



Discussion Paper

Income Assistance Program Review

January 2022

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English

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French

Kīspin ki nitawihtīn ē nīhīyawihk ōma ācimōwin, tipwāsinān.

Cree

Tłı̨chǫ yati k'èè. Dí wegodi newq dè, gots'o gonede.

Tłı̨chǫ

ʔerı̨ht'ís Dëne Sųłiné yati t'a huts'elkér xa beyáyatı theɂą ɂat'e, nuwe ts'én yólti.

Chipewyan

Edı gondı dehgáh got'je zhatié k'éé edatl'ěh enahddhę nide naxets'ě edahłi.

South Slavey

K'áhshó got'jne xədə k'ě hederi ɂedı̨htl'ě yeriniwę nídé dúle.

North Slavey

Jii gwandak izhii ginjìk vat'atr'ijahch'uu zhit yinohthan jì', diits'at ginohkhìi.

Gwich'in

Uvanittuaq ilitchurisukupku Inuvialuktun, ququaqluta.

Inuvialuktun

Ć'đa ɻɻn̥b̥d̥ ɻɻLJd̥r̥c̥ ɻɻm̥n̥ɻɻc̥r̥/ɻɻn̥, ɻɻq̥n̥m̥c̥ ɻɻb̥c̥ɻɻm̥c̥.

Inuktitut

Hapkua titiqqat pijumagupkit Inuinnaqtun, uvaptinnut hivajarlutit.

Inuinnaqtun

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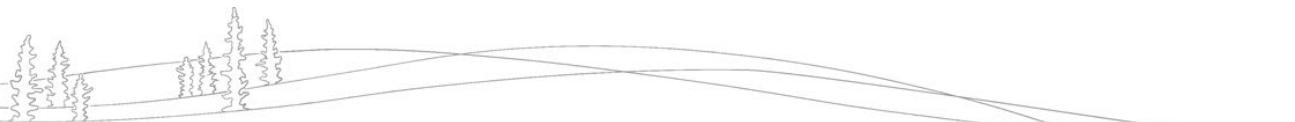
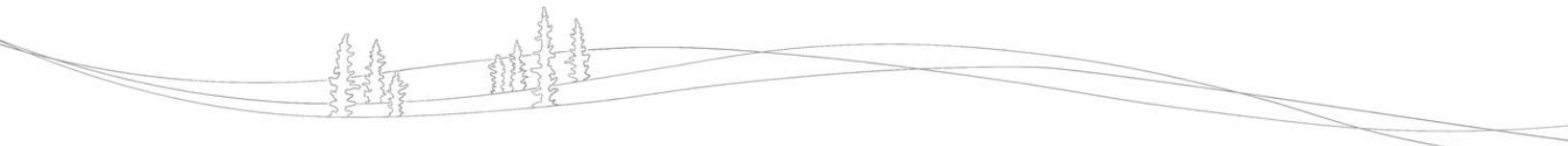


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1.0 Introduction

The Department of Education, Culture and Employment (ECE) is undertaking a review of the Income Assistance (IA) program to ensure its objectives, benefits and delivery support the social and economic aspirations of the people of the Northwest Territories (NWT). This review will help advance the priority of the 19th Legislative Assembly to enable seniors to age in place with dignity by informing the Government of the Northwest Territories' (GNWT) commitment to create a separate IA program tailored to seniors and persons with disabilities. The information and perspectives gathered through the review will be instrumental in providing direction for program changes.

ECE wants to hear from all interested partners, stakeholders and residents about how the IA program can be improved to better support Northerners facing financial difficulties, while at the same time ensuring the program is sustainable. In the coming weeks and months, engagement sessions will be held where interested individuals, stakeholders, and organizations will be able to participate in informing the new and redesigned IA programs. The information collected through the public engagement process will support:

- Developing a new IA program for seniors and persons with disabilities;
- Improving the existing IA program to ensure that the types and levels of benefits, as well as income exemptions are meeting the basic needs of NWT residents, and to re-profile the program to target those clients who do not qualify as seniors or persons with disabilities; and
- Developing a performance measurement plan for new and re-profiled IA programs.

