



## **EMERGENCY & COMMUNITY SERVICES COMMITTEE REPORT 12-003**

1:30 p.m.

Monday, March 19, 2012

Hamilton City Hall

Council Chambers

71 Main Street West

Hamilton, Ontario

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**Present:** Councillor J. Partridge, Chair  
Councillor T. Whitehead, Vice-Chair  
Councillors S. Duvall, J. Farr, T. Jackson, B. McHattie, S. Merulla and  
B. Morelli

**Also Present:** V. Woodcox, Acting General Manager, Community Services  
A. Bradford, Director of Culture  
G. Hendry, Director, Housing Services  
K. Lubrick, Employment and Income Support Division  
D. Brodati, Policy and Program Specialist  
B. Browett, Director of EMS  
I. Bedioui, Legislative Co-ordinator, City Clerk's Office

### **THE EMERGENCY AND COMMUNITY SERVICES COMMITTEE PRESENTS REPORT 12-003 AND RESPECTFULLY RECOMMENDS:**

**1. 2011 Rick Hansen 25th Anniversary Relay and Celebration (PED12043) (City Wide) (Item 5.2)**

That Report PED12043 respecting Rick Hansen 25<sup>th</sup> Anniversary Relay and Celebration be received.

**2. Correspondence from Central Huron regarding Use of Farm Buildings (HES12006/PED12050) (City Wide) (Item 5.3)**

That Report HES12006/PED12050 respecting Correspondence from Central Huron regarding Use of Farm Buildings be received.

**3. Standardization of EMS Station Garage Ventilation System (HES12008) (City Wide) (Item 5.4)**

That Hamilton Emergency Medical Services facilities be standardized to the Airmation Industrial Exhaust Extraction System for a period of three years (2012, 2013, 2014) and that the system be supplied and maintained by the sole source Ontario vendor, Air Technology Solutions at a cost of \$42,000 for 2012 to be charged to Project ID 7641141103, and \$14,000 for 2013 to be charged to Project ID 7641141102.

**4. City of Hamilton's Submission to the Commission for the Review of Social Assistance in Ontario (CS11081(a)) (City Wide) (Item 7.1)**

- (a) That Report CS11081(a) respecting City of Hamilton's Submission to the Commission for the Review of Social Assistance in Ontario, be received;
- (b) That the City of Hamilton Submission to the Commission for the Review of Social Assistance in Ontario – Approaches for Reform, hereto attached as Appendix "A" be endorsed;
- (c) That the Hamilton Roundtable for Poverty Reduction Submission to the Commission for Review of Social Assistance in Ontario – Approaches for Reform, hereto attached as Appendix "B" be endorsed; and,
- (d) That the Mayor correspond with the Premier of Ontario, the Minister of Community and Social Services and the Commissioners of the Social Assistance Review; with copies to all local Members of Provincial Parliament, requesting:
  - (i) The immediate establishment of an Ontario Social Assistance Rates Board to set evidence-based annual social assistance rates that will meet basic living costs, including the cost of nutritious food, and allow individuals and families to live with dignity; and,
  - (ii) Introduce a \$100 monthly mandatory Healthy Food Supplement for those receiving social assistance in the 2012 Provincial Budget.
- (e) That the written submissions from the delegations at the March 19, 2012 Emergency and Community Services Committee who spoke to the issue of the Review of Social Assistance in Ontario be received and copies, hereto attached as Appendix "C" be forwarded with the aforementioned Mayor's correspondence to the Premier, the Minister of Community and Social Services, and the Commissioners for further information and review.

**5. Feasibility of Using the Ottawa Somerset Gardens Affordable Housing Model in Hamilton (CS11043(a)/PED11077(a)) (City Wide) (Item 8.1)**

That Report CS11043(a)/PED11077(a) respecting Feasibility of Using the Ottawa Somerset Gardens Affordable Housing Model in Hamilton be received.

**6. Summer Music Concert Series in Gage Park (PED12045) (Ward 3) (Item 8.2)**

- (a) That the City of Hamilton's Tourism and Culture Division plan and deliver a Summer Concert Series (six concerts with free admission) in Gage Park in July and August of 2012;
- (b) That the Summer Concert Series be funded in the amount of \$22,000 firstly from any 2012 year end budgetary surplus in the Planning and Economic Development Department's overall budget and, if then necessary , secondly from the 2012 City of Hamilton overall tax-supported operating budget surplus;
- (c) That staff be directed to release a call for Expression of Interest to identify third parties with abilities to partner with the City of Hamilton to plan, develop and implement the Summer Concert Series in Gage Park beyond 2012;
- (d) That staff report back to Council in Fall 2012 with an evaluation of the Gage Park Summer Concert Series and the results of the call for Expression of Interest.

**7. Dedicated Offload Nurses to Receive Ambulance Patients in Hospital Emergency Departments (HES12005) (City Wide) (Item 8.3)**

- (a) That the Emergency Medical Services Director of Hamilton Emergency Services be authorized and directed to enter into an agreement in a form satisfactory to the City Solicitor, with the Ministry of Health and Long-Term Care, to receive a grant which will fund the staffing of nurses that will be dedicated to receiving and managing the care of ambulance patients in the local hospital emergency departments to reduce the ambulance wait times, for the period of April 1, 2012 to March 31, 2013 or such longer or shorter period agreed to by the Ministry of Health and Long-Term Care;
- (b) That the Emergency Medical Services Director of Hamilton Emergency Services be authorized and directed to negotiate and enter into the necessary agreements between the City of Hamilton and Hamilton Health Sciences and St. Joseph's Hospital, in a form satisfactory to the City

Solicitor, to reimburse those organizations for the payment of staffing the nursing hours dedicated to receiving and managing the care of ambulance patients in the emergency departments;

- (c) That the Emergency Medical Services Division be directed to utilize the Ministry of Health and Long-Term Care grant to pay for all direct and supporting costs for staffing of nurses that will be dedicated to receiving and managing the care of ambulance patients in the local hospital emergency departments to reduce the ambulance wait times, for the period of April 1, 2012 to March 31, 2013 or such longer or shorter period agreed to by the Ministry of Health and Long-Term Care in accordance with the terms set out in the agreement with the Ministry of Health and Long-Term Care.

**8. Hamilton Emergency Services – One Paramedic Transport Ambulance (HES12007) (City Wide) (Item 8.4)**

That Report HES12007 respecting Hamilton Emergency Services – One Paramedic Transport Ambulance be received.

**FOR THE INFORMATION OF COUNCIL:**

**(a) CHANGES TO THE AGENDA (Item 1)**

The Clerk advised of the following added items:

- (i) Added delegation requests wishing to address Committee at this meeting:
  - 4.7 Sally Palmer, Social Action Committee, Ontario Association of Social Workers, Hamilton & District Branch, speaking to “Responses to the Social Assistance Review Commission’s Report”. **(Wishing to address Committee at this meeting respecting Item 7.1)**
  - 4.8 Elizabeth McGuire, Campaign for Adequate Welfare and Disability Benefits, to present the Campaign’s concerns regarding the Social Assistance Review. **(Wishing to address Committee at this meeting respecting Item 7.1)**
  - 4.9 Yvonne Maracle, Chair of the City of Hamilton Aboriginal Advisory Committee regarding the Social Assistance Review. **(Wishing to address Committee at this meeting respecting Item 7.1)**
  - 4.10 Peter Hutton of the Roundtable on Poverty Reduction to present a short video as a supplement to the specific report of the Working

**Group on Social Assistance Review. (Wishing to address  
Committee at this meeting respecting Item 7.1)**

- (ii) Added Notice of Motion from Councillor Farr:

10.1 New Art Installation on York Boulevard.

The agenda was approved as amended.

**(b) DECLARATIONS OF INTEREST (Item 2)**

There were none declared.

**(c) APPROVAL OF MINUTES OF PREVIOUS MEETING (Item 3)**

The Minutes of the February 13, 2012 meeting were approved as presented.

**(d) DELEGATION REQUESTS (Item 4)**

- (i) The following delegation requests were approved to address Committee at a future meeting:

(1.) Stephanie Vegh, Hamilton Arts Council, respecting the strategic direction of the Hamilton Arts Council following the 2011 Organizational Review. (Item 4.1)

(2.) Rachel Adema-Hannes, Mohawk College, requesting support for the "Pay It Forward Day". (Item 4.2)

- (ii) The following delegation requests were approved and the rules of order waived to allow the delegations to address Committee today:

(1.) Laura Cattari and Doctor Peter Graefe, Hamilton Roundtable for Poverty Reduction, respecting the Roundtable's response to the Ontario social assistance review "approaches" paper and its implications for Hamilton's 62,000 residents living on Ontario Works or Ontario Disability Support Program.(Item 4.3)

(2.) Craig Foye, staff lawyer, the Hamilton Community Legal Clinic, respecting the critical work of the Commission for the Review of Social Assistance in Ontario for the future of the Provincial social assistance policy. (Item 4.4)

(3.) Clare Freeman & Cyndy Roberts, Interval House of Hamilton, respecting the City's social assistance report. (Item 4.5)

- (4.) Susan Muma, 25in5 Hamilton Network for Poverty Reduction/HOPE, respecting the Discussion Paper 2: Approaches to Reform, prepared by the Social Assistance Reform Commissioners. (Item 4.6)
- (5.) Sally Palmer, Social Action Committee, Ontario Association of Social Workers, Hamilton & District Branch, speaking to "Responses to the Social Assistance Review Commission's Report". (Item 4.7)
- (6.) Elizabeth McGuire, Campaign for Adequate Welfare and Disability Benefits, to present the Campaign's concerns regarding the Social Assistance Review. (Item 4.8)
- (7.) Yvonne Maracle, Chair of the City of Hamilton Aboriginal Advisory Committee regarding the Social Assistance Review. (Item 4.9)
- (8.) Peter Hutton of the Roundtable on Poverty Reduction, to present a short video as a supplement to the report of the Working Group on Social Assistance Review. (Item 4.10)

**(e) VARIOUS ADVISORY COMMITTEE MEETING MINUTES (Item 5.1):**

The following Advisory Committee Meeting Minutes were received:

- (i) Food and Shelter Advisory Committee, January 12, 2012
- (ii) Arts Advisory Commission, January 24, 2012
- (iii) Tenant Advisory Committee, December 14, 2011

**(f) PUBLIC HEARINGS/DELEGATIONS (Item 6):**

- (i) Renee Wetselaar, Affordable Housing Flagship, wishing to present their business plan regarding pocket housing and affordable housing in Hamilton. (Approved February 13, 2012) (Item 6.1)**

Renee Wetselaar addressed Committee with the aid of a PowerPoint presentation and hand-outs were distributed. Her comments included but were not limited to the following:

- Pocket Housing Essentials
- Neighbourhood Context
  - Pocket Housing is new infill housing for single persons with 6 – 8 self contained apartments;
- Elevations and Layouts
  - Built to be self-contained and foster independent living within a broader neighbourhood setting;
- Context for Hamilton

- The 2009 Official Plan states that rental housing demands in the City will require 446 new rental apartments to be created annually until 2031;
- Pocket housing presents a positive alternative to illegal rooming houses;
- Financial viability of Pocket Housing
  - Pocket housing could be financially self-sustaining with a capital funding of \$60,000 per unit assuming the land is donated and the development charges are waived;
- Further issues/challenges
  - There are significant challenges/barriers due to current zoning rules, and the complexity due to transition to new Official Plan;
  - Neighbourhood engagement is critical ;
- Next steps
  - Confirm support for model;
  - Identify potential pilot sites;
  - Contract architectural firm for initial designs;
  - Confirm availability of potential funding.

Conrad Zurini, a local real estate agent with ReMax, and Larry Huibers, Executive Director of the Housing Help Centre, joined Renee Wetselaar and also addressed Committee in support of this initiative.

The delegations responded to questions from Committee.

A brochure entitled “The Right to Choose Where to Live” and a booklet entitled “In the zone: Housing, human rights and municipal planning” published by the Provincial government were provided to the Councillors and the Clerk. Renee Wetselaar advised that these publications will be distributed tomorrow at the Pocket Housing Business Plan Presentation organized by the Affordable Housing Flagship.

Committee debated the pros and cons of this proposal.

On a motion, the delegation was received.

**(g) STAFF PRESENTATIONS (Item 7)**

**(i) City of Hamilton's Submission to the Commission for the Review of Social Assistance in Ontario (CS11081(a)) (City Wide) (Item 7.1)**

Kerry Lubrick, Director of Employment and Income Support Division provided an overview of the Report with the aid of a PowerPoint presentation and copies of the hand-out were distributed. Also distributed was a copy of the

report from the Commission for the Review of Social Assistance in Ontario entitled "Discussion paper 2: Approaches for Reform". Her comments included but were not limited to the following:

- History /Background of the Commission for the Review of Social Assistance in Ontario
- Calendar/ dates of issuance of Discussion Paper, Discussion Paper 2 and the Final Report
- Need for Reform Poverty Costs:
- Input was requested on the following:
  - Reasonable expectations and necessary supports to employment;
  - Appropriate benefit structure;
  - Easier to understand;
  - Viable over the long term;
  - An integrated Ontario position on income security;
  - First Nations and Social Assistance

Kerry Lubrick responded to questions from Committee.

On a motion, Committee received the staff presentation.

**(1) Delegations:**

- (aa) Laura Cattari and Doctor Peter Graefe, Hamilton Roundtable for Poverty Reduction, respecting the Roundtable's response to the Ontario social assistance review "approaches" paper and its implications for Hamilton's 62,000 residents living on Ontario Works or Ontario Disability Support Program. (Item 4.3)**

Laura Cattari and Doctor Peter Graefe addressed Committee. Doctor Graefe indicated that just under 12% of the City's population depend on the outcome of this Report and the Report does not contain much which addresses poverty reduction.

Laura Cattari advised that she is a member of the Hamilton Roundtable Steering Committee on poverty reduction. She indicated that she is the poster child for poverty reduction in this City. She wants a chance to actually work and look for some employment but it is not easy. She eats one meal a day which causes stomach acid which in turn affects her teeth. The Province is paying for her dental care. It is undoubtedly true that it is expensive to maintain people on poverty. If people ate healthily our health care rates would go down. Social assistance payments should be increased.



- (bb) Craig Foye, staff lawyer, the Hamilton Community Legal Clinic, respecting the critical work of the Commission for the Review of Social Assistance in Ontario for the future of the Provincial social assistance policy. (Item 4.4)**

Mr. Craig Foye addressed Committee and read from a prepared statement copies of which were distributed.

He responded to questions from Committee.

- (cc) Clare Freeman & Cyndy Roberts, Interval House of Hamilton, respecting the City's social assistance report. (Item 4.5)**

Ms. Clare Freeman addressed Committee and submitted a copy of the Interval House of Hamilton report entitled "Freedom from Violence." She noted the different financial needs of women which need to be addressed especially when they are trying to escape domestic violence. She outlined the Organization's recommendations on page 5 of the report.

Ms. Freeman responded to questions.

- (dd) Susan Muma, 25in5 Hamilton Network for Poverty Reduction/HOPE, respecting the Discussion Paper 2: Approaches to Reform, prepared by the Social Assistance Reform Commissioners. (Item 4.6)**

Susan Muma and Susan Pratt addressed Committee and read from a prepared statement, copies of which were distributed.

- (ee) Dave Cherkewski on half of Sally Palmer, Social Action Committee, Ontario Association of Social Workers, Hamilton & District Branch, speaking to "Responses to the Social Assistance Review Commission's Report". (Item 4.7)**

Dave Cherkewski read from a prepared statement, copies of which were distributed. He stated that a transition to employment program is required. He requested that Committee direct staff to find additional funds for this initiative.

- (ff) **Elizabeth McGuire, Campaign for Adequate Welfare and Disability Benefits, to present the Campaign's concerns regarding the Social Assistance Review. (Item 4.8)**

Elizabeth McGuire addressed Committee and read from a prepared statement. A hand out was distributed. She indicated that when you are a recipient of social assistance you are punished. There is a strong surveillance of people on assistance which presumes that they are trying to scam the system. She has received a suspension letter for trying to start her own business. She requests that Members of Council first meet with Mission Services and Urban Core to learn from them the devastating impact of suspension letters and then meet with the members of the Campaign for Adequate Welfare and Disability Benefits. There is a better system of administration.

- (gg) **Yvonne Maracle, Chair of the City of Hamilton Aboriginal Advisory Committee regarding the Social Assistance Review. (Item 4.9)**

Yvonne Maracle read from a prepared statement and a copy was provided to the Clerk for the record.

She indicated that she was approached by a member of the Roundtable on Poverty Reduction to attend today's meeting to represent the Aboriginal society. Around 80% of Hamilton's Aboriginal residents earn less than \$20,000 per year and they make up a large portion of the homeless people.

She agrees with many of the statements in the Report. She highlighted the communication and trust issues which have always been a problem faced by Aboriginal people. She requested that the large Aboriginal presence in the City not be forgotten.

- (hh) **Peter Hutton of the Roundtable on Poverty Reduction to present a short video as a supplement to the specific report of the Working Group on Social Assistance Review. (Item 4.10)**

Peter Hutton presented a video prepared by the Roundtable on Poverty Reduction. The message is how people's lives would improve if adequate social assistance funding were provided.

Peter Hutton briefly addressed Committee and indicated that this is an opportunity to fix this system that is not working for the Municipality, the staff and the people on assistance. He recognized that there are challenges because of the current political climate. He noted that pre-conceived ideas about people on assistance need to be challenged.

On a motion, Committee received the delegations.

Committee noted that the City's response was submitted on March 16, 2012 which was the deadline.

On a motion, Committee amended the staff recommendation by adding a subsection (e) as follows:

- (e) That the written submissions from the delegations at the March 19, 2012 Emergency and Community Services Committee who spoke to the issue of the Review of Social Assistance in Ontario be received and copies be forwarded with the aforementioned Mayor's correspondence to the Premier, the Minister of Community and Social Services, and the Commissioners for further information and review.

On a motion, Committee approved the staff report, as amended.

**(h) DISCUSSION ITEMS**

- (i) Summer Music Concert Series in Gage Park (PED12045) (Ward 3) (Item 8.2)**

On a motion, Committee changed the order of the agenda and this Item was considered after Item 6.1.

**(i) MOTIONS**

- (i) Re: New Public Art Installation on York Boulevard (Item 10.1)**

- (a) That staff be directed to review the feasibility of undertaking a public art process for a new public art installation to be located on the York Boulevard sidewalk in the area outside the easterly entrance to the Hamilton Farmers' Market to identify the location of the Market and express the spirit and qualities of the Market to passing motorists and pedestrians and report back to Committee;
- (b) That staff be directed to investigate the reallocation of current monies allocated for downtown public art projects to a public art project for the Market and report back to Committee.
- (c) That staff work in consultation with the Farmers' Market Stallholders' with respect to what may be included in such a design.

**(j) NOTICES OF MOTION**

Councillor Farr presented the following Notice of Motion:

**Re: New Public Art Installation on York Boulevard (Item 10.1)**

- (a) That staff be directed to review the feasibility of undertaking a public art process for a new public art installation to be located on the York Boulevard sidewalk in the area outside the easterly entrance to the Hamilton Farmers' Market to identify the location of the Market and express the spirit and qualities of the Market to passing motorists and pedestrians;
- (b) That staff be directed to investigate the reallocation of current monies allocated for downtown public art projects to a public art project for the Market and report back to Committee.

On a motion, the rules of Order were waived to introduce a motion respecting a new Public Art Installation on York Boulevard.

On a motion, subsection (c) which reads as follows was added to the motion:

- (c) That staff work in consultation with the Farmers' Market Stallholders' with respect to what may be included in such a design.

For disposition of this Item see Item (i) above.

**(k) GENERAL INFORMATION (Item 11)**

Outstanding Business List (Item 11.1)

The following Items were identified as completed and removed from the Outstanding Business List:

- (i) Item N - Correspondence from the Municipality of Central Huron objecting to the Fire Marshal's Office restricting the use of farm buildings.
- (ii) Item R - Report back on feasibility and consideration of deploying 1 ambulance 12 hours a day, 7 days a week
- (iii) Item "M", respecting the Summer Music Events in Gage Park.
- (iv) Item "I", respecting the feasibility of using the Ottawa Somerset Gardens Affordable Housing Model in Hamilton.

**(I) ADJOURNMENT**

There being no further business, the Emergency & Community Services Committee meeting, adjourned at 4:25 p.m.

Respectfully submitted,

Councillor J. Partridge, Chair  
Emergency & Community Services Committee

Ida Bedioui  
Legislative Co-ordinator  
March 19, 201

City of Hamilton  
Community Services Department

# Submission to the Commission for the Review of Social Assistance in Ontario

## Discussion Paper 2: Approaches for Reform

**Submitted to:** Commission for the Review of Social Assistance in Ontario  
2 Bloor Street West  
4<sup>th</sup> Floor, Suite 400  
Toronto, ON M4W 3E2  
[socialassistancereview@ontario.ca](mailto:socialassistancereview@ontario.ca)  
Fax: (416) 212-0413

**March 16, 2012**

## Introduction and Summary

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The City of Hamilton's Community Services Department is making this submission in response to the questions posed in the second discussion paper on different approaches to improve the social assistance system in Ontario.

Due to the limited time to respond to this discussion paper, the responses are limited to:

- comments obtained from a focus group held in February with staff and management of Ontario Works, Housing Services, Social Development and Early Childhood Services, and Public Health with respect to our experience in delivering social assistance and to answer the key questions in the discussion paper;
- prior feedback from local internal and external stakeholders;
- submission to the Commission for the Review of Social Assistance dated September 1, 2011; and,
- Previous motions supported by the City of Hamilton Council.

In reviewing the Approaches for Reform, we support a number of the ideas that have been presented. We continue to support and recommend one administrator role for the delivery of human services. However, we must strongly reiterate that the City of Hamilton is unable to assume additional costs or funding with the reform of social assistance. In order to deliver high quality services and to invest properly in our human capital, there must be a clear and transparent funding structure, responsibilities and set outcomes and performance indicators which take into consideration local demographics. In the City of Hamilton's initial submission, along with a majority of all of the written submissions made to the Commission, we stated that social assistance rates are too low. We continue to advocate for reforms to social assistance including increasing rates determined by a Social Assistance Rates Board which could determine the appropriate rates based on evidence. We welcome the opportunity to assist in setting these outcome measures and being a partner in the delivery of Human Services.

The following are our high level responses:

### **Reasonable expectations and necessary support to Employment:**

- In order to achieve outcomes, a basic standard of living along with access to transportation, telephone and housing (child care, as applicable) must be provided to people seeking employment
- Implementation of a provincial common employment assessment tool to assess a person's attributes and employability considerations to help set goals, assess strengths, address barriers and determine skills and abilities
- Continuum of employment supports; including specialized services for youth, newcomers, disabled and aboriginals
- Intensive case management directed to people with multi-barriers
- Same level of access to employment services for people with disabilities
- Full implementation of Accessibility for Ontarians with Disabilities Act (AODA) is expected by 2025. Given that this implementation of Accessibility for Ontarians with Disabilities Act (AODA) has not yet occurred, employment activities for disabled

individuals must take into consideration the level of AODA engagement and social inclusion from employers.

