

IMPACT!

The effect of Nova Scotia's new income assistance system
on people who need assistance

November 2003

Community Advocates Network
In partnership with
Nova Scotia Association of Social Workers

Halifax, Nova Scotia

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EXECUTIVE SUMMARY

On August 1, 2001, Nova Scotia adopted new social assistance legislation: the *Employment Support and Income Assistance Act* (ESIA). The Community Advocates Network-- an alliance of people on assistance, their organizations, advocates and allies-- had worked since 1996 to have input into this new system and its members knew well the potential negative impact on people who need social assistance. Almost immediately following its implementation, Community Advocates began hearing about the problems with the new system. To determine the nature and extent of these problems, Community Advocates decided to do a study of the effects of the ESIA.

IMPACT: the Effect of Nova Scotia's New Social Assistance System on People who need Assistance is the result of this research. Because the Community Advocates Network is made up of community-based, not-for-profit social service agencies, churches, and consumer organizations that advocate for people on social assistance, the survey focused on these groups. After sending a short survey to all members of the Community Advocates Network, a detailed survey was developed based on the responses to the short survey. This detailed survey was administered to selected agencies and organizations so that a variety of perspectives and all parts of the province were covered. To test the findings against the experience of people on assistance, focus groups were held with recipients themselves once the detailed surveys had been completed and tabulated.

The new *Employment Support and Income Assistance Act* (ESIA) replaced Nova Scotia's outdated two tiered social assistance system where persons with disabilities and single parents received Family Benefits and persons able to work received Municipal Social Assistance. Family Benefits had more generous rates, a better work incentive formula and less coercive policies than municipal assistance. The ESIA system made two positive changes: first, special needs, previously available through Municipal Assistance, became more accessible to single parents and persons with disabilities; and secondly, the new ESIA rates are an increase over the previous municipal rates.

On the negative side, the organizations surveyed and the focus groups had five major issues with the new ESIA system.

Five Major Issues

Inadequate Assistance: First, ESIA does not provide enough assistance for daily necessities. Instead of matching the higher Family Benefits rates of the old two-tier system, ESIA rates are lower. As well, the new system left in place the \$225 shelter rate for single, employable people, which, when it was introduced in 1996, represented a 30% decrease from the previous \$350 rate. According to the respondents, inadequate assistance leads to housing difficulties and illness B both mental and physical when people cannot adequately feed, clothe or shelter themselves.

Employability not support: Secondly, ESIA is not about support for those in need. Rather, it is about work B getting people on social assistance into paid employment with no recognition of the work single parents do at home all day. ESIA shuts down the escape route of higher education, which was available to former Family Benefits recipients. Also, the work incentive formula allows people who are able to work to keep only 30% of the wages they earn with no exempt amount.

No Answers, No Consistency, No social work: Thirdly, the new system has worsened relations between caseworkers and people on assistance. Caseworkers have no time to provide social supports, information, direction or empathy to their clients. The new system is confusing and complicated and workers do not have the answers their clients need. ESIA is being applied inconsistently from worker to worker and office to office.

Lack of cultural sensitivity: Agencies and groups working with Aboriginal and First Nations people, with African Nova Scotians and with new comers all noted structural discrimination in the job market based on race as a significant issue. This reality cannot be ignored, especially in the context of an income assistance program that has a focus on employment and employment support. The concern is that the Department has no initiatives, policies or programs in place to address this significant barrier to employment.

Recommendations

1. Adequacy of Assistance The lack of money for basic needs was by far the most troubling aspect of the new system.

- 1.1 Increase basic food, clothing, personal care and shelter allowances to better reflect current costs.
- 1.2 Index assistance rates to the cost of living with an annual adjustment.
- 1.3 Add telephone to basic needs allowance.
- 1.4 Expand the scope of dental and eye care to include all regular and necessary services, not just emergency treatment.
- 1.5 Extend dental and vision care coverage to all adults and children on assistance
- 1.6 Put children back in social assistance budgets without clawing back the National Child Benefit.

2. Understanding of the Program Very limited information about the ESIA program is readily available to clients and the public. The program is complex and some aspects of the policy lack clarity.

- 2.1 Make user-friendly information about the ESIA program readily available to clients and the public through a variety of sources and formats.
- 2.2 Provide additional training to caseworkers and supervisors regarding application of policy in order to increase worker knowledge.

3. Consistency There is inconsistency in the application of the policy.

- 3.1 Provide additional direction and training to staff about application of the policy in order to increase fairness, consistency, and full access to entitlement.

4. Employment Support The ESIA program is primarily about getting social assistance recipients into paid employment - not support for those in need. Supports for clients to move into employment have improved in some ways and worsened in others.

