

## **Feed Nova Scotia Reaction to *Unlocking Our Potential: 2025-26 Budget***

**Nova Scotia is in an affordability crisis** with almost 1 in every 3 people in the province experiencing some level of food insecurity. Our province has the second highest rate of children living in food insecure households across Canada. Food bank use has increased by 43% since 2022. In the past year alone, we have seen a 17% increase in food bank use across the province, a clear indicator that more Nova Scotians are buckling under cost of living.

Poverty is not an inevitability; it is a political choice. But in spite of this fact, the provincial government has made it clear with the 2025-26 budget that they will continue to choose poverty for hundreds of thousands of Nova Scotians.

In 2024, 22% of Feed Nova Scotia food bank clients reported employment as their source of income, highlighting that current wage rates in Nova Scotia do not adequately meet the cost of living. Sixty-five per cent of Nova Scotia workers currently earn \$20 or less per hour, while the average living wage needed to afford essentials ranges from \$22.85 in Cape Breton, to over \$26 in Halifax. In 2025-26, the provincial government will increase minimum wage from \$15.20 to just \$16.50, continuing to guarantee tens of thousands of Nova Scotians will remain in poverty.-

In 2024, over 30% of our food bank clients reported their source of income as Income Assistance, highlighting the inadequacy of current government assistance rates to meet basic needs. The 2025-26 budget does include indexing those rates to inflation, but that will not truly alleviate the deep poverty that people who rely on government supports are forced to endure.

The income solutions outlined in the 2025-26 budget simply don't add up. They privilege higher income households and will do little for the majority of struggling Nova Scotians. Cutting HST by 1% will lose the Government of Nova Scotia over \$167 million in revenue in 2025-26 alone; \$167 million that could be spent on increasing worker wages and on tying income assistance rates to cost of living.

**Nova Scotia is in an escalating housing crisis** with no end in sight. There are over 7,000 Nova Scotian households currently on the social housing waitlist and almost 1,200 people currently experiencing homelessness in HRM alone, not including those who are couch surfing or precariously housed. Over 70% of renters in Nova Scotia are living in financial precarity and 70% of food bank clients report living in market rentals, which highlights the fact that housing costs are far too high to allow people to afford other necessities. The fixed term lease loophole continues to exploit renters across the province.

The 2025-26 budget does little to move the needle on housing. The cornerstone of the provincial government response to the housing crisis continues to largely focus on increasing housing supply in the private sector. In 2024-25, the provincial government budgeted for over \$425 million in HST tax rebates to private housing developers, a

significant loss in revenue that could be invested in social housing and deeply affordable housing instead.

Without effective policy measures like rent regulation, there's nothing to keep existing homes affordable.

Providing tax subsidies to private developers cannot be the foundation of our provincial housing strategy. We need substantially more social housing and non-profit housing, more housing allowances for low-income renters and a strongly regulated rental housing sector, including an immediate end to fixed term leases.

Now, more than ever, we need strong leadership and robust measures to build Nova Scotia's resilience.

Now is the time to grow and stabilize the affordable housing sector, to invest in worker wages, to increase household capacity to support the local economy and to buoy income support programs.

The 2025-26 budget has failed to deliver on these crucial fronts and we are bracing ourselves for another devastating year of record-breaking food bank visits as we anticipate even more Nova Scotians will get left behind.

Leaving thousands of Nova Scotians to live in poverty and food insecurity is a political choice. At Feed Nova Scotia, we'll continue to advocate for bold government policy and action that will reduce poverty and build healthy communities. We encourage all Nova Scotians to do the same.