

**Ministry of  
Social Development  
and Poverty Reduction**

---

**2017/18  
Annual Service Plan Report**

---



For more information on the British Columbia Ministry of Social Development and Poverty Reduction contact:

## **Ministry of Social Development and Poverty Reduction**

PO Box 9933  
STN PROV GOVT  
VICTORIA, BC  
V8W 9R2

Or visit our website at

<https://www2.gov.bc.ca/sdpr>

Published by the Ministry of Social Development and Poverty Reduction

## Minister Accountability Statement



As the Minister of Social Development and Poverty Reduction, I am pleased to present the *Ministry of Social Development and Poverty Reduction 2017/18 Annual Service Plan Report*, which summarizes our performance and highlights achievements from the year ending March 31, 2018.

With the introduction of a new ministry name and focus, the Ministry of Social Development and Poverty Reduction has taken concrete steps towards developing British Columbia's first Poverty Reduction Strategy, a strategy that will reduce inequality and create opportunity, with legislation and targets to be established in the fall of 2018. A comprehensive four-month public consultation process wrapped up on March 31, 2018 – including a dedicated Indigenous engagement process, public meetings in 28 communities throughout the province, 100 stakeholder-led sessions, meetings with local governments, non-profits, and business groups, and a website for people to share their feedback and ideas – was completed and is informing the work we are doing.

Along with the Ministry of Municipal Affairs and Housing, the ministry has also been working on a Homelessness Action Plan, which will focus on prevention as well as permanent housing and services. This spring, we began homeless counts to build a provincial picture of homelessness and inform the plan. The counts will help us better understand the number of people who are homeless in B.C. and what supports they need.

While developing these long-term strategies, we are also moving forward with investments for people on assistance. Over the past year we have: raised assistance rates by \$100 a month; increased earning exemptions by \$200 a month; and brought in a transportation supplement so people on disability assistance can get an annual bus pass or pay for other transportation.

In total in 2017/18, the ministry invested over \$3 billion to support low-income British Columbians and people with disabilities and the services they rely on, as part of our commitment to making life more affordable, improving services and creating a strong, sustainable economy that benefits everyone.

The *Ministry of Social Development and Poverty Reduction 2017/18 Annual Service Plan Report* compares the Ministry's actual results to the expected results identified in the *2017/18 - 2019/20 Service Plan* created in September, 2017. I am accountable for those results as reported.

A handwritten signature in black ink that reads "Shane Simpson". The signature is written in a cursive, flowing style.

Honourable Shane Simpson  
Minister of Social Development and Poverty Reduction  
June 21, 2018

## **Table of Contents**

|  |    |
|--|----|
| Minister Accountability Statement .....                            | 3  |
| Purpose of the Ministry .....                                      | 5  |
| Strategic Direction .....  | 5  |
| Operating Environment .....  | 6  |
| Report on Performance .....  | 7  |
| Financial Report .....   | 8  |
| Discussion of Results .....  | 8  |
| Financial Report Summary Table .....                               | 9  |
| Appendix A: Ministry Contact Information and Hyperlinks .....      | 10 |
| Appendix B: List of Crowns, Agencies, Boards and Commissions ..... | 11 |

## Purpose of the Ministry

The Ministry of Social Development and Poverty Reduction (SDPR) focuses on providing British Columbians in need with services that they count on. The fundamental purpose of the Ministry is to tackle poverty, to deliver quality services that meet people's needs, and to ensure people from every background have the opportunity to reach their full potential. In addition, the Ministry is responsible for building a better B.C. for people with disabilities, and making B.C. a truly inclusive province by 2024. The mandate of the Ministry includes developing a poverty reduction strategy and our challenge is to create a plan that helps break the cycle of poverty.

Further details about the Ministry can be found at the [Ministry of Social Development and Poverty Reduction](#) home page.

## Strategic Direction

In September 2017, the new government announced its priorities with three key commitments to British Columbians:

- To make life more affordable.
- To deliver the services people count on.
- To build a strong, sustainable, innovative economy that works for everyone.

Integrating with these priorities is government's commitment to true, lasting reconciliation with Indigenous people in British Columbia, as we move towards fully adopting and implementing the United Nations Declaration on the Rights of Indigenous Peoples and the Calls to Action of the Truth and Reconciliation Commission.

