

June 6th, 2018

Dear Mable and Dawn,

Re: Recommendations to Reduce Poverty in BC

We are very pleased to present for your consideration the following recommendations to assist in the reduction of poverty within BC. As you are aware, our organizations support people living with disabilities across the province who reside in urban, rural, remote and First Nation communities. The majority of the people our agencies support live in poverty, an unfortunately reality that we hope our recommendations will assist to alleviate. Increasing supports for people living in poverty will promote greater social cohesion and productivity, as well as better health outcomes and overall wellness. As such, our recommendations are as follows:

1. Automatic Enrollment into Canada Learning Bond and other savings plans

Ontario recently implemented an initiative through which new parents will be contacted by a Registered Education Savings Plan (RESP) provider to start the process of opening a RESP for their newborn. They can also request other education savings incentives, including the Canada Education Savings Grant and Canada Learning Bond.

<https://news.ontario.ca/mgs/en/2018/04/ontario-helping-new-parents-prepare-for-childs-post-secondary-education.html>

We recommend implementing a similar initiative in BC as well as an expansion of this initiative for families of children born with disabilities to expedite the opening of a Registered Disability Savings Plan (RDSP).

2. Housing Subsidies

We recommend more support to subsidize housing costs for renters with low-incomes. The introduction of a range of different models for subsidizing housing, including subsidies attached to particular rental units (or the person) are necessary to address barriers to housing faced by people living with low-incomes. This recommendation is echoed the Poverty Reduction Coalition's recommendations.

3. Income Assistance/Disability Benefits Rates

While recognizing this governments increase to income assistance rates, the cost of living in BC still continues to be a challenge, with many in receipt of income assistance (IA/ PPMB/ PWD) continuing to struggle daily. As such, we recommend:

- Continued increase to basic assistance and disability benefits rates; and
- Linking rates to inflation to avoid rate stagnation

4. Earnings Exemptions for Income Assistance and PWD recipients

While recognizing the governments previous work in increasing earnings exemptions for income and disability assistance recipients, we recommend the further enhancement of the earning exemption. We further recommend, as with assistance rates, linking current and future earnings exemptions to inflation so they do not stagnate over time as prices increase.

Additionally, we note that the existing earnings exemption for recipients of Canada Pension Plan Disability (CPP-D) benefits are significantly lower than provincial (BC) benefit recipients, at \$5,500. This proves to be a detractor for those who may wish to seek some form of employment however fear partial or total loss of federal disability benefits if they earn close to or at the federal exception rate. We recommend the province works with its federal counterparts to establish parallel provincial and federal

earnings exemptions, particularly for individuals who receive provincial and federal disability benefits concurrently.

5. Improved support for employers of people with disabilities and employees

We recommend initiatives to create collaborations with employers of people with disabilities. We recommend in particular:

- More focus on working with potential employers of people with disabilities to increase the number of people with disabilities who have well-paying jobs. Introduce targets and timelines or other measurement to determine what is/not working.
- Develop hard marketing strategies and engagement with employers rather than “feel good,” soft marketing.
- Raise awareness of and support more programs like Technology@Work and other community-based programs that support and hire people with disabilities.
- Consider introducing hiring requirements and/or incentive-based programs to ensure that employers of all sizes are making reasonable efforts to support people with disabilities entering the workforce.

6. CPP/PPP-D/EI Clawbacks

Presently, BC deducts most CPP, CPP-D and EI benefits dollar for dollar from provincial income and disability assistance benefits. We recommend at minimum the introduction of a partial exemption, recognizing that people who have contributed financially to these plans should enjoy at least partial support from these programs. We recommend a minimum of \$100 received be exempted from PWD/PPMB income.

7. Definition of marriage for PWD/IA applicants/recipients

We recommend the definition of spouse that applies to income assistance and disability assistance recipients be harmonized with that in family law. Presently, the definition of “spouse” adopted in the Employment and Assistance Act and the Employment and Assistance for Persons with Disabilities Act is much more restrictive (3 months) than the one accepted in the Family Law Act (2 years).

This is important because a person’s spousal status has a large bearing on their ability to qualify for disability assistance. The result is that more people with disabilities avoid forming meaningful relationships with others for fear of losing benefits.

We also note that in 2015 the province introduced “gifts” as exempt income for the purposes of receiving disability assistance benefits. This means it is now possible for the adult parents of people with disabilities to provide almost unlimited support without deductions of their disability assistance. However, because of existing rules respecting spousal status and family unit composition even modest income received by a spouse of a person with a disability may cause the person with a disability to be ineligible for disability assistance.

<http://www.westcoastleaf.org/2016/09/26/release-advocates-call-people-social-assistance-equal-autonomy-relationships/>

8. RDSP/DTC and the Federal Government

- Recommendation that the province work with the federal government to make changes to the RDSP, allowing withdrawals after 10 years for specific purposes (such as housing, education, medical services, home care/support) with no penalty or clawbacks of federal funds. This could mirror and expand on RRSP allowable withdrawals, preferably with no mandatory payback or payback over a longer period of time.

- Recommendation to work with federal government to establish standard compensation fee for doctors / nurse practitioners for completing DTC applications, not unlike application fees provided for provincial PWD applications. This fee would be funded by federal or provincial government – possibly by province to pay upfront and receive reimbursement from federal government. Conversely a fund similar to the E-150 could be established where an external organization could be funded to administrate payments the DTC application and track relevant data for provincial and federal governments.

- Recommendation to work with the federal government to ensure that all BC First Nations are enrolling in CPP for their employees and that the federal government provides adequate funding support to Nations to ensure this happens. Currently, the federal government allows First Nation communities, if they have not already enrolled in CPP for their employees, to opt out of this benefit. The result of this policy is no pension plan or disability benefits if injured for employees, unless they can afford to pay both the employee and employer share. 80% of First Nations in Canada have a median income below the poverty line, so this option of paying both is not always available, or known. It is unknown how many First Nation communities within BC are not paying CPP for their employees.

<https://www.canada.ca/en/employment-social-development/services/pension/reports/aboriginal.html>

Thank you Mable and Dawn, and thank you for your leadership on the Poverty Reduction Advisory Forum, an often dynamic gathering of minds. Should you wish further clarity or discussion in relation to any of these areas of recommendation, please do not hesitate to contact us.

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