

Working to live: Economic security through policy innovation in Vancouver's Downtown Eastside

by

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Ethics Statement



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Abstract

Economic insecurity has been a persistent policy problem in Vancouver's Downtown Eastside (DTES). Expert interviews with 33 high-level representatives from non-profit organizations and social enterprises in the DTES and a literature review were used to understand the context and factors contributing to economic insecurity. Key identified barriers include: earning limits and high income taxes; a lack of access to supportive, low-threshold employment; and insufficient supports. These findings informed the development of five policy options that were assessed with respect to effectiveness, budgetary cost to government, stakeholder acceptability, and implementation complexity. Based on this analysis, promising approaches to improve economic security in the DTES of Vancouver include introducing a 30% income tax on earnings above social assistance exemption limits; facilitating investment in enterprises that provide low-threshold opportunities; and, providing low-barrier employment supports including skills and work readiness training, on- and off-job supports, and other community-centred supportive employment services.

Keywords: economic security; income-generation; social assistance; earning exemptions; low-threshold opportunities; social policy.

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List of Commonly Used Acronyms

BC: British Columbia

DTES: Downtown Eastside

LAP: Local Area Plan

LICO: Low-Income Cut-Off measure

MSDSI: Ministry of Social Development and Social Innovation

PPMB: Persons with Persistent and Multiple Barriers

PWD: Persons With Disabilities

Glossary

Formal economy refers to an economy that is sanctioned, regulated and monitored by government institutions. Income generated in the formal economy is subject to income tax (see Appendix 1).

High-threshold opportunities refer to income-generating opportunities that require higher capacity levels, skills, qualifications or training experience, sobriety and/or abstinence, physical and mental health ability, etc. (see Appendix 1).

Income-generating opportunities is a broad term that refers to any type of formal, informal, or semi-informal activity that contributes to the generation of an income.

Income-generation continuum describes the phases of transition from non-engagement to engagement in the labour force. This model clarifies how individuals transition from one phase to the next, and the various opportunities or supports available at each.

Informal economy, often referred to as the ‘black market’, represents income-generating activities that are illegal or prohibited. Activities include sex work, drug dealing, theft, etc. (see Appendix 1).

Low-threshold (employment) opportunities refer to income-generating opportunities that do not require sobriety and/or abstinence, or extensive physical and mental health abilities. As such, they are not highly structured and do not require high capacity levels, skills, qualifications or extensive training experience. Examples include peer support opportunities, street vending, binning, etc. (see Appendix 1).

Non-profit organizations are organizations that do not aim to produce profits. Any funds or excess revenues must be used for the purpose of the organization itself.

Semi-informal economy, also referred to as the ‘grey market’, is an economy of income-generating activities that are not sanctioned but not generally outright prohibited and therefore considered neither part of the formal nor informal economies. These are not regulated by government institutions and are sometimes characterized as being low-threshold and accessible types of activities. Examples include panhandling, binning and recycling, street vending, busking, etc. (see Appendix 1).

Social determinants of health refer to underlying social conditions that influence a population’s health. These include: income and social status; social support networks; education; employment/working conditions; social environments; physical environments; personal health practices and coping skills; whether child development needs have been met; gender; race; and culture.

Social enterprises are enterprises owned by non-profit organizations that are directly involved in the production and/or selling of goods and services for the blended purpose of generating income and achieving social, cultural, and/or environmental goals (Social Enterprise Canada, 2016).

Work readiness refers to a point in one's personal development where they are able to participate in income-generating opportunities. Work readiness is preceded by stable housing, food security, and having primary life necessities met.

Executive Summary

Economic insecurity is a persistent barrier to the wellbeing of Vancouver's Downtown Eastside residents and community members. The economic, social, and health inequities experienced by community members significantly inhibit their ability to work and engage in the formal, sanctioned labour force (City of Vancouver, 2013). With over 6,000 community members relying on social assistance as their primary source of income and a formal, sanctioned labour force engagement rate of 40% (City of Vancouver, 2013), it is evident that policy approaches are failing to meet the on-the-ground needs of community members.

With this said, community members are engaged in other forms of income-generation ranging from binning, recycling, vending, self-employment, artistry, and volunteering, to sex trade work, drug dealing, committing acquisitive theft, and more (DeBeck et al., 2007). Engagement in the informal, unsanctioned economy poses significant health, social and other harms to community members and increased costs to health care, criminal justice, and other social service programs (DeBeck et al., 2007). Hence, it is important that a multi-faceted approach be taken to identifying the root causes of economic insecurity and ways in which policy efforts could more effectively empower community members and reduce long-term costs to government.

This policy problem is complicated by the stagnancy of social assistance support rates in British Columbia and the increased cost of living in Vancouver (Tweddle et al., 2015). Last adjusted in 2007, evidence demonstrates that the purchasing power of current support rates has depreciated and that they are incapable of ensuring recipients can afford the basic necessities of life: food, shelter, and clothing (City of Vancouver, 2013). While rates remain low, individuals receiving social assistance also face significant deterrents to income-generation, where allowable earnings are capped and any additional earnings subject to a 100% income tax (MSDSI, 2016). These restrictions introduce disincentives and inhibit community members' ability to become economically self-sufficient and secure.

The City of Vancouver is current governmental jurisdiction taking the lead on addressing economic insecurity in the DTES. This can be seen through the DTES Local Area Plan, the Community Economic Development Strategy, as well as the Healthy City Strategy (City of Vancouver, 2005, 2014a, 2014b), where the municipal government has emphasized the importance of building local economies that are inclusive of all community members. With this said, the City of Vancouver's approach to economic development has faced criticism as a contributing factor to gentrification and the displacement of community members (Hladikova, 2015; Lupick, 2014). As the DTES Local Area Plan is still in its nascent stages, it will take some time to realize any of the intended outcomes of current municipal policy approaches.

Existing literature points to a variety of flaws in current policy approaches to social assistance and employment programming. Three specific shortfalls include the lack of recognition of the importance of low-threshold employment opportunities (DeBeck et al., 2011); the lack of supports to ensure the provision of life necessities; and, the lack of incentives to formal, sanctioned labour force engagement (Shamash, 2010; Feres, 2007). Attention to these gaps are seen as essential to ensuring social assistance recipients are empowered to enter the labour force as well as secure sustainable, flexible, and health income-generating activities.

This research project engaged non-profit organizations and social enterprises that provide formal, sanctioned income generating activities and supports in and around the DTES to better understand current systemic and policy barriers to organizations and community members. This was conducted as part of an information gathering initiative of the Vancouver Urban Core Community Workers' Association with the intent of strengthening community understanding of current policy barriers to economic security. The University of British Columbia Learning Exchange, the Local Economic Development Lab, and MITACS Canada funded this research. This research project involved expert interviews with 33 participants from 27 organizations. Questions pertained to the types of income-generating activities provided, recruitment and hiring practices, key barriers to organizations and community members, as well as the overarching policy and systemic barriers to economic security.

Research participants alluded to barriers that were slowing work readiness and disincentivizing formal, sanctioned labour force engagement among community members. Participants identified current policy priorities as focused on engaging social assistance recipients in high-threshold, full-time and regular part-time employment as opposed to acknowledging the benefits produced by low-threshold opportunities, a type of income-generating opportunities that has proven successful within the DTES. Participants also outlined that current earning exemption limits discourage increasing the number of hours worked by community members, as any additional earnings would be deducted from social assistance payments dollar-for-dollar. Lastly, providing supports to multi-barriered community members is something that is being provided by organizations that provide opportunities, straining financial and human resources and impacting their profitability and viability.

The aforementioned findings are reinforced by existing academic and other literature. Research findings have indicated the existence of a multi-dimensional income-generation continuum that requires a wide range of investment in order to facilitate economic security. Whereas current governmental policies were seen to address latter stages of the continuum, evidence suggests that investments must be made throughout the continuum in order to truly realize improvements in wellbeing. This involves deconstructing the welfare wall and implementing both push and pull mechanisms to encourage formal, sanctioned labour force engagement for community members.

Of the five policy options in this analysis, the first two options propose: 1) lowering post-earning exemption income taxes from 100% to 30%, or 2) increasing earning exemption limits to the current maximum level of \$800 per month while also applying a more generous 30% taxation rate. The third option proposes the establishment of a DTES Social Innovation Investment Fund that provides capital to social enterprises, non-profit organizations, and local businesses interested in providing low-threshold opportunities to community members. Under this model, investments would be rewarded with a provincial income tax credit in exchange for a 7-year investment, a model that has similarly been adopted in other jurisdictions across Canada (Reimer & Bernas, 2015). The final two policy options seek to tackle employment support deficits by 4) introducing revisions to current WorkBC employment service centre contract fee schedules in order to expand available employment supports, or 5) calling on provincial government to collaborate with the City of Vancouver to establish a DTES Resource Hub that provides the low-barrier employment supports.

A combination of four societal and governmental objectives were used in this policy analysis. The effectiveness criterion receives the greatest weight through its inclusion of three measures: **access**, assessing a policy options ability to encourage formal, sanctioned labour force engagement, **capacity**, determining how a policy option affects social hiring and the creation of low-threshold opportunities, and **quality**, whether a policy option allows for an income above the LICO. **Budgetary cost to government** received the next greatest weight by seeking to both identify the potential costs of a policy option as well as the potential health care, criminal justice, and other social system **cost-savings**. **Stakeholder acceptability** and **implementation complexity** were the final criteria in this policy analysis, the former gauging opposition to the policy option from DTES community members, organizations, the public, and government contract holders, while the latter exploring the level of institutional change needed to implement the policy option.

This policy analysis concludes that the implementation of policy options one, three, and five would have the greatest effect on improving economic security in the DTES. Collectively, these three recommendations encourage formal, sanctioned labour force engagement, facilitate the creation of low-threshold opportunities, and provide the community-centred, low-barriers supports necessary to achieving and maintaining economic security. Additionally, it may be valuable to explore the benefits of social assistance support rates tied to the LICO measure or a Guaranteed Annual Income for all British Columbians. This research project emphasizes the importance of community-oriented approaches to social assistance and employment supports, and the need for flexibility within current government policy priorities and approaches.

1. Introduction

Considered North America's poorest postal code, Vancouver's Downtown Eastside (DTES) is a neighbourhood that faces significant economic insecurity. Estimates from the City of Vancouver (2013) indicate that over 6,000 DTES residents rely on social assistance for their main source of income (City of Vancouver, 2013), of which half receives temporary income assistance and another other half receives disability assistance. Adding to this, an estimated 10,000 or 60% of DTES residents, are disengaged from formal, sanctioned labour force. The reality of the significant economic insecurity experienced in the DTES is reinforced by the fact that according to the 2006 census, 53% of DTES residents and community members (herein referred to as 'community members') lived below the Low-Income Cut-Off (LICO) (City of Vancouver, 2013), Canada's unofficial poverty line (Ligaya, 2007). This economic insecurity poses serious public health, criminal justice, and social policy challenges.

The vast economic insecurity in the DTES is rooted in a number of characteristics unique to the community. Considered Vancouver's historic epicenter, the DTES was once an economically vibrant hub that offered a range of housing and amenities to seasonal workers and Vancouverites alike (Newnham, 2005; Campbell, 2011). With the westward expansion of Vancouver's urban hub, the DTES witnessed an economic slump and bust (Newnham, 2005; Campbell, 2011). What remained over time were some of Vancouver's most unsafe housing units (Single Room Occupancy hotels), a dense range of social service and support agencies, and a community of individuals that shared common lived experience, barriers, and struggles (Newnham, 2005; Campbell et al., 2009).

The status quo approach to addressing economic insecurity in the DTES is of concern. For example, social assistance rates and housing allowances, which represent a primary source of income for many community members (Debeck et al., 2007), have stagnated since they were last adjusted in 2007 and earning exemption limits impose income ceilings on social assistance recipients (Feres, 2007; Graham et al., 2009). Unadjusted rates and income ceilings severely restrict individuals' ability to engage in formal, sanctioned income-generation and to improve their economic security (Graham et al., 2009). In order to supplement insufficient social assistance allowances, community members engage in informal and semi-informal income-generating activities (e.g. sex work, drug dealing, theft, binning, street vending, panhandling, etc.) (Appendix 1) and as a result face increased exposure to violence, harmful substance use, and other risky health behaviors (Debeck et al., 2007). These negative consequences impose costs to the health care, criminal justice, and social support systems, contributing to an estimated expenditure of one million dollars per day in the DTES (Culbert & McMartin, 2014).

Five policy options intended to address the long-standing economic insecurity evident in the DTES have been identified as part of this research project. These options were derived through a review of the literature and expert interviews with DTES non-profit organizations and social enterprises that provide income-generating activities to community members. As employers, advocates, and allies of community members, participants of the expert interviews are well positioned to provide insight into systemic and policy barriers hindering the economic security of community members. Although prior research has explored associations between social assistance, employment supports, and economic security within Canada (Tweddle et al., 2014) the barriers to income-generation and economic security experienced within the DTES remain relatively unexplored. At this time, the City of Vancouver has acknowledged the severity of economic insecurity in the DTES and has demonstrated its commitment to improving the economic security and well-being of community members through the DTES Local Area Plan, the Healthy City Strategy, and the Community Economic Development Strategy (City of Vancouver, 2005, 2014a, 2014b). The overall objective of this project is to propose practical provincial policy recommendations for policy makers to increase the economic security of DTES community members.

2. Background

It is important to both identify and understand the factors that contribute to economic insecurity in the DTES. As a majority of the social supports and resources available to community members fall under the jurisdiction of the provincial governments, this research will seek to address provincial government policy approaches to social assistance and employment in British Columbia (BC). As evidence suggests that social assistance represents a key source of income for community members (DeBeck et al., 2007), understanding its structure will provide insight into current government efforts to improve community members' economic security.

2.1 Social assistance in British Columbia

The Ministry of Social Development and Social Innovation (MSDSI) is the principal provincial government agency responsible for BC Employment and Assistance (BCEA) (herein referred to as social assistance), formerly BC Benefits (MSDSI, 2016). The stated intent of social assistance is to provide financial assistance and employment related supports to British Columbians who are unable to participate in the formal, sanctioned labour force (MSDSI, 2016). Application is open to those who are awaiting earnings, in dire need for basic life necessities or health care services, unemployed, or unable to engage in the labour force (MSDSI, 2016).

To become eligible for social assistance, applicants must transition through a series of MSDSI-established stages (Appendix 2). The first stage requires the completion of a 5-week work search for new social assistance applicants and a 3-week work search for returning applicants. Once this is complete, the MSDSI assesses the suitability and eligibility of social assistance applicants based on their work readiness, existing income sources and assets, their family situation and expected monthly expenses (MSDSI, 2016).

2.1.1 Temporary assistance

Applicants are categorized by the MSDSI based on their ability to engage in the labour force (MSDSI, 2016). One's designation therefore dictates whether an employment plan is a mandatory condition in order to receive social assistance (MSDSI, 2016). The intent of the employment plan is to establish milestone goals and follow-up periods to ensure goal achievement and accountability (MSDSI, 2016). The MSDSI uses an Employment Readiness Information Questionnaire, an Employability Screen, and a Client Employability Profile to determine applicants' or recipients' designation (MSDSI, 2016). Failing to engage in or adhere to an employment plan results in the cancellation or denial of social assistance (MSDSI, 2016).

For those with an 'employment obligated' designation – which are divided into the 'expected to work' and 'expected to work-medical condition' categories – the

employment plan is required in order to receive benefits (MSDSI, 2016). The difference between the two categories is the design of the employment plan. For those with an expected to work-medical condition designation – individuals that are unable to work more than 10 hours per week due to mental health limitations, substance use issues, or other medical complications – employment plan emphasis is placed on improving work readiness (MSDSI, 2016). For expected to work social assistance recipients, the employment plan focuses on securing formal, sanctioned employment (MSDSI, 2016).

Not employment-obligated status applies to social assistance recipients who are fleeing domestic abuse, over 65 years of age, living with a severe addiction, or who have long-standing mental health limitations (MSDSI, 2016). Individuals with this designation are temporarily excused from developing an employment plan. Persons with Disabilities and Persons with Persistent and Multiple Barriers are included under this designation (MSDSI, 2016).

2.1.2 Persons with Persistent and Multiple Barriers

The Persons with Persistent and Multiple Barriers (PPMB) designation applies to applicants or recipients that have received a poor score on an Employability Screen test, or who have a serious medical condition that hinder labour force engagement (MSDSI, 2016). PPMB recipients receive approximately \$500 in income supplements per month, compared to \$200 for temporary assistance recipients. As mentioned, PPMB recipients are not employment obligated but are able to participate in a voluntary employment plan (MSDSI, 2016) that focuses on work readiness as opposed to employment. PPMB eligibility is reserved for individuals who have been receiving temporary assistance for 12 out of the last 15 months (MSDSI, 2016).

2.1.3 Persons with Disabilities

Persons with Disabilities (PWD) represent the majority of social assistance cases (MSDSI, 2016). A PWD designation is for social assistance recipients with a serious medical condition (MSDSI, 2016). The applicant must seek the support and approval of a medical practitioner or prescribed professional prior to their application. The condition must impede the applicant from engaging in daily duties and must persist for longer than two years (MSDSI, 2016). At all times, MSDSI is capable of reviewing and rescinding PWD and all other designations (MSDSI, 2016).

2.2 Social assistance rates

Below, Figure 1 and 2 outline the cash transfers and shelter allowances for which social assistance recipients are eligible. A social assistance recipient's support rate is dependent on their designation and household composition (MSDSI, 2007).

Figure 1: BCEA Income Assistance Rate Table

	Support Rate (\$)								
Unit Size	A	B	C	D	E	F	G	H	Shelter Maximum
1	235.00	282.92	N/A	531.42	N/A	N/A	N/A	N/A	375.00
2	307.22	452.06	375.58	700.56	949.06	672.08	423.58	396.22	570.00
3	401.06	546.06	375.58	794.56	1043.06	672.08	423.58	490.06	660.00
4	401.06	546.06	375.58	794.56	1043.06	672.08	423.58	490.06	700.00
5	401.06	546.06	375.58	794.56	1043.06	672.08	423.58	490.06	750.00
6	401.06	546.06	375.58	794.56	1043.06	672.08	423.58	490.06	785.00
7	401.06	546.06	375.58	794.56	1043.06	672.08	423.58	490.06	820.00

Key	Effective April 1, 2007, rates for:
A	Employable singles couples and two parent families where all adults are under 65 years of age.
B	Singles, couples, and two parent families where all adults meet the Persons with persistent multiple barriers (PPMB) criteria and are under 65.
C	Employable one parent families where the parent is under 65.
D	Singles, couples, and two parent families where one adult is aged 65 or older.
E	Couples and two parent families where one adult is aged 65 or older.
F	One parent families where the parent is 65 or older.
G	One parent families where the parent meets the PPMB criteria and is under 65.
H	Couples and two parent families where one adult meets the PPMB criteria and are under 65.

