

Income Security Review Changes 2007-2008 Questions and Answers

1. What is happening with the Income Security Review?

The Government of the Northwest Territories has approved a new model for income security programmes. The model has many pieces that must be accepted as a whole package to be successful.

Income Security Programmes have always been 'programmes of last resort'. The new model shifts from a philosophy of 'programmes of last resort' to ensuring people have adequate financial resources and programmes and services to help them achieve self-reliance.

2. What does self-reliance mean?

Self-reliance means different things to people in different life circumstances.

The GNWT Income Security model recognizes that clients have specific needs and places them into one of five categories:

- Seniors – social inclusion, community participation, healthy/safe
- Persons with Disabilities – social inclusion, community participation
- Single Parents – healthy children and families, career opportunities
- Families – healthy children and families, career opportunities
- Single Employable Persons – access and opportunities to training and employment, career and life development

Each of these categories considers different outcomes in determining self-reliance. Programmes are required that respond to the unique needs of people and link with developmental programmes to achieve an outcome of self reliance.

3. Why is the GNWT promoting self reliance?

People of the NWT want to be in control of their lives, to make decisions on matters of importance to them and their families. They want to set goals and to acquire and develop the education, skills, and attitudes they need to fulfill their aspirations. These are important parts of being self-reliant.

The GNWT has developed a position and vision surrounding poverty in the Northwest Territories, that is laid out in the paper '*Income Security - Breaking Down the Barriers of Poverty, Promoting Self Reliance*'. In this paper, the individual self reliance of Northerners is viewed as the solution and end to poverty.

4. What changes will take place within Income Security Programmes?

ECE will start making changes to programmes that target benefits to those most in need of government support first. During 2007-2008, ECE will be making changes to the income assistance programme based on the new model. Changes to other income security programmes will not take place this year. However, ECE will continue to review options for other income security programmes to align with the new model. Changes must be allowed to happen over a longer period of time and build upon each other.

5. When will the changes take place?

The Income Assistance Programme changes will take place on September 1, 2007.

6. How much more money will the program changes cost the Government?

The GNWT will be investing approximately \$3.6M additional dollars in 2007-2008 and \$5.9M additional dollars in 2008-2009 and ongoing to make the changes to Income Assistance. Currently, the Income Assistance budget is approximately \$12M. The budget is being increased by approximately 50%.

7. What kind of changes will be made to the Income Assistance Program?

ECE will be increasing a number of benefits:

- Increases to the Food Allowance – based on Canada's Nutritious Food Basket – 66 food items for a family of four and includes 11 groups of food, also excludes foods of little nutritional value. Meets Canada's guideline for healthy eating and adjusted to cost of living in North.
- Increases to the Clothing Allowance – based on Social Planning Council of Winnipeg and Winnipeg Harvest and measures the quantities and qualities of clothing and footwear needs of families adjusted to cost of living in North.
- Increase to the Shelter Allowance for Singles

8. Will there be any new benefits added to the program?

Yes, ECE has also added an Incidental Allowance for Persons with Disabilities and Seniors. The new model recognizes that Persons with Disabilities and/or Seniors are longer-term recipients and need additional supports.

9. By increasing benefits, do you think that more people will become dependent on income assistance?

No, the Income Assistance Programme has a requirement for clients to participate in a productive choice. Also, the new model has an incentive to earn income built into the system.

The current Income Assistance Programme allows for an incentive to work but it is capped at the first \$200 earned for individuals and \$400 for families. The new model allows the base of \$200 earned for individuals and \$400 for families plus an additional percentage of surplus earnings.

10. What are productive choices? How will the government go about encouraging people to be self reliant rather than reliant on government support?

Productive choices are activities that clients become involved in while they are receiving benefits. Productive choices help clients to become involved in their community. Clients can choose to be involved in activities in any of the following areas:

- Employment, education, training, hunting, trapping and fishing, wellness, community work, parenting, and any approved activity that assists people to work towards self reliance.

The new Income Security Model will focus more on working with clients to access employment, training opportunities, wellness activities, etc. and combine them with financial assistance to achieve individual outcomes.

