

PLAIN TALK

The Newsletter of the Income Security Advocacy Centre Summer 2004

ACCENTURE COMPUTER SYSTEM TO BLAME

by Sarah Blackstock, Research and Policy Analyst (ISAC)

The government announced a 3% increase to social assistance rates in their May budget. However, the 3% increase to social assistance rates cannot be input into the existing computer system on which the Ministry of Community and Social Services has spent more than \$500 million.

The Ministry expects it won't be until March 2005 that social assistance recipients will see the 3% increase on their monthly cheque.

While some have been quick to insist Accenture is solely responsible, blame must also be put on the previous government.

In the meantime, social assistance recipients will receive two "special payments". These lump sum amounts are not intended to be considered income and will not vary according to income level or family size, other than to distinguish between singles and families. At the end of September and again at the end of November, singles on ODSP will receive \$110 and families will receive \$200. At the beginning of October and again at the beginning of December, singles on OW will receive \$65 and families will receive \$135.

The inability of the \$500 million computer system built by Accenture, formerly Andersen Consulting, to process the 3% increase is likely to come as little surprise to clinic workers and people on social assistance. From the first day the computer system was up, there have been significant problems which have frustrated clients, clinic workers and service providers alike.

While some have been quick to insist Accenture is solely responsible, blame must also be put on the previous government. Indeed, computer experts seem to agree that the system is poorly developed and ridiculously over-priced. However, we must keep in mind that the political direction for the project was provided by the previous government.

IN THIS ISSUE

Accenture computer system to blame.....	1
ISAC litigation highlights.....	2
Anti-poverty organizing in Ontario.....	3
Windsor clinic mourns provincial budget.....	5
Ontario Project for Inter-Clinic Community Organizing (OPICCO).....	5
Another federal scandal.....	6
Social assistance policy advocacy post-budget.....	7
News from the Board of Directors.....	8

INCOME SECURITY ADVOCACY CENTRE

425 Adelaide Street West, 5th Floor, Toronto M5V 3C1
(416) 597-5820; 1 (866) 245-4072 (toll free); (416) 597-5821 (fax)
www.incomesecurity.org

To be sure, it was necessary to replace the 30-year old computer system. We needed an improved system that could better manage files, free up workers' time to better serve clients, ensure clients are getting all of the benefits they are entitled to and limiting the bureaucratic hoops clients have to jump through.

However, the system was designed to aggressively police people on social assistance and find ways to deny people benefits. The previous government never intended for the new computer system to better meet the needs of people on assistance and workers, nor provide better public accountability. It was designed to prevent workers from exercising discretion in their dealings with their clients and to police clients to extreme and unnecessary degrees with the intention of finding many ineligible for assistance.

The recent attention to the Accenture scandal provides an important opportunity for anti-poverty activists and advocates to emphasize how many of the problems and inadequacies with the current social assistance system are a result of the nasty and misinformed politics that lie at the system's foundation.

.....

ISAC LITIGATION HIGHLIGHTS

by Jacquie Chic, Director of Advocacy and Legal Services (ISAC)

National Child Benefit Supplement Challenge: ISAC is discussing a challenge to the clawback of the National Child Benefit Supplement with community partners. It is hoped that the challenge might bring pressure to step up the review of the clawback announced by the Ontario government this spring. The supplement is not clawed back from working parents. The

clawback is symptomatic of the constructed divide between people who must rely on social assistance and minimum wage workers – the “undeserving” and “deserving” poor.

Life-time ban: ISAC joined with the Women's Legal Education and Action Fund (LEAF), Canadian Association of Elizabeth Fry Societies, the DisAbled Women's Network-Canada (DAWN), Charter Committee on Poverty Issues, Steering Committee on Social Assistance and Ontario Social Safety Network to intervene in *Broomer et. al.*. This case was a constitutional challenge to the life-time welfare ban - the life-time ineligibility for social assistance that is automatically imposed on people who are convicted of welfare “fraud”. The case was to be heard last fall, but was adjourned until this Spring to allow the new provincial government an opportunity to sort out its position. The case settled in favour of the applicants. At the end of 2003, the government lifted the life-time as well as the three and six month bans.