- Improved provincial-municipal collaboration with the municipality assuming the service manager role for employment services to ensure that there is a one-door approach to employment services whether you receive social assistance or not

**Appropriate benefit structure:**

- \$100 Nutritional Benefit to be introduced pending outcome of the full review of the benefit structure
- Implement a Social Assistance Rates Board to determine the appropriate rates for social assistance
- A Provincial standardized extended health program is recommended for all low income individuals and families which includes dental, vision care, prescriptions, diabetic and surgical supplies and assistive devices
- Provide a local Housing Allowance
- Incentives to work are critical
- Income security program be created for the severely disabled
- Adding a work related benefit may provide an increased incentive to work
- Eliminate the dependent adult category and the co-residency determination
- Promote a living wage to ensure fairness to those working

**Making the system easier to understand:**

- Change benefit structure
- Limit amount of information required to determine eligibility
- Implement a common asset limit for the social assistance program which mirrors that amount with ODSP
- Allow for facilitation and coaching roles verse gate keeping roles which currently monitors eligibility against numerous complex rules

**Long term viability of the system:**

- Person-centered customer service approach to delivery with the administrator role for OW/ODSP residing with the municipality
- Integrate all human services including employment, social assistance (OW/ODSP), housing and childcare at a local level
- Implement a common technology platform for the delivery of Human Services
- Remove Temporary Care and Assistance for Children with Severe Disabilities from the current social assistance system and place with the Ministry of Children and Youth Services



We look forward to the Commission's final paper on Social Assistance Reform. Please do not hesitate to contact me directly if you require clarification on any issues or ideas.

Kerry Lubrick  
Director, Employment and Income Support  
City of Hamilton  
181 Main Street West, 3<sup>rd</sup> Floor  
Hamilton, Ontario L8P 4S1  
(905)546-2424 Ext. 4855  
Kerry.Lubrick@hamilton.ca

## Chapter 1: Reasonable Expectations and Necessary Supports to Employment

<p>How can employment services be made more effective?</p>	<p>The Social Assistance Commission provided a number of ideas in the discussion paper. Many of them are supported by the staff of the City of Hamilton:</p>
<p>What should the Commission recommend to encourage greater consistency in effective employment services and supports for social assistance recipients, while still allowing for local flexibility and innovation?</p>	<ul style="list-style-type: none"> <li>• The importance of pre-employment training and learning in preparing people receiving social assistance for employment</li> <li>• The current employment services funding approach, which is based partly on outcomes related to employment earnings and exits from social assistance, should be broadened to include performance measures related to completing pre-employment activities and addressing barriers to employment</li> <li>• Pre-employment supports and training currently available through Ontario Works, Ontario Disability Support Program, and other programs in the province should equip people with skills for which there is a demand in the local labour market</li> <li>• Post-employment supports can be effective in helping some people retain employment, particularly people with disabilities or multiple barriers and newcomers who lack familiarity with the Canadian work environment</li> <li>• Post-employment supports should provide continued access to employment service providers for a period of time after starting a job including social supports, such as housing or childcare, which are critical to long-term employment retention</li> <li>• Access to post-employment services available from some provincial funding programs needs to be consistent</li> <li>• Assessment tools can be particularly important in identifying people who may be facing multiple barriers to employment and requiring more intensive supports to stabilize their lives, or address mental health, addictions, or other issues before preparing for employment</li> <li>• Providing comprehensive case management to social assistance recipients with multiple barriers has shown promising results</li> <li>• Currently, ODSP does not focus primarily on helping people to prepare for and find employment, but many people receiving ODSP who said that they wanted to work, and could work if barriers were removed and appropriate supports were provided</li> <li>• ODSP job seekers need the same range of services and supports as people without disabilities (skills upgrading, training, housing, childcare, etc.), as well as specific supports related to disability, such as accessible transportation and greater availability of attendant services</li> <li>• The various programs intended to support employment for people with</li> </ul>
<p>Should standard assessment tools be used to identify people's needs and match them to appropriate services and supports?</p>	
<p>What should be considered appropriate employment-related activity participation requirements for people with disabilities? Should participation requirements for people with disabilities be different from those for other people receiving social assistance?</p>	
<p>Should a tool be developed to assess the work capacity of people with disabilities? If so, how should the tool be developed and how should it be used?</p>	
<p>What kinds of engagement strategies and incentives would be most effective in</p>	

encouraging and supporting employers to hire more social assistance recipients?

Which approach would be most effective in improving the delivery of employment services?

disabilities be better integrated

- There is more work to do, however, to overcome the stigma of mental illness in recruitment and hiring and to learn how to accommodate people with mental health issues and episodic disabilities in the workplace
- There is no single strategy for supporting employers to hire people receiving social assistance. Rather, a toolkit or menu of approaches is needed
- Establishing a common portal where employers could post job opportunities, segmenting employment service providers by industry sector, expanding funding models that reward employment services based on job retention rather than the number of placements, and developing standards of practice for employment service providers
- For municipalities and not-for-profit employment service providers who are working successfully with employers in their communities to match people receiving social assistance with jobs, developing good working relationships with local employers and having a good understanding of the local labour market have been critical elements in their success

It is recognized that there are four key components that must be addressed with expectations and supports to employment: assessment, supports, delivery and outcomes.

**Assessment:**

Employability is a dynamic concept. It is agreed that a common assessment process is supportive when assessing a person's attributes and employability considerations in order to help set goals, assess strengths, address any barriers, and determine skills and abilities. The person must be involved in the choices for areas of development. Standard assessment tools can be helpful to establish baseline resources, and then tailor the need to the individual's situation/concerns; however standard tools may not address the diverse employment barriers. Work capacity assessments will also be required for persons with disabilities or for persons with long term unattachment from the labour market in order to understand accommodation requirements (e.g. assistive devices, scheduling, capacity for duties, etc.). This process is similar to the return to work assessment completed by employers and Workplace Safety and Insurance Boards. It helps with understanding the abilities and restrictions to accommodate a successful return to work. Care must be given to create 'real' expectations - to adjust thinking around employment. Life skills and motivation should be an important element of the assessment.

The caution is that this cannot be achieved until substantial progress has been made with social inclusion and the implementation of the Accessibility for Ontarians with Disabilities Act (AODA). Currently, there continues to be systemic barriers in the labour market which will impact on

the successful outcomes. In addition, participation requirements should only be considered once an assessment is completed and must be specific to the abilities for all people in receipt of OW and ODSP. It is necessary to view this document as an individualized case management/coaching tool which demonstrates progression and movement through the employment continuum.

**Supports:**

A basic standard of living is NECESSARY along with access to transportation, telephone and housing (child care, as applicable) in participating in an employment plan or daily living. Employment supports and case management must be client centered, as there is no one-size fits all approach. There is a necessity to consider specific demographics and develop employment supports geared to such target groups. It is recognized that Youth, newcomers to Canada, disabled and aboriginal require specialized services. Employment Councillors/Coaches require training on the effects of disability and learn how to specify limitations pertaining to employment options. In Hamilton, the Hostels to Homes Program, Learning, Earning and Parenting, Enhanced Employment Services Program, direct one-to-one employment counselling and Addiction Services Initiative are examples of where intensive case management coupled with the necessary additional benefits and supports has proven to be successful.

It is also necessary to ensure that there is a strong mental health and addictions system to support individuals that require additional services. At present, these areas are under-resourced and under-funded which adds to the challenges to provide the required supports and treatment to individuals who require such services. The City of Hamilton, under the leadership of Public Health, is starting a review of this area.

In Hamilton, approximately 20% of the caseload receives assistance for less than 12 months but over 30% that remain on the caseload for more than 24 months. There is currently 10% of the caseload with earnings. It would be safe to say that approximately 35% of our OW caseload requires intensive case management, 35% requires moderate case management with 30% minimal interventions.

Contracting training programs and education appropriate for the local labour market is a requirement and should be enhanced with pre-employment workshops, volunteer work, and short term jobs as steps to improve employability is a requirement. The current system with the funding criteria from the Canada-Ontario Labour Market Development Agreement is confusing for the unemployed. Approval for training support must be more seamless with no-wrong door (e.g. if a person does not qualify for Second Careers, is there funding from another source). One centralized and accessible database that aligns

Federal/Provincial/Municipal Employment Agencies would assist all people and providers. The City of Hamilton, together with Workforce Planning Hamilton, through special funding from the province, created an integrated workforce development system. A network (WINHamilton.ca) was implemented and it offers information on services that assist job seekers and the community to discover local employment, training, and upgrading programs.

Employers are critical in the employment planning as they can provide short term employment contracts for those with appropriate education. Incentives and recognition could be provided to socially conscious employers (e.g. have Chamber of Commerce give award to company, then advertise award in local newspapers to support their business). Ultimately there needs to be living wage jobs to employ people. Employment must meet skills and abilities of people receiving social assistance.

There continues to be limited access to affordable housing and child care. Without providing adequate income to sustain a basic standard of living, affordable and safe housing, access to child care and living wage jobs, it is feared that significant improvement in outcomes for people and the system as a whole will not be achieved.

**Delivery:**

Improved provincial-municipal/First Nations collaboration with the potential of the municipalities assuming the role of Service Manager for Employment Services is essential. Municipalities are engaged with their communities and are in a position to coordinate services. Currently, there are a variety of supports available depending on the community and the social assistance delivery agent. Individuals have different income and employment needs; therefore, a generic employment service model is not recommended. Employment Ontario full suite services are relatively new and there has been no evaluation to confirm effectiveness. The employment and training system must be robust and adequately resourced for referrals to education, classroom training, volunteer opportunities, mentorships and on-the-job training as a transition to work. People do need choice in the employment services system.

The City of Hamilton, along with the Workforce Planning Hamilton Board, is the co-chair of the Skills Development Flagship. This is a collaborative approach with over 20 employment and training related agencies that participate. The goal of the Skills Development Flagship is to assist individuals who have been marginalized from the labour market gain access to opportunities for meaningful employment by ensuring that the knowledge and skills of workers' match the needs of Hamilton's economy. The work plan of this collaborative approach is to develop service standards and to improve referral protocols to ensure the same level of

service is available by each provider, ultimately, no-wrong door approach.

One "electronic" client file is required in order to coordinate, simplify and reduce administration. This concept eases the process for people and assists in monitoring the milestones and outcomes. For example, if resume preparation workshop has been provided by one employment service provider there may not be a need to complete another resume workshop if they visit another employment service provider. There needs to be continuity in the progression of the employment plan. Information Sharing and Protection of Personal Information will be essential in the creation of potential shared technology platforms.

In Hamilton, Economic Development plays an important part in linking job developers to employers with new employment opportunities. This collaboration can be a one-stop-shop for employers with coordinated job development. There is also the opportunity to develop specific training based on employer needs. An association of employers and unions can also be engaged to attract jobs and create career opportunities.

**Outcomes:**

Performance indicators and measurable outcomes must be linked to finding work along with "pre" & "post" employment. A tracking mechanism will need to be created in order to measure progressive outcomes. It is also essential to connect outcomes with local economy and demographics.

Recognizing that there are different levels of participation for persons with disabilities (e.g. Life Skills, education, volunteering, and outreach to community), there may need to be measures by hours/week intensity of activity, qualitative markers.

## Chapter 2: Appropriate Benefit Structure

Which adequacy and wage benchmarks should be used to set rates? Are there other measures that should be considered?

In a methodology for setting rates, what proportions would balance adequacy, fairness and incentives?

Should health benefits be provided to all eligible low-income Ontarians? If so, how should the cost be covered?

Should Ontario use a two-rate approach, based on how long someone requires social assistance? If so, should there be exemptions from starting at the lower short-term rate?

Would an earned income supplement be a good mechanism to increase the incentive to work? If so, how should it be designed?

Would a housing benefit improve fairness and the incentive to work? If so, how should it be designed?

How should income supplements for low-income people with disabilities be designed and delivered? Should such supplements be provided outside the social assistance system?

Should there be a separate basic income program for people with severe disabilities?

It is agreed that the current benefit structure does not reflect the current cost of living. There is a need to have an evidence based mechanism for setting the annual social assistance rates that meets the basic cost of nutritious food, secure and safe housing and ability to share fully in community life. There is also a requirement to eliminate the inequities between those working with low incomes and those on social assistance. *Income disparity continues to be a significant challenge for the City of Hamilton and its residents. While the poverty rate for Hamilton has declined from 19.8% in 1999 to 18.1% in 2005, 89,676 people were still living below the Low Income Cut-off (LICO)<sup>1</sup>. In addition, as of January 2012, approximately 11% of the total population of the City of Hamilton is receiving social assistance (OW and ODSP).*

It has been proven that there is a significant relationship between poverty and poor health, lower productivity, lower educational attainment, and children's future income. The Hamilton Spectator's series on Code Red clearly exposed disparities in health and life outcomes between lower income neighbourhoods. There are also studies which show that the poorest have double the rate of diabetes and heart disease.

Increasing incomes would not only increase employment outcomes, it would improve health status of individuals and future generations and also have a positive impact on the economic situation in most communities (Econometric Research Limited, Dr. Atif Kubursi). Poor people return more financially to the economy than affluent people.

### **Benefit Adequacy:**

A new rate structure for Ontario Works, Ontario Disability Support Program and low income must also be less complex and more transparent. The needs test currently used reinforces poverty dependency as people must deplete assets to qualify or are unable to leave the social assistance system due to lack of supports. The welfare wall can only be improved by providing income benefits to all low income whether income is from social assistance or not. The main question is the differences in need which is determined by either:

1. Budget approach relative to income comparisons and providing the "minimum" requirement for survival; or,
2. Determining need based on income distribution based on equity in the community.

<sup>1</sup> Mayo, S., & Fraser, M. (2009). *Incomes and poverty in Hamilton*. Hamilton, ON: Social Planning and Research Council of Hamilton

<p>who are unlikely to generate significant earnings?</p> <p>How should the current rate structure be changed to reduce complexity?</p> <p>Should some special benefits be rolled into a standard rate? If so, which ones?</p> <p>Should the special dietary needs for all low-income people, including those receiving social assistance, be addressed through the Ministry of Health and Long-Term Care?</p> <p>How should the different rates for different family types be established?</p>	<p>It is important to assess income against varying health conditions, access to safe and affordable housing, and freedom of choice in job selection. In addition, there is the need to look at which circumstances to adjust to; income level, family size or rural/urban. Telephone and transportation should be incorporated in the standard rate.</p> <p>The implementation of a Social Assistance Rate Board is recommended. It is also critical that whichever method is selected to determine rates, it must be annually indexed. The Province already committed to using the Low Income Measure as an indicator of poverty therefore it was confusing that other measures were now being explored. There is a sense of urgency to increase OW benefits immediately; therefore, it is recommended that a \$100 Nutritional Supplement be implemented while the review of assistance rates continues.</p> <p>The idea of having one social assistance rate for both OW and ODSP would assist in equalizing the income; however, care must be given to ensure that no one is worse off. This change would eliminate some administrative concerns and allow for consistent treatment.</p> <p>Consideration should also be given for a local housing allowance which is determined based on vacancy rates and the average cost of housing in the community. This benefit should be directed to low income individuals or families.</p> <p>A provincial standardized extended health program is recommend for all which would include dental, vision care, prescriptions, diabetic and surgical supplies and assistive devices. Administrating this system through the local delivery agent for social assistance is ineffective and confusing and beyond expertise. The infrastructure is already established through the Ministry of Health and Long Term Care. Funding for this program should be 100% Provincial. Poverty has affects on health leading to chronic conditions, diabetes, heart disease, anxiety, etc. Even if the current benefit structure was improved immediately, there are existing health conditions that must be managed.</p> <p>The City of Hamilton did initially recommend creating income security for those with severe disabilities. However, in order to implement this change, there must be clear criteria on who would qualify (e.g. people on ODSP with no medical review). We suggest that funding for those with severe disabilities be considered with the Federal Tax system. It is also critically important that the financial needs of caregivers be taken into consideration.</p>
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<sup>2</sup> Canadian Centre for Policy Alternatives. (2008). *A living wage for Toronto*. Ottawa, ON: Author



**Complexity of Benefits:**

Support is given to have one rate and not requiring justifying shelter amounts; however, there will still be the need to look at residential requirements to avoid duplication of benefits (e.g. hospital, emergency shelter, institutions, etc.).

It is strongly recommended that the “dependent adult” category be eliminated. This is another area of confusion in the system by determining who is financially dependent or independent.

In addition, the rules regarding co-residency could be revised to mirror the Canada Revenue Agency approach. There is a lot of time invested to determine co-habitation and whether a person is to be considered a single or as a couple. Each agency defines spousal status differently and there should be one clear definition for all programs.

**Fairness of the system between social assistance recipients and low income wage earnings:**

By increasing social assistance benefits and implementing a housing benefit along with an extended health benefit for low income there should be fairness in the system. There is the necessity of ensuring a “living wage”. A living wage is “envisioned as a wage that allows employees not just to survive (in minimal physiological terms) but to have a decent quality of life, to raise children to be healthy and successful citizens, to enjoy recreation, culture, and entertainment, and to participate fully in social life”<sup>2</sup>. The proposed Living Wage rate of \$14.95 per hour (including benefits) was identified for Hamilton. This rate is based on two family sizes; one that consists of two parents and two children (10 and 4 years of age) and one that consists of a lone parent and one child (4 years of age). In order to support the outcome of a living wage, one of the goals of the City of Hamilton’s Economic Development Strategy (2010) is “to improve Hamilton’s quality of life and prosperity by attracting and supporting employers who provide employment conditions that promote quality of life”.

**Controlling benefits as an incentive to work:**

Incentives to work are critical. One idea would be to add a work related benefit (similar to ODSP) for all social assistance recipients. In addition, continue a work related benefit on a sliding scale with increased incentives where individuals are newly employed for up to 12 months; then the federal Working Income Tax Benefit amount should be increased based on family size as well as income. There is the ability to use the current infrastructure (Income Tax) to generate a supplement as a work incentive by reducing income taxes. A model which mirrors the application of Transitional Child Benefits. If an individual is not receiving the WITB, a work related benefit is applied until the WITB is payable.

## Chapter 3: Making the System Easier to Understand

<p>Should the social assistance system move from a surveillance approach toward an audit-based system of verification and monitoring?</p> <p>What penalties would be required and feasible in an audit-based system?</p> <p>What is the right level of risk tolerance, in either the current system or an audit-based system?</p> <p>Should asset limits be changed? If so, how?</p>	<p>The City of Hamilton supports a number of ideas/comments identified in the Discussion Paper Part 2 including:</p> <ul style="list-style-type: none"> <li>• Both caseworkers and people receiving social assistance comment on the difficulty of navigating the maze of benefits, eligibility criteria, rules, and exceptions</li> <li>• Change to specific rules, such as those related to earnings exemptions, treatment of other income (including child support), the benefit unit, and assets should be considered</li> <li>• The social assistance system must be accountable to taxpayers</li> <li>• The measures in place to ensure compliance and reduce misuse involve intensive, time-consuming verification processes, applied to all clients and at all steps of the eligibility process</li> <li>• The current “surveillance approach” has led many people to comment that the culture of social assistance seems to mistrust clients</li> </ul> <p>It is critical that as the social assistance system is reformed, we must move from a gate keeping role to facilitation/coaching role. There is a need to simplify legislation to ensure less of a surveillance approach while being equally accountable to the taxpayers to ensure that the risk to the system is minimized. It is recognized that fraud does exist in the system; however, it is also necessary to point out that it is only prevalent in approximately less than 3% of the caseload.</p> <p><b><u>Complexity:</u></b>          As previously stated, the current income test does reinforce poverty as people must deplete assets to qualify. It is also very confusing to a person on which assets are exempt and which are not. In addition, there is a difference between assets allowed with OW compared to ODSP. It is recommended that there be a common limit for the social assistance program which could mirror that amount with ODSP. If rates are equal, this asset difference may be resolved. However, there are also other situations such as different types of RRSP, pain and suffering awards, inheritance, principle residence, etc. that may be exempt. Another key activity would be to limit the information required to make decisions on eligibility. The amount of information that needs to be provided may not be required if the system is simplified.</p> <p><b><u>Compliance and Risk Management:</u></b>          It is necessary that there is accountability to taxpayers with the delivery of social assistance. The public needs to be assured that there is a system in place to monitor integrity and also to have a system to deal with</p>
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fraudulent claims. Upfront verification needs to occur, however, constant re-verification is not productive in helping the most vulnerable to move forward. With changes to the benefit structure and asset limits, it would be assumed that some of the verification methods would no longer be necessary. Items like resident verification would be removed as there would be a set amount of assistance. It is a necessity to look at protecting privacy and collecting the "minimum" to support eligibility. There is already a structure in place with information sharing agreements to confirm some eligibility criteria.

If the system moved to an Audit based system, there needs to be decisions on administration of this function (municipal, provincial or federal systems) and determination if it is all files or a percentage based on criteria for audit. There is the concern that audits could be harsher than verification requirements as overpayments could be very large if audited annually. People would need to be educated on the receipts required in the event of an audit. There have been different tools implemented over the years including Consolidated Verification Process (CVP) and now the new Enhanced Verification Process (EVP). Statistics are available on how effective this tool/process has been in the monitoring of eligibility. Challenges have been experienced in obtaining the required documentation to support previous issuance of social assistance. It also has shown that some cases were owed increased assistance due to failure to report changes.

## Chapter 4: Viable for the Long Term

What are the strengths and weaknesses of these three approaches to the delivery of Ontario Works and ODSP? Are there other approaches that should be considered?

Should full responsibility for Temporary Care Allowance or Assistance for Children with Severe Disabilities be transferred to the Ministry of Children and Youth Services?

Municipalities are the logical choice for Human Service delivery; however, funding must remain with the province and not rely on the property tax base. We support the approach of both OW/ODSP being delivered locally but would further recommend integration of employment, social assistance (OW/ODSP), housing and childcare. This would frame human services as a one door delivery model and provide opportunities for improved service delivery, creative solutions and planning. Municipalities have developed the capacity and built on collaboration to deliver human services that matches the needs of their communities. Examples in Hamilton would be the Human Service Planning Framework, Best Start Network, the Affordable Housing Flagship, the Skills Development Flagship, Housing and Homelessness Planning Group and the Emergency Shelter System.

It is also recognized that there is a need to expand on the work from the Local Service Realignment. The objectives outlined:

- greater accountability to the taxpayer;
- protecting priority services and maintaining critical standards;
- streamlined service delivery;
- capitalizing on local expertise and innovation with greater autonomy for local government; and,
- reducing duplication and waste between levels of government.

Benefits to the central delivery include:

- Centralized resources which will allow the system to be more efficient and effective;
- Increased customer service;
- One tier service delivery;
- Reduced stigma for ODSP;
- Infrastructure to deliver ODSP is in place with the municipality;
- Able to be considerate of local economy/demographics and have the data to support outcomes;
- Allow for focus on the person, not system;
- More time to work with the person; and,
- Person only has to tell their story once and provide information once.