- 4.1 Revamp the wage incentives to a more realistic support level.
- 4.2 Reintroduce a wage exemption provision.
- 4.3 Provide less restrictive training options to provide a better chance for recipients to

become fully self-sufficient. This should include reinstatement of continuing assistance while qualified recipients attend university.

- 4.4 Reinstatement the New Start program or some similar allowance.
- 4.5 Recognize that single parents provide a valuable social service by staying at home to raise their children and that employment in a low paying job may not be a feasible alternative.

5. Pharmacare and Special Needs Overall, Pharmacare and Special Needs coverage has improved, but many issues remain.

- 5.1 End the pharmacare co-pay for all persons with disabilities.
- 5.2 Make all special needs known and readily accessible to all persons who need assistance.
- 5.3 Provide reasonable supports for persons with disabilities to be active members of their communities.
- 5.4 Separate disability supports for living from employment supports.

6. Worker - Client Communication The ESIA is designed in such a way that it depends on considerable communication between worker and client. This has proven to be problematic.

- 6.1 Increase ESIA human resources with respect to adequate administration of the program.
- 6.2 Fill all vacant positions including casual and contract positions and take steps to ensure a more stable workforce.
- 6.3 Increase hours when caseworkers can be reached by telephone.

7. Worker-client relationships The relationship between workers and clients is seen to have deteriorated under the new program.

- 7.1 Provide increased guidance and training to workers with respect to maintaining client respect and dignity.
- 7.2 Provide guidance and training to workers with respect to racial and cultural diversity.

8. Needed Supports Many recipients of ESIA are in need of a range of supports both within the ESIA program and in the broader community. Adequate supports often are not readily available.

- 8.1 Policy recognition of the reality of systemic racism in the job market.
- 8.2 Expand client support programs particularly for groups facing special challenges - single parents, persons with disabilities, First Nation and Aboriginal peoples, African Nova Scotians and newcomers based on consultation with the people directly affected.
- 8.3 Work along with other government and community groups in improving access to a range of relevant services such as mental health services.
- 8.4 Immediate investment in social housing for people on assistance - in both urban and rural areas.

INTRODUCTION

The Community Advocates Network is a grassroots alliance of people on social assistance, their organizations, advocates, and allies. It was organized in 1996 when the government of Nova Scotia announced that changes were going to be made to the social assistance system. The Community Advocates Network has advocated in a variety of ways for full community participation in the decision-making process of social assistance reform. As well, it has submitted detailed briefs and responses to the government's proposals, and held workshops and information sessions across the province about the problems with the reforms proposed by the government.

The result of the reform process was the new *Employment Support and Income Assistance Act*, enacted in August 2001. Almost immediately members of the Community Advocates Network began hearing reports that people on social assistance were experiencing problems. To learn more about these problems it was decided that systematic research was needed to understand how the changes were affecting people.

This research has two purposes. First, to gather information from community based social service agencies and advocacy organizations across the province about the impact of the new social assistance system: what are the issues, the concerns, the parts of the system that are a problem, the parts that are an improvement. Secondly, to use this information in the continued efforts to change the social assistance system to one that is humane, respectful and meets the real requirements of people needing it.

The Community Advocates Network has a partner in this research and report: the Nova Scotia Association of Social Workers (NSASW), the professional association for social workers in this province.

RESEARCH METHOD

To systematically understand the impact of new Employment Support and Income Assistance Act on people in receipt of social assistance, a three-part research process was designed. A short survey and, then, a longer, detailed questionnaire were sent to community-based, not-for-profit social service agencies, churches and consumer organizations that advocate for people on social assistance. These groups were chosen because they have first-hand knowledge of the impact of the changes on the people they serve. The third part of the research was to obtain a more interactive perspective on the impact of the changes by holding focus groups.

To determine the questions to ask on a detailed questionnaire, a short survey was sent to members of the Community Advocates. For this first, short survey there were twenty-eight respondents. The responses to the shorter survey were the basis for the second, detailed questionnaire. Sixteen agencies or organizations from different parts of Nova Scotia completed the longer, detailed questionnaire. Those agencies or organizations were a cross section of community-based social services: transition houses, family advocacy centres, aboriginal and First Nations groups, multi-cultural organizations, housing services, groups for persons with disabilities, and health, social and legal services. The focus group was held at the Community Advocate Network's annual meeting in May 2003. The majority of people in each focus group

were those directly affected by social assistance reform. The forty focus group members responded to three questions from the second, detailed questionnaire.