SDPR is guided by three key pieces of legislation: the [Employment and Assistance Act](#), the [Employment and Assistance for Persons with Disabilities Act](#), and the [Community Living Authority Act](#). The Minister is responsible for Community Living BC (CLBC) and is supported by the Parliamentary Secretary for Poverty Reduction. The Ministry's key responsibilities include:

- Providing income and disability assistance to those in need;
- Delivering employment programs and services to unemployed and underemployed individuals;
- Supporting community living services that help adults with developmental disabilities and their families develop connections and inclusion with their community; and
- Designing and implementing a province-wide poverty-reduction strategy.

In the *2017/18 – 2019/20 Service Plan* the Ministry provided a series of objectives and performance targets from the Minister's [Mandate Letter](#) designed to further the key commitments of government.

## Operating Environment

With 557,000 British Columbians living in poverty according to the Market Basket Measure<sup>1</sup>, B.C. has the second highest poverty rate in the country.<sup>2</sup> This number includes 99,000 children in low-income families and about 54,000 seniors. Approximately 40% of people living in poverty are low-income, working adults. Single mothers as well as people who are Indigenous or have a disability are twice as likely to live in poverty. These figures are for 2016, reflecting the most current information available at the start of the 2017/18 service planning cycle.

Among the key responsibilities assigned to the Ministry by the new government in 2017 was the development of a provincial poverty reduction strategy. It was recognized from the outset that input from British Columbians, including people with lived experience, Indigenous people, poverty advocates, academics and experts, and representatives of the labour and business communities would be crucial to understanding what poverty looks like in communities throughout the province, and how to best take action to break the cycle of poverty. Beginning in 2017, the Ministry undertook extensive consultation to fulfill this direction.

The Ministry continued with improvements to income, disability and supplemental assistance services in 2017/18 to ensure reliable and consistent services that are responsive to the diverse needs of the people we serve. Specific improvements included more effective workload balancing across service delivery channels, enhanced phone queue capacity, increased utilization of self-service tools, and enhanced services provided by partner government agencies to clients.

WorkBC Employment Services provides employment supports, training and education, and other programs that support British Columbians to prepare for and transition into the labour market. In 2017/18 the Ministry progressed its preparation towards the renewal of the WorkBC Employment Services contracts in 2019, when current contracts expire. The Ministry also finalized negotiation with the federal government on the renewal of federal labour market transfer agreements including the Labour Market Development Agreement (LMDA). A new LMDA, providing additional funding for labour market programs and services for British Columbians came into effect April 1, 2018.

The Ministry continues to support CLBC in the development of initiatives and partnerships aimed at increasing community inclusion, accessibility and employment opportunities for persons with developmental disabilities. Engagement with families, advocates, service providers and their representatives is crucial to understanding CLBC service delivery issues and identifying responsive and sustainable service solutions.

---

<sup>1</sup> The Market Basket Measures (MBM) sets out the disposable income threshold required for a family of four to be able to purchase a basket of goods and services representing a modest, basic standard of living. This includes, for example, the costs of food, clothing, footwear, transportation, shelter and other basic expenses. The MBM is calculated for Vancouver, as well as four other community profiles in British Columbia: rural; population under 30,000; population from 30,000 – 99,999; and population from 100,000 to 499,999.

<sup>2</sup> Statistics Canada provincial and national [poverty statistics](#).

## Demographics and Economy

BC Employment and Assistance (BCEA) program caseloads continue to be affected by demographic and economic factors. The temporary assistance caseload, made up of individuals who are unemployed or underemployed, had been trending upward until mid-2017 when it began to decline slightly as a result of a stronger labour market. The disability assistance caseload, made up of individuals who have a disability designation, has continued to grow as the result of longer life expectancies and an aging population.

British Columbia's population aged 19 to 64 is expected to increase by 89,000 people (2.9 percent) by 2020. The number of potential BC Employment and Assistance clients increases as the population increases. At the same time, the population is getting older. The population aged 19 to 24 is projected to decline by 6.9 percent while the population between the ages of 55 to 64 is projected to increase by 5.7 percent. People are more likely to develop a disability as they age.

