

# **A Response to the Two Year Welfare Limits in British Columbia**

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## **Introduction**

On November 6, 2003 the Vancouver City Council passed a motion urging the provincial government to rescind the laws imposing time limits on welfare and reducing benefits. The Vancouver Council also resolved to write other municipalities encouraging them to pass similar motions. Boards of Directors in neighbourhood houses, social agencies, churches, social planning councils, professional associations, and women's groups across the province are passing similar motions to repeal the time limits.

The two year welfare limit on assistance will be instituted for singles and couples as of April 1, 2004, unless this limit is abolished. Those affected will already have spent 24 months proving their need and eligibility, by completing Employment Plans, seeking employment, going for training, and reporting monthly on their activities. In addition, as of April 2004, there will be reductions of 10 to 15% in monthly incomes of parents who have been on assistance for 24 months, and whose youngest child is over three years old. British Columbia is the only Canadian province to institute a time limit, with its two year rule; no European country has time limits on assistance; in the United States, the federal law of 1996 limits family welfare to five years, while some states have three year limits.

There are groups and individuals who argue in favor of time limits and reductions, stating British Columbia will thereby "save"<sup>2</sup> thousands of persons and families from welfare dependency. The assumption in this argument is that to be "saved" from dependency, people, especially poor citizens, need to bend to the discipline of employment and the compassion of family and neighbours in times of temporary need. But, they will not voluntarily seek employment or the compassion of family. Thus, the state needs to push them into salvation from dependency by ensuring there are serious restrictions on assistance eligibility and low benefits, geared only to the truly "deserving"—defined by authorities—as well as significant surveillance and penalties, minimal support and flexibility, and imposition of two year time limits.

The evidence is confusing and contradictory about whether time limits make sense. On one hand, there are signs on many stores and fast food outlets for "help wanted." The Ministry of Human Resources states there are 10,000 jobs listed in its job

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<sup>2</sup> T. Gabel, J. Clemens, & S. LeRoy "The reason for welfare time limits: They work" *Vancouver Sun*, November 15, 2003, p. C7

banks and in the want ads. There are empty seats in the short training courses on tourism and construction created for those on welfare assistance, although these same persons cannot find financial support for a year or more of the college, apprenticeship, or university education required for good jobs. On the other hand, there are 55,285 parents, men and women who received social assistance in September 2003 competing for these 10,000 jobs. Not only are there five persons on welfare competing for every job, there are 20 others not on welfare applying for each of those same jobs. This year, unemployment was 9%, meaning more than 200,000 of British Columbia citizens are recorded as unemployed. What are the employment chances of persons on social assistance who have already been looking for work during the past 24 months? Another related question is if they do manage to find legal or illegal work, will the income be enough to meet basic livelihood expenses when April 1, 2004 arrives?

### **Do time limits on welfare promote accountability and effectiveness?**

The evidence on the effectiveness of time limits is also contradictory. It is true that since the American introduction of five year time limits on family welfare in 1996, welfare case loads decreased, sometimes dramatically so. But the evidence is contradictory about whether the welfare of people and communities has improved. Some argue poverty and unemployment in America have decreased while others indicate the United States continues to have the highest child poverty rate and imprisonment rate in the industrialized world; more money is spent on prisons for black young men than on their university education.<sup>3</sup> In Ohio, for example, one fifth of its population applied for food assistance in 2002, and this is the state with a three year time limit on welfare for families.<sup>4</sup>

The B.C. Ministry of Human Resources asserts it has saved money and successfully met its performance targets of reducing the welfare caseload, welfare offices, and welfare staff. The new *Employment and Assistance Act* of 2002 seriously restricted eligibility. The procedures to establish and maintain eligibility are difficult including a three week "wait" after a worker or telephone operator has opened a file on an applicant and "two years of independence" before youth qualify unless leaving an abusive home. Over a decade ago, in 1990, 6.6% or 216,456 of the population in B.C. supported themselves and their families in part through income assistance under the old assistance laws (See Table 1). Of these 78,997 were children. When pre-tax poverty rates were as high as 19% in census year of 1996, 9.0% of the population, or 348,992 needed social assistance, of whom 126,910 were children. Since then welfare caseloads decreased, dropping sharply after the 2002 *Employment and Assistance Act* was introduced, from 249,313 in 2001 to 178,621 in August 2003 or 4.2% of the B.C.