Source: MSDSI (2007)

Figure 2: Disability Assistance Rate Table

	Support Rate (\$)				
Unit Size	A	B	C	D	Shelter Maximum
1	531.42	N/A	N/A	N/A	375.00
2	700.56	949.06	672.08	949.06	570.00
3	794.56	1043.06	672.08	1043.06	660.00
4	794.56	1043.06	672.08	1043.06	700.00
5	794.56	1043.06	672.08	1043.06	750.00
6	794.56	1043.06	672.08	1043.06	785.00
7	794.56	1043.06	672.08	1043.06	820.00

Key	Effective April 1, 2007, rates for:
A	Singles, couples, and two parent families where one family member is a person with disabilities (PWD) and the other is not a PWD and is under 65.
B	Couples and two parent families where both adults are PWDs
C	One parent families where the parent is a PWD
D	Couples and two parent families where one adult is aged 65 years or older but is not a PWD and where one adult is a PWD.

Source: MSDSI (2007)

2.2.1 British Columbia Caseload Statistics

As of November 2015, the MSDSI (2015a) reported 136,870 social assistance cases in BC. Of these cases, 42,809 (31.3%) involved temporary assistance and 94,061 (68.7%) involved disability assistance. Of the 42,809 temporary assistance cases, 29,880 (69.8%) cases were designated as expected to work, 6,379 (14.9%) cases were temporarily excused from the employment plan, 5,091 (11.9%) cases were designated as PPMB, and, 1,459 (3.4%) cases were designated expected to work – medical condition (MSDSI, 2015a).

2.2.2 Social assistance and the LICO measure

The estimates in Appendix 3 highlight the density of social assistance recipients located in and around the DTES while indicating that a large number of community members live below the LICO measure, Canada's unofficial poverty line (Ligaya, 2007). The LICO is a poverty measure published by Statistics Canada that represents the threshold at which point a significant proportion of family's income, set at 63% of a household's income, is spent on food, clothing, and shelter (Statistics Canada, 2016). When comparing BC's social assistance rates to the LICO a vast discrepancy is observed. The most recent data on Canadian social assistance rates published Tweddle et al. (2015) indicates that BC's social assistance rates fall far below the LICO (see Figure 3 below). This means that current social assistance rates in BC are insufficient at meeting individual's basic life necessities in turn contributing to economic insecurity.

Figure 3: Total welfare incomes, estimated after-tax LICO, and income as % of after-tax LICO

	Total welfare incomes	Estimated after-tax LICO	Welfare incomes as % of after-tax LICO
Single employable	\$7,813	\$20,160	38.8%
Persons With Disability	\$11,415	\$20,160	56.6%
Single parent, one child	\$17,277	\$24,536	70.4%
Couple, two children	\$21,924	\$38,117	57.5%

Source: Tweddle et al. (2015)

2.3 Earning exemption limits

Earning exemption limits acknowledge the unsustainability of current social assistance transfers and are intended to allow for income supplementation through labour force engagement. Earning exemptions vary depending on a social assistance recipient's designation, with the largest exemption seen for PWD recipients (MSDSI, 2015b). Figure 4 outlines current earning exemption limits for social assistance recipients by designation, also outlining that PWD recipients are the only social assistance group able to annualize their earnings (MSDSI, 2015b).

Figure 4: Earning Exemption Limits

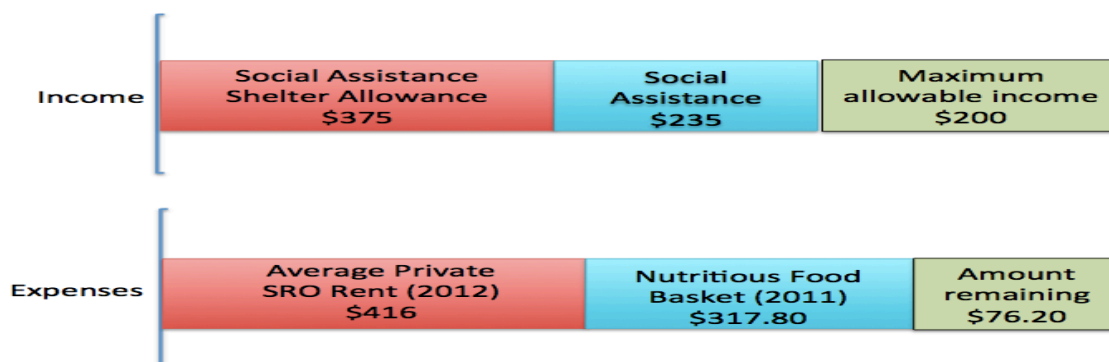
Eligible Clients	Earnings Exemption Amount (per individual)
Family units where at least one adult is designated as a Persons With Disability	
Family unit with one adult recipient, one PWD designation	\$9,600 /year
Family unit with two adult recipients, one PWD designation	\$12,000 /year
Family unit with two adult recipients, two PWD designations	\$19,000 /year
Family units where adults do NOT have Persons With Disability designation	
All family units who care for a dependent or supported child with a severe disability that precludes the parent from working more than 30 hours per week outside of the home	\$500 /month
A family unit where one individual is a Persons With Persistent and Multiple Barriers (includes single individuals)	\$500 /month
All family units with a dependent child or who are caring for a supported child	\$400 /month
All family units, including individuals eligible for income assistance who are not listed above	\$200 /month

Source: MSDSI (2015b)

2.4 Criticisms of social assistance in BC

BC's social assistance system has faced criticism surrounding its ability to improve the economic security of the most vulnerable British Columbians. There is evidence of this in Vancouver, where increases in the cost of living and other necessities far outweigh stagnant social assistance rates and earning exemptions (City of Vancouver, 2013). For example, in the *DTES Local Area Profile* published by the City of Vancouver in 2013 the shortcomings of current rates and earning exemptions at meeting the costs of food and housing in the DTES are evident (City of Vancouver, 2013).

Figure 5: Food Purchasing Power (2012)

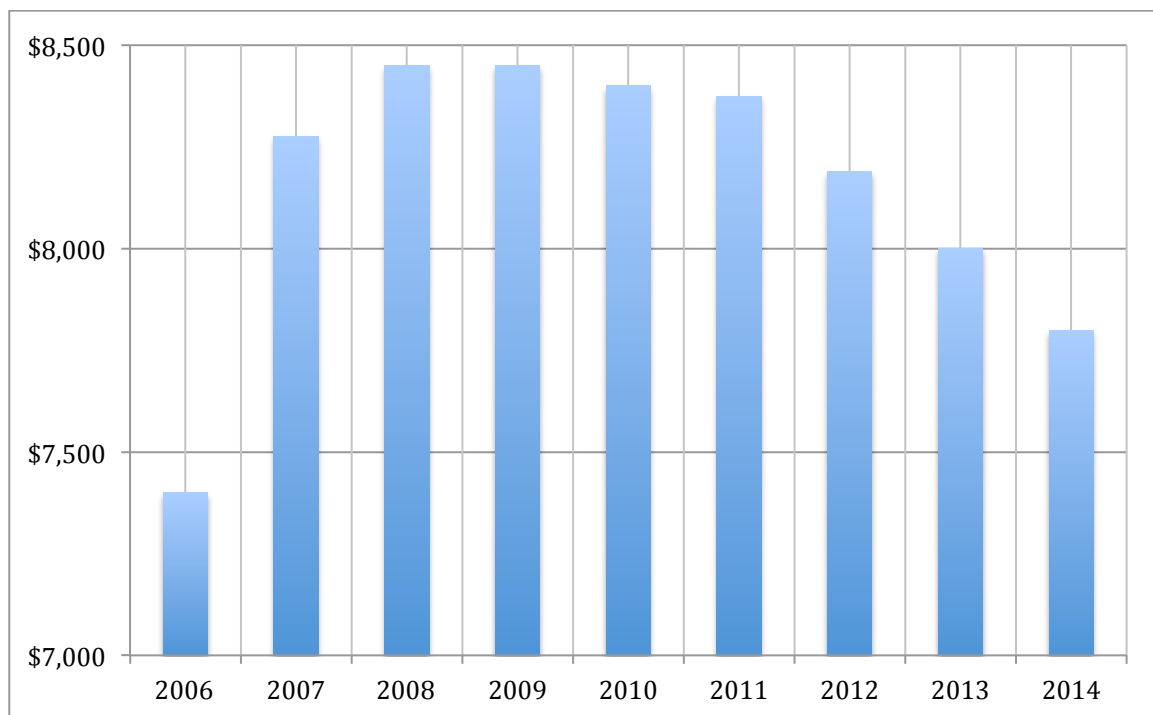


Source: City of Vancouver (2013)

This info graphic demonstrates the limitations of current rates and the budgetary constraints that community members encounter when receiving social assistance. This indicates that current social assistance rates and earning exemption limits introduce income ceilings on social assistance recipients, increase reliance on social assistance, and often divert social assistance recipients to informal, unsanctioned means of income-generation, such as acquisitive crime, drug dealing, and sex work (Debeck et al., 2007; DeBeck et al., 2011). Engagement in these forms of income-generation are often met with increased risk of incarceration, exposure to violence, and engagement in risky health behaviours leading to increased costs in other policy jurisdictions primarily health care and justice (DeBeck et al., 2011).

Social assistance rates were last increased in June 2007. Although inflation and price increases have raised the cost of living in Vancouver, social assistance rates are stagnant and are worth less in terms of purchasing power today than in 2007. The figure derived from the *Welfare in Canada, 2014* report (Tweddle et al, 2015) (Figure 6: Figure 6) depicts the depreciation of social assistance cash transfers for a single employable person in constant 2014 dollars. The observed decrease in the purchasing power of social assistance payments emphasizes how current policy approaches are insufficient at improving the economic security of DTES community members.

Figure 6: Real BC welfare incomes, 2006 - 2014



Source: Tweddle et al. (2015)

2.5 Policy approaches and strategies: Vancouver

The City of Vancouver has been the primary driving force behind a series of agreements, policies, and strategies seeking to improve economic security in the DTES. Through the Vancouver Agreement (City of Vancouver, 2005), the DTES Local Area Plan (City of Vancouver, 2013), and the Healthy City Strategy (City of Vancouver, 2014b) the City of Vancouver has identified city-based interventions that can ease the pressure on the economically insecure. The common thread between these agreements is an emphasis on the City's commitment to improving access to income-generation and the significance of economic security through community economic development.

2.5.1 Vancouver Agreement (2000 – 2010)

The Vancouver Agreement was an “urban development initiative” that sought to strengthen partnerships between businesses, community organizations, municipal, provincial and federal governments (City of Vancouver, 2005). By employing a community solutions approach to the socioeconomic and health issues faced by community members, the Vancouver Agreement's primary intent was to increase the economic security in the DTES. The Vancouver Agreement was first signed in 2000 and renewed for a second 5-year term in 2005 until it ended in 2010.

The Vancouver Agreement consisted of four strategic areas: economic revitalization, safety & security, housing, and health & quality of life. Acknowledging that a community's economic prosperity is dependent in part on the social well being of its population, the Vancouver Agreement emphasized a need for community revitalization without displacement. The Vancouver Agreement aimed to invigorate the local economy by developing local capacity and improving demand for DTES-specific products and services. To meet these objectives, the Vancouver Agreement saw the earmarking of \$13.8 million dollars to non-profit organizations engaged in supporting local employment. Although the Vancouver Agreement has since ended, its legacy lives on in a wide range of organizations and initiatives that exist today.

2.5.2 DTES Local Area Plan

The DTES LAP is a planning initiative of the city that began in 2012 and gained Vancouver city council approval in 2014 (City of Vancouver, 2014a). The LAP was designed to offer an overarching strategy to improve the economic security and well-being of DTES community members. Through its four phase development process: reviewing, planning, feedback and approval, and monitoring and evaluation – the LAP made strides to incorporate the voices of community members and stakeholders including residents, non-profit organizations, businesses and business improvement associations, and educational institutions (City of Vancouver, 2013). The extensive consultation process of the DTES LAP led to the development of key principles that were to be considered in all future planning efforts and policy interventions on behalf to he

City in the DTES. This meant that the City acknowledged the importance of economic, housing, and food security in the DTES, and its role to encourage local, social hiring, community economic development, and the inclusion of community members in future planning decisions.

2.5.3 Healthy City Strategy

The Healthy City Strategy represents the City's understanding of the relationship between urban planning and public health (City of Vancouver, 2014b). Emphasizing the importance of sustainability, the Healthy City Strategy prioritizes economic, ecological and social objectives in future City decision making, and the need for urban planning that improves the health and well-being of Vancouver residents and contributes to a more vibrant community.

The Healthy City Strategy extends from 2014 – 2025, with the first 4-year phase gaining City Council approval in 2015. This 4-year plan includes a combination of 19 high-priority short and long-term priorities (City of Vancouver, 2014b). This includes designing a Social Amenities Priorities Plan that seeks to identify and meet social service, mental health, and addictions support needs. The Health City Strategy also highlights the City's commitment to working with provincial and federal counterparts to improve social assistance and shelter allowance rates (City of Vancouver, 2014b).

2.6 Criticism of current policy approaches

Community advocates have criticized the aforementioned policy approaches as a guise for DTES gentrification through increased real estate development (Hladikova, 2015; Lupick, 2014). As community members face “reno-viction”, high-end housing projects continue to be developed, rental prices and the cost of living increase, the policy approaches have experienced increasing community resistance and distrust (Hladikova, 2015; Lupick, 2014). It has been argued that current efforts lack an intersectional approach to the problem by ignoring the impacts of colonialism, imperialism, capitalism, racism, sexism, etc. on the lives of community members, while others believe the approaches are out-of-touch with the needs of the DTES (Hladikova, 2015; Lupick, 2014).

Although recent policy approaches have attempted to mend strained relationships and strengthen the trust between community members and all levels of government, they are being met with skepticism and concern. As the City of Vancouver, provincial and federal governments continue to outline their commitments to improve economic security in the DTES, policy efforts are complicated by the community's unique geographic location and real estate development potential. This requires ongoing dedication to strengthening ties and demonstrating good faith and will on behalf of all governments.

2.7 Policy Approaches and Strategies: Canada

Economic insecurity in urban settings remains prominent policy problem in other jurisdictions across Canada. The provinces of Ontario and Manitoba represent two jurisdictions that have significantly high rates of urban poverty and economic insecurity. This section outlines existing policy approaches that are being deployed in these respective jurisdictions to inform the policy options and recommendations of this research project.

2.7.1 The Province of Ontario

In 2010, the provincial government of Ontario initiated a review of the province's social assistance regime (Ontario, 2012). This came as a result of significant increases in social assistance caseloads among both disability and non-disability categories and the system's poor outcomes in terms of encouraging formal, sanctioned labour force engagement among recipients (Ontario, 2012). The review process was influenced by the provincial government's poverty reduction strategy, which sought to reduce economic insecurities between Ontarians and reduce the number of social assistance cases in the province (Ontario, 2012). The resulting report included 108 recommendations to the existing social assistance system in Ontario (Munir, 2015).

Two years after the publication of the report, Munir (2015), one of authors of the initial report, assessed to what extent the provincial government had acted on the recommendations, reporting that the government had failed to meet the recommendations made in the report. With this said, significant changes pertaining to earning exemption limits and income taxes were made, where the provincial government of Ontario now allows social assistance recipients to earn \$200 per month with all additional income subject to a 50% income tax (Munir, 2012; Tweddle et al., 2015). Another policy action that emerged was the renewal of the Ontario Poverty Reduction Strategy in 2015, containing target areas in child poverty, financial security, and homelessness (Ontario, 2014).

2.7.1 The Province of Manitoba

In 2009, the province of Manitoba launched the *All Aboard* strategy, a multi-million dollar poverty reduction strategy (Torjman et al., 2009). The strategy acknowledged the interrelatedness of income and economic insecurity, and allocated funds for the improved coordination of social programs and services, the funding of safe and affordable housing, increasing employment supports, and supporting family unity (Torjman et al., 2009).

In terms of the changes made to the provision of social assistance, the government of Manitoba largely focused on introducing more educational supports as well as reforming social assistance to provide more robust supports to encourage formal,

sanctioned labour force engagement including skills upgrading, employment support provision, self-employment support provision, and job search support (Torjman et al., 2009). Additionally, the government of Manitoba increased the supports available to persons with disabilities by funding initiatives to encourage the hiring of persons with disabilities among businesses in Manitoba (Torjman et al., 2009). In terms of earning exemptions, Manitoba has implemented similar earning exemption limits to Ontario, but has introduced a more lenient claw back rate of 30% (Tweddle et al., 2015).

2.7.2 The United Kingdom

Social assistance, referred to as income support in the UK, is administered through an intricate system of taxation and benefit provision (Adams et al., 2010). Social assistance benefits range from £57.90 to £114.85 per week and are based on an applicant's age, relationship status, disability status, and if you are not working or working fewer than 16 hours per week (Government of the UK, 2016). With this said, income inequality in the UK has steadily increased over the past 30 years as direct income taxes, which are responsible for redistributing income, have been unable to keep up with the growing gap between high and low-income earners (Adams et al., 2010).

In place of income support, UK citizens who are unemployed but actively seeking work are entitled to receive one of two types of Jobseeker's Allowance (Citizens Advice, 2016). To be eligible, applicants must be employable and demonstrate that they are actively seeking work. The two types of Jobseeker's allowance are contribution-based and income-based (Citizens Advice, 2016). The former category pertains to individuals who have been contributing to the UK's National Insurance system. The latter category is for individuals who have been unemployed for an extended period of time and who have not paid into UK's National Insurance system (Citizens Advice, 2016). Similarly to British Columbia, any income earned by a recipient results in a 100% claw back of Jobseeker's Allowance.

