

## **Federal Budget: Cereal with milk and bananas**

With the new federal budget we have come back to the notion that governments must help citizens in times of economic difficulties. We have come back to the notion that governments can take actions that will help citizens, be they middle class, living on low wages, on fixed pensions or in poverty.

Although focussed on the middle-class, the first Liberal budget has a significant number of initiatives that will make a difference in the lives of low-income workers and citizens on fixed income in our province. Furthermore, the new money that will come into their pockets will help the economy of the province, because it will be spent in their communities. Low-income citizens and those on fixed-income do not go south in the winter or stash their money offshore. No! Their money is spent on groceries, on housing, on childcare, on heating, etc., all the basic daily and monthly necessities.

We, at the New Brunswick Common Front for Social Justice, are pleased that a number of initiatives in the budget will greatly help thousands of citizens who are living close or below the poverty line.

In our province, we have a workforce of close to 352,000. Lately nearly ten percent of that number is unemployed. For young New Brunswickers, the unemployment rate is much higher, close to seventeen percent in 2015. Employment Insurance is a very important safety net when a worker loses his or her job. It allows the worker time to transition to another job without falling into poverty. The repealing of the Harper cutbacks to EI is more than welcome. The one week waiting period, the lowering of hours needed to qualify and the added employees at the call centres will certainly help workers. The reduction of hours to qualify for EI will especially help young workers and women who are often finding only part-time or short-term jobs, which is becoming more and more a reality in our economy. It will also help women who want to get back in the labour force.

Bringing back the retiring age from 67 years to 65 years and increasing the Guaranteed Income Supplement will greatly help older workers, but especially older citizens living on social assistance. The first initiative will benefit all workers but the combination of both will have a significant impact on the lives of single older citizens on social assistance, who for the most part do not have a private pension plan. When the Harper conservative government increased the retiring age, it meant for them having to wait two more years for any increase in their revenue. Today, a single individual on social assistance receives \$6,444 a year. When he or she turns sixty-five, their revenue will more than double. The new yearly increase of \$947 in the Guaranteed Income Supplement will now bring their revenue to \$17 076 a year.

The cost of having a roof over your head is a big ticket item in anyone's budget, but more so for low-wage workers and citizens on fixed income. Having access to social housing where the rent is thirty percent of your revenue can make a real difference in their lives. The announcement of new money in the social housing sector is applauded. New Brunswick has a number of old social

housing units that are in need of repair and there is a waiting list of thousands of citizens for social housing. The announcement of new investment to address the issue of homelessness is also welcome news.

Two more initiatives will certainly help low-income families. The new Child Tax Benefit which will be non-taxable and the enhanced grant for students from low-income families. This student grant will help young people access higher education and give them a better chance of getting a good-paying job.

In the last ten years, with the conservative government, low-income workers and citizens on fixed income have been fed mush for breakfast. Now, with the new federal budget, they may be able to afford cereal with milk and bananas.

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