No agency or individual is identified in this report in order to protect confidentiality. Since agencies provide advocacy support for people who need social assistance they must maintain a working relationship with the Department of Community Services. For individuals in receipt of social assistance, there was concern that being forthright might jeopardize their income. Protecting the identity of the agencies and individuals was a way to ensure open and honest feedback.

OVERVIEW OF NOVA SCOTIA'S SOCIAL ASSISTANCE SYSTEM

Nova Scotia was the last province in Canada to replace its two-tiered social assistance system with one program, *ESIA*, which was adopted on August 1, 2001. The two-tier system had been in place since 1958 when the *Poor Relief Act* was replaced with the *Social Assistance Act (SA Act)*. Part 1 of the *SA Act* established the provincial social assistance program (PSA) for deserted wives and common law widows. When the *Mothers Allowance Act* was repealed in 1960 all widows and disabled persons were covered by PSA. Part II of the *SA Act* established municipal social assistance (MSA) for able-bodied single or married men, single women and others not entitled to assistance under Part I. In 1977 PSA and MSA were separated. The *Family Benefits Act* was introduced for all single mothers and persons with disabilities over 18 years of age. Family Benefits had higher rates and annual rather than monthly reviews of eligibility. As well, single parents and persons with disabilities were not expected to actively seek employment.

The process of social assistance reform leading up to the adoption of the *ESIA* began in 1996 when MSA in Cape Breton was taken over by the province and called social assistance. At that time Family Benefits was phased out for new applicants in Cape Breton. In 1998, the province took over MSA in the rest of Nova Scotia and in 2000, Family Benefits rules for new applicants were harmonized with those of social assistance. During this process it became increasingly clear to the Community Advocates Network that the new system would focus on employability and institute lower rates that would have a negative impact on single parents and persons with disabilities.

FINDINGS

The findings are organized by survey question. Direct quotes from respondents are indented in quotation marks.

Question 1:

Are the eligibility criteria clear to the applicants?

If no, give examples of what is not clear.

According to the respondents, the biggest single problem with eligibility is that people are not aware of their entitlements. As a result, applicants and recipients are not getting the assistance they should. Because people do not know what assistance is available, they do not know what to ask for. They turn to advocacy groups and community-based services for the answers. They do not know what documentation is required.

The lack of clarity has a serious **impact** on people:

“The lack of clarity surrounding eligibility criteria often leaves people feeling anxious and insecure in their right to access social assistance programs. They are often afraid to express their needs to workers because of the fear that they will be then made ineligible.”

“[Recipients] feel at the mercy of the workers and that perhaps it is the worker who determines eligibility because the eligibility criteria seem to change every time a client goes in.”

“Social workers [are] not forthcoming in providing documentation for clients to see in black and white. We have people coming here ... to find the answers that they are unable to get through Community Services.”

Question 2:

Are the policies and procedures clearly explained?

If no, please give examples.

Overall, respondents reported that the policies and procedures are too convoluted. Clients and even advocates cannot figure them out. People are not given information and they are not told how to get information. This is especially true for those with learning disabilities and for those who do not speak English as their first language.

The **impact** of this lack of information again leads to confusion and frustration:

“Worker is the gatekeeper of the rules.”

“Clients are assumed to know the rules - not enough info about policy/procedures is given out.”

“People are assumed to understand just because a worker told them something once - unable to question at later time.”

“Clients do not know how to submit claims - how and when pre-approval is needed.”

Question 3:

Are the policies and procedures being consistently applied?
If no, please explain.

According to the respondents, the policies vary in interpretation from worker to worker. The policies are confusing and poorly written. Workers are not available to explain rules about existing programs; they do not have time because their caseloads are much too heavy to provide information at a personal level.

The **impact** of the lack of consistency leads clients to feel de-humanized, frustrated and resentful.

“Some workers advocate to help clients get all they are entitled to; others seem to feel their job is to give as little as possible.”

“Many genuinely live in fear of losing their benefits if they ask for “too much” or if they access what they are entitled to.”

For example, one agency had to make the ESIA administration staff aware of the inconsistencies in interpretation before they could address it with front line staff. A single parent with three children, who did qualify according to the guidelines, was being told he did not by Community Services. He came to the agency, unable to find any other avenue of help. He received assistance after photocopying the related part of the policies/procedures that verified that he was eligible.

Question 4:

If you answered no to questions #2 or #3, what is the cause of the inconsistencies and poorly explained rules?

Respondents cited three reasons for the inconsistencies. First, discrimination in the job market was not recognized, which caused problems for people affected by racism. For example,

“[There is] nothing being done to help... [with] ... the high rate of unemployment because of entrenched discrimination toward blacks and Natives.”