3. Literature Review

In order to understand the shortfalls of the provincial government's current policy approach to social assistance, attention must be paid to historical developments within the past two decades. McBride and McNutt (2007) point to the main influences of BC's current social assistance program as: 1) the devolution of responsibilities and reduction in funding to provincial governments by Canada's federal government in the late 1980s and early 1990s; and 2) the adoption of neoliberal policy approaches to social assistance by BC's provincial governments in the late 1990s and early 2000s. Provincial government cost-cutting measures translated into the establishment of strict social assistance eligibility requirements, mandated employment programming, and the introduction of limits on the duration of social assistance receipt, reforms that resemble similar goals and efforts in the United States (McBride & McNutt, 2007; Graham et al., 2009). These cost-cutting measures were in part responsible for a reduction of 55,000 social assistance caseloads between 1995 and 2004, indicating the provincial government's attempt to "expand the pool of cheap labour available to 'low end' employers." (McBride & McNutt, 2007, p. 194).

The failures of this policy approach to economic insecurity are evidenced through the Vancouver Injection Drug User Study (VIDUS), a cohort study of over 1000 people who use injection drugs, primarily based in Vancouver's DTES (DeBeck et al., 2007). Here, DeBeck et al. (2007) indicated that 84% of study participants reported social assistance as their primary source of income, and that only 14% of participants reported engaging in formal, sanctioned work. Instead, the study found that participants were active in informal, unsanctioned economy, generating income through drug dealing (27%), sex trade work (18%), panhandling (9%), binning (7%), and other criminal activities (4%). The lack of economic opportunities sensitive to the needs of DTES community members as well as the fear of loss of social assistance when engaging in the labour force were credited with the higher informal, unsanctioned income-generation observed in this cohort study (DeBeck et al., 2007).

Although cutting social assistance spending and restricting social assistance may be seen as a cost-savings measure for the provincial government (McBride & McNutt, 2007), evidence suggests that doing so results in higher long-term costs. In Europe, evidence indicates that increases in unemployment are linked to higher rates of suicide, mental illness, and deaths due to alcohol consumption (Catalano, 1991; Stuckler et al. 2009). In addition to negative individual health outcomes, DeBeck et al. (2011) credit restrictive social assistance regimes with increased engagement in prohibited income-generation, which lead to high policing, health care, criminal justice system costs, as well as a long-term dependence on social assistance and other social supports.

It is therefore imperative to address the shortfalls of current social assistance policy approaches to improve economic security while simultaneously reducing societal costs.

In the context of social assistance in Canada, literature has focused on three key areas within social assistance policy. These include the need for recognizing low-threshold opportunities; increasing social assistance rates to sustainable levels; and, implementing earning exemption policies that encourage formal, sanctioned labour force engagement.

Low-threshold opportunities are formal, sanctioned income-generating activities that recognize the complex life histories of the economically insecure and integrate supports and flexibilities into work environments to account for individual limitations (DeBeck et al., 2011; Shamash, 2010). Low-threshold interventions include, but are not limited to, flexible working hours, on-job supports, mental health leave policies, no requirements of abstinence, etc. (DeBeck et al., 2011). Evidence suggests that low-threshold employment is an effective method of facilitating sustainable reintegration into the formal, sanctioned labour force (Cohen et al., 2008) and improving the health outcomes among injection drug users (Richardson et al., 2013; Tremblay et al., 2010). At this time, the MSDSI employment programming priorities do not support employment placement in low-threshold opportunities. Instead, emphasis lays on securing sustainable employment, defined as either full-time or regular, part-time employment, for employment obligated social assistance recipients (MSDSI, 2016).

Debeck et al. (2011) have demonstrated noteworthy interest in low-threshold employment among the VIDUS cohort of injection drug users in Vancouver's DTES. Seeking to gauge community members' interest in low-threshold opportunities, DeBeck et al. (2011) inquired about the income-generating activities of 874 participants, focusing on the types of income-generating activities they engaged in as well as their willingness to forgo those means of income-generation for low-threshold opportunities. Overall, 47% of participants reported their willingness to exchange informal, unsanctioned income-generation for low-threshold opportunities, with a 63% exchange willingness among study participants that reported sex trade work, 44% among study participants that reported drug dealing, 37% among study participants that reported panhandling, and 29% among study participants that reported recycling or binning (DeBeck et al., 2011). These results posit the potential decreases in informal, unsanctioned income-generation that may arise if low-threshold opportunities become more readily available and the potential cost-savings to governments and taxpayers associated with this decline.

This hints at the economic insecurity resulting from BC's current social assistance regime. In 2014, BC's social assistance rates represented 38.8% of the 2014 LICO for single, employable social assistance recipients, and 56.6% for PWD (Twiddle, 2015). These values have decreased in 2015, as rates have remained the same but the LICO measure has increased due to inflation. Hence, stagnant social assistance rates and the depreciation of a dollar's purchasing power have resulted in calls for the provincial government to raise social assistance rates (Froese, 2015; Graham et al., 2009).

An alternative to increasing social assistance rates that has been gaining public support and political momentum is a guaranteed annual income. Referencing the success of Canada's Old Age Security program Emery et al. (2013) argue that significant cost-savings would be realized through the implementation of a no-strings-attached income for all Canadians. By ensuring that all Canadians have the ability to afford basic life necessities, like housing and food, the guaranteed annual income would meaningfully alleviate poverty (Emery et al., 2013). In turn, Emery et al. (2013) suggest that provincial governments would experience reductions in health care, education, and other social system costs, while also seeing administrative cost-savings through the amalgamation of employment insurance, pensions, and social assistance programs.

The role of earning exemptions in incentivizing formal, sanctioned labour force engagement is also a well-explored area within the literature, especially in relation to the 'welfare wall'. In a brief published by the Library of Parliament, Canada (2006) describes the welfare wall as:

"...the disincentives to work created by interaction between the system of social assistance and personal income taxation in Canada. Canadians who receive social assistance and subsequently accept low-paying employment face a series of consequences that could potentially make them worse off, including: higher income and payroll taxes; new work-related expenses such as transportation, clothing and childcare; reduced income support in the form of social assistance and income-tested refundable tax credits; and loss of in-kind benefits such as subsidized housing and prescription drugs."

As a result, Canada (2006) acknowledges the federal government's understanding of earning limits disincentivize engagement in the formal, sanctioned labour force. This recognition has been taken up across Canada by a number of provincial and territorial jurisdictions, where limits on earning exemptions have been substituted with an income tax on earnings above the allowable limit (Tweddle et al., 2015).

Through the review of existing literature, it is apparent that the current social assistance policy approaches in BC are insufficient at reducing economic insecurity. This is especially true in Vancouver's DTES, where its status as North America's poorest postal code indicates the failure of past and current policy approaches at improving the well being of its community members. The following section outlines the research study component of this project that involved soliciting the perspectives and considerations of social enterprises and non-profit organizations that provide or support formal, sanctioned income-generation. Collectively, this literature review and the results of this research study emphasize the need for a shift in provincial government policy efforts in order to facilitate meaningful improvements in economic security.

4. Methods

This research project seeks to understand the factors that contribute to DTES community members' economic insecurity as well as to identify and evaluate potential policy solutions. In order to understand the barriers to economic security faced by DTES community members, this research engaged community organizations involved in the provision of formal, sanctioned income-generating activities. Additionally, participating community organizations were asked to share the challenges that their respective organizations experienced in offering income-generating activities to community members.

4.1 Research Background

The Vancouver Urban Core Community Workers' Association, the UBC Learning Exchange, and the Local Economic Development Lab supported this research project. Upon the commencement of this research project, a Terms of Reference (Appendix 4) clarifying the roles and responsibilities of the student researcher and study partners was established. The Terms of Reference assured community members' access to research data and results, in turn facilitating a trusting relationship between the student researcher and research partners. Additionally, the Terms of Reference outlined research project goals and deliverables as well as a mechanism to ensure the student researcher's accountability and transparency to research partners.

4.2 Community Consultation in Interview Guide

The study design and interview guide were developed through community consultation and feedback. The student researcher worked to design a range of qualitative and quantitative questions based on research goals and objectives outlined in the Terms of Reference between the Vancouver Urban Core Community Workers' Association, the UBC Learning Exchange and the student researcher. Research partners provided the student researcher with feedback and revisions to the interview guide, in turn identifying questions that would provide the most insight into barriers to income-generation and economic security. This occurred through a series of feedback meetings with Executive Members of the Vancouver Urban Core Community Workers' Association, where questions were introduced and Executives provided direct feedback to potential questions.

The final interview designed in consultation with the community consisted of 11 qualitative and 9 quantitative questions. Questions sought to understand the types of formal and semi-formal income-generating opportunities provided by community organizations; the proportion of each occupied by DTES community members; organizations' recruitment and hiring practices; challenges and barriers to organizations and DTES community members; and organizations' procurement practices. The interview guide is available for reference in Appendix 5.

Following the completion of in-person interviews, participants were provided with a link to an online, anonymized survey hosted on UBC Information Technology servers. Anonymized questions included the wages paid to community members as well as non-community members; annual budget totals of participating organizations as well as the proportion of budgets paid to community members; and participating organizations' staff demographics.

4.3 Study Recruitment and Sampling

This research engaged high-level administrators (Executive Directors, Human Resource Managers, Owners/Managers, etc.) of non-profit organization and social enterprises in or surrounding the DTES. The study sought participants in leadership positions because they were most likely to possess pertinent information on their organizations provision of income-generating activities and the factors contributing to economic insecurity. Urban Core members contributed to the identification of participants through existing email directories, and a snowball sampling recruitment method was also employed to reach organizations that Urban Core members were unaware of. The email template for the invitation to participate in the study is available in Appendix 6 for reference.

In addition to the aforementioned interviews, follow-up interviews were conducted to gauge participants' acceptance of the proposed policy options. To qualify for the follow-up interviews, participants had to have participated in the initial interviews. Participants were then selected randomly.

4.4 Data Collection

Semi-structured, expert interviews were conducted with 33 high-level representatives from 27 DTES non-profit organizations and social enterprises. Interviews were conducted at the participant's place of employment, the UBC Learning Exchange, or at any other location agreed upon by the participant. The study consent form is available in Appendix 7. The student researcher conducted all of the interviews, which were audio recorded, transcribed verbatim, and subsequently deleted. Upon the completion of expert interviews, an anonymized online survey was distributed using a UBC Information Technology survey tool. A total of six anonymized responses were received out of a possible 27, representing a response rate of 22.2%

4.5 Data Analysis

Qualitative data analysis occurred through a two-step, manual coding and analysis process. Firstly, the student researcher randomly selected a subset of five interview transcripts for preliminary coding and analysis. The same questions were compared between the random subset, resulting in the composition of a code key. Secondly, the code key was extrapolated and used to analyze the remaining interview transcripts.

Responses to quantitative questions were described using frequencies and counts and are presented with figures in Results section.

4.6 Theoretical Framework

A social determinants of health theoretical framework was used in this research project. According to the Public Health Agency of Canada, “the social determinants of health influence the health of populations. They include income and social status; social support networks; education; employment/working conditions; social environments; physical environments; personal health practices and coping skills; health child development; gender; and culture.” (PHAC, 2016). This understanding formed the basis of this research project, where economic security was identified as an essential component to good health. This was explored in the context of provincial government policy approaches to facilitating economic security among DTES community members, where economic insecurity represents one key barrier to improved health outcomes.

4.7 Study Limitations

This research project seeks to identify factors that contribute to economic insecurity and identify and evaluate potential policy interventions through the lens and scope of community organizations involved in providing income-generating activities and supports to community members. Although research participants from community organizations represent an important community voice, this study lacks the targeted and direct inclusion of community members and their perspectives on economic security in the DTES. As a result, the research data presented below excludes information on self-employment and private sector employment that may have been reported had community members been recruited to participate. Additionally, the considerations of local businesses were excluded from this study and, as a result, may not reflect all income-generating activities within the community.

Future research into income-generation should therefore work to incorporate the voices and perspectives of community members. This provides a broader perspective on other systemic and policy barriers that impact the lives of community members and assist in addressing economic security through an intersectional approach. Nevertheless the presented research provides an understanding of the experiences and perceptions of community organizations surrounding income generation in the DTES, and offers knowledge from which to extend future research.

5. Results

The following section presents the results of the qualitative and quantitative studies. The research question seeks to explore the barriers to income-generation in the DTES, a key component of economic security. The most pertinent data that emerged from the qualitative interviews was information on the challenges faced by community members when seeking support or engaging in income-generating activities with research participant organizations; challenges that community organizations encounter when providing income-generating activities; and, the broader, systemic and policy barriers that impact both community organizations and community members. These findings provide an up-to-date context on the current income-generation landscape in the DTES and the challenges many community organizations face in facilitating economic security.

5.1 Demographic Data

This research involved expert interviews with 33 participants from 27 DTES non-profit organizations and social enterprises. Of the thirty-three participants, 19 were in executive-level positions (i.e. Executive Directors, Directors, Chief Executive Officers, etc.), ten were in managerial-level positions (i.e. Program Managers, Program Coordinators, etc.), and four were in staff-level positions (e.g., front-line workers, general staff, etc).

The average age of the participating organizations was 22 years with a median age of 14 years. The oldest participating organization was 100 years old and the youngest was two months old. Fourteen of the organizations were between the ages of zero to 15 years, six organizations were between the ages of 16 to 30 years, and six organizations were over the age of 30 years. One participant was unable to provide the age of their organization.

5.2 Barriers to income-generation: DTES community members

In order to understand the barriers to income-generation experienced by community members, participants were asked to describe the potential barriers community members would face when applying to their respective organization. The most commonly reported barrier for community members to access income generating opportunities is health limitations. Participants that reported this challenge acknowledge the prevalence of physical, mental, emotional health limitations, and harmful substance use in the DTES and their impacts on the health and wellbeing of community members. Participants also linked health limitations with the next most frequently reported challenges which were experiencing barriers to application or agency access as well as lacking experience or capacity. This emphasizes the relationship between health status and community members' ability to participate in income-generating activities. Participants note that one's health impacts their life skills, personal

and professional development, self-esteem, confidence, work readiness or capacity to engage in work.

Many participants describe a significant shortage of formal, sanctioned income-generating activities in the DTES, especially low-threshold opportunities that are sensitive to the complex life histories and unique challenges faced by community members and introduce flexibilities into the workplace. Participants see low-threshold opportunities as a way to engage community members in income-generation, but find that rejection due to the scarce availability of such opportunities can have detrimental and discouraging effects. As one participant explains,

“[Community members] are not usually confident enough to approach us. But once they do, they realize we’re approachable and we don’t require a resume. [If] they’ve gotten past the hurdle [of approaching us], the next biggest barrier is that we don’t have jobs available for everyone. [The problem is that] you don’t want someone to muster up all the energy and drop off a resume and then tell them that you don’t have a job available, even though it’s perfectly normal to do that. But if it took someone all that energy to just ask and you don’t have one, that’s a big deal.”

- Tabitha & Lissa, Solefood Farms

Another theme that emerged through interviews is that community members applying or engaging with their respective organization often have unrealistic expectations of their work capacity and ability, which can lead to overwork and burnout. Poverty and stigma faced by community members was also identified as an impediment to their engagement in formal, sanctioned income-generation. A lack of access to quality shelter, nutritious food, necessary clothing, and other relevant health and social supports was noted as a problem in need of immediate attention and solutions. Participants believed that the public’s role in perpetuating stereotypes and stigma devalues the economically insecure. As a participant and community member explains,

“It’s about deconstructing the stigmas and putting money in [community members’] pockets, and it’s not as hopeless and desperate as people think. We can make a change... It’s just opening doors for [community members]. And all we want is some pride. All we want is a little professionalism.”

- Participant #9

Lastly, criminal record checks and testing requirements are seen as technical barriers to accessing income-generating activities. In the instance of one participating community organization gender requirements or the gendered nature of certain work (i.e. home support versus construction, etc.) were seen as barriers to certain community members.

5.3 Barriers to providing income-generation activities

Participants were also asked to share some of the challenges and barriers their respective organizations face in providing or facilitating income-generation in the DTES and engaging community members. The most reported challenges for participating organizations was the difficulties in supporting community members with barriers to employment including mental and physical health limitations, addictions, a lack of life skills, etc. Facilitating income-generation among community members with barriers requires significant human and physical resources, which imposes financial and other constraints on community organizations. Examples include the provision of on-job supports, hiring specialized and additional staff, providing flexible scheduling, etc. Participants, however, also explained that while the initial costs of engaging community members was high, they tend to decrease over time as community members stabilize and become more familiar with the work. The increased budgetary expenses to community organizations were seen as symptoms of an insufficient public social and economic security system, where the supports needed by community members become the responsibility of community organizations. While it was understood that low-threshold employment in itself includes on-job and other work-related supports, participants felt that increased investments in community-centered work readiness supports and programming were needed.

“Once people get into jobs and they haven’t been working for 15 years, getting up in the morning, getting to work on time, managing stuff that comes up for you in work, all of that stuff, it’s new to a lot of people, new all over again. And I don’t think there’s enough resources and support to help folks be successful... And, if you’re trying to hire folks from community and not going through an [employment service centre] there are no other options for them.

- Participant #8

Next, participants indicated that business challenges also hamper their efficiency and ability to support income-generation in the DTES. Examples included meeting funding requirements, staying within budget, and remaining profitable. Many felt this barrier was compounded by the lack of resources due to provincial government funding cuts, gentrification and increased costs of remaining in the DTES, and the loss of funding streams. Access to sufficient physical space was also a concern among participating organizations.

Lastly, participants pointed to the disconnect between current policy approaches and community needs, expressing frustration with municipal zoning bylaws and requirements and the lack of investment in and support for social enterprises. Participants expressed frustration with the provincial government’s approach to work readiness, social assistance, and earning exemption limits. Participants believed that the municipal and provincial governments could provide increased support for work readiness and community members’ basic life necessities, and create a friendly and

thriving environment for community organizations that support low-threshold income-generation in the DTES.

“We have to get creative about how we support people to get back into the workforce because not everybody learns the same way. And I don’t think there’s an organic variety in the types of training, supervision, onboarding, or [other options]. And particularly for folks that are marginalized and have struggled, they may need different kinds of training opportunities as opposed to what’s typically available [including] sitting in a classroom.”

