



The Hands off! Campaign - Next Steps -

Campaign History within the Current Reality

More than 170,000 children in Ontario are affected by the clawback of the National Child Benefit Supplement (NCBS) from families on social assistance.

In December 2004, the Income Security Advocacy Centre (ISAC) launched a legal challenge against the federal and provincial governments arguing, on behalf of three single parents on social assistance, that the NCBS clawback was discriminatory under the *Canadian Charter of Rights and Freedoms*. An additional applicant was added in 2005.

On March 8th, 2005, ISAC launched the Hands off! campaign calling on Premier Dalton McGuinty to keep his promise to end the NCBS clawback. Over the two years of the campaign, close to 80,000 postcards calling for an end to the NCBS clawback were mailed to the Premier. Following the first year of the campaign, every MPP in Ontario knew what the NCBS clawback was and, by the second year, supporters were raising the issue with their MPPs regularly. The New Democratic Party frequently questioned the Premier on the issue in the Legislature. The campaign and the issue also received extensive media coverage. Massive Hands off! posters were even put up in Toronto bus shelters in advance of the 2007 provincial budget.

In the March 2007 budget, the provincial government announced the creation of the new Ontario Child Benefit. Starting in July, 2008, families will begin getting the new Ontario Child Benefit every month, along with their Child Tax Benefit and the National Child Benefit Supplement. The Ontario Child Benefit will go to all low-income families, including families on social assistance and will gradually increase to \$92/month/child by the time it is fully implemented in 2011. More detailed information is available in an Ontario Child Benefit Q & A backgrounder on ISAC's website at: <http://www.incomeseurity.org/documents/ISACOCBQandAapril07.pdf>.

The start of the monthly Ontario Child Benefit payments in July 2008 will also trigger a restructuring of social assistance rates for families with children. The monthly deduction of the NCBS from social assistance cheques will be replaced by a permanent reduction of the maximum basic needs allowance for families with children.

In addition to the rate reduction, families will no longer receive a separate winter or back-to-school clothing allowance. Instead, the value of these benefits will be included as part of the new Ontario Child Benefit.

The province has said that when the Ontario Child Benefit and the rate restructuring are combined in July 2008, families with children on social assistance will see a net increase in income. It is due to intense pressure from the Hands off! campaign and allies that this will happen. In early proposals for a separate child benefit there was little or no increased benefit for families on social assistance. A broad coalition of groups and advocates lobbied the province to use the Ontario Child Benefit to gradually end the clawback of the NCBS by allowing families on social assistance to keep the full value of the Ontario Child Benefit on top of their social assistance benefits. That lobby effort was partially successful.

Although the exact amount of the increase in income for families on social assistance will not be known until the new social assistance rates are released by the government, we have been given an example based on a single mom with one child. That family will see an increase of approximately \$31/month in July 2008. The increase in family income will grow with annual increases to the Ontario Child Benefit, to an estimated maximum of \$50/month by 2011. For the NCBS clawback to end entirely, the income for that same family would need to increase by approximately \$122/month. Thus the \$50 increase by 2011 is an improvement, but still a long way from a complete end to the clawback. It is also being rolled out over a much longer period than Hands off! supporters had pushed for.

Impact on the Hands off! campaign

Given the upcoming provincial election, there is no guarantee that the above changes will happen. However, none of the parties have indicated they would undo any of the anti-poverty measures announced by the Liberals in the provincial budget on March 22nd.

Thus the announcement of the new Ontario Child Benefit, and the social assistance restructuring that will happen when it is implemented in July 2008 pose a dilemma for the Hands off! campaign. As of July, 2008, the NCBS will no longer be deducted monthly from the welfare cheques of families on OW/ODSP. Since ending this deduction was a key demand of the campaign, the change will make it impossible for the Hands off! campaign to continue as it has been set up. Even though families won't actually be better off by \$122/month/child, the problem will no longer be the monthly deduction from social assistance cheques. It will be the way social assistance rates are reduced as the Ontario Child Benefit is gradually increased. This transformation not only makes campaign messaging potentially confusing but it also brings the Hands off! campaign issues very close to the demands of other campaigns that are looking at the adequacy of social assistance rates for all recipients.

