

REWARDING WORK – GATEWAY TO OPPORTUNITIES

Rewarding Work is a four-year strategy to help low-income working families and Manitobans to move from welfare to work. It seeks to enhance employability, encourage work, ease the transition to employment and support employment retention. This strategy will help employers fill the many job vacancies in the province. In the first full year, Rewarding Work is expected to cost \$27.6 million. Outlined below are details of year one of this 10-point plan.

<i>Helping Low-income Working Families</i>		
Description (Start Date)	Full-Year Cost	Participants
Manitoba Child Benefit – Starting in January 2008, the Manitoba Child Benefit will provide benefits to low-income working families to help offset the cost of raising children. Benefits of \$35 per month per child will be paid to families with annual incomes up to \$20,000. For people receiving income assistance, this benefit will replace part of the benefits they receive through welfare. Paying child benefits to low-income working families will ease the transition from welfare to work by ensuring that parents keep important benefits for their children. (January 2008)	\$11,000	Up to 33,000 children
Reduce Child Care Fees – Currently, parents using subsidized child care pay a minimum fee of \$2.40 per day per child. As promised in the five-year child care plan, the \$2.40 fee will be reduced by 17 per cent to \$2 for all subsidized families. (April 2007)	\$ 2,900	11,500 (fee reduction)
Income Indexing – Child-care Subsidies – The amount of income parents can earn before child-care subsidies are reduced is increasing by 13 per cent, which means more children will be eligible for subsidy and low-income working families will pay less for licensed child care. (April 2007)		
Total	\$13,900	-

Transitioning from Welfare to Work		
Description (Start Date)	Full Year Cost	Participants
Job Seekers Allowance – A job seekers allowance of \$300 per year will be provided to general assistance single adults and childless couples once they have completed a personal job plan and are actively looking for work. (January 2008)	\$1,170	3,900
Employment Stipend – Assistance for work clothing and work transportation up to \$1,200 per year will be provided to recipients who find work. This allowance will allow people to buy things such as bus passes or work boots. (June 2007)	\$2,000	2,500
Enhanced Training and Education – The length of time people can attend pre-employment, job readiness and skills training will be extended to up to 24 months (from three months). In addition, adults in general assistance families with children will be able to attend post-secondary education up to two years and single parents will be able to attend programs longer than two years. <u>Programs must be expected to lead to employment before approval.</u> (April 2007)	\$1,400	1,100
JobConnections – Single parents will be given support to prepare for work including personalized employability assessments, development of employment action plans, and linkages to training and education programs. In addition, job retention supports will be provided to recipients who obtain employment, to maximize success in retaining jobs. Staff will work closely with youth at risk of welfare dependency to ensure they finish high school, consider post-secondary education or find work. A community-based mentorship program will be established to provide support for youth who need more intensive services. New policies will be put in place to allow youth who are at risk of dropping out of high school to complete their education as long as they are making good progress. (September 2007)	\$1,600	8,100
Work Incentives – Currently, single parents keep up to \$115.00 from employment each month, plus 25 per cent above this amount. Other recipients keep \$100 plus 25 per cent (30 per cent for persons with disabilities). Work incentives will be enhanced to complement the new federal Working Income Tax Benefit. The Rural Jobs Project, which offers wage subsidies to employers who provide employment for recipients, will be doubled. (September 2007)	\$ 770	1,525
Total	\$6,940	-

Improved Benefits and Services for Persons with Disabilities																	
Description (Start Date)	Full Year Cost	Participants															
30 per cent Increase - Income Assistance for Persons with Disabilities – Effective January 2008, Income Assistance for Persons with Disabilities, which helps support employment preparation, volunteerism and offset the costs associated with living in the community, will increase by \$300 annually from \$960 to \$1,260. (January 2008)	\$6,000	17,300															
Enhanced Vocational Rehabilitation – Vocational Rehabilitation, which helps adults with mental and physical disabilities secure gainful employment by providing vocational training, education and support services will increase by \$500,000 annually to support more persons with disabilities to prepare for work. Recipients demonstrating mental-health issues or difficulty coping with stress, such as parenthood, education or employment will be given more direct access to mental-health services. Services will include supportive counselling, promotion of a safe and healthy lifestyle, teaching daily living skills, connecting participants to medical care, and linking individuals to community supports.	\$ 610	1,150															
Double Cash Asset Exemptions – Cash asset exemptions for persons with disabilities on income assistance will be doubled, as follows: <table border="0" style="margin-left: 40px;"> <tr> <td></td> <td style="text-align: center;"><u>Current</u></td> <td style="text-align: center;"><u>New</u></td> </tr> <tr> <td>Applicant</td> <td style="text-align: center;">\$2,000</td> <td style="text-align: center;">\$4,000</td> </tr> <tr> <td>First Dependant</td> <td style="text-align: center;">\$1,000</td> <td style="text-align: center;">\$2,000</td> </tr> <tr> <td>Additional Dependant</td> <td style="text-align: center;">\$500</td> <td style="text-align: center;">\$1,000</td> </tr> <tr> <td>Family Maximum</td> <td style="text-align: center;">\$4,000</td> <td style="text-align: center;">\$8,000</td> </tr> </table> This exemption will allow people to save money for emergencies or offset costs associated with disability. (April 2007)		<u>Current</u>	<u>New</u>	Applicant	\$2,000	\$4,000	First Dependant	\$1,000	\$2,000	Additional Dependant	\$500	\$1,000	Family Maximum	\$4,000	\$8,000	\$ 100	Up to 18,000
	<u>Current</u>	<u>New</u>															
Applicant	\$2,000	\$4,000															
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Additional Dependant	\$500	\$1,000															
Family Maximum	\$4,000	\$8,000															
Total	\$6,710	-															

FUTURE YEARS

In future years, additional budgetary measures will be proposed to help low-income working families and help people make the transition from welfare to work, such as:

Years Two to Four:

- Extend non-insured health services, such as drug, dental and optical coverage to people making the transition from welfare to work.
- Strategic Disability Awareness Campaign to encourage employers to hire persons with disabilities.
- Increased work incentives to allow people to save money for emergencies and provide a transition allowance when people start to work.
- Supports for volunteerism which builds confidence, skills and employment opportunities.
- Help more single parents secure and collect child support orders.
- Extend optical coverage to adults and children in low-income families.
- Extend dental coverage for children in low-income working families.
- Create more recreational opportunities for children receiving income assistance.
- Complementary loan rebates for single parents who successfully complete post-secondary education.