- Participant #8

5.4 Overarching systemic and policy barriers to income-generation

Participants were asked to provide insight into the various policy or systemic barriers that hindered their ability to provide income-generation activities. Participants indicated that current provincial government employment funding priorities and requirements, and the retrenchment of social supports and services ignore the needs of community members and add unnecessary strain to community organizations. In addition to cuts in social services and necessary supports, some participants expressed that the provincial government overemphasizes full-time employment, which is not feasible for many community members and minimizes the windows of opportunity in the DTES. As one participant stated,

“We tried to get funding through a BC government jobs program. But we were told that we could only get funding if we streamlined [community members] into the government program so they could get trained to get jobs elsewhere. So instead of the province recognizing [our organization] as flexible, low-threshold employment, it sees us as a stepping-stone. The province only wants to consider funding a 9-to-5 job in the traditional labour market, which is unrealistic for people who are struggling with multiple health issues, such as addiction and mental and physical illness.”

- Sean Condon, Megaphone Magazine

Participants noted that earning exemption limits were a significant barrier to income-generation and economic security. By imposing earning restrictions on community members, participants explained that earning exemption limits discourage engagement in formal, sanctioned income-generation, have disempowering effects by dissuading labour force engagement, and result in an underreporting of earnings. As a result, community members are faced with systemic barriers that make engaging in formal, sanctioned income-generating opportunities a significant financial risk that can lead to detrimental health outcomes. As one participant noted,

“[Community members] start working, they’re doing well, and there’s more work. You’re 8 months in and now they’ve made too much money. Then as long

as they're claiming it properly, they can stay on the benefits. But, if not, there's a chance they can be kicked off [income assistance]. Then there's the 6-9 months needed to get back on, and that's when people lose their housing."

- Participant #16

Earning exemption limits also affect the profitability and success of community organizations by imposing restrictions on the number of hours community members are permitted to work and in turn acting as a disincentive to further labour force engagement.

Participants also expressed concern with the degree of coordination and communication between provincial government ministries, which makes advocating for community members complicated and burdensome. Participants described their frustration with the current provincial government's lack of consultation and collaborating with community organizations and described it as a troubling trend that leads to poor policy decisions. Lastly, the provincial government's contract tendering process was viewed as an important deterrent to increased collaboration between community organizations. Participants noted that the current process encourages a competitive environment that results in responsibility offloading and weakened collaborative relationships. One participating organization noted that the detrimental community impacts of the provincial government's tendering process is what led to their establishment and organizational mandate of strengthening community collaboration in order to collectively respond to government tendering contracts.

5.5 Proposed solutions to income-generation challenges

Participants were asked to share their views on potential solutions to the barriers they addressed previously. These included solutions to the barriers faced by community members, barriers faced by community organizations, and solutions the policy and systemic barriers faced in the DTES.

5.5.1 Proposed solutions to community member challenges

The identified solutions pertain to actions that community organizations and other employers can use to better support and facilitate income-generation within the DTES. Acknowledging the importance low-threshold, flexible opportunities was the most frequently reported solution by participants. Participating organizations currently involved in providing low-threshold opportunities saw significant potential in flexible opportunities through their own experience, and believe they provide a means for improving the economic security of community members. On-job support, a solution that garnered attention, was seen as an inherent aspect of flexible, low-threshold opportunities. Participants also explained the need to refer community members to necessary supports and services when required. This entails connecting community

members with housing providers and other social services to support their stabilization, building life skills, and providing an environment for personal development.

Participants shared that through revising their own organizational practices and policies they can facilitate a more supportive and empowering work environment. This includes introducing mental health and relapse policies and working with community members to address and mitigate barriers to income-generation and economic security. For some organizations, this has led to a reduction in the weight given to criminal record checks, the desertion of standardized testing, and increasing awareness around low-threshold employment among customers and the general public.

5.5.2 Proposed solutions to organizational challenges

These identified solutions pertain to actions that organizations can employ to better support and facilitate income-generation within the DTES and improve their viability. Participants identified increased collaboration between community organizations as an essential requirement to improving access to formal, sanctioned income-generation. Participants saw this as a way to share promising practices in low-threshold opportunity provision, including effective organizational policies and practices, how to implement low-threshold and flexible opportunities, supporting re-entry and re-application for community members, etc. This was also seen as a way to develop a united front of community organizations that provides the DTES with a stronger voice in discussions with various levels of government.

Participants saw a stronger role for the business community as well, with strong relationships between community organizations and business professionals seen as a way to improve their business models and profitability while avoiding business failures. As one participant notes,

“We have a business advisor who’s coming from a large corporation. He’s the CEO and founder and he’s [well connected]. He got really excited when we gave him a tour and he saw [our space]. He felt compelled to help. He [takes] a very empowering approach ... and wants to see us build [our] capacity. He is [working] alongside us to do it. So when we wrote the proposal he helped us. He also helped bring the in-kind support that helped strengthen the application to get us that funding.”

- Participant #7

The same participant found that diversifying funding sources proved successful for certain organizations where if one source of funding ceases, supplemental sources exist in the interim.

5.5.3 Proposed solutions to systemic and policy barriers

These identified solutions pertain to actions that can be taken to mitigate the systemic and policy barriers to formal, sanctioned income-generation and economic security in the DTES. Participants believed that policy innovation is necessary to improve the availability of formal, sanctioned income-generating activities and the economic security of community members. Here, participants saw a role for the provincial government in strengthening the social safety net by raising social assistance premiums, increasing earning exemption limits, funding more affordable, quality housing, providing more supports for low-threshold opportunities, supporting social enterprises and local hiring, and deconstructing stereotypes and stigmas of the DTES and its community members.

The provincial government's overemphasis on full-time employment was seen as problematic, with participants arguing for the acknowledgement of low-threshold opportunities in current government employment programming contracts. Lastly, participants felt that increased collaboration with provincial and municipal governments has the potential to improve the availability of income-generating opportunities in the DTES. In addition to this, participants also called for improved communication between provincial Ministries, Agencies, government contract holders, service providers and other relevant stakeholder groups.

6. Discussion

This research project's findings point to a number of factors that contribute to the economic insecurity experienced by community members in the DTES. Results allude to three key shortfalls evident in current provincial government policies that impose unsustainable income ceilings on DTES community members. These include the provincial government's employment programming priorities and capacity building initiatives within the DTES, excessive restrictions on the earning allowances of social assistance recipients, and a lack of policy support for social enterprises.

6.1 The Income-generation continuum

Prior to discussing the shortfalls of current policy approaches, it is useful to outline the employment or income-generation continuum that became apparent through study interviews. The continuum identifies the various stages or phases to formal, sanctioned income-generating activities, a key facet of economic security. The first example of the identification of a continuum comes from Dobson & Gurr's (2010) evaluation of the Case Coordination Project (CCP).

Between 2005 and 2008, the Case Coordination Project (CCP) was a \$3.25 million pilot initiative established by and through Vancouver Agreement (Dobson & Gurr, 2010). The CCP was mandated with re-engaging community members into the labour force through an intensive, one-on-one case management framework and ensuring their economic security. The pilot project enrolled a total of 329 community members, out of a total 659 applicants, with caseloads distributed among five agencies located throughout the DTES. Here, Dobson & Curr (2010) identifies a cyclical 'employment continuum' (**Error! Reference source not found.**). This continuum consists of five phases – basic needs, life skills, pre-employment, skills, trades, and training, employment & post employment – each of which depend on one-another. For example, if basic needs are at risk of being lost (i.e. housing), community members may fall out of employment and back to phase 1 (Dobson & Gurr, 2010)

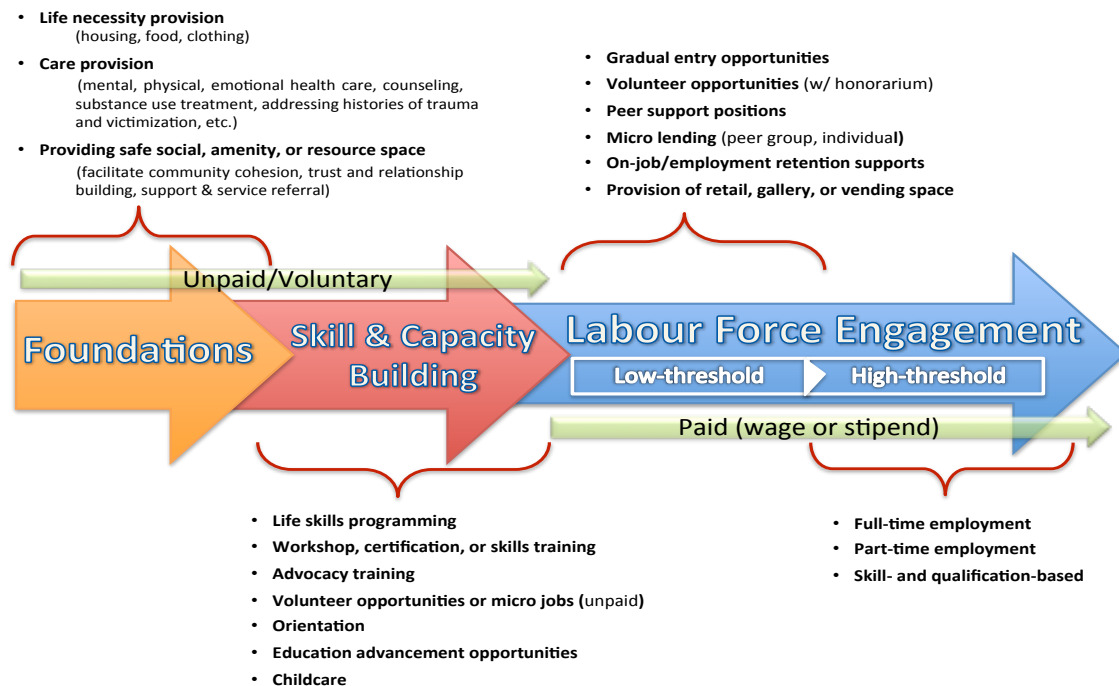
Figure 7: The Employment Continuum



Source: Dobson & Gurr (2010)

Participants in this research project also describe an income-generation continuum similar to that found in the CCP (Figure 14). The provision of basic necessities and health supports, life skills and skills training, and low-threshold income-generating opportunities are all seen as necessary interventions to facilitating engagement in formal, sanctioned income-generating activities and subsequent economic security. Participating organizations find that they are required to provide supports at all phases of the continuum, which in turn poses human resource and financial constraints. Interestingly, Dobson and Gurr's (2010) evaluation of the CCP found that a significant barrier to its effectiveness was the need of caseworkers to continuously work at ensuring the provision of basic necessities for participating community members.

Figure 8: Income-generation Continuum



6.2 Employment Programming Priorities

Participants in this study were dissatisfied with the provincial government's current approach to employment support and programming. Current government employment programming and funding priorities emphasize "sustainable" or full-time employment, something that participants see as exclusionary and ineffective at improving the economic security of community members. Participants indicated that this emphasis was present in employment programming as well, where contract employment agencies are unable to place social assistance recipients into low-threshold - opportunities. This is reinforced in the fee schedule between the MSDSI and the contracted employment

agencies, where placing community members in low-threshold opportunities is not a billable service and therefore not part of the employment agencies mandate.

This revelation poses questions into the effectiveness of current government efforts within the DTES community. An overemphasis on full-time employment, particularly in the DTES, ignores the complicated life histories and barriers to income-generation in the DTES and limits community members' ability to improve their economic security. Existing literature on the impacts of low-threshold opportunities indicate their effectiveness at improving the health outcomes of at-risk populations (Sherman, 2006; Ernst & Young, 2013). More importantly, a study of injection-drug users engaged in informal income-generation activities indicates a high degree of willingness to forgo street-based income-generation such as drug dealing and sex work in place of low-threshold opportunities if such opportunities were made available (DeBeck et al., 2011).

In light of these findings, adjusting provincial government employment priorities is identified as a necessary component to improving the economic security of community members. The first step in this process involves acknowledging the potential benefits of low-threshold opportunities, a stance well supported by existing literature as well as the DTES community.

6.3 The negative consequences of earning exemption limits

The issue of earning exemption limits was a principal concern of study participants who represented social enterprises. The imposition of a finite ceiling on the earnings of social assistance recipients was viewed as a significant deterrent from formal, sanctioned income-generation and a major barrier to economic security. Past research examines the insufficiency of social assistance and allowable earning limits in meeting the needs of community members (Debeck et al., 2007). In turn, evidence suggests that low social assistance rates and earning exemption limits, as well as the risk of losing social assistance, may collectively contribute to withdrawal from the formal, sanctioned labour force (DeBeck et al., 2011; McBride & McNutt, 2007; Shamash, 2010).

According to the Tweddle et al. (2015), Saskatchewan, Nunavut, and British Columbia are the only remaining provincial and territorial jurisdictions that impose a "flat-rate" approach to the earnings of social assistance recipients. Under this model, a pre-determined sum of earnings is allowed while every dollar in excess of this limit is reduced from social assistance benefits by a dollar. All other provincial and territorial jurisdictions employ a "percentage earnings approach" (Tweddle et al., 2015) that maintains an earning exemption limit but applies a more lenient income tax to earnings above the allowable limit. Income tax rates on non-exempt earnings fluctuate from a low of 10% in Prince Edward Island to a high of 50% in Ontario and Alberta. Some jurisdictions also impose a second earning exemption ceiling where any earnings beyond this threshold are subject to a dollar-for-dollar reduction in social assistance.

6.4 Supporting community economic development

Although participants recognize the MSDSI's efforts to highlight the value of social enterprises in strengthening BC's economy, they express persistent concerns around their organizations viability and the scalability of the income-generating activities they currently offer to community members. These concerns are exacerbated by a number of factors including business challenges, earning exemption limits, the need to provide supports along the income-generation continuum, all of which consume significant human and financial resources. These responsibilities are considered atypical of employers, and participants believe the government could do more to facilitate the success of social enterprises.

Other jurisdictions across Canada have worked to identify and mitigate the barriers faced by social enterprises. A key example come from the province of Manitoba, where its Social Enterprise Strategy (2015) addresses six pillars in need of provincial support and investments to allow social enterprises to thrive (Government of Manitoba, 2015). Under the pillar titled 'networks and community engagement', the Province of Manitoba acknowledges the need for holistic, wraparound supports for social enterprise employees and recommends increased investment in support staff in order to relieve social enterprises of the need to provide those supports. This recommendation utilizes existing government employment programs and institutions to deliver services (Government of Manitoba, 2015).

Other jurisdictions from across Canada offer examples of government policies that can raise the capital needed to increase low-threshold opportunity provision. In reference to the Province of Nova Scotia's Community Economic Development Investment Funds, Reimer & Bernas (2013) found that between 1993 and 2013 over \$56 million in capital was invested in local businesses. Similar investment funds have been established in New Brunswick, Prince Edward Island, and Manitoba with the intent of ensuring long-term equity investments in small businesses and social enterprises (Reimer & Bernas, 2015). Raised capital can also be invested in micro-loans and peer-led businesses.

7. Objectives, Criteria, and Measures for Analysis of Policy Options

This section outlines and describes the criteria and measures that have been selected to evaluate potential policy options to address the problem of economic insecurity among community members in the DTES. It is important to note that while the DTES is the target jurisdiction of this analysis, the policy options also apply to those who may not reside directly within the geographic boundaries of the DTES but are still considered members of the community.

The overarching policy problem this analysis seeks to address is that too many DTES community members are economically insecure. As has been previously discussed, economic insecurity has been a persistent barrier to the health and well-being of DTES community members. Solutions to this policy problem are long overdue and deserving of the attention of policy makers. The objective of this analysis is to provide policy makers with an assessment of the tradeoffs between policy interventions that may improve the economic security of DTES community members.

7.1 Criteria and Measures of Analysis

The following criteria were selected based on their relevance to addressing economic insecurity in the DTES: effectiveness; budgetary cost to government; stakeholder acceptability; and implementation complexity. Their inclusion provides a comprehensive framework for analysis ensuring that all policy options are exposed to the same rigorous review. Figure 15 summarizes the criteria and corresponding measures, which are used as the basis of this policy analysis. This policy analysis provides a side-by-side comparison of the respective policy options based on their ability to improve community members' economic security.

7.1.1 Effectiveness

A number of factors contribute to the economic insecurity evident in the DTES. These include the lack of low-barrier life skills, work readiness, and employment-related supports; the scarce availability of low-threshold opportunities; and earning exception limits that discourage formal, sanctioned income-generation; etc. Collectively, these barriers to work readiness and income-generation contribute to economic insecurity

Hence, the effectiveness criterion assesses the extent to which a policy option is expected to improve economic security through: 1) 'access': increasing engagement in sanctioned, formal income-generating activities; 2) 'capacity': increasing the number of low-threshold opportunities available to community members; and, 3) 'quality': ensuring income levels above the LICO. By including the dimensions of access, capacity and quality within the effectiveness criterion, this analysis seeks to discern how

meaningful a policy option is at improving the economic security of community members. The effectiveness criterion is also more heavily weighted than other criteria.

Measuring the **access**, **capacity**, and **quality** components of effectiveness will be done through stakeholder interviews and a literature review. For **access**, policy options will be assessed on their ability to facilitate community members' engagement in the formal, sanctioned labour force. With an estimated labour force engagement rate of 40%, a policy option that results in a formal, sanctioned labour force engagement rate of above 70% will receive a high score; a policy option that results in a formal, sanctioned labour force engagement rate between 40% to 70% will receive a moderate score; and, a policy option that results in a formal, sanctioned labour force engagement below 40% will receive a low score.

The second component of effectiveness, **capacity**, seeks to discern how effective policy options are at facilitating the creation of low-threshold income-generating activities. A policy option that facilitates the creation of over 500 low-threshold opportunities will receive a high score; a policy option that facilitates the creation of 1 – 500 low-threshold opportunities will receive a moderate score; and, a policy option that results in no new low-threshold opportunities will receive a low score.

The third component, **quality**, intends to gauge one dimension of how impactful a policy option is by assessing whether a policy option raises potential income levels above the LICO measure. A policy option that ensures a potential income greater than 150% above the LICO will receive a high score; a policy option that ensures a potential income 0% - 150% above the LICO will receive a moderate score; and, a policy option that does not ensure a potential income at or above the LICO will receive a low score.

