture approach to social policy development. Its presentations to the Social Policy Committee of Cabinet emphasized that social issues were interrelated and articulated the need for a more integrative, collaborative, and preventative approach to public policy formulation. As early as 1985, the Community Services Council urged government to set up a ‘Social Planning/Social Policy Advisory Council’ to develop a long-term strategic plan within the social policy sector to work in tandem with economic development initiatives.
By the early 1990s integrated community approaches to development had become embedded within at least the rhetoric of Provincial Government, and the 1993 Throne Speech announced the intention to create a Strategic Social Plan for Newfoundland and Labrador as a complement to the Strategic Economic Plan. A Strategic Social Planning Committee was set up, comprised of senior officials from the social departments of government, Dr. Doug House from the Economic Recovery Commission, and Penelope Rowe, CEO of the Community Services Council NL, representing the voluntary sector. In 1996 a consultation paper was prepared and a Social Policy Advisory Committee (SPAC) of individuals and representatives of various non-government organizations, regional boards (e.g., Health and School Boards) and academia, with Penelope Rowe as full-time Chair, was tasked by government to convene the public consultation process, write a report and make recommendations. SPAC held 100 meetings engaging 1,500 people across the province. These consultations came on the heels of the extension of the cod moratorium, a devastating time in the province’s history.

Many of the issues brought forward to SPAC were connected to poverty, its causes and impacts. There were problems with income support programs; social assistance rates had not increased since 1992 and were among the lowest in Canada; there were few employment opportunities for people with low incomes; and the cost of post-secondary education was becoming prohibitive. SPAC (Rowe, principal author) recorded the issues in *What the People Said* (1997) and brought forward recommendations in *Investing in People and Communities* (1997). SPAC proposed ‘a new framework for social development based on investing in people by integrating social and economic development initiatives and by strengthening individual, family and community resources’ (Government of Newfoundland and Labrador, 1997, p. 37).

*People, Partners and Prosperity: A Strategic Social Plan for Newfoundland and Labrador* (SSP) (Government of Newfoundland and Labrador, 1998) was released to the public in 1998. The SSP proposed an integrated, place-based, bottom-up deliberative process to strengthen social policy planning and improve service delivery. Community organizations and volunteers were to be the analysts of what needed to be done and the catalysts to make it happen. The voluntary, community-based sector, especially in rural areas, would deliver services under contract from government and develop social programs that centred on community needs. The vision behind the SSP was very different from the traditional remedial model of rigid programs and separate departmental jurisdictions. Services would be delivered within the context of the needs of communities and the needs of people living in those communities. Interventions and investments in people would be tied to social and economic development efforts at the local level, and program flexibility would allow responses to fit the needs of clients in different places and different circumstances (*Values Added* CURA, CSC and Memorial University, 2008).

SSP objectives called for redesign of Social Assistance to improve access to the labour force, more efficient program delivery, insurance that basic needs of Social Assistance recipients would be met, provision of supports to alleviate the effects of poverty on children and families, and provision of basic life skills and literacy education. The SSP promoted prevention and early intervention programs, early childhood enrichment and youth services, and emphasized the importance of evidence-based decision-making.
SSP Implementation and Impact

The provincial government hired six regional planners and established Regional Steering Committees with representatives of health and education boards, the public college and university, economic development boards, government regional offices and, occasionally, representatives of community groups. A Premier’s Council on Social Development (PCSD) was set up with representatives from social sub-sectors and community-based organizations such as CSC, Canadian Mental Health Association, Status of Women, Stella Burry Corporation, Conne River First Nation, NL Nurses Union. The PCSD formed sub-committees, conducted research, and provided input into many government initiatives, including reform. A Secretariat was established within Executive Council headed up by an Assistant Deputy Minister. This placement in the central agency, rather than within a specific department, gave the Secretariat the capacity to connect across government. Cross-departmental committees were struck to tackle different policy and program issues. These structures were to facilitate interdepartmental collaboration, public consultation and citizen engagement, and link voluntary groups and communities to Government.

