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Proposed Regulations: Income Assistance and Income Assistance for Seniors and Persons with Disabilities

Background

Income Assistance provides financial assistance to Northerners to help them meet their basic needs so that they are able to participate fully in community life and take part in the opportunities available to them.

In February 2022, the Department of Education, Culture and Employment (ECE) engaged with various partners and stakeholders, including Indigenous Governments, Non-Government Organizations, current and past clients, landlords and vendors, GNWT Departments and the public to get feedback on the Income Assistance program in the Northwest Territories (NWT).

Following engagement, the feedback was compiled into a [What We Heard Report](#). Based on the feedback received, ECE is making changes to the Income Assistance program, which include increasing benefits and income exemptions, reducing barriers, and creating a new Income Assistance program for seniors and persons with disabilities.

Two sets of regulations will support these changes to Income Assistance:

1. Amendments to the Income Assistance Regulations
2. New Income Assistance for Seniors and Persons with Disabilities Regulations

What happens next?

- **June 30 – July 21, 2023** - Engagement on Income Assistance regulations
- **July 2023** - Review of public feedback
- **September 2023** - The enhanced Income Assistance program and Income Assistance for Seniors and Persons with Disabilities will come into effect.

Amendments to the Income Assistance Regulations

What do the Regulations include?

Benefits

Benefits for food, clothing and other daily living costs will be combined into a single “basic benefit” and will be based on the person’s community and number of adults in the household. Additional benefits, such as actual shelter and utility costs, child care, bridge benefit (for new parents or parents of a new child not yet receiving Canada Child Benefit or NWT Child Benefit), emergency allowance, and record retention fees will still be available depending on the circumstances of the individuals.

Why is it important?

The benefits levels were informed by the [Northern Market Basket Measure](#) produced by Statistics Canada, which is used by the federal government as a measure of poverty. The Northern Market Basket Measure considers the cost differences that range throughout the different regions of the NWT. This will ensure there is a clear link between the amounts provided by the program and the amounts needed to establish a modest, basic standard of living depending on the region someone lives in.

Income Exemptions

The proposed amendments will increase income exemptions.

The Earned Income Exemption will be increased to allow each adult who works to receive an earned income exemption of \$500 plus 25%. For example, if a client is paid \$1,000 from a job, a total of \$625 (\$500 + \$125 (25% of remaining \$500)) will not be counted in the Income Assistance assessment.

The Unearned Income Exemption will now be offered monthly. Every month, up to \$350 of the household’s unearned income will not be counted. For example, if a client receives \$500 as a monetary gift, \$350 will not be counted in the Income Assistance assessment.

Why is it important?

These changes will allow individuals to have more money available to better contribute to their household.

Increasing the earned income exemption will allow people to take part in employment opportunities while still having Income Assistance available to them, if needed.

Increasing the Unearned Income Exemption gives more flexibility to people who may receive small amounts of financial assistance through other resources (such as monetary gifts from friends and family, GST, or income tax returns) without it having a large impact on their Income Assistance benefits.

Reducing Barriers

The proposed amendments will reduce barriers that people may face when accessing the Income Assistance program.

- Clients will no longer need to seek and/or maintain employment; and
- Suspensions for false or misleading statements will be reduced from 60 days to 30 days for the first offense and from 90 days to 60 days for repeat offenses.

Why is it important?

These changes are designed to remove the barriers vulnerable people may already be facing. ECE recognizes that refusing Income Assistance can result in further financial hardship.

As there may be a number of barriers, hidden or otherwise, that can affect a person's ability to find and maintain employment, removing employment as a requirement will allow people the freedom to find work when they are ready to do so and allow them the flexibility to leave stressful or difficult employment situations. This will also support people to fully participate in community life and the opportunities available in their communities.

While these changes will still allow for people to be refused Income Assistance if they provide false and misleading statements, the refusal period is for a shorter length of time.

Productive Choices

The proposed amendments have removed all references to Productive Choices.

Why is it important?

While Productive Choices was seen as a positive resource for people accessing Income Assistance by many stakeholders, including small communities and Indigenous Governments, making it a mandatory requirement created hardship for some individuals who were unable to meet the requirements of their Productive Choice Agreements. Income Assistance staff will continue to refer individuals to resources related to their needs (such as employment, education and training, and wellness), however there will no longer be a requirement to participate in to receive financial assistance.

New Income Assistance for Seniors and Persons with Disabilities Regulations

What do the new Regulations include?

ECE is creating a new Income Assistance program for seniors and persons with disabilities. This program will provide financial assistance to NWT households with an applicant who is 60 years or older, as well as applicants who have a permanent or long-term disability. Individuals with a disability who do not meet the eligibility criteria for this program will still be able to access Income Assistance.

Why is it important?

The launch of this new program will support the GNWT's mandate commitment to allow more seniors to age in place, with dignity. These new supports, specifically for seniors and persons with disabilities, recognize that these clients face additional barriers to accessing support.

Benefits

Benefits for food, clothing and additional daily living costs will be combined into a single "basic benefit" and will be based on the community and number of adults in the household. Additional benefits, such as actual shelter and utility costs, childcare, bridge benefit (for new parents or parents of a new child not yet receiving Canada Child Benefit or NWT Child Benefit), emergency allowance, and record retention fees will still be available depending on the circumstances of the individuals.

Why is it important?

The benefits levels were informed by the [Northern Market Basket Measure](#), produced by Statistics Canada, which is used by the federal government as a measure of poverty. The Northern Market Basket Measure considers the costs differences that range throughout the different regions of the NWT. This will ensure there is a clear link between the amounts provided by the program and the amounts needed to establish a modest, basic standard of living depending on the region someone lives in.

ECE recognizes that seniors and persons with disabilities face additional daily living costs. As a result, the basic benefit rates will be higher than the Income Assistance program.

Eligibility

Individuals who meet the program's definition of a senior or person with disability will complete an annual application. Eligibility will be based on the household's annual net income as reported to the Canada Revenue Agency as well as individualized needs (such as shelter and utility needs). Once approved, an individual will know the level of assistance they will receive every month.

Why is it important?

The Income Assistance for Seniors and Persons with Disabilities program is being designed to ensure there is little administration for the individuals accessing the program. This makes it easier for seniors or persons with disabilities to access the financial assistance they need.

This new program will allow seniors and persons with disabilities to know exactly how much assistance they will receive each month, giving them the information they need to budget for their basic needs.

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