

Self-Employment and Disability Benefits



Retaining benefits while launching a business is possible!

Community Futures has worked with people receiving disability benefits and beginning on the path to self-employment. People receiving benefits from Workers Compensation, the BC Ministry of Social Development, Employment and Income Assistance or Canada Pension Plan Disability Benefits need to contact their caseworker or employment assistance worker with their plans to pursue self employment. Receiving a business loan may impact your benefits if you do not inform your support agency of your plans.

Important considerations and steps:

1. APPROVAL FOR SELF-EMPLOYMENT

If you are receiving Disability Benefits or Disability Insurance, it is important to contact the agency providing benefits with your plan to pursue self-employment.

2. SELF-EMPLOYMENT ASSESSMENT

The agency providing your benefits may refer you to an organisation that provides employment programs for people with disabilities. For example, under the BC Government's Employment Action Plan, if you receive Province of BC PWD benefits you would meet with a case manager at the local Work BC Employment Service Centre for an assessment of your suitability for self-employment. The Employment Service Centre will advise your disability benefits provider if you are ready to begin self-employment, and if you are suitable for consideration for the self-employment training programs coordinated by the Work BC Office. Please follow this link for more information from the **Work BC website**.

3. SELF-EMPLOYMENT TRAINING PROGRAMS FOR PEOPLE WITH DISABILITIES.

Work BC Employment Service Centres coordinate intakes for subcontracted service organizations that deliver the provincial self-employment training program. You will need to attend the self-employment orientation and assessment at the Work BC Employment Service Centre and be accepted to join this training. This program is for people who have not yet started their business. According to the Work BC website, "the objective of Self-Employment (SE) Services is to help eligible case-managed clients, who have successfully completed Self-Employment orientation and assessment services and had their business concept accepted, to create jobs for themselves by starting a business. Clients who participate in SE services are expected to become self-sufficient and independent through self-employment upon completion." See more at: **Work BC Explore Careers**.

Another option for exploring a business idea and developing the skills to create a business plan is through online training.

Make a Change Canada/Faire un Changement Canada offers its award-winning self-employment program free of charge and online for persons with disabilities: **Business Abilities**. Please contact them through their website for further details.

4. BUSINESS LOANS AND EXPERT ADVICE

If you need financing to start your business, you must inform your disability benefits worker or employment assistance worker that you are applying for a business loan as soon as possible. The BC Ministry of Social Development has created a reporting process for clients pursuing self-employment, called the MSD Self Employment Program (MSD-SEP). Registering in this program is essential to maintain PWD income assistance and benefits while starting and operating a small business.

For those who have developed a viable business plan and need financing, the Community Futures EDP Loan application may be your next step. Along with the business plan, the loan application will take into consideration your capability to run the business, your character, capital needs, collateral and market conditions. At your Community Futures office, you will meet with our Business Analyst who will critique your business plan and work with you to see if financing is possible, and for how much. The Business Analyst will provide you with expert advice based on what you present and what is in your business plan. EDP loans are repayable: your intent must be to make a profit from your business.

If you are approved for a business loan, your disability benefits worker must be informed as soon as possible.

The loan must be used solely for operating the business and not for personal expenses, or your benefits are at risk of being reduced or removed. If you are not registered in the MSD- SEP you are at risk of having benefits impacted. Once registered with the Ministry, you will be required to submit monthly reports on business expenses to them in order to retain income support.

5. EARNINGS EXEMPTIONS

There are limits to monthly earnings allowable under disability support programs, and drawing more than the allowable could put you at risk to lose part or all of your benefits. For PWD income support recipients, the employment assistance worker must be informed of the personal income you draw from your small business and you must include all business income and eligible business expenses in your monthly reports to the Ministry. It is important to keep accurate accounting records and all business receipts for clear reporting while receiving disability benefits. Expert assistance with bookkeeping is recommended.

6. LEAVING BENEFITS

Your business may succeed to the point that you no longer require disability income support. Careful planning and cash flow management is essential. Seek expert advice and counsel to ensure you know your options so you do not upset any financial supports you may be receiving

Know your break-even point and plan for success!

To find out more, and to speak to a Community Futures Business Analyst, call **1.604.289.4222 ext 226** or go to **communityfutures.ca**

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