

CHANGES TO SOCIAL ASSISTANCE: What Was Announced, What It Means, and What's Next

Income Security Advocacy Centre
December 6, 2018

Who are we?

- Income Security Advocacy Centre (ISAC)
 - Specialty legal clinic – part of Ontario’s community legal clinic system
- Improve income security of Ontarians by working to improve law & policy:
 - Social assistance – Ontario Works and ODSP
 - CPP-D, Employment Insurance
 - Child Benefits, OAS / GIS, Disability Tax Credit
 - Employment Standards – quality of work
- Tools:
 - Litigation
 - Policy advocacy
 - Community organizing
 - Public education



Poll: Who are you?

- Currently on OW or ODSP
- Legal clinic worker
- Service provider
- Organize with people on OW/ODSP
- Advocate around OW/ODSP
- Do policy work related to OW/ODSP
- Other

Poll: Where are you in the province?

- Northern Ontario
- South Eastern Ontario
- Eastern Ontario
- Greater Toronto Area

Social Assistance Reform

- Ontario Works and ODSP created by previous Conservative government
 - Programs started July 1998
 - OW rates cut / frozen for eight years – deep poverty
 - OW deliberately inadequate, punitive and coercive
 - ODSP rates frozen for eight years
 - ODSP difficult to access – “denial by design”
- Liberal governments 2004-2018
 - Three separate consultation processes on social assistance reform
 - No significant change for many years
 - Good changes to many rules in final 3 years (e.g., assets, gifts, other rules)
 - Started to implement Roadmap report – 19 positive rule changes this fall

New government and social assistance

- Election June 2018
 - Lisa MacLeod, new Minister of Children, Community and Social Services
- July 31 announcement
 - Ended Basic Income pilot project
 - “Paused” 19 positive rule changes
 - Cut scheduled rate increase from 3% to 1.5%
 - 100-Day Review of Social Assistance – new direction for OW / ODSP

100-Day Review: November 22 announcement

- Government's priorities for OW and ODSP:
 - Moving people to employment
 - Locally-focused social services
 - Supporting people with disabilities “with dignity”
 - Cutting red tape and restoring accountability
- When will the changes happen?
 - Over next 18 months
 - “We will provide more details about the plan in winter 2019”
- First steps
 - Work with municipalities on a phase-in plan
 - Consult with First Nations to develop a specific approach

WHAT WE KNOW

1. No rate increases

- No mention of rates or how inadequate they are
 - No promises for investments in benefit rates
- Discussion of poverty – 1 in 7 people in Ontario live in poverty
 - But no mention that many of those people are living on social assistance
- Say people will benefit from LIFT – low income tax credit
 - Initial analysis shows that very few people on OW or ODSP will benefit
 - Doesn't start until 2020

2. Changing the Definition of Disability

- “Looking at aligning Ontario’s new definition of ‘disability’ more closely with federal government guidelines”
 - Current ODSP definition:
 - (a) substantial physical or mental impairment that is continuous or recurrent and expected to last one year or more;
 - (b) effect of the impairment results in a substantial restriction in activities of daily living; and
 - (c) verified by health care provider
 - Current CPP-D definition:
 - “Severe and prolonged”
 - Not able to work at all or on a regular basis and can only earn a small amount
 - Likely to last a long or unknown time or eventually cause your death

What will this mean to people in the future?

- Many people with disabilities will not qualify for ODSP
 - Episodic disabilities, shorter-term / not permanent health conditions
 - E.g., multiple sclerosis, mental health disabilities, sickle cell anemia, rheumatoid arthritis, HIV/AIDS, hepatitis C, chronic fatigue syndrome, chronic pain, migraine, some forms of cancer, etc.
- Will be forced to rely on Ontario Works
 - 37% less in benefits (e.g., from \$1169 to \$733)
 - Work / training requirements: “Participation Agreements” / “Action Plans”
 - Will they have access to health-related benefits?

What will this mean to people on ODSP now?

- “Grand-parenting” current recipients
 - But “we anticipate that most people currently receiving ODSP will transition into the new program without having to undergo a reassessment”
 - Who and how many will have to have a reassessment? What happens to them?
- Medical reviews
 - Which test? Current rules or proposed new rules?
- New ODSP will be different from current ODSP
 - People who “can’t work”
 - Employment supports?
 - Health Spending Account?
 - Other benefits and supports?

