

**Briefing Note on what the NS Budget (2019-20) actually provides for people on Social Assistance**

The [NS Provincial Budget](#) (March 26, 2019) impacts the [Nova Scotia government](#) benefits<sup>1</sup>, that is, the monthly income available for people in receipt of social assistance as follows:

- i) [Personal Allowance](#): the personal allowance (\$275/mo.) is payable only to adults in receipt of social assistance. This year's Budget contains NO increase for calendar 2019 but the Personal Allowance will be folded into the Standard Household Rate starting in January 2020,<sup>2</sup> and
- ii) [Shelter Allowance](#): shelter allowance amounts have not changed since 2001 or 2006 (depending on the person's circumstances)<sup>3</sup> and contain NO increase for calendar 2019 but the Shelter Allowance will be folded into the Standard Household Rate starting in January 2020,<sup>4</sup> and
- iii) The [Poverty Reduction Credit](#): payable to only one adult within a single person or two-person household in receipt of social assistance—with no children. There is no increase announced in this year's Budget. The Credit is \$500.00/p.a. (i.e., \$41.67/mo.), and
- iv) The [Affordable Living Tax Credit](#) is payable to low-income individuals or families with children: the current annual amount is \$255 for an individual, couples or a parent (i.e., \$21.25/mo.) and \$60.00/p.a. per child (i.e., \$5.00/mo.). The current amounts have NOT changed under this year's Budget, and
- v) The [Nova Scotia Child Benefit](#): \$52.08/mo. for a first child, \$68.75/mo. for a second child and \$75.00/mo. for a third and each additional child. These have NOT changed under this year's Budget.

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<sup>1</sup> This note only considers changes to *Provincial* allowances; no analysis is made of applicable *Federal* income supports relevant to people in receipt of social assistance (i.e., the Canada Child Benefit or GST Credit).

<sup>2</sup> The 2019-20 Nova Scotia Budget announced that in January 2020—for the last three months of the 2019-20 fiscal year—the Province will introduce its Standard Household Rate (SHR) for social assistance recipients. As previously announced [in the [Nova Scotia Liberal Party Campaign Platform](#) (May 2017)], the SHR would: 1) combine the current Personal and Shelter allowances into one combined rate and 2) provide *all* social assistance recipients with the maximum social assistance rate for their family size and living situation. For those already receiving the maximum combined Personal and Shelter allowances, the combined basic needs rates (i.e., the new SHR) will, in January 2020, increase by 2% for those people without disabilities and by 5% for recipients with disabilities.

<sup>3</sup> For single people who have disabilities, youth (aged 16-18) or singles who are fleeing abuse, the shelter allowance was set in 2001 at \$535/mo. ([N.S. Reg. 25-2001](#)). For non-disabled single people, and all other family situations, the shelter allowance rate was last increased in 2006 to its current rate of: \$300/mo. for singles, \$570/mo. for two-person families and \$620/mo. for families with three or more persons. ([N.S. Reg. 173-2006](#)).

<sup>4</sup> See footnote 2 above.

The impact of Provincial Budget 2019-20 for Income Assistance recipients, in terms of the total increase in income attributable to the Province, is a function of family size. Below are some examples of what the Province has announced in its 2019-20 Budget for people in receipt of maximum basic needs assistance.<sup>5</sup>

**A single adult without disabilities**

	<u>2018 (Monthly)</u>	<u>2019 (Monthly)</u>
Personal Allowance:	\$275	\$275
Shelter Allowance:	\$300	\$300
Affordable Living Tax Credit	\$21.25	\$21.25
Poverty Reduction Credit	\$41.67	\$41.67
<b>TOTAL:</b>	<b>\$637.92</b>	<b>\$637.92</b>
Provincial Benefits Increase in calendar year 2019		\$0
Percentage Provincial Benefits Increase in calendar year 2019		0%
Projected increase in the cost of living in calendar year 2019 <sup>6</sup>		1.5%
<b><u>Real (inflation-adjusted) decrease for calendar year 2019</u></b>		<b>\$9.57/mo. or 1.5%</b>
***	***	***
Provincial Benefits Increase from January 2020 through March 2020		\$11 (to \$648.92)
Percentage Provincial Benefits Increase from January 2020 through March 2020		1.7%
Provincial Benefits for the month of April 2019 if indexed to March 2020		\$650.68
<b><u>Real (inflation-adjusted) change in Provincial Benefits when comparing month of April 2019 to month of March 2020: a decrease of</u></b>		<b>\$1.76/mo. or 0.3%</b>

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<sup>5</sup> See also footnote 2 above.