7.1.2 Budgetary Costs and Savings

As policy options are targeted at policies under the jurisdiction of the provincial government, the budgetary cost criterion identifies the 1) budgetary expenditures and 2) the expected revenues or cost-savings of a policy option. These objectives are measured through a literature review looking at the estimated costs of the proposed policy options as well as their expected savings.

For this criterion, a policy option will receive a high score if it involves spending below \$5 million per year; a moderate score if it involves spending \$4 million - \$8 million per year; and a low score if it requires spending more than \$8 million per year. Similarly, a policy option that produces cost-savings of over \$8 million will receive a high score; a policy option that produces cost-savings of \$4 million - \$8 million will receive a moderate score; and, a policy option that produces cost-savings under \$4 million will receive a low score.

7.1.4 Stakeholder Acceptability

The stakeholder acceptability criterion assesses the degree of opposition to a policy option that is expected from relevant stakeholders. To measure this criterion, stakeholder interviews are used in addition to a literature review of stakeholder acceptability in other jurisdictions. Stakeholder groups that are considered in this criterion include DTES community members, community organizations (social enterprises, co-operatives, non-profit organizations, local businesses, etc.), government service contract holders, and the general public. A high score will be assigned to a policy option that experiences no opposition from stakeholder groups; a moderate score will be assigned to a policy option that experiences opposition from one stakeholder group; and, a low score will be assigned to a policy option that experiences opposition from two or more stakeholder groups.

7.1.5 Implementation Complexity

This criterion assesses the degree of institutional or structural changes to government Ministries, programs, or initiatives needed in order to implement a policy option. Factors considered in this assessment include whether a policy option requires establishing new government institutions, whether it involves a significant restructuring of current institutions, and whether the policy option can be accommodated under existing institutions. Implementation complexity will be measured through a literature review and jurisdictional comparisons. A high score is assigned to policy options that can be accommodated within existing government institutions and structures; a moderate score is assigned to policy options that require changing current government institutions and structures; and, a low score is assigned to policy options that require the creation of new government structures or institutions.

Figure 9: Criteria & Measures

Criterion	Definition	Measure	Data Sources	Score
Effectiveness	Access: Degree to which a policy option incentivizes, facilitates, and/or supports labour force engagement among DTES community members	The extent to which a policy option improves the DTES community member labour force engagement rate (current estimated labour force engagement rate = 40%)	Stakeholder interviews, literature review	High: High incentive to engage in formal, sanctioned labour force Moderate: Moderate incentive to engage in formal, sanctioned labour force Low: No incentive to engage in formal, sanctioned labour force

Effectiveness (cont'd)	Capacity: Degree to which a policy option changes the number of low-threshold income-generating opportunities available to DTES community members	The potential number of new income-generation opportunities that are expected to result from the policy option	Stakeholder interviews, literature review	High: >500 income-generating opportunities created Moderate: 1 – 500 income-generating opportunities created Low: No new income-generating opportunities created
	Quality: Change to the number of DTES community members living below the 2015 LICO	The level of income security provided within a policy option	Stakeholder interviews, literature review	High: The policy option ensures potential earnings >150% above the LICO Moderate: The policy option ensures potential earnings 0% - 150% above the LICO Low: The policy option does not ensure earnings above the LICO
Budgetary Costs to government	Estimated budgetary cost of a policy option to the government and taxpayers per year	Sum of incremental expenditures of a proposed policy option per year	Literature review	High: Incremental expenditures are <\$4 million per year Moderate: Incremental expenditures are between \$4 million - \$8 million per year Low: Incremental expenditures are >\$8 million per year

Budgetary Cost-savings to government	Estimated budgetary savings of a policy option to the government and taxpayers per year	Sum of incremental revenues of a proposed policy option per year	Literature review	<p>High: Incremental revenues are >\$8 million per year</p> <p>Moderate: Incremental expenditures are between \$4 million - \$8 million per year</p> <p>Low: Incremental expenditures are <\$4 million per year</p>
Stakeholder acceptability	The expected degree of opposition to the policy option.	<p>The expected opposition to the policy option from the following stakeholder groups:</p> <ul style="list-style-type: none"> - DTES community members - Community organizations - Government service delivery contract-holders - Public 	Stakeholder interviews, literature review	<p>High: No stakeholder groups oppose the policy option</p> <p>Moderate: One stakeholder group opposes the policy option</p> <p>Low: Two or more stakeholder groups oppose the policy option</p>
Implementation Complexity	The level of change a policy option solicits on provincial government institutions and structures	Whether a policy option can be integrated into existing institutions or requires the creation of new institutions	Literature review	<p>High: The policy option can be accommodated within current government institutions</p> <p>Moderate: The policy option requires changes to existing government institutions</p> <p>Low: The option requires the creation of new government institutions</p>

7.2 Ranking and weight consideration

The intent of this policy analysis is to identify policy options that will have the greatest potential to improve the economic security of community members. As such, a larger emphasis is being placed on the effectiveness criterion, which is being measured based on **access**, whether a policy option encourages formal, sanctioned labour force engagement, **capacity**, how a policy option affects social hiring and the creation of low-threshold opportunities, and **quality**, whether a policy option allows for an income above the LICO. **Budgetary costs** to government also receive greater weight through an analysis of present costs of a recommended policy option as well as potential future health care, criminal justice, and other social system **cost-savings**.

8. Policy Options

A series of five policy options were derived from data gathered through expert interviews, a literature review, and stakeholder feedback. Prior to introducing these options, it is important to outline a baseline policy recommendation that arose through the literature review and expert interviews. This recommendation pertains to substandard social assistance support rates and their inability to cover the basic life necessities of economically vulnerable populations. In the absence of the foundational elements of social, economic, and personal wellbeing, achieving economic security is an unlikely outcome, especially in the DTES.

Hence, policy approaches to economic security must ensure that supports are well coordinated and holistic in nature and that social assistance support rates can sufficiently meet the costs of living. This will ensure stability in the lives of the economically insecure through improved self-esteem, capacity, and overall wellbeing. The following section outlines the importance of raising current social assistance rates, an action that complements the policy options considered in this analysis.

Raising the rates: ensuring basic needs can be met

Current social assistance rates are insufficient at meeting community members' basic life necessities. As is highlighted in the background section of this project, inflation has resulted in social assistance purchasing power depreciation since they were last adjusted in 2007 (City of Vancouver, 2013, Tweddle et al., 2015). Hence, while the cost of living in Vancouver has increased since 2007, stagnant social assistance rates have been unable to keep up with the costs of housing, food, and other basic necessities needed to ensure positive health outcomes and stability. Because of the stagnancy of social assistance rates and the importance of sufficient rates in ensuring improved economic security, this policy option is not included in the policy analysis and instead serves as a baseline policy recommendation.

Proposals to increase social assistance rates have faced resistance since the current provincial government came into power in 2001. This is evident in the provincial government's response to advocacy efforts by the Canadian Centre for Policy Alternatives and the Raise the Rates Campaign, groups that continue to call for increases to social assistance rates (Froese, 2015; Graham et al., 2009). While the government's arguments against increases to social assistance revolve around the financial feasibility of increasing social assistance rates, current policy approaches have done little to curb costs to all levels of government. Somers et al. (2015) estimate that over a 5-year period, a community member under community supervision cost an average of \$168,389 in health care, criminal justice, and social service costs, while a community member in custody costs an average of \$246,899 over the same period. Hence, low

social assistance rates result in community members' increased dependence on community organizations and increased long-term costs to the provincial government.

Recent evidence suggests that countries with more generous social assistance regimes and active employment supports are the most effective at reintegrating individuals facing long-term unemployment (Wulfgramm & Fervers, 2015). This investigation of policy approaches and labour force data found that European countries with more generous social assistance payment schemes exhibit markedly higher employment stability than countries where social assistance is less supportive. More specifically, generous rates were found to provide unemployed individuals with more time to seek stable employment, a desirable outcome of an efficient social assistance regime (Wulfgramm & Fervers, 2015). Stable re-employment is found to reduce costs associated with precarious and unstable employment, where one may once again lose their employment and require social assistance. Therefore, the extra support fostered by a generous social assistance model ensures that the needs of the economically insecure are met and ensuing employment is stable and long-term (Wulfgramm & Fervers, 2015).

In light of this evidence, tying social assistance rates to an established poverty measure is deserving of consideration. This intervention alleviates the constraints of economic insecurity by establishing an equitable social assistance baseline ensuring all economically secure residents the right to basic life necessities. As of 2014, a number of provinces have social assistance rates that approach the LICO. For single, employable social assistance recipients in Newfoundland, the province with the most generous rates, payments represent 64.7% of the provinces LICO compared to 38.8% in BC; and, in Saskatchewan and Alberta, the provinces with the most generous social assistance schemes for persons with disabilities, rates range from 66.8% to 86.3% and 49.6% to 96.5% of the provinces' LICO, respectively, compared to 56.6% in BC (Tweddle et al., 2015).

By comparing BC's social assistance regime with other jurisdictions in Canada, there is justification for an adjustment of all social assistance rates to a minimum of 75% of the LICO, which was \$20,160 in 2014. This proposed increase in social assistance rates should be complementary to the proposed policy options. Alternatively, the introduction of a guaranteed annual income, a policy option that has gained political and public support as of late, would act to replace the first two policy options presented. As all British Columbians would be receiving an equivalent starting annual income, income taxes on all additional income would involve current income tax levels.

8.1 Earning Exemption Income Tax

The results from the expert interview component of this project revealed that earning exemption limits are restricting and poorly reflect the financial resources needed by community members to afford basic life necessities and, for some, transition off of

social assistance. The limitations of British Columbia's current earning exemption scheme contribute to the 'welfare trap', the notion that engaging in the labour force and earning an income leaves those on social assistance worse off than if they collected income assistance and did not engage in the labour force. In considering these factors, an earning exemption 'percentage earnings' approach is a policy option that can be instrumental in encouraging increased involvement in formal, sanctioned income-generation, an action taken by other provincial and territorial governments across Canada.

Whereas BC's current social assistance regime imposes a 100% income tax on earnings beyond earning exemption limits, this policy option proposes that a standard income tax of 30% be applied to earnings beyond current allowable limits for social assistance recipients. Under this scheme current earning exemption limits would remain unchanged but allowed to be annualized (as is the case for Persons With Disabilities). For single, employable social assistance recipients the earning exemption is \$200 per month; for Persons with Persistent and Multiple Barriers the limit is \$500 per month; and for Persons with Disabilities the limit is \$800 per month (MSDSI, 2015b). This option provides social assistance recipients with the opportunity to earn a higher income, in turn improving their economic security by deconstructing the welfare wall that is reinforced by BC's current earning exemption scheme.

8.2 Earning Exemption Income Tax (+)

This policy options also acknowledges the shortfalls of BC's current social assistance earning exemptions and proposes two policy changes. Firstly, this option involves increasing earning exemption limits to a monthly sum of \$800, or an annualized earning exemption limit of \$9,600, for all social assistance categories. This is similar to current Persons With Disabilities social assistance earning exemption limits. Secondly, this policy option recommends the introduction of a 30% income tax on earnings above the allowable limit. Therefore, this policy option increases the potential income of all social assistance recipients improving their economic security and addressing welfare wall that exists through BC's current earning exemption scheme.

8.3 DTES Social Innovation Investment Fund

The DTES Social Innovation Investment Fund is based on existing policies in other provincial and territorial jurisdictions across Canada. The intent of this policy option is to encourage investment in qualified DTES social enterprises, co-operatives, non-profit organizations interested in establishing commercial enterprises, organizations that provide micro-financing and self-employment opportunities within the DTES community, and local businesses with social hiring mandates. This policy option consists of two components: the DTES Social Innovation Tax Credit and the DTES Social Innovation Investment Fund

The DTES Social Innovation Investment Fund would be funded through a social innovation tax credit. This will incentivize investment of up to \$60,000 per person per year, or a maximum individual lifetime investment of \$90,000, for a minimum 7-year period directly into the DTES Social Innovation Investment Fund. In return for their investment, investors would receive a 30% tax credit on their provincial income taxes that is redeemable in the same year that they make their investment (i.e. an investor receives a \$18,000 provincial income tax credit if they invest \$60,000 in 2015). These investments can also be purchased through Registered Retirement Saving Plans and Tax-Free Saving Accounts.

The DTES Social Innovation Investment Fund would resemble BC's former Immigrant Investment Fund crown corporation, offering venture capital to qualifying organizations. An emphasis would be placed on funding community organizations committed to employing or supporting self-employment among DTES community members with barriers to employment. The Board of Directors of the Investment Fund would consist of four community representatives, four representatives from the non-profit sector, and four representatives from the private sector, all elected through a one investor, one vote mechanism.

To qualify for an investment community organizations must commit their enterprise to providing income-generating opportunities to community members with barriers to employment; must not possess more than \$10 million in assets; and, must have their enterprise management structure and business plan approved.

8.4 Revise WorkBC Employment Centre Contract Fee Schedule

Findings from this research project suggest that current MSDSI employment services are not well aligned with the needs of community members. With a primary emphasis on 'sustainable', high-threshold employment, a large proportion of community members are unable to secure the employment supports needed to successfully engage in the labour force and improve their economic security.

In acknowledging this barrier to economic security, this policy option proposes changes to the current DTES WorkBC employment centre contract to expand billable services beyond full-time employment. Instead, focus should be placed on supporting formal, sanctioned income-generation throughout the employment continuum, encompassing opportunities that range from low- to high-threshold as well as ensuring resources available for not employment obligated social assistance recipients. This involves facilitating innovative skill and employment integration initiatives (i.e. gradual entry, casual work, part-time work, etc.), providing on-job supports and training, and offering counseling and debriefing services to community members with barriers to employment.

8.5 Establish a DTES Resource Hub

The DTES Resource Hub would act as a one-stop-shop for supports that span the income-generation continuum with a mandate of providing low-barrier entry points into the formal, sanctioned labour force. Supports would range from assisting DTES community members in securing housing, registering for social assistance, developing life skills, engaging in training opportunities, as well as supporting multiple forms of income-generation along the continuum. The DTES Resource Hub would acknowledge the informal, semi-formal, and formal types of income-generation and seeks to meet and support DTES community members wherever they may be along the income-generation continuum.

Whereas current WorkBC contract holders focus on latter stages of the income-generation continuum, the DTES Resource Hub would bridge the gaps between all stages by providing life skills training and support both in and out of the workplace; pre-employment training and skills development; physical space for community collaboration and enterprise development; community-developed and -led workshops and training; employment related supports and services (i.e. criminal record checks, access to social workers, occupational & vocational therapists, etc.); self-employment supports and micro-financing for peer-developed and -led enterprises.

The DTES Resource Hub would provide both in-house and outreach services, liaising between health authorities, government Ministries, non-profit organizations, social enterprises, private sector companies, and all other relevant groups to ensure DTES community members are receiving the supports and services they require. Community members receiving resources and training through the Social Innovation Resource Hub could have their credential recognized using Potluck Cafes Knack system, a digital badging program that acts as a resume and reference point for potential employers.

In addition to serving DTES community members, the DTES Resource Hub would provide supports to social enterprises, co-operatives, non-profit organizations seeking to establish commercial enterprises, and other socially minded enterprises. The types of services that would be provided to these organizations include business-development and -management workshops; low-threshold opportunity implementation advising and support; available physical space to encourage collaboration between community organizations, private sector partners, and other relevant stakeholders; and human resource and low-threshold employment evaluation.

9. Evaluation of Policy Options

The following section assesses the ability of the previously outlined policy options to meet the selected governmental and societal objectives. The resulting analysis is used to determine this project's final policy recommendation and direction for policy makers.

9.1 Earning Exemption Income Tax

Effectiveness

At this time, data on the number of social assistance recipients that declare earnings as well as how much they declare is unavailable. Through study interviews participants noted that the current 100% income tax on earnings above the earning exemption limit disincentivizes formal, sanctioned labour force engagement. Participants argued that by introducing a standard income tax on all additional earnings, presently employed community members would be able to increase their work hours and that disengaged community members would see increased incentives to engaging in the formal, sanctioned labour force. Feres (2007) encountered similar results in interviews with social enterprises in the Lower Mainland, BC, attesting to the importance of an income tax in encouraging income-generation and facilitating economic security. Therefore, in terms of impacts on **access**, the introduction of a 30% income tax in place of the status quo 100% tax is expected to encourage and facilitate engagement in formal, sanctioned income-generation. This leads to high incentives to engage in the formal, sanctioned labour force for community members.

Gauging this policy option's impact on the number of available low-threshold opportunities for community members comes from observing the impacts of this policy on organizations. Although participants indicated that current earning exemption limits constrain the number of hours that community members can work in turn increasing their human resource costs profitability, this option does not entail or ensure increase in the number of low-threshold opportunities available within the DTES. For this reason, it receives a low **capacity** score.

Determining the **quality** of this policy option requires the calculation of the maximum potential income of social assistance recipients under an earning exemption income tax and a comparison of this value the national 2014 after-tax LICO (Tweddle et al., 2015). The 2014 after-tax LICOs are provided in Figure 16.

Figure 10: Canadian 2014 after-tax LICO

Family Unit Size	LICO ₂₀₁₄
Single employable	\$20,160
Person with Disability	\$20,160
Single parent, one child	\$24,404
Couple, two children	\$30,445

Source: Tweddle et al. (2015)

The potential incomes of community members receiving social assistance are presented in Table 1. Here, the potential incomes are demonstrated under the status quo and under the proposed earning exemption income tax option. The values below represent the maximum potential earnings of social assistance recipients including cash transfers, housing allowance, and earning exemption limits. Additionally, Table 2 outlines the proportion of the LICO that social assistance recipients would be allowed to earn once the provincial government recoups social assistance cash transfers and exemption limits.

Table 1: Monthly after-tax income levels (status quo vs. policy option one)

Designation	Status Quo			Policy Option 1		
	Cash Transfer	Exemption amount	Potential Income	Cash Transfer	Exemption amount	Potential Income ¹
Temporary Assistance (single)	\$ 610	\$200	\$810	\$ 610	\$200 +30%	\$2,700
Persons with Persistent and Multiple Barriers (single)	\$657.92	\$500	\$1,157.92	\$657.92	\$500 +30%	\$3,860
Social Assistance (single parent)	\$945.58	\$400	\$1,345.58	\$945.58	\$400 +30%	\$4,485
Persons With Disabilities (single)	\$906.42	\$800	\$1,706.42	\$906.42	\$800 +30%	\$5,688

1. Monthly income after the government recoups its cash transfer costs and earning exemption allowance.

Source: MSDSI (2007); MSDSI (2015b).