The CSC-led *Values Added* Community University Research Alliance (CURA) explored some of the processes related to and themes emanating from the SSP, and examined the role and contributions of the voluntary, community-based sector in this unique public policy process. *Values Added* research revealed that the public lacked knowledge of the SSP; linkages and community outreach were weak; and both the voluntary sector and government still largely operated in departmental, population group or sub-sector silos. Lack of capacity and resources to build bridges, complexity, and the short time frame hindered what could be achieved. However, retired Deputy Minister Vivian Randell, in a comment about the influence of the Community Services Council on social and economic development in Newfoundland and Labrador, has stated that the SSP ideas ‘of linking social and economic policy, the necessity of forging collaborations between the sectors, the need to bring labour, business, government and the community sector together to seek common solutions to social and economic issues began to significantly influence the way government worked’ (Randell, 2008, private correspondence).

SSP implementation really only lasted four years (1999-2003). In 2004, the Williams administration dismantled the structure and set up a Rural Secretariat, building on the foundation established over the tenure of the SSP. Ten Regional Partnership Planners are now on staff, and nine Regional Councils made up of individuals (not organizational representatives) and a Provincial Council (regional representatives plus other community leaders) provide vehicles for engagement with Government. The Rural Secretariat is also located within Executive Council.

Innovative policy instruments require new operating procedures and long-term investment. As mentioned, the underpinnings of the SSP can be seen today in Government’s approach to the development of various strategies and action plans. In 2009, there are some strong links between government and the community, and increased cross-departmental activity within government itself, the most notable being the implementation of the Poverty Reduction Strategy. As the future unfolds, it will be interesting to observe the ongoing impact of the work accomplished during the SSP period,
particularly as initiatives under the new Poverty Reduction Strategy are introduced and implemented over time.

**Measuring Poverty in Newfoundland and Labrador**

A desire for integrated and place-based planning and service delivery is not the only legacy of the Strategic Social Plan. Through this process, critical questions were raised about what was happening in communities across the province, particularly with regard to issues such as poverty. Two projects were launched during this period, both of which have made an invaluable contribution to social development in Newfoundland and Labrador.

The Newfoundland and Labrador Statistics Agency (NLSA) was charged with designing a means to gather and make available information on indicators of community well-being for evidence-based decision-making connected to the SSP vision. It developed a set of Community Accounts online, accessible to anyone with Internet (www.communityaccounts.ca). These enable a drilling down to the level of neighbourhoods of 1,000 people, and provide community, regional and provincial level composite data. The NLSA, in partnership with the Premier’s Council on Social Development, also developed the first phase of a social audit, which included data on family income, children living in poverty, persons with disabilities, the gap between high and low income households, as well as labour market participation. Community Accounts continues its innovative work under the auspices of the Rural Secretariat and is closely connected to the current Poverty Reduction Strategy Division.

In 2001, Community Accounts staff began to develop a Market Basket Measure (MBM) of poverty for Newfoundland and Labrador. This is a measure of the actual cost of a basket of essential goods and services, adjusted by community and family size. It provides a fixed reference point (or absolute point) against which to measure the adequacy of household income, and serves as an important complement to existing relative income measures such as the Low Income Cut-off produced by Statistics Canada. (LICO continues to be an important indicator of inequality.) Recognizing that living costs are not consistent across the province, the NLMBM uses Community Accounts capacity to display community and neighbourhood level information. The NLMBM will be used to track the incidence, depth and severity of poverty. Release is expected in 2009. The model for the measure has been demonstrated through information sessions, including two hosted by CSC, one a nation-wide webcast for the Caledon Institute of Social Policy and its partners in a Community-Government Collaboration on Policy project. The development of the Community Accounts and the NLMBM indicate a commitment on the part of government to make data available in an understandable and meaningful format; they provide the means to measure social progress on a variety of indicators of well-being.

**Community Action for Poverty Reduction Today**

The process of community consultation and planning that took place during SSP implementation also spurred the creation of organizations and coalitions still active in poverty reduction work today. Each of the SSP Regional Committees identified priorities for their area. The Committee for Northeast Avalon
included the Cities of St. John’s and Mount Pearl, some rural communities, and about one third of the province’s population. Their main priorities were identified as poverty reduction and early childhood development, with focus on better services for disadvantaged children. The poverty sub-committee, which included representatives from the Community Services Council NL and the Community Centre Alliance, worked with Community Accounts around the need for sub-community level data in larger centres. Once constructed, the accounts showed that eight of the poorest neighbourhoods in the province were located in this region, some with median family income as low as $15,800 per year. After the SSP structure was dismantled, the poverty working group continued to collaborate, going on to establish Northeast Avalon Community Action Network (CAN!), which later became involved with Vibrant Communities St. John’s.

