

**Ministry of
Social Development
and Poverty Reduction**

**2020/21
Annual Service Plan Report**



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Published by the Ministry of Social Development and Poverty Reduction.

Minister's Accountability Statement



The *Ministry of Social Development and Poverty Reduction 2020/21 Annual Service Plan Report* compares the Ministry's actual results to the expected results identified in the *2020/21 – 2022/23 Service Plan* created in February 2020. I am accountable for those results as reported.

A handwritten signature in black ink, which appears to read "N. Simons". The signature is written in a cursive, flowing style.

Honourable Nicholas Simons
Minister of Social Development and Poverty Reduction
August 9, 2021

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Letter from the Minister

As the Minister of Social Development and Poverty Reduction, I am pleased to present the *Ministry of Social Development and Poverty Reduction 2020/21 Annual Service Plan Report*, which summarizes our work and highlights achievements from April 1, 2020 to March 31, 2021.

The past 18 months have challenged the people of British Columbia like no other, and in many ways the people most affected were also our most vulnerable. The pandemic impacted housing, food security, and access to supports. It also made clear the inequities that remain for too many in our society.

The Ministry quickly pivoted to address immediate challenges by implementing a monthly crisis supplement in 2020, followed by a recovery supplement in 2021, for Ministry clients who were ineligible for the Canada Emergency Response and Canada Recovery Benefits. B.C. was the only province to fully exempt the emergency federal support programs to ensure people receiving income assistance or disability assistance got the full benefit of that support. Additionally, Ministry staff worked closely with Ministry of Finance staff to ensure that people who were receiving income or disability assistance automatically received the BC Recovery Benefit.

To provide stability for people and families, we announced the largest-ever permanent increase to income assistance and disability assistance rates, effective April 2021. This increase in rates was the third since July 2017, putting B.C.'s income and disability assistance rates among the highest in the country. At the same time, the Senior's Supplement was increased for the first time since 1987, benefitting up to 80,000 low-income seniors.

Our work continues to be guided by [TogetherBC](#), B.C.'s poverty reduction strategy. While the impact of the pandemic on poverty rates is not yet fully understood, as part of the Ministry's mandates of poverty reduction and reconciliation, we introduced the First Nations Well Being Fund, a \$2.7 million investment directed at First Nations to promote well-being, improve quality of life for community members, and find solutions to poverty in their communities.

In order to ensure B.C.'s economic recovery is inclusive, we invested \$10 million in employment services for people with developmental disabilities and invested \$5.5 million in the Work Experience Opportunity Grant. The Work Experience Opportunity Grant is helping organizations provide work experience opportunities to people with disabilities, Indigenous people and people facing multiple barriers to employment.

We are also making significant progress toward a more accessible and inclusive province with the introduction and passing of the *Accessible British Columbia Act*. This act allows government to establish accessibility standards and identify, remove, and prevent barriers to accessibility and inclusion. The Parliamentary Secretary for Accessibility will work to ensure the act is well understood and is effective.

The appointment of a Parliamentary Secretary for Community Development and Non-Profits – a role unique in Canada – created a new area of focus for the Ministry and our government; it signals the importance of the non-profit sector as we recover from the pandemic.

We're committed to making life better for all British Columbians and will continue to work across government to ensure that those most in need have support and access to the services they need.

A handwritten signature in black ink, appearing to read "N. Simons".

Honourable Nicholas Simons
Minister of Social Development and Poverty Reduction
August 9, 2021

Purpose of the Annual Service Plan Report

The Annual Service Plan Report is designed to meet the requirements of the [Budget Transparency and Accountability Act](#) (BTAA), which sets out the legislative framework for planning, reporting and accountability for Government organizations. Under the BTAA, the Minister is required to report on the actual results of the Ministry's performance related to the forecasted targets documented in the previous year's Service Plan.

Purpose of the Ministry

The Ministry of Social Development and Poverty Reduction ([SDPR](#)) focuses on reducing poverty, creating opportunities and increasing inclusion. The purpose of the Ministry is to provide strategic leadership and quality services that empower British Columbians in need to share in the Province's prosperity, so that everyone has the opportunity to participate fully in their community and to reach their full potential.