This public engagement process will result in the development and release of a “What We Heard Report” by Spring 2022 which will summarize the input received from the public engagements and outline potential next steps toward the new and redesigned IA programs in the NWT.

1.1 HOW INCOME ASSISTANCE WORKS

The IA program is one of the five programs offered by the Income Security Programs Division (ISP) in ECE. The IA program is designed to support NWT residents by providing financial assistance for their basic living needs. The amount of support that is available to each person is based on their overall needs, the community in which they live, and their ability to provide their own financial resources.

All applicants must demonstrate a financial need to qualify for benefits to ensure accountability for public funds and to ensure all clients are being treated fairly and consistently. When determining eligibility, the program assesses the needs of the client based on the benefits they are eligible for, compares it to the client's monthly income (which includes, but is not limited to, monetary gifts, Goods and Services Tax (GST) rebates, Canada Pension Plan, Employment Insurance and wages) and applies income exemptions where applicable. The client's income is then subtracted from their needs, which determines the amount of assistance for which they are eligible.

The benefits paid to clients enable them to purchase food, clothing, as well as cover the costs of their shelter and utility expenses. The IA program further supports clients by providing additional enhanced benefits if a client is participating in, or exempt from, productive choices. Additional allowances are also provided to seniors and persons with disabilities.

Basic Needs – Income = Financial Need

The IA program is a regulated program in the NWT, meaning its design and delivery is governed by NWT laws and regulations. Some of the key terms associated with the IA program are outlined below.

Person in Need

An individual would be considered a person in need if they are unable to financially support the basic needs of themselves or their dependents. Individuals must use all the financial resources they can access.

Benefits

Basic needs are shelter, food and utilities (i.e. power, water and sewer services). The IA program currently pays for actual shelter and utilities costs. The food benefit is dependent on the community and the number of adults and mature children residing in the household. A community cost adjustment is also available depending on the community and the number of children in the household.

Enhanced benefits provide clients with longer-term supports and include clothing, disability and aged allowance, education expenses for dependents, furnishing, security deposits, childcare, record suspension application fees, and emergency allowance.

Expenses not included when assessing need are credit card debt; cable, internet, and phone charges; vehicle payments; and other debts a person has.

Financial Resources

In order to receive IA, clients must access all financial resources that are available to them. This includes, but is not limited to applying for:

- Employment Insurance;
- Public or low-cost housing;
- Federal Senior Benefits (Old Age Security, Guaranteed Income Supplement and Canada Pension Plan); and
- Federal Disability Benefits (Disability Tax Credit and/or Canada Pension Plan Disability Benefit).

Income

Income is any money that is received, and clients are required to report all income received. The IA program currently looks at two kinds of income: earned and unearned.

Earned income is money that a client receives from wages, selling arts and crafts, honorariums or scholarships, self-employment, babysitting, and income received through hunting trapping and fishing.

Unearned income is money that a client receives from all other sources. This includes GST and income tax refunds, pensions and Old Age Security, Employment Insurance and Worker's Compensation, investments, gifts, and gambling winnings.

Exemptions

The current IA program offers a number of income exemptions. The IA program does not count income received from the Canada Child Benefit, Child Disability Benefit, foster parent payments, child support (maintenance enforcement), Jordan's Principle, NWT Cost of Living Offset, or Registered Disability Savings Plan. In addition, up to \$500 per year of income from an Impact Benefit Agreement, Treaty or Land Claim agreement is exempted.

There are also two broad income exemptions: Earned Income Exemption and Unearned Income Exemption.

The Earned Income Exemption allows clients to keep additional income and not have it counted against their IA benefits. This exemption is to encourage clients to continue working so they have an opportunity to build job skills and experience and take advantage of part-time or temporary work without it having a full impact on their IA benefits. The Earned Income Exemptions are as follows:

- If a client is single with no dependents, up to \$200 is exempt per month plus 15% of the amount over \$200.
- If a client has one or more dependents, up to \$400 is exempt per month, plus 15% of the amount over \$400.

The Unearned Income Exemption allows clients to keep additional income and not have it counted against the IA benefits if they need additional assistance that month. Up to \$1,200 of unearned income per year is exempt and does not reduce a client's benefits. This amount is in addition to the \$500 per year Impact Benefit Agreement, Treaty or Land Claim Agreement exemption. Clients can choose the amount to exempt each month, up to a maximum of \$1,200 per year. Examples of how Earned and Unearned Income Exemptions can be applied are below.