In 2003 CSC had its first discussions with Tamarack Institute for Community Engagement around the concept of convening a Vibrant Communities initiative. By 2005-06 Vibrant Communities St. John’s was underway and in 2009 more than 100 partners, committed to long-term action and new approaches, are seeking ‘...to reduce poverty by working collaboratively with voluntary, non profits, all levels of government, businesses and especially with people who live with low income/poverty. This initiative builds on successes happening in our community and works to connect partners and people to increase community engagement, capacity building and partnership development’ (2009, www.envision.ca/vibrantcommunities).

Vibrant Communities St. John’s dialogue and observation support a correlation between low income and other key indicators such as unemployment, low education levels, incidence of lone parent families and incidence of Income Support. Six key factors were identified by Vibrant Communities St. John’s as specifically contributing to poverty in its neighbourhoods:

- People need improved access and support to complete education and skills training;
- Employers are not connecting to the existing, untapped labour pool;
- There is a lack of affordable, high quality child care;
- Existing policies create barriers that prevent people from moving off Income Support;
- An intergenerational cycle of poverty exists in low-income neighbourhoods; and
- Programs and services are offered in a piecemeal fashion, rather than through a holistic, coordinated approach.

Vibrant Communities St. John’s’ main objective is to assist 1,500 households in their journey out of poverty over five years (2008-12). It is currently working in 14 neighbourhoods, mainly through tenant associations, examining assets and deficits and determining actions to accomplish both neighbourhood goals and employment goals for individuals. Vibrant Communities St. John’s is striving to improve spirit, capacity, and engagement of citizens and create a voice for people living on low income. It has set as priorities increased high school completion rates, delivery of an education-to-employment program that develops skills and matches participants to potential employers, and removal of other barriers to adults transitioning to work (Vibrant Communities St. John’s, 2008; Caledon Institute, n.d.).
A Bumpy Road Well-travelled

The present spotlight on collaboration, partnerships, holistic client-focused programs and integrated place-based development policies has been reached by a road paved with many good intentions and fraught with potholes, detours and back pedalling. In 2009, it appears that the values and objectives of the Strategic Social Plan have taken root within the provincial public service, evidenced in the Poverty Reduction Strategy and other planning documents.

BUILDING A POVERTY REDUCTION ACTION PLAN

Economic and social development reviews since the early 1970s have come back time and again to the devastating impact of poverty for Newfoundland and Labrador and made the case for reform in the government’s approach to development. The Poverty Reduction Strategy released in 2006 is the most recent attempt to create a stronger system of supports and services for low income households towards the goal of preventing, reducing and alleviating poverty.

The section below traces the development of the Poverty Reduction Strategy and highlights its main themes and policy and program priorities for the first phase of the Action Plan.

Budget 2004 Commitments

Although it was not until the 2005 Throne Speech that the Province committed to a Poverty Reduction Strategy, the new government took steps to strengthen the social safety net in the 2004 budget. The budget spoke of Government’s ‘responsibility to ensure the efficient and effective delivery of resources to those who need them... and protect valuable social programs’ (Government of Newfoundland and Labrador, 2004). Infusions of money went into community mental health services, drug coverage, primary health care projects, the hiring of more social workers for Labrador and St. John’s, wage increases for those who provide care to seniors, and the establishment of a Ministerial Advisory Council and a Division of Aging and Seniors.

A Ministerial Council on Early Childhood Learning was also created, to foster comprehensive programs across all government departments and agencies that focus on the learning needs of children and their families. The province invested $250,000 into a White Paper on Post-Secondary Education, which was published in 2005, and promised among other things to broaden access to under-represented groups including Aboriginal students, women and rural students (Government of Newfoundland and Labrador, ‘Foundation,’ 2005). Tuition fees were frozen at Memorial University and College of the North Atlantic.

A Low Income Tax Credit was instituted so that individuals with net income up to $12,000 and families up to $19,000 would pay no provincial income tax; Seniors’ Benefit and Newfoundland and Labrador Child Benefit were indexed; a Nutritional Supplement for new mothers was increased. Employment supports and the income assistance program were integrated and rent maximums increased. There
were increases to the amount Income Support recipients could earn before benefits were clawed back. Investments were also made in a Healthy Children – Healthy Schools program, the Kids Eat Smart Foundation, and Child Care Services Subsidy Program. An additional $100,000 went to address gambling addiction. A home heating fuel rebate was instituted, the minimum wage increased, and more funding went for youth support programs. Funding increased for the Women’s Advisory Council and eight Women’s Centres.

