

CIRCULAR

Date: October 31, 2012

CIRCULAR NUMBER: EIA #2011 – 18 Revised

Alternate Program(s):
MarketAbilities

To: Community Social Service Supervisors/Program Managers

Subject: The coordination of the Rewarding Work Allowance and Employment Transportation for non-disabled & non-aged categories in areas where public transportation is not available

Reference: 2011 -45 "Other" Need Codes

Type: Policy Supports #2007-37, 2005-17
 Procedure Replaces# 2004-19,
 Rate
 Information Only

Effective Date Immediately

The previous version has been revised to reflect that mileage costs are to be issued as non-continuous needs which are not intended to impact exit point

Background:

In 2007, the department introduced the Rewarding Work Allowance (RWA), a benefit available to non-disabled and non-aged EIA participants who are employed. The RWA is intended to offset the costs related to paid employment such as transportation and work clothing. (Note: All EIA participants eligible for the RWA who report employment earnings will receive the RWA regardless if they report employment expenses.)

Detail:

In rural and northern areas where public transportation is not available, EIA participants may be using their own private vehicles to get to and from their employment. These participants are expected to use their Rewarding Work Allowance to cover costs of this employment travel.

When the **actual cost of transportation** to and from their employment exceeds the Rewarding Work Allowance that the participant is eligible to receive (\$50 part-time/\$100 full-time), EIA staff may approve additional mileage as a work expense. Participants must demonstrate that their transportation costs exceed their RWA.

All mileage costs to be considered as an employment expense must be reported on the income declaration form. **Note:** Gas receipts in support of mileage claims must be included with the income declaration.

Allowable work transportation expenses can be calculated using the following formula:
***Where the individual's actual cost for fuel is less than their RWA this formula is not used.**

$$\frac{(\text{Total employment transportation mileage incurred} \times \text{mileage rate}) - \text{RWA}}{\text{Allowable work transportation expense}} =$$

For example: A participant is working full time and resides north of the 53rd parallel (22 cents/km rate). The participant has travelled a total of 600 kms for the month to get to and from work:

- i) 600 km x 22 cents = \$132.00 in employment transportation expense, then
- ii) \$132.00 (total employment transportation expense) – \$100.00 RWA =
\$32.00 allowable work transportation expense

The mileage information that participants provide should seem reasonable based on the number of days worked and the distance between a participant's home and their place of employment.

Participants who have exceeded their RWA but have additional mandatory and verifiable employment costs, may have these costs considered as an employment expense when determining monthly earned income. Examples of these employment costs may include monthly uniform costs or monthly costs for equipment/tools rental.

Work Transportation expenses should not be provided to participants who have reached exit point based on their earnings. For this reason staff should not include work transportation expenses in the participant's monthly budget.