Table 2: Percent annual income above the 2014 LICO

Designation	Potential income	LICO ₂₀₁₄	% Above LICO ₂₀₁₄
Temporary Assistance (single)	\$32,400	\$20,160	61%
Persons with Persistent and Multiple Barriers	\$46,320	\$20,160	130%
Social Assistance (single parent)	\$53,820	\$24,404	121%
Persons With Disabilities (single)	\$68,257	\$20,160	239%

For all of the above designations, introducing a 30% income tax on earning exemptions above the allowable limit provides social assistance recipients with the potential to earn an income more than 100% above the LICO. This policy option therefore receives a

moderate score because it has the potential to bring the income of social assistance recipients between 0% and 150% above the LICO more often than not.

Budgetary costs to government

There are both potential costs and cost-savings through the introduction of a 30% earning exemption income tax. Budgetary cost of this policy option is the expected decrease in revenues that result from transitioning from a 100% tax to a 30% tax. At this time, the provincial government of British Columbia does not publicly disclose detailed statistics pertaining to social assistance and earning exemption limits, such as the number of social assistance recipients currently declaring their income and the total income being declared.

The budgetary cost to government will therefore be estimated based on three income level scenarios where 1) social assistance recipients receive social assistance support and declare up to the earning exemption limit (baseline); 2) social assistance recipients declare the exempt earning as well as \$500 in taxable earnings (EE + \$500); and, 3) where social assistance recipients declare the exempt earning amount as well as \$1,000 in taxable earnings (EE + \$1,000).

Table 3 estimates the budgetary cost to the provincial government while accounting for the lack of data on the number of social assistance recipients declaring their earnings as well as how much is being declared. Feres (2007) estimates that approximately 5% to 15% of social assistance recipients declare their income. Hence, under the status quo scenario a 15% earnings-reporting rate was applied to estimate the savings to government when \$500 and \$1,000 in earnings above the allowable limit were being declared. For policy option one, both a 15% and 70% reporting rate were used. Based on stakeholder interviews on the proposed policy options, participants noted that reducing the cap on earning exemptions would allow their employees to take on increased work hours and encourage increased earnings-reporting. This resulted in the use of a best-case earnings-reporting rate of 70%.

Table 3: Budgetary costs of status quo versus policy option one.

	Government Expenditures (baseline) ¹	Status Quo		Policy Option 1	
		Government Expenditures (EE + \$500) ²	Government Expenditures (EE + \$1,000) ³	Government Expenditures (EE + \$500) ⁴	Government Expenditures (EE + \$1,000) ⁵
Temporary Assistance	\$27,454,457	\$24,668,957	\$21,883,457	\$26,618,807 - \$23,554,757	\$25,783,157 - \$19,655,057
PPMB	\$4,603,204	\$4,188,304	\$3,773,404	\$4,478,734 - \$4,022,344	\$4,354,264 - \$3,441,484
PWD	\$242,284,293	\$98,105,090	\$91,753,727	\$103,010,847 - \$95,301,800	\$100,908,380 - \$85,490,285
Total	\$274,341,955	\$126,962,352	\$116,743,727	\$134,108,390 - \$122,878,902	\$131,045,802 - \$108,586,827

1. Baseline government expenditures are measured using MSDSI 2015 caseload statistics available through MSDSI (2015a). Calculations are based on the number of singles, couples, two-parent families, and single-parent families in each designation, multiplied by the support rates and earning exemption limits.
2. Status quo government expenditures are based on a generous earnings-reporting rate of 15% (Feres, 2007). Government costs are estimated assuming 15% of social assistance recipients are declaring \$500 in earnings beyond the allowable limit, of which the provincial government retains 100%.
3. Status quo government expenditures are based on a generous earnings-reporting rate of 15% (Feres, 2007). Government costs are estimated assuming 15% of social assistance recipients are declaring \$1,000 in earnings beyond the allowable limit, of which the provincial government retains 100%.
4. Policy option one government expenditures are based on earnings-reporting rates of 15% and 70%. This assumes that either 15% or 70% of social assistance recipients are declaring \$500 in earnings beyond the allowable limit, of which the provincial government retains 20%.
5. Policy option one government expenditures are based on earnings-reporting rates of 15% and 70%. This assumes that either 15% or 70% of social assistance recipients are declaring \$1,000 in earnings beyond the allowable limit, of which the provincial government retains 20%.

Based on the aforementioned scenarios, the expected budgetary cost to government under this policy option arises from the potential revenue loss seen through a transition from a 100% to 30% income tax. Whereas the provincial government recoups its costs more quickly under the status quo, policy option one results in a slower recouping of costs. With this said, stakeholders have indicated that easing current earning exemption income taxes would encourage increased working hours among community members who would otherwise decline further working hours out of concern for reduced cash transfer payments. Hence, with increases in work hours and increased likelihood of earnings-reporting, the provincial government should expect revenue reductions in a

worst case scenario of approximately eight to fifteen million dollars and a best case scenario increase in revenues from four to eight million dollars. The resulting difference between these values demonstrates a moderate budgetary cost score for this policy option.

Budgetary cost-savings to government

The introduction of an earning exemption income tax will not drastically increase costs to the provincial government. As explained previously, costs of implementing an income tax arise from lost revenues from a reduction of the tax from 100% to 30%. By introducing an income tax, the provincial government would signal its support for formal, sanctioned income-generation among social assistance recipients, in turn encouraging increased labour force engagement and broadening the pool of taxable earnings.

In addition to direct cost-savings through an earning exemption income tax, the provincial government should expect cost-savings in health care, justice, and social systems. Study participants noted that improved income and economic security leads to improved community members' self-esteem, confidence, overall health and well being, in turn increasing their capacity to engage in the formal, sanctioned labour force. Feres (2007) and Wulfgamm & Fervers (2015) suggest that the introduction of a more generous income tax provides social assistance recipients with the opportunity to gradually re-enter the formal, sanctioned labour force and more sustainably transition off of social assistance. This results in long-term costs savings for the provincial government, earning this policy option a high budgetary cost-savings score.

Stakeholder Acceptability

Follow-up qualitative interviews indicate that this policy option would experience minimal opposition from the four identified stakeholder groups. Community consultations surrounding the introduction of more lenient earning exemption policies in New Brunswick indicate strong public acceptability of this policy option (Province of New Brunswick, 2009). Seeing as other provincial and territorial jurisdictions have implemented 'percentage rate' approaches to the earnings of social assistance recipients (Tweddle et al., 2015), it is unlikely that this option will encounter any opposition. As a result, this policy option receives a high stakeholder acceptability score.

Implementation Complexity

The introduction of a marginal tax on earnings above the earning exemption limit is something that can be accommodated within the Ministry of Social Development and Social Innovation. As social assistance recipients are already expected to report their earnings, these existing avenues can serve the purpose of collecting data on earnings, reporting to the MSDSI, and deducting earnings from social assistance supports. Hence,

this option receives a high implementation complexity score because it can be accommodated within existing provincial government structures without requiring any significant changes.

Evaluation Summary 1: Earning Exemption Income Tax

Effectiveness	Budget. Costs/Savings	Stakeholder Acc.	Implement. Complex.
H + L + M	M + H	H	H

9.2 Earning Exemption Income Tax (+)

Effectiveness

Policy option 2 involves increasing and standardizing earning exemption limits for all social assistance recipients as well as introducing a 30% income tax on earnings above the allowable limit. Assessing the effectiveness of this policy option at improving access to formal, sanctioned labour force engagement is based on the impacts of BC's current 100% post-exemption income tax, where essential penalties are imposed on community members who attempt to engage in formal, sanctioned income-generation. This deterrent forces social assistance recipients to underreport or hide their earnings, or engage in informal, unsanctioned means of income-generation.

By increasing the earning exemption limit to a standardized level of \$800 per month community members on social assistance will be encouraged to return to the formal, sanctioned labour force because they would be able to retain their earnings. The flexibility afforded by an increased earning exemption limit provides space for gradual entry into the formal, sanctioned labour force and results in a larger number of community members engaging in formal, sanctioned income-generation. For this reason, this policy option receives a high **access** score because an increased earning exemption limit has encouraging implications for community members who would otherwise not be able to retain their earnings.

As is outlined in the analysis of policy option one, current earning exemptions limits impose significant burdens on community organizations that employ community members. Although the introduction of a higher earning exemption limit acts to relieve community organizations of the constraints associated with limited working hours imposed by status quo earning exemption limits, this option does not explicitly include interventions to incentivize the creation of additional low-threshold opportunities. For this reason, this option receives a low **capacity** score.

To determine how increasing the earning exemption to \$800 and introducing a standard income tax compares to the national 2014 LICO, the maximum potential income allowed by this policy option are calculated in Table 4. Table 5 outlines how high above the national 2014 LICO a social assistance recipient's potential income is.

Table 4: Potential monthly after-tax income levels (status quo vs. policy option two)

Designation	Status Quo			Policy Option 2		
	Cash Transfer	Exemption amount	Potential Income	Cash Transfer	Exemption amount	Potential Income ¹
Social Assistance (single)	\$ 610	\$200	\$810	\$ 610	\$800 + 30%	\$4,700
Persons with Persistent and Multiple Barriers to Employment	\$657.92	\$500	\$1,157.92	\$657.92	\$800 + 30%	\$4,860
Social Assistance (single parent)	\$945.58	\$400	\$1,345.58	\$945.58	\$800 + 30%	\$5,819
Persons With Disabilities (single)	\$906.42	\$800	\$1,706.42	\$906.42	\$800 + 30%	\$5,688

1. Monthly income after the government recoups its cash transfer costs and earning exemption allowance.

Source: MSDSI (2007); MSDSI (2015b).

Table 5: Percent of potential annual after-tax income above the 2014 LICO.

Designation	Potential income	LICO ₂₀₁₄	% above LICO ₂₀₁₄
Social Assistance (single)	\$56,400	\$20,160	180%
Persons with Persistent and Multiple Barriers to Employment	\$58,320	\$20,160	189%
Social Assistance (lone parent)	\$69,828	\$24,404	186%
Persons With Disabilities (single)	\$68,257	\$20,160	239%

The introduction of a higher earning exemption limit and a 30% income tax all earnings above the increased allowable limit brings social assistance recipients well above the national 2014 LICO. With this said, policy option two does not raise incomes to the same levels as policy option one. This results in policy option two receiving a high **quality** score because it ensures a potential income higher than the 150% threshold selected as part of the quality measure.

Budgetary costs to government

As is the case with policy option one, the introduction of an increased earning exemption and 30% income tax on earnings above the increased allowable limit results in both costs and cost-savings to the provincial government. As outlined in policy option one, the provincial government must be willing to forgo revenues that status quo 100% income tax on excess earnings. This is especially the case for temporary assistance recipients and persons with persistent and multiple barriers whose exemption limits would significantly increase and larger revenue reductions than in policy option one.

From this perspective it can be seen that this policy option would receive a low budgetary cost score as the provincial government would need to forgo revenues above those that are forgone in policy option one.

Budgetary cost-savings to government

As is explained in the policy option one, increasing earning exemption limits and introducing a more generous income tax on the first \$3,000 in excess of the allowable limit will encourage social assistance recipients to engage in formal, sanctioned income-generation because they are able to retain a larger portion of their income than what was previously allowed. Therefore, this policy option contributes to the deconstruction of the 'welfare wall' by providing social assistance recipients with less restricted working hours and an ability to reach a sustainable income level.

While increasing the exemption limit will delay potential revenues to the provincial government when compared to policy option 1, limiting the taxable earning allowance and maintaining a 100% income tax on earnings above the \$3,000 limit allows for quicker recouping of social assistance cash transfers and earning exemption limits. In addition to direct cost-savings through an earning exemption income tax, the provincial government should expect cost-savings in health care, justice, and social systems. The empowering consequences of this policy option provide social assistance recipients with the opportunity to increase their income and potentially transition off of social assistance, resulting in long-term costs savings through natural caseload decreases. In light of these cost-savings this policy option receives a high budgetary cost-savings score.

Stakeholder Acceptability

Follow-up qualitative interviews indicate that this policy option would experience minimal opposition from the four identified stakeholder groups. Community consultations surrounding the introduction of more lenient earning exemption policies in New Brunswick indicate strong public acceptability of this policy option (Province of New Brunswick, 2009). Seeing as other provincial and territorial jurisdictions have implemented 'percentage rate' approaches to the earnings of social assistance recipients (Tweddle et al., 2015), it is unlikely that this option will encounter any opposition. As a result, this policy option receives a high stakeholder acceptability score.

Implementation Complexity

Introducing a higher earning exemption limit and an income tax can be accommodated within existing government institutions. As the MSDSI already manages social assistance cases and monitors earnings, existing government institutions and structures can readily adopt the proposed policy option. This results in a high implementation complexity score for this policy option.

Evaluation Summary 2: Earning Exemption Marginal Tax (+)

Effectiveness	Budget. Costs/Savings	Stakeholder Acc.	Implement. Complex.
H + L + M	L + H	H	H

9.3 DTES Social Innovation Investment Fund

Effectiveness

The intent of the DTES Social Innovation Investment Fund is to facilitate the accumulation of capital in order to fund and support the establishment of social enterprises within the DTES. Shamash (2010) describes a broad range of benefits associated with social enterprises including their ability to provide a supportive environment for persons with barriers to employment, improving income and economic security, and stimulating the local economy through increased local spending. Hence, a DTES Social Innovation Investment Fund directed at facilitating the creation and expansion of social enterprises is an effective way of encouraging DTES community members to engage in the formal, sanctioned labour force.

This can be understood by looking at the number of low-threshold opportunities that could be created through a DTES Social Innovation Investment Fund. The province of Nova Scotia has one of Canada's most successful Community Economic Development Investment Funds (Reimer & Bernas, 2015). Since the introduction of Community Economic Development Investment Funds in Nova Scotia in the early 2000s, over 45 Investment Funds have been established raising \$56.7 million in capital that is invested in local businesses (Reimer & Bernas, 2015).

Unlike the example in Nova Scotia, the proposed DTES Social Innovation Investment Fund would be a blind fund where investors would not know where their money was being invested. Instead, a shareholder-elected Board of Directors would make investment decisions, with a priority placed on community organizations and local businesses focused on providing low-threshold opportunities to low-income community members. The BC Ministry of International Trade (2016) currently has made \$110 million in budget available to provide tax credits to investors choosing to invest in small businesses, clean technology, the new media sector, new businesses, etc. This has resulted in over \$100 million in investments in BC businesses in 2015 (BCMIT, 2016), demonstrating a promising result for a DTES Social Innovation Investment Fund.

Under the DTES Social Innovation Investment Fund, the provincial government would allocate \$7.5 million into a DTES Social Innovation tax credit, allowing for annual investments of up to \$25 million (based on a 30% tax credit). Community organizations or local businesses with an interest local hiring or social enterprise would be eligible to

receive between \$50,000 and \$150,000 per year, requiring they provide a business case for their proposed enterprise and gain management structure approval. This would result in the establishment of between 100 to 500 social enterprises, resulting in a significant increase in the number of low-threshold opportunities available to DTES community members. Therefore, this option receives a high **capacity** score due to its ability to generate formal, sanctioned income-generating activities.

Study participants noted that a key barrier to the economic security of community members was the lack of low-threshold opportunities. As the DTES Social Innovation Investment Fund would facilitate the creation of enterprises that focus on low-threshold opportunity provision, a larger proportion of DTES community members would engage in the formal, sanctioned labour force. Hence, this policy option receives a high **access** score as it is expected to create opportunities that are tailored to the needs of DTES community members and therefore more effective at encouraging their involvement in the formal, sanctioned labour force.

Lastly, the proliferation of social enterprises involved in the provision of low-threshold opportunities will provide increased opportunities for formal, sanctioned income-generation among DTES community members. The increase in opportunities and potential income will provide a means for community members to earn an income that is above the LICO. With this said, if the current earning exemption scheme is maintained, DTES community members will be restricted in their ability to achieve an income at or above the LICO. This results in a low **quality** score for this policy option as it does not guarantee an income above the selected LICO threshold.

Budgetary cost to government

This policy option entails establishing a \$7.5 million tax credit budget by the provincial government. This would allow for investments of up to \$25 million dollars by private investors. There may also be costs associated with hiring specialized staff under the MSDSI to organize and manage the proposed investment fund, bringing total estimated government budgetary costs to \$8 million. This policy option therefore receives a low budgetary cost score.

Budgetary cost-savings to government

Shamash (2010) highlights the significant economic and cost-savings benefits that arise from social enterprises. By providing opportunities for those who would otherwise not engage in the formal, sanctioned labour force, stimulating the local economy through local retention of monies, and providing an additional tax revenue source for the provincial government, social enterprises have been demonstrated to produce positive social, economic, and health outcomes. As such, an increase in social enterprises in the DTES will contribute to the improved health, well being, and economic security of DTES

community members, in turn leading to reduced health care, justice, and social system costs. For this reason, this policy option receives a high budgetary cost-savings score.

Stakeholder Acceptability

Follow-up qualitative interviews indicate that this policy option would experience minimal opposition from stakeholder groups. Observing responses to the provincial government's establishment of similar investment funds in clean technology sectors and for small business sector, as well as the establishment of investment funds in other provincial and territorial jurisdictions, where no noticeable opposition was observed also reinforce widespread acceptability of this policy option. This results in a high stakeholder acceptability for this policy option.

Implementation Complexity

Introducing the DTES Social Innovation Investment Fund requires changes to the MSDSI through the addition of a department and staff that oversee the establishment and operation of the social innovation investment fund. A similar model to what already exists within the Ministry of International Trade can be adopted as it has proven to be successful. Hence, this policy option receives a moderate implementation complexity score, as it requires that changes be made within the MSDSI.

Evaluation Summary 3: DTES Social Innovation Investment Fund

Effectiveness	Budget. Costs/Savings	Stakeholder Acc.	Implement. Complex.
H + H + L	L + H	H	M

9.4 WorkBC Employment Centre Contract Fee Schedule Revision

Effectiveness

Study participants explained that current MSDSI WorkBC employment programming priorities place sole emphasis on sustainable employment: full-time or regular, part-time employment. This is problematic in the DTES, where many community members struggle with engaging in the formal, sanctioned labour force, let alone in full-time employment. Employment centers that deliver employment supports are often restricted by these requirements through the fee-for-service schedules set out in their service provision contracts. This limits their ability to engage, support and place community members in low-threshold or flexible opportunities.

