

**Ministry of
Social Development
and Poverty Reduction**

**2021/22
Annual Service Plan Report**



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Minister's Accountability Statement



The *Ministry of Social Development and Poverty Reduction 2021/22 Annual Service Plan Report* compares the Ministry's actual results to the expected results identified in the *2021/22 – 2023/24 Service Plan* created in April 2021. I am accountable for those results as reported.

A handwritten signature in dark ink, appearing to read 'N. Simons'. The signature is written in a cursive, flowing style.

Honourable Nicholas Simons
Minister of Social Development and Poverty Reduction
July 29, 2022

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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 2021/22 Annual Service Plan Report, which summarizes our work and highlights achievements from April 1, 2021 to March 31, 2022.

During this reporting period, people in B.C. continued to struggle with the dual health pandemics of COVID-19 and the opioid crisis. In addition, unprecedented disasters, including raging wildfires and the atmospheric rivers affected people's lives in every corner of B.C. We have also been deeply affected and motivated by the devastating findings at former residential school sites and the mounting imperative of reconciliation.

Throughout, we have been – and will continue to be – steadfast in our commitment to the people of B.C., advancing inclusive and accessible services, supports, and opportunities that we and our families need now and into the future.

During 2021/22, I was particularly proud of implementing the largest-ever permanent increase in income assistance and disability assistance rates. Effective April 1, 2021, we increased rates by \$175 per month, and increased the senior's supplement by \$50 per month – the first ever increase since the senior's supplement was introduced in 1987.

In 2021, we also introduced and passed the *Accessible British Columbia Act*, B.C.'s first-ever accessibility legislation and have made steady progress on implementation, appointing the inaugural members of the Provincial Accessibility Committee.

We were also able to run another intake of the WorkBC Work Experience Opportunities Grant, providing a workforce for non-profit organizations and employment experience for people who were receiving income or disability assistance. The new WorkBC app also provides another tool to help people navigate B.C.'s labour market with support from one of 102 WorkBC Centres around the province.

Recognizing the disproportionate impact COVID-19 had on the non-profit sector, we were able to set aside \$30 million from 2021/22 year-end funding for the Non-Profit Recovery and Resiliency Fund. The fund received an additional \$4 million from Vancouver Foundation and applications launched in July.

Each day my ministry works to support people in need. I appreciate the hard work of all ministry staff in helping to build a better, more inclusive and accessible B.C. for all.



Honourable Nicholas Simons
Minister of Social Development and Poverty Reduction
July 29, 2022

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 five pieces of legislation: the [Employment and Assistance Act](#), the [Employment and Assistance for Persons with Disabilities Act](#), the [Poverty Reduction Strategy Act](#), the [Accessible British Columbia 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 [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;
- Providing income, disability, and supplemental assistance for people in need;
- Leading work to increase food security for all British Columbians;
- Creating a multi-sector Period Poverty Task Force to develop a long-term response to period poverty in B.C.;
- Providing an integrated system of employment programs, services and supports to all British Columbians through [WorkBC](#);
- Leading implementation of the *Accessible British Columbia Act* which establishes a legal framework to identify, remove and prevent barriers for people with disabilities;
- Working with community, business, and government partners to increase accessibility, employment, independence and inclusion for individuals with disabilities;
- Working to advocate for the charitable and the non-profit sector and ensure that it is engaged and supported through the COVID-19 pandemic and into recovery;
- 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](#), continue working on the [Re-Imagining Community Inclusion Initiative](#) to improve services for adults with developmental disabilities and their families.

Strategic Direction

The strategic direction set by Government in 2020, Minister Nicholas Simons' [2020 Mandate Letter](#), and government's coordinated response to the COVID-19 pandemic shaped the goals, objectives, performance measures and financial plan outlined in the [2021/22 Ministry of Social Development and Poverty Reduction Service Plan](#) and the actual results reported on in this annual report.

Operating Environment

The ministry provided income and disability assistance to an average of 213,000 people each month in 2021/22, including 42,000 dependent children and 118,000 people with the Persons with Disabilities designation.

