

Estimate Notes 2023/2024

Minister Sheila Malcolmson



CONFIDENTIAL

Ministry of Social Development and Poverty Reduction

Program Notes 2023/2024

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**Ministry of Social Development and Poverty
Reduction**

**2021/22
Annual Service Plan Report**

August 2022



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

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Published by the Ministry of Social Development and Poverty Reduction.

Minister's Accountability Statement



The *Ministry of Social Development and Poverty Reduction 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 cursive script that reads "Nicholas Simons".

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.

Ministry of Social Development and Poverty Reduction

2023/24 – 2025/26 Service Plan

February 2023



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

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Published by the Ministry of Social Development and Poverty Reduction

Minister's Accountability Statement



The Ministry of Social Development and Poverty Reduction 2023/24 – 2025/26 Service Plan was prepared under my direction in accordance with the *Budget Transparency and Accountability Act*. I am accountable for the basis on which the plan has been prepared.

A handwritten signature in grey ink, appearing to read 'SM', written over a light grey horizontal line.

Honourable Sheila Malcolmson
Minister of Social Development and Poverty Reduction
February 22, 2023

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Strategic Direction

In 2023/24, the Government of British Columbia will continue our work to make life better for people in B.C., improve the services we all rely on, and ensure a sustainable province for future generations. Government will focus on building a secure, clean, and fair economy, and a province where everyone can find a good home – whether in a rural area, in a city, or in an Indigenous community. B.C. will continue working toward true and meaningful reconciliation by supporting opportunities for Indigenous Peoples to be full partners in an inclusive and sustainable province. The policies, programs and projects developed over the course of this service plan period will focus on results that people can see and feel in four key areas: attainable and affordable housing, strengthened health care, safer communities, and a secure, clean and fair economy that can withstand global economic headwinds.

This 2023/24 service plan outlines how the Ministry of Social Development and Poverty Reduction will support the government’s priorities and selected items identified in the [December 2022 Minister’s Mandate Letter](#).

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 quality services for British Columbians in need, to ensure 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 [Accessible British Columbia Act](#), the [Employment and Assistance Act](#), the [Employment and Assistance for Persons with Disabilities Act](#), the [Poverty Reduction Strategy Act](#) and the [Community Living Authority Act](#). The Minister is responsible for the [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 priorities (identified in the December 2022 mandate letters) include:

- Updating the [TogetherBC: BC’s Poverty Reduction Strategy](#) by March 2024, to continue reducing the number of people, and in particular children, who are in poverty in B.C.;
- Leading work with the Ministry of Finance to continue addressing impacts on low-income people caused by cost-of-living increases related to global inflation;
- Continuing to lead work on food security and dignified access to food in partnerships with food producers, grocery stores, food banks, schools, and non-profits, with support from the Ministry of Agriculture and Food;
- Supporting the work of the Ministry of Housing to better coordinate services to deliver improved outcomes for people living in Vancouver’s Downtown Eastside, in collaboration with the Ministries of Mental Health and Addictions, Health, and

Public Safety and Solicitor General, as well as Indigenous Peoples, external partners and others;

- Ensuring the voices of people living with disabilities are heard in all policy development;
- Continuing work to engage advocates, communities, and businesses to ensure the new *Accessible British Columbia Act* is well understood and effective at making B.C. more accessible and inclusive for everyone – including the implementation of accessible service delivery and employment accessibility standards; and
- Continuing work to support the ministry’s food security mandate, including recognizing the impacts of global inflation and extreme weather events on household food security for British Columbians.

Further to the above, two key priorities for the ministry (outside mandate letters) are:

- 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](#) and the [Re-imagining Community Inclusion Work Plan](#) to improve services for adults with developmental disabilities and their families.

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 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, 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 provided additional income assistance supports.

Inflation began to see substantial growth in 2021/22 and has further increased in 2022/23, averaging 7.6% in the first half of the fiscal year. Inflation has been a major challenge for all British Columbians, but poses additional challenges for income and disability clients who often cannot change their purchasing patterns or use savings to offset rising prices. Adding to the pressure is that the cost of necessities like food and rent have risen by 8.5% and 5.7% respectively in 2022/23. The federal and provincial governments have provided temporary relief to residents, that has helped offset the impact of rising costs for low-income British

Columbians. Increases in interest rates is expected to reduce the rate of inflation, but it is still expected to be above the Bank of Canada's target of 2% until 2024/25.