Secondly, caseloads were mentioned several times:

- workers are shifted from one office to another,
- contract workers are shifted from one temporary position to another,
- case loads are doubled during vacations and sick leaves.

The respondents felt that the **impact** of these conditions led to, at best, little chance to develop a relationship or rapport between client and worker, and, at worst, a breakdown in communication causing delays.

Thirdly, the respondents thought poor working conditions cause a stressful work environment. The **impact** on clients and workers of a stressful work environment includes:

- difficulty providing supportive services.
- not allowing for a focus on and in-depth knowledge of specific aspects of ESIA legislation.

Question 5:

Under this new system, are people who need assistance: better off, the same or worse off. Please explain.

Respondents provided examples of the positive and negative **impact** of the new system.

Positive impact

- Special needs are easier to obtain for single parents and persons with disabilities because many of these services were not available under the old Family Benefits program. For example, this would include childcare coverage and transportation for work or medical reasons.
- Persons with disabilities have seen an increase in their wage incentive.
- Those on the old MSA system have seen an increase in their monthly basic needs allowances.

These positive aspects are counter-balanced by several negative ones. **Negative Impact**

- The new rates have not increased for food for persons with disabilities or single parents: respondents are seeing more demand for food bank assistance.
- The emphasis on "need to get employment", but "no incentive to work" for persons who are not disabled and single parents presents a significant negative change.
- Many respondents also found the system more punitive with clients being told "if you do not do this, you will not get your cheque."
- "A university education is no longer an option for anyone on assistance. This policy is self-defeating. People are likely to remain poor if they do not have opportunity to pursue higher education. Poverty is self-perpetuating."
- Finally, respondents were concerned about the total absence of any recognition of the work single parents are doing to raise their children at home. With the demise of the old Family Benefits system, single parents are now considered able to work after their youngest child is a year old unless they cannot find reasonable childcare.

Question 6:

Are people receiving special needs?
What are they receiving and not receiving?

Most respondents said people on assistance were receiving some special needs money. Receipt of special needs seems to vary, however, according to the group in question, with persons with disabilities and single parents are more likely to receive special needs than single employable people or single people with addiction problems.

A common theme emerged concerning the lack of knowledge about what kinds of special needs assistance are available. Respondents agreed the **impact** of this meant that those with advocates, or who knew the rules were more likely to get special needs coverage.

“[People get] only [the special needs] they demand because they have been made aware of availability.” (emphasis in original)

Of the special needs listed, several respondents mentioned the New Start allowance as a good one-time benefit. Unfortunately, this allowance of \$400 for starting full time work and \$200 for starting part time work was repealed in the Fall of 2002, with no explanation by Community Services.

Another significant group mentioned that telephones must be made a necessity under basic needs. The whole system of access to caseworkers and assistance is built around the telephone. As well, phones are necessary to access work, to make a 911 call, to access medical care and assistance, to keep in touch with schools, babysitters, and so on.

Several respondents noted that dental coverage and eye care is limited where it should not be.

“People are on assistance with teeth rotting”.

“Dental care and eye care are health needs. They should be covered”

Question 7:

How is the Pharmacare program working? Explain.

Overall, the comments from respondents were summed up by one, who said

“[Pharmacare] is improved but still inadequate”.

The inadequacies include

- not getting assistance without agency intervention
- the co-pay that recipients have to pay, including persons with disabilities who came on since August, 2001
- not getting medication when it is not listed on the formulary

- coverage cut off with no notification

“People living on \$180 per month for food [clothing and personal essentials] cannot afford the co-pay of \$5, especially if they require more than one type of medication”.

Question 8:

Are people able to make direct contact with their worker?
If problems, what are they and what is the effect?

The respondents agreed that contacting income assistance workers was a serious problem. The majority said people who need assistance have no direct contact with workers. Others said direct contact was possible eventually, and with some or great difficulty.

“[Getting in contact with workers] depends on persistence and having a phone - most constituents don't have phone!” (emphasis in original)

Most respondents mentioned that people have to leave messages on worker's voice mail and the calls may not be returned for several days. For those who do not have phones, this is a great problem.

“They most often have to leave messages but are obviously unable to receive calls. This leads to people doing things incorrectly – can't fill out forms right, then don't get cheque”.

The **impact** of not being able to talk to caseworkers means

- “people give up and suffer without what they need and in frustration”.
- people have to contact a community agency (if one is available) for information about social assistance and for advocacy assistance.
- community agencies who do advocacy often do it at the expense of other services

“This [non-contact] exacerbates the anxiety level of our already stressed client group. Often they no longer even try to contact worker due to past frustration”.

Most respondents who commented thought the reason for not being able to reach case workers had to do with caseloads being too heavy.

