

Chapter 3: Assessment of Income

(i) Exempt Income

(c) Compensation Payments for Claims of Abuse or Harm Done

Intent:	To identify sources of income and the incurred liquid assets from these sources of income, that are not considered when determining eligibility for Income Support
Act: (if applicable)	N/A
Regulations:	<p>8. In this Part</p> <p>(a) "exempt income" means income received by an applicant or recipient which is not considered in determining eligibility for income support, provided that the income is obtained by means of</p> <p style="padding-left: 40px;">(xxiii) a payment made under a court order or a settlement agreement by the federal government, a provincial or territorial government, a church organization, or another organization having responsibility for individuals in a position of trust, care or authority in respect of other individuals, as compensation for</p> <p style="padding-left: 40px;">(A) a claim of abuse, or</p> <p style="padding-left: 40px;">(B) a harm done, where the payment is received by the applicant or recipient as a member of a class in a class action;</p>
Overview: (if applicable)	N/A
Policy:	<ul style="list-style-type: none"> • Compensation payments are considered fully exempt, if made under a court order or settlement agreement by either: <ul style="list-style-type: none"> ○ A government: federal, provincial or territorial; or ○ A church organization; or ○ An organization having responsibility for individuals in a position of trust, care or authority <p>If the payment is for:</p> <ul style="list-style-type: none"> ○ A claim of abuse, or ○ Harm done, where the payment is received by the applicant/recipient as a member of a class in a class action

	<ul style="list-style-type: none"> • There is no limit on the compensation payment amount; payments that are included under this category are fully exempt. <ul style="list-style-type: none"> ○ Examples of the types of exempt compensation payments include such things as (but are not limited to): <ul style="list-style-type: none"> ▪ Settlements by government for claims of abuse or harm, such as: former residents of group homes or foster care arrangements as children; former residents of institutional settings as adults with intellectual disabilities ▪ Settlements by church organizations for claims of abuse or harm, such as: former residents of Mount Cashel Orphanage ▪ Settlements by another organization where the organization has responsibility for individuals in a position of trust, care or authority, such as: former youth involved in Hockey Canada or Boy Scouts of Canada ○ Examples of the types of payments that are not included and are considered non exempt income and assets include such things as (see Insurance Settlements): <ul style="list-style-type: none"> ▪ Motor vehicle accident insurance payments ▪ Slip and fall accident insurance payments
Procedure:	<ul style="list-style-type: none"> • Applicants/recipients who declare that they have received or will receive a compensation payment must: <ul style="list-style-type: none"> ▪ provide documentation specifying the type and source of the compensation payment, to determine whether it is considered exempt income. ▪ provide confirmation of the amount of the compensation payment, so that this information is on file for future assessment of assets. • Client Services Officers should ensure that all legal and banking information is added to the applicant's/recipient's electronic file.
Authority Level:	Client Services Officer
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