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<sup>3</sup>A. M. Platt "Social insecurity: The transformation of American criminal justice, 1965-2000. *Social Justice* 28(1), 2001: 138-155.

<sup>4</sup> J. Borger "Disillusioned poor no threat to Bush" *The Guardian Weekly*, Nov. 6-12, 2003, p. 6.

population. Fewer children are supported in 2003 than in 1990: 53,296 versus 78, 997.

Perhaps these reductions in caseload are signs of short-term savings for a particular government department. Will the April 2001 two year time limits save more money? Even if the answer is yes, who benefits from those savings, and who pays? Will poverty rates decrease and deep poverty diminish? It is not obvious who benefits when citizens are forced to depend on voluntary agencies for necessities, or when they are involuntarily thrust on families or friends who must choose between a person they care for living on the street or their couch. Poverty has deepened for many since 2002. The numbers of British Columbians going to food banks and shelters are increasing significantly. Municipalities, schools, hospitals, voluntary agencies, and faith-based groups are struggling with higher costs, more paperwork, and lower income to meet the new demands. In a 2003 survey of 23 social agencies in the Greater Victoria area, over three-quarters reported more stress among staff and clients, and despite a decrease in number of staff and funding, the numbers of people served increased by 28%.<sup>5</sup> Similar spikes have been reported in other jurisdictions that reduced benefits and right to welfare in Canada and America:<sup>6</sup> more hunger, homelessness, use of food stamps, insecure jobs, lower income, despair, health emergencies, evictions, changes in schools for youth moving with families to find cheaper accommodation. Even workers in adoption agencies report increased stress as they confront the sadness of birth mothers who feel they have no choice: poor women cannot afford to care for their own children. Long term taxpayers savings of welfare time limits and subsequent negative consequences such as evictions has been challenged. For example, it costs on average \$30,000 to \$40,000 per year for the police, court, hospital, and shelter costs associated with one person living on the streets compared to \$25,000 for supportive housing.<sup>7</sup>

Reduced eligibility, and the welfare two year time limit are intended by government and its supporters to 'push independence'. There is the assumption that single people and parents with children over age three need to be pushed to find employment. They need time limits on public support to push them to depend on themselves, their families, friends, churches, landlords, and neighbours for sufficient income to pay for life's necessities. In the Annual Service Plan Report of the Ministry of Human Resources, the evidence presented is that most of the 60,000 clients in British Columbia who "left" income assistance did so for employment, and earned, on average,

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<sup>5</sup> "The new era: The tip of an iceberg" Community Reconstruction Project, First Report on Research Findings, June 2003. [www.communitycouncil.ca](http://www.communitycouncil.ca)

<sup>6</sup> For example: J. A. McMullin and G. Cassidy "Welfare reform in Ontario: Tough times in mothers' lives" *Canadian Public Policy* XXVIII (2): 2002: 297-314. And Taryn Lindhorst "Is welfare reform working: A study of the effects of sanctions on families receiving Temporary Assistance to Needy Families" *Journal of Sociology and Social Welfare* XXVII 2000 (4): 185-201. See S. Klein & A. Long *A Bad Time to be Poor* Vancouver: Canadian Centre for Policy Alternatives and Social Planning and Research Council, 2003.