<sup>6</sup> Nova Scotia: [Budget 2019-20](#) (March 26, 2019) at page 55 which indicates a forecast increase in the cost of living during 2019-20 of 2%

**A single adult with disabilities**

	<u>2018 (Monthly)</u>	<u>2019-20 (Monthly)</u>
Personal Allowance:	\$275	\$275
Shelter Allowance:	\$535	\$535
Affordable Living Tax Credit	\$21.25	\$21.25
Poverty Reduction Credit:	\$41.67	\$41.67
<b>TOTAL:</b>	<b>\$872.92</b>	<b>\$872.92</b>
Provincial Benefits Increase in calendar year 2019		\$0
Percentage Provincial Benefits increase in calendar year 2019		0%
Projected increase in the cost of living in 2019 <sup>7</sup>		1.5%
<b><u>Real (inflation-adjusted) decrease for calendar year 2019</u></b>		<b>\$13.09/mo. or 1.5%</b>

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Provincial Benefits Increase from January 2020 through March 2020 \$40 (to \$912.92)

Percentage Provincial Benefits Increase from January 2020 through March 2020 4.6%

Provincial Benefits for the month of April 2019 if indexed to March 2020 \$890.38

**Real (inflation-adjusted) change in Provincial Benefits when comparing month of April 2019 to month of March 2020: an increase of \$22.54/mo. or 2.5%**

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<sup>7</sup> Nova Scotia: [Budget 2019-20](#) (March 26, 2019) at page 55 which indicates a forecast increase in the cost of living during 2019-20 of 2%

### A single-parent with a two-year old child

	<u>2019 (Monthly)</u>	<u>2019-20 (Monthly)</u>
Personal Allowance:	\$275	\$275
Shelter Allowance:	\$570	\$570
NS Child Benefit:	\$52.08	\$52.08
Affordable Living Tax Credit: ( $\$21.25 + \$ 5.00$ ) = \$26.25	$(\$21.25 + \$ 5.00) = \$26.25$	
<b>TOTAL:</b>	<b>\$923.33</b>	<b>\$923.33</b>
Provincial Benefits Increase in calendar year 2019		\$0
Percentage Provincial Benefits increase in calendar year 2019		0%
Projected increase in the cost of living in 2019 <sup>8</sup>		1.5%
<b><u>Real (inflation-adjusted) decrease for calendar year 2019</u></b>		<b>\$13.85/mo. or 1.5%</b>

***	***	***	***	***
Provincial Benefits Increase from January 2020 through March 2020		\$17 (to \$940.33)		
Percentage Provincial Benefits Increase from January 2020 through March 2020		1.8%		
Provincial Benefits for the month of April 2019 if indexed to March 2020		\$941.80		
<b><u>Real (inflation-adjusted) change in Provincial Benefits when comparing month of April 2019 to month of March 2020: a decrease of</u></b>		<b>\$1.47/mo. or 0.2%</b>		

<sup>8</sup> Nova Scotia: [Budget 2019–20](#) (March 26, 2019) at page 55 which indicates a forecast increase in the cost of living during 2019-20 of 2%

### A couple with two children (aged 10 and 15)

	<u>2018 (Monthly)</u>	<u>2019-20 (Monthly)</u>
Personal Allowance:	(\$275 x 2) = \$550	(\$275 x 2) = \$550
Shelter Allowance:	\$620	\$620
NS Child Benefit:	(\$52.08 + \$68.75) = \$120.83	(\$52.08 + \$68.75) = \$120.83
Affordable Living Tax Credit:	(\$21.25 + \$ 5.00 x 2) = \$31.25	(\$21.25 + \$ 5.00 x 2) = \$31.25
<b>TOTAL:</b>	<b>\$1,322.08</b>	<b>\$1,322.08</b>
Provincial Benefits Increase in calendar year 2019		\$0
Percentage Provincial Benefits Increase in calendar year 2019		0%
Projected increase in the cost of living in calendar year 2019 <sup>9</sup>		1.5%
<b><u>Real (inflation-adjusted) decrease</u> for calendar year 2019</b>		<b>\$19.83/mo. or 1.5%</b>
***	***	***
Provincial Benefits Increase from January 2020 through March 2020		\$23 (to \$1,345.08)
Percentage Provincial Benefits Increase from January 2020 through March 2020		1.7%
Provincial Benefits for the month of April 2019 if indexed to March 2020		\$1,348.52
<b><u>Real (inflation-adjusted)</u> change in Provincial Benefits when comparing month of April 2019 to month of March 2020: a <u>decrease</u> of</b>		<b>\$3.44/mo. or 0.3%</b>

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<sup>9</sup> Nova Scotia: [Budget 2019–20](#) (March 26, 2019) at page 55 which indicates a forecast increase in the cost of living during 2019-20 of 2%