



Human Resources, Labour and Employment

Legislative Review of the
Income and Employment Support Act
and Regulations
SNL2002 1-0.1

**“A TIME FOR REFLECTION”
CONSULTATION BOOKLET**



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BACKGROUND

The *Social Assistance Act* (1977) was replaced with the *Income and Employment Support Act* (2004). This new legislation combined employment and income supports and was established to reflect the new approach of removing barriers to employment in the Income Support Program and developing proactive measures to assist individuals find and maintain employment.

Acknowledging that the legislation is only five years old, it may take many years to see the real results of the legislation. We are at a point in time however, where we can reflect on, and assess how far we have come in establishing this new approach.

The *Income and Employment Support Act* and Regulations can be viewed at:

<http://assembly.nl.ca/legislation/sr/statutes/i00-1.htm>

In the late 1990's, the mandate of the Department of Human Resources, Labour and Employment (HRLE) shifted to include active programs that help people enter or re-enter the labour market, as well as providing Income Support. Over the last number of years HRLE's mandate has expanded through the development of the Provincial Immigration Strategy, the Poverty Reduction Strategy, the Youth Retention and Attraction Strategy, and the establishment of the Disability Policy Office. In addition, HRLE has taken on a suite of programs formerly delivered by the Government of Canada, now renamed Newfoundland and Labrador Benefits and Measures, that are administered under a Labour Market Development Agreement. A Labour Market Agreement has also been signed to assist with the provision of employment and training supports, to those who are not eligible for Employment Insurance and for those affected in the economic downturn. However, these programs and services are not directed under the *Income and Employment Support Act* and Regulations; their authority rests in other areas of HRLE or have formal agreements with the Government of Canada.

CONSULTATION PROCESS

The legislation requires HRLE to conduct a review of the *Income and Employment Support Act* and Regulations every five years. As part of this review, HRLE is seeking your input on the current legislation, the progress that has been made over the past five years and changes that will be required for the future. HRLE will be accepting input from any interested individuals and groups during the process.

In addition, HRLE will meet via discussion groups with individuals and organizations who are affected by, or who are impacted by the delivery of services related to the legislation. Clients and key stakeholders will be invited to sessions throughout the province.

This consultation booklet provides information and questions which reflect the main elements of the legislation. The booklet is provided as a guide only; all input and comments are welcome. For additional copies of the consultation booklet please follow-up through one of the sources listed below. Alternate formats are available upon request.

To provide input :

Call: 1-866-883-6600

Visit: www.hrle.gov.nl.ca – click ‘features’ for a copy of the consultation booklet

Email: iesareview@gov.nl.ca

Send a written submission to: Ms. Alicia Sutton, IESA Legislative Review, Department of Human Resources, Labour and Employment, 3rd Floor West Block, Confederation Building, St. John's, NL, A1B 4J6

Fax: 709-729-5560

TTY: 1-888-729-5440

Submissions and input will be accepted from April 1 - May 16, 2011

DISCUSSION QUESTIONS

Section 1:

Planning for, Finding and Maintaining Employment

During the 2002 consultations leading to the development of the new Act and Regulations, residents identified a number of measures to assist people with preparing for, finding and maintaining employment. Some measures included:

- Educational and training supports (including assistance with literacy, adult basic education, post-secondary supports)
- Employment and career planning
- Additional supports to assist persons with disabilities prepare, access and keep employment

Since the legislation was introduced in 2004, HRLE has implemented a number of new employment and career services to support individuals in attaining and maintaining employment. These services are possible through government and community partnerships. Some initiatives include:

- **Career Work Centres:** a network of 14 centres have been opened in various locations throughout the province for individuals, employers and community-based organizations.
- **Employment development supports:** employment supports provided to individuals to help them implement their employment plans, including a placement-support allowance, transportation, short-term training, work supports and financial supports for assessment, counseling and testing services.
- **Self Employment Services:** a partnership with community agencies to assist individuals plan and start a business and receive continued benefits, if eligible.
- **Employment supports for persons with disabilities:** supports and services for persons with disabilities to attend post-secondary institutions and transition from school to work.
- **Work supports:** includes wage subsidies, training and on-the-job training supports e.g. NL Works.
- **Targeted Initiative for Older Workers:** an initiative providing support to unemployed older workers aged 55 to 64 years of age who are living in communities in Newfoundland and Labrador affected by significant Industry downsizing or closure(s) or experiencing high unemployment. The program aims to reintegrate them into employment or provide opportunities to obtain more experience to increase their skills and improve employment prospects.

Question 1:

Is the direction of the legislation correct?

Question 2:

What other changes or improvements should be considered for assisting individuals with finding and maintaining employment?