“Workers are not able to get calls returned within a reasonable time due to other system demands on their time. And, workers appear to have insufficient time in each day to respond to clients who leave message on the phone.”

Question 9:

Describe the impact of the new work incentive provisions.

Explanatory note: The ESIA program has changed the way wages are calculated from the former Family Benefits and municipal assistance systems. Under Family Benefits, the wages for single parents and persons with disabilities who had dependents were calculated on the basis of gross wages with a \$200 exemption. Single persons were entitled to a \$100 exemption. The remainder of the wages after the exemption were deducted from benefits at a rate of 75%. Thus a single parent who grossed \$400 per month working part time, would have \$150 deducted from her benefits ($\$400 - \$200 = \$200 \times 75\% = \150).

The City of Halifax municipal assistance system calculated wages based on net, with \$100 exempt for people with dependents and \$50 exempt for single people. The remainder was deducted dollar for dollar. Thus, a person with dependents netting \$400 per month, would have \$300 deducted from their assistance.

Under the new ESIA system, 70% of net wages are deducted from a person's entitlement regardless of whether there are dependents. Thus, the single mother previously on Family Benefits who netted \$380 of her \$400 gross wages, would have \$266 ($\$380 \times 70\%$) deducted from her benefits instead of \$150. Persons with disabilities have a work incentive of \$150, then 70% of the remainder of their wages are deducted.

In this research, respondents agreed the 70% clawback of net wages from the first dollar earned was a disincentive to work, especially for those working part-time.

"It impacts especially on people who work part-time. And sometimes part-time is (the) only option for some people".

This new work incentive is more confusing.

"Clearer that you were getting ahead under the old system because 100 or 200 was exempt. Hard to know what the effect will be if you work irregular shifts. "

From the single parent perspective, the concern is similar:

"Women make up the majority of the part-time labour force and women headed families make up the majority of social assistance recipients. This work incentive provision is not useful for people only able to work part-time. For example, under the old system, a woman with children could work part-time during the day, be home for the children after school and come out ahead at the end of the month. Under the new system, women working part time rarely see any advantage, especially if they are making \$200 extra per month anyway. Now their gain is only \$60".

On the other hand, the supported employment provision for persons with disabilities is seen as an advantage that actually encourages people to work.

Question 10:

Are there other services that people need?
If yes, what other kinds of services?

All agreed that other services were needed. The services are listed in order of how often they were mentioned:

- more financial assistance, including more money for basic needs, additional items to be covered as special needs and more money or broader coverage for existing special needs
- advocacy to access services from social assistance
- affordable, adequate housing
- education and access to assistance while going to school.

“People need education now more than ever. If government is really serious about getting people off IA, they need to invest in education and this program doesn’t. It seems government wants people off IA and onto Student Loans.”

The following services were mentioned about the same number of times:

- translation services, and *ESL* (English as a Second Language) programs
- subsidized childcare spaces
- integrated community settings
- long term rehab facilities (specifically drug rehab)
- plain language patients’ rights.
- more social work with individuals to help them gain skills.
- mental health services

Question 11:

Do you have any other comments about the new Employment Support and Income Assistance Act?

One agency thought the transition from the old system to the new one was smooth. Otherwise this question elicited negative comments about the **impact** of the new system:

“I feel the program/policy is short-sighted. They didn’t think it through to the end of the sentence. It flies in the face of the Department of Community Services Mission Statement”.

“People do not have adequate nutrition in food budget. Also, transportation costs are double for families who are working, but this is not recognized (children have to be taken to school and then the parents to work. This means four trips a day instead of two).”

“For [people in] low paying jobs [the promise of] assistance does not come true.

[When pharmacare ends after one year] they fall through the cracks after that."

"It is not the Act; it is the people delivering the Act! People are really afraid to leave assistance and start work; they are uncertain about the changes in income".

"Needs to be more user friendly. The policy itself is inaccessible, as people who live in poverty rarely have access to the Internet and there is no money provided for transportation to Community Access portals where they could access the information".

"Youth aged 16 - 18 are not having their needs met adequately. If they can not live at home and are unable to find another adult willing to provide supervision, they have a great deal of difficulty accessing services."

"Families with adult children living at home are charged with getting money from that child for rent. This money is deducted from a family's cheque, whether or not the rent is paid. A child attending university is not eligible for benefits, is usually under-funded by Student Loans and is often unable to pay for rent (that is often why they are living at home). This further impoverishes families and prevents their access to education that could lift them out of the cycle of poverty."