Example	Example																
<p>Bobby who has two children and worked in January, earned \$600.</p> <table> <tbody> <tr> <td>Bobby's earned income:</td><td>\$600</td></tr> <tr> <td>Exempt amount:</td><td>-\$400</td></tr> <tr> <td>Amount left over:</td><td>\$200</td></tr> <tr> <td>Bobby's extra exemption:</td><td>$15\% \times \\$200 = \\30</td></tr> <tr> <td>Bobby's total exemption:</td><td>$\\$400 + \\$30 = \\$430$</td></tr> </tbody> </table> <p>\$430 of Bobby's earned income will not be counted in his assessment.</p>	Bobby's earned income:	\$600	Exempt amount:	-\$400	Amount left over:	\$200	Bobby's extra exemption:	$15\% \times \$200 = \30	Bobby's total exemption:	$\$400 + \$30 = \$430$	<p>Mary's Aunt gave her \$500 as a gift.</p> <p>Mary can choose to exempt the whole \$500 or part of it. She chooses to exempt \$500 so that she has exemption left over for future income like tax returns and GST.</p> <table> <tbody> <tr> <td>Available amount to be exempted</td><td>\$1,200</td></tr> <tr> <td>Mary's gift amount</td><td>-\$500</td></tr> <tr> <td>Exemption available for future use</td><td>\$700</td></tr> </tbody> </table> <p>Mary chose to exempt the entire \$500 that she received from her Aunt and can exempt up to \$700 in the future.</p>	Available amount to be exempted	\$1,200	Mary's gift amount	-\$500	Exemption available for future use	\$700
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Example of How Financial Need and Benefits are Determined

To illustrate how the IA program works in determining a client's financial need and the benefits to which they may be eligible, an example is provided below.

John Doe is a single applicant and is participating in an employment productive choice. John is renting a 1 bedroom apartment from a private landlord until a low-cost housing unit is available. His monthly rent is \$1,517 plus utilities. His monthly power bill is \$100. Each month, John has earnings in the amount of \$1,000 from working part-time.

Monthly Assessment – Income Assistance

BASIC AND ENHANCED BENEFITS	Yellowknife	Inuvik	Kakisa
Shelter	\$1,517	\$1,517	\$1,517
Food	\$343	\$493	\$439
Clothing	\$79	\$99	\$89
Utilities – Power	\$100	\$100	\$100
A - TOTAL BENEFITS	\$2,039	\$2,209	\$2,145
INCOME			
Earned - Wages	\$1,000	\$1,000	\$1,000
Earned Exemption - \$200 +15%	-\$320	-\$320	-\$320
B - TOTAL EARNED INCOME	\$680	\$680	\$680
TOTAL IA PAYMENT ISSUED (A-B)	\$1,359	\$1,529	\$1,465

Food and clothing benefits are set at fixed rates in accordance with family composition and community of residence.

Income exemptions are also applied and are not counted in the total income. Although in the example above, John Doe does not have any children, if he did and was in receipt of the Canada/NWT Child Benefit, that income would have automatically been exempted from the calculation. Unearned and earned income exemptions provide applicants with additional disposable income to help meet their needs.

Productive Choices

Productive Choices were created to help provide IA clients with educational and social support initiatives to assist them in becoming self-reliant. Productive Choices provide opportunities, points of contact and connections for clients in pursuing personal growth.

All IA clients, except for individuals who are 60 years of age and older and those with disabilities, must be enrolled in a Productive Choice in order to be eligible for IA benefits and to receive enhanced benefits. Client Services Officers meet with the client to discuss the Productive Choice options that are available in their community and which Productive Choice is of interest to the client. Once selected, a client enters into a Productive Choice Agreement with the IA program which confirms they will adhere to the terms within.

Client Services Officers monitor the applicant's participation in their Productive Choice and the client must submit documentation that confirms they met the terms of their Productive Choice agreement.

The following are the Productive Choice options:

- Wage employment;
- Traditional activities;
- Education and training;
- Career planning;
- Parenting;
- Caring for Disabled adult dependant or a dependant requiring homecare services;
- Unpaid community work or volunteering; and
- Wellness.