As a result of these changes, ISAC and its Hands off! partners have decided to end the Hands off! campaign but continue our efforts to end poverty by working with other anti-poverty campaigns. As of June, 2007, we will no longer be distributing postcards or other Hands off! materials. The Hands off! website at www.handsoffnow.ca will be taken down and any useful materials posted elsewhere.

ISAC's Commitment

The decision to end the Hands off! campaign does not mean that ISAC is abandoning the fight for adequate income for families or, for that matter, anyone trying to survive on social assistance or working for low wages. ISAC remains committed to working with legal clinics, community agencies, faith groups, unions, anti-poverty groups, policy groups and, most importantly, low-income people across the province to eradicate poverty in all of its forms.

The Hands off! campaign was an effective strategy that we can build on as we look at new strategies more suited to the current political reality.

The Hands off! campaign made a real difference. The thousands of supporters who mobilized around the campaign over the last two years, combined with the dedicated work of other anti-poverty groups and campaigns, garnered considerable media coverage and forced poverty issues on to the political agenda. That is no small feat.

With the grassroots support that was evident in the 80,000 Hands off! postcards that were distributed to groups across the province, the government got the message that poverty had to be taken more seriously. With your support behind us, ISAC argued, and will continue to argue, that all families, and not just working families have to benefit from anti-poverty initiatives. We also argued, and will continue to argue, for an immediate \$10 minimum wage and social assistance rates that reflect the real cost of living.

Arguing that people on social assistance deserve a decent standard of living seems like common sense to many of us. But it is not an easy sell – to either governments or the general public. The “welfare wall” ideology pervades government and policy circles, where it’s believed that welfare rates have to be kept low so that there will be an incentive for people to look for work. The alternatives - increasing welfare rates and investing in the kinds of supports that people on social assistance actually need to find work – things like adequate training, child care, good wages, and full-time jobs with benefits and job security – are very costly. The result is the kind of ad hoc, anti-poverty measures that we often see from governments - small increases to social assistance rates, very gradual increases to the minimum wage, tinkering with rules and grand announcements for things like child care and affordable housing that are long on rhetoric and short on money.

Ontario needs a comprehensive poverty reduction plan that addresses the systemic causes of poverty. Countries like Ireland, Sweden and the United Kingdom have shown that it’s not only possible, but affordable and effective. The general public is increasingly

concerned about poverty and the growing gap between the wealthy and the poor. Now is the time to tackle the welfare wall.

Next Steps for ISAC

There is no single recipe for ending poverty. Change must happen on a number of different levels, using a variety of strategies.

1) NCBS Reinvestment Programs

Municipal Reinvestment Programs:

Municipal taxes pay for 20 cents out of every dollar of social assistance costs. So when NCBS dollars are clawed back from families on social assistance, municipalities save an amount that is equal to 20 per cent of the clawed-back dollars. Under the current provincial arrangement, municipalities must spend those savings on supports for low-income families with children.

Once social assistance rates are restructured in July 2008, municipalities will continue to have approximately the same savings, but the province has suggested that municipalities may be free to apply the money to anything they want.

The Hands off! campaign has always argued that the reinvestment programs should continue if the NCBS clawback is ended. Many of these programs provide needed supports to low-income families on social assistance and in the workforce. The argument is no different if some of the clawback is continued through the rate restructuring. There may very well be a legal obligation under the Federal/Provincial/Territorial Ministers agreement that created the National Child Benefit program to continue the reinvestment programs until the full \$122 a month is restored to families on social assistance.

ISAC will attempt to meet with key ministries in an effort to get more clarity on what will happen to the municipal reinvestment programs. We will also be investigating the provincial governments' obligations under the NCB agreement.

However, because it is possible that municipalities may be given more flexibility in how they use their savings, anti-poverty groups, community agencies and low-income people should begin mobilizing at the municipal level now, in order to protect the reinvestment programs that currently exist or to push for the savings to be redirected to better programs and supports for low-income families. ISAC will look at a variety of strategies that could be used by advocates and will share them with our networks as they are developed.

