

BASIC NEEDS - FOOD, HOUSING AND TRANSPORTATION

MAY 2021

A few weeks ago, we posted a blog about the disproportionate impact of the pandemic on certain groups of workers. Through a deep dive into the Labour Force Survey, we found that low wage workers, mothers with children under 12 and lone parents were adversely impacted by the pandemic. We cautioned that if these workers are not part of New Brunswick's pandemic recovery plan, they are at risk of being left behind.

We also recognize that workers are not the only people affected by the pandemic and that those who were struggling before COVID-19 continue to struggle. In 2018, the most recent year that tax filer data is available, 17.2% of New Brunswickers including 21.8% of children and 15.5% of seniors lived in poverty.

Using a variety of sources, from research reports to data from local agencies, it became clear that people living in poverty pre-pandemic faced many challenges over the last year. Job opportunities were scarce, prices of many essential goods rose, and social supports were strained and weakened due to pandemic restrictions. To show how those living in poverty during the pandemic are struggling we looked at data for three basic needs: food, shelter, and transportation.

FOOD

Food is one of life's most basic needs. And for many living in poverty, increases in food prices can be detrimental. When food becomes more expensive for people with low, fixed incomes, it is often the quality and quantity of food that is sacrificed. According to Statistics Canada's Consumer Price Index, food prices in New Brunswick rose by 2.6% in 2020[1]. Canada's Food Price Report 2021[2] anticipates that food prices will continue to rise over 2021, by as much as 3%-5%. Although these increases sound modest the effects of food price increases coupled with the additional challenges of living during a pandemic are substantial for individuals and families with low income. Romero House, a soup kitchen in Saint John, saw an increase in meals served throughout 2020 (see Figure 1). Prior to the pandemic, Romero House served approximately 6,000 meals per month in January and February of 2020. Over the remainder of 2020, the number of meals served continued to climb, reaching a high of over 10,000 per month from September to December 2020. These numbers are a stark example of how food became a concern for many over the course of the pandemic.



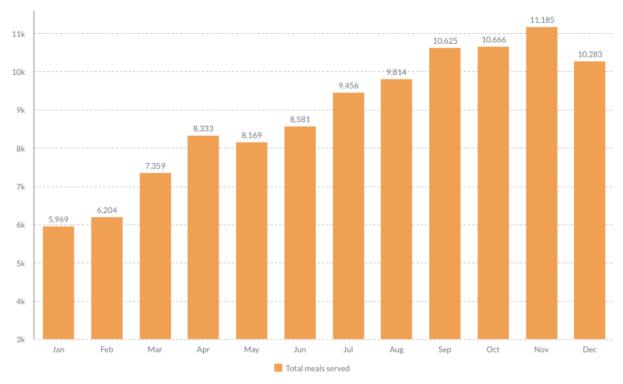


Figure 1: Total Meals Served 2020, Romero House, Saint John

Source: Romero House, January 2021

SHELTER

Shelter is another basic need that has become more expensive during the pandemic. The Canadian Mortgage and Housing Corporation's Rental Market Survey shows that median rent in New Brunswick's three principal cities increased between 2019 and 2020, from a low of \$750 in Saint John to a high of \$930 in Fredericton (see Figure 2). Vacancy rates in the three cities are also low: 2.4% in Fredericton, 2.6% in Moncton and 2.9% in Saint John. Rising rents coupled with low vacancy rates present several challenges. Some may be unable to make their rent, leading to evictions, while others will cut back on other needs such as food or clothing to make ends meet.





Figure 2: Median Rent, 2016-2020, Fredericton, Moncton and Saint John

Source: CMHC Rental Market Survey

TRANSPORTATION

Many people with low incomes rely on public transit. Convenient access is crucial for those without a vehicle to get to work and run essential errands. According to Statistics Canada, "the international standard used to measure convenient access to public transportation is defined as the percentage of a population living within 500 meters of a public transport access point."[3] Their data shows that the Saint John Census Metropolitan Area (CMA) had the least convenient access to public transit out of 35 CMAs in Canada, with 49.1% of the population living within 500 meters of a bus stop. The Moncton CMA ranked 31 out of 35, with 65.4% having convenient access.

Throughout the pandemic, there have been several changes to public transit. In Saint John, capacity is limited to accommodate social distancing measures[4], and routes have been reduced.[5] From April to November 2020, there was no public transit available on Sundays.[6] These changes make it exceedingly difficult for those who rely on public transportation to go about their daily lives.