Poverty statistics for 2020 showed that government supports and the strengthening of the economy near the end of the year were able to reduce the number of people living in poverty by 214,000 from 2019, including moving 19,000 children out of poverty. With 382,000 British Columbians living in poverty according to the Market Basket Measure,¹ B.C. currently has the second highest poverty rate (tied with two other provinces) in the country and the third lowest for child poverty. This number includes 43,000 children in low-income families and 36,000 seniors.

While the COVID-19 pandemic continued to impact the economy in 2021/22, federal income supports minimized the need for additional income assistance supports.

Inflation began to see substantial growth in 2021/22 as prices rose by 2.8% from 2020/21. By March 2021, the annual rate of inflation reached 6%, the first time it had been that high since April 1991. High inflation may pose additional challenges for income and disability clients who often do not have the flexibility to change their purchasing patterns or use savings to offset price increases.

The ministry responded to extreme weather and emergency events (e.g. heat dome, wildfires, flooding and extreme weather) by ensuring clients continued to receive their monthly payments. In person ministry offices remained open where possible, while the online and telephone service options saw an increase in use. The ministry worked with communities in coordinating resources for clients to access as needed during the extreme weather or emergency events.

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, but because of federal income support programs implemented to support Canadians impacted by the pandemic the caseload growth rate was low, only starting to rise in October when many of the federal benefits ended. In 2021/22 the income assistance caseload increased by 0.5 per cent, down from a 3.1 per cent increase the previous year.

¹ Statistics Canada Table 11-10-0135-01 Low-income statistics by age, sex and economic family type.

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 growing population. The disability assistance caseload increased by 1.5 per cent in 2021/22 compared to a 3.8 per cent increase the previous year. This was the lowest growth rate since 1988/89.

British Columbia's economic recovery strengthened in 2021. B.C.'s real GDP growth of 6.2 per cent was the second highest among provinces (behind Prince Edward Island), following a contraction of 3.4 per cent in 2020. Growth in B.C.'s real GDP was mostly driven by service-producing industries such as real estate, rental and leasing, healthcare and social assistance, and professional, scientific, and technical services. Goods-producing industries also experienced growth with gains in most sectors, led by mining, quarrying and oil and gas extraction. While B.C.'s recovery broadened in 2021, it remained uneven as sectors such as accommodation and food services, and arts, entertainment and recreation have yet to fully recover to pre-pandemic levels. B.C.'s labour market strengthened in 2021, with employment growth of 6.6 per cent while wages and salaries increased by 11.3 per cent. Consumer spending on goods remained at elevated levels and nominal retail sales posted overall growth of 12.6 per cent. Meanwhile, inflation grew throughout the year and increased by 2.8 per cent on an annual basis, largely due to supply-chain disruptions, resilient demand for goods and services, and high energy prices. Residential construction activity reached a record high in 2021, with housing starts increasing by 25.6 per cent. At the same time, home sales also reached a record high in 2021 while the average home sale price saw double-digit increases. On the external front, B.C.'s international merchandise exports grew by 36.0 per cent, reflecting a combination of the recovery in global demand and higher commodity prices amid impacts from the B.C. floods and landslides in November 2021.

Report on Performance: Goals, Objectives, Measures and Targets

Goal 1: Reduce Poverty in British Columbia

Objective 1: Implement the cross-government, province-wide Poverty-Reduction Strategy

Key Highlights

- A \$175 per adult increase in income and disability assistance rates was implemented April 1, 2021, the largest ever rate increase.
- The Senior's Supplement was increased by \$50 per recipient, the first time the rate has been increased since the program was introduced in 1987.
- The ministry increased the comforts allowance for people on income assistance living in special care facilities by \$20 to \$115 per month.
- The minimum wage was increased to \$15.20 from \$14.60 on June 1, 2021.

Performance Measure(s)	2016 Baseline	2019 - 2024 Target	2020 Actuals
1.1a Total Poverty Rate ¹	15.3%	10.8%	7.6%
1.1b Child Poverty Rate	17.0%	7.2%	5.0%

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

¹As a result of a delay in the reporting of poverty statistics and the time it takes for investments to impact poverty rates, there are no interim targets

Discussion of Results

The Province achieved both of its poverty reduction targets in 2019 through federal and provincial investments in children and families and supports to low-income workers. Despite the economic slowdown caused by the pandemic, poverty rates dropped significantly in British Columbia and across all provinces in 2020, the latest year for which data is available. This is largely the result of government COVID-19 relief supports, especially the federal Canada Emergency Response Benefit and Canada Recovery Benefits, which provided more money to British Columbians than was lost through reduced employment. The labour market showed significant strength in the latter part of the fiscal year which also helped to reduce poverty.