Economic Statement

B.C.'s economy has been resilient to pandemic, geopolitical and climate-related disruptions. However, higher interest rates are expected to weigh on the economy in the coming years. Following a rapid recovery from the economic impacts of the COVID-19 pandemic, high inflation led to successive interest rate increases from the Bank of Canada in 2022. The impact of higher interest rates has been evident in housing markets and there is uncertainty over its transmission to the rest of the economy in B.C. and among our trading partners. B.C. is heading into this challenging period in relatively strong position, with a low unemployment rate. The Economic Forecast Council (EFC) estimates that B.C. real GDP expanded by 3.0 per cent in 2022 and expects growth of 0.5 per cent in 2023 and 1.6 per cent in 2024. Meanwhile for Canada, the EFC estimates growth of 3.4 per cent in 2022 and projects national real GDP growth of 0.5 per cent in 2023 and 1.5 per cent in 2024. As such, B.C.'s economic growth is expected to be broadly in line with the national average in the coming years. The risks to B.C.'s economic outlook centre around interest rates and inflation, such as the risk of further inflationary supply chain disruptions, the potential for more interest rate increases than expected, and uncertainty around the depth and timing of the impact on housing markets. Further risks include ongoing uncertainty regarding global trade policies, the emergence of further COVID-19 variants of concern and lower commodity prices.

Performance Planning

Goal 1: Reduce Poverty in British Columbia

The ministry is responsible for the *Poverty Reduction Strategy Act*, which sets out legislated targets and actions to reduce poverty in British Columbia.

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

As the lead on British Columbia's Poverty Reduction Strategy, the ministry must work across government to ensure that the requirements and targets as set out in the *Poverty Reduction Strategy Act* are achieved.

Key Strategies

- Undertake targeted and public engagement that includes seeking input from people with lived and living experience of poverty to inform an update to [TogetherBC](#). This will include engagement and co-development with Indigenous partners to meet the spirit and intent of the [Declaration on the Rights of Indigenous Peoples Act](#).
- Update TogetherBC, the comprehensive, cross-government Poverty Reduction Strategy by 2024 to continue to meet BC's poverty reduction targets and address

other pressing issues such as the depth of poverty, the cycle of poverty, food security and inflation.

- Continue to create and implement initiatives to increase food security for people in need and support cross-sector partnerships with the goal of developing a long-term, sustainable approach to food insecurity in BC.
- Continue to support the multi-sectoral Period Poverty Task Force; the task force is to submit recommendations by March 2024.
- Review existing government income support programs for opportunities to improve outcomes, access and delivery.

Discussion

British Columbia achieved its poverty reduction targets in 2019 and further reduced poverty in 2020. However, the ending of COVID supports, high inflation and the risk of a recession in 2023 mean that the ministry must continue to work on poverty reduction. The current strategy must be reviewed and updated in 2024, including future targets. As part of the review, the ministry is working with other ministries, consulting with the Minister’s Poverty Reduction Advisory Committee and engaging people across British Columbia to learn their experiences with poverty. The engagement to update the Poverty Strategy includes a review of the legislative framework governing British Columbia’s income and disability assistance program. This review intends to examine the barriers faced by recipients of assistance, including from GBA+ and Reconciliation lenses.

Performance Measures

Performance Measure[s]	2016 Baseline	2020 Actuals	2019-2024 Target
[1a] Total Poverty Rate ¹	15.3%	7.6%	10.8%
[1b] Child Poverty Rate	17.0%	5.0%	7.5%

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

The *Poverty Reduction Strategy Act* sets out legislated targets for the reduction of both the overall poverty rate (25%) and the poverty rate for children (50%) by 2024. The targets were set to be ambitious but also achievable, and would result in significant improvements in the lives of low-income British Columbians.

The Province uses Statistics Canada’s Market Basket Measure (MBM) as its official poverty measure. The MBM is also Canada’s official poverty measure. There is a two-year delay in producing the data since it relies on income tax and data.

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

The Ministry of Social Development and Poverty Reduction focuses on providing a system of supports to British Columbians in need, to help them achieve their social and economic independence and secure a better future.

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 remains 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 Strategies

- Consider the diverse needs of clients to improve the quality and responsiveness of income assistance services.
- Increase community presence through expanded outreach by Community Integration Specialists, working collaboratively with community partners, and expanding the use of mobile service delivery options.
- Continue to expand and improve digital self-service options including usability improvements and better accessibility for clients.
- Regularly monitor client feedback and satisfaction to help improve services.
- Ensure administrative fairness through the provision of an effective and efficient reconsideration and appeal system.

Discussion

The ministry's income and disability assistance services are designed to help individuals build a solid connection with communities and the labour market. In turn these services support people to secure their future, establish self-sufficiency in support of their families and help them contribute to their communities. By providing temporary help to those who can work and longer-term aid to those who have a more difficult time working or who cannot work through disability or other barriers, the ministry ensures the needs of British Columbians are being addressed.

The ministry continues to adapt its service delivery approach to increase accessibility and to meet the diverse needs of clients. Individuals can access services at 84 physical locations, including 36 ministry offices and 48 Service BC offices around the province. Improvements to telephone-based services give automated telephone reporting options as well as direct live support from a ministry worker. The expansion of Community Integration Services provides in-person services to a greater number of individuals who are at risk of or currently experiencing homelessness, connecting them with financial assistance and community supports. For those

who prefer to access ministry services through self-service options, the ministry continues to enhance the My Self-Serve portal and the self serve options through the toll-free number.