Section 2:**Reducing Barriers for People Receiving Income Support to Participate in Employment**

In the 2002 consultations, residents identified many barriers to employment for people receiving Income Support, including medical expenses, childcare, transportation, and earnings exemptions. These and other supports are now outlined in the regulations of the *Income and Employment Support Act*.

In order to encourage and assist clients to secure employment and to provide stable income support in an effective and efficient manner, a number of modifications and new initiatives have been introduced since the legislation was implemented in 2004. Some initiatives include:

- In July 2006, a Job Start Benefit was created. It provides an additional \$250 for recipients with dependents and \$125 for single persons to help with the additional expenses of starting a new job. The allowance can be provided once in a 12-month period when clients begin employment.
- Maximum private child care rates were increased from \$325 to \$400 for the first child and from \$125 to \$200 for each additional child in July 2007.
- To address the transition between income support and employment, effective July 2008, the policy provides for a full overlap of benefits for 30 days from the day the client begins work.
- In July 2008, the enhanced earnings exemptions increased from 10 per cent to 20 per cent beyond the current rates of \$75 per month for single persons and \$150 for families, to enable greater financial benefit from working.
- The same enhanced earnings exemptions apply to those with disabilities requiring supportive services; however, the base exemption is different, and in July 2008, this exemption increased from \$95 to \$150 per month for single individuals and from \$190 to \$250 for families.

Question 3:

What other changes or improvements could be made to remove barriers or disincentives to participate in employment for individuals receiving income support?

Section 3: Supporting People Who Receive Income Support

Prior to the new Act and Regulations, HRLE heard of concerns where some people are not able to work and it was felt that Income Support should still be provided.

To provide stable income support in an effective and efficient manner, a number of modifications and new initiatives have been introduced since the legislation was introduced in 2004. Some examples include:

- In July 2008, additional assistance was provided to income support recipients for special diet allowances, eye exams and eye glasses, as well as an overall 20 per cent increase in the rates for dentures and related services.
- Also in 2008, the differential rate provided to clients who were renting from relatives as opposed to non-relatives, was eliminated.
- The Cost Of Living Allowance (COLA) for residents maintaining their own home in coastal Labrador was expanded to include single individuals and couples without dependants.
- In 2005, the High School Incentive Allowance was introduced to support families receiving income support benefits with children 18 and over who are still in high school. Previously, these families lost their child benefits when the child turns 18. In 2008, the rates were increased again.

The Income Support caseload has mostly been decreasing over the last 20 years with fewer people being reliant on the program. In 1999, 11 per cent of the population was attached to Income Support as compared to 7.8 per cent in 2010. Individual and family benefits increased an average of 20 per cent from 1998-1999 to 2009-2010. In addition, a change made in 2006 to have the Income Support rate correspond with the Provincial Consumer Price Index for a 6 year period has contributed to 6.2 per cent of the previously identified 20 per cent.

Question 4:

Are there any specific groups of people that require unique income supports and services in our population? Please explain.

Question 5:

What further changes or improvements could be made to income and employment supports?

Section 4:

Delivering Income Support Services with Dignity

The Department has undertaken less intrusive and more dignified ways of delivering Income Support services to clients by switching to a telephone-based model.

In 2009, HRLE also initiated a review of the delivery of the Income Support Program which resulted in several solutions being developed such as: improving the response of the telephone system, providing citizens with email options and modifying verification requirements for those in rental accommodation. These delivery changes provide more options for clients to access services, which reduces stigma and increases self-reliance.

Some examples of improved services include:

- **Telephone service:** answering calls and responding to inquiries in a more timely manner, effectively directing clients to other service options, such as email, and delivering services in a client-friendly manner.
- **Income Support Application process:** reducing the time it takes to process an application, streamlining the application process, and reducing multiple calls from clients inquiring about the status of their application.
- **Medical Transportation:** a new process has been established where clients that require regularly scheduled medical transportation via a private vehicle can submit medical verifications and have the benefit attached to their cheques, while submitting verification of attendance on a regular basis.

HRLE has undertaken a number of pilot projects to test new service delivery approaches. One example includes:

- **Rental Pilot Project:** exploring a new approach where clients can call the HRLE office to provide verbal verification of a change in address and subsequently have 30 days to provide the written documentation, if moving.

The Department of Human Resources, Labour and Employment and others have also been working hard to communicate services to clients. In 2008, the Guide to Programs and Services was developed to increase awareness of existing programs for persons and families with low incomes.

Question 6:

Are individuals more informed and do they have more options available to them for accessing the services they need?