There are also elements of risk attached that would need to be considered in planning and implementation:

- Work load evaluation; as with additional cases there will be a need to re-evaluate caseload distribution. We have heard clearly from the people we serve that connection with a case manager is

	<p>necessary;</p> <ul style="list-style-type: none"><li>• Legislation;</li><li>• More cross training for staff to deal with ODSP and OW cases and needs;</li><li>• Benefits cannot be totally conditional on participation in employment activities;</li><li>• Complexity of separated rates;</li><li>• Unions and staffing;</li><li>• Office space; and,</li><li>• If the province assumed role of issuing cheques, there would be the need to ensure that there was not further complexity or delays in issuing payments.</li></ul> <p>The current system poses some challenges in two key areas:</p> <ul style="list-style-type: none"><li>• Protection of Privacy: there are Memorandums of Understanding on information sharing which prohibit sharing of information with different human service programs.</li><li>• Technology: currently, there are four separate data collection platforms for human services. In addition, many municipalities have created other systems to support assistance provided to non-social assistance recipients. In order to be effective and to reduce administration, one client file is recommended. There is currently the opportunity with the implementation with the new social assistance technology (SSSMP).</li></ul> <p>Children's services such as Temporary Care and Assistance for Children with Severe Disabilities should be removed from the current social assistance system and place with the Ministry of Children and Youth Services. Both of these areas require specialized case management and controls.</p>
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## Chapter 5: An Integrated Ontario Position on Income Security

Are there major and problematic program interactions that we have not mentioned here?

What position should the Commission recommend that Ontario consider taking on specific intergovernmental issues, including First Nations issues, related to income security?

Ontario can take a leadership role reforming Human Services. All Ministries and levels of government must be part of the reform with understanding that the focus is on person service and poverty reduction.

The following are other areas for consideration:

- Childcare – Universal Child Care Benefits, before & after school care
- Integrated technology and information sharing and one centralized information agency/delivery agent – if person applies for human services, personal information for any provincial application is available
- Transitional housing not subsidized
- Improvements in the supports to employment provided through Citizenship and Immigration Canada
- Connect the interim Federal Health Program with the Provincial Extended Health System
- Federal government modernizing
- Improved literacy and essential skills framework; gone is the “medial” jobs
- Review discretionary benefits, integrating them with mandatory
- More responsive Employment Insurance (EI) policy so that immediate need is addressed and applicants to EI would not have to seek Ontario Works
- Improved tax credits to support needs of the low income working individuals and those with disabilities
- A universal income testing in the delivery of human services; potential to use for social assistance, child care, housing, and health benefits
- Review of federal funding as it relates to human services
- Understanding the requirements of persons deemed disabled through the Canada Pension Disability Program
- Revisions to the Federal Labour Market Agreement
- Assist farmers with money to hire locally – provide incentives

## Chapter 6: First Nations and Social Assistance

How well do the various approaches set out in the previous chapters align with First Nations' desire for greater control and flexibility with respect to social assistance reform? What other approaches should be considered to meet the needs of First Nations?

What position should the Commission recommend that Ontario take with the federal government on issues related to First Nations and social assistance?

Similar to the recommendations in Chapter 5, it is necessary to have local delivery of all human services. This system would also apply to First Nations sites. As the needs of each community vary, it is also necessary to consider the needs of the First Nations Communities.

It is also beneficial to identify First Nations people living off the reserve to provide the correct referrals and benefits. The current technology does not support collection of this information. This step would be required as we start the outcomes discussion.

- Build a system that moves forward and aligns the three governments – Federal/Provincial/First Nations
- Allows First Nations autonomy to deliver ODSP, CAS, etc
- Commission should recommend that Ontario take a partnership position with First Nations to address their concerns with Human Services
- Communication between the Provincial and Federal government, but independent delivery

# **Hamilton Roundtable for Poverty Reduction**

**MAKING  
HAMILTON  
the best place  
to raise a child.**

## **Response to the Commission for the Review of Social Assistance in Ontario: Approaches for Reform**

March 16, 2012

### **Hamilton Roundtable for Poverty Reduction Social Assistance Reform Working Group**

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**Discussion Paper 2: Approaches for Reform  
By Commission for the Review of Social Assistance in Ontario**

**Introduction**

The Hamilton Roundtable was founded in 2005 to tackle the City's unacceptable levels of poverty. Our members come from across Hamilton and include leaders from the business and non-profit sectors, from government, education and faith communities as well as individuals who experience daily poverty. Our goal is to reduce and eliminate poverty and realize the aspiration of making Hamilton the Best Place to Raise a Child. We work locally, provincially and nationally on policy and systems-level change to achieve long-term solutions to poverty. Given that many of the people in our community living in poverty receive their core income through Ontario Works (OW) and the Ontario Disability Supports Program (ODSP), the reform of these programs with an eye to poverty reduction and elimination is a central concern to us and a key priority to the community.

The members of the Hamilton Roundtable for Poverty Reduction read the Commission's second discussion paper, *Approaches for Reform*, with much anticipation. Social assistance is a very significant issue of public policy for our community. In Hamilton, 59,133 individuals receive benefits through Ontario Works or Ontario Disability Support, which is about 12% of our City's population. The current system of social assistance in Ontario has been a failure. Too many individuals are falling through cracks and this is having a profoundly negative impact on the health of individuals, families and communities.

If we are to reduce poverty in Ontario and in our community, social assistance must be boldly improved. As such, we embrace the Commissioners' call to make significant changes to social assistance, and are willing to continue to work with the Commission on changes that will reduce poverty. A chance to rethink our social assistance system, like that presented by this Commission, comes around once in a generation, and must be seized. The stakes are simply too high to do otherwise.

We welcome the Commission's invitation to comment on *Approaches to Reform*. Some of its questions and suggestions provide optimism that a better way of making social assistance works for people and for government can be found. At the same time, many stakeholders at the Roundtable were profoundly disappointed that its contents seemed far removed from the feedback received during community consultations. In terms of the consultation held by the Commission in Hamilton July 4<sup>th</sup>, 2011 and of the Roundtable's own initial submission to the Commission, the *Approaches* paper seems to have missed the point. Other stakeholders were anticipating receiving more specific

recommendations regarding benefits for discussion than were provided in the *Approaches* paper.

*Hamiltonians were deeply concerned that poverty reduction as a guiding value seems to be absent when approaching social assistance reform in Ontario. While the Commission finds its origins in the provincial poverty reduction strategy of December 2008, *Breaking the Cycle*, there is no clear indication how the approaches set out by the Commissioners would reduce or even put a dent in poverty. The words "poverty reduction" appear three times in the paper, "reducing poverty" but once. The Commission's first discussion paper, *What we heard*, made clear that reducing poverty by increasing adequacy was a persistent theme across the province, and it certainly was front and centre when the Commissioners visited our community, and when the Hamilton Roundtable submitted its brief to the Commission. All three parties in the legislature, through their support for Bill 152, *The Poverty Reduction Act*, signalled that Poverty Reduction was a purpose and goal of government in this province. **In preparing its final report, we strongly urge that the Commission give far greater attention to poverty reduction, especially as the Approaches paper itself notes that it is a stated goal of the Ontario government.***

The one path to poverty reduction set out in the paper involves improving access to training and labour market placement services. There is a mix of positives and negatives that we will address in our discussion of chapter one, below. We support the Commission's insistence on finding ways of doing training and work placement that are more efficient and effective, and which properly reward and respect the efforts and achievements of people receiving social assistance. Yet, while training and placement better will help specific people on social assistance, they are not a poverty-reduction panacea. We would note that even C.D. Howe Institute social policy scholar John Richards, who supported benefit cuts and the stringent work requirements in the 1990s, now argues that "welfare-to-work" programming has reached its limit as a means of addressing poverty, and that more complex and expensive responses are needed in the face of the complex barriers facing current recipients. Indeed, speaking of programming for people in the "persons with disabilities" category, he argues that a "prosperous society should be prepared to spend generously."<sup>1</sup>

We understand that reforms to social assistance alone are probably not the only way to achieve greater poverty reduction. Strengthened housing, childcare, anti-violence, mental health and addictions programs could shrink the need for social assistance, as would living wages and better labour standards. The *Approaches* paper rightly raise these issues, and in our view should say more about them, since they provide the context that either enables or prevents the Commissioner's proposed changes from achieving their intended effects.

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<sup>1</sup> See John Richards, "Reducing Lone Parent Poverty: A Canadian Success Story," *C.D. Howe Institute Commentary*, no. 305, June 2010, p. 8. [http://www.cdhowe.org/pdf/commentary\\_305.pdf](http://www.cdhowe.org/pdf/commentary_305.pdf)

However, as this is a Commission on social assistance reform, the question of adequacy needs a much greater role. The Commission must be aware that individuals and families living on social assistance in Ontario live in the deepest poverty in our society. To side-step the question of adequate rates, without providing a credible poverty reduction alternative, is to ignore the many voices that spoke up for adequacy in the Commission's public hearings. This also ensures that the Commissioners' claims for making significant changes ring hollow for the stakeholders from many different walks of life that make up the Hamilton Roundtable for Poverty Reduction.

**For these reasons and others discussed in Chapter 2, the Commission should re-consider the recommendation to create an evidence-based, Social Assistance Rates Board that determines minimum rates based on the costs of living in Ontario's communities.**

In what follows, we discuss the *Approaches* paper, relating the content of the paper to what was heard in the public consultations (including in our brief to the Commission), and answering relevant questions raised by the paper. There are some good things in the discussion paper that we highlight below, as well as our points of disagreement and disappointment. If this Commission is to deliver the major change that its Commissioners wish to see, it is clear that the final report must more closely respond to the hopes raised in the earlier *What We Heard* discussion paper, and indeed from the more than 200 Hamiltonians gathered at your July 4<sup>th</sup> consultation. The Roundtable remains a willing partner for the Commission in finding ways of renewing social assistance with the goal of poverty reduction.

## Chapter 1: Reasonable Expectations and Necessary Supports to Employment

Employment as a key element of social assistance reform has been a clear, guiding theme of the Commission's work, reflecting its mandate. In Hamilton, we know that the worlds of social assistance and of employment overlap greatly: at any time, there are social assistance recipients who receive some labour market income, as well as significant numbers of people in paid work who previously received Ontario Works or Ontario Disability Support, not to mention many recipients of social assistance who have recently held paid work. To emphasize employment is not new: naming the basic social assistance system *Ontario Works* in the 1997 reform signalled the same idea, as did the title of the Social Assistance Review Committee's 1988 *Transitions* report. Reforms that consistently support the employment efforts of social assistance recipients so as to increase the rate of success in securing and maintaining sustaining employment would clearly be welcome.

### What the Commissioners Heard

The Commission's *What We Heard* document underlined the substantial barriers that social assistance recipients felt they faced in finding and retaining work, ranging from negative attitudes about disability and racialized discrimination, through to the physical and emotional effects of being on social assistance, through to the lack of more direct supports around childcare, transportation and training.

The Commission also heard many concerns about the administration of employment services and supports, in terms of being too "one-size-fits-all" or having Participation Agreements serve as an administrative hurdle rather than the starting point for a real employment plan. The lack of real opportunities and options to support efforts at securing employment was also raised in *What we Heard*. Finally, there was emphasis both on improving the integration of different training programs, as well as finding ways of better linking with the needs of employers

In the Hamilton Roundtable's brief to the review, we noted that:

While getting off social assistance by finding a job is a presumed goal of the system, social assistance recipients who take this path often find their efforts go unrewarded, or indeed may leave them worse off. The main culprit here is the system itself: people get caught up in the tangle of rules and off-setting benefits deductions. Moreover, the system seems to lack the types of training, work experience and work placement capabilities to link people to sustainable and sustaining employment. But employers also have a role, both in opening opportunities, and in paying living wages.

## Our Response to the Commission

We would refer the Commissioners to the submissions of our colleagues from the Income Security Advocacy Centre, who have some particular expertise in this domain. We nevertheless wish to share our general approval of what is proposed.

On the positive side, we appreciate the Discussion paper's recognition that employment supports should be better organized and available to all persons in receipt of provincial social assistance. These supports must respond to the diversity of needs expressed by persons in receipt of social assistance, recognizing the variety of barriers that people face.

As reviews of best practices in the field make clear, including the one referenced in the *Approaches* paper, getting this right involves an investment to develop the expertise and institutions that create positive outcomes.<sup>2</sup> **We look forward to more concrete reform proposals that enable the adoption and adaptation of best practices in training and placement**, recognizing that they involve important changes both to the organization of existing supports, and to the culture in which they are delivered. While we are sceptical that such training will have much aggregate impact on poverty reduction, we cannot stress how important getting training and placement right are for individuals seeking to leave the social assistance system and to develop their capacities.

Our concerns focus on the question of participation agreements and vocational assessments for persons with disabilities. As it stands, participation agreements are often seen as simply a punitive tool for limiting eligibility to social assistance benefits. They should instead be a collaborative and cooperative effort between the delivery agent and the recipient with full rights to appeal in the event of problems or disagreements. The aspect of mutuality in these agreements is lost when completing an agreement is tied to eligibility, as this adds a significant unequal power relationship to the equation. As such **participation agreements should not be tied to eligibility, particularly for persons with disabilities, especially due to the complex and changing nature of disabilities over time.**

As for vocational assessments, we add caution in light of the problems with the current use of these assessments in the United Kingdom, especially in terms of the Disability Adjudication Unit. We might expect similar problems here, which would cause enormous stresses for recipients, and likely further health problems.

For similar reasons, we do not agree with the creation of two separate programs for persons with severe as opposed to non-severe disabilities. This testing would not work well in determining whether persons with disabilities can work at all or

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<sup>2</sup> Dean Herd, *What next in welfare reform? A Preliminary Review of Promising Programs and Practices*. Toronto: Department of Social Services, April 2006.  
[http://www.toronto.ca/socialservices/pdf/reports/action\\_plan\\_welfare\\_reform.pdf](http://www.toronto.ca/socialservices/pdf/reports/action_plan_welfare_reform.pdf)

not. Some persons with severe disabilities may be able to work a small amount; while others who are deemed to have non-severe disabilities may have trouble working at all during bad days. This would make them unemployable for many jobs. As such, this would create further complexities in an already overly complex system. A more proactive solution would be to develop a comprehensive set of self-employment supports, particularly for persons with disabilities. The development of appropriate forms of social economy and social enterprise to enable the full participation of persons with disabilities is another possibility deserving the Commissioners' attention.

Finally, reforms around employment expectations for persons with disabilities should be delayed until necessary accommodations are widely available in the employment sector.

## Chapter 2: Appropriate Benefits Structure

### Background

It was surprising and deeply disappointing for the Hamilton Roundtable for Poverty Reduction that the Chapter in the Commission's Approaches Paper concerning an appropriate benefit structure minimized the critical need for adequate benefit rates among recipients (and in the larger community). The Government of Ontario has a clear responsibility to provide adequate levels of benefits to those individuals and families who rely on provincial social assistance programs.

The paper makes a good suggestion in stating the need for an adequacy measure, namely, "what level of income is necessary to obtain the basics, such as safe, clean housing, a nutritious diet, clothing and transportation?" The development and tracking of such a measure is a task that the Roundtable suggested be entrusted to an independent Social Assistance Rates Board. We ask the Commissioners to recommend such a board in their final report, since the mention of the adequacy measure in this chapter is ambiguous, and it is not clear whether this is a serious endeavour, or more of a theoretical notion for the paper's subsequent discussion of trade-offs. **In sum, our disappointment with the discussion of adequacy would be much reduced if the Commissioners gave some institutional ballast to the adequacy measure by recommending the creation of an evidence-based Social Assistance Rates Board.**

After the promising start in discussing adequacy, the Discussion Paper minimizes the issue by repeatedly asserting that "adequacy of benefits" must be balanced against two other "key objectives":

- Fairness as between people who are receiving social assistance and low-income people who are working but not receiving social assistance;
- Work incentives.<sup>3</sup>

This approach is problematic since the Government of Ontario, through the Government of Canada, has ratified the United Nations International Covenant on Economic, Social & Cultural Rights ("the Covenant"). Article 11 of the Covenant reads in part:

The States Parties to the present Covenant recognize the right of everyone to an adequate standard of living for himself and his family, including adequate food, clothing and housing, and to the continuous improvement of living conditions. The States Parties will

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<sup>3</sup> See "Discussion Paper 2: Approaches for Reform" by the Commission for the Review of Social Assistance in Ontario, at page 18

take appropriate steps to ensure the realization of this right, recognizing to this effect the essential importance of international co-operation based on free consent.<sup>4</sup>

Thus the Government of Ontario has an overarching international legal obligation to ensure rates that reflect an adequate standard of living for all recipients of provincial social assistance benefits. This legal obligation is independent of other social policy considerations, such as those put forward by the Commission in its discussion paper. That being said, those policy considerations can readily be addressed as will be discussed later in this section.

But we reiterate that the Commission for the Review of Social Assistance in Ontario looks prepared to make recommendations that ignore the Province's International Human Rights obligations, and appear set to recommend a process for setting Social Assistance Rates that will likely breach our international human rights obligations.

There are also extremely compelling practical reasons for ensuring that the issue of adequacy is addressed directly and as soon as possible. Hamiltonians and Ontarians continue to witness alarming rates of poverty. This has led to no less than an emergency situation with regard to the depth of poverty in our communities. As the Commission's discussion papers acknowledge, many individuals and families in receipt of provincial social assistance cannot meet their most basic needs.

Indeed some families are so far from meeting their basic needs that they are repeatedly evicted due to an inability to pay their rent. Families are repeatedly uprooted and children are repeatedly forced to change schools. Many single unattached individuals who have their own apartment when they begin receiving Ontario Works assistance actually receive a level of assistance that ensures that they will lose their housing within a few months of being on assistance, unless they are fortunate enough to receive a housing subsidy.

This depth of poverty among `welfare` recipients is not surprising, given that "welfare" rates were cut by about 22% overnight in 1995 leaving many individuals and families unable to subsist. Since that time the consumer price index ("CPI") has risen about 35%, while "welfare" rates have increased less than 15%. Currently, it would take about a 63% increase in basic rates to restore 1993 levels.<sup>5</sup> Even these startling numbers tend to underestimate the depth of real poverty faced by those on social assistance since cost increases in the major

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<sup>4</sup> See the International Covenant on Economic, Social & Cultural Rights, Article 11, at <http://www2.ohchr.org/english/law/cescr.htm>

<sup>5</sup> see "Less on their Plate: Canada's Poorest People Facing a Frightful Food Crisis", by John Stapleton, 1 September 2011, <http://www.policyalternatives.ca/publications/monitor/less-their-plate>



expense categories for recipients (housing, utilities, and food) have consistently outpaced the CPI.

While it is hard to measure the number of economic evictions in our communities since the Landlord & Tenant Board of Ontario does not release helpful statistics in this regard, one can readily find evidence that social assistance recipients are unable to afford food. Seventy five per cent of those accessing a food bank in Hamilton are in receipt of provincial social assistance benefits reflecting the inadequacy of rates and the failure of the Government of Ontario to provide even a subsistence level of income for its most vulnerable residents.<sup>6</sup>

### What the Commissioners Heard

These sorts of concerns were transmitted to the Commissioners from stakeholders across the province. The Commissions' *What We Heard* document reported the following:

- *"The current social assistance rates are one of the greatest challenges to human services in the province"*
- Rates should reflect regional variations;
- Rates should cover additional necessities such as telephone and transportation;
- The Province should employ a Rates Board (see the former Bill 235) to set rates;
- Rates should be updated annually using the CPI;
- People should be able to keep more of their earnings;
- Market wages should be higher than SA rates;
- Drug coverage, dental care, and vision care should be available to all low-income Ontarians;
- People should receive a Guaranteed Annual Income;

In our own submission to the Commission, we noted:

Of all the themes, the one on income and benefits was the most unanimous: the current social assistance rates are inadequate, and some form of independent Social Assistance Rates Board is required to make rate-setting based on evidence rather than raw politics. Other recurring points were the need to revisit claw backs on earned income so that people are not penalized for working even as they remain below the poverty line. Related to this need to raise rates is the need to ensure living wages so that people are not "paid to be poor" in the labour market. Finally, goods like housing, drug benefits and transportation are

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<sup>6</sup> See "Hamilton Hunger Count 2011" by Hamilton FoodShare at: <http://www.hamiltonfoodshare.org/downloads/Hunger%20Count%20Report%202011.pdf>

fundamental to full participation in society, and so need to be adequately provided for all.

The Discussion Paper clearly addresses some of these issues, but often minimizes the concerns of stakeholders regarding adequacy and misses some of the issues entirely.

## **Our Response to the Commission**

### ***Addressing the Employment Sector without trading Away Adequacy***

The Discussion Paper addresses the issue of adequacy by suggesting that it must be weighed against wages in the labour market and benefit withdrawal rates. While we strongly suggest that issues of 'adequacy' are related to fundamental human rights and to the practical issue of subsistence for individuals and families in receipt of provincial social assistance, we do not mean to suggest that the Commission should not also suggest strategies for addressing inadequate wages in the labour market and unreasonable (in some cases impracticably) high benefit withdrawal rates. However, we should not condemn individuals and families to inadequate levels of assistance in order to ensure that some of them will accept very low-paying jobs, while others who are not able to work, or to find work, are left to struggle to subsist on inadequate rates.

### ***"Fairness" and Work Incentives***

Fairness to taxpayers is an ongoing theme of the discussion paper, however it should be noted that perhaps the issue of fairness should be addressed with regard to the need for employers to pay living wages in our communities, rather than pitting low income workers against persons in receipt of public assistance.

In discussing whether the provincial minimum wage might be an appropriate reference wage, the Discussion Paper observes "minimum wage is a political construct without a clear methodology for arriving at the figure", but strangely does not make the same observation about provincial social assistance rates which similarly lack any clear methodology, or evidence-based approach. Indeed, the need to develop a measure of adequacy separate from the actual rates drives this point home.

It should be noted that many individuals and families who are in receipt of provincial social assistance will also be working, but not earning enough income to make them ineligible for benefits. Currently about 9% of the Ontario Works caseload in Hamilton has some employment income.<sup>7</sup>

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<sup>7</sup> Electronic communication from Kerry Lubrick, Director, Employment and Income Supports, City of Hamilton, dated 22 February 2012.

The Discussion Paper indicates that “the literature suggests that more people are attracted to work as the financial rewards for working increase”. One would not be surprised at such a correlation, but unfortunately the discussion paper does not go on to note that some of the research in this area points to a very modest disincentive correlation.<sup>8</sup>

The Commission’s thinking about incentives seems to misunderstand the complex barriers faced by people on social assistance. Even economists with great faith in market mechanisms believe that “increasing fiscal incentives to enter the labour market and restricting access to transfer income are unlikely to achieve much.”<sup>9</sup> The emphasis on incentives is tied to the idea of a “welfare wall,” where people are assumed to stay on social assistance as they are better off than in low-wage work. A more accurate representation is that of the “employment cliff,” where efforts in the labour market involve clawing one’s way towards security given fierce competition for scarce jobs, limited supports for dealing with barriers, complex rules around benefit clawbacks, and the uncertainty and instability of many entry-level jobs. Ignoring adequacy may theoretically keep the welfare wall low, but only serves to raise the employment cliff by physically and mentally running down those on social assistance.