Provincial Reinvestment Programs

The provincial share of the savings when the NCBS is clawed back is around \$175 million dollars every year. Most of those dollars, about \$133 million, are reinvested in the Ontario Child Care Supplement for Working Families (OCCS). Although this is called a child care supplement, it is essentially an income supplement for low income working

families. After July 2008, benefits under the OCCS will gradually be transferred to the Ontario Child Benefit program.

The other \$42 million that is clawed back has been reinvested in children's mental health programs and children's treatment centres. It is not clear how the province will be dealing with these expenditures after July 2008. ISAC will seek further clarification from the provincial government.

First Nations Reinvestment Programs

Right now First Nations receive a grant from the federal government equal to 100 per cent of the NCBS dollars clawed back from their communities. As with municipalities, First Nations are required to spend that money on programs for families and children in their communities. Very important programs have been funded within First Nations communities using these clawback dollars.

It is entirely unclear what will happen to those funds and reinvestment programs when social assistance rates are restructured in July 2008. It does not appear that there have been discussions with First Nations about the impact of these policy changes. As with municipal reinvestment programs, First Nations communities and organizations may need to mobilize to protect the reinvestment programs that have been established.

2) Provincial Election – October 10th, 2007

In the short-term, like many anti-poverty groups, ISAC will focus on the upcoming provincial election. ISAC will join groups like Campaign 2000, the Interfaith Social Assistance Reform Coalition, the ODSP Action Coalition and the Ontario Coalition for Social Justice in calling for:

Election Demands

1. *A comprehensive poverty-reduction strategy that uses a transparent process, includes clear goals and targets, and is developed in consultation with low-income people, policy experts and advocates.*

Quebec and Newfoundland have already developed plans. Countries including Ireland, which has reduced its poverty rate from 15 percent to 6.8 percent in just ten years, show that poverty can be reduced when there is the political will.

2. *An independent committee including low-income people, policy experts and advocates, to develop rational and just criteria for determining OW and ODSP rates (so that everyone has a decent standard of living, adjusted annually to the cost of living)*

This is the strategy that MPPs used when they wanted to raise their own salaries. Because of the extensive stereotypes of people on welfare, there is still not a lot of public support for increasing social assistance rates. But if the provincial government established an independent committee to study the issue and make recommendations on how social assistance rates should be set, it would provide an opportunity to reveal not just the inadequacy of the current rates, but the fact that they bear no relationship

to the real cost of living. Then politicians might be more willing to significantly increase rates.

3. *OW and ODSP rates that reflect the real cost of living and are indexed annually to inflation (including enough money to pay average rents and buy nutritious food and other basic necessities)*

Social assistance is supposed to help you get by when you are most in need, like times when you can't find work or can't work because of a sickness or disability. Yet a single person with a disability receives only \$979 a month on ODSP. A single mom on OW with one child receives just \$538 a month for rent when the average cost of a two-bedroom apartment in Ontario is \$903. Being on OW or ODSP is a poverty sentence that no amount of budgeting can change.

4. *Faster implementation of the Ontario Child Benefit.*

The Ontario Child Benefit will go to all low-income families with children between the ages of 0 and 18, whether they are working or on social assistance. The amount is currently scheduled to increase gradually over five years, from \$50/month/child beginning in July 2008 to \$92/month/child by 2011. However, low-income families need that money now.

5. *A \$10 minimum wage NOW, adjusted annually to the cost of living.*

The minimum wage is scheduled to increase from \$8/hour to \$8.75 in 2008, \$9.25 in 2009 and \$10.25 in 2010. But minimum wage workers working full-time, year-round need \$10 an hour immediately just to get to the poverty line. All workers deserve to live above the poverty line – and shouldn't have to wait years to get there.

Election Strategy

ISAC is meeting with each of the parties and will also distribute an election questionnaire asking for commitments on the above issues.

ISAC has also created elections backgrounders and questions for all-candidates meetings and is encouraging supporters to use them and distribute them widely. All materials are available at: www.incomesecurity.org/.