Spouse-in-the-House: The Ontario government appealed *Falkiner*, (the case that successfully struck down the Tories' definition of "spouse" in the *Family Benefits Act*), *but* asked the Supreme Court of Canada to postpone the scheduled March 2004 hearing until fall. The government said it needs time to review its policies. We are hopeful that they will reconsider the appeal. In opposition, the Liberals said that the Tories should not appeal *Falkiner*.

In coalition with the African Canadian Legal Clinic, ISAC was intending to intervene to support the Ontario Court of Appeal's finding that the government cannot discriminate on the basis of the receipt of social assistance any more than they can on the basis of gender, race and disability. We want the Court to understand the impact of poverty on people who already suffer the disadvantage recognized by the

enumerated grounds in s. 15. We will know the government's intentions shortly.

OW treatment of RESPs: ISAC is working with West Scarborough Community Legal Services to challenge the inconsistent treatment of Registered Education Saving Plans (RESPs) for social assistance recipients. While RESPs are sometimes treated as trust funds that are not considered part of the family assets for OW eligibility purposes, in other cases OW has required that RESPs be liquidated and used to meet basic needs before a family can become eligible for benefits. Like the OW clawback of the National Child Benefit Supplement, the requirement that families use up RESPs before they can get OW benefits hurts the most economically vulnerable children. We are developing a media and community development strategy to highlight the importance of these issues for low-income Ontarians.

ODSP eligibility reassessments: ISAC will be seeking to intervene in a case originating from the Grey-Bruce Community Legal Clinic challenging the test adopted by the Social Benefits Tribunal (SBT) in a recent reassessment decision. We will be asking Divisional Court to tell the SBT that an ODSP reassessment hearing cannot simply be a second opinion about the medical conditions that led to the original grant. Instead, we will be arguing that when the SBT reassesses the eligibility of an ODSP recipient, it must find a material improvement in the recipient's conditions before it can discontinue benefits. There is a companion case being handled by Clinique Juridique Stormont, Dundas and Glengarry.

This is a matter of fairness to those ODSP recipients who are subject to periodic reassessments. The reassessment process was set up to review conditions that might have some chance of improvement in future. It was not intended to put a recipient's benefits at risk if their condition has not changed. Unfortunately, some SBT

members think that they can ignore the original entitlement decision and deny further benefits even where there has been no improvement in the original disabling condition.



ANTI-POVERTY ORGANIZING IN ONTARIO

by Dana Milne, Provincial Organizer (ISAC)

Ontario Needs a Raise campaign

Inadequate social assistance rates and the low minimum wage are two of the significant factors contributing to poverty in Ontario.

The Ontario Needs a Raise campaign has been organizing for the last two years for social assistance rates that reflect the real cost of living and a \$10 minimum wage. Recently, the campaign added the need to end the clawback of the National Child Benefit Supplement from families on social assistance to the list of demands.

Since taking power, the Liberal government has announced the minimum wage will be raised by 30 cents an hour until it reaches \$8 an hour in 2007. They've also announced a 3% increase to the social assistance rates and a review of the clawback of the National Child Benefit Supplement.

It's clear that increasing the minimum wage and OW and ODSP rates will be a long-term campaign.

While the changes are something to celebrate after a decade of poor-bashing, clearly they don't come anywhere near what low-income people need simply to survive.

Many of the low-income people connected with the Ontario Needs a Raise campaign see the announcements as disappointing. This is spare change, not real change.

From our experiences, it's clear that increasing the minimum wage and OW and ODSP rates will be a long-term campaign. In meetings with MPPs, we're hearing that the Liberal government simply doesn't believe the general public will tolerate more money for social assistance or that businesses can cope with a \$10 minimum wage. However, we're confident that the counter-arguments and determined activism of the campaign will ultimately bring real gains.

On October 2nd, the Ontario Needs a Raise campaign will be releasing a report card of the Liberals' movement around anti-poverty issues in their first year in government. As part of this event, the campaign will be encouraging groups across the province to hold their own events and to use the opportunity to raise public awareness of poverty and exert political pressure.

To get involved in the campaign in your community, contact Kim Fry with the Ontario Coalition for Social Justice via email: ocsj@ocsj.ca or by phone: 416-441-3714.

To keep abreast of future Ontario Needs a Raise events and meetings, join our email list by emailing Kim Fry at ocsj@ocsj.ca. Updates, as well as campaign materials, are also available through ISAC's website at www.incomesecurity.org.