By broadening contract fee schedules, the provincial government can enhance the 'toolbox' available to employment centre contract holders who would then be able to provide a more holistic range of supports. One study participant explained that the local

DTES employment centre was unable to collaborate with their social enterprise because they provided low-threshold, temporary work that was not a billable placement for the employment centre. This example demonstrates that this policy hinders both organizations that provide low-threshold opportunities and a large proportion of community members who are unable to engage in full-time employment.

While revising the contract fee schedule would provide employment placement programs with an improved ability to place and support community members in formal, sanctioned income-generating activities, barriers imposed by current social assistance rates, earning exemption limits, and fears associated with losing social assistance would still act to deter formal, sanctioned labour force engagement. This policy option therefore receives a moderate **access** score in terms of its ability to encourage formal, sanctioned labour force engagement.

As this option emphasizes the need for revising employment supports that are funded by the provincial government, it therefore reduces organizational costs associated with providing supports to multi-barriered community members. While this may improve the profitability and viability of organizations, this policy option does not explicitly facilitate the creation of additional low-threshold opportunities. This results in a low capacity score.

The increase in formal, sanctioned labour force engagement that would arise through this policy option will result in increased earnings for DTES community members. But, this policy option does not dictate the wage rates that social assistance recipients would receive. Therefore, it does not provide assurance of income levels that would be above the selected LICO threshold, resulting in a low quality score.

Budgetary costs to government

Revising contract fee schedules to allow for employment placement in low-threshold opportunities will increase budgetary costs for the provincial government. By increasing the ability for employment programming contract holders to broaden the types of formal, sanctioned income-generating supports they provide, an increase in the expected number of community members and social assistance recipients that access services can be expected. This will lead to increases in employment centers' billing of the provincial government, resulting in budgetary costs. One study participant with an awareness of the billing costs to government noted that budgetary costs would increase in excess of \$5 million annually, province-wide. Therefore, this policy option receives a low budgetary cost score.

Budgetary cost-savings to government

The health, economic, and social benefits that would arise from increased engagement in the formal, sanctioned labour force would be the main drivers of cost-savings for the

provincial government. By acknowledging the importance of low-threshold opportunities at empowering community members, the provincial government would allow for formal, sanctioned labour force engagement that could impact health care, justice, and other social system costs. But, considering current earning exemption limits and their effects on deterring formal, sanctioned income-generation, this policy option alone may not be sufficient in improving the income and economic security of community members, meaning that formal, sanctioned labour force disengagement may still arise. As a result, the budgetary cost-savings associated with this policy option are expected to be moderate, as this policy option has the potential to facilitate moderate formal, sanctioned labour force engagement.

Stakeholder Acceptability

Follow-up qualitative interviews indicate that this policy option would experience minimal opposition from the four identified stakeholder groups. Seeing that adjustments to contracts are an issue of low saliency and high complexity and that adjustments to such contracts have been made in the past, this policy option is unlikely to experience significant public opposition. For this reason, this policy option receives a high stakeholder acceptability score.

Implementation Complexity

This proposed policy option could be accommodated within the MSDSI. Changes to contract fee schedules would not require any adjustments to current MSDSI structures as it involves budgetary allocation changes. Therefore, this policy option receives a high implementation complexity score.

Evaluation Summary 4: WorkBC Employment Centre Fee Schedule Revision

Effectiveness	Budget. Costs/Savings	Stakeholder Acc.	Implement. Complex.
M + L + L	L + M	H	H

9.5 Establish a DTES Resource Hub

Effectiveness

Based on a vision of meeting community members where they are at, the DTES Resource Hub would provide a range of supports, services, and advocacy to and for community members. Additionally, the space would facilitate collaboration between community organizations, local businesses, governments, and other institutions interested in facilitating low-threshold opportunities for community members.

Through a low-barrier, low-threshold approach to sanctioned income-generation, the potential of the DTES Resource Hub to encourage formal, sanctioned labour force engagement is high. Firstly, the DTES Resource Hub would work throughout the income-generation continuum and acknowledge the benefits of certain opportunities that are often considered informal (i.e. binning, street vending, etc.). By providing inclusive and flexible programming that suits the needs of community members and by supporting community members in engaging in a wide range of income-generating opportunities, the DTES Resource Hub could be expected to result in a high **access** score.

The opportunities for collaboration and business support that would be available to organizations and local businesses would also greatly benefit community members. Stronger networks between providers of formal, sanctioned income-generation along the income-generation continuum would allow for shared resources, sharing of promising practices, and the establishment of a thriving social enterprise community. Although this results in reduced costs for organizations, it does not facilitate the creation of additional low-threshold opportunities. This results in a low **capacity** score for this policy option.

Lastly, while the DTES Resource Hub does promote employment in organizations, it does not explicitly stipulate or ensure the provision of income levels above the LICO. Furthermore, current earning exemption limits will continue to impose restrictions on the income levels of community members, meaning they would be unable to achieve an income above the LICO measure. This policy option therefore receives a low **quality** score.

Budgetary costs to government

The budgetary costs of the DTES Resource Hub are associated with the provision of space and staffing. Existing partnerships between the City of Vancouver and the Province of BC provide promising examples of collaboration that can reduce the space costs (i.e. cold weather shelters). Recent acknowledgement of the need of a DTES Resource Hub have been made by the City of Vancouver, where they have indicated their willingness to provide community space at no charge to community organizations willing to operate a DTES Resource Hub.

With the provision of free space, the remaining costs to the provincial government involve funding for staff. In considering the degree of support for community members provided through a DTES Resource Hub and looking to similar examples across Canada, it is estimated that the annual budget for this policy option would be approximately \$2.5 million in 2015. This includes personnel and administrative expenses (93%) and program expenses (7%) (SEED, 2015). An additional \$300,000 may be needed to renovate the provided space to suit the needs of the program. This policy option therefore receives a moderate budgetary cost score.

Budgetary cost-savings to government

As has been the case with previous policy options, focusing on the benefits of low-threshold employment results in cost-savings to government through a variety of avenues. Shamash (2010) and Feres (2007) highlight the positive health outcomes that arise from formal, sanctioned income-generation and the health care, justice, and social system cost-savings that arise. The availability of a low-barrier resource centre also provides community members with supports that are sensitive to their complex life histories and facilitate their successful engagement in the formal, sanctioned labour force. In turn, this can facilitate gradual increase in working hours and transition off of social assistance for some, although it is important to emphasize that this is not the primary intent of the DTES Resource Hub. In turn, this policy option receives a high budgetary cost-savings score.

Stakeholder Acceptability

Follow-up qualitative interviews indicate that this policy option would experience minimal opposition from the four identified stakeholder groups. Seeing that the deliver of employment supports is a matter of low saliency and high complexity, this policy option is unlikely to experience meaningful public opposition. For this reason, this policy option receives a high stakeholder acceptability score.

Implementation Complexity

The DTES Resource Hub does not require changes to existing MSDSI institutions. Instead, the services it provides would be stand-alone services that are detached from current MSDSI structures. While it involves the creation of a new government entity, it can be accommodated within the MSDSI. This results in a moderate administrative complexity score for the DTES Resource Hub.

Evaluation Summary 5: DTES Resource Hub

Effectiveness	Budget. Costs/Savings	Stakeholder Acc.	Implement. Complex.
H + L + L	M + H	H	M

9.6 Summary of Policy Analysis Findings

The following table provides a summary of the findings of this policy analysis. This table provides a side-by-side comparison of the performance of each policy option in terms of the selected objectives.

Evaluation Summary 6: Scoring of policy options

Objectives	Policy Options				
	Income Tax	Income Tax (+)	DTES Investment Fund	WorkBC Fee Schedule Revision	DTES Resource Hub
Access Formal, sanctioned labour force engagement	H	H	H	M	H
Capacity Low-threshold opportunity generation	L	L	H	L	L
Quality LICO provision	M	H	L	L	L
Budgetary costs to government	M	L	L	L	M
Budgetary cost-savings to government	H	H	H	M	H
Stakeholder acceptability	H	H	H	H	H
Implementation Complexity	H	H	M	H	M

10. Policy Recommendations

The persistent economic insecurity seen in Vancouver's DTES is in need of drastic policy intervention. Research results indicate community organizations' strong support for increased policy innovation in order to mitigate the negative consequences of economic insecurity within the DTES. Although the following policy interventions provide a starting point for improved economic security, future provincial government policy approaches may benefit from increased consultation with community organizations, community members, and both federal and municipal levels of government. Shying away from a top-down approach to policy innovation will ensure that future policy decisions are effective at meeting the needs of those in need on the ground. The three following policy recommendations will prove the most significant benefits if implemented collectively. Each was selected on their ability to provide strengths under certain criteria while complementing each other's area of weakness.

10.1 Policy Recommendation #1: Introduce an earning exemption income tax

British Columbia remains one of the few provincial and territorial jurisdictions that has maintained a 'flat-rate' earning exemption limit policy approach. This approach has been credited with reinforcing the 'welfare wall' and contributing to increased economic insecurity. This policy analysis suggests that a standard income tax on all earnings in excess of current allowable limits may be an effective way of improving the economic security of DTES community members and BC social assistance recipients more broadly. While this policy option may result in the initial loss of revenues that arise from the status quo 100% income tax on social assistance recipients, its ability to encourage formal, sanctioned labour force engagement will produce increased income tax revenues as well as cost-savings to the health care, justice, and other social systems through improved economic security.

10.2 Policy Recommendation #2: Provide funding for the DTES Resource Hub

This policy analysis identifies the shortfalls of current employment service policies and the burden that places on organizations that provide low-threshold opportunities to DTES community members. The DTES Resource Hub seeks to provide the low-barrier services needed by DTES community members through a supportive employment model. The City of Vancouver's initiative to found a DTES Resource Hub offers a unique partnership opportunity for the provincial government that may inform future WorkBC policy efforts. This policy analysis therefore suggests that the provincial government consider entering into a cost- and space-sharing partnership with the City of Vancouver to deliver the supports needed within the community and assist community members in securing low-threshold opportunities.

10.3 Policy Recommendation #3: Establish a DTES Investment Fund

Social enterprises are well suited to provide formal, sanctioned, low-threshold opportunities for DTES community members experiencing multiple barriers to employment. This policy analysis sees meaningful potential in the funding of a DTES Social Innovation Investment Fund by the provincial government, which would increase the number of social enterprises and low-threshold opportunities in the DTES. This would make the provincial government a pioneer in social innovation, as no other investment funds focus on social enterprise development within a specific neighborhood.

10.4 Monitoring and Evaluation of Policy Recommendations

The aforementioned policy recommendations require increased monitoring of formal, sanctioned labour force engagement rates and the earning levels of social assistance recipients. At this point in time, the provincial government of British Columbia does not collect detailed statistics of the labour force engagement tendencies and earned income of social assistance recipients, instead focusing on caseload statistics and social assistance application rates. Collecting data on the number of hours worked, the types of employment opportunities being filled, and earnings levels will provide policy makers with a more thorough understanding of the impacts of current policy approaches in comparison to the above policy recommendations.

One potential monitoring and evaluation tool proposed by one participant was implementing a pilot project to test the effectiveness of the aforementioned policy recommendations. This is the approach that was used by the provincial government to assess the impacts of increasing the earning exemption limits of persons with disabilities. Considering how dense economic insecurity is in the DTES, the implementation of a pilot project in this community could meaningfully demonstrate whether the policy recommendations are effective or not.

11. Areas for future research

As described in the limitations section of this research project, this study lacks the direct inclusion of DTES community members and, more broadly, social assistance recipients. Future research should more actively engage this population in order to determine if current policy approaches or alternative policy approaches suit their needs. Secondly, the provincial government should collect and make publicly available earning exemption data. This includes the number of social assistance recipients reporting their earnings, the level of earnings being reported on average, as well as the revenues being generated by the provincial government as a result of earning exemption claw backs. This data would provide greater insight the impacts of varying approaches to earning exemption for social assistance recipients and their effectiveness at improving economic security.

12. Conclusion

Economic insecurity in the DTES has been long-standing policy problem to all levels of government. Having identified provincial social assistance and labour policies as one of the main contributing factors to the prevalence of economic insecurity within the community, the provincial government is in a strong position to use its jurisdictional authority to empower formal, sanctioned labour force engagement and income-generation in the DTES. By engaging with community organizations, local governments, and community members, the provincial government has the potential to improve the economic security, health, and well being of DTES community members and social assistance recipients more broadly.

A number of strong arguments exist to support immediate policy action on behalf of the provincial government. Firstly, negative health outcomes associated with economic insecurity result in significant health, justice, and other social system costs to the provincial government. Easing earning exemption restrictions on social assistance recipients, those who face the most economic insecurity, will alleviate financial constraints and act to empower formal, sanctioned labour force engagement. For some community members this means transitioning off of social assistance, and for others it means having an income to sustain life's necessities and a decent standard of living.

Secondly, the DTES community holds substantial economic and labour potential that remains largely ignored. Investments in local, social and self-employment enterprises that provide low-threshold opportunities ensure benefits to community members and the local economy through the local retention of monies. Additionally, supporting community-driven economic development in the DTES ensures that any future revitalization evolves organically through the collaboration and consent of community members.

Lastly, increased formal, sanctioned labour force engagement and the proliferation of DTES enterprises results in a larger tax-base for the provincial government. Unlike certain economic development initiatives that displace employment from other sectors and projects, and therefore do not actually create new jobs, community economic development in the DTES will mobilize individuals who would otherwise not be engaged in the formal, sanctioned labour force. These new jobs result in taxable earnings that represent a new, noteworthy revenue source for the provincial government.

The intent of this research project is to highlight community-driven policy solutions to the vast economic insecurity experienced in the DTES. What has emerged is an emphasis on the responsibility of the provincial government, which oversees economic and social policy directions, to introduce evidence-based policy innovations. It is evident that action is needed immediately and that delaying action will worsen the circumstances of Canada's most economically insecure

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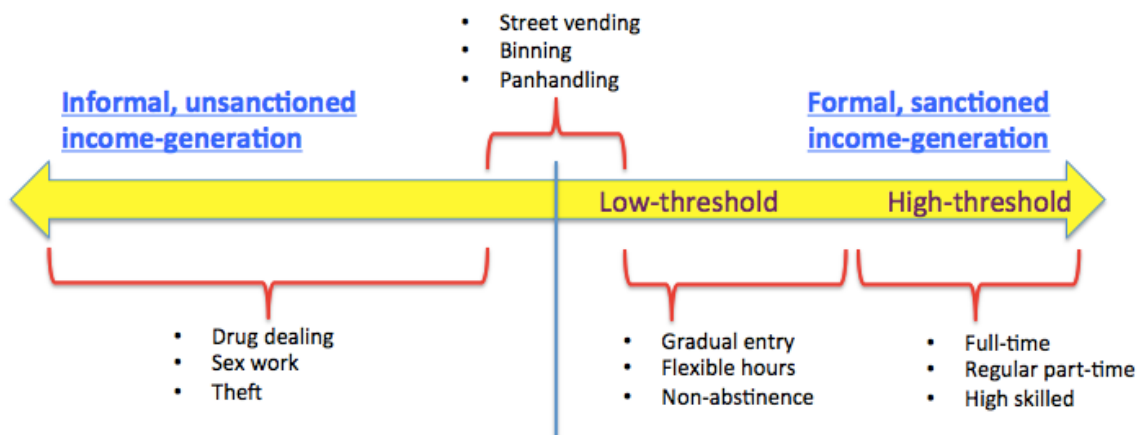
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14. Appendices

Appendix 1: Types of income-generating activities



Appendix 2: MSDSI Established Stages of Social Assistance Application

In order to become eligible for social assistance, applicants must proceed through a series of MSDSI-established “stages” (See below). The first stage of this process entails the completion of a work search period to demonstrate an applicant’s intent to become employed and their inability to obtain employment. A 5-week work search period applies to those who have not previously received social assistance and a 3-week work search period is required for those who have previously received BCEA. Work search activities include preparing a resume, actively searching for employment opportunities in online, print formats or in-person, attending job fairs and workshops, etc. All work search efforts must be thoroughly documented and provided to the MSDSI in order for eligibility to be determined. Individuals who complete the work search component of the social assistance application are then assessed for eligibility. Here, the MSDSI verifies an applicant’s personal information, determines their work readiness, and works to develop an Employment Plan (EP). The application process includes an assessment of an applicant’s income, assets, family situation, and expenses.

Social Assistance Applicant	Ministry
1. Complete Self-Serve Assessment and Application Tool and Orientation online, by phone, or by visiting an Employment and Assistance office.	1. Provide general information and orientations.
2. Discuss and obtain Work Search Activities Guidelines, Work Search Activities Record, and Information/Documentation Checklist requirements. Complete the Stage 1 HR0080A consent form.	2. Create service request, contact applicant, provide required document checklist. Complete Stage 1 HR0080A consent form and conduct third-party checks.
3. If required, do the work search and contact local ministry office as directed for a review of your work search progress.	3. Review applicant status at day 14 into the three-week work search, or at day 21 into the five-week work search.
4. To initiate eligibility assessment, provide the required documentation as indicated on checklist, and report any changes in your situation.	4. Contact the applicant to conduct an eligibility assessment and to provide an eligibility decision.
5. If eligible discuss next steps and if necessary develop an employment plan.	
6. If not eligible, discuss reasons, be advised of right to reconsideration and provided with reconsideration package/options.	

Source: Ministry of Social Development and Social Innovation (2016)

Appendix 3: DTES Caseload Estimates

As the MSDSI no longer provides specific data on caseloads within the DTES, estimates are calculated based on values from City of Vancouver reports and publications. In 2006, the City of Vancouver estimated that 10,755 community members, approximately 60% of the area's residents, were not engaged in the formal, sanction labour force; and, estimates from the City of Vancouver's DTES Local Area profile (City of Vancouver, 2013) indicate 6,339 social assistance cases (Table 2) of which, 3,193 (50.4%) cases were Persons With Disabilities, 1,461 (23.0%) cases were designated Expected to Work, 676 (10.7%) cases were Persons with Persistent and Multiple Barriers, and 115 (1.8%) cases were Expected to Work – Medical Condition.

