

<b>Legislation</b> <i>Social Assistance Act</i> <i>Regs. 6, 13, 24</i>	<b>Division</b>	Social Programs	
	<b>Program</b>	Social Assistance	
	<b>Policy Name</b>	Calculation of Financial Eligibility	<b>Policy #</b> 3.12
<b>Effective Date: November 1, 2007</b>  <b>Revised Date: July 1, 2024</b>		<b>Authorized by:</b>  <b>Deputy Minister Teresa Hennebery</b>	

## 1.0 PURPOSE

To clearly define the calculation used to determine an applicant's financial eligibility for Social Assistance (SA).

## 2.0 DEFINITIONS

- 2.1 **Applicant:** a person who applies for Social Assistance, or a person who receives social assistance.
- 2.2 **Co-Applicant:** the spouse of an applicant, and includes a person who, although not married to the applicant, lives with the applicant as if they were married.
- 2.3 **Established Rates:** the rates of financial assistance established by the Lieutenant Governor in Council under subsection 4.1(1) of the *Social Assistance Act*.
- 2.4 **Financial Resources:** the financial resources of an applicant as determined by the Director in accordance with sections 13 and 14 of the *Social Assistance Act Regulations*.
- 2.5 **Items of basic need:** items that are essential to maintain the minimum living requirements of an applicant and the applicant's spouse and dependents, including food, drugs, shelter, fuel, real property taxes, fire insurance, utilities, clothing, personal requirements, household supplies and local transportation.
- 2.6 **Items of special need:** items of special need described in section 19 of the *Social Assistance regulations*.

## 3.0 POLICY STATEMENTS

- 3.1 The calculation for determining whether an applicant is a person in need will include a calculation of the amounts required by the applicant for items of basic need and a calculation of the value of the financial resources of the applicant.

<b>Example:</b>	Maximum Allowable Expenses for Items of Basic Need	<b>\$1,452</b>
	+ Maximum Allowable Expenses for Items of Special Need	<b>\$31</b>
	= Total Allowable Expenses	<b>\$1,483</b>
	- Financial Resources of the Applicant	<b>\$1,075</b>
	= Applicant's Demonstrated Need	<b>\$408</b>

- 3.2 Where an applicant meets the eligibility criteria of the SA program and the calculation for determining whether an applicant is a person in need confirms that the needs of the applicant exceed the applicant's financial resources, the applicant is determined to be eligible for SA benefits.
- 3.3 The difference between the applicant's needs and the applicant's financial resources will be the maximum benefit amount (applicant's demonstrated need as per example 3.1) which may be paid to an applicant.
- 3.4 A lesser amount of financial assistance may be paid if a lesser amount is requested by the applicant as per Section 24 of the *Social Assistance Regulations*.

### Monthly Income

- 3.5 In the calculation of financial resources, income from wages, employment benefits, transfer payments, self-employment, or other financial resources, as set out in Section 13 of the *Social Assistance Act Regulations*, must be included as available income to an applicant.
- 3.6 Where an applicant is declaring a reoccurring weekly or bi-weekly income, such as wages or employment insurance (EI) benefits, the monthly income will be calculated as follows:

$$\text{Weekly net income (bi-weekly net pay/ 2) x 4.3 weeks} = \text{Monthly Income}$$

- 3.7 Income for emergency or short-term applications will be calculated using actual monthly earnings.

### Net Pay

- 3.8 To determine the net amount of an applicant's income, the Department will deduct allowable exemptions and deductions, such as income tax, Canada Pension Plan (CPP) deductions, Employment Insurance (EI) deductions, etc. Deductions will not include

deductions such as health plan contributions, Registered Retirement Savings Plan (RRSP) contributions, Registered Educational Savings Plan (RESP) contributions, or Registered Pension Plan (RPP) contributions, even when required by the employer for participation.

### **Monthly Expenses**

- 3.9 Allowable expenses will include an estimate of items of basic need and items of special need in accordance with Sections 15 to 19 of the Social Assistance Act Regulations. Where the applicant has a recurring monthly weekly expense, such as a childcare or transportation costs, the monthly expense will be calculated as follows:

$$\text{Weekly expense} \times 4.3 \text{ weeks} = \text{Monthly expenses}$$

## **4.0 REFERENCES**

- 4.1 Social Assistance Policy 1.2 Eligibility