Since March 2020, in response to the COVID-19 pandemic, all clients have automatically been enrolled in Wellness: Self-Care to ensure residents are taking care of themselves and their families while participating in physical distancing and when required to self-isolate. As a part of this change, clients enrolled in Wellness: Self-Care are not required to sign a Productive Choice agreement or report on progress to the IA program as part of the monthly application process.

Market Basket Measure

Statistics Canada developed a proposed northern Market Based Measures (MBM-N) in November 2021. The MBM-N establishes poverty thresholds based on the cost of a "basket" of certain goods and services that represent a modest, basic standard of living. Those with incomes below the threshold would be considered to be living in poverty. The basket of goods includes items that are not identified as basic or enhanced needs under the current IA program, such as transportation costs. It also excludes some benefits the current IA program provides, such as childcare costs,

security deposits, emergency allowance and aged and disabled allowances. The IA program provides benefits equal to approximately 76% of the MBM-N.

The proposed 2019 MBM-N threshold for a four-person family, by Region, is as follows:

Region	Proposed MBM-N
Beaufort Delta	\$ 72,902.00
Dehcho	\$ 63,406.00
Sahtu	\$ 73,848.00
South Slave	\$ 60,059.00
Tłı̨chǫ	\$ 60,021.00
Yellowknife	\$ 60,971.00

1.2 INCOME ASSISTANCE BY THE NUMBERS

The following table is a breakdown of the number of clients who have received financial assistance from the IA program over the last five fiscal years:

Fiscal Year	Number of Clients	Expenditures	Average Expenditure per Client
2016-2017	3,465	\$18,837,777	\$5,437
2017-2018	3,618	\$20,762,809	\$5,739
2018-2019	3,685	\$20,735,941	\$5,627
2019-2020	3,748	\$21,782,138	\$5,812
2020-2021	3,198	\$21,338,533	\$6,672

Using information from the 2020-2021 fiscal year, the following table shows the age range of clients accessing IA benefits, and how many of these clients could potentially be under the new IA program for seniors and persons with disabilities:

Age Range	Number of Clients	Seniors/Persons with Disabilities	Percentage of Clients who may access new program
19-29	908	174	19.2%
30-59	1,917	588	30.7%
60+	373	373	100%
Total	3,198	1,135	35.5%

1.3 HOW TO USE THIS DOCUMENT

This Discussion Paper is divided in three sections, with each addressing a commitment of ECE regarding the IA program review: developing a new IA program for seniors and persons with disabilities, reviewing the current IA program to ensure it supports the social and economic aspirations of NWT residents, and developing a performance measurement plan for each program.

As you read this document, please consider these questions:

- What is the purpose of the IA program?
- What aspects of the IA program work well?
- Should the IA program incentivise clients to enter the labour market?
- How can we remove barriers to accessing the IA program?
- Are you aware of any successful initiatives or innovations that could be applied to the IA program?
- How can Indigenous values be reflected in the design and outcomes of the program?
- How do we ensure accountability of public funds while being responsive to the unique circumstances of individuals and communities?
- What should we measure to ensure the IA programs are meeting the needs of IA clients?

2.0 Creation of a New Income Assistance Program for Seniors and Persons with Disabilities

2.1 INTRODUCTION

The Mandate of the GNWT includes a commitment to create a separate IA program for seniors and persons with disabilities. The goal of this is to establish a less burdensome process for seniors and persons with disabilities to access programs to help them meet their financial needs. This section will look at the different options that could be created, which could include amalgamating the various programs offered through the Income Security Programs division.

Under the current IA program, seniors and persons with disabilities are exempted from participating in Productive Choices, which makes them automatically eligible to receive the enhanced benefits. They also receive an aged or disabled benefit to assist with their daily living needs, as well as an incidental allowance to assist with the costs of personal care products and household supplies.

Senior Statistics

According to the NWT Bureau of Statistics, the population of the NWT in 2019 was 44,826. Of this, 6,313 (14%) were people 60 years of age or older.