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

- Leading development and implementation of a cross-government, province-wide poverty-reduction strategy - [TogetherBC: BC's Poverty Reduction Strategy](#);
- Supporting the work of the Attorney General and Minister responsible for Housing and other government initiatives to address the needs of people experiencing homelessness in British Columbia;
- Leading development and implementation of cross-government, province-wide accessibility legislation to identify and remove barriers and prevent the creation of new barriers for people with disabilities;
- Providing income, disability, and supplemental assistance for people in need;
- Providing an integrated system of employment programs, services and supports to all British Columbians through [WorkBC](#);
- Working with community, business, and government partners to increase accessibility, employment, independence, and inclusion for individuals with disabilities;
- Leading collaborative engagement through the [Social Services Sector Roundtable](#) to help strengthen the important community social services that people count on every day; and
- Through [Community Living BC](#), supporting community living services for adults with developmental disabilities and their families.

Strategic Direction

The strategic direction set by Government in 2017, and expanded upon in Minister Shane Simpson's 2017 [Mandate Letter](#) shaped the goals, objectives, performance measures and

financial plan outlined in the [2020/21 Ministry of Social Development and Poverty Reduction Service Plan](#) and the actual results reported on in this annual report.

The global pandemic resulted in many shifts in priorities, structures, and operations across the public sector. Any changes to Ministry of Social Development and Poverty Reduction goals, objectives, performance measures or financial plan to align with the strategic direction established by Government in late 2020 are presented in the 2021/22 Service Plan.

Operating Environment

With 522,000 British Columbians living in poverty according to the Market Basket Measure¹, BC currently has the sixth highest poverty rate in the country. This number includes 60,000 children in low-income families and about 54,000 seniors.

The Ministry continued with service delivery improvements to provide consistent and responsive services and updated its [public service commitment and service standards](#), ensuring clients are served as quickly and efficiently as possible, through all service channels. The Office of Homelessness Coordination (OHC) was formed at SDPR to work across government and with external partners for a coordinated approach in preventing and responding to homelessness. This program was transferred to the Ministry of Attorney General on November 26, 2020.

The Ministry offered employment services and supports for unemployed or precariously employed British Columbians to help them achieve sustainable employment. Serving over 82,000 people annually, WorkBC Employment Services offered programs ranging from customized supports for people with disabilities to funding for communities and organizations to increase employment and work experience. WorkBC Employment Services were delivered through 102 WorkBC Centres, as well as a strong online presence, to provide services that can be accessed from anywhere in the province and flexibility for clients to choose what works best for them. The Ministry supports CLBC in its initiatives and partnerships to increase community inclusion, accessibility, employment opportunities and services for persons with developmental disabilities.

Demographics and Economy

BC Employment and Assistance (BCEA) program caseloads are affected by demographic and economic factors. The income assistance caseload is very sensitive to the state of the labour market and increased quickly at the start of the pandemic. However, federal income support programs implemented in 2020 to support Canadians impacted by the pandemic, such as the Canada Emergency Response Benefit and the Canada Recovery Benefit, reduced the caseload growth rate. In 2020/21, the income assistance caseload increased by 3.1 per cent, down from a 5.5 per cent increase the previous year.

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. The pandemic had a small impact on the disability assistance caseload as pandemic-related federal

¹ 2019 Markey Basket Measure. Statistics Canada. [Table 11-10-0135-01 Low income statistics by age, sex and economic family type](#)

support benefits were exempt for existing disability assistance clients. The disability assistance caseload increased by 3.8 per cent in 2020/21.

British Columbia's economy declined in 2020, as the negative impacts from the COVID-19 pandemic pushed economies all over the world into deep recessions. B.C.'s real GDP contraction of 3.8 per cent was the fourth smallest among provinces (behind Prince Edward Island, Nova Scotia, and New Brunswick). The decline in B.C.'s real GDP was almost entirely driven by service-producing industries, while goods-producing industries had modest declines. Output in the arts, entertainment and recreation, accommodation and food services and transportation were some of the main drivers of the decrease in the service sector. In B.C.'s goods producing sector declines in manufacturing and natural resources were partially offset by increases in the construction sector. Employment in BC decreased by 6.6 per cent in 2020. However, wages and salaries remained relatively stable compared to 2019 as low wage workers accounted for the majority of job losses. Retail trade increased by 1.3 per cent in 2020, while consumer prices increased by 0.8 per cent. Residential construction activity slowed but remained relatively strong, with housing starts declining in 2020 after experiencing all-time highs in 2019. In contrast, after declining for three consecutive years home sales reached record levels in late 2020. On the external front, global international trade experienced significant disruptions as the pandemic unfolded. B.C.'s international merchandise exports contracted in 2020 reflecting a combination of weaker global demand and lower commodity prices.

