

The Campaign for Adequate Welfare and Disability Benefits.

c/o First Pilgrim Church
200 Main Street East
Hamilton Ontario L8N 1H3
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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.

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.

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

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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