**Throne Speech 2005**

The 2005 Speech from the Throne spoke of ‘the devastating effects of poverty’ and committed $200,000 to ‘refine and implement a comprehensive Poverty Reduction Strategy’ (Government of Newfoundland and Labrador, ‘Speech,’ 2005). The Minister of Human Resources, Labour and Employment stated, ‘Community advocates and those who work on the front-lines... recognize that poverty is an extremely complex issue and cannot be viewed as simply the result of a lack of financial resources. To transform Newfoundland and Labrador from a province with the most poverty to one with the least will require an in-depth understanding of both the people at risk of poverty as well as the social and economic factors that keep them in poverty... government is taking an integrated approach... that will engage community partners... in conjunction with other significant initiatives to address barriers for those most often affected by the impacts of poverty, including children, single parents, women and persons with disabilities...we must look at the issue from all angles... gender, education, housing, health, tax measures and financial supports’ (Department of Human Resources, Labour and Employment, ‘Building,’ 2005).

Following up on this commitment, new investments were announced in the 2005 budget, including a raise of two per cent in Income Support rates (phased in), improved earnings exemption for working Income Support clients, an additional $411,000 under the Labour Market Development Agreement for Persons with Disabilities, an increase in Child Benefit for the first child, and a second pilot to assist single parents in receipt of Income Support prepare for, find and keep employment. A High School Completion Incentive was introduced, giving families on Income Support approximately $260 for each child under the age of 18 attending high school.

**Public Consultation 2005**

To prepare its Poverty Reduction Strategy, the government set about a consultation process that included development of a background report and workbook, *Reducing Poverty in Newfoundland and Labrador* (Government of Newfoundland and Labrador, 2005), with a broad call for discussion and input. A toll free line and e-mail address were promoted through newspaper ads and an insert in the Income Support cheques. Organizational representatives were invited to workshop sessions held across the province, facilitated by Goss Gilroy, a private consulting firm. There were also meetings with individuals living in and vulnerable to poverty.

The community consultation overview report summarized what was heard in the workshop sessions with community groups, and serves as a useful benchmark against which to evaluate the content of the
Poverty Reduction Strategy. It is particularly important as there is no other summary available of the other meetings and submissions. The present tense is used in the following two sections to reflect comments from people attending the consultation sessions with community organizations.

**Issues around Government Policies and Programs** (Goss Gilroy, 2005)

Neither Income Support nor work projects address the complex issues of poverty. Participants said that government is more focused on economic and business development than on investing in people through community and social development initiatives and that the focus on careers and employment, though important, is causing erosion of supports to the most vulnerable, including lack of personal contact with case workers to identify needs. It was said that the education system does not provide for the broad range of needs, e.g., supports for children with disabilities and special learning needs, trades programs, and career counselling. Some said that while prevention and early intervention may be a policy focus, government is not walking the walk, often operating in crisis mode. Federal and provincial policies lack coordination. In rural areas, people still depend on make-work projects to become eligible for EI. The federal Job Creation Partnerships program is often a last resort and a dead end. Some perceive a hidden agenda of rural resettlement. Many people are not aware of poverty and its impact on people and communities and community-wide efforts are needed. Government is sometimes seen as downloading rather than partnering with community organizations. Funding to community groups is inconsistent and short-term, though one of the largest employment sectors. Accountability requirements in the voluntary sector are onerous.

**Issues around Benefits and Population Groups** (Goss Gilroy, 2005)

The bottom line is that Income Support rates and the minimum wage are too low for a reasonable standard of living. Coverage under Income Support for things such as dental care and medication is insufficient, and loss of those supports with employment is a disincentive to work. The working poor cannot afford basic necessities, are excluded from community activities and cannot access supports like drug cards. Early childhood education is an important key to addressing poverty, but there are inconsistencies in policies, e.g., support for transportation and childcare may be available during training programs but not during job search or employment. Post-secondary education is costly and debt load high. Students living on Income Support or parents with borderline incomes face additional barriers such as claw backs or loan refusals. There is a province-wide shortage of affordable, adequate, safe and accessible housing, including shelters, safe houses and second stage housing for victims of violence. There are not enough employment opportunities or supports for people with disabilities. Seniors on fixed incomes are often forced to spend all their savings before becoming eligible for support in their role as caregivers. Problems faced by immigrants are compounded by language and culture barriers. More programs are needed to facilitate integration and retention.