3. Earned income exemptions

- “Allow people to keep more of what they earn”
- Current rules:
 - First \$200 / month without deductions – both OW and ODSP
 - Clawback of 50% on any additional money earned from work
- Proposed new rules:
 - Ontario Works: \$300 / month (starting after first month instead of three months)
 - ODSP: \$6000 / year
- BUT increased clawbacks for money earned above those limits
 - From 50% to 75%

What will this mean?

- Less benefit the more you work
 - Less “incentive to work” – one of government’s stated goals
 - Less total income
- Faster ineligibility
 - “Earn off” at lower income
 - Lose drug benefits, other benefits

Impact on total income – Ontario Works

Impact on total monthly income for single person on Ontario Works								
Amount eligible for from OW (basic needs and maximum shelter)	Income from work (net income)	Current Rules: first \$200 in net income exempt, then 50% deducted			Proposed Rules: first \$300 in net income exempt, then 75% deducted			Change in total income
		Amount deducted from OW benefit	Amount person gets from OW	Total income (Income from work + Amount from OW)	Amount deducted from OW benefit	Amount person gets from OW	Total income (Income from work + Amount from OW)	
\$733	\$100	\$0	\$733	\$833	\$0	\$733	\$833	\$0
\$733	\$200	\$0	\$733	\$933	\$0	\$733	\$933	\$0
\$733	\$300	\$50	\$683	\$983	\$0	\$733	\$1033	+ \$100
\$733	\$400	\$100	\$633	\$1033	\$75	\$658	\$1058	+ \$25
\$733	\$500	\$150	\$583	\$1083	\$150	\$583	\$1083	\$0
\$733	\$600	\$200	\$533	\$1133	\$225	\$508	\$1108	- \$25
\$733	\$700	\$250	\$483	\$1183	\$300	\$433	\$1133	- \$50
\$733	\$800	\$300	\$433	\$1233	\$375	\$358	\$1158	- \$75
\$733	\$900	\$350	\$383	\$1283	\$450	\$283	\$1183	- \$100