### ***Ameliorating Low Wage Work and Encouraging Workforce Participation***

One of the biggest differences between individuals and families in receipt of provincial social assistance, and those in low-paying jobs that are not receiving assistance, is the issue of health benefits. This is also one of the most critical

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<sup>8</sup> With regard to the Mincome project in Manitoba, a social policy experiment from 1974-1979 whereby participants were provided with a guaranteed annual income, Derek Hum and Wayne Simpson write:

On the whole, the research results were encouraging to those who favour a GAI. The reduction in work effort was modest: about one percent for men, three percent for wives, and five percent for unmarried women.

See “A Guaranteed Annual Income? From Mincome to the Millenium” by Derek Hum and Wayne Simpson, *Policy Options*, January-February 2011, at p. 80

For a discussion of the difference between the Mincome experiment in Canada and some similar experiments in the US which found a more pronounced disincentive correlation (and of some of the methodological problems in the US approach), see:

“Working Paper No. 348: Income Guarantees and the Equity-Efficiency Tradeoff” by Steven Pressman, July 2005, *Luxembourg Income Study Working Paper Series*, at pp. 165-166.

More generally, there are questions in the literature whether the emphasis on work incentives for lone parent mothers in fact hides the much greater importance of violence and the lack of consistent support from the fathers of their children, in affecting labour market participation. See Paul Kershaw, Jane Pulkingham and Sylvia Fuller, “Expanding the Subject: Violence, Care, and (In) Active Male Citizenship,” *Social Politics*, vol. 15, no. 2, 182-206.

<sup>9</sup> John Richards, “Reducing Lone Parent Poverty,” p. 8.

barriers to leaving social assistance for employment. **We strongly support that the Government of Ontario provide “extended health benefits, such as prescription drug, dental, and vision care, on a universal, income-tested basis to all low-income Ontarians, regardless of whether they are working or receiving social assistance”.** This, in and of itself, would address the most critical issue of “fairness as between people who are receiving social assistance and low-income people who are working but not receiving social assistance.” It is also a strategy that is almost universally supported. Even the Commission on the Reform of Ontario’s Public Services, with its very austere approach to public provision, felt there was a compelling case to extending the Ontario Drug Benefit and other specific benefits on this basis.

We are also in support of a much more robust earned income supplement, as well as a housing benefit to help all low income Ontarians pay for their housing.

We are interested in the discussion of a rate structure that increases after an initial period to cover additional costs. We are especially interested because the discussion suggests that we at least pay individuals and families an amount to cover “food, clothing and footwear, shelter, personal needs, household supplies, and transportation” in the initial period which is more than is provided now for many family compositions (to this list we would at least add the expense of maintaining a telephone). A lot of discussion is required to determine how such a system would work, but we are encouraged by the discussion of evidence-based benefits.

We also believe that person in receipt of provincial social assistance benefits should be able to retain 100% of their earnings until they reach the LICO poverty level, while disabled persons should be able to retain their earnings to some higher income amount that recognizes the additional expenses incurred by persons with disabilities.

### ***Disability Benefits***

Persons living with disabilities normally require a higher level of assistance in order to meet their basic needs. Therefore, we strongly support rates that reflect those additional expenses along with targeted benefits that address particular expenses (such as the special diet benefit, mandatory special necessities, etc.).

The Roundtable has formally supported the former Bill 235 “An Act to establish the Ontario Social Assistance Rates Board” which recommended that the Basic Needs Allowance analysis include:

Additional expenses that may be incurred by persons with disabilities in order for them to participate fully in society, including

expenses relating to education, over the counter medical goods, entertainment and clothing ...<sup>10</sup>

We continue to believe that persons with disabilities should receive an increased level of benefits. We are sceptical of recommendations to increase the number of disability programs such as the suggestion of a disability supplement and a “basic income plan for people with severe disabilities,” although we are prepared to engage in discussion around a more concrete proposal that delivered disability benefits without some of the rules and barriers found in the existing ODSP program.

We are particularly concerned at the effects of more disability program eligibility determinations: the Hamilton Community Legal Clinic reports that currently the Ministry of Community & Social Services’ Disability Adjudication Unit regularly issues untenable denials of eligibility, of which some are appealed to the Social Benefits Tribunal, resulting in a very high overturn rate, and where the Ministry faces no adverse costs for having delayed the finding of eligibility. If an entirely new multiplicity of disability determinations were now required of this ministry we would expect to see analogous problems with adjudication and assessment, mirroring the experience of the United Kingdom where a high number of work capacity assessments are overturned on appeal.<sup>11</sup>

The reality of these disability determinations which are adjudicated in a very conservative manner, is that disabled people regularly wait long periods of time before receiving benefits to which they are entitled, or do not receive those benefits at all if they fail to appeal an adverse eligibility determination.

### *The Complexity of Benefits*

**We believe that provincial social assistance rates should be set according to an evidence-based analysis of the cost of housing, a nutritional food basket, utilities, transportation, and other basic necessities, in communities of various sizes across Ontario.** We believe that this analysis should be undertaken by an arms-length independent body of experts that provides a public report of their findings to ensure transparency of the process. The Roundtable has previously formally endorsed the former Bill 235 “An Act to

<sup>10</sup> See subsection 7(2)(a)(vii) of Bill 235, “An Act to Establish the Ontario Social Assistance Rates Board”, Private Member’s Bill, Mr. Ted McMeekin (Ancaster, Dundas, Flamborough, Aldershot) (as he then was), 1<sup>st</sup> reading: June 4, 2007 (unfortunately the legislature was prorogued the following day in anticipation of an election)

[http://www.ontla.on.ca/web/bills/bills\\_detail.do?locale=en&BillID=1681&isCurrent=false&ParlSessionID=](http://www.ontla.on.ca/web/bills/bills_detail.do?locale=en&BillID=1681&isCurrent=false&ParlSessionID=)

<sup>11</sup> See “Up to 500,000 wrongly denied incapacity benefit, figures show”, by Allegra Stratton, The Guardian, 3 January 2011:

<http://www.guardian.co.uk/politics/2011/jan/03/incapacity-benefit-compass-survey-dwp>

establish the Ontario Social Assistance Rates Board” and we continue to support the establishment of such a Board.<sup>12</sup>

We do support the merging of the shelter allowance and the basic needs allowance for the purpose of simplifying eligibility and compliance monitoring, and to provide more flexibility to recipients, as well as some guarantee that they will receive timely shelter benefits whether they have been able to provide a landlord letter or not. We also support the elimination of the category of dependant adult for analogous reasons.

We do not agree that the special diet program be replaced by a different program delivered by the Ministry of Health & Long Term Care. The provincial government originally suggested this change in response to a finding by the Human Rights Tribunal of Ontario that it had discriminated against disabled persons with regard to the program.<sup>13</sup> The human rights applications (of which the previously mentioned is the lead case) arose out a policy decision by the ministry a number of years ago to change the program resulting in drastically reduced special diet allowance benefits and the termination of special diet benefits for certain conditions. Many persons in Ontario currently rely on these benefits to purchase healthy food and the results could be disastrous for public health if those benefits were taken away.

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<sup>12</sup> See Bill 235, “An Act to Establish the Ontario Social Assistance Rates Board”, Private Member’s Bill, Mr. Ted McMeekin (Ancaster, Dundas, Flamborough, Aldershot) (as he then was), 1<sup>st</sup> reading: June 4, 2007 (unfortunately the legislature was prorogued the following day in anticipation of an election) [http://www.ontla.on.ca/web/bills/bills\\_detail.do?locale=en&BillID=1681&isCurrent=false&ParlSessionID=](http://www.ontla.on.ca/web/bills/bills_detail.do?locale=en&BillID=1681&isCurrent=false&ParlSessionID=)

<sup>13</sup> See [D.A.] v. Ontario (Community and Social Services), 2010 HRTO 1377, 2010 HRTO 1377 (CanLII), File Nos. HR-1656-08 to HR-1692-08 (Wright) <http://www.canlii.org/en/on/onhrt/doc/2010/2010hrto1377/2010hrto1377.html>

### **Chapter 3: Easier To Understand**

#### **Background**

Recipients and administrators have recognized that the current rules are complex and that the number of rules needs to be reduced. The rules are confusing for recipients and complex for administrators to deliver.

Generally speaking, the current system is too complex to navigate. Simplifying some rules will assist but will not ensure the entire system's ease of understanding or navigation from a recipients' perspective.

All rules, not just selected ones, would need to be re-visited and written to clarify eligibility determination. Simplification of rules should be supported by evidence that clearly aligns with the objectives of the program and the Province's goals of reducing and eliminating poverty.

#### **What the Commissioners Heard**

The Commission's *What We Heard* discussion paper reported very similar themes to those above. It stressed the need for a less prescriptive system that was nimble and flexible, that builds helping partnerships between case workers and recipients, and that relies on trust rather than suspicion.

The Roundtable's own submission took up similar themes, arguing that, "the number and complexity of rules need to be reduced. Perhaps as importantly, the spirit in which they are applied needs to be supportive, rather than punitive."

We note that the *Approaches* paper promises to return to a number of rules and process issues highlighted in the earlier *What we heard* discussion paper, presumably around such issues as computer-generated letters, spousal support, spouse-in-the-house rules, living with parents rules, and simplifying the application procedure to ODSP and OW. We believe this is crucial, as this chapter of *Approaches* paper largely considers complexity from the perspective of administering the system, with much less attention to clarifying the system from the viewpoint of a social assistance recipient.

There appears to be some potential for improvement in the options presented in Chapter 3, specifically around income reporting, treatment of assets, raising asset limits to equal those of ODSP, and reducing the number of specific exemptions.

The paper notes a number of discussion questions in the area of simplifying income and asset rules that improve equity, make it easier to understand and administer social assistance.

## **Our Response to the Commission**

### ***Should the social assistance system move from a surveillance approach toward an audit-based system of verification and monitoring?***

Replacing the current surveillance approach with an audit system where a recipient continues to report monthly but retains their documentation for audit purposes, may have a positive immediate effect but a long term negative result. On the face of it, this option would change the current culture of control and treat people with trust and dignity. It would not stigmatize all recipients as budding fraudsters. However, adopting the audit model requires an effective risk management system.

The concern lies with the audit approach, which fits uncomfortably with a system where the rules are the issue. They are intrusive to recipients, they deduct and track every penny received. Under the audit approach, these rules would not change. Initially, this approach may lessen the burden to a recipient but may result in higher penalties later. Retaining receipts for any length of time is problematic and could lead to invalid overpayments or being investigated for fraud although reporting was accurate.

In addition, there is a real danger that the risk management system would flag some of the most vulnerable recipients in the system, for instance those with high housing insecurity who frequently changes addresses. This group is least likely to be able to provide full documentation for an audit, despite having engaged in no fraudulent activity.

Timelines for these audits would need to be identified, so those exiting to self sufficiency know how long to retain their documentation. This will be a challenge given instability in living conditions that recipients experience. In addition, since people move through the system frequently, there may be difficulty in contacting the recipient once they have exited the program. There is concern that overpayments may be calculated in the absence of information.

If an audit approach is delivered through a federal tax system, there needs to be supports in place to assist those who have not filed for income tax in some time.

### ***What is the right level of risk tolerance, in either the current system or an audit-based system?***

Considerations of "risk tolerance" should always be weighed against the recipients' needs regarding a system that is very responsive, easy to understand, and preserves ample appeal rights.



As it stands, the rules in the system are too risk averse in two ways. Most obviously, in tolerating too little risk of fraud, they create an unnecessarily heavy and bureaucratic system. These rules in turn make it more risky than necessary for recipients to engage in a wide range of normal social activities without fear of infringing them, be they related to employment or education, accepting gifts or socializing with friends.

***Should asset levels be changed? If so how?***

We agree with the option to increase Ontario Works asset limits to equal those of ODSP. The case for raising these limits has recently been made by the Commission on the Reform of Ontario's Public Services, adding its voice to many others on this point.

This type of approach would facilitate someone becoming more financially resilient when trying to make the transition to work, or trying to deal with unforeseen emergencies.

Increasing asset limits for an initial period of time when an individual first enters the program only assists those that move quickly on to another source of income or employment. It does not assist those with longer spells on social assistance, whose capacity to set plans and achieve goals is also affected by access to assets.

We are strongly in support of allowing persons to retain their Registered Retirement Savings Plans as an exempt asset up to \$250,000 so that recipients can retain some retirement savings. It makes no sense to ask recipients to deplete all of their retirement savings before receiving benefits as this will result in enormous hardship for individuals once they leave the system. If those individuals are close to retirement age, the difficulties will be compounded.

#### **Chapter 4: Viability over the Long Term**

In terms of viability over time, the Discussion Paper focuses almost entirely on how Ontario Works, the Ontario Disability Support Program, and Employment Ontario services should be delivered. In the process, it ignores much of the input from received from stakeholders. The Discussion Paper suggests three approaches ranging from keeping OW and ODSP separate but integrating employment services, to delivering all programs locally, to an approach whereby human services components such as case management and employment services are delivered locally while administrative services such as the issuance of cheques, is delivered at the Provincial level. The Discussion Paper also queries how Temporary Care Assistance and Assistance for Children with Severe Disabilities (ACSD) should be delivered.

The Hamilton Roundtable for Poverty Reduction does not have an opinion on these options. It is impossible to come to an informed opinion on these and many of the other options in the discussion paper given the one month afforded for these submissions.

It is not entirely clear how these three options would address the viability of social assistance over the long term. Strangely, the Drummond report, released about a week after the Discussion Paper, also recommends that consideration be given to combining the programs at the municipal level in order to exploit service delivery efficiencies.<sup>14</sup>

#### ***What the Commission Heard***

In focusing solely on the question of service delivery the Commission has missed many of the views of stakeholders such as:

- Concerns around the relationship between health and well-being and social and economic equality;
- The need for social inclusion among recipients; and
- Concerns around the least intrusive level of intervention.

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<sup>14</sup> Recommendation 8-5 of the Drummond Report reads:

The Commission for the Review of Social Assistance in Ontario should examine system design options that deliver a more efficient and higher-quality service to social assistance recipients. This examination should consider combining Ontario Works and the Ontario Disability Support Program, and having the combined program delivered at the local level. It should also address the further integration of employment services available through Employment Ontario.

Final Report of the Commission on the Reform of Ontario's Public Services, by Don Drummond, February 2012

In our own brief to the Commission, we stressed “the need to be bold in proposing changes, including ones that go beyond social assistance strictly understood to include looking at a guaranteed annual income.”

### *Explore the Possibilities*

In looking at social assistance reform, there is a tendency to see the system solely as a drain on public resources, rather than a program with a complex series of economic contributions. The program has a series of effects in terms of local economic activity, reduced costs in other public programs such as health, and in producing a better trained labour force. Part of the long-term viability of the system is related to how effectively it performs these roles. Given what we know about the costs of poverty, **we recommend that the Commission’s final report fully assess the net impact of reforming social assistance with a stronger emphasis on poverty reduction.**

We know that increased social assistance rates will result in improved health outcomes for those on social assistance.<sup>15</sup> In addition, we can also say that educational outcomes will improve for children who are no longer forced to change schools repeatedly due to the poverty of their family.

We can also say that social assistance has many positive economic benefits for communities and for the Province of Ontario, which is not surprising since benefits are consumed almost 100% locally<sup>16</sup>. The Ontario Association of Foodbanks has estimated that the economic cost of poverty in Ontario “is equal to 5.5 to 6.6 percent of Ontario’s Gross Domestic Product”.<sup>17</sup> Renowned economist, Dr. Atif Kubursi has estimated that even when one considers only provincial social assistance to adults in the City of Hamilton the impacts are quite substantial across the province<sup>18</sup>, including generating \$439.3 million in value added in the provincial economy and maintaining 5441 jobs in Ontario as a result

<sup>15</sup> A quick review of the submissions already received by the commission indicates that you have already received ample evidence of this fact. Indeed the improved health outcomes and expenses may be quite stark as is suggested by a recent analysis of the previous mentioned Mincome project (supra note 5). See: <http://nipawinoasis.com/documents/37.3.forget.pdf>

<sup>16</sup> See “The Economic Impact of Social Assistance in Hamilton” by Dr. Atif Kubursi, Econometric Research Limited, April 2011

<sup>17</sup> See “The Cost of Poverty: An Analysis of the Economic Cost of Poverty in Ontario” by Nathan Laurie, Ontario Association of Foodbanks, 2008, at p. 4.

<sup>18</sup> supra. note 16. Dr. Kubursi’s estimates of the economic impact of adult provincial social assistance payments in Hamilton include:

- Generating \$ 439.3 million in value added in the provincial economy of which \$ 296.2 million are made locally
- Maintaining 5,441 jobs in Ontario; 3,383 locally
- Generating \$ 144.6 million in provincial and federal taxes; \$ 6 million in local taxes
- Increasing salaries and wages by \$ 260 million; \$ 162.7 million locally
-

of that money circulating in the economy. Dr. Kubursi's study focuses on the impact of benefits in Hamilton, the impact of provincial expenditures would be even more startling.

Although some may protest that increases social assistance payments will have an adverse effect on the economy, the research does not bear this out.<sup>19</sup>

A corollary to this argument is that the higher taxes that **may** be required to provide adequate benefits will adversely impact the economy, but in fact countries with relatively high rates of taxation, that incidentally also provide some of the most generous social programs, also outperform our country and most other lower-taxed countries with regard to economic performance.<sup>20</sup> There is evidence, from the United States and elsewhere that increases in taxes, when used to expand the quantity and quality of public services, can promote economic development and employment growth<sup>21</sup>.

**We would therefore urge the Commission to explore the possibilities of a more robust social assistance program in Ontario, one that provides an adequate level of assistance to recipients.** The benefits to health, education and equality are obvious, but we may also see substantial benefits to our economy. This should be explored in the Commission's final report, but also highlights the need for or inter-ministerial coordination in looking at the costs of poverty and of inadequate SA rates, bringing together the Ministries of Health, Justice, Education, Children and Youth, and the Attorney General.

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<sup>19</sup> See "Working Paper No. 348: Income Guarantees and the Equity-Efficiency Tradeoff" by Steven Pressman, July 2005, Luxembourg Income Study Working Paper Series

<sup>20</sup> See "The Social Benefits and Economic Costs of Taxation: A Comparison of High and Low-Tax Countries" by Neil Brooks and Thaddeus Hwong, Canadian Centre for Policy Alternatives, December 2006.

<sup>21</sup> See "Rethinking Growth Strategies: How State and Local Taxes and Services Affect Economic Development" Robert G. Lynch, Economic Policy Institute, 2004.

## **Chapter 5: An Integrated Ontario Position on Income Security**

### **What the Commissioners Heard**

In its first Discussion paper, the Commissioners reported concerns they received about the difficulties of being on social assistance while awaiting EI and CPP-disability determinations, about the gross inadequacies of EI as a form of income security given the nature of work, and about gaps in training.

We commend the Commission on identifying the need for better integration of financial assistance programs, yet the discussion cannot be effective without boldly and emphatically stating the need for adequate, evidence-based social assistance rates. Any discussion that does not assume this as its primary goal will fail in its efforts for poverty reduction.

### **Our response to the *Approaches* paper**

Although we support the need for better employment supports such as, credentials recognition for newcomers or employment training that reflects market reality, we feel that the focus on employment as a defining financial security measure for individuals is unrealistic. With the rise of precarious and part-time employment, adequate evidence-based supports are essential.

Extended health care benefits for all, including low income earners is a good start towards addressing income inequity in Canada. Our concern is that the discussion of fairness through out the *Approaches to Reform* document may divert attention from reform and pit low income earners against those on social assistance. Broad systemic change is needed that reflects the reality that a thriving populace is the only way to ensure a healthy economy overall.

Access to affordable housing is an ongoing concern for the Hamilton Roundtable for Poverty Reduction. We support social housing initiatives but have varying concerns with them. Currently, wait times for housing average 5 to 7 years in Hamilton. Lack of resources and flexibility available to municipalities to deliver housing programs, as well as, lack of federal funding, underscores the need for adequate housing benefits. This provides an opportunity for increased dignity and autonomy for those on assistance. Adequate levels would allow those who require short term assistance to continue living where they are. Housing benefits delivered directly to recipients helps avoid the stigma surrounding affordable housing projects, as well as, providing mixed income opportunities for neighbourhoods, increasing the potential for children in families receiving assistance to succeed long term.

The EI program has, in Hamilton as elsewhere across Southern Ontario, shown to be a significant factor in rising OW caseloads. Currently, barely 1 in 5 is eligible for EI although all who are employed pay into this system. Discussion is

needed around an EI program that better reflects the realities of precarious employment and prolonged job search periods.<sup>22</sup> Subsequently, it can be surmised that precarious employment and increasing workloads due to decades of downsizing are also possible contributors to rising ODSP caseloads. Any discussion of social assistance reform that does not include revised labour regulation is unrealistic and will not provide adequate long term solutions to poverty in this province.

All of these individual policy discussions (EI, housing, extended health) point to the big picture: if the point is poverty reduction, it calls for a range of mutually supportive interventions within social assistance and beyond it. The Approaches paper raises issues of the state of the labour market, of the impacts of inequality, of the necessity for the full accommodation of disability, but then leaves them to the side. In one way, this makes sense as the Commission's mandate is specific to social assistance. However, if it is not bolder in at least addressing these, it hamstringing its own analysis: how can the focus on employment deliver if labour markets do not change? How can we discuss the long-term sustainability of the program without a full accounting of the costs of having a large group of citizens living below subsistence levels?

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<sup>22</sup> We note, for instance, that Statistics Canada's new job vacancy index shows 3.5 unemployed people to every job vacancy in Ontario, in the three months ending September 2011. See the Table, "Number of unemployed, number of vacancies, and unemployment-to-job vacancies, by province and territory," <http://www.statcan.gc.ca/daily-quotidien/120124/t120124b4-eng.htm>.

## Conclusion

The Hamilton Roundtable appreciates the opportunity to participate in the Social Assistance Review. We share the Commissioners' desire to make significant changes and improvements to social assistance. Opportunities to review such significant public policies arise maybe once a generation. It Ontario is serious about poverty reduction, such opportunities much be seized. There are some things in the report that may be bold on the administrative front, but in terms of substantially improving social assistance for recipients, that boldness is in short supply. We urge the Commissioners to return to *What They Heard* as they prepare their final report.