There are currently three programs offered to seniors under the Income Security Division: IA, the Seniors Home Heating Subsidy (SHHS) and the Senior Citizen Supplementary Benefit (SCSB). Below is a table of the number of seniors who accessed these programs over the last five fiscal years:

Fiscal Year	IA	SHHS	SCSB
2016-2017	371	563	1,906
2017-2018	355	570	1,300
2018-2019	372	621	1,301
2019-2020	416	622	1,349
2020-2021	383	685	1,544

Persons with Disability Statistics

The NWT Bureau of Statistics provides a report of the NWT population aged 15 and over who have a disability. In 2017, of the 31,800 persons living in the NWT who were 15 years of age or older, 6,350 were persons with disabilities.

The following is a breakdown of IA clients who accessed disability benefits over the past five fiscal years:

Fiscal Year	Disability Benefit
2016-2017	710
2017-2018	755
2018-2019	799
2019-2020	809
2020-2021	784

2.2 POTENTIAL CHANGES

Application Process

To help alleviate a burdensome application process, ECE is considering only requiring seniors and persons with disabilities to apply for IA once a year. This would be similar to the SHHS application process, where clients apply once and provide their Notice of Assessment for the previous calendar year from Canada Revenue Agency, as well as verification of income for the current year (such as pay stubs, pension statements, RRSP statements). As current year income could differ from the prior year's Notice of Assessment, a current year assessment would be available. This application process also aligns more closely with other areas of government, such as the NWT Housing Corporation's application process.

Basing eligibility on the Notice of Assessment would reduce the burden on the client to apply monthly and would provide more financial security and stability for the clients as clients would know how much income they would receive each month for the upcoming year.

Disability Definition

ECE is also reviewing the current definition of disability under the IA program. This will not be an overarching definition, but specifically what a disability is from the point of view of the program. Considerations need to be made on whether any person with a disability would be considered for the new program, such as short-term disabilities, or if the focus will be on persistent, prolonged, or permanent disabilities.

Once the definition of a disability for the new IA program is determined, ECE will modify disability forms to ensure that they are clear, concise, and completed consistently by medical professionals.

Amalgamating Senior Programs into IA

ECE will be reviewing the SHHS and the SCSB to determine whether they should continue to be offered separately or if they can be combined under the new IA program.

SHHS is a subsidy for low to modest income seniors to help with the cost of heating their homes. Seniors apply once annually and if they meet the eligibility criteria they receive the benefit amount based on where they live. A senior can receive both IA and SHHS. However, IA will not pay for heating costs until the senior has used their full SHHS amount. If a senior uses up their subsidy and

is still in financial need they can apply for the IA program. To reduce the administrative burden on seniors, ECE could create one application that combines IA and SHHS.

SCSB provides financial assistance to low-income NWT seniors to pay for living costs. Seniors do not have to apply for this benefit as they automatically receive it if they also receive the federal Old Age Security and the Guaranteed Income Supplement, or the Federal spouse's allowance. The current monthly amount of the SCSB is \$196. An option that ECE could consider is to increase this amount to allow seniors who are low income and over the age of 65 to automatically receive financial assistance without having to apply for IA or SHHS. The new program could then be focused on persons with disabilities and seniors under the age of 65; as well as seniors who do not receive GIS. Currently less than 11% of seniors receiving SCSB also receive IA benefits.

ECE will also be reviewing other GNWT programs available to seniors to ensure that there is consistency amongst the programs and that seniors' needs are being met.

Benefits

The potential elimination of monthly application, verification and reporting processes under the new IA program for seniors and persons with disabilities could provide more financial security to the clients.

ECE wants to ensure that the benefit levels also support and provide certainty to this group. As with the revised IA program, which will be further discussed below, ECE is re-evaluating the current benefit levels to account for the increase in cost of living and will also be reviewing whether additional benefits for seniors and persons with disabilities is needed.

2.3 CHALLENGES AND CONSIDERATIONS

Payrolling

The current IA program allows for clients whose financial circumstances are unlikely to change to be "payrolled", meaning that instead of applying for IA every month, they would only have to apply for IA every 3, 6, or 12 months instead of every month. Since seniors and persons with disabilities are exempt from participating in Productive Choices, they are usually good candidates for payrolling. If clients receive income during the payrolling period they are expected to notify their Client Services Officer. If clients do not report the income when it was received, and instead is discovered during the client's next reporting period, benefits will not be refused. However, that income is counted in the month received, and if a client received more assistance than they were eligible for they will be put into an Overpayment. Clients in Overpayment can continue to receive benefits; however they must pay a minimum of \$25 from their benefits to address the Overpayment.

