

Employment Services Income Assistance Policy Brief

Employment Support Income Assistance needs improvements to lift recipients out of poverty.

The Problem

The Government of Nova Scotia offers income support to people who need financial help with their basic needs and who may be unable to work through its Employment Services and Income Assistance (ESIA) program. The program is administered by the Department of Opportunities and Social Development.

The ESIA program in Nova Scotia does not provide adequate support to recipients. For many households, the yearly amount received falls more than \$15,000 below the poverty line. At the same time, the program creates barriers to recipients from earning or saving enough to help bridge the gap. With over half of food bank clients in Nova Scotia reporting government support as their primary source of income, the ESIA program needs significant improvement.

Our Demand

Feed Nova Scotia is calling on the Province of Nova Scotia to index ESIA supports to the poverty line and allow recipients to earn and save more before ESIA is clawed back.

Why?

- ESIA amounts vary based on household composition. In most cases, even when people are also receiving other income support programs, their combined income still falls far below the poverty line.
- Under the current ESIA program, supports start to get clawed back after a recipient earns just \$350/month in wages, with support stopping completely before the recipient's monthly income reaches the poverty line.
- Individual recipients cannot hold more than \$2,000 in assets at any one time (or \$4,000 for a family of two). These limits prevent recipients from being able to bridge the poverty gap and from building financial resilience.
- Immediately doubling both the threshold for maximum assets and earnings exemptions before claw backs is a crucial step to enable recipients to create buffers to the vulnerabilities they face due to inadequate IA support.

- Beyond this, ESIA rates need to be urgently reviewed and indexed to the poverty line to ensure all recipients can live a dignified life.

The Impact

How will this policy change make a difference?

Raising ESIA to the poverty line would ensure recipients can afford basic necessities such as rent, utilities, and food. Doubling the limits for earnings and savings would ensure recipients can build resilience for unexpected life events.

What will happen if the Government of Nova Scotia does not make this change?

Food insecurity rates will continue to rise, with people living on income assistance being hit particularly hard. **Until this issue is addressed, food insecurity for people surviving on ESIA will continue to get worse.**

Have questions or want to learn more? Contact us at advocacy@feednovascotia.ca