We have made a number of specific suggestions and advanced a variety of arguments in response to the *Approaches* paper. In terms of the big picture, of making bold changes to social assistance with the goal of reducing poverty, we place particular emphasis on the following three recommendations:

1. Social assistance reform must address questions of adequacy. In terms of moving forward from the *Approaches* paper, this could be done by giving institutional form to the adequacy measure by creating a *Social Assistance Rates Board* to make an evidence-based assessment of adequacy.
2. Social assistance is not just an expense; it is also an investment in the health and prosperity of our communities. In considering the long-term viability of social assistance, a fuller accounting of its complex contributions to social and economic well-being is required.
3. The ideas for improving training and employment supports go in the right direction, but to really drive poverty reduction, they need to be placed alongside more attention to supports for scaling the *employment cliff*, such as better wages and labour standards, accommodations for disability, and improved childcare and transportation.

The members of the Hamilton Roundtable were very disappointed in the *Approaches* paper, less for what was in it, than for what was not in it: a bold reform to social assistance that would reduce poverty. But we remain committed to working with the Commissioners towards solutions that would deliver such change.

**Presentation to the Emergency and Community Services Committee of  
Hamilton City Council**

Monday March 19, 2012  
1:30 pm  
Council Chambers, City Hall

**Craig Foye, Staff Lawyer  
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/Clinique juridique communautaire de Hamilton  
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Appendix C to Emergency & Community Services Report 12-003

### ***Introduction***

Thank you very much for the opportunity to speak to you today. I am a staff lawyer at the Hamilton Community Legal Clinic / Clinique juridique communautaire de Hamilton ("the Clinic"). I appear before you today in order to add our voice to that of City Staff and others in requesting that City Council write to the Commission for the Review of Social Assistance in Ontario in order to recommend that their final report, expected in June of this year, reflect a number of critical issues that are fundamental to the issue of social assistance reform for our community and for the Province. We have read the staff report regarding the Commission's recent Discussion Paper and the Clinic is largely in agreement with the discussion and recommendations therein. The Clinic was also involved in the drafting of the Hamilton Roundtable for Poverty Reduction submissions.

Hamilton Community Legal Clinic is a community based not for profit agency whose diverse team of caring professionals and volunteers provides legal services to low income individuals and communities to promote access to justice and to improve quality of life. We do this through: summary advice and referral, representation, community development, law reform and public legal education. The Clinic was launched on April 1, 2010. Our not-for-profit organization is an amalgamation of the three independent community legal clinics that had been operating in the City for over thirty years, Dundurn Community Legal Services, Hamilton Mountain Legal & Community Services and McQuesten Legal & Community Services. The clinics merged so they could provide legal services to more low income Hamilton residents. The clinic is run by a volunteer board of directors and we are funded by Legal Aid Ontario.

City Staff have provided a concise overview of the work of the Commission for the Review of Social Assistance in Ontario and of the most recent Discussion Paper 2, entitled "Approaches to Reform". In my presentation today, I would like

to focus on a fundamental problem in the Commission's recent Discussion Paper: that is, the Discussion Paper leaves one with the impression that the Commission is set to recommend that the Government of Ontario adopt an approach to setting social assistance rates that is in breach of our international human rights obligations.

### ***The Right to an Adequate Standard of Living***

The Clinic believes that the discussion of adequacy is the most critical and foundational section of the Discussion Paper: if the government of Ontario does not pay adequate benefits to individuals and families in receipt of provincial social assistance, then the system will fail as a social safety net. Without adequate benefits, we will continue to see rampant homelessness, children changing schools repeatedly due to economic evictions and being unable to fully participate in school due to their family's poverty, foodbanks being as ubiquitous as fast food restaurants (albeit with limited access), and seriously compromised public health.

The Clinic is particularly disappointed that the Commission minimizes the critical need for adequate benefit rates among recipients (and in the larger community), and the clear international obligation of the Government of Ontario to provide adequate levels of benefits to those individuals and families who rely on provincial social assistance programs. The Discussion Paper minimizes the issue of adequacy by repeatedly asserting that "adequacy of benefits" must be balanced against two other "key objectives":

- Fairness as between people who are receiving social assistance and low-income people who are working but not receiving social assistance;

- Work incentives.<sup>1</sup>

This approach is wrong on its face. The Government of Ontario, through the Government of Canada, has ratified the United Nations International Covenant on Economic, Social & Cultural Rights (“the Covenant”). Article 11 of the Covenant reads in part:

The States Parties to the present Covenant recognize the right of everyone to an adequate standard of living for himself and his family, including adequate food, clothing and housing, and to the continuous improvement of living conditions. The States Parties will take appropriate steps to ensure the realization of this right, recognizing to this effect the essential importance of international co-operation based on free consent.<sup>2 3</sup>

Thus the Government of Ontario has an overarching international legal obligation to ensure rates that reflect an adequate standard of living for all recipients of provincial social assistance benefits. This legal obligation is independent of other social policy considerations, such as those put forward by the Commission in its discussion paper.

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<sup>1</sup> See “Discussion Paper 2: Approaches for Reform” by the Commission for the Review of Social Assistance in Ontario, at page 18

<sup>2</sup> See *International Covenant on Economic, Social and Cultural Rights*, 16 December 1966, 993 UNTS 3, Can TS 1976 No 46 (entered into force 3 January 1976, accession by Canada 19 May 1976) [*ICESCR*] at article 11.

<http://www2.ohchr.org/english/law/cescr.htm>

<sup>3</sup> For other international obligations to an adequate standard of living see: *Convention on the Rights of the Child*, 20 November 1989, 1577 UNTS 3, art 27, Can TS 1992 No 3 (entered into force 2 September 1990, ratified by Canada 13 December 1991) at art 27.

*International Convention on the Elimination of All Forms of Racial Discrimination*, 7 March 1966, 660 UNTS 195, art 5, Can TS 1970 No 28 (entered into force 4 January 1969, ratified by Canada 14 October 1970).

*Convention on the Rights of Persons with Disabilities*, GA Res 61/106, UNGAOR, 61st Sess, Supp No 49, UN Doc A/61/611, (2007) 2 at art 28.

It is unfortunate that the Commission appears to be pitting low wage workers against individuals and families in receipt of public assistance in Ontario. While we at the Clinic strongly agree that "fairness" is a major concern when designing the social assistance system in Ontario, we strongly disagree that the issue of fairness to low wage workers (who are not on social assistance) should be related directly to social assistance recipients. Rather, we would suggest that it is generally unfair that low wage workers do not receive certain fundamental benefits, such as basic health and drug coverage, unless they are in receipt of social assistance. We echo the almost universal recommendation that those benefits should be extended to all low income Ontarians.

The Commission's thinking about incentives also seems to misunderstand the complex barriers faced by people on social assistance, such that even economists with great faith in market mechanisms believe that "increasing fiscal incentives to enter the labour market and restricting access to transfer income are unlikely to achieve much."<sup>4</sup> The emphasis on incentives is tied to the idea of a "welfare wall," where people are assumed to stay on social assistance as they are better off than in low-wage work. A more accurate representation is that of the "employment cliff," where efforts in the labour market involve clawing one's way towards security given fierce competition for scarce jobs, limited supports for dealing with barriers, complex rules around benefit clawbacks, and the uncertainty and instability of many entry-level jobs. Ignoring adequacy may theoretically keep the welfare wall low, but only serves to raise the employment cliff by physically and mentally running down those on social assistance.<sup>5</sup>

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<sup>4</sup> John Richards, "Reducing Lone Parent Poverty," C.D. Howe Institute, Commentary, No. 305, June 2010, at p. 8.  
[http://www.cdhowe.org/pdf/commentary\\_305.pdf](http://www.cdhowe.org/pdf/commentary_305.pdf)

<sup>5</sup> This paragraph is written by Dr. Peter Graefe, Associate Professor of Political Science at McMaster University, and draws on some of Peter's own research as well as discussions with clinic Staff Lawyer Craig Foye regarding the metaphor of the "employment cliff".

This depth of poverty among `welfare` recipients is not surprising, given that "welfare" rates were cut by about 22% overnight in 1995 leaving many individuals and families unable to subsist. Since that time the consumer price index ("CPI") has risen about 35%, while "welfare" rates have increased less than 15%. Currently, it would take about a 63% increase in basic rates to restore 1993 levels.<sup>6</sup> Even these startling numbers tend to underestimate the depth of real poverty faced by those on social assistance since the CPI does not fully reflect the increases in expenses faced by social assistance recipients whose major expense are housing, utilities, and food where increases have consistently outpaced the CPI.

The United Nations Commission on Economic Social and Cultural Rights ("CESCR") has had occasion in 1998 and 2006 to comment on the inadequacy of social assistance in Canada. One of our predecessor clinics presented a report, entitled "The Right to an Adequate Standard of Living in Hamilton" to the CESCR in Geneva during its periodic review of Canada in 2006.<sup>7</sup> In its "Concluding Observations" on the Canadian Government Report, the CESCR made a number of comments regarding the inadequacy of social assistance including a direct recommendation:

The Committee Urges the State party to establish social assistance at levels which ensure the realization of an adequate standard of living for all.<sup>8</sup>

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<sup>6</sup> see "Less on their Plate: Canada's Poorest People Facing a Frightful Food Crisis", by John Stapleton, 1 September 2011, <http://www.policyalternatives.ca/publications/monitor/less-their-plate>

<sup>7</sup> See "The Right to An Adequate Standard of Living in Hamilton", by Chabriol Colebatch, Craig Foye, and Deirdre Pike, The Income Security Working Group, 2006. <http://www2.ohchr.org/english/bodies/cescr/docs/hamilton.pdf>

<sup>8</sup> See "Concluding Observation of the Committee on Economic, Social and Cultural Rights: Canada", Committee on Economic, Social and Cultural Rights, Thirty-Sixth Session, Geneva, 1-19 May 2006, at Paragraph 53, page 8  
Also see paragraphs 11(c), 20, 21, 26, 27, 28, and 62.

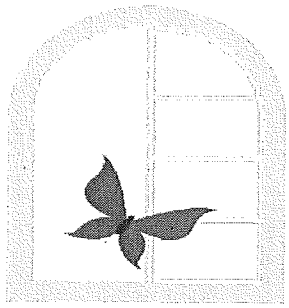
Currently, the Commission for the Review of Social Assistance in Ontario looks prepared to make recommendations to the Government of Ontario that ignore the Province's International Human Rights obligations. In so doing, the Commission appears set to recommend a process for setting Social Assistance Rates that will likely be in breach of our international human rights obligations.

***What are we asking?***

1. That the Mayor correspond with the Premier of Ontario (with copies to the Commissioners for the Review of Social Assistance in Ontario, the Minister of Community and Social Services and all local MPPs) **requesting an emergency increase to provincial social assistance, in the form of a monthly mandatory Healthy Food Supplement for those receiving social assistance in the 2012 Provincial budget, so as to provide some relief to individuals and families in the province, many of whom are currently living on below subsistence-level incomes;**
2. That the Mayor correspond with the Commissioners for the Review of Social Assistance in Ontario (copied to the Premier of Ontario, the Minister of Community and Social Services and all local MPPs), stressing the immediate emergency need for an arms-length and evidence-based mechanism for setting social assistance rates annually that will meet basic needs and allow individuals and families to live with dignity and urging the Commission to recommend that the Government of Ontario establish the Ontario Social Assistance Rates Board to accomplish this task.

3. That the Mayor correspond with the Commissioners for the Review of Social Assistance in Ontario (copied to the Premier of Ontario, the Minister of Community and Social Services and all local MPPs) urging that the Commission acknowledge in its final report that every individual and family in Ontario has the “Right to an Adequate Standard of Living” and that the Commission accordingly recommend in its final report that the Government of Ontario adopt an independent and evidence-based mechanism for setting social assistance rates that will provide an adequate standard of living to all recipients as is required by our obligations under Article 11 of the International Covenant on Economic, Social and Cultural Rights.





*Interval House*  
*of Hamilton*

FREEDOM FROM VIOLENCE

**Response to City of Hamilton Council on the Commission for the  
Review of Social Assistance in Ontario: Approaches for Reform**

**Clare Freeman, Executive Director**

**Summary:**

As a long standing member of Ontario Association of Interval and Transition Housing(OAITH) and as the former Chair of the domestic Violence Advisory Council to the government Ontario, I can say without a doubt the issues of poverty and violence against women and equity are linked in all aspects of prevention, intervention and postvention work for women leaving abuse and who become homeless. Violence against Women advocates, the World Health Organization, United Nations stresses the co-relationship between women's full participation in society as a requirement to ending violence and poverty.

Thus, since 1995 in Ontario women's advocates and shelters have been writing papers, lobbying and working with policy makers to help them understand the harmful effects the Ontario Work and Ontario Disability reforms of 1995 had on women fleeing violence and on homeless women.

Our work with women since this time has become more difficult, not because of the women but because of the systems and their non-responsiveness to women's needs especially their needs regarding income support, housing and access to affordable (universal) child care.

The United Nations and Canada's involvement with the Status of Women World Conferences have all pointed to the income disparity between men and women and the differences in child care as being a major barrier to women's full participation in society and the need to do sex-gender-based analysis to government policies.

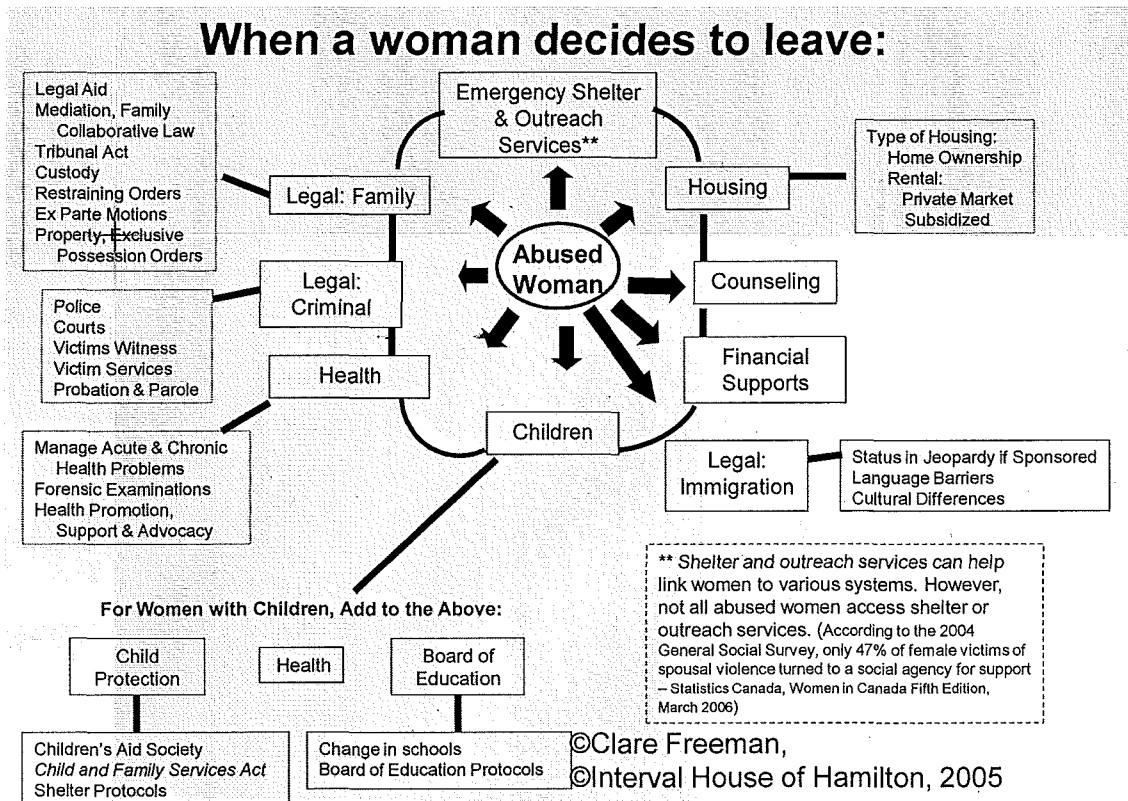
In 2011, Interval House of Hamilton was awarded a grant by Status of Women Canada to look at creating a city embracing a sex gender-based analysis to creating a safe city. Part of this endeavour is to look at how do men and women's lives differ and how do policies affect the outcomes of men and women. When it comes to poverty and the reasons for both acute and chronic poverty for women, violence and child care are always at the top of the list.

Thus when the government of Ontario developed a commission to look at Ontario Work's we were pleased. It needs to be reformed. However, it must start with a

review using a sex gender based equity framework. Without this women who seek to leave abusive relationships will continued to be burdened unfairly and will continued to be judge by services. In addition, the reforms will miss the opportunity to develop social policies that can lead to better prevention, intervention and postvention outcomes.

## **A day in the life of an Abused Woman**

A day in the life of an abused woman after she leaves is NOT easy. The barriers she faces are as unique as her life experiences and the inequity she faces. It is made even more difficult by the responses provided by systems. During a time when research will tell us women are most venerable to being killed we make her feel as though she is unworthy and undeserving of support by the ways in which the system measures if she is abused enough to have support. The amount provided for single women and women with children sends the message that they are not valued. For many women when she leaves she is forced into accessing multiple services and organizations at the same time. Each system rarely works in collaboration with each other and makes the woman responsible to fight for her rights. She is doing this while he is often harassing, stalking and or harming her. However, he may also be telling her he is going to change. So why are we still blaming women for staying when we make it difficult for her to leave.



This is NOT fairness or dignified.

Furthering to this, after we leave her vulnerable to the stresses and coping strategies of poverty and violence we then call her homeless and we provide her with even less options of dignity and respect. We blame her for the issues of poverty including not keeping up with all the bills. Then when she comes back into the shelter system as homeless she faces further barriers to housing and/or seeking services such as addiction and mental health services. When we provide her options to getting back into the community often times women are left with having to place their belongings into storage at a costs that eliminates any savings to supportive/transitional housing. Thus she is often in the position of disposing of her furnishing and then only to ask for a start up to replace them a year later. This is not helpful to the woman in helping her plant roots for herself/and or if she has children.

When we develop services for women we need to ask women who use public housing, Ontario Works, food banks, transitional or emergency shelters about their experiences as it relates to poverty and safety.

*Our recommendations to the commission are simple and clear:*

1. Implement the recommendations from OAITH's Walking on Eggshells Report of 2004, Abused Women's Experiences of Ontario Welfare System  
[http://www.yorku.ca/yorkweb/special/Welfare\\_Report\\_walking\\_on\\_eggshells\\_final\\_report.pdf](http://www.yorku.ca/yorkweb/special/Welfare_Report_walking_on_eggshells_final_report.pdf)
2. Develop a Sex gender based equity framework to developing and implementing Ontario Works/Ontario Disability and all social services so that prevention, intervention strategies will reduce the barriers that lead to chronic long term use of social services.
3. Ontario Works rates must be set where a person can afford rent, food, clothing and NOT have to access food banks or live in inadequate housing.
4. Ensure systems like child welfare, family courts, housing, immigration, and Ontario Works work collaboratively to ensure women's safety is ensured and policies do NOT add to her costs, impede her safety, and/or further harm to her children.
5. Do not implement the Drummond report recommendation to limit annual spending growth in Ontario Works and the ODSP to 0.5% for the next six years.
6. Create more jobs that pay a living wage with benefits.
7. Invest in full dental care
8. Be cautious about changing the "specialty diet" without proper measures to ensure those who needs for a special diet are NOT adversely affected by adjustments.
9. Change attitudes towards people on assistance. The attitude that says as people on assistance do not want to work and are unworthy of a system that provides them with dignity, respect and hope. Re-think the idea of what you mean "fairness". Fairness can only be met when equity is the goal because it will account for differences.
10. Provide children who are crown wards with the opportunity for fully paid post-secondary education.
11. Provide a Ontario Works/Ontario Disability system that accounts for the differences of rural and urban living.

**We support these excerpts from the Income Security Advocacy Centre report to the commission:**

**1. An Equity Approach to Employment Supports and Services**

The Commission has acknowledged that there is much more diversity among the people on OW in terms of their relationship with work than the program currently recognizes or can effectively respond to. As the Commission's second discussion paper says,

"Some people receive social assistance for a short time and are able to enter or re-enter the workforce with the level of support currently available or with their own sources of support. Others experience a repetitive cycle of employment and receiving social assistance. Still others require long-term assistance. Employment services and supports must therefore meet a wide variety of needs, but what is currently available is failing to identify and meet the range of needs of people who are not able to enter the workforce easily." (4)

In other words, people on OW need different types of supports and services, which should be tailored to their different experiences, needs, and aspirations. But beyond this, we know that the reasons that people are on OW are related to broader social and economic disparity and exclusion – in other words, not everyone has equal access to the labour market. Newcomers and people from racialized communities continue to face discrimination in employment. Women's needs as parents or caregivers are often not recognized in the workplace. And people with disabilities face both discrimination and lack of accommodation.

This has resulted in a situation of "double disadvantage" wherein people who are disadvantaged in the economy and society become further disadvantaged by the inadequate response from the social assistance system. The social assistance review is the opportunity we have to build a system that addresses and responds to these broader issues.

Taking an equity approach to transforming OW is how such a response can be undertaken, and we recommend the Commission build an equity approach into its final recommendations. As the Wellesley Institute has rightly stated, "Equity is about addressing differences in outcomes that are avoidable, unfair and systematically related to social inequality and disadvantage. Equity means that people with different needs are supported in different ways".<sup>1</sup>

The first step in using an equity approach to build a better OW program is to understand the population of people that are using or may need to use the program. Most often,

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<sup>1</sup> "When do we talk about health? Ontario's option paper needs to build a stronger vision of a health-enabling social assistance system." <http://www.wellesleyinstitute.com/health-care/when-do-we-talk-about-health/>

these are people who are at greater risk of poverty and social and economic exclusion. As noted in s. 2(2)3 of the *Poverty Reduction Act 2009*, “not all groups of people share the same level of risk of poverty. The poverty reduction strategy must recognize the heightened risk among groups such as immigrants, women, single mothers, people with disabilities, aboriginal peoples and racialized groups.” This requires better attention to and better collection of data both inside the Ministry of Community and Social Services and in the economy and society as a whole.