2.4 QUESTIONS FOR DISCUSSION

1. What should be the goal and objectives of the new IA program for seniors and persons with disabilities?
2. How often should seniors and persons with disabilities be required to verify their income or submit proof of disability to confirm their eligibility for the program?
3. Should the new program be for clients who have a permanent, prolonged or persistent disability expected to last for a period greater than 12 months.
4. What are reasonable documents to request for a disability (eg: disability form completed by a medical professional)?
5. Should all senior's benefits be amalgamated into one program or should they continue to be offered separately?
6. Should the new program offer an amount to bring the client up to MBM-N, despite their needs (MBM-N – Income = Financial Need)? What if a client's needs exceed MBM-N?
7. What are additional costs that seniors and persons with disabilities have and how can we account for them in the new program?
8. If this is an annual application process with measures in place for a reassessment, are income exemptions necessary for this new program?

3.0 Revision of the Current Income Assistance Program

3.1 INTRODUCTION

ECE continuously reviews its programs and services and will be revising the current IA program to ensure that the types and levels of benefits, as well as income exemptions are meeting the basic needs of Northerners and to reduce the barriers that are currently impacting accessibility. It is also important that the IA program is compliant with the United Nations Declaration of the Rights of Indigenous Peoples, the Final Report of the National Inquiry into Missing and Murdered Indigenous Women and Girls Calls for Justice, and the Truth and Reconciliation Commission of Canada's Calls to Action.

3.2 POTENTIAL CHANGES

New Goal of IA

The current goal of the IA program is to help Northerners to become self-reliant as individual capacity allows. Unfortunately, there has never been a common understanding of what is meant by “self-reliant” amongst clients, Client Services Officers, and client advocates.

ECE is considering updating the goal of the IA program so that it is focused on assisting clients to improve their personal well-being by ensuring their basic needs are met. It is hoped that by easing the financial stress that many clients experience, they will be able to focus on elements of their personal well-being such as relationships with friends and family, community engagement, productivity at work, and provide them with opportunities to address other barriers they may face such as housing, mental health and addictions, and other health related issues.

Trauma Informed

The IA program has a varied clientele, including vulnerable clients who have been affected by trauma. To better support these vulnerable clients, the IA program will ensure that the policies and procedures are trauma informed. All staff will be trained to provide services in a trauma-informed way. While revising the IA program, ECE will take into consideration the key principles of trauma-informed practice, which include:

- Trauma Awareness;
- Emphasis on safety and trustworthiness;
- Opportunity for choice, collaboration and connection; and
- Empowerment and strength building.

Detach Program from Labour Market

ECE is considering detaching the IA program from the labour market. Currently, clients have to prove that they are trying to find employment or stay employed. There could be a number of

barriers, hidden or otherwise, that can affect a client's ability to find and maintain employment. Implicit in the requirement for clients to find and maintain employment is an assumption that a lack of employment is due to a lack of motivation to work.

In order to move away from colonial values, the IA program is considering removing references to "employability" from its policies and procedures and revisiting the penalties that are currently in place for leaving a job.

Increase Income Exemptions

The current IA program offers income exemptions that allow clients to contribute to their household income without a reduction of benefits. ECE is considering increasing the income exemptions to better support NWT residents.

Currently the Unearned Income Exemption is limited to \$1,200 a year. Clients need to use this exemption wisely in order to ensure they have enough to last throughout the year. When clients receive additional monies through means other than employment (e.g. monetary gifts from family members) their monthly IA benefits can be negatively impacted. In order to reduce the impact this assistance has on people accessing IA, ECE is considering automatically exempting a certain amount of unearned income each month.

ECE also wants to continue to support employed IA clients who still need assistance to meet their financial needs, and is considering different approaches to the Earned Income Exemption, which could include:

- Increasing the current Earned Income Exemption; or
- Offering a phased approach, such as exempting a larger portion of the earned income in the first month and then reducing the amount over a period of time.