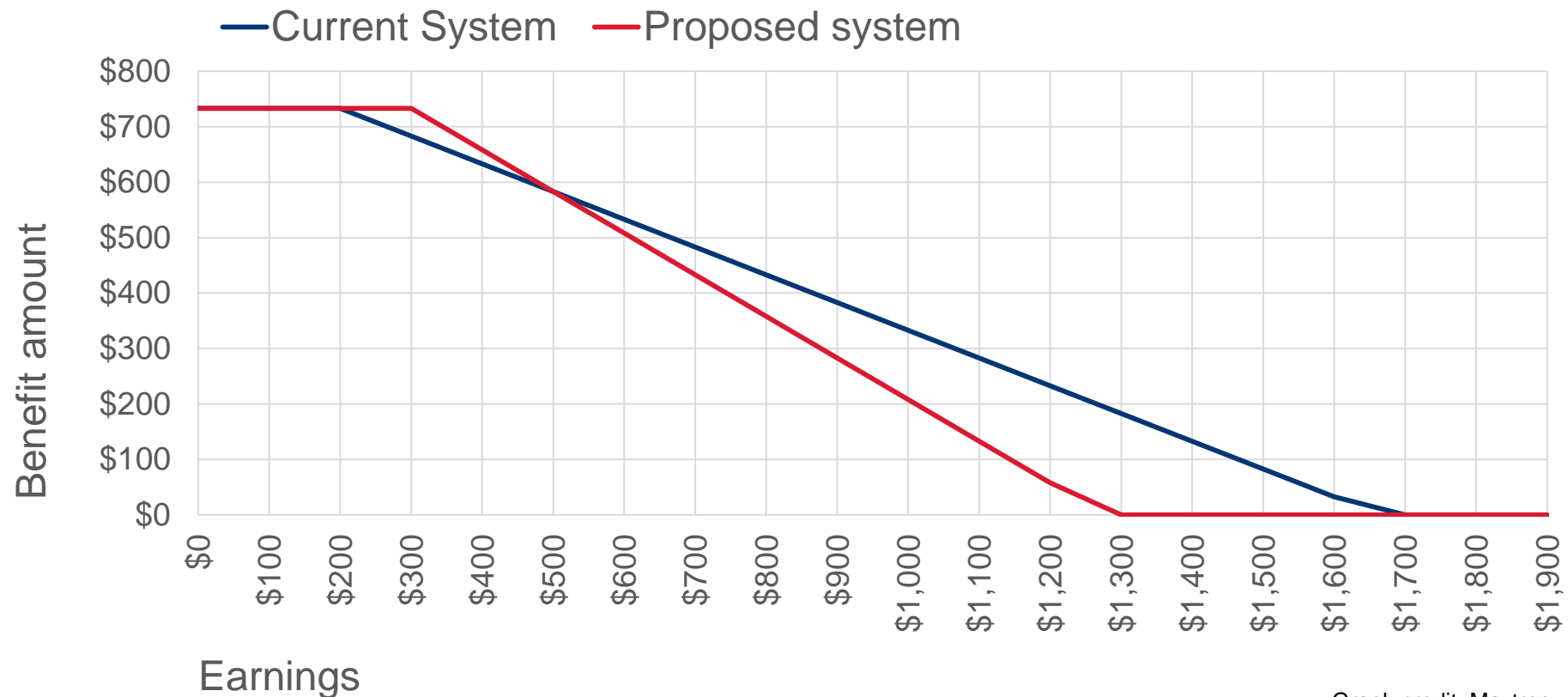
Impact on total income – ODSP

- New \$6000 / year
 - Currently \$200 / month (or \$2400 / year)
 - Can earn \$3600 more without deductions = more income for those who can work
 - Better for people with episodic disabilities or unpredictable work = less change in income from month to month
- But:
 - Same problem as OW – less benefit the more you work
 - Worse off if earning over \$13,200 annually (equal to \$1100 / month)
 - New ODSP system intended for people who “can’t work”?
- What’s not clear:
 - Monthly or annual income reporting

Impact on “earning off” – Ontario Works

- Financially ineligible at \$1,277 / mo (\$15,328 / year) instead of \$1,666 / mo (\$19,992 / year)

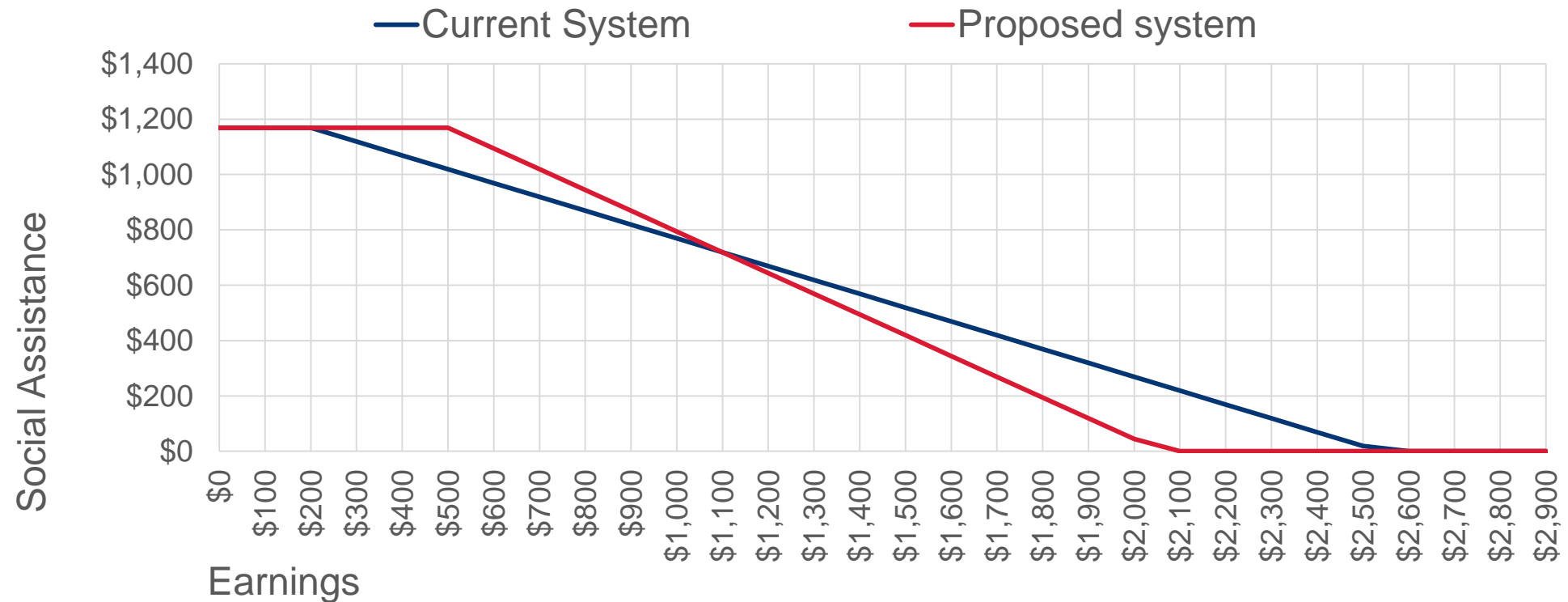
Single person on OW, basic needs and shelter allowance