And, as the province’s Poverty Reduction Strategy notes, “Women, racialized communities, newcomers, people with disabilities, and Aboriginal peoples among others, experience poverty in relatively greater numbers, and for often complex reasons. ***The unique needs of these groups require tailored solutions and we know that we need to continue to view the issue of poverty from these perspectives going forward***” (p.5, emphasis added). The second step in using an equity approach, therefore, is to use this understanding to design OW – and the supports and services it offers – in ways that not only provide for better quality employment-related supports, but also respond to the specific barriers faced by people in each of these groups. For example:

- **Single mothers** are disproportionately at risk of poverty – not only because as **women** they are paid on average less than 80% of what men make<sup>2</sup>, but also because they have only one income and because care-giving and child-rearing roles are not recognized and accommodated in the workplace. These roles must be acknowledged in the OW system. Single mothers must therefore be given the opportunity to pursue education, training, employment and/or volunteer opportunities that are not only appropriate to their personal goals but that also recognize their roles as mothers. Child care and transportation allowances must be provided to facilitate single mothers’ participation in employment-related training and education. And the system must be flexible enough to accommodate these roles by allowing single mothers to be exempt from these activities, whether over the longer-term or on a situational basis, when they conflict with their responsibilities as mothers and caregivers. Single mothers should not have their incomes, and thus the stability of their families, threatened due to the requirements of participation agreements that do not acknowledge their multiple responsibilities and roles. Violence must also be recognized in the lives of women and single mothers. Many women become single mothers not by choice but because of relationship breakdown caused by violence. Women leaving violent relationships and struggling to recover from violence need supports and services from OW, not coercive treatment.
- **Immigrants and newcomers to Canada** are also disproportionately at risk of poverty. Language training, both at basic and advanced, profession-related levels, is critical, but just as critical is training caseworkers to be responsive to and respectful of other languages, as well as providing information to recipients in

<sup>2</sup> Statistics Canada, 2010. Economic Well-Being: Women in Canada: A Gender-based Statistical Report. <http://www.statcan.gc.ca/pub/89-503-x/2010001/article/11388-eng.pdf>

easily understood terms or in their home language. Building relationships with employers and internships or work placements are all important ways to create quality employment services that are provided to immigrants and newcomers. But appropriate work-related activities must be provided to support people into careers that they are trained for. For many foreign-trained professionals, the biggest barrier is the requirement for “Canadian experience” before they can secure appropriate, well-paying employment in their field. People must be allowed to meet their participation agreement requirements through volunteer work in their field, rather than forcing them into paid employment in an unrelated field or in poorly paid jobs. And changes to labour market policy must also be made, as many immigrants are willing to accept very poor-quality work conditions rather than face the humiliation and stigma that are associated with being on OW or ODSP. The system must also make up for the income disadvantage that refugees face because they are not eligible to claim child benefits. And the system must provide an appropriate response to the needs of refugees who have suffered from violence and are experiencing post-traumatic syndrome. Their unique challenges are currently not well recognized by either OW or ODSP, and their vulnerability is exacerbated by the surveillance aspects of social assistance that makes them feel re-victimized by a system that is insensitive and often punitive.

- **Members of racialized groups** are also disproportionately at risk of poverty. Improved ethno-specific employment services that are sensitive to the needs of people from racialized groups – and delivered by service-providers that are cognizant of these needs – are critical to respond to their particular requirements. But more must be done to make the labour market more accessible to members of racialized groups. Employment Standards protections must be improved to protect workers in low-paying and non-standard work, many of whom are people from racialized communities. And more must be done to ensure that members of racialized groups have equitable access to quality jobs.
- **Aboriginal peoples** are also disproportionately at risk of poverty. The Commission has been meeting separately with First Nations groups both on- and off-reserve to discuss the distinctive problems experienced by this group and ways to reform the social assistance system in order to appropriately respond.
- Building services that respond to the needs of **people with disabilities** must also be part of the effort to rebuild OW. People with disabilities are also more at risk of poverty. And many people on OW have disabilities but do not qualify for ODSP. OW employment supports must therefore build in responsiveness to the issues of disability when creating services. Dismantling ODSP in the way that the Commission’s second discussion paper describes, before building responsive, accessible, and accommodating employment supports and training programs for everyone, is the wrong way to approach reforming social assistance. When the “basic” OW program is sufficiently responsive to the variety of needs of various groups and to the services that they require, discussion can be had about whether or not a separate ODSP program continues to be required.



## Appendix C to Emergency & Community Services Report 12-003

Taking an equity approach may mean that some services are created for and offered to some people but not to others. But that's what it means to support people with different needs in different ways. Substantive equality requires more than simply providing everyone with access to the same programs and opportunities.

Creating equity-based employment supports and services will best be accomplished through the direct involvement of representatives of the disadvantaged groups enumerated in the *Poverty Reduction Act*. A series of representative advisory groups made up of people with lived experience of OW / ODSP and service providers should be established to assist in the creation of appropriate, responsive programs. These advisory groups would help government comply with their own legislation, including both the *Poverty Reduction Act* and the *Ontario Human Rights Code*.

We are also making a similar recommendation about the delivery of employment supports. ISAC does not have the expertise to recommend who is best positioned to provide employment supports, and we have heard from our community partners that there are deficiencies with each of the models the Commission has proposed. We have also heard that non-profit NGOs provide critical targeted services to disadvantaged groups, like women and newcomers. As such, we urge the Commission to ensure that changes to delivery of employment supports occur as a result of more targeted advice so that the impacts of various options on various groups are well-understood and addressed.

In the meantime, a number of other, critical improvements must be made to employment supports in order for them to be more effective:

- **As an overriding principle, employment-related services and supports should be focused on helping people improve their prospects in the labour market, not getting them into the first available job.** Requirements for people to take the first job that is available – or risk losing their income supports – must be ended. The goal of poverty reduction requires that people be given the opportunities and supports to get into good, long-term, stable and sustainable jobs instead of entry-level, poor quality jobs.
- **Participation agreements (PAs) must be fundamentally transformed.** The activities that people on OW must agree to undertake currently operate, in most instances, as imposed obligations determined primarily by caseworkers based on services available. Instead, PAs should be created through collaborative processes between people receiving assistance and those providing services, with real choices for training and services, supported by vocational assessments, and driven by the realities of the lives of people at disproportionate risks of poverty, as noted in the sections above. Until such time as changes like these are made in OW, any moves to institute participation agreements for people with disabilities on ODSP will simply put their incomes in jeopardy and undermine their autonomy and dignity.

- **Appeal processes** must be built into the system to give people receiving services the ability to respond when participation agreements are unreasonable or when employment services are inappropriate or unavailable. Appeal processes not only provide critical remedies for individuals, they also uncover systemic problems in the system that can then be addressed in a holistic manner.
- **Access to higher education is essential.** Improving the quality of employment supports and services cannot be accomplished without improving access to education and training programs that go beyond a purely vocational focus. Given the labour market's increasing requirement for higher education, social assistance must provide people with the ability to access post-secondary training without going into significant debt to do so. Engaging education and training institutions funded through the Ministry of Training, Colleges and Universities in innovative programs to serve people on assistance could be one mechanism used. And, as with all other aspects of making reforms to social assistance programs, the rationale to do so lies in the principles of poverty reduction and equity.
- **Assessment tools** can be helpful in determining the supports and services that people require in order to pursue employment. But the incorrect tools applied in the wrong ways can be damaging to the process of supporting people into employment. In the UK, the use of work capacity assessment tools has resulted in widespread disenfranchisement to income supports among people with disabilities, and a very high rate of decisions around work capacity being overturned at appeal. Employment-related assessment tools must only be used voluntarily, in conjunction with the creation of a full employment readiness plan, to help determine the appropriate course of training or employment services that a person will pursue. Assessment tools must be individualized and flexible, and thus assessment cannot rely on a standard "one-size-fits-all" tool. In addition, employment-related assessment tools, like work capacity tools, cannot be used to determine a person's eligibility for benefits, and cannot be used to screen people out of employment or employment-related supports.

## 2. Complexity of Benefits: Simplification Cannot Erode Income Adequacy

The Commission indicates that the number of benefits and the complexity of the benefit structure in both OW and ODSP are hard for people on assistance to understand and for caseworkers to administer. The Commission proposes a number of ways to simplify the benefit structure to resolve these problems. The changes proposed would affect both the benefits that determine a person's eligibility and the "special benefits" that are available only after a person is actually on the program.

### Changing Elements of the Benefit Structure

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The Commission proposes collapsing the 'Basic Needs' and 'Shelter Allowance' amounts into one basic standard rate that everyone would get, which would eliminate the requirement for people to provide rent receipts. As long as this administrative change would mean that no one would get less money as a result, pursuing this option would be a step forward.

The Commission also proposes eliminating categories like 'room and board' or 'dependent adult' and giving everyone the same basic standard rate, which would also eliminate rent receipts and would get rid of the need for people to have their housing arrangements verified. If this means that those who currently receive the boarder rate would see an increase in their incomes up to the maximum basic needs and shelter rate, this would also be a positive step. We are unsure, however, about the implications of eliminating the dependent adult category, however, and recommend further examination of this option.

Another issue that the Commission identifies is that there is no "policy rationale" for the higher basic needs amount provided to the spouse of an ODSP recipient as compared with the spouse of an OW recipient. This would only be true if each person were treated as a separate benefit unit. However, if the spouse's income continues to determine the benefit level for the person with a disability, the impact of implementing "policy consistency" in this case would be a reduction in income for households of persons with disabilities. If a person with a disability were treated as a separate benefit unit, only then would the "OW treatment" of their spouse be appropriate.

### **Special Benefits Are Necessary Until Adequacy is Met**

The Commission proposes rolling some "special benefits" into a basic standard rate that would be available to everyone. While it is true that the availability of these benefits is inconsistent, the question is whether rolling them into basic rates is the right solution. Answering that question requires an understanding of why these benefits exist.

Social assistance rates are well below any recognized poverty line and below basic subsistence levels for food and shelter. Many people survive on social assistance only because they also make routine visits to food banks and other charitable agencies. There is no room in people's budgets for periodic larger expenses like moving, starting a new job, buying furniture, or getting a new mattress when poor housing has led to an infestation of bed bugs. The Community Start-Up and Maintenance Benefit was created to help pay for these kinds of expenses.

The cost of getting to and from medical appointments is critical for people on social assistance, which is why the MSN-Travel benefit was created. This benefit is especially important for people who live in rural communities, where access to public transportation is either limited or nonexistent and where accessing regular specialized medical treatments may require hundreds of dollars in medical transportation. On the incomes that people currently receive, medical transportation costs are out of reach.

Rolling benefits like these into a basic standard rate would, in the best-case scenario, only translate into a modest across-the-board rate increase. However, it would also mean that people would lose the ability to pay for critically urgent or medically necessary expenses. Resolving complexity by simplifying the benefit structure in this way is an impossible trade-off to support. A better solution for the Commission to pursue is for government to take the administrative steps necessary to make these benefits more widely and clearly available.

Unless the incomes that people on assistance receive reach a level where all regular daily expenses are covered and costs for moving, medical transportation, and other special expenses can be budgeted for, it is critical for people to have access to the designated funds that “special benefits” provide. Otherwise, “rolling in” these “special benefits” will simply amount to a benefit cut.

### **Special Diet Allowance Addresses Costs Above Adequacy**

The ‘Special Diet Allowance (SDA) is a benefit that people get when a medical professional has determined that they have a medical condition that requires a diet that costs more than a normal healthy diet. It is not a “special benefit” like those described above. Instead, like Basic Needs and the Shelter Allowance, the SDA is part of the basic income benefit package that people are entitled to receive and is part of the calculation that determines eligibility for OW and ODSP.

The proposal to roll the SDA into a basic standard rate poses a high level of risk, because it means eliminating funding for dietary treatment that people who have potentially life-threatening conditions depend upon. And it could mean that some people with medical conditions could lose eligibility for OW or ODSP.

It is unclear how the “programs and policies” of the Ministry of Health could make up for the loss of the money provided by the Special Diet Allowance, given that it is unlikely that Ministry of Health would provide an income benefit. As such, this proposal amounts to a rate cut for many people currently on OW or ODSP, one which could have potentially serious medical consequences. It is not a proposal that we support.

## **3. A System that is Easier to Understand**

### **Auditing a system of changed rules**

Moving to a system of auditing instead of the system of regular comprehensive verification, as proposed by the Commission, could be a good way to reduce surveillance and complexity. We are pleased that the Commission is looking at recommending a resolution to the issues of surveillance and complexity, and the stigma that arises from a system that polices a person’s every move. As the Commission has noted, auditing would significantly reduce reporting requirements for people on

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assistance and the collection and verification responsibilities of caseworkers. But the question remains – *what would people be audited for?*

While some reporting and verification requirements would be reduced by changing the benefit structure, as the Commission notes, hundreds of rules would remain, any of which could be the subject of an audit. Differentiating between overpayments that are caused by the operation of the program and those that are a result of fraud is key. Without changing the underlying rules, audits have the very real potential of simply delaying the point at which “overpayments” are detected, creating even higher amounts of money that people will have to pay back. Adding a financial penalty as deterrence simply increases economic insecurity.

Changes to rules such as those described below should accompany any move to institute an audit system.

**Income Reporting and Verification:** Much of the surveillance and complexity that people (and their caseworkers) contend with arises from the monthly income reporting and verification requirements. Often, a person’s benefits are put on hold while the verification process takes place, meaning that they have no source of income in the interim.

Monthly reporting generates the majority of “overpayments” in the system. The amounts are often relatively small – not enough to make a person ineligible for benefits overall, but enough to make a difference to people whose incomes are so inadequate. Chasing after these small amounts of money from month to month is inefficient and costly and doesn’t give caseworkers time to support people properly. And just as importantly, it makes people feel as though they’re a criminal or deliberately committing fraud.

Moving to an auditing system without dealing with the income reporting and verification rules would simply delay and compound overpayments for those people who are audited. The Commission should study further the advice provided in the 2011 report, “What Stops Us From Working?”, which recommends moving from monthly to annual income reconciliation. The report also recommends moving to a voluntary system of *monthly income reporting*. This would remove surveillance, complexity, suspicion, and administrative work, and would also enhance people’s ability to get monthly support from their caseworkers to plan their financial situation.

Instituting a policy of only pursuing income on a “go-forward” basis (i.e., no retroactive application of income rules) should also be considered, whether as part of a move to annual reconciliation (i.e., to resolve the problem of larger “overpayments” that could result) or as a separate option for reform.

**Broad Definition of Income:** Part of the problem described above is that “income” is defined too broadly. For example, if a person receives a loan from a friend to help them get through the month, that loan is considered income for the purposes of establishing eligibility. Not only does the loan have to be paid back, but the person also has to

“repay” the “overpayment” they received from OW or ODSP – so they have to repay it twice. This is just one of the absurdities in the income definition rules that should be changed, and not left to an auditing system to pick up and punish at some future date.

**Spousal Support Obligations:** The definition of “spouse” in the OW and ODSP legislation is different from the definition in family law, creating support obligations that people who aren’t on social assistance don’t have. Under family law, a person is obliged to support another person after they live together for three years. In OW and ODSP, that obligation starts at three months. Many people don’t know that this rule exists, since they assume that the family law definition is the law. And they don’t know that this rule means that they could be “deemed” to be in a spousal relationship and thus “overpaid”.

An auditing system could make declaring and verifying marital status easier, but resolving the underlying problem would only happen if the definition of “spouse” is changed. Without such a change, auditing would simply prolong the accumulation of overpayments.

**Receipts and Time Limits:** Keeping income statements and receipts for months or even years in case of audit can be very problematic for some people on social assistance. Many people on social assistance have disrupted and difficult lives, especially when they receive so little income that they have to move frequently to find more affordable or safer housing. Many others have mental health or developmental disabilities. Still others have difficulties with language and literacy. For those who have difficulty keeping receipts, auditing would inevitably lead to situations where people are audited, don’t have receipts, and are penalized because of it.

People on assistance should be given the choice of continuing to submit required receipts monthly or should have some other form of support provided to help with their record keeping so that they aren’t penalized if they are eventually audited.

And a limit should be placed on how many years an audit can go back. The Canada Revenue Agency’s seven year reach-back period is inappropriate for people on social assistance. Another, significantly lesser period must be put in place for any audits introduced to the social assistance system.

#### **4. Income Security Integration: Interactions with Other Programs**

The Commission has asked if there are other major and problematic interactions between social assistance and other programs that have not been mentioned in the second discussion paper.

**ODSP and disability income support programs:** This paper does not address the interactions between ODSP and other disability support programs, and whether this interaction could be the reason for rising ODSP caseloads. John Stapleton has discovered in his analysis of changes in the relative share of disability expenditure

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among the disability income programs available in Ontario, that it may be that other disability income programs that are tied to employment income (e.g., CPP-D, EI sickness, WSIB, private programs) are not carrying their fair share of increasing incidence of sickness and disability.

As the ODSP Action Coalition noted in its submission entitled "An Activation Agenda", Stapleton has found that, "in Ontario, the share of income support provided by ODSP in the past 5 years has risen from 29% to almost 32%, which is disproportionate to the increase in income support provided by all disability-related programs over the same period." Decreasing eligibility for other disability income support programs, either because the growing number of irregular, contractual, and part-time jobs aren't covered by these programs or because of other program changes that have limited eligibility, may be the reason that ODSP caseloads are growing.

We particularly note that changes to WSIB have meant that a growing number of injured workers, who were formerly able to rely on WSIB pensions for income support, now rely on ODSP either to top up what they receive from WSIB or as their only income source. WSIB income is now based on loss of future earnings, so that a minimum wage injured worker who is "deemed" employable in another minimum wage job would receive nothing, despite an injury with long-term or permanent consequences. The lowest paid workers are thus increasingly being excluded from other income support programs. This would not be reflected in ODSP statistics.

Responding to the problem of growing costs in ODSP may best be resolved by addressing the problems of increasingly limited eligibility for other disability income support programs.

**Family law and social assistance:** Another oversight is the interactions between family law proceedings and OW/ODSP. These programs currently require recipients to pursue other sources of income, which for women includes a policy that forces them to go to family court in search of child support orders against ex-spouses or fathers of their children. What looks like a reasonable requirement in a social assistance program can have serious negative impacts on women and children, often the opposite intended by the policy, including:

- women who are fleeing abusive and violent relationships are not consistently given the exemption from the requirement to pursue child support outlined in the policy directives. This puts these women and their children at risk of further violence, and we have heard reports from the community of women who have suffered physical abuse triggered by court applications;
- women are often forced to return to court to seek increased support payments even when arrangements are already in place if their caseworkers believe that the supporting parent should be paying more or if the income of the father is unknown. Applications for variation of support can lead to a re-opening of settled custody arrangements. And in many instances, re-opened litigation results in reduced support rather than increased support;

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- child support orders that are made by judges for specific expenses are routinely deducted dollar for dollar, unless they are disability related expenses. This occurs even when the actual expense is disability-related but the paying parent does not acknowledge the disability so it may be framed differently in the order.

Forcing women into the court system, effectively taking critical decisions about post-separation arrangements out of the hands of mothers, is not only is not only potentially damaging to women and children, but also can undermine the original purpose of this social assistance rule by reducing child support instead of increasing it. It is not unusual for fathers to try to avoid paying child support by increasing their access orders – they know their child support obligation will be reduced if their child is with them at least 40% of the time.

Social assistance rules are putting women fleeing violence at risk, and undermining Ontario's family law policy by turning amicable separations into high conflict, adversarial ones – the opposite of where family law policy is heading. This comes at a high cost to the justice system, where much of the family law litigation is now triggered by social assistance programs.

An alternative approach would be to move to a positive incentive to pursue support. If mothers were allowed to keep at least a portion of support orders by treating that income as exempt for the benefit of the children instead of as a dollar for dollar deduction, everyone would benefit. Mothers could make their own decisions and do their own assessments of whether or not it is risky to proceed to court.

**Child welfare law and social assistance:** When mothers interact with Children's Aid Societies, social assistance should provide the necessary supports to help them keep or regain custody of their children. Reducing OW or ODSP benefits provided to mothers, as is currently the case in these situations, undermines this process. Mothers require the resources to continue providing for their children, because doing so is critical to re-establishing custody. The problem is compounded when caseworkers make their own determination that a child is unlikely to return to the home and reduce the mother's shelter allowance while she is still in litigation with Children's Aid. The reduction in the shelter allowance effectively means that the children no longer have a home to return to, undermining the mother's ability to regain custody of her children.

**Social assistance and education:** One of the more perverse rules in social assistance is that benefits are reduced when children are not attending high school regularly. The parents of children who are having difficulty with school should be supported rather than punished. Parents of children at risk of not completing high school need support, not a threat to their income to enforce compliance with the Education Act. Reduction of benefits simply puts parents in the position of not being able to provide food and shelter for their children.



## 5. Transforming ODSP: Why can't people with disabilities have both a secure income source and opportunities for employment?

The Commission's second discussion paper contains a variety of options for changing ODSP that, taken together, have the potential to completely overhaul income and employment supports for people with disabilities. The changes to ODSP are more explicitly described in the paper than changes to OW.

While there are many problems with the ways in which ODSP currently supports people with disabilities, the program has largely succeeded at providing a secure source of income support that is closer to adequacy than Ontario Works, and at protecting higher levels of assets, many of which are acquired by people with disabilities through inheritance or damage awards. ODSP also provides a series of special benefits that are available to cover expenses that people would otherwise not be able to afford through monthly income supports.

ODSP has, however, done at least three things poorly. It does not provide effective supports to people with disabilities who want to participate in the community and the labour market. Access to ODSP has long been a key concern; the difficulties that people have in accessing ODSP supports are functions of the way the program operates, as documented in many widely-circulated reports that have already been provided to the Commission. And ODSP has many of the same income eligibility rules that plague people on Ontario Works with intrusive information requirements and monthly income monitoring and reconciliation.

*These are the problems with ODSP that should be addressed.*

As a secure source of income for people who face unresolved barriers to the labour market, and when the Accessibility for Ontarians with Disabilities Act is only beginning to be brought into effect, reform of ODSP should proceed slowly and cautiously.

**Process of reform:** The Commissioners say they want to see change that supports the aspirations of people with disabilities. Everyone would agree this should be a key goal of a program that provides both income and employment supports. But how that change occurs is critically important.

The Law Commission of Ontario (LCO) is currently in the final stages of creating a tool that would help the Commission develop appropriate law and policy for disability income supports. The LCO is a body created by agreement between the Law Foundation of Ontario, the Ontario Ministry of the Attorney General, Osgoode Hall Law School and Ontario Law Deans. For the last three years, it has been working on a framework for an anti-ableist approach to law, policy and practice. This tool is being specifically created to assist policy-makers and legislators in developing new laws affecting people with disabilities. An interim framework is being released on March 20, the result of three

years of consultations and reflecting a developing consensus. We urge the Commission to use this tool to evaluate its own recommendations for the final report.

Changes to ODSP should be made with the direct involvement of people with disabilities through an ongoing advisory process. A long-standing disability slogan, "Nothing about us without us", reinforces this point. Incorporating the lived experience of people with disabilities when creating or modifying laws and programs that affect them is the only way to ensure that the full impact of proposed reforms are understood, before any statutory or regulatory changes or and implementation occurs.

**Program for people with "severe" disabilities:** The Commission's discussion paper asks whether there should be a separate basic income program for people with "severe disabilities who are unlikely to generate significant earnings over their lifetimes" (31). The main difficulty of creating such a program is the definition of disability used for eligibility. Programs that use the language of "severe" disability, like the Canada Pension Plan Disability program, tend to use a medical model of disability. Similarly, the Alberta program is very clear that disability is not related to "your age, lack of education or available jobs". This type of definition runs counter to any modern approach to disability, in which the experience of disability is understood to also include the social and economic factors that can limit a person's social and economic potential. Creating a "severe" disabilities program would be a step backwards from the current ODSP program, which looks at the whole person and the impact of disability on their lives.

The reaction to this option has been anger and fear from many people we have spoken to, for two reasons. Many people whose disabilities may not meet the test of "severe" – and thus may not qualify for such a program – object because their disability may also be the limiting factor in gaining employment, because of employer discrimination or the lack of accommodation in the workplace. Others object because of the assumptions being made about the abilities and employability of those who are deemed to have a severe disability, and the fear of and anger at being labelled as such.