Section 5: Improving the Collection of Overpayments

The new legislation sets out specific directions for calculating and collecting overpayments. Overpayments are legitimate debts owed to the Crown and by law must be repaid by the recipient or former recipient, to the Crown, in a timely manner. To be accountable to the people of the province, HRLE must follow the legislation and work with clients, in a cooperative manner, to collect the overpayments.

The legislation provides direction on how HRLE should collect overpayments from recipients and former recipients of financial services. For recipients, this process involves notifying the individual in writing that an overpayment is due to the Crown. The legislation provides for a basic rate of recovery of 5 per cent while the individual receives Income Support assistance. For former clients, HRLE will determine a re-payment schedule that is mutually acceptable to HRLE and the client and is appropriate for that individual, given their current financial situation. If the debt is not paid, and the former client has an ability to pay, then additional measures can be implemented to collect the overpayment as outlined in the legislation. These methods range from third party demands, wage attachments and certificates of judgment.

Question 7:

What further changes could be made to improve the collection process?

Section 6: Supporting Employers and Community Based Organizations

In 2002, the consultation process identified the importance of delivering ‘seamless services’ to clients. Clients report confusion in navigating through all the services of government and the other agencies involved in service delivery. Referrals need to be coordinated, timely, and directed to the appropriate agencies. The new legislation provided a framework that recognized the importance of partnerships and coordinated approaches in serving individuals. The Poverty Reduction Strategy and the Disability Policy Office are examples of partnerships that exist across Government structures and with the community.

HRLE is working to strengthen partnerships with community agencies to deliver programs and with employers to assist in offering employment experience and training. A coordinated approach provides the best means to meet the career and employment needs of individuals.

A number of initiatives have been introduced and enhanced since 2004. Some examples include:

- Regional Managers of Community Partners were hired to strengthen the connection to and coordination of community employment services.
- HRLE increased investments in community-based employment services, including those types of services focused on assisting individuals experiencing unique employment barriers. Sample groups include youth, single parents, older workers, and persons with disabilities. These initiatives focus on providing a wide variety of supports to individuals including employment readiness, job search, employment placement, workplace literacy and skills training. Over 20 community-based agencies are funded to deliver employment preparation supports to HRLE clients, including employment readiness training, job search and employment placement supports, workplace literacy and skills training.
- HRLE increased funding for employers to support individuals in accessing employment opportunities including a variety of wage subsidies and training supports. A host of other supports and services for individuals on income support and others having difficulty accessing employment opportunities are also available.
- In addition, new community and business development partnership projects are supported. These projects link individuals experiencing difficulty in finding employment with businesses interested in developing employment opportunities in rural areas. Projects support individuals with academic upgrading, work place training and employment.
- HRLE continues to work with Employment Corporations through the Supported Employment Program which is aimed at helping individuals with developmental disabilities access employment opportunities. This model continues to be highlighted as a best practice in involving employers, government, community groups and families in connecting individuals and employers.
- Subsidies are provided to employers to hire and train individuals. These subsidies are for a set duration, with the employer contributing towards the cost of the salary.
- Grants are provided to community-based agencies to support persons with disabilities, including: Work Orientation and Rehabilitative Centres (WORC), Newfoundland Coordinating Council on Deafness, the Canadian Paraplegic Association and Independent Living Resource Centre.

Question 8:

Are there other initiatives, improvements or partnerships that should be considered as priority areas as government moves forward?

Section 7: Providing a Fair and Efficient Appeal Process

During public consultations in 2002, residents highlighted many issues related to the appeals process including the length of time, the intimidating nature of the process, the difficulty in accessing information about the appeal process, the composition of the Appeal Board and the limited amount of information that is available to inform clients of the process and their role in the process.

The *Income and Employment Support Act* outlines an appeal process for clients who wish to appeal a decision regarding Income Support and career and employment supports. This appeal process has been established to ensure that all persons who receive or request income and employment supports are treated in a fair and timely manner by HRLE.

The following is a summary of the various steps and timelines which are all outlined in the legislation: The process for appeal begins with a client requesting a Manager to review a decision. If there is no resolution, a written request (form) is required to initiate a formal Internal Review of the decision. If a resolution is still outstanding a client can make an application to an independent Appeal Board. The Appeal Board consists of members of the general public, with one member being a current or former recipient of income or employment supports.

The legislation requires that an application for an appeal be scheduled for a hearing within 30 days. In 2009-10, the average waiting period for a hearing by the Appeal Board was 18 calendar days. In addition, the number of applications received by the Appeal Board has dropped from 183 hearings in 2003-04 to 45 hearings in 2009-10.

Question 9:

Are clients able to use the appeals process in an effective manner? Are there areas for improvement?