SUMMARY QUESTIONS

At the end of the survey, we asked four summary questions

- A. What is the most **common problem** the people with whom you work face?
- B. What is **one recommendation** you would make to government?
- C. What is **one strength** of the new *ESIA*?
- D. **What troubles you most** about the new system?

A. Three Common Problems

1. **Poverty:** Respondents talked about:

- Inadequate income to meet basic needs.
- Lack of opportunity because of finances
- Dealing with the stress, and the loss of emotional well-being that goes with not having enough money for basic needs.
- The isolation of poverty means we're building poor communities.

2. **No housing, poor housing:** Respondents noted the relationship between adequate housing and good mental health.

3. **Mental health:** Not only do some people have mental health issues that are not being addressed, but also,

"[People] struggle with fear, not knowing what is coming and how they will cope [which leads to] depression, despair. [People are] uncertain of sustaining their mental health in the face of changes in their life, i.e. employment"

Other common problems were language barriers, no jobs, lack of support systems cultural barriers, access to resources, adequate day-care, the workers themselves, transportation in rural areas, lack of information, lack of knowledge on issues or where to go for help.

B. One Recommendation

More money for basic needs was the recommendation cited most often.

“Government policy does not reflect to the reality of women’s lives in rural communities. Women are living in inadequate and substandard housing and going hungry so their children will not.”

Other recommendations related to housing, the right to assistance without arbitrary cut-off, sensitivity and diversity training for workers, innovative programs flexible enough to match the kind of people being served.

C. One Strength

Respondents noted these strengths in the new system:

- The New Start allowance for going back to work -- \$400 for full time and \$200 for part time work
- Childcare and transportation
- Additional employment supports
- Supported employment program
- Extended pharmacare
- Access to special needs

D. Most troubling

The top three most troublesome needs noted were lack of money to meet basic needs, the program itself, and the workers.

Lack of money for basic needs was by far the most troubling aspect of the new system. Insufficient basic allowances were noted: people with disabilities only receive a dollar more than in **1994** for basic necessities. Single parents **actually get less than in 1994**. As a result, there is not enough money to live on, and it is getting worse due to inflation. The combined **income assistance and** child tax benefit now is less than the old family allowance and social assistance for families **at least a decade ago**.

“People are not eating; the kids are. On Wednesdays we provide a snack for our support group. They surround the snack table. You know they’ve come not eating (knowing they’ll get something here). The food budget is impacted the most.”

“The Act separates (kids) from S.A. cheque but ignores the larger family poverty issue.”

The program itself: The system itself was another major problem - with its emphasis on employment, rather than need. The focus on employment was seen as almost going to workfare with people who need assistance not being able to attend university while collecting assistance.

People still do not know what they were entitled to - due to a lack of understanding of program details by both workers and recipients. The new regulations are not accessible to all recipients because they are only found on the Internet. Implementation of new regulations for special needs was criticized:

“People have to fight for daycare and transportation. It doesn’t appear to be automatic when a recipient is working”.

“It still does not grant people the opportunity to leave poverty fully behind. The incentives for employment for regular recipients are not incentives and will not help people get back to work.”

“The assumptions that are implicit in the back to work initiatives in the Act [are a problem] i.e. that the only legitimate work is outside the home”.

“I.A. initiatives bolster a low [paid] labour force, which leads to exploitation of workers.”

“The Employment Support was up and running, but the [policy] manual wasn’t completed.”

The Workers The workers themselves were the most troubling for others: the attitudes (of some), the approach (of some) and extent of their questioning. Because workers were not communicating, people who need assistance were not getting basic information about their entitlements, and thus had to rely on advocates. Respondents believed the department did not have the staff capacity to run the new system, to respond to individual needs and situations.

One comment came from a former caseworker who said that caseworkers were getting no real leadership from the department. They felt that everything was up to them. With higher case loads and fewer resources to help people, they had less time to get back to people - which was not fair to either the recipient or the worker. As a result, the first contact for an individual was often not good, and this did lead to the need for an advocate.

“People who are working get their cheques cut off with no notice if they fail to report earned income or are perceived to have failed. Sometimes, they may not have even earned but because they did before it is assumed they are failing to report. Sometimes - it is a mistake but the bottom line is they are not given any notice or warning until the time comes that they do not receive the monthly cheque. “

“If the worker doesn’t like you, you won’t get anything.”

“Cheques are held due to communication difficulties - because of being unable to reach worker, not knowing what information is required, etc. And this leads to problems.”

CONCLUSIONS and RECOMMENDATIONS

1. Adequacy of Assistance

The lack of money for basic needs was by far the most troubling aspect of the new system.

Each adult receives \$180 per month (over a year that averages \$5.92 /day) to cover food, clothing, household expenses (except rent and utilities), and all personal items (except for restricted special needs items).