The discussion paper cites three models as possible options for Ontario: the Caledon model; Old Age Security; or Alberta's Assured Income for the Severely Handicapped (AISH) program. The Caledon proposal is for a federal program that would operate as a refundable tax credit, leaving provincial disability programs, including ODSP, in place. The Caledon proposal states very specifically that a federal program would free up the provincial dollars necessary to provide better and more available disability supports. Creating such a program at the provincial level would run counter to this intention. Nonetheless, the Caledon model relies on the problematic "severe" disability definition. The OAS model is similar to the Caledon model – and similar to CPP-D – in that it would be tax-delivered.

The Alberta AISH model, however, would be a clearly regressive option. It appears to have all the negative features of ODSP, in that it is both income and asset tested and requires regular reports of information to confirm eligibility, as well as the negative implications of a move to a "severe" disability definition. Moving to such a program

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would mean everyone on the program would be deemed unemployable (and therefore unable to earn income from work or to receive employment-related services). The only good feature is the presumably higher income levels available through such a program – but increasing incomes does not require the creation of a new program. The much narrower definition of disability would leave many if not most people currently being served by ODSP outside of the program, left to an uncertain future until we have a clearer idea of what the re-designed Ontario Works program would look like.

We do not support the move to a “severe” disability income program.

**Disability income supplement:** A long-term income supplement for people with disabilities is a positive idea. In fact, ODSP currently operates in this way for many people with disabilities since it is designed to allow recipients to work while receiving benefits. Changing the unnecessarily intrusive nature of how the program deals with earnings would allow the program to better serve the needs of people with disabilities.

A supplement that operates as a tax credit that is available to a broader low-income population of people with disabilities may be promising, but requires more study and a full impact analysis to see who would be affected and what the impact would be on their incomes. More study would resolve critical outstanding questions such as what such an income supplement would mean for people currently on ODSP who work periodically or part time. It would also address the important issue of whether people on ODSP who work would receive less money through such a supplement system or more than they receive now. Reducing total income in the name of “fairness” runs contrary to principles of equity.

**Employment supports:** Improving employment services to people with disabilities should be the first priority for any transformation of social assistance. As the Commissioners heard, people with disabilities want to work, but ODSP does not provide services that support their ambitions. Whether services are delivered through better collaboration, by municipalities, or inside Employment Ontario, they must be specialized and targeted to address the specific barriers faced by people with disabilities. The services must also be responsive to the diverse and often multiple barriers that people face. Pent-up demand for services of this kind mean that it is more than likely that improved employment supports for people with disabilities on ODSP will be oversubscribed – the issue will be providing sufficient access rather than making employment-related activities for people with disabilities mandatory by instituting participation agreements.

And people with disabilities on ODSP want accountability in these services. Measures must be put in place to ensure quality of services, responsiveness of services, and access to services. While instituting provincial accountability measures could provide for some of this assurance, the most effective measure is providing redress to participants through instituting appeal mechanisms. Appeals allow for individual concerns to be resolved, and provide a mechanism through which the performance of programs can be monitored at a systemic level.

**Mandatory participation agreements:** We agree with the statement in the options paper that there should be no participation requirements for people with disabilities, at least until substantial progress has been made on removing barriers to employment. Any moves in this direction should only take place in consultation with disability communities. Any requirements to participate in the current labour market, coupled with the lack of accommodation most people with disabilities face, would only serve to put the incomes of people with disabilities at risk. Under OW, caseworkers continue to decide which activities constitute appropriate participation and “enforce” that participation by penalizing people by reducing or suspending their income benefits. This approach undermines the very autonomy and dignity that people with disabilities spend their lives trying to achieve. Mandatory participation – a coercive approach – does not in any way advance the aspirations of people with disabilities.

**Moving to a single basic program:** The long-term vision that the Commission presents as an option is a single basic program to serve everyone, without a separate disability program. Whether or not there is a need for a separate disability program in the future depends upon the ability of the “basic” program to respond to the needs of people with disabilities. Whether there are one or two programs, there is a need for specialized services responding the range of particular needs of people with disabilities – both in employment services and in income supports. If OW can be transformed into an inclusive program that is capable of responding to the full range of needs reflected in the current population that relies on OW – from single mothers, newcomers, racialized communities and Aboriginal communities – then it may be possible to also integrate disability supports and services. This is not the same as a generic program that treats everyone in the same way, like the current OW program. Again, the disability community needs to be involved in the creation of such a program.

**Support aspirations and provide security of income:** ODSP recipients are among the most disadvantaged low-income residents in Ontario. An effective employment supports program should be begin to be developed immediately. In the meantime, income supports for people with disabilities must remain intact. No benefits should be cut or eliminated until a new program is created to meet that need – whether monthly income benefits, special benefits that are needed to address disability, funding for assistive devices, or medical transportation costs.

**25in5 Hamilton Network for Poverty Reduction/HOPE and St. Matthew's House Submission to the Social Assistance Commissioners in Response to:**

**Discussion Paper 2: Approaches for Reform  
by the Commission for the Review of Social Assistance in Ontario**

25in5 Hamilton Network for Poverty Reduction/HOPE is a coalition of people comprised of community members including people with a lived experience of poverty, staff of various social service organizations, associations and legal aid clinics, board members from local service agencies, individual community members, students, academics, faith community members and provincial riding association members. We are a volunteer group advocating for those living in poverty in Ontario. The following is a joint submission by 25in5 and St. Matthew's House in Hamilton.

In December of 2008, the government of Ontario introduced a Poverty Reduction Strategy (*Breaking the Cycle*) which stated that the strategy would be "guided by the vision of a province where every person has the opportunity to achieve his or her full potential, and contribute to and participate in a prosperous and healthy Ontario." In 2009, the Ontario Legislature unanimously passed Bill 152, An Act to Reduce Poverty: "The purpose of this Act is to establish mechanisms to support a sustained long-term reduction of poverty in Ontario." This Act promised to maintain the poverty reduction strategy set out in *Breaking the Cycle* and acknowledged the importance of all Ontarians, and of communities. The Act also promised to recognize that people in certain communities (immigrant, racialized, women, single mothers etc.) faced a greater danger than others of experiencing poverty. It promised as well to support families so that they could play a meaningful role in the reduction of poverty and in promoting opportunity, to respect all Ontarians including those living in poverty and to treat them with dignity. Most importantly, the Act promised to involve those living in poverty in the design and implementation of the strategy.

The members of 25in5 Hamilton Network for Poverty Reduction/HOPE appreciate the work put in by the Social Assistance Commissioners, and we acknowledge their recognition of some of the difficulties faced by Social Assistance recipients. We are, however, very disappointed that the involvement of those living in poverty who contributed a great deal to cross community consultations and to making submissions to the first Discussion Paper have found their recommendations regarding improvements to reform of the Social Assistance System almost completely ignored in *Discussion Paper 2: Approaches to Reform*. This disregard for the suggestions of those living in poverty does not reflect in any way, the statement in the original Act that, "those living in poverty (be involved) in the design and implementation of the (poverty reduction) strategy." In fact, *Discussion Paper 2* ignores most of what you published in your own paper, *What We Heard*.

Hamilton is a city which is deeply affected by poverty; 12% of our population (59,133 individuals) must access Ontario Works and Ontario Disability Support Program. Life is not easy for these citizens of our community. Despite the fact that poverty is very wearing and thus discourages community involvement, we are very fortunate in Hamilton that we have some strong advocates among those living in poverty. Many of these people with lived experience and those who provide services to them, along with other stakeholders were present at the July 4<sup>th</sup>, 2011 event in Hamilton where we hosted a consultation with you and had an opportunity to respond in person to the first Discussion Paper. You heard powerful recommendations from our community, and many of our recommendations were repeated throughout the province. The most urgent suggestion you heard concerned the **adequacy of rates**; the Social

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Assistance System in Ontario desperately needs an investment to raise rates. According to your own *What We Heard* document 79% of the submissions you received from across Ontario cited the **inadequacy of rates** as the number one problem with the Social Assistance system. And yet, *Discussion Paper 2: Approaches for Reform* fails to address **rate inadequacy**. A single individual receiving \$592 to \$599 on Ontario Works struggles to do more than subsist. The person barely managing to survive on OW certainly does not reflect the province's own statement made in Bill 152 "to respect all Ontarians including those living in poverty and to treat them with dignity." There is no dignity to such a life. The other major recommendation that came out of Hamilton was the need for **evidence-based rates**. **Evidence based rates would be a major first step in addressing the adequacy of rates.** The establishment of a **Social Assistance Rates Board** could set rates based on the real cost of living in different geographical locations across the province. Such rates would be **evidence-based** and not a "political construct" as you, yourselves, refer to when discussing minimum wage. The legislation for the establishment of an arm's length Social Assistance Rates Board already exists; Bill 235 came before the legislature in 2007, and unfortunately died when the legislature rose.

**We call on the Commissioners to consider the Rates Board and other strategies regarding adequacy of assistance in making their final recommendations to the government. It is the most rational strategy for setting the rates. The current arbitrary rates do not reflect the reality of those struggling to survive in deep poverty.**

### Chapter 1: Reasonable Expectations

The idea that jobs are the main way out of poverty for Social Assistance recipients does not address the problems of these recipients in Ontario. The labour market that exists offers too few jobs for the people seeking them. Of the jobs that do exist, few are suitable for Social Assistance recipients. Many recipients of Social Assistance do not have the education, skills, or training necessary for the few jobs that do exist, and, often the training that is offered does not match the jobs that are available in a local community. In your paper, you mention people being trained for PSW positions that do not exist in the community where they are trained. Training for training's sake helps no-one. Precarious work is another problem in today's society. Part-time, low-wage, unstable jobs are not any sort of answer for those trying to exit Social Assistance.

If a person on Ontario Works does manage to find employment, s/he has important needs related to employment. Being employed requires extra funds for transportation, food, and suitable clothing; in many cases, it also requires access to subsidized day care and transportation to get children there. People on assistance are often lacking confidence. Some may have been out of the labour market for some time. These people require ongoing support/counselling/training to help them maintain the employment they have found. The Social Assistance recipient who has found work should be allowed to keep all of their pay, and benefits should be extended until the new employee reaches LICO. In the community, many Social Assistance recipients who have not managed to find work participate in community groups such as ours. This kind of participation should be recognized by workers as part of skills development and job training, and perhaps even rewarded monetarily without a reduction in benefits.

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A very serious concern of Hamilton's 25in5/HOPE and St. Matthew's House is the pitting of Social Assistance Workers against low income workers. Social Assistance recipients should not suffer in comparison to low income workers because wages are too low. In your paper, you mention that minimum wage is a political construct. It should not be. It is our understanding that when minimum wage first came into being, it was indexed. If this indexing had continued, today's low wages which keep people in poverty would not exist. It is not right that a person working full-time, full year should still live below the poverty line. Nor is it right that social assistance recipients should be punished and kept in deep poverty because low income workers are suffering due to low wages. These two groups share similarities and should be in sympathy with each other. It is a shame to encourage jealousy and discord. It is also a distraction from the real problem; that **Social Assistance rates are not adequate nor is the minimum wage. We need to raise the floor for all. We suggest both an increase in Social Assistance Rates and a move to living wage for low income workers.** A wage that might lift people out of poverty is a far greater incentive to leave Social Assistance than the low wages existing now which continue to keep people in poverty, although not the deep poverty experienced by Social Assistance recipients.

We do not agree with the creation of two separate programs for people on ODSP. Trying to assess the degree of disability in a person is discriminatory in itself. The degree to which anyone who is disabled can participate in the labour force can vary from day to day and does not necessarily depend on the degree of disability. We must include in this comment that no one on ODSP should be worse off as a result of any changes to the program. Before any structural changes are made to ODSP, there must be clear proposals with the details that are so lacking in the present Discussion paper and a genuine consultation process that much more actively involves people with lived experience.

### Chapter 2: Appropriate Benefit Structure

The **current rate structure for Social Assistance is not adequate**, and the argument about which method should be used to determine poverty is not useful; in fact, it simply provides a distraction from any real attempt to make benefits adequate. In its Poverty Reduction Strategy of 2008, the **provincial government accepted the LIM as a measure of poverty**. It must also be noted here that Bill 152 passed unanimously in 2009 with all parties signing on to doing something positive and constructive about poverty reduction in Ontario. In Bill 152 **all parties** in the legislature agreed that people living in poverty must be involved in the "design and implementation" of the poverty reduction strategy.

We encourage the Social Assistance Commissioners to **adopt LIM** and to focus their efforts on ensuring adequate benefits for Social Assistance recipients and improving the access to and delivery of these benefits. Items such as the Special Diet need to remain within the Social Assistance system as a program such as this one affects eligibility for Social Assistance. 25in5/HOPE and St. Matthew's House support a \$100 healthy food supplement for recipients of Social Assistance. We also urge you to consider the clawback affecting children who are members of families on Social Assistance with the introduction of the Ontario Child Benefit. These children lost their Back to School and Winter Clothing Allowances. The loss amounts to \$245 per year for children older than 13 and \$175 for children younger than 13. Even though these children receive the OCB, they receive less than the full amount when one considers the cancelled clothing allowances.

It is our belief that setting an adequate benefit structure can only be accomplished by using an **evidence based, arms-length system**. Such a system was proposed to Legislature in the Form of Bill 235 prior to the 2007 election. This arms-length Board could assess costs for housing, food, transportation and other

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basic necessities in various geographical areas of the province and set rates accordingly. It would acknowledge the extra costs of living in areas such as the North or Toronto.

Using the same example you yourselves used in Chapter 2 of the Approaches Paper, the fact that a single person in Ottawa relying on Ontario Works and tax credits is short \$334 each month underlines the fact that **benefits do not even approach adequacy**. People in deep poverty such as this cost the system in many other ways. The lack of stability created by keeping people so poor is reflected in extra costs in the Health Care system and the Justice system to name but two important facets of the Ontario economy. As mentioned by Laura Cattari on The Agenda in February of 2012, the stomach acid she suffers from because of not eating enough results in extra costs to the Health Care System which must treat her for this ailment. If she could afford to eat regularly and to buy nutritious food, the health care system would save money.

“Saving money” on benefits not only leads to false economies by moving expenses elsewhere (e.g. health care), but also ignores the ways in which social assistance benefits are short term and long term investments in our well-being. In the short term, low benefits hurt local economic activity (and tax revenue arising from that activity), as Social Assistance recipients put every cent they receive back into the local economy. Dr. Atif Kubursi, a well-known economist from McMaster University modelled these effects in his paper, “The Economic Impact of Social Assistance in Hamilton” illustrating the positive contributions of Social Assistance recipients to the local economy and job market. In the longer term, more adequate rates lead to a healthier, more inclusive, better trained, and more resilient society. The survival strategies that social assistance recipients need to undertake given inadequate rates makes it even harder to look after themselves, let alone undertake the training and employment activities.

It may be possible to find some efficiencies in the delivery of services such as OW and ODSP under the same roof and by one agency as opposed to using two separate agencies, but, once again, this provides only a distraction from the main issue: people do not receive enough money to live on as Social Assistance recipients. It is not possible as Drummond suggests in his report to keep Social Assistance spending to a 0.5% annual increase and to do what you were tasked to do: **to make suggestions to improve the Social Assistance System.**

Hamilton’s 25in5/HOPE and St Matthew’s House strongly support the extension of health benefits to all people living below the poverty line. We believe that offering supports to low income people can only benefit all those living in Ontario.

### **Chapter 3: Easier to Understand**

The current rules for Social Assistance need to be simplified and re-written in simple, clear language. Applicants for Social Assistance need help to navigate the system which can only be accomplished if workers have more time to assist or if others, perhaps experienced Social Assistance recipients, are hired to offer peer assistance. Rules also need to be more supportive and less punitive.

The Surveillance system presently used to track Social Assistance recipients is insulting. It treats everyone as a potential abuser of the system. The automatic generation of Suspension letters, which do not inform Social Assistance recipients about what they have done to earn a suspension causes high



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levels of stress among a group which is already more stressed than most. The Commissioners need to concern themselves with clarifying and simplifying the system for the sake of social assistance recipients, not just workers.

The Audit System has its positives. It shows more respect for Social Assistance recipients, but it may create problems. For people who move often, or for whom organization in inadequate housing is a problem, this system may present great difficulty for holding onto the receipts necessary for an audit, which may occur at some time in the future. The loss of receipts can result in inaccurate accusations of fraud.

While we acknowledge the necessity of having a system which is accountable to taxpayers, it is equally and even more important to have a system which is responsive to the needs of recipients. The Social Assistance System should be clear, easily understandable and provide chances for appeals. The rules which exist in the present system are too restrictive and make it hard for recipients to engage in their communities. Recipients are often afraid of infringing on the rules and of suffering punishment as a result.

We support the alignment of asset limits for OW and ODSP and increasing these limits as needed to help people get back on their feet. Assets which are not liquefiable such as RRSP's and RESP's should not be subject to asset limits.

### **Chapter 4: Viability over the Long Term**

As stated earlier in this response to the **Approaches for Reform** paper, while there may be efficiencies to be found in combining the delivery of services, these efficiencies can hardly provide the money necessary to provide a system which is viable now or into the future. The system needs an infusion of money to make it adequate both now and in the future. The Social Assistance Reform Commission has a chance to make a real difference in improving the lives of vulnerable people in this province, and we expect them to make bold suggestions to do so. These vulnerable citizens deserve to be treated with respect and to live in the kind of dignity that affords them full inclusion in our society.

Long-term viability is affected by many factors. Better wages and labour standards, coupled with preventive social investments in housing, violence prevention, mental health supports, childcare, training and transportation, could greatly limit the number of people needing social assistance, thereby shrinking the size and expense of the program. A program that paid more adequate benefits would aid recipients to scale the "employment cliff" into the labour market, as well as reduce costs elsewhere in other areas like health. A much fuller accounting of viability is needed, going beyond the sole focus on costs found in the *Approaches* paper.

It may be a good idea to move the Temporary Care Allowance to the Ministry of Child and Youth Services to ensure more consistent oversight of child safety in temporary care. We support the idea that family (often grandparents) caring for their children's children should receive at least the same amount of money given to foster parents. Many grandparents are retired and cannot afford to raise children. And we have all heard of parents having to give up custody of their severely disabled children because they cannot afford their medical requirements. If moving the Assistance for Children with Severe Disabilities to MCYS will prevent parents from having to give up custody, we support it.

**Chapter 5: An Integrated Ontario Position on Income Security**

It was gratifying to see that Don Drummond supports raising the income level of Social Assistance recipients before there are any clawbacks. We must restate our position from earlier in this response: **there should be no clawbacks of any job-related income from Social Assistance recipients until their income and benefits reach LICO.**

There is not an available stock of affordable housing in Ontario. Waits for housing in Hamilton are between 7 to 10 years. Some are lucky enough to receive a housing allowance/rent subsidy, but even here there is a waiting list before one can get a subsidy and the subsidy only lasts for a period of time after which it vanishes and the person/family loses their housing. The housing allowance/rent subsidy program is scheduled to end in the fall of 2013, and no one knows if it will continue. Rent Geared to Income is presently calculated based on actual earnings and does not take into account the fact that Social Assistance recipients have 50% of their earnings deducted. This means that Social Assistance recipients risk losing their housing if they go to work since they will have to pay an even larger portion of their income on housing as long as the present rule remains.

We are happy to see that you acknowledge the rising inequality of incomes. As identified in our response to Chapter 1, we recommend an indexed minimum wage moving towards an indexed, living wage. This living wage (calculated at \$14.95 in Hamilton, [Hamilton Social Planning and Research Council document, 2011]) will vary according to geographic location in the province.

Just as increased Social Assistance rates benefit the economy a living wage will have positive benefits for employers and the economy as well. Satisfied workers are more likely to stay in their jobs, thus resulting in lower turnover rates and less expense for retraining. Happy workers are also more loyal to their employers and more productive in their work.

Labour in Hamilton has expressed many concerns about the situation of those who are unemployed. When a person loses their job there is an assumption that they will be in receipt of Employment Insurance benefits. This is not always the case. In December of 2011 only 23 % of unemployed people in Hamilton received EI.

The other critical situation that has emerged lately in Ontario and especially in our community is the practice of employers locking out their employees for protracted periods of time to impose draconian cuts in wages and most importantly pensions. These workers and their families face some unusual challenges. Employers are reluctant to hire locked out workers assuming that they will return to work at the end of the dispute. Too often there is little or no income support. Strike benefits are not always available and are never a real replacement income. Rarely is the worker eligible for EI. Even then EI will run out but the lock out continue. The consequence of settlement on the initial terms offered by the employer means poverty in retirement. Resistance to these terms right now means poverty today. In all cases it is the family that is deeply injured by this situation. Another poor family is added to our community.

In the current policy a locked out worker is deemed to be making his or her wages from the job even if the worker has been locked out for months.

Two case studies exemplify problems existing in the labour market in Ontario today:

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1. Being unemployed and unable to find employment, I had exhausted my Employment Insurance claim. Because I had no income it was necessary to apply for Ontario Works. After meeting with my case worker and completing the application form, I was told that because I exceeded the allowable limit for the amount of GICs I had invested, I was not eligible for Ontario Works.

It meant that I would have to cash them and pay any penalties incurred, live off these monies until they were exhausted and then re-apply for Ontario Works. I have worked hard my entire life and have saved that money for my retirement and feel that I am being penalized for doing so. Should I cash in my GICs, what am I supposed to do in my retirement years.

2. I was in receipt of Ontario Works and acquired employment with a meager wage. Despite both my wages and my Ontario Works benefits I struggled to make ends meet. As a result of my employment, I was no longer entitled to the Ontario Works benefits because my wages exceeded the maximum allowable amount. Despite explaining to my case worker that I was trying to find a better job and I would only need Ontario Works benefits until I obtained one, I was still told I was ineligible. I feel that I was penalized for accepting meagre employment.

What is called for is a realistic policy to help working families evade poverty not be forced into poverty. Allow recipients to hold on to their various government sponsored savings plans, allow them to keep their family home, ensure that they will retain their transportation and determine need according to the real situation a family is facing not the imaginary world of 'deeming'. Positive and complementary collaboration among all levels of government (federal, provincial, and municipal) can only help the system. In the interim, however, the policy of deeming must end. Families who have exhausted all other sources of income must have access to OW. Improving the federal Working Income Tax Benefit and instituting an Ontario WITB can only help low income people as well.

### Chapter 6: First Nations and Social Assistance

Hamilton's First Nation Community has been invited to respond to this chapter. We do not feel qualified to do so.

### In Conclusion:

25in5/HOPE has been active in requesting the initiation of and then supporting Ontario's Poverty Reduction Strategy from the outset. We have followed the activities of the Social Assistance Reform Advisory Committee as they set parameters for your recommendations for changes to the system. And we have been part of the working group on the Social Assistance Reform Commission of the Hamilton Roundtable for Poverty Reduction. We were part of the consultation with you in Hamilton, and as part of the Roundtable Working Group, we made a submission to your first Discussion Paper.

