



MAR 03 2017

MS. JULIE GREEN
MLA, YELLOWKNIFE CENTRE

Oral Question 617-18(2): Maintenance Enforcement Payments

On February 21, 2016 you asked questions in the Legislative Assembly about the possibility of requiring employers to report new hires to the Maintenance Enforcement Program (MEP). You also indicated that there can be difficulties associated with collecting payments from self-employed persons, and noted that there are sometimes delays experienced by creditors (recipients of child support) in receiving payments from MEP. I will address each of these issues in turn.

In respect of the request that the Department of Justice examine the possibility of requiring all employers to report new hires to the MEP, this approach to accessing information on a limited number of debtors is overly broad, and it is not an option that the Department could reasonably pursue. We must be mindful that employment information is personal information, and the privacy interests of the many thousands of residents who work in the Northwest Territories must also be safeguarded.

I would note that MEP currently does have the capacity to request information from a suite of federal databases in efforts to locate and obtain employment information as it relates to identifiable debtors (payors of child support), including those relating to income tax returns and records of employment. I can also tell you that provincial and territorial jurisdictions have been pressing to obtain equivalent access to an additional information bank controlled by the federal Department of Employment and Social Development and updated monthly. This would improve the ability of MEP to accurately locate the name and address of a debtor's employer for the purposes of establishing effective wage-withholding. The Department and the MEP office will continue to explore ways to improve and expand our maintenance enforcement mechanisms with our federal, provincial, and territorial counterparts.

.../2

As you may be aware, the MEP Administrator can implement various enforcement methods to either collect outstanding money, or to require the debtor to address non-payment. These same methods apply to individuals who are self-employed. The primary enforcement mechanism is attachment of wages, which involves the legal seizure of money from deposit accounts, wages, and registered plans such as RRSPs and RRIFs. If a person owing money is in arrears beyond the prescribed amount (\$3,000.00 or three months of their current obligation), and persists in their noncompliance after receiving notice, the MEP Administrator will take progressive enforcement measures, which among other measures may include:

- Direct the Registrar of Motor Vehicles to refuse to issue a driver's license to the debtor, and to suspend an existing license held by the debtor;
- Apply to the federal government for a denial of certain federally issued licenses, including passports and aviation and marine licenses;
- Advertise publicly to obtain information about the debtor;
- Send the debtor's information to credit reporting agencies;
- Garnish or attach income tax returns, Employment Insurance Benefits, Old Age Pensions, joint bank accounts, registered savings plan funds, WSCC benefits etc.;
- Initiate a default hearing, where the debtor is taken to court to explain their reasons for noncompliance with the court order of support. A judge who considers the noncompliance to be willful can impose a custodial sentence not exceeding 90 days.

MEP will issue wage attachments to self-employed debtors and take legal action if they do not comply. MEP also takes additional steps to intercept other payments (i.e. if a debtor's business is getting paid for contract work by the GNWT, the office can issue a garnishee summons to intercept the funds).

With regards to the issue of delayed payments, I am pleased to report that most employers do in fact remit payment electronically. MEP cannot require a payment to be remitted electronically – not every employer has that facility – but it is encouraged. Creditors are also invited to provide their banking information to MEP, so the office can disburse funds by direct deposit, allowing for the transfer of funds within two business days. However, some creditors still prefer or need to receive a cheque by mail. Time frames depend upon each employer's chosen payroll system. Once served with notice, employers make deductions from the debtor's pay and then remit those deducted funds to MEP. Funds paid by or on behalf of the debtor are typically disbursed by MEP on the business day following their receipt.

As noted during my response in the House, the Department continues to work towards the implementation of a child support recalculation service in the 2017/18 fiscal year. It is always important to remember that MEP cannot change the amount of child support owed; it can only enforce collection of the amount that is ordered by the court. For example, an individual who becomes unemployed will continue to owe the same amount of child support until a new order is made by the court. Once a recalculation service is in place, child support orders (with some exceptions) can be registered and will require the submission of annual income tax information, which can be used to adjust the support order amount within the legislated parameters.



Louis Sebert
Minister of Justice

- c Mr. Tim Mercer, Clerk of the Legislative Assembly
- Mr. Martin Goldney, Deputy Minister of Justice
- Mr. David Hastings, Legislative Coordinator