Under the current IA program, the following income is excluded from income calculations:

- Money for children (Canada Child Benefit, Child Disability Benefit, Maintenance Order/Child Support payments, payments by Child and Family Services on behalf of a foster child);
- NWT Cost of Living Offset;
- Registered Disability Savings Plan;
- Medical Travel Benefits;
- Impact Benefit Agreements, Treaty or Land Claim Agreement (\$500 per person, per year);
- Agriculture Benefit Claim;
- Victims of Crime Emergency Fund;
- Value of goods from food banks and hampers;
- Jordan's Principle payments;
- Benefits for tuition, books and travel under the Student Financial Assistance or Labour Market Agreements;
- Funds received as compensation for pain and suffering.

ECE is considering whether additional monies, such as GST rebates, should also be excluded.

Change Benefits

Compared to other Canadian jurisdictions, the IA benefit levels provided in the NWT are amongst the highest in the country. In all jurisdictions, except NWT and Yukon, income assistance programs provide less than half of what someone making minimum wage would earn per year. In 2019, the NWT IA program provided clients with up to 92.5% of a year's worth of minimum wage earnings.

ECE is re-evaluating IA benefit levels in light of ongoing increases to the cost of living. One potential option is to increase benefit amounts as the cost of living increases. ECE is also considering restructuring benefits. For example, instead of having separate benefits for food, clothing and furnishings, the program could have a single amount for these standard benefits. This would reduce the risk of clients not receiving a benefit they are entitled to. Additional benefits (such as actual shelter and utility costs, child care costs, emergency allowances) could be included as needed. ECE is also considering additional benefit amounts for help with phone and internet costs.

Another consideration is to match benefits to the MBM-N levels. While the MBM-N does include items that are not considered to be basic needs under the current IA program, such as transportation costs, it would provide clients with an amount that would allow a modest, basic standard of living. As discussed earlier, the NWT's IA benefits cover 76% of the 2018 MBM-N threshold. Moving towards matching the proposed MBM-N would need to be analysed further to consider:

- Whether transportation costs and the “other” costs under the MBM-N should be considered a basic or an enhanced need.
- Actual shelter and utility costs may not be covered by the MBM-N, clients may need to go to other social programs to assist with excess costs (such as applying for the Canada-NWT Housing Benefit).

Revisit Productive Choices

ECE is revisiting Productive Choices to determine whether it is beneficial to continue providing these programs and whether they are appropriate.

ECE acknowledges that not all communities have capacity to provide some of the programs, making the availability of Productive Choices inconsistent. The administration of Productive Choices can also overwhelm service delivery resources in the communities.

Since Productive Choices are mandatory, unless the client is over the age of 60 or is a person with a disability, clients who face barriers may be penalized if those barriers prevent them from meeting their Productive Choice agreement. This, in turn, creates more hardship for clients already experiencing financial insecurity.

An analysis of the Productive Choices program was completed and found that young adults (19-29 years old) constituted the largest age group of Productive Choice participants, which is disproportional when compared to the NWT population. It was also identified that there was a higher representation of Productive Choice participants in small communities than there was in Yellowknife and other regional centres.

In the sample that was analysed, it was noted that Wellness (37%) and Career Planning (30%) were the top two PCs by number of participants. It should be noted that the *Wellness* category includes participants with short-term disabilities. The Unpaid Community Work/Volunteering category has the next largest rate of participation with about a quarter of participants engaging it at least once during the observation period.

3.3 CHALLENGES AND CONSIDERATIONS

Administration

In order to receive IA, clients must show that they are in financial need. The documentation that clients are required to complete on a regular basis may be difficult for some vulnerable clients as it assumes that clients have a moderate degree of financial, social and bureaucratic literacy. Although Client Services Officers are able to assist the clients with completing the required forms and clients may bring advocates to their meetings with Client Service Officers, the application process can still present a barrier and may prevent some vulnerable clients from applying. If clients do not ask for help, Client Services Officers may assume that the client has an understanding of what is being asked and would not provide the level of assistance that the client actually needs.