<sup>7</sup> M. Eberle, D. Kraus, S. Pomery, & D. Hulchanski *Homelessness-Causes and effects: The costs of homelessness in British Columbia*. 2001. Victoria: B.C. Ministry of Social Development and Economic Security and B.c. Housing Management Commission.

nearly three times what they would have received on welfare.<sup>8</sup> That appears to be an impressive result. But this is not evidence that people needed to be pushed off welfare. People could leave voluntarily if reluctantly. Nor is there any evidence that arbitrary time limits are necessary or desirable to push people off welfare into employment. The majority of persons who request income assistance do so reluctantly, remaining on the caseload for a few months, and longer only if no other legal sources of income are found. Moreover, the evidence of welfare exit surveys is not accurately presented by the government. An alternative conclusion is possible as two-thirds of those who were removed from the welfare caseload did *not* answer the exit surveys, having no phone, no address or refused. It could be that the majority of welfare leavers did not find employment and earned less than while on income assistance. It is not known what happened to them, nor what were the effects of leaving welfare on the lives of their families, neighbours, landlords, small business people.

Most problematic is the assumption that welfare success or effectiveness is defined by authorities, and many others, as independence, by which is meant paid employment. Parenting young children and caring for oneself and others if disabled or ill, are deserving activities, but deserving as temporary excuses only, less valuable than the ideal state of employed independence. Caring work, parenting, education, livelihood pursuits, and community contributions are absolutely essential to the survival and well-being of British Columbia. But laws, regulations, research, and everyday words are turning these necessities into signs of dependence or luxuries, to be conducted in one's spare time, especially if one is poor. If welfare time limits and restrictions are not repealed, British Columbia society is declaring that these purposive, necessary activities are **not** important and accountable activities, but only lame substitutes for paid employment.

### **Are the time limits and deductions legal?**

The 24 out of 60 month time limit on welfare, and other significant reductions in monthly assistance, are regulations of the British Columbia provincial government, specifically Regulation 27 of the *Employment and Assistance Act Regulations and Manual*. The Act itself, does not impose time limits. Rather they are optional not mandatory. Under Section 36 of the Act the Lieutenant Governor-in-Council, that is the Cabinet "may" make regulations for the purpose of providing income assistance on a time-limited basis, and "may" make reductions in incomes after time periods. The law does not state that two year limits shall or must be introduced next April. Thus, to rescind the two year limit and reductions, it is a regulation that could be changed by Cabinet. An amendment to Act is not necessary, nor does it have to be debated again in the Legislature.

But, if a regulation has been passed as an Order-in-Council, does that make time limits legal? There are those who argue there can be illegal or unconstitutional

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<sup>8</sup> 2002/2003 Annual Service Plan Report Ministry of Human Resources  
[www.bcbudget.gov.bc.ca/annualreports/hr/default.htm](http://www.bcbudget.gov.bc.ca/annualreports/hr/default.htm), downloaded Nov. 14, 2003.

laws and regulations. A constitutional challenge against the time limits has been launched by the B.C. Public Interest Advocacy Centre.<sup>9</sup> The argument is that 24 month cut off rule for single and couples, and additional reductions in benefits to parents, is not consistent with people's rights to security and equality as guaranteed by Sections 7 and 15 of *the Charter of Rights and Freedoms* in Canada's constitution. The two year rule will deprive people of assistance regardless of need, individual circumstances, or ability to prove and document to the authorities that they are one of the 22 or more exceptions to the time limits.

At issue in interpreting legality of time limits is what happens to people's right to security of person, dignity, and equality before law if there is no income assistance. If food, shelter, and other necessities were freely available in British Columbia, and adequate, perhaps the time limits wouldn't threaten a person's freedom. But currently there are other rules that permit people to stay only 7 nights in the month in a homeless shelter, and many food banks limit visits to once or twice a month. Not only does Canada's Charter enshrine the security of person, Canada and British Columbia have ratified the *International Covenant on Economic, Social and Cultural Rights* in 1976. By signing these covenants, a government agrees to respect, protect and fulfill the rights of all people to adequate standard of living including food, clothing and shelter, and to report every five years in a public document to the United Nations on how well it is meeting these rights. There are those who argue the two year and welfare deductions of Section 36 and Regulation 27 of the *Employment and Assistance Act* of British Columbia directly and explicitly violates these international rights. Where will people go once their 24 months have expired? How will parents feed and nurture their children when \$200 or more is deducted from already inadequate assistance cheques if they have been on assistance longer than 24 months, and the youngest is older than three years?<sup>10</sup>

### **Are the time limits and deductions humane?**

It is not at all clear from the contradictory evidence that time limits, low assistance benefits, and strict policing of welfare restrictions are efficient, effective or legal. It is clear, however, that in tough economic times when public services are meager, time limits and welfare reductions threaten the security of persons in need, and harm the well-being of their families, neighbours, landlords, friends, and support people.

