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## **Challenge Brief: Social Hiring and Income Assistance in the DTES**

Prepared by the Local Economic Development Lab and Potluck Cafe

### **People who are on income assistance or disability assistance in the DTES need more support transitioning into employment because it is just too risky for them to lose their assistance.**

People that are on social assistance in the DTES that do not have a designated disability take on a large risk when they become employed. A person has to know that the job will allow them to earn the equivalent of what they receive on income assistance in order to pay for necessities like rent. They have to know that a job will actually provide stable employment and that they are ready for longer-term work. When an employment opportunity does not work out, a person has to start from scratch. They've lost their income assistance and have to go through the cumbersome process of reapplication. In some cases, they've lost their housing. For many, this risk is just not worth it, especially given the many challenges faced by people living in the DTES. This creates a stagnant situation and a reliance on assistance.

This lack of transitional support is also documented for people with disabilities (PWD). While the annualization of earnings exemptions for PWDs has been beneficial for those that experience episodic health challenges, the flat rate exemption limit creates a barrier to further employment. The flat rate encourages people to stop working even when they want and are able to because they do not want to earn more than their earnings exemptions allow. This barrier is based on fear of losing their disability assistance, especially their medical benefits. There is substantial misinformation and lack of clarity around when PWD benefits are lost, even among ministry employees. This feeds the fear that prevents continuous employment, which can be destabilizing for both an employee and their employer.

*"I've found that there is a lot of fear from people who avoided reporting their earnings because they don't necessarily fully understand how it's going to work."*

## **People that are deemed employable in the DTES need better and timelier recognition of PPMB status because many are struggling on basic social assistance and face multiple barriers to employment.**

The Persons with Persistent Multiple Barriers (PPMB) designation is a complicated designation that is even difficult for the ministry to explain. The complexity of eligibility criteria means that only six percent of the caseload in the DTES is categorized as PPMB. While there is an Employability Screen that is meant to identify various barriers to employment, it is recognized in the community that this screening tool does not work. Ministry employees, social enterprise employers and community members report that income assistance recipients do not always initially self-identify their situations and experiences for a variety of reasons. These include the lack of a trusting relationship with an income assistance worker, feelings of embarrassment or desire to preserve dignity, and an income assistance worker simply not asking the right questions. As a result, social enterprise employers identified that many of their employees that are employment obligated most likely should have a PPMB designation. This is supported by staff at Open Door Group who often gain further insight into a client's situation through case management.

Furthermore, the requirement that a person be on income assistance for at least 12 of the last 15 months to be eligible for PPMB forces people with barriers to remain on basic assistance for a year without accessing the benefits of the PPMB designation, such as a \$500 earnings exemption. This could potentially increase the amount a person can work as well as their earned income - resulting in greater health, well-being and stability - all aspects that lead to greater employability.

*"I don't know many people who are on regular welfare who don't seem PPMB to me. What is a persistent barrier if not one that lands you on the DTES?"*

## **Social enterprise employers need accessible and understandable information about income assistance policy and legislation because they are acting as advocates for their employees who struggle to access and navigate the system.**

One of the greatest impacts of hiring recipients on income assistance identified by social enterprise employers was the amount of time and energy used for supporting and advocating for their employees. Employers support their employees in several ways: accompanying them to the income assistance office, calling the toll-free information line, trying to answer questions about benefits, tracking their monthly earnings, and scheduling accordingly to ensure exemption limits are not exceeded. These things take up valuable time from the many other responsibilities of running a social enterprise.

Not only is information regarding income assistance highly inaccessible for recipients themselves, employers struggle to comprehend the complexities and stay up to date with any changes. Employers report that the lack of accessible and understandable information prevents them from feeling confident in and fully-equipped to advocate for their employees, and leads to more time taken away from running their organizations.

*“I have found that over the years, we all kind of don’t know. So I end up in this advocacy role that I am not really equipped to be in. Not only do I not have all the information, but really getting an understanding of the information and navigating the system takes a lot of time. And it’s not really my role but it ends up being something I try to do because it’s needed.”*

**Alternative models of employment services and training programs, including those offered by social enterprises, need flexible funding because the current funding model does not allow them to adequately provide services that meet the unique needs of the diverse DTES population.**

The community acknowledges that those working for Open Door Group (ODG) have good intentions, and that the Work BC services it provides in the DTES serve a certain sector of the unemployed. However, there is a general consensus that the performance-based contractual framework under which ODG operates makes it difficult for them to support people with multiple barriers in the DTES. For some income assistance recipients, the structured and institutional nature of Work BC services acts as a barrier to even stepping foot in an office. Those that do make it through the door, but face challenges succeeding under the Work BC model can be written off as achieving ‘community attachment’; their cases are closed and they are told to return when they are more ‘employment ready’. The complex eligibility requirements of the various services also limit participation in certain programs.

Employers and community members expressed an overwhelming desire to see provincial funding opportunities for alternative models of employment services outside of the single stream to ODG. While sub-contracts exist for alternative employment services that cater to specialized groups, there is evidence to show that the performance measures and funding stipulations written into these contracts result in insufficient funding and an inability to provide adequate services. Furthermore, some social enterprises are offering similar services to ODG (e.g., case management, training) that are tailored to the unique needs of their clients/employees, but currently receive no provincial funding to do so. In addition to being more responsive to diversity, social enterprises also provide a direct pathway into employment.

*“You’ve got one organization running all of the employment programming in the DTES, from the government side at least. If they were the only ones doing it there would be a lot more people unemployed, but fortunately there are organizations*

*who are doing it without government funding and are doing it because that's why they exist."*

## **The DTES community needs the Ministry of Social Development and Social Innovation to better recognize non-traditional, flexible and/or community-based employment and volunteer options for income assistance recipients of the DTES.**

The DTES community describes employment on a continuum that includes volunteer work, peer-based work and day labour. With the Employment Program of BC's goal of 'labour market attachment' - that is full-time, sustainable employment - there is a lack of recognition of the many benefits that accompany non-traditional, community-based employment options. As a result, there is a described reluctance by ODG to place people in transitional or flexible employment opportunities, which are reported to better suit the needs of people experiencing barriers. This was a commonly disclosed reason for why some social enterprise employers in the DTES do not have formal relationships with ODG. Furthermore, many employers and community members emphasize the importance of community-based volunteer work and expressed their disappointment in the discontinuation of the Community Volunteer Program.

*"Volunteering, participation, ownership, and connection to nature and community - all those things build self-worth. It's been over a decade now that I've been in the community and it's the only thing that I've seen actually create opportunity for people and actually change or open pathways up for people to define their recovery and move forward."*