People with disabilities receive only a dollar more per month for basic necessities than 20 years ago.

Single parents get less basic assistance now than they would have gotten under the old Family Benefits program.

Children now are supported by the child tax benefit system rather than through the ESIA program. The National child benefit federal dollars, designed to end child poverty, are being used by the province to avoid its obligation to pay basic needs for children. Families with children cannot use the child benefit to lift themselves out of poverty.

The list of basic needs items covered by social assistance is less now than it was under the Family Benefits program. For example house supplies and house maintenance allowances have been done away with.

Thus, it is not difficult to see why there is not enough money to live on, and it is continually getting worse due to inflation.

Recommendations

- 1.1 Increase basic food, clothing, personal care and shelter allowances to better reflect current costs.
- 1.2 Index assistance rates to the cost of living with an annual adjustment.
- 1.3 Add telephone to basic needs allowance.
- 1.4 Expand the scope of dental and eye care to include all regular and necessary services, not just emergency treatment.
- 1.5 Extend dental and eye care coverage to all adults and children on assistance
- 1.6 Put children back in social assistance budgets without clawing back the National Child Benefit.

2. Understanding of the Program

Very limited information about the ESIA program is readily available to clients and the public. The program is complex and some aspects of the policy lack clarity

Consequently, the details of the program are not well understood by clients or community support groups. Even many workers are not as knowledgeable of the policy as they should be which leads to problems.

Recommendations

- 2.1 Make user-friendly information about the ESIA program readily available to clients and the public through a variety of sources and formats.
- 2.2 Provide additional training to caseworkers and supervisors regarding application of policy in order to increase worker knowledge.

3. Consistency

There is inconsistency in the application of the policy.

Since many items are at the discretion of the worker, there is considerable variation of application. This appears to be due to inadequate or differing interpretations of the policy as well as to the varied attitudes of workers. Some take the approach that the clients should receive the maximum they are entitled to, while others normally only provide the minimum entitlement. If clients or advocacy groups know of other possible entitlements and push for them, they may be successful.

Recommendation

- 3.1 Provide additional direction and training to staff about application of policy in order to increase fairness, consistency, and full access to entitlement.

4. Employment Support

The ESIA program is primarily about getting social assistance recipients into paid employment - not support for those in need. Supports for clients to move into employment have improved in some ways and worsened in others.

Many feel the balance has shifted too much towards employment and self-sufficiency. Employment is not feasible for many, at least not in the short term.

Financial support for child care and work related transportation has improved.

Improvements in the wage incentive for disabled people also are noted as one of the positive aspects of the new program.

The current wage incentive for most people is much less of an incentive than under the old program. Previously, a single parent was able to retain the first \$200. of gross wages, with 75% of the balance being clawed back. Under the current system, 70% of net wages (from the first dollar) is clawed back. This makes part-time work of minimal financial benefit, and part-time is often all that is available or feasible for a single parent.

The New Start payment (a one time allowance of \$200.-\$400. on the start of a job) was seen as a positive aspect of the new program; however, it was cancelled without explanation very soon after it was implemented.

Many complain that there is no recognition of the important work that single parents do in child rearing at home.

Many point out that under the Family Benefits program it was possible to pursue training and/or education (including university) which allowed many people to become completely self- sufficient and indeed, to move into good paying jobs. The current

program is much more restrictive in terms of training options. This has tended to force people into poor paying jobs through which they may only be able to be partially self-supporting, and in any case, to remain in poverty.

Recommendations

- 4.1 Revamp the wage incentives to a more realistic support level.
- 4.2 Reintroduce a wage exemption provision.
- 4.3 Provide less restrictive training options to provide a better chance for individuals to become fully self-sufficient. This should include reinstatement of the provision for continuing assistance while qualified recipients attend university.
- 4.4 Reinstatement of the New Start program or some similar allowance.
- 4.5 Recognize that single parents provide a valuable social service by staying at home to raise their children and that employment in a low paying job may not be a feasible alternative.

5. Pharmacare and Special Needs

Overall, Pharmacare and Special Needs coverage has improved, but many issues remain.

Everyone now is covered under the Pharmacare program; however, the co-pay is a problem for many especially if they have a number of different prescriptions. Like most other things, it has to come out of their \$5.92 per day allowance.

Certain medications are not approved for coverage. Some people were placed in a very difficult situation when they discovered this when they went to get their prescription refilled.

Special needs coverage generally is restricted with its main thrust being to support training or employment or chronic medical needs. The previous small travel allowance which was provided to everyone was taken away.