Objective 2.2: Job seekers have access to high quality services and supports they need to find and keep meaningful employment

High quality employment services and supports are needed so B.C. is ready to meet the future demands of a skilled workforce and fill millions¹ of jobs over the next decade. These services support Indigenous people, women, people of colour, people with disabilities and other underrepresented people participate in the labour market and help fill labour market needs.

Key Strategies

- Work with our service delivery partners to provide a high-quality, responsive and consistent service experience to the people and communities in B.C.
- Expand programs and services in response to the changing labour market environment and in anticipation of future labour market needs.
- Lead the coordination and collaboration with community-led organizations, businesses and employers to create equitable opportunities for participation in B.C.'s economy.
- Enhance the delivery of programs and services with modern, person-centered and data-driven tools and approaches.
- Increase equity in opportunities and remove barriers to access by applying a Gender-Based Analysis Plus (GBA+) lens on programs, initiatives and services.

Discussion

This objective has been updated to better meet the future needs of a rapidly shifting labour market and ensure everyone in British Columbia has the opportunity to benefit from the job openings and expected strong labour demand. The ministry will focus on providing high quality services to job seekers in British Columbia and supporting an inclusive labour market and meeting the increasing demand for skilled workers.

Performance Measures

Performance Measure[s]	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[2a] Number of clients using My Self-Serve	101,000	103,000	105,000	106,500

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

¹ British Columbia Labour Market Outlook 2021-2031 Forecast

Discussion

As the ministry continued to promote My Self Serve² during the pandemic, extreme weather and wildfire events in 2022/23, more clients chose to use online service portal than forecasted. The ministry has updated the future year targets to reflect the higher usage in 2022/23 and the continuing efforts to improve digital self-service options.

Performance Measure[s]	2021/22 Baseline	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[2b] WorkBC Client Satisfaction Score ¹	N/A	75	76	77	78

Data source: Employment and Labour Market Services Division, Ministry of Social Development and Poverty Reduction, WorkBC Employment Services Client Intake Survey, In-Progress Survey and Exit Survey.

¹ WorkBC Client Satisfaction Score represents the overall client satisfaction with WorkBC services. Scores range from 0 to 100, with higher scores being considered better. The score represents the number of clients responding "satisfied" or "very satisfied" out of all survey respondents.

Discussion

To monitor progress towards Goal 2, the ministry introduced an automated survey process in March 2022 that receives feedback directly from WorkBC clients at various points in time while receiving employment services. The survey collects feedback on key aspects of their experience and their overall satisfaction with the services they received.

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

Individuals with disabilities account for the majority of people served by the ministry and are a growing proportion of the total population. The Ministry will continue to support people with disabilities by reducing barriers and promoting equal participation in the economy and society.

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

People with disabilities routinely experience barriers that impede their ability to participate fully in their communities. The types of barriers people with disabilities experience varies greatly depending on the nature of their disability and other intersecting factors. Working in the spirit of "Nothing About Us Without Us" the ministry will continue to advance programs and policies that support Persons with Disabilities in British Columbia to meaningfully participate in their communities.

² My Self Serve (MySS) provides online access to income and disability assistance for residents of British Columbia

Key Strategies

- Provide adults with disabilities access to responsive services that support them in participating as full citizens and in achieving improved outcomes.
- Continue to work with people with disabilities and their families, community stakeholders, public organizations and the business community to develop solutions and strategies that improve the lives of people with disabilities and identify barriers and solutions to improving employment outcomes for people with disabilities.
- Support the [Re-Imagining Community Inclusion \(RCI\) Steering Committee](#) to implement the [work plan](#) in response to the [10-Year Re-imagining Community Inclusion Roadmap](#), to help improve the lives of people with developmental disabilities.
- Continue to support the transition process for youth with support needs when entering adulthood, to ensure they can access the ministry's disability assistance program and the adult community living services offered through Community Living BC.
- Support the continued implementation of the *Accessible British Columbia Act* with the goal to address barriers that impede the full and equal participation of people with disabilities, including through the development of new accessibility standards for B.C.

Discussion

The ministry works across government to improve the lives of persons with disabilities. The Accessibility Directorate's ongoing work to reduce barriers will improve inclusion and employment opportunities. The current priorities of the Accessibility Directorate are to create a culture of accessibility and inclusion, increase access to information and improve communications, improve accessibility of government buildings and transportation systems, increase employment in the B.C. public service, and improve the provision of goods and services to persons with disabilities.

The ministry continues to have regular engagement with families, stakeholders and the business community to identify opportunities to improve the social and economic outcomes of persons with disabilities. For example, the Presidents Group, a network of prominent business leaders, provides advice on best practices to make workplaces more accessible and inclusive and to improve employment opportunities for persons with disabilities.

Performance Measures

Performance Measure[s]	2021/22 Baseline	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
[3a] Total amount of earnings exemptions reported by Persons with Disabilities cases	\$156 million	\$180 million	\$176 million	\$195 million	\$210 million

Data source: Research, Innovation and Policy Division, Ministry of Social Development and Poverty Reduction