Aboriginal peoples in Labrador face particular and serious poverty issues, e.g., high rate of suicide among children and youth, child neglect, fetal alcohol syndrome and decreasing numbers of high school graduates. There was concern about how the federal Innu Healing Strategy funds were being used and doubt about its commitment to healing and impact on community needs and development. Other issues
specific to Labrador include high cost of travel for health services and training programs, as well as higher fees for prescription drugs.

It was said that some people may not recognize their right to a better standard of living and many are not aware of the services available through either government or community groups. Even service delivery organizations themselves acknowledged a lack of connection and information.

**Common Themes** (Goss Gilroy, 2005)

The community consultation overview identified eight common themes and priorities for which there was broad consensus:

- Comprehensive action over the long term;
- Focus on the education system;
- Involvement of the broader community in working with government;
- Building and sustaining the capacity of community organizations;
- Addressing gender-based issues;
- Need for disability-related supports;
- Development and sustainability of rural communities; and
- Addressing complex socio-economic issues unique to Labrador (Goss Gilroy Inc., 2005).

This list highlights the desire for a holistic, community-based approach which takes into account the differing needs of specific groups and regions.

**Poverty Reduction Action Plan Released**

*Reducing Poverty: An Action Plan for Newfoundland and Labrador* was released at a press conference held at the Community Services Council NL boardroom on June 23, 2006 by Human Resources Labour and Employment Minister Paul Shelly and Health and Community Services Minister Tom Osborne. Minister Shelly emphasized that the Action Plan was based on the principles of social inclusion and collaboration (www.releases.gov.nl.ca/releases/2006). Government is clearly proud of this achievement in horizontal policy development, which now has guidance and support across thirteen departments and agencies. The Plan commits to the continuing engagement of all stakeholders, including Aboriginal, federal and other provincial governments, community groups, individuals living in poverty, business and labour. It promises a mix of policies with a long-term coordinated approach, a focus on prevention, and consideration of rural and urban differences as well as gender and Aboriginal issues (Department of Human Resources, Labour and Employment, *Reducing*, 2006).

Supported by a Deputy Ministers’ Committee and an Interdepartmental Working Group, the Poverty Reduction Strategy Division leads implementation and ongoing development of the Action Plan. The Division employs a Director, Senior Researcher, Program and Policy Development Specialist, Communications Officer and two other staff. Claiming to have minimized or eliminated program overlap and duplication (Standing Senate Committee on Agriculture and Forestry, 2008), they engage
departments on an ongoing basis to discuss policy and program impacts, so that poverty reduction is a goal throughout government. Continuing dialogue with social sector organizations and people living in poverty is a key element.

**Goals**

Driven by the desire to prevent, reduce and alleviate poverty, the Action Plan outlines specific four-year objectives and action areas to span two years under each of five goals:

- Improved access and coordination of services for those with low incomes;
- A stronger social safety net;
- Improved earned incomes;
- Increased emphasis on early childhood development; and
- A better educated population.

**Short-term Indicators**

The Action Plan identifies six short-term indicators of success:

- The percentage of Income Support clients with employment earnings;
- The percentage of the population in receipt of Income Support;
- The percentage of people under 30 in receipt of Income Support;
- The number of subsidized licensed child care spaces;
- The high school graduation rate; and
- The post-secondary participation rate.

Before the Plan was released, the Province was already making headway on at least some of these indicators. High school graduation rates, for example, had declined from 84% in 1996 to 75% in 2001 (78 to 67% for males). From 2001, the rate steadily increased and by 2007 the rate was back up to 80.5%.

**Reporting and Consultation**

The Action Plan laid out specific reporting processes, including:

- A statement of progress each year to the House of Assembly by the Minister of Human Resources, Labour and Employment;
- A progress report every two years examining selected indicators and addressing gaps; and
- Departmental annual reports and other accountability mechanisms to document the success of departmental initiatives, including coordination and integration efforts...(Department of Human Resources, Labour and Employment, ‘Reducing,’ 2006).