Other anti-poverty elections materials are also available through the following campaigns:

- ✚ Ontario Needs a Raise Campaign: http://www.ocsj.ca/res_onr.php
- ✚ ODSP Action Coalition: www.odspaction.ca (coming soon)
- ✚ \$10 minimum wage NOW! campaign: <http://www.amillionreasons.ca>
- ✚ Workers Needs a Fair Deal Campaign:
<http://www.workersactioncentre.org/campaigns.html#fairdeal>
- ✚ Respect Campaign: www.amillionreasons.ca
- ✚ Step It Up Campaign: www.stepitupontario.ca

3) **Media**

During the Hands off! campaign, ISAC organized several press conferences and media events to draw attention to the NCBS clawback. Through these events, as well as letters-to-the-editor, opinion editorials and meetings with editorial boards, Hands off! supporters were able to get considerable media attention. This, in turn, helped create public awareness around the campaign and additional pressure on the government.

ISAC will continue trying to get media attention around social assistance issues and will also provide advice, op ed / letter-to-the-editor templates, and media tip sheets to others who want to approach the media in their own communities. For general media-related materials see: www.opicco.org.

4) **Public Education**

In the short-term, governments can get away with doing very little to address poverty because it's not usually an issue that matters at the voters box. That's why public education will continue to be a key strategy that ISAC uses. ISAC public education materials are available on the publications page of ISAC's website at:

<http://www.incomesecurity.org/publications.html>. Current materials include the Ontario Child Benefit Q & A and a recently revised fact sheet on the welfare wall. To receive notices regarding new ISAC materials, subscribe to ISAC's e-list:

http://www.cleonet.ca/email_bulletin.

5) **Community Organizing**

Getting governments to make poverty a political priority requires considerable, ongoing pressure. Over the last two years, low-income people, legal clinics, community agencies, faith groups, unions and anti-poverty groups have shown what can be done when they mobilize around an issue.

When the Hands off! campaign began, the entire National Child Benefit Supplement (NCBS) was being clawed back from families. As a result of pressure from Hands off! supporters, as of 2004, the Liberals stopped clawing back annual increases to the NCBS. With the introduction of the Ontario Child Benefit, the clawback will be further reduced. Supporters of the Hands off! campaign should be proud of what they were able to accomplish, even if we were only partly successful in our goal to completely end the NCBS clawback. We were up against considerable resistance. When discussions began around the Ontario Child Benefit, much of the government's sympathy around poverty was aimed at helping the working poor. There was no guarantee that families on social assistance would benefit at all. The fact they did is a testament to the momentum created by Hands off! supporters.

Clearly there is more work to be done. Despite the fact that people on social assistance continue to live thousands of dollars below the poverty line, OW/ODSP rates have barely kept pace with inflation over the last four years, let alone made up for the cuts and losses of the mid-1990s. Getting a job continues to be seen as the primary strategy for ending

poverty, without seriously taking into consideration the inadequacies of the current labour market, systemic barriers including discrimination and the lack of affordable childcare, and the reality for many people with disabilities.

While the Hands off! partners have decided to bring the campaign to an end, there are other campaigns that need people's support so that, together, we can continue to build on the momentum around poverty issues that appears to be growing.

Ontario Needs a Raise Campaign

The Ontario Needs a Raise (ONR) Campaign is calling on the provincial government to develop a comprehensive poverty reduction strategy that would, among other things, increase social assistance rates to reflect the real cost of living, increase the minimum wage to \$10 an hour immediately and roll out the new Ontario Child Benefit more quickly. A campaign pamphlet and backgrounders on social assistance rates and the minimum wage are available online at: http://www.ocsj.ca/res_onr.php. The ONR Campaign has also printed election message cards where people can indicate their support for increasing social assistance rates and the minimum wage. For more information on the campaign, to sign-up for the ONR Campaign e-list, or to order message cards, contact John Argue at the Ontario Coalition for Social Justice: 416-441-3714 or via email: info@ocsj.ca.

ODSP Action Coalition

The ODSP Action Coalition is a province-wide coalition of legal clinics, community agencies and people on ODSP who use a variety of strategies to push for improvements to ODSP. The committee is developing materials for the upcoming provincial election and also has several committees that are working to improve the ODSP application process, how services are delivered, and employment opportunities and supports for people on ODSP. To find out more about the ODSP Action Coalition, visit the website at: www.odspaction.ca or contact Nancy Vander Plaats at Scarborough Community Legal Services for more information: 416-438-7182, ex. 22 or via email: vanderpn@lao.on.ca.

