

Questionnaire Response: Income Security Advocacy Centre

1. Social Assistance Reform:

Does your party have plans to reform Ontario's social assistance programs? If so, what reforms would you make?

In 1995, social assistance rates for Ontario Works recipients were cut by 22 per cent and then frozen for eight years. Rates for people with disabilities were also frozen for eight years.

We ended this freeze in 2004 and increased social assistance rates by more than 15 per cent by 2012. In the 2013 Budget, we increased rates another one per cent for adult Ontario Works recipients and people with disabilities receiving Ontario Disability Support Program (ODSP) benefits.

The Ontario Liberal Party has made a major commitment to transforming social assistance guided by the work of the Commission to Review of Social Assistance in Ontario. Our ongoing reform of social assistance is guided by four key objectives:

- Motivate and support people to be successful in the workforce
- Provide adequate assistance
- Deliver modern, responsive services
- Ensure confidence in the system.

The 2014 Wynne budget proposed to increase our investment in social assistance by continuing to lift the lowest rates and increasing support for individuals with disabilities.

It also planned to simplify employment benefits to provide greater flexibility to meet individual needs, so that we can remove barriers to employment and provide greater support. Taken together, the first two years of social assistance reform would mean:

- People receiving social assistance get more support.
- Increases are targeted to those with the lowest rates, singles without children receiving Ontario Works. They would get a lift of \$50 a month in basic support, taking us halfway to the \$100 lift recommended by the review commission.

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- All social assistance clients will have access to a simple, flexible employment benefit that helps with their costs.
- People can earn more without reducing their assistance and can get help from Ontario Works without spending down all of their assets. These changes introduced in the 2013 budget allow earnings of up to \$200 a month with no reduction, and allow singles receiving Ontario Works to retain savings up to \$2500.

The 2014 Wynne Budget also proposed to assist people living in remote northern communities, particularly First Nations, who can face disproportionately high costs for basic necessities like groceries.

In addition to our social assistance rate increases, the Wynne government plans to replace the existing Northern Allowance provided through Ontario Works and ODSP with a Remote Communities Allowance. The Remote Communities Allowance would represent a \$50 per month increase over the current Northern Allowance for the first person, and a \$25 per month increase for each additional family member. This is an increase of more than 30 per cent for a single individual.

The Commission also said we should do some work to develop an agreed method of determining and setting "adequate" social assistance rates. Right now, there is no agreement on what "adequate" means. We want to come up with a definition of adequacy that people think is fair, and a way of calculating it so that increases to social assistance rates will be more predictable and based on evidence. We've started working on this already and it's one of the things we'll pursue if we're re-elected.

We are proud of the progress we have made and we look forward to continuing to engage with clients, partners, and other stakeholders as we continue to improve the social assistance system. Our partners will help us in implementing our most recent changes, and further develop our ongoing plan for reform.

2. Income Adequacy:

Will your party commit to ensuring that the incomes people get when they're on OW are enough to afford housing, food, clothing, a phone, transportation, and other regular necessities? What specific investments will you make to ensure incomes are adequate?

Factoring in the proposed increases in the Wynne Budget rejected by the NDP, the lowest rates within Ontario Works – single adults without children – have seen a \$50 increase since last year. Despite this progress, we know that more needs to be done. We agree that social assistance rates are inadequate, and as noted above, we are committed to developing a fair definition of adequacy, and a way of calculating it so that increases to social assistance rates will be more predictable and based on evidence. We've started working on this already and it's one of the items we'll pursue if given another mandate to govern the province.

3. Child Support:

Will your party commit to changing OW and ODSP rules to make pursuit of child support voluntary and to treat child support income the same as earned income?

The Wynne government recognizes the challenges faced by low-income single parents, including those receiving social assistance. That is why Ontario Liberals have provided targeted support for low-to moderate-income families through the Ontario Child Benefit (OCB). This benefit, along with other provincial and federal tax and benefit programs, enhances the incomes of low- to moderate-income families and helps provide a more stable income base for those who may experience uncertain earnings. Since these benefits are available outside social assistance, they also help reduce financial barriers for individuals and families to become financially independent.

The OCB has made a significant positive impact on people's lives: It has helped lift 47,000 children out of poverty. In 2013–14, we provided nearly \$1 billion through the OCB to over one million children across the province, helping to support about 35 per cent of all children under age 18.

The Wynne government has acted to increase the maximum annual OCB per child to \$1,310, enhancing the incomes of half-a-million families, effective July 2014.

To maintain the gains made by the OCB, Ontario Liberals propose to begin indexing the OCB maximum benefit, and the income threshold at which the OCB starts to be reduced, to annual increases in the Ontario Consumer Price Index (CPI). This would take effect in July 2015, and would safeguard the purchasing power of the OCB from erosion due to inflation.

We are always evaluating ways to become more effective in fighting poverty and helping the most vulnerable, and have committed to releasing our second Poverty Reduction Strategy within 60 days if returned to government.

4. Housing and Homelessness Supports

Will your party reinstate the CSUMB program within social assistance? If not, what will you do to ensure that there are sufficient funds in the CHPI program to meet the need in communities? And what will you do to ensure that all municipalities have a program that is comparable to CSUMB and make program information publicly available?

The community Homelessness Prevention Initiative (CHPI) supports the government's Long-Term Affordable Housing Strategy, a key component of the government's broader Poverty Reduction Strategy. The vision for CHPI is to provide a more flexible, locally coordinated and integrated service delivery system that is people-oriented, outcome-focused, and reflects a housing-first approach to preventing and reducing homelessness in communities across Ontario. We believe that the CHPI also contributes to transforming social assistance, because it addresses housing needs for all low-income persons and focuses on preventing homelessness, not just responding after the fact.

We have committed to increasing CHPI funding as indicated in the 2014 Budget - that is making the \$42.5 million transition year funding a permanent addition. These funds are provided to municipalities, who are best suited to understanding and responding to the specific needs in their regions. We have given them the flexibility to respond to these needs. Despite repeated calls for this measure from the advocacy community and our clients, the NDP decided to abandon this issue and oppose our approach.

5. Employment Supports

What will your party do to improve employment supports and training, including access to post-secondary education and OSAP funding, for people on OW?

Supporting people on social assistance to be successful in the workforce is a guiding principle of our approach to social assistance reform. As outlined in our 2014 Budget, we are committed to moving forward with a plan to streamline social assistance employment benefits. We will replace seven separate employment benefits with a consolidated benefit structure within each of ODSP and Ontario Works. This will reduce the complexity of the social assistance system and improve program efficiency. It will also make it easier for clients to know what help is available and give caseworkers more flexibility to better meet the unique needs of individual clients.

For example, in the current system one of the benefits might provide \$150 to cover \$500 worth of tools. The shortfall would have to come from various other benefits cobbled together, discretionary benefits, and/or out of pocket. This is cumbersome to administer and hard for clients to navigate. The new approach would consolidate the programs into one large “pot” and help that client get the full \$500. Since it’s larger, the fund can also cover more expensive things like tuition.

As part of this change, the Work-Related Benefit (WRB) in ODSP will be consolidated into the new employment benefit, which will be available to ODSP recipients with disabilities based on their employment-related needs and expenses. To assist with the adjustment to a new benefit structure, the government will provide a six-month transition benefit for WRB recipients with a disability.

Ontario Liberals know that the interaction between social assistance and the Ontario Student Assistance Program (OSAP) is cumbersome and difficult to navigate, for both clients and caseworkers. We’ve taken steps to simplifying this interaction, and we look forward to continuing this important given another mandate to govern the province.