Community involvement will include biennial round tables as well as existing mechanisms such as ‘pre-budget consultations, departmental consultations in relevant areas... the Provincial Advisory Council on the Status of Women, the Labour Market Committee, the Youth Advisory Committee, Literacy

**Budget Highlights to 2008**

The provincial government has started to address many of the issues raised during the public consultation process leading up to the development of the Poverty reduction Strategy. Details can be found in budget documents on the government website. Highlights include:

**Income support and other benefits**
- Increases of 5% to Income Support, indexation annually based on inflation, plus an array of benefits designed to dismantle the welfare wall and reduce disincentives to work
- Expanded eligibility for prescription drug program and additional benefits for clients such as eye exams, eyeglasses, dentures, special diets and increased dental coverage
- Elimination of school fees and costs for prescribed textbooks and other materials
- Increased private child care allowance, NL Child Benefit and Nutrition Supplement

**Employment**
- Increases in minimum hourly wage to $10 by 2010
- Income support clients who join the labour market maintain full benefits for 30 days
- Expansion of Employment Transition Project for single parents

**People with Disabilities**
- Establishment of a Division for Disabilities
- Study of barriers encountered with people with various disabilities; in consultation, development of strategies to address them
- Improvement of income support benefits and employment supports

**Housing**
- Decreased rent for tenants in non-profit housing; add units
- Determine need for appropriate-size public housing units and ensure future construction and retrofitting projects are adjusted to reflect demographic realities; staff to respond on case-by-case basis to income support clients with unique accommodation needs
Early Childhood

- $5.5 million for Early Learning and Child Care plan in 2006 which, with $21 million from the Federal Government, created 500 spaces and additional subsidies
- Family income threshold for subsidy increased
- Greater educational supplement for early childhood educators
- Provision of operating grants to some non-profit providers
- More staff for children with special needs

Youth

- Additional funding to Youth Addiction Prevention and Early Intervention Program
- Enhanced residential and transition services through supportive board and lodgings
- New pilot program to help disengaged youth reconnect to learning and return to school
- Additional funding to Kids Eat Smart Foundation for expansion of breakfast program

Aboriginal Peoples

- With Aboriginal communities and other governments, initiatives to help curb violence and assist Aboriginal women to influence public policy, programs and legislation
- Aboriginal Literacy Development Consultant to develop a culturally relevant curriculum

Voluntary Sector

Following up on a 2005 Throne Speech commitment, the 2007 Progressive Conservative Party Blueprint leading up to the October 2007 election, promised:

- A Minister Responsible for the Volunteer and Non-profit Sector and an Office within government
- A policy and program framework to strengthen and support the community-based sector and develop social economy enterprises to improve services and increase employment
- A scope of work document to set terms for an initiative to strengthen the relationship between the government and the volunteer sector, improve the grants process, and identify opportunities for cooperation and collaboration
- Measures to enhance employment stability for organizational staff

Minister Tom Hedderson was appointed in October 2007, and Minister Dave Denine in October 2008 as part of a Cabinet shuffle. The 2008 budget allocated $650,000 to the Voluntary and Non-profit Secretariat, which now has a Deputy Minister and three other staff, and is housed within Executive Council. The commitment to work with non-profit organizations on sector-wide issues is an important acknowledgement of the value of the sector and its vast contribution to the quality of life of people and communities in Newfoundland and Labrador.
COMMENTARY

The Action Plan to reduce poverty acknowledges that both remedial action (e.g., drug card extensions, dental care, increased minimum wage, upgrading of low-income housing) and prevention and early intervention initiatives (long-term solutions through investments in education, early childhood development, community development and integrated programs and policies) are needed. However, these require different levels of commitment, thought and planning. Good teeth and affordable housing, though necessary for a decent quality of life, do not raise people out of poverty. Lorraine Michael, Leader of the NDP NL says, ‘These are programs people have a right to; they are not poverty reduction’ (Interview with Lorraine Michael, 2008).

The Religious Social Action Coalition and others including opposition members in the provincial legislature, social action groups, and people living in poverty have spoken out against the announcement in 2007 of across-the-board tax cuts – the largest in the province’s history (Department of Finance, 2007). These tax cuts, they argue, will result in an annual saving of $16,000 for the Province’s richest in 2008, compared to only $70 for poorer families; many families in poverty have incomes of less than $16,000 per year. Such measures would appear to be undercutting the intent and impact of the Poverty Reduction Strategy.

This criticism notwithstanding, the province did introduce a number of measures to lessen the tax burden on people living in low income, namely ‘an adjustment to the income threshold to which the province’s Low Income Tax Reduction applies. In 2006, a single person with income less than $12,000 was not required to pay provincial income tax. As of January 1, 2007, the threshold was adjusted to $13,000, and indexed in 2008. For families, the threshold was adjusted from $19,000 to $21,000. As a result, in 2008, approximately 31,100 individuals received the Low Income Tax Reduction compared to 25,900 under the old system...’ (Department of Finance, 2007, p. 6). In addition, Programs and Services For Individuals and Families, a plain language guide to government programs and services has been released in an effort to increase awareness and public access (Government of Newfoundland and Labrador, ‘Poverty Reduction,’ 2008).