British Columbia's real GDP increased by 3.9 per cent in 2017 (according to preliminary GDP by industry data from Statistics Canada), the second strongest growth among provinces. Employment in BC grew by 3.7 per cent in 2017, its fastest annual pace since 1994. Consumer spending was strong for a fourth consecutive year as retail sales were supported by strong employment growth, increased tourism, high consumer confidence and relatively low interest rates. BC's housing market saw elevated levels of construction activity in 2017, with the highest number of annual housing starts in data going back to 1955. BC manufacturing shipments and exports expanded in 2017 as goods exports to both the US and the rest of the world increased.

## Report on Performance

The following table reports on the objectives and performance targets provided in the *2017/18 – 2019/20 Service Plan* along with the Ministry's achievements.

| Objective  | Actions Taken<br>Up to March 31, 2018  |
|--|--|
| Objective 1: Raise all income assistance and disability rates by \$100 per month.  | <ul style="list-style-type: none"> <li>• Raised income and disability assistance rates by \$100 a month, effective October 1, 2017.</li> <li>• Reflected in September 20, 2017 assistance payment of October assistance.</li> </ul>  |
| Objective 2: Encourage and support assistance recipients as they re-enter the workforce by allowing them to keep an additional \$200 a month in earnings exemptions. | <ul style="list-style-type: none"> <li>• Raised earnings exemptions by \$200 a month, effective October 1, 2017.</li> <li>• Reflected in September 20, 2017 assistance payment of October assistance.</li> </ul>   |
| Objective 3: Further support those on disability assistance by fully restoring the BC Bus Pass program.  | <ul style="list-style-type: none"> <li>• Implemented a new transportation support for people receiving disability assistance effective January 1, 2018.</li> <li>• People can now choose to receive an annual BC Bus Pass or to receive money for other transportation needs.</li> </ul> |

|  |  |
|--|--|
| <p>Objective 4: Develop a basic-income pilot to test whether giving people a basic income is an effective way to reduce poverty, improve health, housing and employment.</p>   | <ul style="list-style-type: none"> <li>• Reviewed related work in other jurisdictions, including Ontario and Quebec.</li> <li>• \$4 million of funding was announced in February 2018 to support study of the potential for basic income in the B.C. population, as well as to look at ways to enhance the current income and social support system.</li> </ul>  |
| <p>Objective 5: Design and implement a province-wide poverty-reduction strategy with legislated targets and timelines.</p>   | <ul style="list-style-type: none"> <li>• Completed a broad public engagement process to inform legislation targets and timelines and the poverty reduction strategy.</li> </ul>  |
| <p>Objective 6: Work in partnership to develop a homelessness action plan to reduce the homeless population through permanent housing and services. As part of the plan, conduct a province-wide homelessness count.</p> | <ul style="list-style-type: none"> <li>• Established partnership with the Ministry of Municipal Affairs and Housing on the province-wide homeless count and homelessness action plan.</li> <li>• Initiated steps to ensure over 85% of the province by population will have homeless counts for Spring 2018. This includes:             <ul style="list-style-type: none"> <li>○ provincially-funded counts in 12 communities;</li> <li>○ federally-funded counts in six communities; and</li> <li>○ the large 2017 regional counts in Metro Vancouver and the Fraser Valley.</li> </ul> </li> </ul> |

As committed to in the *2017/18 – 2019/20 Service Plan* tabled in September 2017, the Ministry released fully developed objectives and performance measures in the Ministry’s *2018/19 – 2020/21 Service Plan*, tabled in February 2018.

## Financial Report

### *Discussion of Results*

For 2017/18, the Ministry met the financial targets set out by the Ministry of Finance. The majority of the Ministry’s budget supported Income Assistance which totalled \$2.1 billion in 2017/18, in the following four categories:

- \$371 million for Temporary Assistance;
- \$1.30 billion for Disability Assistance;
- \$310 million for supplementary assistance which includes supplements for low income seniors, medical supplies and equipment, and dental and optical care; and
- \$143 million for program management.



Funding for employment programs is partially provided by the federal government through the Labour Market Development Agreement. Federal contributions in 2017/18 totaled \$313 million while the province spent \$27 million for employment programs and services. Services to adults with developmental disabilities are provided by the Ministry's service delivery Crown agency, Community Living BC and the Ministry program 'Services to Adults with Developmental Disabilities', which was allocated close to \$941 million. In line with government's goal of prudent fiscal management, expenditures for executive and support services were limited to \$10 million.