Clients are responsible for regularly reporting information to ECE. While Client Services Officers can request some information on clients' behalf, ECE does not have access to all information (such as leases, bank accounts outside of Canada's five main banks, identification, employment records, etc.). If a client does not provide the required documentation by the end of their reporting period, they are refused benefits. This is a recognized service gap, as the Client Services Officers can only provide assistance with the resources available to them.

Small Communities

ECE recognizes that the delivery of IA program may be challenging in smaller communities due to numerous issues, including a lack of employment opportunities and service providers that offer Productive Choice options. However, ECE is intent on ensuring that the revised IA program could provide equitable outcomes for all clients across the NWT.

Financial Resources

ECE believes that it is important that clients access all financial resources available to them, as this could put them in a more financially secure position. Social housing is an example of a financial resource that clients are required to utilize. Currently, to be eligible for IA, applicants must also apply for social housing through NWT Housing Corporation (with exemptions possible in certain circumstances). By accessing low-cost housing, some clients may no longer be in need of IA, as their existing income would be sufficient to cover their basic needs. Using the same example from page six, the following shows how accessing low-cost housing can be beneficial to our clients:

John Doe is a single applicant and is participating in an employment productive choice. John is renting a 1 bedroom apartment from a private landlord until a low-cost housing unit is available. His monthly rent is \$1,517 plus utilities. His monthly power bill is \$100. Each month, John has earnings in the amount of \$800 from working part-time.

Monthly Assessment – Income Assistance

BASIC AND ENHANCED BENEFITS	Yellowknife	Inuvik	Kakisa
Shelter	\$80	\$80	\$75
Food	\$343	\$493	\$439
Clothing	\$79	\$99	\$89
Utilities – Power	\$100	\$100	\$100
A – TOTAL BENEFITS	\$602	\$772	\$703
INCOME			
Earned - Wages	\$1,000	\$1,000	\$1,000
Earned Exemption - \$200 +15%	-\$320	-\$320	-\$320
B – TOTAL EARNED INCOME	\$680	\$680	\$680
TOTAL IA PAYMENT ISSUED (A-B)	\$0.00	\$91	\$23

By moving into a public housing unit, John's financial need is significantly less. If he were residing in Yellowknife, he would be financially dependent, while he would still qualify for IA in Inuvik and Kakisa.

Streamlining the IA program could also reduce some of the administrative burden on Client Services Officers, so they would have more time to provide more of an integrative service approach to delivery. Client Services Officers would be able to work more closely with clients, to inform them of the other financial resources available to them, and to work with other GNWT departments to help clients access those resources.

3.4 QUESTIONS FOR DISCUSSION

1. What should be the goal of the IA program?
2. What are the current barriers when applying to the IA program? How can they be removed or reduced while ensuring ECE can collect the information needed to administer the program?
3. How can the IA program work more collaboratively with other GNWT departments? (Housing, Health, etc.)
4. Should clients be required to participate in Productive Choices?
5. Should the IA program continue to cover the actual cost of shelter and utilities, or should there be a limit on how much is covered?
6. Should the IA program continue to require clients to apply for social housing?
7. Does the IA program create disincentives to becoming employed? If so, how can we remove those disincentives?
8. Should IA clients be penalized for not seeking or leaving employment? If so, what would be an appropriate penalty?
9. What is a reasonable amount for the Unearned Income Exemption?
10. What is a reasonable amount for the Earned Income Exemption? Should this be a phased approach?
11. Should additional items, such as transportation, phones, internet, etc., be considered basic needs?

4.0 Developing a Performance Measurement Plan

4.1 INTRODUCTION

The IA program has been reviewed and evaluated a number of times over the last 15 years. However, the program does not have an associated performance measurement plan (PMP), which means there is no easily accessible data or metric that demonstrates the effectiveness of changes made to the program. To ensure any changes to existing or new IA programs are meeting the needs of clients, the programs should be easily monitored, evaluated and reported on. Once the programs are more clearly designed, the PMP will be developed holistically with both programs in mind.

4.2 QUESTIONS FOR DISCUSSION

1. What measures or outcomes would be important to track?
2. How frequently should the IA program be evaluated?
3. What is the best method for evaluating the program so that clients feel safe to offer feedback about the program?
4. What is the best method of sharing the evaluation findings with the public (eg: an annual report)?