

January 15, 2018

Dear Ms. Traynor and Ms. MacBride:

Thank you for your e-mail of December 14, 2017 to the Honourable Stephen McNeil with respect to *A Call to Action: Community Agenda for Social Assistance Adequacy and Reform*. The Premier's office forwarded your e-mail to the Honourable Kelly Regan Minister of Community Services, and she has requested that I respond to you on her behalf as Executive Director of Employment Support and Income Assistance (ESIA).

I would like to first address the issue of an immediate rate increase to the Income Assistance (IA) rates. The Department of Community Services (DCS) budget for fiscal year 2018-19 is developed as part of the larger Government of Nova Scotia budget build. Announcements related to budget 2018-19 will be made when it is tabled in 2018.

In 2015, the DCS began ESIA Transformation to address a system that is administratively burdensome, leads to poor client outcomes, and does not address the basic needs of the lowest income Nova Scotians. The Department recognized the need and urgency to change, and has worked over the past 2 years to reach out, engage, discuss and debate the important changes that are required to create an ESIA Program that meets the needs of our clients.

We have engaged with stakeholders and advocates in two rounds of ESIA Transformation Engagement Sessions held across the Province, in which over 375 representatives from 128 organizations participated. Senior Officials from the Department have also held meetings with advocates and organizations at their request, to talk openly and frankly about Transformation.

We have conducted First Voice conversations holding 19 focus groups with 190 clients across the Province in the Winter of 2016. These conversations were facilitated by local service providers so DCS could hear directly from our clients. As a participant in 10 of these sessions, I can personally speak to the powerful impact it had on me personally, and how the thoughts, frustrations, and ideas for change have informed the work of ESIA Transformation. Clients spoke to desired changes they would like to see in a new ESIA Program, including:

- Financial Supports to help meet their basic needs
- Trust and respect that needs to be built by having a system that is more trusting and less intrusive
- Better Service Delivery that is responsive and consistent
- And how Quality of Life and Social Inclusion need to be key principles of the Program moving forward.

I want to share that in each session I attended, clients expressed an urgent need to act and to make every effort not to unduly delay action. The ESIA Program is committed to implementing a Standard Household Rate by 2019-20. With the Standard Household Rate, all ESIA clients in Nova Scotia will receive an increase to their Income Assistance benefit to help them better meet their needs. The result for people on IA is an increase in funding by 5% for persons with "no work obligation", and 2% for all other clients.

We are also reimagining the Wage Incentive Structure, which will allow clients to earn more through the wage economy, before they see a reduction in their IA. With the rate increases and a more generous wage incentive, we believe we are making positive steps to help support the most vulnerable Nova Scotians.

We have also made a commitment to act now, and not wait for the full ESIA Transformation to be completed before making positive changes to the Program. These changes include:

- In 2016-17 increasing the Personal Allowance by \$20 per month, the largest increase in the Province's history.

- In 2017, the allowable asset levels were doubled from \$1,000 to \$2,000 for single individuals, and from \$2,000 to \$4,000 for families.
- In 2016, we made enhancements to our post-secondary supports to address low enrollment numbers by extending Tuition Supports to the Career Seek program for clients to attend University. We also created the Educate to Work for Dependents stream to allow dependents of the ESIA Program to attend Community College.
- In 2017, Government announced \$1.8 million-dollar investment in Prevention and Early Intervention Employment Support Services for Youth. This investment will mean our Department will be able to work more preventatively and extended more services to dependents of ESIA clients and Youth in Care.
- And recently, Government announced a partnership with the City of Halifax to create a pilot project to ensure that all Halifax clients, their spouses and their children, that live within 500 meters of a bus stop can receive a bus pass. The Pilot will ensure that an additional 11,000 people in the HRM will receive support for transportation to support their quality of life and social inclusion.

The Building Vibrant Communities grant is the first initiative of government's poverty reduction blueprint. Over the next four years, government has committed \$20 million to support actions from all levels of government and communities, to work together to help reduce poverty in Nova Scotia.

The Department of Communities, Culture and Heritage will implement the grant program, that focuses on the following three areas in its first year:

- food security: initiatives that provide Nova Scotians with adequate access to food
- youth transition: enabling Nova Scotian youth to become independent adults
- transportation: helping Nova Scotians access the transportation they need

We believe these changes will improve client outcomes and are the result of careful consideration of what clients and stakeholders have told us. As a Department, we want to continue to move forward- stopping the process of ESIA Transformation would create unnecessary delays and stall changes that are going to have a positive impact for our clients.

The Department remains committed to engaging with stakeholders, clients, and advocates on ESIA Transformation. As you know, there have been multiple meetings and we will continue to seek input as we move into the next phase of Transformation, which will be focused on implementation of the Standard Household Rate.

We look forward to a continued conversation, but at this point, we cannot commit to delaying ESIA Transformation changes. We share the same sense of urgency that has been informed by the many conversations and meetings that have happened over the past two years.

Thank you for your e-mail.

Sincerely,

Brandon Grant, MSW, MPA
Executive Director
ESIA

cc: Hon Stephen McNeil (Ref#12147001)
Hon Kelly Regan (2017-01-00205)