Report on Performance: Goals, Objectives, Measures and Targets

Goal 1: Reduce Poverty in British Columbia

Objective 1.1: Implement the cross-government, province-wide Poverty Reduction Strategy

Key Highlights

- The BC Child Opportunity Benefit was implemented in October 2020, providing families with up to \$1,600 per year for the first child, \$1,000 for the second child, and \$800 for each additional child under the age of 18.
- The Ministry provided temporary income supports to income and disability assistance clients and low-income seniors to help them meet the additional costs arising from the pandemic.
- The Ministry exempted all pandemic-related federal income support benefits from the determination of eligibility and assistance amounts for income and disability assistance clients
- The minimum wage was increased to \$14.60 from \$13.85 on June 1, 2020.
- The Province provided two one-time benefits to support British Columbians through the pandemic: the BC Emergency Benefit for Workers provided a tax-free \$1,000 payment to BC residents, excluding Ministry clients, whose ability to work was affected due to the pandemic and the BC Recovery Benefit provided a tax-free payment of up to \$1,000 for eligible families and single parents and up to \$500 for eligible individuals.

| Performance Measure(s) | 2016 Baseline | 2019 Actuals | 2020-2024 Target |
|--------------------------------------|---------------|--------------|------------------|
| 1.1a Total Poverty Rate ¹ | 15.3% | 10.8% | 11.5% |
| 1.1b Child Poverty Rate ¹ | 17.0% | 7.2% | 8.5% |

Data source: Statistics Canada. [Table 11-10-0135-01 Low income statistics by age, sex, and economic family type.](#)

¹The legislated targets are based on calendar years (not fiscal years) and reflect a 25% reduction for overall poverty and a 50% reduction in child poverty from 2016 data. The most recent federal data released in March 2021 provides low income statistics for 2019.

Discussion of Results

British Columbia has met both poverty reduction targets ahead of 2024 but must now work to maintain this progress in response to the pandemic. The province will not receive information on how the pandemic and federal and provincial income supports provided in response to the COVID-19 pandemic have impacted poverty statistics until March 2022. BC's Child Opportunity Benefit was implemented in October 2020 so the province will not see the full impact until 2021 data released in 2023.

The province's post-pandemic economic recovery strategy seeks to benefit all British Columbians, including those who work in sectors severely impacted by the COVID-19 pandemic and who are often living in low-income.

Goal 2: British Columbians in need have services, supports and opportunities that make life better

Objective 2.1: Deliver reliable, responsive, consistent, accessible, and secure income and disability assistance services

Delivering modern and consistent service with a focus on reliability, responsiveness, and relationship building has been a key priority. The Ministry continues to expand and improve online self-service options which increases accessibility of services for clients regardless of their location in British Columbia. The Ministry increased safety measures and implemented additional strategies to support responsive services for our clients during the pandemic.

Key Highlights

- Implemented temporary program measures to support staff and clients in response to the pandemic, including a temporary monthly crisis supplement in 2020, followed by a recovery supplement in 2021.
- Rolled out the Queue Management System to all Community Services offices to support in-person service delivery and enhance point of contact services.
- Extended the cut-off date for submitting monthly reports in My Self Serve.
- Improved accessibility of disability applications by temporarily providing electronic versions online for health professionals.
- Provided comprehensive training on Administrative Fairness, Discretionary Decision-Making, and the Decision-Making Model to front-line staff.

| Performance Measure(s) | 2019/20 Actuals | 2020/21 Target | 2020/21 Actuals | 2021/22 Target ¹ | 2022/23 Target ¹ |
|---|-----------------|----------------|-----------------|-----------------------------|-----------------------------|
| 2.1 Number of clients using My Self-Serve | 87,109 | 96,000 | 97,543 | 99,000 | 101,000 |

Data source: Service Delivery Division, Ministry of Social Development and Poverty Reduction.

¹ The targets for 2021/22 and 2022/23 were adjusted (increased) in the [2021/22 Service Plan](#).

Discussion of Results

This performance measure reflects the percentage of Ministry clients using online services. An increase to this number means that more clients are accessing income assistance services by the most flexible and efficient means available.

