

Submission regarding Bill 276: *Supporting Recovery and Competitiveness Act, 2021*
to the Standing Committee on General Government

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INCOME SECURITY ADVOCACY CENTRE
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Income Security Advocacy Centre

The Income Security Advocacy Centre (ISAC) is a specialty legal clinic funded by Legal Aid Ontario. ISAC's mandate is to advance the rights and interests of low-income Ontarians with respect to income security and employment. We carry out our mandate through test case litigation, policy advocacy, community development and public education.

Founded in 2001, we are governed by a community Board of Directors representative of all regions of Ontario. Our Board includes legal clinic caseworkers and people who identify as low-income, with representation from Indigenous communities, racialized communities, people with disabilities and recipients of income support benefit programs.

Recommendations

Informed by ongoing consultation with our community partners on issues relevant to our mandate, we make the following six recommendations for Bill 276, *Supporting Recovery and Competitiveness Act, 2021*, specifically Schedule 21, which amends the *Ontario Works Act, 1997*.

- **Recommendation 1: Immediately raise the Ontario Works single rate to \$1086.32 per month.**
- **Recommendation 2: Clearly define “life stabilization” services.**
- **Recommendation 3: Include safeguards in Bill 276, Schedule 21 to ensure the use of life stabilization services is not a requirement to receive benefits.**
- **Recommendation 4: Invest in robust, high-quality and ethno-cultural specific and culturally appropriate social services across Ontario.**
- **Recommendation 5: Establish clear, realistic and fair benchmarks for the duration and quality of services and metrics to measure life stabilization outcomes.**

- **Recommendation 6: Develop funding agreements with municipalities with transparency and in consultation with people with lived experience and through an equity, diversity and inclusion lens.**
- **Recommendation 7: Implement all recommendations with consideration of the current job market that has been impacted by the COVID-19 pandemic.**

The first change of concern to Schedule 21 is the use of life stabilization. While on the surface this is an acknowledgement that many who find themselves on Ontario Works may not be ready for employment and require wraparound supports, life stabilization is impossible without first addressing the extreme inadequacy of Ontario Works rates. These are currently \$733 per month for a single with no dependents. Since 2017, these monthly rates have increased by only \$12.¹ With no increases for inflation or at all in the past three fiscal years, rates are effectively being reduced in real terms.

Further, the COVID-19 pandemic has disproportionately impacted Ontario Works recipients who were already living in deep poverty.^{2,3} As the recent McMaster Study on the impact of COVID-19 demonstrates, those who only had social assistance and could not access the Canadian Emergency Recovery Benefit (CERB) did not have enough food to eat or went

¹ Ontario Government. *Income Security: A Roadmap for Change* (October 2017) Retrieved February 12, 2021, from https://files.ontario.ca/income_security_-_a_roadmap_for_change-english-accessible_0.pdf, p. 126.

² Deep poverty is measured on the Market Basket Measure, which “is a measure of low income based on the cost of a specific basket of goods and services representing a modest, basic standard of living. It includes the costs of food, clothing, footwear, transportation, shelter and other expenses.” See Statistics Canada (November 27, 2015). *Market Basket Measure (2011 base)*. Retrieved February 11, 2021, from <https://www150.statcan.gc.ca/n1/pub/75f0002m/2013002/mbm-mpc-eng.htm>.

³ In Toronto, OW recipients live at 54% of the Deep Poverty Line (75% MBM) which is well below the poverty line. See Daily Bread Food Bank (2020). *Who’s Hungry 2020 Beyond COVID-19: Building A Future Without Poverty*. Daily Bread Food Bank. Retrieved February 11, 2021, from <https://www.dailybread.ca/wp-content/uploads/2020/11/Whos-Hungry-Report-2020.pdf>, p. 15.

days without food⁴; they also experienced higher rates of physical and mental health decline.⁵ If the goal is to achieve life stabilization to prepare recipients for employment, ensuring rate adequacy is paramount and a matter of recovery from the COVID-19 pandemic.