Inflation averaged 3.7% in 2021/22, its highest level since 1991/92. This put pressure on all British Columbians but especially low-income singles and families who often lack the ability to change spending patterns to adjust for rising prices. Rising prices will also make it hard for people to escape and remain out of poverty if their wages don't rise by the same amount. This will become an even greater challenge in 2022/23 if high inflation persists.

The ministry will be able to determine the impact of the elimination of federal benefits on the poverty rate when the 2022 poverty statistics are released by Statistics Canada in 2024.

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.

Key Highlights

- Updated the reporting tool that clients use to report their monthly income/changes to improve accuracy and ease of use for clients
- Expanded the options available for clients to submit their monthly reporting by adding a self-service telephone reporting.
- Improved accessibility of disability applications by permanently providing electronic versions online for health professionals.
- Established the Homelessness Supports Project Team to work cross government with other ministry partners to address the needs of people experiencing homelessness.

Performance Measure(s)	2019/20 Actual	2020/21 Actuals	2021/22 Target	2021/22 Actuals	2022/23 Target	2023/24 Target
2.1 Number of clients using My Self-Serve ¹	87,109	97,543	99,000	112,236	101,000	103,000

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

Discussion of Results

There has been a steady increase of clients using My Self Service since its implementation in 2014. To support clients in accessing ministry services during the pandemic, the ministry actively promoted the use of My Self Serve to further support physical distancing and ensure the health and safety of clients and ministry employees. The ministry exceeded the 2021/2022 Target as a result, and targets for future years will be adjusted.

Objective 2.2: WorkBC Employment Services clients achieve employment

Key Highlights

- WorkBC Employment Services served approximately 70,000 clients in 2021/22 virtually or in-person including personalized case management services to approximately 14,700 people with disabilities, 7,300 Indigenous clients and 19,000 immigrants.
- WorkBC expanded access to services including Personal Counselling for Employment Readiness and Skills Enhancement Services to enable access for all WorkBC clients assessed as requiring these services.
- Nearly \$4.2 million in Work Experience Opportunity Grants were made available for eligible organizations to create work experience opportunities for approximately 840 vulnerable individuals impacted by COVID-19.
- In response to the rapidly changing labour market and to support recovery efforts, the ministry committed nearly \$17.7 million to fund 95 projects that create work experience and training opportunities to prepare job seekers for available jobs and support an inclusive economic recovery in B.C. communities.
- WorkBC supported about 13,500 apprentices to complete classroom apprenticeship training and over 1,900 individuals with disabilities to overcome work-related barriers and thrive in the workplace using assistive technology.

Performance Measure(s)	2020/21 Baseline	2021/22 Target	2021/22 Actuals	2022/23 Target	2023/24 Target
2.2 Number of clients who achieve employment ¹	12,900	28,300	14,400	28,300	28,300

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

¹ Employment is defined as 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 operational), after WorkBC services and/or supports.

Discussion of Results

The target for this measure was not met due to ongoing challenges as a result of the COVID-19 pandemic, the need for ongoing provincial health measures, and the resulting impacts to the labour market. While overall employment in B.C. has recovered, high-contact service industries took longer to recover resulting in fewer jobs in lower skilled occupations. This is creating challenges for income assistance clients as almost 75% of new starting Expected-to-Work cases have high school or less as their highest level of educational attainment.

Many unemployed individuals have been out of the labour market for an extended period of time. This can lead to people needing more support and taking longer to acquire the necessary skills and experience to find new sustainable employment. In response, WorkBC adapted its strategies including expanding eligibility for services such as wage subsidy and skills enhancement.

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

- Passed the *Accessible British Columbia Act* which allows the provincial government to establish accessibility standards to make government and organizations more accessible and to remove barriers faced by people with disabilities.
- Provided [\\$4.8 million grant](#) to support employers to hire, rehire and retain people with disabilities for long-term successful employment.
- One-time funding to administer a return-to-work and disability management education program and support project over the next four years.
- Funding to help people with developmental disabilities who are eligible for Community Living BC services to get support to return to the workforce and increase their digital literacy.