The target for 2020/21 has been achieved, and there has been a steady increase of clients leveraging this service since its implementation in fall of 2014. The Ministry's response to the pandemic included additional promotion of using My Self Serve to further support physical distancing and ensure the health and safety of clients and Ministry employees.

Objective 2.2: WorkBC Employment Services clients achieve employment

Key Highlights

- WorkBC Employment Services moved to a virtual service delivery model due to the pandemic. Over 82,000 clients received services virtually or in-person by appointment when virtual services were not suitable or possible. This included personalized case management services to more than: 14,700 clients with disabilities, 7,300 Indigenous clients, and 19,000 immigrant clients.
- As part of the [StrongerBC](#) economic recovery plan, [Work Experience Opportunity Grants](#) (WEOG) were made available for eligible organizations to provide 12-week work experience opportunities for vulnerable individuals impacted by the pandemic. \$5.5 million in grants were issued in 2020/21 to support just over 1,100 participants.
- In response to the rapidly changing labour market and to support recovery efforts, the Ministry committed over \$25 million to fund 141 projects that create work experience and training opportunities to prepare job seekers for available jobs and support an inclusive economic recovery in BC communities.
- WorkBC Apprentice Services and WorkBC Assistive Technology Services supported over 13,000 apprentices to complete classroom apprenticeship training and provided almost \$2.4 million for assistive technology for over 550 individuals with disabilities to overcome work-related barriers and thrive in the workplace.

| Performance Measure(s) ³ | 2018/19 Baseline | 2019/20 Actuals | 2020/21 Target | 2020/21 Actuals | 2021/22 Target | 2022/23 Target |
|--|------------------|-----------------|----------------|-----------------|----------------|----------------|
| 2.2 The number of clients ¹ who achieve employment ² | 24,400 | 18,000 | 27,800 | 12,900 | 28,300 | 28,300 |

Data source: Employment and Labour Market Services Division, Ministry of Social Development and Poverty Reduction.

¹ Clients are self-serve and case managed participants who received WorkBC services and/or supports.

² Employment is defined as when a client attains a full-time job (30 or more hours/week) or a part-time job (when part-time employment is desired; less than 30 hours/week), or self-employment (business is implemented and considered optional), after receiving WorkBC services and/or supports.

³ The performance measure was updated in the [2021/22 Service Plan](#) to include self-serve clients as well as case managed clients because many new Employment Insurance clients are expected to be employment-ready after the pandemic. New and existing WorkBC services can help these clients become re-employed without case management.

Discussion of Results

The results for 2020/21 did not meet the target, as the number of clients employed was lower than anticipated as a result of the pandemic. Fewer people have been seeking employment services and supports due to health and safety concerns as well as the availability of federal and provincial income supports. The availability of federal benefits such as the Canada Recovery Benefit contributed to the ability of individuals to delay seeking re-entry into the labour market during the pandemic. It has also been harder for clients to achieve employment, within industries such as retail, construction, food services and hospitality, as these industries needed to reduce capacity in adherence with public health restrictions.

Goal 3: Individuals with disabilities live, work and participate in their communities on an equal basis with all British Columbians

Objective 3.1: Support a comprehensive and integrated system of supports and services for individuals with disabilities

Key Highlights

- Increased the annualized earnings exemption maximum amounts in January 2021. For a single person with the Persons with Disabilities designation, the maximum amount of exempted income increased from \$12,000 to \$15,000, and for a family with two adults with the Persons with Disabilities designation, the maximum amount of exempted income increased from \$24,000 to \$30,000.

| Performance Measure(s) | 2018/19 Baseline | 2019/20 Actuals | 2020/21 Target | 2020/21 Actuals | 2021/22 Target ² | 2022/23 Target |
|--|------------------|-----------------|----------------|-----------------|-----------------------------|----------------|
| 3.1 Total amount of earnings exemptions reported by Persons with Disabilities cases ¹ | \$135 million | \$149 million | \$153 million | \$129 million | \$160 million | \$168 million |

Data source: Research Branch, Ministry of Social Development and Poverty Reduction.

¹The impact of the pandemic on the labour market has reduced PWD earnings and has lowered the actuals for 2020/21.

²The target for 2021/22 was adjusted (lowered) in the 2021/22 Service Plan.