The Religious Social Action Coalition is also quick to point out that the gap between the wealthy and the poor is widening across the country. This issue is not a focus of the Poverty Reduction Action Plan for Newfoundland and Labrador.

The most recent National Council of Welfare tables (see Figure 4) show that by 2007, the welfare incomes of lone parents with one child in Newfoundland and Labrador had exceeded the Market Basket Measure (MBM) threshold (National
Council of Welfare, 2008). However, other groups are still struggling to survive on incomes far below the MBM threshold.

**Figure 4**

<table>
<thead>
<tr>
<th>Newfoundland Labrador, Welfare Statistics by Household Type, 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Welfare Income ($) 1)</td>
</tr>
<tr>
<td>Estimated Before-Tax Average Income ($)</td>
</tr>
<tr>
<td>Welfare as % of Average Income (%)</td>
</tr>
<tr>
<td>Estimated Before-Tax Median Income ($)</td>
</tr>
<tr>
<td>Welfare as % of Median Income (%)</td>
</tr>
<tr>
<td>Peak Amount ($)</td>
</tr>
<tr>
<td>2007 Amount ($)</td>
</tr>
<tr>
<td>Change Peak to 2007:</td>
</tr>
<tr>
<td>Dollar Amount ($)</td>
</tr>
<tr>
<td>% change to 2007 (%)</td>
</tr>
<tr>
<td>Before-Tax Low Income Cut-off ($)</td>
</tr>
<tr>
<td>Poverty Gap ($)</td>
</tr>
<tr>
<td>Welfare Income as % of Poverty Line (%)</td>
</tr>
</tbody>
</table>

Notes: 1) includes the federal GST credit

In October and November 2008, the first biennial consultations on the Poverty Reduction Strategy were underway across the province. To plan for its next phase, Government wanted ‘to hear views on the work so far and on priorities for the future’ (Government of Newfoundland and Labrador, ‘Poverty Reduction,’ 2008, p. 1). Budget 2009 will inform the public of any new investments or approaches.

**LOOKING FORWARD**

By December 2008, the volatility in the global economy and a deepening recession had brought a four-year low in the price of crude oil – down 70% from July 2008 on the New York Mercantile Exchange. In spite of this, the provincial government reported a $1.27 billion surplus for the year, more than twice than was anticipated. Premier Williams announced on November 3rd that Newfoundland and Labrador is now a ‘have’ province, having ceased to receive equalization payments from Ottawa as of April 1st. The province’s reliance on oil revenue to maintain this status cannot but leave one feeling nervous. The past couple of years have seen other major projects planned and starting to come on stream (e.g., in mining and processing, hydroelectricity, expansion of oil exploration), but in today’s uncertain economic environment, it is impossible to predict what will come to pass. In fact, layoffs have already been announced in the mining industry, and other projects may be downscaled.
Prosperity for Newfoundland and Labrador could bring radical change, according to economist Wade Locke. Already, there is a labour shortage. Local businesses are having trouble filling positions; the province lacks family doctors and specialists and reportedly is short 1,000 nurses; skilled trades-people are in very scant supply. By 2010, says Locke, an additional 15,000 jobs may be created. We can expect ‘wage inflation, an appreciation of housing prices, general inflation, a growing urban-rural divide and an in-migration of workers’ (Locke, W., 2008, p. 9). Other problems such as increased drug use and prostitution may occur. Locke states that more planning is required, particularly strategies for the short-term, to optimize and equitably share the benefits of new development. (Locke, W., 2008).

There is also still a provincial debt of about $10 billion to consider (Mandel, 2008), though significantly diminished through large payments in recent years, and unfunded pension liabilities of about $2 billion (Hollett, 2008). The province is continuing to channel substantial revenue in these directions.