We ask that you seriously and carefully consider **what you heard** from people across Ontario, especially from those most affected by the Social Assistance System, that is, those living in poverty and those

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working with them and advocating on their behalf. And we ask that you do not betray those who have spoken to you urgently and passionately about what they need.

You have spoken of your desire to make **'transformative change'** in the Social Assistance System in Ontario. Tinkering with delivery of services will not do it. Yours is an opportunity provided only once in a generation to set policy for the future. We **urge** you to be bold in your final report and to truly echo **what you have heard** from those living the experience of poverty in this province. It is not possible to make **'transformative change'** unless you ask for **increased rates** for Social Assistance recipients and for a way of determining those rates that is **evidence-based**.

Hamilton @ District Labour Council and the Hamilton, Burlington, Oakville chapter of the Congress of Union Retirees of Canada have endorsed the HOPE response.

**RESPONSE TO APPROACHES FOR REFORM**

**BY SOCIAL ACTION COMMITTEE, ONTARIO ASSOCIATION OF SOCIAL  
WORKERS, HAMILTON BRANCH**

**Submitted March 15, 2012**

We will attempt to highlight some of the positive suggestions in the Commissioners' Report, as well as the negative aspects. On the whole, we were disappointed in the overall tone of the paper, as it appears that the Commission worked on the premise that there would be no new money for social assistance. Further, there is no overall vision of the role and objectives of Social Assistance (SA). The major focus of the paper centres on reforms to OW and ODSP, which are only a part of social assistance.

**Ch. 1: Reasonable Expectations and Necessary Supports to Employment**

***Need for better supports to employment***

We appreciate the Commissioners goal of improving supports to employment: "We also want to make recommendations to improve, substantially, the employment services and supports available to people with disabilities, including making the delivery of these services and supports more easily accessible." As the Report suggests, this will require a complete overhaul of current programs.

Many current employment services are experienced by participants as frustrating and ineffective in leading to employment. Many people on OW are directed to take training in areas where jobs are scarce or non-existent; this is punitive, counterproductive, and leads to feelings of alienation. We recommend that this part of the system be overhauled, so that doing job training and work placements are carried out more efficiently and effectively, in a manner that respects and rewards the efforts and achievements of those on SA. Similarly, we recommend that well-qualified individuals not be referred to jobs well below their qualifications, as this is demeaning to them; rather, they should be helped to find work appropriate to their knowledge and skills.

At present employment services are outsourced to other agencies. It might be an improvement to have employment services provided by ODSP for all people on social assistance.

***Supports should go beyond finding work***

The paper seems to start from the premise that getting people back into the labour force is the full answer to poverty reduction. The Commission noted, however, that ODSP

recipients were most successful in gaining employment when they were "job ready." We agree with this, but would broaden the term "job ready" to include some resolution of other aspects of their lives (mentioned above) that compromise their ability to work.

The lives of people living in poverty are compromised in many ways; to be successful in employment; they need resources to address the conditions of their lives associated with poverty. These include nutritious food, social housing, affordable child care, effective responses to family violence, and treatment for mental health problems, including addiction. The current rate structure does not allow recipients to meet their needs for nutritious food, to be healthy enough to find and maintain employment. Rates must be raised to a realistic level, ideally through a Social Assistance Rates Board.

Hostel to Homes was mentioned as a pilot project that worked. This Hamilton program indeed was a great success and has evolved into a programme called Transitions to Homes using Federal Homelessness Partnership Strategies monies. The programme uses a "Wraparound" approach where clients are helped in all facets of their lives. About 145 homeless men were helped to secure housing with ongoing supports. <http://www.hamiltonpoverty.ca/docs/news/community-solutions/2010/hostels-to-homes.pdf> As mentioned in the Report, such a program requires adequate resources to be successful.

As people responding to the Commissioners' first discussion paper said, recipients need pre-employment supports, supports on the job (e.g. job coaching), and training that will enable them to find and maintain employment.

### ***Participation agreements and motivation to work***

The participation agreements used by the OW system do little, if anything, to prepare recipients for employment. They serve as an administration hurdle rather than a true start to employment. They are viewed by recipients as a punitive tool to limit their eligibility to social assistance benefits; they feel coerced and demeaned by this process.

Behind participation agreements is a misconception that people are not motivated to work. If given the opportunity to pursue employment and educational interests, people will work and take part in the community. We recommend the Commissioners consider a program called Mincome, an experimental Canadian Basic Income project held in Dauphin, Manitoba during the 1970s. The purpose of this experiment was to determine whether a guaranteed, unconditional annual income actually caused disincentive to work for the recipients, and how great such a disincentive would be. Dr. Evelyn Forget has conducted analysis of the research. She found that only new mothers and teenagers worked less. Mothers with newborns stopped working because they wanted

to stay at home longer with their babies, and teenagers worked less because they weren't under as much pressure to support their families, as a result more teenagers graduated. In addition, those who continued to work were given more opportunities to choose what type of work they did. In addition, Forget finds that in the period during which Mincome was administered, hospital visits dropped 8.5 per cent, with fewer incidences of work-related injuries, and fewer emergency room visits from car accidents and domestic abuse. <http://en.wikipedia.org/wiki/Mincome>

### ***Lack of job opportunities***

The Report tends to ignore the unavailability, at least in Hamilton, of jobs that pay a living wage. In Hamilton, a group called the "Common Campaign Coalition" has defined a living wage as \$14.95 per hour.

### ***Integrating employment services for ODSP and OW***

In our opinion, the ODSP program should maintain its status as a separate system from OW. Most ODSP recipients are unable to find employment because of their disabilities. They should not be required to participate in job creation schemes. Requiring them to sign a participation agreement as in OW would be an attack on their dignity. It would also expand the pool of cheap labour--keeping wages down, when what is needed is a much higher minimum wage. Reforms around employment expectations for persons with disabilities should be delayed until necessary accommodations in the work place are widely available.

## **Ch. 2: Appropriate Benefit Structure**

### ***Adequacy of benefits***

The Report does not say enough about the need for adequate SA rates. As Deb Matthews' report on employment programs in OW and ODSP (2005) pointed out, assistance rates (which have not kept up with inflation since then) were so inadequate that recipients were barely surviving, and unable to engage in an effective job search.

Social assistance rates have been shamefully low since the Harris government deducted 21.6% in 1995. The small increments made by the Liberals have left recipients with far less buying power than in the early 1990s: e.g. a single person on social assistance received \$663 per month in 1993, compared to \$599 per month in 2012. Inflation since then has made basic survival a nightmare for these recipients.

Many submissions to the Commission recommended that rates be based on the cost of living, but the paper does not fully deal with this recommendation. We believe, as the

Hamilton Roundtable for Poverty Reduction has suggested, that an independent Social Assistance Rates Board should be created to develop and manage such a measure.

While the Poverty Reduction Strategy undertaken in 2007 by our present government has been very far-sighted and generous to children in low-income working families, it has left our poorest children, those in families receiving social assistance far behind. These children had their 'Back to School' and 'Winter Clothing' allowances taken away, to help the government pay for the Ontario Child Benefit. Because of this clawback, children 13+ have gained less than \$20 per month compared to \$92 for those in working families. Children 13+ are especially disadvantaged because they lost \$245 per year when their allowances were taken away, compared to \$175 for children under 13. Advocacy groups from across Ontario (ISAC, the Ontario Assoc. of Social Workers, the Hamilton Roundtable for Poverty Reduction, 25 in 5 Hamilton, and the Hamilton Community Legal Clinic) mentioned this in their feedback to the first Discussion Paper, and we it should be addressed in the Commissioners report in June. We recommend that any change in benefits be structured so that no child is worse off than before the change.

### ***Combining the Benefit Structures for OW and ODSP***

The benefit structures for OW and ODSP should remain separate. Persons living with disabilities require a higher level of support to meet their basic needs. Combining the two types of SA would tend to bring ODSP recipients down to a lower level of support.

### ***Monitoring the SA system***

Although we liked the trust implied in the tax system of monitoring compliance with the qualifying requirements for SA, there are complications in transferring SA to this system. Because of the struggle to survive, recipients are often in arrears in rent, move frequently, and would find keeping track of receipts required in an auditing system problematic. Further, there is a review and tribunal system in place for appeal within the MCSS. If the responsibility for monitoring SA benefits were moved to another area of government, there would be no appeal process. People on assistance would only have the Courts to adjudicate. <http://www.ctv.ca/CTVNews/WFive/20120217/w5-taxmans-secret-refunds-120218/>

### ***Post-Secondary education as a route out of poverty***

Very little mention is made in the Report about post-secondary education opportunities, the need for which was conveyed frequently to the Commission in its travels around the province. At present, SA recipients who want to improve their employment potential



through post-secondary education have to turn to the Ontario Student Aid Program (OSAP). It is well-known that many students create debts that take them years to pay off. For recipients of SA who are already living at a subsistence level, the prospect of a large debt load can deter them from taking post-secondary education, especially since employment after graduation is not assured. Ideally recipients should be able to remain on SA while undertaking further education in an attempt to become employable.

### ***Link between low OW rates and increasing numbers of people moving to ODSP***

The Report refers to the increasing in the number of people on ODSP. Some of this increase can be attributed to their experience of trying to live on the impossibly low rates of OW. Recipients cannot afford nutritious food; they suffer loss of self-esteem, and become alienated from mainstream society. Eventually, their physical and mental health begins to deteriorate, and they move into the 'disabled' category.

### ***Assessment of Disability***

The Report mentions an Australian assessment tool used to determine an ODSP recipient's degree of disability; this measurement attempts to classify people as partially or severely disabled. Unfortunately, physical and mental disabilities are only part of the reason for people being excluded from the workforce; public attitudes are a big part of the problem--people with disabilities to face a multitude of barriers, including prejudice and stigmatization. Thus many people defined as partially disabled will not be able to find employment, despite high personal motivation.

Given the above climate, we believe that using participation agreements to force people with disabilities to look for employment may be a punitive approach.

[http://www.ombudsman.gov.au/files/investigation\\_2008\\_05.pdf](http://www.ombudsman.gov.au/files/investigation_2008_05.pdf)

### **Ch. 3 Easier to Understand**

The Commissions heard that the current rules are complex and too numerous, making the system too confusing to navigate. The current system creates a climate of distrust and should be less prescriptive. The spirit in which they are applied should be supportive, not punitive. The continual demands of the system for recipients to provide documentation, and the process of sending computer-generated letters that require immediate responses, create huge bureaucratic hurdles for recipients. The climate of suspicion and distrust is demeaning and unproductive.

## **Conclusion**

The Report does not focus on the areas most in need of reform. In the paper "What we heard" the impossibly low rates of OW were mentioned by almost all respondents, but this Report makes no suggestions about increasing the rates. Since the Harris cuts, the spending power of social assistance rates have fallen 55% for people on OW and 34% for people on ODSP (Ontario Coalition Against Poverty). <http://ocap.ca/>. Many submissions mentioned the desirability of a system of evidence-based rates, but the Report gives only brief attention to this.

The emphasis on defining poverty takes up too much of the Report. In the government's Poverty Reduction Strategy, the Low Income Measure (LIM) is used as the poverty line. Most people at this level still struggle to meet their needs, but the LIM provides a baseline. We believe that OW should be increased to this level.

The Commission seems to be consumed by the issue of fairness between people on SA and low income people without benefits. This focus tends to set up conflict between the two groups, rather than working toward an adequate standard of living for both groups.

The Report is framed as an austerity measure. Partly by omission, it reads like a prelude to a reduction in the level of benefits and services provided by the SA system. Given the bare survival level afforded by present OW rates, we believe the most important role of the Commission should be to raise the rates for OW recipients, who are among Ontario's most vulnerable citizens. An adequate income would allow them to improve their health, develop their employment potential, and respond to opportunities for employment. Ideally, they would become full participants in their communities.

**The Campaign for Adequate Welfare and Disability Benefits.**

c/o First Pilgrim Church  
200 Main Street East  
Hamilton Ontario L8N 1H3  
March 16, 2012

DISCUSSION PAPER 2: Approaches for Reform

**Introduction**

Members of the Campaign for Adequate Welfare and Disability Benefits (CAWDB) are people who are currently on Ontario Works and Ontario Disability Support Program and others who live with low-income. We represent a cross-section of more than 90,000 people in Hamilton alone. We are mothers, fathers, brothers, sisters, uncles, aunts, nieces, nephews, grandparents, wives, husbands, children, friends and neighbours. We are *people*. Since March 2003 when the Campaign began, 95% of our membership are those who are on social assistance or living with low-income.

Ninety-five percent membership of low-income people! From our members are heard the stories of the impact of the broken system on Hamilton's most vulnerable. Suspensions, terminations, cut offs, over-payments, the denial of benefits -- these are attributes of a punitive system with which our members are fully familiar. From this lived experienced base came the content of our first submission and its 29 recommendations on how to improve the social assistance system.

We were disappointed with the focus of the "Approaches for Reform". While we understand the Commission requires more dialogue, the number of years that have passed since the Ontario Poverty Reduction initiative was launched has already provided more than enough time for dialogue. While waiting for this Reform, we are still enduring the consequences of a broken system. And it hurts.

**Reasonable Expectations and Necessary Supports to Employment**

Our government identifies employment as a key to escape poverty, and the Commission suggests that more employment services for more people would support this, "assisting people toward active engagement in the labour force to the maximum of their abilities". "Employment services" in an economic climate where there are few jobs paying a living wage is a little like closing the barn door after the horses have left.

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The Commission reports that they had learned of people who were referred to various training courses that did not lead to jobs. The Commission also states that training courses should impart skills for which there is market demand. We are unaware of much demand for employees to work in quality jobs that pay a living wage in the Hamilton local labour market; and, without job creation as a companion to this initiative, it could prove to be a waste of money in a climate of cut-backs.

The Commission seeks input on whether Ontario should consider a Work Capacity Assessment and participation agreements with ODSP recipients, as well as full implementation of the Accessibility Standard for Employment under the Accessibility for Ontarians with Disabilities Act (AODA). However, participation agreements are punitive. When people apply for assistance, they are already in crisis and this places another administrative hurdle in front of them. As well, the Commission seems to be ignoring the unavailability of jobs that pay a living wage. Meanwhile, the inadequacy of benefits is shoved aside and the punitive practices continue.

Employment services are untenable where frequent suspensions jeopardize shelter. Employment supports cannot operate in a punitive environment of suspensions, cut-offs terminations and over-payments. The social assistance system is described as brutal.

### **Mental Health**

The Commission cites the growth in the number of ODSP cases at five percent a year since 2005.

*Poverty plays a critical role in the incidence and prevalence of all forms of illness", Paul Polak, in Out of Poverty Pg 10*

The Campaign would be interested in knowing, and suggest the Commission should be asking, what percentage of the growth in ODSP caseloads transitioned from OW and what percentage entered the system through ODSP.\* If more transitioned, it suggests that the oppression exerted by the system is the root cause. If so, then to decrease ODSP case loads, it's simple: stop the pursuit of every opportunity to find people ineligible.

We would go as far as saying that the punitive nature of social assistance is now incurring the consequences of that nature.

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\* Do all social assistance recipients begin with OW? Do any begin assistance on ODSP?

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### Appropriate Benefit Structure.

If adequacy of benefits had been the focus of concern for the Social Assistance Review Commissioners, it would have exercised initiative in the establishment of a Rates Board. We join with the many, many others in calling for the establishment of a ...

### \*\*\* Social Assistance Rates Board \*\*\*

We endure this punitive environment, we suffer consequences for our vulnerability and we waited for the Commission to identify the inadequacy of benefits with anticipation, to find the Commission ore-occupied with concern over the fairness of benefits to low-income workers. Fairness in distribution is more important than adequacy of benefits?

### **Housing Benefit.**

We strongly support the Commission's description of a housing benefit for low income people and social assistance recipients. As long as the benefit reflects reality, **taking the power of stable housing out of the hands of those whose first priority is to find a way to terminate a person's or family's benefits is commendable.** And the Commission is correct when it states that this exercise may very well decrease the number of applications for social assistance.

However, we have a problem when the Commission suggests that the housing benefit could be similar to the Ontario Child Benefit, applied broadly to all low-income people. Because the Ontario Child Benefit is not applied evenly.

### **Child Benefit.**

While the government's 'Poverty Reduction Strategy' undertaken in 2007 has been far-sighted and generous to children in low-income working families, it has left our poorest children -- those in families receiving social assistance -- far behind. These children had their 'Back to School' and 'Winter Clothing' allowances taken away, to help pay for the Ontario Child Benefit (OCB). Because of this claw-back, children 13+ have gained less than \$20 per month from the OCB compared to \$92 for those in working families. Children 13+ are especially disadvantaged because they lost \$245 per year when their allowances were taken away, compared to \$175 for children under 13.

Advocacy groups from across Ontario (the Income Security Advocacy Centre, the Ontario Assoc. of Social Workers, the Hamilton Roundtable for Poverty Reduction, 25 in 5 Hamilton, and a number of community legal clinics) mentioned this in their feedback to the first Discussion Paper. This should be addressed in the Commissioner's final report in June 2012.

Food Share, locally, has counted the number of children at food banks, and that number has reached 8500 monthly. These are Third World conditions. 8500 children equates to 370 class rooms each month that go to food banks in Hamilton.\* *Tom Cooper, Austerity shouldn't crush the poor, theSpec.com, article 652949*

### **Rate Disparity.**

On page 31 of the Commission's report, it states that the rate differential with Ontario Works could be removed from the current ODSP rate. In other words, after citing the OW rate as "inadequate", it appears the Commission sees this rate as suddenly adequate such that all assistance rates, and additional benefits, should be anchored to it.

We would also caution the Commission. Suggesting the format should be similar to the OCB, involves an inherent disparity for some.

### **Easier to Understand**

The Commission attributes the complexity of rules to three primary sources: the policy objectives from which the program grew, the surveillance method of administration and the management of risk.

"We know that it is difficult to impose financial penalties on people who have no financial means to pay them", the Commission states. Yet roughly 30% of recipients are assigned an over-payment. (Perhaps the Auditor General should focus on property owners and the tens of millions owing in back taxes).

Audit based risk management may be a much better way to administer social assistance; although if there is no appeal process built into it, it may be unacceptable. The current system's asset rules are also problematic: they seldom permit the transition to work.

### **Viable Over the Long Term**

The growing disparity in income must be addressed. And this Review is the opportunity to do it. The Commission discusses the complexity of interactions of programs and cites work on-going to fix these areas -- the EI and CPP-Disability problem that occurs when workers first apply for EI and the Rent-Geared -to-Income problem when tenants get work. The Commission however, didn't mention the disparity in the Ontario Child Benefit. Moreover, transitioning from ODSP to CPP-Survivors is another area of difficulty for recipients.

Back taxes versus over-payments. Which group is being punished with terminations, cut-offs, suspensions and over-payments? Better municipal government management would improve the economic climate. Permitting recipients to transition to jobs and work without punishing them, (with over-payments, the denial of benefits etc), would help as well. And we would have to add that tax cuts for the very rich are not conducive to improved income parity across the population.

### **Conclusion**

The Commission's discussion paper, "**What we heard**" stated that reducing poverty by improving adequacy was agreed upon by groups across the province, including the three parties in the legislature, through their support for Bill 152, *The Poverty Reduction Act*. Poverty reduction has been a goal of the provincial government, over many years and several task forces. Yet, we are still hurting.

We strongly encourage the Commission to give much more attention to poverty reduction strategies in its final report due in June 2012.

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**Response to:**

**Commission for the Review of Social Assistance in Ontario  
Discussion Paper 2: Approaches for Reform  
February 2012 – An Aboriginal Perspective (Yvonne Maracle)**

**Chapter 6:  
First Nations and Social Assistance**

**How well do the various approaches set out in the previous chapters align with First Nations' desire for greater control and flexibility with respect to social assistance reform? What other approaches should be considered to meet the needs of First Nations?**

It was noted in various statements about the need for flexibility as it relates to rules and criteria to meet the needs of those receiving benefits. As it relates to First Nations, this particular statement is very true. There are too many complex rules that limit accessibility and continuation for OW and ODSP support for many First Nations who are trying to access these programs.

Communication and trust issues are a definite barrier in establishing continuity for program services. The need for greater control over the social system as it pertains to First Nations people is not as evident as it could be within the previous chapters. Society as a whole does not understand the complexities as relates to the history and its relationship to First Nations people and their dependency on Social Services.

A First Nation approach provides the basis of the understanding and how to better deal with the First Nations clients who are using or want to access the program. The historical make up and family support puts individuals at risk of receiving OW or ODSP supports as many may live together to basically survive, whether in an urban or reserve setting. The system does not allow for these scenarios and penalize the family unit, placing added stress on them, potentially leading family members to become homeless overall in order to accommodate the system's rules.

Increased First Nation awareness training and/or involvement is greatly needed for the decision makers when deciding the approach to First Nation issues regarding OW and ODSP. First Nations people have a number of social barriers in front of them to begin with, the overall decision makers must become aware of the issues in order to provide a more improved system that would allow First Nations to become productive community members in the future.

Other approaches that should be considered is the need to educate front line workers on the training and educational opportunities that could be available to First Nation's clients. The potential for case management style and collaboration with on and off Reserve resources could greatly enhance the client's training opportunity, but they should not be penalized from the system and immediately "cut off" when trying to research and/or access other opportunities. It



has been my experience that some OW and ODSP Workers demonstrate racist reactions to clients when the client is trying to enhance their living conditions by accessing First Nations program. Another improvement would be to "educate" front line workers and managers about Aboriginal services within their local areas that could assist the client.

As part of the training the OW and ODSP workers receive should be the historical truth reflected to counteract the stereotypical ideas that First Nations come with money, that they don't contribute to society by not paying taxes, that everything is free for them and so on. It surprises me the number of people, including people in management positions who think this way, so training, education and true information needs to be a part of the training that all levels of government should receive as part of their regular training.

The reader does agree that the rates for OW and ODSP need to be greatly increased to meet the basic needs of all its clients. It is very hard to prosper when you're expected to survive on food bank hand outs as your daily meal supplement.

**What position should the Commission recommend that Ontario take with the federal government on issues related to First Nations and social assistance?**

The position should be one that First Nations remains a Federal responsibility and should not be easily passed on to the Province. It needs to take responsibility to the issue and develop (in collaboration with First Nation Leaders) initiatives that will support First Nations receiving OW and ODSP that is respectful to their needs and geographic areas. They need to take into account the number of social ills that already consume First Nations people and address them properly. In order to better prepare the fast growing population of First Nations in Canada, the government needs to financially support initiatives that will bring First Nations people into the fold that will allow them to become productive community members in the future, rather than a potential drain on the social system if that investment is not done immediately.

The federal government needs to support First Nation Leaders and pilot projects that are demonstrating improvements to administering OW and ODSP services to First Nations clients. They need to take into account the historical complexities that continue to keep a nation of people in the world of poverty.