11. How do you determine adequate benefits?

Adequacy is defined as providing a benefit to purchase or meet basic needs. ECE has completed research and developed a method to assist in defining adequate benefit levels. The Northern Basket of Benefits (NBB) was developed based on a National Market Basket Measure which outlines the required quantities and quality of food, clothing, housing and other goods. The NBB was established using researched evidence linked to formulas that are adjusted based on the northern cost of living in each community and on the needs of

families of different sizes. The total amount of benefits for a client is compared to the clients' actual income. The difference is the level of assistance to be provided under income assistance.

12. How is income calculated?

The new model will provide adequate benefits to meet basic needs. All Net income is counted as income.

13. What about income that I receive from other government sources, etc.?

Unearned income also counts toward the calculation of income. However, the new model allows for an unearned income exemption of a maximum of \$1,200/year. A client may choose to use their exemption all at once or spread it out based on unearned earnings. For example, if a client receives an income tax payment in April of \$1,200, he/she may choose to have it exempted from the calculation of income for the month of May or have the \$1,200 exemption spread out at \$100/month to cover GST payments, etc.

14. How can I apply for income assistance?

Applicants can apply for income assistance at any local Government Service Centre also known as ECE local and/or regional offices. Income Security Officers are available to assist you.

15. Will the role of the Income Security Officer change?

Yes, under the new Income Security Model, the role of the Income Security Officer will change. The Income Security Officer will be called a Client Service Officer (CSO). The CSO will ensure that a case management approach is used to address client specific needs. The CSO will provide information and process applications for a number of Income Security Programmes. The CSO will also work closely with other GNWT Departments, Non-government organizations, agencies, etc. to provide supports and services for clients to ensure they move toward self-reliance and achieve individual outcomes. The CSO will track the progress of individual clients and client groups. This ensures transparency and accountability of programmes and benefits.

A training session has been planned for CSOs in August, and a commitment has been made to ongoing professional development.

16. Will I be able to access the program in my home community?

Government Service Centres (GSC) will be established in all Northern communities over the next year. These service centres will provide a point-of-access for all income security programs and services. Most communities already have local ECE Income Security offices. This year, our focus will be on expanding services to the smaller, remote communities in the North.

The development of a single point of entry for application and information regarding Income Security programs will provide easy access for all residents. Coupled with a simplified application process, a comprehensive system of financial supports will ensure an adequate level of income that supports people in meeting their basic needs, enables them to participate in community life and supports participation in programs that strive to develop self-reliance.

17. Why was I not consulted on the changes?

The GNWT Income Security Model has been developed based on territorial wide consultations and review of existing government income security programmes and services. 444 persons participated in the consultations. There were online/mail out surveys, newspaper inserts, community visits and two-day regional workshops. One person from every community in the NWT participated in the consultations. Consensus building workshops were also held for Seniors, Persons with Disabilities, Families/Single people. The findings of the consultations was published in a document called '*Community Voices*' and can be found on the ECE website. Go to www.gov.nt.ca for the link to the ECE website.

18. What were the results of the consultations?

The public had concerns about:

- Adequacy of benefits
 - Not providing for nutritious food
 - Not recognizing long term recipients and additional needs such as personal care
 - Not recognizing cost of living by community – current clothing rate \$25/person regardless of where they live
 - Not enough incentives to work built in system
- Transparency/Accessibility
 - Require single point of access
 - Simpler process
 - Client oriented services
- Respect/Dignity
 - Need to say no with alternatives

- Address barriers
 - Support people's choices
- Fairness/Control
 - Different people have different needs
- Income
 - Use Net
 - % of earned income as a benefit reduction
 - Allow for windfalls

19. How will you evaluate results?

In order to track progress and make necessary changes on an on-going basis, it is essential that the GNWT have a process for measuring success. The GNWT Income Security Model will track progress of individual clients and client groups to ensure the movement toward self reliance is achieved and outcomes are met. This ensures transparency and accountability of these programs and benefits.

Already established processes, such as the regular evaluation and monitoring of programs, and the reporting of outcomes in departmental annual reports will form a part of how we measure success. Departments will also work together to document successful coordinated and integrated departmental initiatives.