CONCLUSION

When the consultation process is complete, a summary document will be available on the HRLE website and circulated to roundtable participants.

Questions for Consideration

Question 1:

Is the direction of the legislation correct?

Question 2:

What other changes or improvements should be considered for assisting individuals with finding and maintaining employment?

Question 3:

What other changes or improvements could be made to remove barriers or disincentives to participate in employment for individuals receiving income support?



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Question 8:

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Question 9:

Are clients able to use the appeals process in an effective manner? Are there areas for improvement?



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Notes:

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Notes:

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the 1990s, the number of people in the UK who are employed in the public sector has increased by 1.5 million, from 2.5 million in 1980 to 4 million in 1995. The public sector has also become an important employer of women, with 60% of public sector employees being women in 1995, compared with 50% in 1980. The public sector has also become an important employer of people with disabilities, with 10% of public sector employees being people with disabilities in 1995, compared with 5% in 1980.

The public sector has also become an important employer of people from ethnic minorities, with 10% of public sector employees being people from ethnic minorities in 1995, compared with 5% in 1980. The public sector has also become an important employer of people from the lower social classes, with 10% of public sector employees being people from the lower social classes in 1995, compared with 5% in 1980.

The public sector has also become an important employer of people with low qualifications, with 10% of public sector employees being people with low qualifications in 1995, compared with 5% in 1980. The public sector has also become an important employer of people with low income, with 10% of public sector employees being people with low income in 1995, compared with 5% in 1980.

The public sector has also become an important employer of people with low skills, with 10% of public sector employees being people with low skills in 1995, compared with 5% in 1980. The public sector has also become an important employer of people with low motivation, with 10% of public sector employees being people with low motivation in 1995, compared with 5% in 1980.

The public sector has also become an important employer of people with low commitment, with 10% of public sector employees being people with low commitment in 1995, compared with 5% in 1980. The public sector has also become an important employer of people with low loyalty, with 10% of public sector employees being people with low loyalty in 1995, compared with 5% in 1980.

The public sector has also become an important employer of people with low integrity, with 10% of public sector employees being people with low integrity in 1995, compared with 5% in 1980. The public sector has also become an important employer of people with low honesty, with 10% of public sector employees being people with low honesty in 1995, compared with 5% in 1980.

The public sector has also become an important employer of people with low respectfulness, with 10% of public sector employees being people with low respectfulness in 1995, compared with 5% in 1980. The public sector has also become an important employer of people with low politeness, with 10% of public sector employees being people with low politeness in 1995, compared with 5% in 1980.

The public sector has also become an important employer of people with low kindness, with 10% of public sector employees being people with low kindness in 1995, compared with 5% in 1980. The public sector has also become an important employer of people with low generosity, with 10% of public sector employees being people with low generosity in 1995, compared with 5% in 1980.

The public sector has also become an important employer of people with low compassion, with 10% of public sector employees being people with low compassion in 1995, compared with 5% in 1980. The public sector has also become an important employer of people with low empathy, with 10% of public sector employees being people with low empathy in 1995, compared with 5% in 1980.

The public sector has also become an important employer of people with low sympathy, with 10% of public sector employees being people with low sympathy in 1995, compared with 5% in 1980. The public sector has also become an important employer of people with low understanding, with 10% of public sector employees being people with low understanding in 1995, compared with 5% in 1980.

The public sector has also become an important employer of people with low tolerance, with 10% of public sector employees being people with low tolerance in 1995, compared with 5% in 1980. The public sector has also become an important employer of people with low patience, with 10% of public sector employees being people with low patience in 1995, compared with 5% in 1980.

The public sector has also become an important employer of people with low calmness, with 10% of public sector employees being people with low calmness in 1995, compared with 5% in 1980. The public sector has also become an important employer of people with low serenity, with 10% of public sector employees being people with low serenity in 1995, compared with 5% in 1980.

The public sector has also become an important employer of people with low peace of mind, with 10% of public sector employees being people with low peace of mind in 1995, compared with 5% in 1980. The public sector has also become an important employer of people with low happiness, with 10% of public sector employees being people with low happiness in 1995, compared with 5% in 1980.

The public sector has also become an important employer of people with low joy, with 10% of public sector employees being people with low joy in 1995, compared with 5% in 1980. The public sector has also become an important employer of people with low contentment, with 10% of public sector employees being people with low contentment in 1995, compared with 5% in 1980.

The public sector has also become an important employer of people with low satisfaction, with 10% of public sector employees being people with low satisfaction in 1995, compared with 5% in 1980. The public sector has also become an important employer of people with low fulfillment, with 10% of public sector employees being people with low fulfillment in 1995, compared with 5% in 1980.