Discussion of Results

The results for 2020/21 did not meet the target. The COVID-19 pandemic significantly impacted the employment of disability assistance clients, causing the actual amount of earned income to be lower than predicted. Service industry jobs that disability assistance clients often work in, such as accommodation and food services, were hit especially hard by the pandemic. Also, the increased risk for a serious outcome from COVID-19, as well as reduced transportation options early in the pandemic, resulted in many disability assistance clients having to cut back on their work effort.

Government worked hard to ensure that the post-pandemic economic recovery benefits support all British Columbians, including people in receipt of income and disability assistance. Additional employment programming funding has been targeted to help disability assistance clients impacted by the pandemic find employment. This includes grants to help employers make their businesses more [inclusive](#), funding to support individuals who are dealing with a mental or physical health impairment to safely [return to work](#) and [funds](#) to supplement CLBC-funded employment support services to assist people with disabilities who lost their jobs during the COVID-19 pandemic.

Financial Report

Discussion of Results

For 2020/21, 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 \$3.23 billion in 2020/21, including the \$300 temporary monthly COVID-19 Crisis Supplement from April through December 2020 and the \$150 temporary monthly BC Recovery Supplement from January through March 2021. The Ministry's Income Assistance budget included the following four categories:

- \$600 million for Temporary Assistance.
- \$1.9 billion for Disability Assistance.
- \$568 million for supplementary assistance which includes supplements for low income seniors, medical supplies and equipment, and dental and optical care.
- \$155 million for program management (front-line staff).

Funding for Employment Programs is mostly provided by the federal government through the Labour Market Development Agreement. Federal contributions in 2020/21 totaled \$292 million while the Province spent \$28 million for employment programs and services.

Funding of over \$1.2 billion was provided for services to adults with developmental disabilities, delivered through the Ministry's service delivery crown agency, Community Living BC.

In line with government's goal of prudent fiscal management, expenditures for Executive and Support Services were limited to \$11 million.

Financial Summary

| | Estimated | Other Authorizations ¹ | Total Estimated | Actual | Variance |
|---|------------------|-----------------------------------|------------------|------------------|---------------|
| Operating Expenses (\$000) | | | | | |
| Income Assistance ² | 2,501,257 | 722,160 | 3,223,417 | 3,225,683 | 2,266 |
| Employment ³ | 29,169 | 0 | 29,169 | 27,698 | -1,471 |
| Community Living Services ⁴ | 1,139,699 | 76,989 | 1,216,688 | 1,216,688 | 0 |
| Employment and Assistance Appeal Tribunal | 1,837 | 0 | 1,837 | 1,184 | -653 |
| Executive and Support Services | 10,858 | 0 | 10,858 | 10,759 | -99 |
| Sub-total | 3,682,820 | 799,149 | 4,481,969 | 4,482,012 | 44 |
| Adjustment of Prior Year Accrual ⁵ | 0 | 0 | 0 | -756 | -756 |
| Total | 3,682,820 | 799,149 | 4,481,969 | 4,481,256 | -713 |
| Ministry Capital Expenditures (\$000) | | | | | |
| Executive and Support Services⁶ | 1,449 | 0 | 1,449 | 354 | -1,095 |
| Total | 1,449 | 0 | 1,449 | 354 | -1,095 |

¹“Other Authorizations” include Supplementary Estimates, Statutory Appropriations and Contingencies. Amounts in this column are not related to the “estimated amount” under sections 5(1) and 6(1) of the *Balanced Budget and Ministerial Accountability Act* for ministerial accountability for operating expenses under the Act.

²Included in total spend of \$3.23 billion on Income Assistance is approved access to \$721.5 million from Contingencies: Pandemic Response and Economic Recovery.

³Reflects WorkBC costs, net of recoveries from the federal government. Total spend in 2020/21 was \$320 million, which included \$28 million in provincial spending and \$292 million recovered from the federal government.

⁴Direct transfers to Community Living British Columbia (CLBC). Included in total spend of \$1.2 billion is approved access to \$33.3 million from Contingencies: Pandemic Response and Economic Recovery.

⁵The Adjustment of Prior Year Accrual of \$0.756 million is a reversal of accruals in the previous year.

⁶Capital expenditures represent replacement of vehicles. The capital budget to support WorkBC was re-profiled to future years.

Appendix A: Agencies, Boards, Commissions and Tribunals

As of August 9, 2021, the Minister of Social Development and Poverty Reduction is responsible and accountable for the following:

- Community Living BC
- Employment and Assistance Appeal Tribunal
- Poverty Reduction Advisory Committee