- **Recommendation 1: Immediately raise the Ontario Works single rate to \$1086.32 per month.**^{6,7,8}

There are concerns among social assistance recipients that the proposed amendment to embed life stabilization in Section 4 of the *Ontario Works Act, 1997* may mean that these services will be required as a condition to receive benefits. While the breadth of life stabilization services is not defined in the *Ontario Works Act* – and we urge further clarification on this issue – these services presumably include housing, mental health and addiction services, childcare, language learning, and other supports for newcomers. For example, recipients should not be compelled to attend mental health support sessions with service providers who may not provide culturally appropriate services or who do not follow a treatment model that is of the client’s choice. There is a reasonable fear that if this is the case, the already punitive and intrusive social

⁴ Ferdosi, Mohammad et al. (2021). “Food Security and Housing During COVID.” *COVID Economic and Social Effects Study CESES*. McMaster University. Retrieved May 16, 2021, from <https://labourstudies.mcmaster.ca/research/impact-of-covid-19/food-security-and-housing-covid>.

⁵ Ferdosi, Mohammad et al. (2021). “COVID and Physical and Mental Health.” *COVID Economic and Social Effects Study CESES*. McMaster University. Retrieved May 16, 2021, from <https://labourstudies.mcmaster.ca/research/impact-of-covid-19/factsheet-6-health-and-covid-march-2021.pdf>.

⁶ If the Ontario Works single rate of \$663 had not been cut by 21.6% in 1995, it would now be \$1086.32 if adjusted for inflation. See Stapleton, John and Yvonne Yuan (2018, August 2). “Ontario’s ‘welfare diet’ in 2018.” *Policy Options Politiques*. Retrieved May 18, 2021, from <https://policyoptions.irpp.org/magazines/august-2018/ontarios-welfare-diet-2018/>.

⁷ See Bank of Canada. *Inflation Calculator*. Retrieved May 18, 2021, from <https://www.bankofcanada.ca/rates/related/inflation-calculator/>.

⁸ A bare minimum increase would be to \$919.46 if social assistance rates were raised immediately by 1.5% to reverse the 2018 cut and by 10%, 7% and 5% for the following three fiscal years. This follows recommendations in the *Roadmap for Change* and were made in ISAC’s 2021 Budget consultations submission. See Ontario Government (October 2017). *Income Security: A Roadmap for Change* (October 2017) Retrieved February 12, 2021, from https://files.ontario.ca/income_security_-_a_roadmap_for_change-english-accessible_0.pdf, p. 126.

assistance system will become even more so despite the government's stated intention to improve client outcomes.⁹ ISAC urges the Standing Committee on General Government to include safeguards in the Bill to ensure this is not the effect of amendments to the *Ontario Works Act, 1997*.

- **Recommendation 2: Clearly define “life stabilization” services.**
- **Recommendation 3: Include safeguards in Bill 276, Schedule 21 to ensure the use of life stabilization services is not a requirement to receive benefits.**

Second, Schedule 21 follows the *Recovery and Renewal: Ontario's Vision for Social Assistance Transformation*.¹⁰ Part of this vision will allow the province to assume administrative functions while continuing to download service delivery to municipal partners and district social services administration boards or DSSABs by making them “delivery partners” in the proposed new Section 50.1 of the *Ontario Works Act, 1997*. The question that must be asked is: what is the purpose of realignment if, as it is well known, there is a lack of supply of services. It is significant that in the memo, “Question and Answers on Proposed Legislative Amendments to the *Ontario Works Act, 1997*” from the Ministry of Children, Community and Social Services, it states that the *Ontario Works Act, 1997* does “not entitle clients to receive new or distinct life

⁹ See Ministry of Children, Community and Social Services. “Questions and Answers on Proposed Legislative Amendments to the *Ontario Works Act, 1997*.” Retrieved May 16, 2021, from https://www.msdsb.net/images/ADMIN/correspondence/2021/Proposed_OW_Act_Amendments_QA.pdf.

¹⁰ Ministry of Children, Community and Social Services. (2021) *Recovery and Renewal: Ontario's Vision for Social Assistance Transformation*. Retrieved May 16, 2021 from, <https://www.ontario.ca/page/recovery-renewal-ontarios-vision-social-assistance-transformation>.

stabilization services” (4).¹¹ Rather, the *Ontario Works Act, 1997* aims to “enable greater connections... to accessing human services” (5).¹² To what services will clients be connected?

