

TO: Members of the Joint Services Steering Committee

FROM: Ken Doherty, Director of Community Services

MEETING DATE: October 13, 2011

SUBJECT: Report CSSSJSSC11-005

Social Assistance Review Commission Update

PURPOSE

A report to inform the committee of the provincial social assistance review currently underway.

RECOMMENDATION

That the Joint Services Steering Committee endorse the recommendation outlined in Report CSSSJSSC11-005 dated October 13, 2011 of the Director of Community Services, as follows:

That Report CSSSJSSC11-005 be received for information.

BUDGET AND FINANCIAL IMPLICATIONS

There are no budget or financial implications from this report.

BACKGROUND

In the 2008 Poverty Reduction Strategy, the Ontario government committed to reviewing social assistance, with a focus on removing barriers and increasing opportunities for people to work. It subsequently appointed the Social Assistance Review Advisory Council to provide advice on a proposed scope for the review. Taking into account the advice of this Council, on November 30, 2010, the government

announced the appointment of Frances Lankin and Munir A. Sheikh to lead the Commission for the Review of Social Assistance in Ontario.

The Commission is tasked with carrying out a comprehensive review, and providing specific recommendations and a concrete action plan for reforming the social assistance system to the government in June 2012.

Outcomes of the Review

The Terms of Reference for the Commission identify five specific outcomes for the review. Specifically, it indicates that: the review will make recommendations that will enable government to

- Establish an appropriate benefit structure that reduces barriers and supports peoples' transition into, and attachment within, the labour market
- Place reasonable expectations on, and provide supports for, people who rely on social assistance with respect to active engagement in the labour market and participation in treatment and rehabilitation
- Simplify income and asset rules to improve equity and make it easier to understand and administer social assistance
- Ensure the **long-term viability** of the social assistance system
- Define Ontario's position vis-à-vis the federal and municipal governments as it relates to income security for Ontarians.

The Commission's Approach

The Commission intends to provide the government with well-grounded, evidencebased recommendations consistent with its mandate. To accomplish this, the commission will:

- Draw on the perspectives and input of various stakeholders and communities across Ontario, including people with lived experience, advocacy groups, labour organizations, business and other levels of government. Separate discussions will be held with First Nations to ensure reforms meet their needs and priorities.
- Develop a research agenda and knowledge base that captures key research findings and the experience of other jurisdictions, and engages researchers, academics and technical experts to address gaps in our current understanding.

Engagement with stakeholders and communities will take place in two phases. First, through the release of a Discussion Paper in June 2011, views will be sought to confirm the key issues in social assistance today and to identify possible solutions. Feedback on the paper, including written submissions and conversations in communities, will help inform the development of options and possible approaches.

This input, integrated with findings from the research agenda, will be incorporated into an Options Paper to be released in the late fall. Through this paper, further input and advice from stakeholders and communities will be sought.

Peterborough Engagement

Peterborough was selected as one of 10 communities in which the commission visited as part of their community engagement process. The commission invited the local Peterborough Poverty Reduction Network to organize and coordinate the agenda for their visit on July 13, 2011.

The agenda for this day involved the following activities:

- Presentations by CERP, Income Security committee of the Poverty Reduction Network, the Peterborough Labour Council and the Social Services Division for the City of Peterborough.
- Service Agency Table discussions
- Site visits to Our Space Community Centre, New Canadian Centre and Brock Mission.
- And most importantly, opportunities throughout the day for those who are or have lived experiences with poverty to tell their stories to the commissioners.

In preparation for the Division's attendance at the Community meeting, Social Services management and staff feedback was obtained and used to identify key issues and suggestions related to the areas the Commission was seeking input into.

Recommendations

Based on the content of the work book, the top five recommendations presented to the Commission are:

- 1. One simplified social assistance program to replace Ontario Works and Ontario Disability Support Program. This is expected to result in reduced administration costs to deliver this program and offers a more integrated seamless service to clients.
- 2. Liveable, regional rates for social assistance. There is a need to sufficiently provide for the basic needs of living for families by providing assistance that factor in the local market basket cost for food and the average market rents as well as other shelter costs such as fuel, hydro and taxes. People not in crisis regarding their basic needs are then better able to devote their energy and focus to education, retraining and the pursuit of employment. To determine the appropriate rate structure, the minimum wage rate should be considered and a

recognition that people will have a better level of income by working than collecting social assistance. The vast majority of financial benefits provided to people on assistance immediately go back into the local economy. An increased rate would alleviate stress on emergency funding programs and food banks.

- **3. Local Integrated Planning.** Coordination and integration of human services is important to the delivery of accountable, efficient, effective government programs and services and municipalities in their role as Consolidated Municipal Services Managers (CMSMs) are best positioned to assume this role.
- 4. Focus on integrated locally delivered employment support programs. One of the critical factors necessary to alleviate poverty is to create sustainable employment. Working with the local Workforce Development Board to identify the necessary qualifications and skill shortages and then work with local employment agencies, employers, education and economic development to prepare the labour force to fill the need is required. There must be incentives for private sector employers to offer placement opportunities for social assistance clients. More needs to be done to engage persons with disabilities in employment planning and supports to allow them to improve their earnings. This in turn benefits employers by increasing the labour resource pool, and by decreasing the number, requiring assistance and or reducing the amount of assistance issued.
- **Move to a Guarantee Annual Income**. The income tax system approach provides an administratively simplified means to ensure Ontarians have a base line of income that pulls them out of poverty and removes the funding from the municipal property tax base.

As a result of the City's presentation, commission staff requested a return visit to meet with division staff to discuss some of our responses to various issues in more detail. This meeting was held on August 23, 2011. The commission staff used this time to seek clarification of several of the proposed recommendations as follows:

- a) Asset Determination: Our proposal calls for the elimination of needs testing related to a person's assets. This could either be done immediately or begin with raising the maximum assets level for families as part of a phased approach.
- b) Service Delivery: A new system that merges Ontario Works and Ontario Disability Support Program into one program delivered by CMSMs that offers a range of services and supports on a continuum based on one's ability. One caveat is that any administrative cost to the municipality be capped at current levels.
- c) Governance: A municipally delivered, provincially funded program would require the province establish a small set of provincially based outcomes. In addition,

municipalities would include several locally defined outcome measures that provide accountability and transparency to its funders and taxpayers.

A staff member also participated in the Ontario Municipal Social Services Association (OMSSA) working group preparing a response to the commission.

Once the commission releases its option paper in the late fall, staff will provide further responses to the Commission about the proposed options. Depending on the timing of the Commissions option report, an update to the Joint Services Steering Committee will be provided.

SUMMARY

More details regarding this review can be obtained from the following website: http://www.socialassistancereview.ca/home

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