### ***Financial Report Summary Table***

|  | Estimated        | Other Authorizations | Total Estimated  | Actual           | Variance <sup>1</sup> |
|--|------------------|----------------------|------------------|------------------|-----------------------|
| <b>Operating Expenses (\$000)</b>  |                  |                      |                  |                  |                       |
| <b>Income Assistance<sup>2</sup></b>                                     | 2,123,527        |                      | 2,123,527        | 2,124,058        | 531                   |
| <b>Employment<sup>3</sup></b>  | 29,014           |                      | 29,014           | 26,521           | -2,493                |
| <b>Community Living Services<sup>4</sup></b>                             | 940,619          |                      | 940,619          | 941,026          | 407                   |
| <b>Employment and Assistance Appeal Tribunal</b>                         | 1,797            |                      | 1,797            | 1,320            | -477                  |
| <b>Executive and Support Services</b>                                    | 10,503           |                      | 10,503           | 9,503            | -1,000                |
| <b>Sub-Total</b>   | <b>3,105,460</b> | <b>0</b>             | <b>3,105,460</b> | <b>3,102,428</b> | <b>-3,032</b>         |
| <b>Adjustment of Prior Year Accrual</b>                                  |                  |                      |                  | -174             | -174                  |
| <b>Total</b>   | <b>3,105,460</b> | <b>0</b>             | <b>3,105,460</b> | <b>3,102,253</b> | <b>-3,207</b>         |
| <b>Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)</b> |                  |                      |                  |                  |                       |
| <b>Executive and Support Services<sup>5</sup></b>                        | 4,228            |                      | 4,228            | 91               | -4,137                |
| <b>Total</b>   | <b>4,228</b>     | <b>0</b>             | <b>4,228</b>     | <b>91</b>        | <b>-4,137</b>         |

1. Variance represents "Actual" minus "Total Estimates". If "Actual" is greater than "Total Estimates" the variance will be positive.
2. Variance in Income Assistance is due to caseload related pressures.
3. Reflects BC Employment Program costs, net of federal recoveries. Total spend was \$340 million, which included \$27 million provincial and \$313 million recovered federally.
4. Includes direct transfers to Community Living British Columbia (CLBC) and the Ministry's program 'Services to Adults with Developmental Disabilities' (\$3.5 million).
5. Capital expenditures to support the Employment Program of BC renewal were re-profiled to 2018/19 and 2019/20.

## **Appendix A: Ministry Contact Information and Hyperlinks**

General information about the Ministry's services can be found at the [Ministry of Social Development and Poverty Reduction website](#), and is available by telephone at 1-866-866-0800 from 9am to 4pm Monday to Friday.

### **Employment and Income Assistance**

The Ministry has 84 locations around the province that offer in-person client services including 47 ministry offices and 37 Service BC locations. These offices offer services during regular business hours. Information about offices that provide service in the communities throughout British Columbia can be found on-line [here](#).

Income Assistance Services can also be accessed on-line at [My Self Serve](#).

The ministry has partnered with Service BC in rural communities. Service BC Integration and modernization now means that SDPR clients have access to ministry services at 37 Service BC locations. Services have been expanded in 18 of those communities which now provide the same point-of-contact services as our SDPR offices.

In addition, Service BC also refers members of the public to appropriate ministry offices and will transfer calls and forward e-mails free of charge. Service BC offices offer services during regular business hours 7.30am to 5pm Monday to Friday.

Information about Service BC is available on-line [here](#), or by telephone from anywhere in B.C. at 1 800 663-7867 or Telephone Device for the Deaf (TDD) at 1 800 661-8773.

For people living with a disability in B.C., information about programs and services for people with disabilities is available [here](#).

### **Employment and Labour Market Services**

Employment programs and services are primarily delivered by contracted service providers through 84 WorkBC Employment Services Centres (ESCs) throughout BC, ensuring that British Columbians have access to employment services and supports, wherever they live in the province.

WorkBC ESCs assist British Columbians in accessing a range of services and supports to help achieve sustainable employment. Services and supports are customized to each individual's needs in order to increase their labour market participation or community attachment.

For more information on services and supports provided for a specific community, go to the WorkBC Website – [WorkBC Centres](#).

## **Appendix B: List of Crowns, Agencies, Boards and Commissions**

The Ministry is responsible for Community Living BC (CLBC), a provincial Crown agency that delivers supports and services to adults with developmental disabilities and their families in the province, providing oversight on the agencies operational and financial accountability frameworks. Information on CLBC programs and services can be found [here](#).