



NEWS RELEASE

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For Immediate Release

Ministry of Social Development and Poverty Reduction to reimburse funds to income assistance recipients following investigation by B.C. Ombudsperson

Victoria – B.C.'s Ombudsperson Jay Chalke released a report today of an investigation into a complaint that the Ministry of Social Development and Poverty Reduction failed to follow the law in relation to the calculation of income assistance benefits.

Special Report No. 41, *Working Within The Rules: Supporting Employment For Income Assistance Recipients* arose from an individual's complaint that the ministry had improperly imposed a one-month suspension of the earnings exemption. The exemption is designed to encourage and support income assistance recipients to work by allowing them to keep limited amounts of earned income over and above their monthly income assistance payments. The Ombudsperson determined that a ministry policy which imposed a one-month hiatus of the earnings exemption for individuals with variable earnings contravened the law, *the Employment and Assistance Regulation*. The investigation found that even though the ministry was aware that the policy was inconsistent with the law, it continued to apply it. The policy had widespread impact, resulting in over 500 instances a year of individuals being denied up to \$700 since 2012.

"It is fundamental to public administration that when law and policy collide, law prevails," said B.C. Ombudsperson Jay Chalke. "That didn't happen and as a result vulnerable people were negatively impacted," Chalke added. "Going forward, as we recommended in this report, the ministry needs to make sure that when a recurring or systemic mistake is identified, proper consideration is given to applying remedies to all affected individuals."

The report makes four recommendations including ensuring the ministry amend the relevant earnings exemption policy to comply with the law and that by October 1st, 2018 it reimburse all income assistance recipients whose benefits were improperly calculated. "I am pleased that the ministry has accepted all of our recommendations, and that as a result the ministry's policy is being changed to ensure that its decisions about eligibility for the earnings exemption are consistent with the ministry's legal framework," said Chalke. "The ministry has also committed to identifying and reimbursing an estimated 3700 income assistance recipients who over the years received less income assistance than they should have," said Chalke adding that his office will continue to monitor the recommendations in the report and will report publicly on progress. To view the full report visit:

<https://www.bcombudsperson.ca/>

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