But even if economic times were good for everyone, and British Columbia had

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<sup>9</sup>“Community groups prepare for constitutional challenge to welfare cut-off” B.C. Public Interest Advocacy Centre. [Www.bcpiac.com](http://www.bcpiac.com) Downloaded Nov. 14, 2003.

<sup>10</sup> It is not at all simple to estimate what are the monthly incomes of persons on assistance. As of Sept 2003, \$510 is the maximum support plus shelter rate for a single person looking for employment. Approximately \$1100 per month is the rate for a family of three including B.C Family Bonus but excluding federal benefits.

adequate, accessible medical, social, and educational and community services for all, is a two year time limit humane and civilized? Even if time limits and welfare restrictions were effective, efficient, and legal, the question remains: are they humane? Are they what we want in British Columbia? Do time limits promote healthy communities or do they divide people, promoting shaming, judgmental thinking rather than flexible pragmatic, helpful thoughts? Time limits on assistance fosters contorted, complicated judgments about the deservedness of others for a time period. What happens to the 53,000 children currently living in families using income assistance, as they learn that they and their parents are judged as temporarily deserving, but only for 24 months, and then they become less deserving of support? The government insists there are many exemptions from the time limits, and no truly deserving person—who can prove with documents to the satisfaction of the computer driven eligibility determination—will be denied temporary assistance. But, what happens to the humanity of a society that legislates its authorities, professionals, citizens and software computer decision-making tools to put limits on people's rights to public assistance regardless of need or circumstance? Is British Columbia going into history as the first province in the 21<sup>st</sup> century to exile certain groups of people as undeserving, unnecessary, redundant? Two years, and you are out.

**Table1:  
Persons Supporting Themselves with Contributions from Income Assistance<sup>11</sup>  
by Different Laws and Regulations in British Columbia 1990-2003**

Prepared by M. Reitsma-Street, Studies in Policy and Practice, University of Victoria [www.uvic.ca/spp](http://www.uvic.ca/spp)  
 “The Threat of the Ticking Clock: Social Work’s Engagement with Welfare, Poverty, Food Security and Housing” Paper for The B.C. Association of Social Workers Fall Conference, Vancouver, Nov. 15, 2003.

Year	Cases	Number of adults, youth and children (% of B.C. population)	Number of children
<b>GAINS</b>			
1990	125,873	216,456 (6.6%)	78,997
1991	147,656	249,196 (7.4%)	88,001
1992	173,532	290,751 (8.4%)	101,745
1993	195,514	327,822 (9.2%)	115,035
1994	208,153	351,441 (9.6%)	124,575
1995	218,900	371,427 (9.9%)	132,193
<b>BC BENEFITS</b>			
1996	203,175	348,992 (9.0%)	126,910
1997	184,015	309,148 (7.8%)	109,436
1998	171,833	285,517 (7.1%)	99,753
1999	162,835	267,510 (6.6%)	92,357
2000	158,311	256,948 (6.3%)	87,750
2001	156,342	249,313 (6.0%)	82,974
<b>EMPLOYMENT &amp; ASSISTANCE</b>			
2002	136,666	214,516 (5.1%)	67,995
2003	119,935	178,621 (4.2%)	53,296

<sup>11</sup> Categorized as cases, beneficiaries, or clients in Ministry of Human Resources Employment and Assistance Caseload Statistics, [www.gov.bc.ca](http://www.gov.bc.ca) Downloaded Nov. 14, 2003