Some examples of inadequate services are a wait list for subsidized housing of 7-12 years in Toronto.¹³ The average market rent for a one bedroom apartment in Guelph is \$1,212 per month.¹⁴ In the Waterloo region, wait times for mental health services can be close to a year or more.¹⁵ That was over a year ago and the COVID-19 pandemic has only increased the demand for these services. As recently as 2018, there were eight cities known as “child care deserts,” meaning 95% of children in Brampton, 87% in Kitchener and 65% in Mississauga are unable to access child care.¹⁶ This creates significant challenges for parents who are trying to work.

Food security continues to be a serious concern. In 2021, food price increases are expected to be between 3% to 5% with the highest increase being up to 6.5% for meat and vegetables.¹⁷ During the first five months of the pandemic, reliance on foodbanks – which is not

¹¹ See Ministry of Children, Community and Social Services. “Questions and Answers on Proposed Legislative Amendments to the *Ontario Works Act, 1997*.” Retrieved May 13, 2021, from https://www.msdsb.net/images/ADMIN/correspondence/2021/Proposed_OW_Act_Amendments_QA.pdf.

¹² See Ministry of Children, Community and Social Services. “Questions and Answers on Proposed Legislative Amendments to the *Ontario Works Act, 1997*.” Retrieved May 13, 2021, from https://www.msdsb.net/images/ADMIN/correspondence/2021/Proposed_OW_Act_Amendments_QA.pdf.

¹³ City of Toronto (2021). *Rent-Geared-to-Income Subsidy* City of Toronto. Retrieved May 13, 2021, from <https://www.toronto.ca/community-people/employment-social-support/housing-support/rent-geared-to-income-subsidy/>.

¹⁴ Canadian Mortgage Housing Corporation (October 2020). “*Ontario – Rental Market Statistics Summary By Metropolitan Areas, Census Agglomerations and Cities.*” *CMHC Rental Market Survey*. Retrieved May 13, 2021, from <https://www03.cmhc-schl.gc.ca/hmip-pimh/en/TableMapChart/Table?TableId=2.1.31.2&GeographyId=35&GeographyTypeId=2&DisplayAs=Table&GeographyName=Ontario#1%20Bedroom>.

¹⁵ Duhatschek, Paula. (2020, January 29). “Wait times for some mental health services up to 1 year in Waterloo-Wellington.” 29 January 2020. CBC. Retrieved May 13, 2021, from <https://www.cbc.ca/news/canada/kitchener-waterloo/wait-times-for-some-mental-health-services-up-to-a-year-long-in-waterloo-wellington-1.5441205>.

¹⁶ Macdonald, David. (2018, June 28). *Child Care Deserts in Canada*. Canadian Centre for Policy Alternatives. Retrieved May 13, 2021, from <https://www.policyalternatives.ca/publications/reports/child-care-deserts-canada>, p. 15.

¹⁷ Dalhousie University, University of Guelph, University of Saskatchewan and University of British Columbia. *Canada’s Food Price Report 11th Edition* (2021). Retrieved February 11, 2021, from [https://cdn.dal.ca/content/dam/dalhousie/pdf/sites/agri-food/Food%20Price%20Report%202021%20-%20EN%20\(December%208\).pdf](https://cdn.dal.ca/content/dam/dalhousie/pdf/sites/agri-food/Food%20Price%20Report%202021%20-%20EN%20(December%208).pdf), p. 4.

food security – increased over 50%¹⁸ in Toronto and 307% in Waterloo.¹⁹ The situation is worse in northern communities. In Peawanuck in northern Ontario, a family of four spends almost 50% of their monthly budget on food compared to family of four in Toronto who spends 17.5%.²⁰ Many must skip a meal to afford the cost of digital services,^{21,22} which are an absolute necessity now more than ever.

There is also a need for ethno-cultural specific services for newcomers to Ontario, culturally appropriate services for Indigenous people and access to services in rural and remote areas. If the amended *Ontario Works Act, 1997* and the *Recovery and Renewal* plan provide for no new services and connect people to services with long waitlists in municipalities, the possibility of life stabilization is doubtful.