Lobbying for a raise

At ISAC, we know the power of a strong anti-poverty movement and we are committed to supporting and working with people who want to fight back against poverty.

On March 26th, as part of the Ontario Needs a Raise campaign, legal clinics and anti-

poverty activists across the province in communities including Kenora, Red Lake, Thunder Bay, Ottawa, Peterborough, Northumberland County, Windsor, Etobicoke, Scarborough and Toronto organized forums, rallies and meetings with their MPPs to demand a \$10 minimum wage and increases to ODSP and OW rates that reflect the real cost of living. MPPs got the message and many promised to raise it in caucus meetings.

However, with the provincial budget due to be released May 18th coalition members knew it was crucial to keep the rates in the political spotlight. So when Jim Youngs, an ODSP activist from Sarnia, contacted the Income Security Advocacy Centre to say he was planning a 250-kilometre march from Sarnia to Toronto to demand an increase to the rates, we jumped on board.

March for Dignity

On April 28th, Youngs and a courageous group of about 20 seniors, people with disabilities and people on social assistance arrived in Toronto, after five long days of walking.

Following a loud and determined rally, a small delegation met with Minister Papatello.

The next day the activists marched on Queen's Park, joined by more than 300 people from as far away as Owen Sound and Peterborough.



Following a loud and determined rally, a small delegation including the marchers and representatives from ISAC, Community Legal

Assistance Sarnia, Ontario AIDS Network and the Canadian Auto Workers, met with Minister of Community and Social Services Sandra Papatello and once again stressed the dire poverty of people on social assistance and the urgent need to increase the rates.



WINDSOR CLINIC MOURNS PROVINCIAL BUDGET

by Marion Overholt, Staff Lawyer (Legal Assistance of Windsor)

On June 9, 2004, 150 people gathered in Windsor to participate in a memorial service which was organized to highlight the lack of adequate provision for low income people in the provincial budget. During the service we signed a scroll reconfirming our intent to see chapter 25 of *the Universal Declaration of Human Rights* enacted in a meaningful way in Ontario. Chapter 25 defines our right to food, shelter and support regardless of the cause of our economic adversity.

Unfortunately a thunderstorm rained out our march to Sandra Papatello's office. However, the Memorial Wreath entitled "Remember the Poor" was left at her doorstep.



We will also be meeting with her to present the scrolls and seek her commitment to bring forward a substantial increase in social

assistance and minimum wage rates.

This event was organized to recognize that many of us were discouraged when it became clear the government was not going to implement substantial rate changes. The hope was that together we could reaffirm our commitment to seek justice for low-income people.

We organized the event through our lobby sub-committee of the Taking Action Against Homelessness Together Coalition. The clinic's role in this committee is to advocate in the political and public forum for legislative reform. We try to connect the social service agencies with community activists. In Windsor, our labour and church communities have been vocal advocates for low-income people for years. We wanted to deliver a clear message to our member of provincial parliament that 3% is not enough.

We anticipate the government will be busy consulting and making minor changes to the administration of social assistance. All improvements are to be welcomed, but we believe that a substantial increase to the rates is critical to the immediate well being of our community.



ONTARIO PROJECT FOR INTER-CLINIC COMMUNITY ORGANIZING (OPICCO)

by Dana Milne, Provincial Organizer (ISAC)

Ontario's community legal clinic system owes its existence to the organizing efforts of people across the province who demanded free legal services and a stronger voice in government. But as poverty has grown across the province and clinics find themselves overwhelmed with casework, as well as minimal, if any, funding for community development, the "community" aspect of the clinic system has slowly been whittled away. OPICCO aims to change that.

OPICCO is an inter-clinic working group of community legal workers, lawyers and executive directors committed to ensuring community organizing remains an integral part of the work of legal clinics across the province.

This June, OPICCO held its first face-to-face meeting, with more than 25 people attending from clinics across the province. As a result, three new committees have been formed to: i) lobby for dedicated community development funding and resources, ii) push for the creation of Community Development Work Groups in every region, iii) develop better ways of measuring the value and effectiveness of community organizing and iv) develop community organizing resources and workshops to train and support clinic staff as well as activists and community advocates.