Where to from here? At the inaugural press conference of the Poverty Reduction Action Plan, Human Resources, Labour and Employment Minister Paul Shelley stated, ‘Reducing poverty restores the balance of opportunity for all citizens in society. The Poverty Reduction Strategy is a starting point for this journey. Working in partnership, citizens, government and the community can achieve positive change. Poverty reduction is everyone’s business...’ (Department of Human Resources, Labour and Employment, ‘Strategy,’ 2006, p. 11). There is no doubt in the minds of those involved in cross-sectoral collaborative initiatives such as Vibrant Communities, and community-based service delivery such as provided by Family Resource Centres, Community Centres, Women’s Centres, Native Friendship Centres, the Single Parents’ Association, the Carter’s Hill Youth Services Centre, and the Seniors’ Resource Centre that some projects and programs are having a positive effect on the level and impact of poverty (Goss Gilroy Inc., 2005). Financial and other resources, however, are often insufficient to meet the demands placed on community groups. Voluntary sector organizations are stressed. Unstable funding, difficulties planning for the future, onerous accountability requirements, volunteer burn-out, staff retention problems, and lack of new leadership are but some of the pressing issues (Community Services Council, 2005 and CSC meetings and interviews, 2008).

When Premier Williams made poverty reduction a goal of his government, he recognized that a collaborative approach was required ‘that included the experts, elected officials and community stakeholders who live and breathe these issues every day’ (written response by Premier Williams to CSC, 2008). Premier Williams has irrevocably put poverty on Government’s agenda and several indicators suggest that Newfoundland and Labrador is making progress: more people are working; fewer people are in receipt of Income Support; and the number of people living below Low Income Cut-off is falling. This report has attempted to demonstrate that community action and research over the course of several decades have helped to shape the approach being taken today. Whether poverty would have been placed so prominently on the agenda if the economic climate in recent years had been different, it is impossible to say. And whether people would have moved out of poverty with or without a Poverty Reduction Strategy is moot. The community is being heard. The Poverty Reduction Action Plan, in its principles and proposed actions, acknowledges and reflects the integral link between social and economic development and the importance of meaningful, bottom-up, community engagement. This foundation is the key to any future success. Indeed, the role of the community, nonprofits, individuals
and all sectors will become even more important in the year ahead, as the recession takes hold. Vigilance will be required to keep the interests of low income people at the forefront of social and economic development.
END NOTES

1 Low Income Cut-off (LICO) is a relative measure of poverty whereby a household is defined as low-income if it spends 20 per cent more of its income on the necessities of food, clothing and shelter than the average household of the same type.

2 By the time we joined Canada in 1949 there were only 20 incorporated municipalities. Today there are 292, still not half the total number of communities in the province.

3 Section adapted from Godfrey; Overton; & Hardy Cox.

4 In 1936, TB deaths were 198 per 100,000 people. This had dropped to 143 per 100,000 by 1943, 26 per 100,000 by 1954 and 1.8 per 100,000 by 1969.

5 The former Office of the Secretary of State, now Canadian Heritage, funded many groups.

6 It is hoped that a newly released guide to programs and services will alleviate at least some of this distress.

7 Section adapted from (Locke, F., et al., 2007)

8 CSC Presentation to the Social Policy Committee of Cabinet, 1985 and 29 January 1986; Notes and Impressions on the Brief to the Social Policy Committee of Cabinet, ca. 29 January 1986; Minutes of meeting to discuss CSC’s brief to the Social Policy Committee of Cabinet, 27 March 1987; and Second Annual CSC Brief to the Social Policy Committee of Cabinet, 30 March 1987.

9 A partnership of researchers led by the Community Services Council (CSC) with academics from Memorial University, representatives from government and funding from the Social Sciences and Humanities Research Council of Canada.


11 Nationally, Vibrant Communities (VC) is sponsored and managed by Tamarack Institute for Community Engagement, Caledon Institute of Social Policy, J.W. McConnell Foundation and Human Resources and Social Development Canada, with other corporate sponsors and financial partners.

12 Income Support rates vary according to need. By 2007, a two parent family with two children could receive as much as $1,169 per month (all subsidies included), a Canada Child Tax Benefit of $6431 per year and NL Child Benefit of $671 per year. A single person might receive anywhere from $107 to $987 per month, depending on assessed needs.

13 The Religious Social Action Coalition (Jewish, Muslim, Sikh, Hindu, Buddhist, Christian) called a public meeting in 2008 to discuss poverty issues, with presentations by academics and response from the NDP, Liberals, individuals and community groups.
REFERENCES


--. Values Added CURA & Memorial University. (2008). What Have We Learned? The Strategic Social Plan for Newfoundland and Labrador: Strengthening Collaborative Approaches to Development.


--. (1986, January 29). Notes and Impressions on the Brief to the Social Policy Committee of Cabinet.