Performance Measure(s)	2020/21 Baseline	2021/22 Target	2021/22 Actual	2022/23 Target	2023/24 Target
3.1 Total amount of earnings exemptions reported by Persons with Disabilities cases ¹	\$129 million	\$150 million	\$156 million	\$168 million	\$170 million

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

¹The impact of COVID-19 on the labour market reduced PWD earnings in 2021/21.

Discussion of Results

The strong economy in 2021/22 and the loosening of COVID-19 restrictions meant that the total amount of income earned and exempted increased by \$27 million compared to 2020/21 and exceed both the target of \$150 million and the pre-pandemic amount of \$149 million. Clients also benefitted from the increase in the annualized earnings exemption maximum amounts in January 2021.

Financial Report

Discussion of Results

For 2021/22, 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 \$3.0 billion in 2021/22. The ministry's Income Assistance budget included the following four categories:

- \$562 million for Temporary Assistance.
- \$1.8 billion for Disability Assistance.
- \$498 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 (including front-line staff).

Funding for Employment Programs is mostly provided by the federal government through the Labour Market Development Agreement. Federal contributions in 2021/22 totaled \$351 million, while the Province spent \$22 million for employment programs and services.

Funding of over \$1.3 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 \$12 million.

Financial Summary

	Estimated	Other Authorizations ¹	Total Estimated	Actual	Variance ²
Operating Expenses (\$000)					
Income Assistance	3,026,572	0,000	3,026,572	3,025,307	-1,265
Employment ³	29,169	0,000	29,169	22,168	-7,001
Community Living Services ⁴	1,290,394	0,000	1,290,394	1,292,394	2,000
Employment and Assistance Appeal Tribunal	1,849	0,000	1,849	1,405	-444
Executive and Support Services	11,817	0,000	11,817	11,958	141
Sub-total	4,359,801	0,000	4,359,801	4,353,232	-6,569
Adjustment of Prior Year Accrual	0,000	0,000	0,000	-4,056	-4,056
Total	4,359,801	0,000	4,359,801	4,349,176	-10,625
Ministry Capital Expenditures (\$000)					
Executive and Support Services⁵	2,313	0,000	2,313	0,000	-2,313
Total	2,313	0,000	2,313	0,000	-2,313

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.

² “Variance” represents “Actual” minus “Total Estimated”. If “Actual” is greater than “Total Estimated” the variance will be positive.

³ Reflects WorkBC costs, net of recoveries from the federal government. Total spent in 2021/22 was \$373 million, which included \$22 million in provincial spending and \$351 million recovered from the federal government.

⁴ \$2 million in grant funding paid out through Community Living BC in March 2022.

⁵ No vehicles were replaced in 2021/22. Vehicle budget and capital budget to support WorkBC was reprofiled to future years.

Appendix A: Agencies, Boards, Commissions and Tribunals

As of July 29, 2022, the Minister of Social Development and Poverty Reduction is responsible and accountable for the following:

[Community Living BC](#)

Community Living British Columbia (CLBC) is a Crown agency that provides supports and services to meet the disability-related needs of two groups of eligible individuals and their families in British Columbia:

- Adults with a diagnosis of developmental disability. Criteria include age of onset, intellectual functioning, and adaptive behavior; and
- Adults who have a diagnosis of fetal alcohol spectrum disorder or autism spectrum disorder (also known as pervasive developmental disorder) and significant limitations in adaptive functioning.

[Employment and Assistance Appeal Tribunal](#)

The Employment and Assistance Appeal Tribunal is an administrative tribunal established under the authority of the *Employment and Assistance Act* to provide clients with an efficient and transparent appeal process that is independent from the Ministry of Social Development and Poverty Reduction. The Tribunal hears appeals on decisions made by the Ministry of Social Development and Poverty Reduction to refuse, reduce or discontinue certain benefits or supplements. The Tribunal also hears appeals on decisions made by the Ministry of Children and Family Development to refuse, reduce or discontinue a subsidy under the Child Care Subsidy Act.