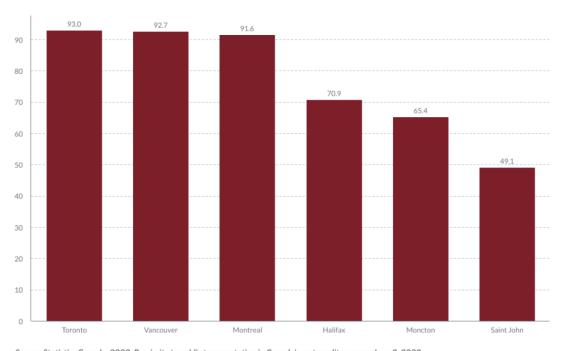


Figure 3: Convenient access to public transit, Toronto, Vancouver, Montreal, Moncton and Saint John

Source: Statistics Canada, 2020. Proximity to public transportation in Canada's metropolitan areas. June 2, 2020. http://www150.statcan.gc.ca/n1/daily-quotidien/200602/dq200602a-eng.htm?CMP=mstatcan

A RECOVERY PLAN FOR THOSE LIVING IN POVERTY

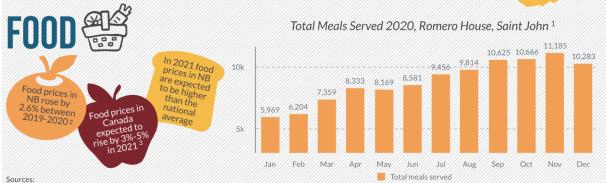
Food, shelter, and transportation are just a few examples of how the pandemic has impacted those living in poverty. We know that <u>poverty costs</u> the provincial government \$1.3 billion per year in added service use and missed opportunity[7], highlighting the urgency to eradicate poverty in our province. Without a recovery plan in place for those on a low income, they are likely to become further entrenched in the cycle of poverty, with lasting impacts beyond the pandemic.



ECONOMIC INDICATORS IN NEW BRUNSWICK

Basic Needs - Food, Housing and Transportation



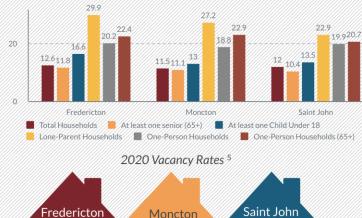


ources:

1 - Romero House, January 2021

2 - Statistics Canada (2021). Consumer Price Index, Annual Review 2020.
https://www150.statcan.gc.ca/n1/daily-quotidien/210120/dq210120b-eng.htm?CMP=mstatcan
3 - Charlebois, et al. (2020). Canada's Food Price Report 2021. https://www.dal.ca/sites/agrifood/research/canada-s-food-price-report-2021.html

2016, Households in Core Housing Need 4

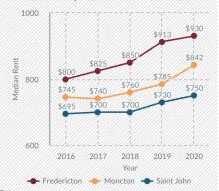




Sources:
4 - CMHC (census-based and NHS- based housing indicators and data). For more details on Core Housing Need please visit: https://www.cmhc-schl.gc.ca/en/data-and-research/core-housing-need#:--text=Core%20housing%20mes20heed%20ssesses%20households%20living%20im%20private,CMHC%20in%20discussion%20with%20the%20provinces%20and%

20territories, 5 - CMHC Rental Market Survey

Median Rent, 2016-2020, Fredericton, Moncton and Saint John 4





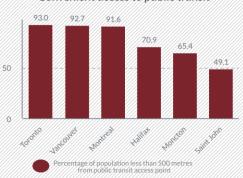
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Saint John had the least convenient access to public transit of the 35 CMA's in Canada. 6



Sources: 6-Statistics Canada, 2020. Proximity to public transportation in Canada's metropolitan areas. June 2, 2020. https://www150.statcan.gc.ca/n1/daily-quotidien/200602/dq200602a-eng.htm?CMP=mstatcan

Convenient access to public transit 6





- [1] Statistics Canada (2021). Consumer Price Index, Annual Review 2020. https://www150.statcan.gc.ca/n1/daily-quotidien/210120/dq210120b-eng.htm?CMP=mstatcan
- [2] Charlebois, et al. (2020). Canada's Food Price Report 2021.https://www.dal.ca/sites/agrifood/research/canada-s-food-price-report-2021.htm
- [3] Statistics Canada, 2020. Proximity to public transportation in Canada's metropolitan areas. June 2, 2020. https://www150.statcan.gc.ca/n1/daily-quotidien/200602/dq200602a-eng.htm?CMP=mstatcan
- [4] https://saintjohn.ca/en/news-and-notices/saint-john-transit-seating-capacity-reduced-covid-19-orange-phase
- [5] https://globalnews.ca/news/6834734/saint-jon-transit-service-cuts-covid-19/
- [6] https://saintjohn.ca/en/news-and-notices/saint-john-transit-reinstates-sunday-service
- [7] Saulnier, C. & Plante, C. (2021). The Cost of Poverty in Atlantic Canada. Canadian Centre for Policy Alternatives, Nova Scotia Office. https://www.policyalternatives.ca/AtlanticPovertyCosts