To find out more about OPICCO, and to access valuable community organizing tips, links and relevant reports, check out the OPICCO website at www.opicco.org.

.....

ANOTHER FEDERAL SCANDAL

by Jacquie Chic, Director of Advocacy and Legal Services (ISAC) and Deena Ladd, Executive Director (Toronto Organizing for Fair Employment)

Simmering beneath the surface of the sponsorship scandal is a sleeping giant of such magnitude that it could cause major headaches for Prime Minister Martin.

As unemployed workers struggle to make ends meet on the meagre benefits provided by Employment Insurance – that is if they are eligible for any benefits in the first place, the surplus in the EI account has reached \$44 billion. At the same time as she brought attention to the sponsorship scandal, Auditor General Sheila Fraser emphasized that the EI program would not need more than a \$15 billion cushion to meet workers’ needs even in rough economic times.

The surplus is the direct result of changes to the former Unemployment Insurance program introduced in 1996. Paul Martin was a chief architect and proponent of the shifts that caused a dramatic decline in the number of workers able to collect benefits when they lose or can’t find jobs. There has been a sharp descent in the percentage of unemployed workers eligible to receive benefits since the changes. Overall, coverage fell from three-quarters of the unemployed in 1990 to less than 40% today. In a number of cities, less than a quarter of the unemployed receive EI.

We all work hard - and notice the EI deductions from our pay cheques.

While government coffers get fatter, unemployed workers unable to collect benefits they have paid for are forced to apply for social assistance and are catapulted into poverty.

These deductions are supposed to ensure a minimal level of security, a mere 55% of our wages to a maximum of \$413 a month, if we find ourselves unemployed. However, many workers are finding they can’t access these benefits when they need them – workers like the hotel and restaurant staff who were laid off during the SARS crisis last year. To make matters worse, \$44 billion of workers’ hard-earned money is sitting in the government’s general revenue fund – the same fund from which the \$100 million was taken for federal sponsorship contracts.

While government coffers get fatter, unemployed workers unable to collect benefits they have paid for are forced to apply for social assistance and are catapulted into poverty. It is worth noting that the restrictions on eligibility found in the

EI program are echoed in the social assistance rules. In other words, unemployed workers can find themselves without income from any source.

There is a hideous irony in all of this. Unemployment Insurance was first introduced in 1940 in response to an uprising by unemployed workers who had been compelled by R.B. Bennett to work in "relief" camps in remote areas of northern Ontario and B.C. These workers, who endured inhumane conditions for 20 cents a day, insisted their unemployment was not a result of their personal failings, but rather structural inadequacies in the economy. They demanded a UI program that acknowledged this. And indeed, the original UI program did. But the government's sub-text was that the UI program was to get people off welfare.

The 1996 reforms, however, compel unemployed workers to apply for social assistance. And there has been a nasty reversion to the blame the worker mentality that predated the original UI program.

To add insult to injury, the ever mounting surplus is disproportionately at the expense of women, immigrant and disabled workers all of whom are over-represented in part-time and contingent work, and are therefore least likely to be able to meet the hours of work requirements that determine eligibility.

In 2001, only 33% of unemployed women in Canada received EI benefits compared to 44% of unemployed men. The number of hours required to gain entry to the program has doubled and in some locations tripled while the length of the benefit period was cut by as much as half of what it was in 1990. The icing on the cake is that the benefit rate dropped to 55% of average weekly earnings. For minimum wage workers, this spells almost certain disaster. And it is minimum wage workers who are most likely to be shut out of receiving benefits because these workers are most

likely to have precarious and short-term jobs that just don't add up to the hours needed to establish eligibility. Of course it is low-wage workers who most need the protection. And not surprisingly, it is women, immigrants and people of colour who are over-represented amongst low-wage workers.

Prior to the 1996 changes, UI had to be financed on a breakeven basis. Breakeven was defined in terms of the average payout over three years. The 1996 law removed the prohibition against running a surplus in the insurance fund.

ISAC is currently working with various community and labour groups to win much-needed changes to the EI system.



SOCIAL ASSISTANCE POLICY ADVOCACY POST-BUDGET

by Sarah Blackstock, Research and Policy Analyst (ISAC)

The May 2004 budget of the new Liberal government was a disappointment to many low-income people and anti-poverty activists in Ontario. A measly 3% increase to social assistance rates mean many are going to have to continue to choose between putting food on the table or paying the rent.