Table 6: Downtown Eastside Caseload Values (2013)

Type	Expected to Work	Expected to Work - Medical Condition	Medical Services Only	Old Age Security	Persons With Persistent Multiple Barriers	Persons With Disabilities	Total
Cases	1,461	115	772	15	676	3,193	6,339

Source : City of Vancouver Local Area Profile, 2013

While this assessment is based on V6A caseload data it is important to acknowledge that the term 'community members' refers to DTES patrons that also reside in the V6B, V5L, V5Y, and other postal areas. By comparing provincial and federal electoral district caseload statistics below estimation is intended to remedy this data limitation. As of November 2015, there were 11,113 social assistance cases in the federal electoral district of Vancouver-East, and 8,724 social assistance cases in the provincial electoral district of Vancouver-Mount Pleasant. Accounting for the overlap between these two electoral districts, approximately 7,000 – 10,000 social assistance cases exist within and around Vancouver's DTES. Applying the City of Vancouver's 2013 DTES Local Area Profile proportions to this estimate we see that approximately: 3,528 – 5,040 (50.4%) cases are Persons With Disabilities, 1,610 – 2,300 (23.0%) cases are Expected to Work, 749 – 1,070 (10.7%) cases are Persons With Persistent and Multiple Barriers, 126 – 180 (1.8%) cases are Expected to Work – Medical Condition, and the remaining cases are Medical Services Only or Old Age Security.

Appendix 4: Terms of Reference

Terms of Reference: DTES Information Hub Survey Project

March 9th, 2015

Introduction:

The purpose of this document is to outline the roles and responsibilities of the Vancouver Urban Core Community Workers Association (VUCCWA) and the University of British Columbia Learning Exchange (UBC LE) in the Downtown Eastside (DTES) Information Hub survey project. The outlined responsibilities will provide guidance for the project and commit both parties to the continuity of sharing all relevant information that arises from project findings. This Terms of Reference is a living document that should be revisited by both parties and updated according to any changes that may occur throughout the duration of the project.

Project Objectives:

The Information Hub in the DTES project seeks to:

Understand existing employment and income-generating opportunities available to DTES residents through surveying DTES stakeholder organizations;
Identify barriers or incentives that stakeholder organizations face in their provision of income-generating opportunities for DTES residents;
Recognize ways in which VUCCWA and UBC LE can support or facilitate the growth of formal and informal employment and income-generating opportunities for DTES residents.

Project Steering Responsibilities:

UBC LE

UBC LE's overall role is to act as a facilitator between the Graduate Research Assistant, VUCCWA, and all other relevant stakeholders. UBC LE is committed to funding the Graduate Research Assistant position as a Work Learn appointment from January to March 2015 (funding beyond 31 March will be subject to budget availability), supervising research capacity while providing academic direction, ensuring the availability of physical space for all activities relevant to the project, and to hold information until VUCCWA develops research data storage capacity.

VUCCWA

VUCCWA commits to providing guidance and direction to the Graduate Research Assistant to ensure the survey project abides by the mission and goals of VUCCWA and

the overall purpose of the DTES Information Hub survey project. VUCCWA will provide feedback throughout the duration of the project, and will assist with identifying and engaging stakeholders. VUCCWA will also be responsible for the storage of research data through the development of a repository.

Collective Responsibilities

As the DTES Information Hub survey project is currently only funded until 31 March 2015 for Goals 1 through 7 (see Project Goals below), it is imperative that the VUCCWA and UBC LE work collaboratively to identify and secure additional funding. Both parties understand that this objective entails collective effort and is central to the completion and success of the survey project.

Open Access Information Sharing & Knowledge Dissemination:

All documents and data collected through the Information Hub in the DTES survey project are jointly held between VUCCWA and the UBC LE, and any reports based on the findings of the project are to be made publicly available. All project progress will be shared between VUCCWA and UBC LE at all times through an open access platform or on VUCCWA's website, where appropriate.

UBC LE is responsible for the storage of all relevant information and data until VUCCWA is able to establish a means for data storage. At no time will UBC LE restrict access of information to VUCCWA, and the UBC LE will work with the Graduate Research Assistant in developing promising practices in information sharing.

Should VUCCWA and UBC LE decide to publish the results of the project, it is understood that UBC LE and the Graduate Research Assistant(s) will be credited with the authorship of the report, and VUCCWA will be credited with providing project oversight and publishing the report. Both parties agree that any resulting publications must be equitably accessible by all; therefore, an open access journal or platform will take precedence when appropriate. Additionally, future publications will use the formatted authorship box depicted in Appendix 1.

Both the VUCCWA and UBC LE agree that project findings may be presented at any conferences, seminars, events, or any other relevant venues where the findings could result in benefits to community members of the DTES. All parties are free to use the project findings without the need for consent from other respective members.

Background:

VUCCWA, a diverse network of long-serving DTES community stakeholders, has worked as a strong and effective advocate in the community surrounding housing and transportation issues over the past 40-years. More recently, VUCCWA has identified a stronger need for the support, development, and growth of the local economy of the

DTES and has chosen to explore the availability of and barriers to informal and formal employment opportunities and income-generating opportunities for residents within the DTES. This project, in collaboration with the UBC LE, will culminate in the distribution of a survey to various organizations and stakeholders in the DTES to understand the nature of employment and income-generating opportunities of residents in Vancouver's DTES.

The Learning Exchange was created in 1999 to make connections between the University and people in Vancouver's DTES by providing a place where people can get to know each other, pursue shared interests, learn from each other and, in doing so, increase community capacity to act for positive change. Over the past 15 years, the Learning Exchange has become a trusted and valued contributor to the DTES community. In its premises at 612 Main Street it provides a welcoming, informal and lively focal point for people in the DTES, many who have been marginalized. Each week hundreds of people participate, at their own pace, as learners, trainers and facilitators. Educational programs include the English as a Second Language Conversation program, the Computer Skills program, and Computer Drop-in, which are offered on-site, and the Contributing through Computers Initiative, which is also offered at partnering organizations. A new program, the Learning Lab, builds capacity of residents to lead social, cultural, and artistic activities as a sustainable model of ongoing programming.

In 2012, the City of Vancouver embarked on the Local Area Planning Process (LAPP) for the DTES of Vancouver. The overarching scope of the effort was to improve the lives of all who currently live in the DTES while additionally eliminating overlap in existing City plans and establishing a sound, concise vision for the neighborhood that could ensure continuity, accountability, and effective, community-led results in housing, the local economy, transportation, and other areas. The LAPP established open dialogue and consultation between the City, DTES community members and community stakeholders surrounding the desired community vision for the neighborhood over the following 30-years, with the resulting Local Area Plan (LAP) emphasizing the emergence of seven principles important to the DTES community: Neighborhood Development, Housing, the Local Economy, Health and Well-being, Art, Culture and Heritage, Transportation, and Parks and Public Open Space. The LAP is scheduled to be reviewed every 10-years to determine the effectiveness of the implementation process, and its implementation will be supported by a social impact framework and through ongoing consultation with the DTES community.

Project Goals:

1) Complete a primary literature analysis of all relevant sources. These include:

Government and official data sources

Academic literature

News and popular media articles

DTES organizations' resources

- 2) Meet with VUCCWA and UBC LE members to determine intended direction and topics to be addressed by the survey. Work with respective members to identify DTES stakeholders for survey distribution (ongoing).
- 3) Establish document-sharing hub where all project-related information can be deposited and transparently shared between all interested in following the progress of the DTES Information Hub survey project. All data that pertains to the survey will be made available on an open access basis.
- 4) Design draft survey through collaboration with the VUCCWA and UBC LE. This includes supplementary documentation to be sent to prompt respondents on the scope of the survey and its intended goals.
- 5) Distribute survey to approximately three DTES organizations on a pilot-basis. Pilot organizations will be identified and agreed up through consultation with VUCCWA and UBC LE. Survey flaws and errors will be identified at this phase.
- 6) Meet with and consult with local Business Improvement Associations, community service providers, housing providers, and other stakeholder organizations to discuss finalized survey and identify organizations which can be targeted through the survey.
- 7) Review and adjust the survey based on problems identified during pilot phase. Consult with VUCCWA and UBC LE members on finalized survey.

--- Time & funding dependent ---

- 8) Distribute survey to previously identified DTES organizations. This involves initial distribution of the survey and continual monitoring and follow-up with participating organizations.
- 9) Close survey and begin data analysis. Reflect on the process of survey distribution and data collection.
- 10) Present survey findings to VUCCWA and UBC LE.

Project Deliverables:

Deliverable 1: Summary of literature review

Deliverable 2: Draft survey

Deliverable 3: Finalized survey

Deliverable 4: Final report on survey findings

Deliverable 5: Presentation to VUCCWA and UBCLE

Deliverable 6: Publication of survey findings: open access journal

Deliverable 7: Presentation of findings at conference

Appendix 1 – Authorship textbox

This report was produced by the Vancouver Urban Core Community Workers' Association and the University of British Columbia, and authored by Andreas Pilarinos.



Vancouver Urban Core
Community Workers' Association



University of British Columbia

Background

1. What is your role within your organization?
2. Please describe your organization's mandate.

2

Income Generating Opportunity Provision

3. Please select all opportunities that your organization currently provides:

- ☐ Full-time employment
- ☐ Part-time employment
- ☐ Internships
- ☐ Peer support positions
- ☐ Graduated entry
- ☐ On-job support(s)
- ☐ Employment retention support
- ☐ Micro-lending
- ☐ Volunteer opportunities

☐ With honorarium

- ☐ Skills training

Please explain:

- ☐ Facilitation of artists/non-traditional work

- ☐ Vending space provision
- ☐ Retail space provision
- ☐ Gallery space provision
- ☐ Workshop space provision
- ☐ Provide meeting space
- ☐ Other. Please explain:

- ☐ Other?

Please explain:

How long has your organization been providing the above opportunities?

3

Income generating opportunities
(% DTES residents)

4. Based on your previous selections, please indicate what proportion of each opportunity is filled by DTES residents?

___% Full-time employment
___% Part-time employment
___% Internships
___% Peer support positions
___% Graduated entry
___% On-job support(s)
___% Employment retention support
___% Micro-lending
___% Volunteer opportunities
 ___% With honorarium

___% Skills training

Please explain:

___% Facilitation of artists/non-traditional work

___% Vending space provision
___% Retail space provision
___% Gallery space provision
___% Workshop space provision
___% Provide meeting space
___% Other. Please explain:

___% Other?

Please explain:

☐ I don't know.

4

Hiring & Recruitment

5. Please describe your organization's hiring and/or recruitment practices.

5

Benefits of income generating opportunities

6. Please explain how your organization's provision of income generating opportunities provides benefits to the DTES community.

6

Challenges and barriers

7. Please describe the challenges that your organization faces in providing income generating opportunities to DTES residents.
b. How have you, or are you, making efforts to overcome these?
8. What do you believe are the challenges DTES residents face in applying to your organization.
b. How have you, or are you, making efforts to overcome these?
9. What do you believe are the greatest systemic barriers DTES residents face in seeking income generating opportunities.
b. How have you, or are you, making efforts to overcome these?

7

Local Procurement

10. Which of the following products does your organization currently procure locally:
- ☐ Office supplies.
 - ☐ Catering/food/beverage.
 - ☐ Cleaning services.
 - ☐ Maintenance services.
 - ☐ Other? Please explain: _____.
 - ☐ None.
11. Please describe the challenges your organization faces in buying/procuring locally.
12. What major purchases would you like to procure/buy locally?
13. Would you be interested in partnering with other organizations to strengthen your local procurement purchasing power?

8

Building Partnerships

14. Would your organization be interested in working with Urban Core to create income generating opportunities for DTES residents? [Y/N]

15. Which of the following topics would your organization be interested in exploring? (Please select all that apply.)

- | | |
|--|---|
| <input type="checkbox"/> Social enterprise | <input type="checkbox"/> Creating vending space |
| <input type="checkbox"/> Creating job supports | <input type="checkbox"/> Micro-lending |
| <input type="checkbox"/> Graduated entry opportunities | <input type="checkbox"/> Certification training |
| <input type="checkbox"/> New inclusive job opportunities | <input type="checkbox"/> Workshop space |
| <input type="checkbox"/> Local procurement | <input type="checkbox"/> Other. Please explain: |

16. Would you be willing to share organizational statistics on your income generation opportunity provision with DTES residents with Urban Core? [Y/N]

17. Have you/are you working with any UBC Faculty, staff, students?

9

Key Organization Statistics **(Anonymized Data)**

17. What is the average hourly wage within your organization for:

DTES residents _____ Non-DTES residents _____

18. What is the average number of hours worked/participated per week within your organization for:

DTES residents _____ Non-DTES residents _____

19. How much in total wages did your organization pay last year? What proportion went to DTES residents?

10

Key Organizational Statistics Cont'd

(Anonymized Data)

20. What proportion of those employed by/involved with your organization are:

- Aboriginal (First Nations, Inuit, Metis) _____%
- Visible Minorities _____%
- People with disabilities _____%

21. Please describe any other organizational statistics that you collect.

Appendix 6: Recruitment email

Hello _____,

My name is Andreas Pilarinos and I am a UBC/SFU Graduate Research Assistant conducting a study on behalf of the Vancouver Urban Core Community Workers Association (Urban Core). The intent of this study is to better understand the income-generation continuum in Vancouver's Downtown Eastside (DTES), in turn bringing organizations located within the DTES together to discuss the provision of income-generating opportunities for community members and ways to improve collaboration.

As the CEO/Executive Director/Manager, etc. of _____, you are ideally positioned to offer meaningful and unique insight into the research questions Urban Core is attempting to answer. Therefore, I would like to schedule and interview with you to discuss your organization's involvement in the provision of income-generating opportunities, as well as some of the challenges and benefits your organization experiences in providing such opportunities.

The interview is expected to last approximately 45 minutes. Questions will be both qualitative and quantitative, and following the interview you will be emailed a link to an anonymized survey. Below, I have provided a link to an online reservation application where you make select the most convenient time and place to meet and conduct the interview. Alternatively, we can schedule a telephone call to clarify any questions you may have surrounding this survey or the study itself.

<https://calendly.com/dtesinfohub/dtes-info-hub-survey-interview>

The results of this survey will be used to convene like-minded DTES organizations to consider ways to support the development of income-generating opportunities for DTES community members. The findings will be presented to Urban Core following the completion of this research study. Additionally, the collected information will be used as part of my Graduate Capstone project that will focus on policy options that could contribute to the creation of greater income-generating opportunities for community members.

If you have any additional questions, please do not hesitate to contact me. Thank you for your consideration and I look forward to hearing back from you soon.

Kind regards,

Andreas Pilarinos

Graduate Research Assistant
University of British Columbia, Learning Exchange
Master of Public Policy Student
School of Public Policy, Simon Fraser University

Appendix 7: Consent form

Key Informant Interview Consent Form - Version 3 **May 29th, 2015**

Downtown Eastside Information Hub Survey Project

Lead Researchers: Dr. Angela Towle, Academic Director, UBC Learning Exchange; Associate Professor, Department of Medicine, UBC; Kathleen Leahy, Director, UBC Learning Exchange.

Co-investigators: Andreas Pilarinos, Graduate Research Assistant, University of British Columbia; Graduate Student, School of Public Policy, Simon Fraser University.

Funding: This work is funded by the University of British Columbia, MITACS and Ecotrust Canada.

Purpose: The aim of this study is to develop an understanding of the efforts of non-profit organizations and social enterprises in Vancouver's Downtown Eastside (DTES) and their provision of income-generation opportunities for DTES residents. For the purpose of this study, Vancouver's DTES is defined as being bordered by Cambie Street to the west and Clard Drive to the east, Venables Stree/Prior Avenue to the south, and the waterfront to the north. The information will be used to inform the work of the Vancouver Urban Core Community Workers Association (Urban Core) in supporting promising practices and network-building between DTES organizations, as well as by the researcher as part of their Graduate Capstone project. You have been asked to participate because you are a community representative of a non-profit organization or social enterprise located in Vancouver's DTES.

Study Procedure: You are asked to take part in an interview (45 minutes) to discuss your organizations' involvement in the provision of income-generating opportunities in the DTES. With your permission the interview will be recorded. You may ask for the recorder to be turned off at any time and the interviewer will turn off the recorder.

Confidentiality: A key component of this study is that the resulting data is community-owned and available to all relevant stakeholders. Therefore, the information you provide during the interview phase will be made publicly available; it will be shared between Urban Core members and partnering organizations; and, resulting reports or publications will contain identifiers that can be directly linked back to you and/or your respective organization. Once interviews are recorded they will transcribed all recordings will be deleted.

The second part of this study involves the completion of a non-mandatory online questionnaire where you will have the opportunity to disclose your organization's name or have your results anonymized. If you choose to anonymize your results, all efforts will be made to remove any information that could identify your organization. This information will be made publicly available without the inclusion of identifiers.

As part of an effort to increase the understanding of the income-generation continuum on the DTES, the researchers of this study will seek to publish its results in academic journals as well as other outlets. The results of this study will also be used by the Graduate Research Assistant as part of their Graduate Capstone Project. Lastly, the researchers intend on sharing the results of this study at symposiums, conferences, and other relevant events, which may or may not involve participating organizations.

Contact: If you have any questions or want further information with about the study, you may contact the Graduate Research Assistant, Andreas Pilarinos or Kathleen Leahy.

If you have any concerns about your treatment or rights as a research participant you may contact the Research Subject Information Line in the UBC Office of Research Services.

Consent: Your participation in this study is entirely voluntary and you may refuse to participate or withdraw from the study at any time.

If you have any concerns or complaints about your rights as a research participant and/or your experiences while participating in this study, contact the Research Participant Complaint Line in the UBC Office of Research Ethics.

Your signature below indicates that you have received a copy of this consent form for your own records and that you consent to participate in this study.

Signature of participant: _____
Date: _____

Print name of participant: _____

Consent to be Contacted for Follow-up

I am willing to be contacted regarding my participation in a symposium as a follow-up to this interview. The symposium will present findings from the interviews, while also facilitating dialogue on the provision of income-generating opportunities for Downtown Eastside residents.

Name: _____

Please contact me at (e.g. email, phone, or mailing address):