Recommendations

- 5.1 End the pharmacare co-pay for all persons with disabilities.
- 5.2 Make all special needs known and readily accessible to all persons who need assistance.
- 5.3 Provide reasonable supports for persons with disabilities to be active members of their communities.
- 5.4 Separate disability supports for living from employment supports.

6. Worker - Client Communication

The ESIA program is designed in such a way that it depends on considerable communication between worker and client. This has proven to be problematic.

Workers seldom are readily accessible. Due to the nature and volume of their work they depend a great deal on their clients leaving messages on voicemail and then returning the call at a later time. This is a source of great frustration for many people. Some calls are responded to relatively promptly; however, even this is a problem if the individual does not have a telephone. The cost of a telephone only is covered in special circumstances. For most people, if they wish to have a telephone they must pay for it

out of their \$5.92 per day personal allowance (which must also pay for food and many other things). There are frequent complaints that calls are not returned for two or three days, if ever. To some extent this seems dependent on the individual worker, but it also appears that the program is not staffed to adequately deliver it in the way it was designed. It also seems that some clients do not bother trying to reach their worker when it would be beneficial for them to clarify a matter.

The new system is confusing and complicated and workers do not always have the answers their clients need.

Inadequate communication leads to difficulties in the effective administration of the program. At times this may lead to a cheque being held and the client only finding out when the money does not arrive (with all the problems that entails for a person living on the edge financially) when that could have been avoided. Or a pharmacare card is cancelled and the person only finds out when they go to get a prescription refilled. Unfortunately, reports of such occurrences are not uncommon.

Recommendations

- 6.1 Increase ESIA human resources with respect to adequate administration of the program.
- 6.2 Fill all vacant positions including casual and contract positions and take steps to ensure a more stable workforce.
- 6.3 Increase hours when caseworkers can be reached by telephone.

7. Worker-client relationships

The relationship between workers and clients is seen to have deteriorated under the new program.

It should be noted that there are many good workers and positive relationships. Nevertheless, the general perception seems to be that relations between caseworkers and people on assistance have worsened under the new program.

Caseworkers have little time to provide information, empathy, or social supports to their clients.

Some workers lack the training, or perhaps the attitude, to be as sensitive as they should be to individual issues facing each person who needs assistance or to cultural and ethnic differences.

Recommendations

- 7.1 Provide increased guidance and training to workers with respect to maintaining client respect and dignity.
- 7.2 Provide guidance and training to workers with respect to racial and cultural diversity.

8. Needed Supports

Many recipients of ESIA are in need of a range of supports both within the ESIA program and in the broader community. Adequate supports often are not readily available.

Apart from the general problems brought on by poverty itself, a number of respondents noted the particular needs of specific groups. Agencies and groups working with Aboriginal and First Nations Peoples, with African Nova Scotians and with newcomers to Canada all noted structural discrimination in the job market based on race as a significant issue. This reality cannot be ignored, especially in the context of an income assistance program that has a focus on employment. There is a concern that the Department has no initiatives, policies or programs in place to address this significant barrier to employment. Moreover, there tends to be limited cultural awareness and sensitivity of caseworkers when dealing with individuals from racially diverse groups.

The availability of adequate affordable housing continues to be a problem. This is particularly true for single people with some, but perhaps limited, employment potential. For them the shelter allowance bears no relation to the market.

Community supports for many facing mental health issues are inadequate to meet their need. Changes in the income assistance program or difficulties in dealing with the system often are particularly traumatic for them.

In summary, ESIA is based on need, but there are not enough resources either within this program or in the broader community, devoted to meeting the real needs that people have.

Recommendations

- 8.1 Policy recognition of the reality of systemic racism in the job market.
- 8.2 Expand client support programs particularly for groups facing special challenges - single parents, persons with disabilities, First Nation and Aboriginal peoples, African Nova Scotians and newcomers based on consultation with the people directly affected.
- 8.3 Work along with other government and community groups in improving access to a range of relevant services such as mental health services.
- 8.4 Immediate investment in social housing for people on assistance - in both urban and rural areas

FINAL WORD

The Community Advocates Network and its partners engaged in this study and wrote this final report to promote understanding, support and action. The general public needs to understand the frustration people who need assistance feel when their basic needs are not met, when they cannot even reach the system to make their case. Community-based agencies and organizations need to know that they are supported in the daily struggle to advocate for people who need assistance. The government needs to know that the new ESIA program is not working for many people and that changes are necessary. Most of all, this report was written to promote action to make the necessary changes. We call on the Members of the Legislative Assembly (MLAs) on all sides of the House to support the recommendations in this report and work to see them implemented. We call on members of the public to call your MLAs and tell them you support these recommendations to help end poverty in Nova Scotia.