Step It Up Campaign

This campaign calls for better, faster government action to end violence against women. It was created by women activists from across Ontario in June 2006 and is being supported by the Ontario Association of Interval and Transition Houses (OAITH). The campaign outlines 10 steps that are needed to end poverty and violence against women. They will be developing election materials soon. For more information: <http://www.stepitupontario.ca/>.

6) NCBS Legal Challenge

ISAC's legal challenge against the federal and provincial governments arguing that the NCBS clawback is discriminatory under the *Canadian Charter of Rights and Freedoms* is ongoing. The applicants and the legal team will be evaluating the impact of the introduction of the Ontario Child Benefit and the restructuring of social assistance as information becomes available. For more information:

<http://www.incomesecurity.org/challenges/ChokomolinLancePrincev.HerMajestytheQueeninRightofCanadaetal.html>.

7) Policy Reform

The momentum and strength of the Hands off! campaign has helped create more room for progressive policy reform. ISAC intends to build on this aspect of our work in several ways:

Ontario Child Benefit implementation working group

ISAC is part of an ad hoc group of policy advocates who have requested that the government establish a working group to discuss issues regarding the Ontario Child Benefit. The purpose of the implementation working group is to work with government to find the best possible resolution for several outstanding issues and questions that have arisen since the Ontario Child Benefit was announced. Many of these issues are highlighted in ISAC's Ontario Child Benefit Q & A:

http://www.incomesecurity.org/documents/ISACOCBQandApril07_000.pdf.

Poverty Reduction Strategy

ISAC will be working with Campaign 2000 to develop the key components of a provincial poverty reduction strategy that can be used to pressure the government to develop a comprehensive poverty reduction strategy in consultation with low-income people, advocates and policy groups. Ensuring that social assistance rates reflect the real cost of living will be one of the key components included.

Increases to the Child Tax Benefit (CTB) and the National Child Benefit Supplement (NCBS)

Since 1998 when it was implemented in an effort to reduce child poverty, the NCBS has been increased annually. The last increases are scheduled for July 2007. ISAC will work with Campaign 2000 to push the federal government to increase the NCBS and CTB to \$5100/year/child. If successful, future increases would benefit families on social assistance since they have always received the CTB and, as of July 2008, the NCBS will no longer be deducted from their OW/ODSP cheques.

LIEN

ISAC is one of the anti-poverty and environmental groups who formed the Low Income Energy Network to ensure that the provincial government considers the impact of rising energy prices for low-income people. LIEN has been lobbying government and working through other avenues such as the Ontario Energy Board for the establishment of an energy poverty strategy that includes a fully-funded provincial energy conservation program for low-income consumers, special energy rates for low income consumers and a provincial emergency energy fund. To find out more about LIEN:

<http://www.lowincomeenergy.ca/A55AB4/lien.nsf/All/home>.

Conclusion

Organizing around anti-poverty issues is not easy. Stereotypes of people on welfare are at the root of public apathy and government inaction. Yet history has shown that seemingly impossible change can happen. Women getting the vote is just one example where people organized and won.

Winning an adequate income for all people in Ontario will not happen overnight. But, as the Hands off! campaign showed, ordinary people can force governments to respond. And, as government programs like the Canada Child Tax Benefit and the National Child Benefit Supplement have shown, government policy has an important role to play in reducing poverty.

The Income Security Advocacy Centre would like to thank everyone who supported the Hands off! campaign, from the organizations that helped us strategize around the campaign, to the unions who provided us with funding, to the legal clinics, organizations, faith groups, anti-poverty groups and individuals who mobilized to get postcards signed, meet with their MPPs, and bolster public and media support.

Most of all, we would like to thank the people on social assistance who took this campaign and made it real. Speaking at public events and to the media about the impact of the NCBS clawback on your and your children's lives took courage. Getting postcards signed and meeting with your MPPs was key to the gains we were able to make and will be key as we move forward. Your voice is important.

Together, we are all much stronger. Thank you for your support and your commitment to ending poverty in Ontario.