However, the fact that there was an increase at all is largely a result of the activism and advocacy of anti-poverty activists around Ontario. In the early months of their government, the Liberals had indicated they were not going to be able to deliver on their promise of a 2-3% increase to social assistance rates any time soon. They pointed to the \$5.6 billion deficit and claimed their hands were tied.

Refusing to accept such a justification and insistent that an increase to both Ontario Works and the Ontario Disability Support

Program benefits were urgently and desperately needed, activists successfully mobilized to create a situation in which it was virtually impossible for the new government *not* to raise the rates. From submissions to the pre-budget hearings, to lobbying MPPs, to holding demonstrations and marches, to presenting petitions, a wide range of voices made it clear that there was no choice but to raise social assistance rates.

Over the next year participation by legal clinics and community groups in the review of the NCBS is vital.

In the May budget, it was also announced that the clawback of the National Child Benefit Supplement from families on social assistance is going to be reviewed. Again, ongoing pressure from low-income people and allies is largely responsible for winning this review.

Over the next year participation by legal clinics and community groups in the review of the NCBS is vital. Our expertise on the dreadful impact on families and our analysis of the discriminatory character of the clawback will be important contributions to the review. Further, our understanding that the “welfare wall” is a problematic concept that often disguises the root causes of poverty which require people to rely on social assistance and also masks the problems of low wages, precarious work and a lack of benefits for low-wage workers is crucial to ensuring the end of the clawback. (The term “welfare wall” is used to refer to the situation in which some families may be better off, in terms of income and benefits, staying on social assistance than taking low-wage work.)

Additionally, we must continue to engage and pressure the government on the need

to raise the social assistance rates to a level that reflects the actual cost of living.

However, we must keep in mind that policy advocacy does not take place in a vacuum. Public attitudes and the broader political environment have a significant impact on our ability to have positive influence in the policy arena. Therefore, participating in campaigns such as the Ontario Needs A Raise campaign (see page 3), conducting public education, engaging your local media and making legal arguments that acknowledge the systemic causes of the poverty our clients are living in are also critical components of policy advocacy.

With growing political and public attention on issues related to social assistance, as well as an anti-poverty movement that is becoming stronger, the ground for progressive policy advocacy in Ontario is increasingly fertile.

••••••••••

NEWS FROM THE BOARD OF DIRECTORS

by Joanna Tie, Director of Administration (ISAC)

The clinic is pleased to announce the appointment of two new board members until the AGM in October. **Gilles Séguin** lives in Ottawa and is a recently retired federal civil servant with 30 years experience as a social researcher, specializing in provincial-territorial welfare programs. He left his government job to work full-time on his website, Canadian Social Research Links, which can be found at <http://www.canadiansocialresearch.net>.

He currently distributes to over 1,100 subscribers weekly. His site and newsletter are aimed at the people who formulate Canadian social policies and those who study and critique those policies.

More information about him can be found at <http://www.utoronto.ca/facsocwk/sane/fellows.html>

Kathleen Williams is a legally blind mother of two grown children and grandmother of two. She has been active in British Columbia in the blind and visually impaired community through a variety of venues, such as White Cane Chapters and the Canadian Council of the Blind, BC/Yukon Division. Since moving to Ontario she has become active in the Disabled Women's Network of Canada and Ontario, as well as a participant on a number of committees tackling accessibility issues in compliance with the *Ontarians with Disabilities Act*, within her community of Georgetown. In the past, human rights issues and her involvement in these issues, have laid the groundwork for her interest in making a difference in her community.

The Board also accepted, with great regret, the resignation of **Terry O'Connor** from North Bay. The Board wishes to express deep thanks to Terry for his contribution to the clinic. The Board is particularly grateful for his thoughtful comments and passionate commitment.

Be sure to participate in our third Annual General Meeting, scheduled this year for **October 17, 2004** from 1pm - 3pm in the afternoon. Get involved, become a member!

PLAIN TALK is the newsletter of the Income Security Advocacy Centre and is published three times a year.

ISAC is funded by Legal Aid Ontario to work with and on behalf of low income communities in Ontario to address issues of income security and poverty.