- **Recommendation 4: Invest in robust, high-quality and ethno-cultural specific and culturally appropriate social services across Ontario.**

There is a lack of clarity around the standards that will be required for the delivery of these services. The metrics that will be used to measure life stabilization outcomes are unknown. One support group for addiction treatment, twelve sessions of therapy, a referral to a housing

¹⁸ Daily Bread Food Bank (2020). *Who's Hungry 2020 Beyond COVID-19: Building A Future Without Poverty*. Retrieved February 11, 2021, from <https://www.dailybread.ca/wp-content/uploads/2020/11/Whos-Hungry-Report-2020.pdf>, p. 21.

¹⁹ The Food Bank of Waterloo Region (2020, October 29). "COVID-19 Impact Report" *Food For Thought Blog*. Retrieved May 13, 2021, from <https://www.thefoodbank.ca/2020/10/covid-19-impact-report/>.

²⁰ Human Rights Watch. *Standing Committee on Indigenous and Northern Affairs Briefing on Food Security in Northern Communities*. (2021, March 12). Retrieved May 18, 2021, from https://www.hrw.org/sites/default/files/media_2021/03/031221%20HRW%20INAN%20Committee%20Submission.pdf.

²¹ In Ontario, 14% of foodbank users named phone/internet costs as the reason to miss a meal. Feed Ontario (2020). *Hunger Report 2020: The Impact of COVID-19 on Food Bank Use in Ontario*. Retrieved February 11, 2021, from <https://feedontario.ca/wp-content/uploads/2020/11/Hunger-Report-2020-Feed-Ontario-Digital.pdf>, p. 14.

²² In Toronto, 45% missed a meal to pay for their phone. Daily Bread Food Bank (2020). *Who's Hungry 2020 Beyond COVID-19: Building A Future Without Poverty*. Retrieved February 11, 2021, from <https://www.dailybread.ca/wp-content/uploads/2020/11/Whos-Hungry-Report-2020.pdf>, p. 21.

waitlist or one language course are not enough. While the proposed new Section 50.1 refers to performance standards, these have yet to be outlined in the regulations and through agreements between the municipal delivery partners and the province.

ISAC views it as crucial that the standards and funding agreements are developed with full transparency to ensure accountability to the diversity of clients they are meant to serve as well as to ensure consistency of service provision across the province. Clear, realistic and fair benchmarks – both in terms of length of access and quality of services – must be established through consultation with people with lived experience and through an equity, diversity and inclusion lens. Most importantly, the province must provide a significant investment to ensure robust and quality services. We will look to the regulations authorized by paragraphs 37 to 39 of the amended section 74 for this investment.

- **Recommendation 5: Establish clear, realistic and fair benchmarks for the duration and quality of services and metrics to measure life stabilization outcomes.**
- **Recommendation 6: Develop funding agreements with municipalities with transparency and in consultation with people with lived experience and through an equity, diversity and inclusion lens**

Third, the phrase “life stabilization” is being inserted in Section 4 as a qualifier to assistance “to help a person become and stay employed.” ISAC recommends that the Standing Committee on General Government consider the fundamental and systemic forces that contribute to poverty for workers, and the rise of precarious, short term and unsafe work that can land people back on social assistance. Racialized workers and low-wage jobs have been among the

hardest hit during the pandemic.²³ ISAC urges this Committee to consider the challenges of the current job market against the aims of Section 4.

- **Recommendation 7: Implement all recommendations with consideration of the current job market that has been impacted by the COVID-19 pandemic.**

It is imperative that the Standing Committee on General Government understand that no progress can be made without an immediate and significant raise to Ontario Works rates. Only with income adequacy do stabilization and future meaningful employment become a real possibility.

²³ These workers are more likely to be engaged in the precarious work deemed “essential,” including work in grocery stores, cleaning, delivery, long term care and farm work. See Decent Work and Health Network (August 2020). *Before It’s Too Late: How to close the paid sick days gap during COVID-19 and beyond*. Retrieved February 12, 2021, from https://d3n8a8pro7vhmx.cloudfront.net/dwhn/pages/135/attachments/original/1604082294/DWHN_BeforeItsTooLate.pdf?1604082294, p. 5.