Impact on “earning off” – ODSP

- Financially ineligible at \$24,704 / year instead of \$30,456 / year

Single person on ODSP, basic needs and shelter allowance



WHAT WE NEED TO KNOW

1. Simplifying rates

- Currently get separate “basic needs” and “shelter” allowances
- 240 different rates – how much you get depends on:
 - Which program – OW or ODSP
 - How many people are in your family
 - Your relationship to them (spouse, child)
 - Age of child (under 18 vs over 18)
 - How much you pay in rent
- Have heard plan is to move to 4 rates instead of 240
 - No details about structure or amounts

2. Consolidating ODSP supplements and benefits

- Some currently available supplements and benefits are:
 - Special Diet Allowance
 - Work-Related Benefit
 - Mandatory Special Necessities
 - Diabetic supplies
 - Surgical supplies and dressings
 - Incontinence supplies
 - Medical transportation
 - Assistive Devices co-payments
 - Guide Dog Benefit
 - Hearing Aids
 - Mobility Devices Batteries and Repairs
 - Vision Care

Health Spending Account - ODSP

- Only said during press conference, not in documentation
 - No details
 - Allow people with disabilities to select and pay for own health-related expenses
- Will this replace current mandatory / discretionary health-related benefits?
 - Diabetes supplies
 - Incontinence supplies
 - Medical travel
 - Special Diet?
 - Other?

Health Spending Account

- Big questions:
 - How much – will it be enough to pay for everything a person needs?
 - Who qualifies?
 - How do people access it?
 - Will people who need assistance to purchase these items get that help?
 - Will this work like Developmental Services Passports – pay out of pocket and get reimbursed?
- Big problems:
 - What if you are not getting enough to pay for what you need? No ability to appeal
 - Loss of Special Diet Allowance will mean fewer people will qualify for OW and ODSP

3. Local Discretionary Fund – Ontario Works

- “Tailor benefits to improve outcomes with a focus on employment”
 - Consolidation of currently available employment-related benefits?
 - Transfer to municipalities instead of giving benefits to people?
 - Local discretion and no appeal rights?
 - Envelope funding - will it be enough to meet the need?
- What happens to employment benefits in ODSP?
 - Esp. the Work-Related Benefit
- Remember Community Start Up (CSUMB)!
 - Loss of ability to appeal
 - Often less information about available benefits
 - In some communities, unclear if need is being met

4. Wrap-Around Supports – Ontario Works

- Recognizes people are not necessarily “job ready”
 - Need range of services to stabilize life BEFORE employment
- Commitments to improve access to
 - Mental health and addictions supports
 - Childcare
 - Housing
 - Life skills
 - Job training
- Pilot projects in local communities
- What are the implications re: sanctions and local service provision?
 - Will you be required to take addiction treatment (for example) to qualify for benefits?
 - What if there are no treatment supports in your local community?

5. Automation / Technology

- “More paperless, digital options for program delivery”
- “Options to access information and service by computer or smart phone”
 - Freeing up caseworkers to do less administration
- Impact on community members
 - Access to computers?
 - Access to smart phone?
 - Options or requirements?

6. Local service delivery

- “Modern approach” that “increases local decision-making” and “reduces paperwork”
 - What does this mean in practice?
- How much authority will be given to local municipalities to determine:
 - Eligibility for benefits
 - Eligibility for supports and services
- Difference in availability of services
 - Depends on geography
 - Rural / remote areas / smaller centres less well served
- Municipalities accountable for:
 - Helping people achieve goals
 - Public reporting of outcomes

7. “Outcomes” focus and incentive-based funding

- Which outcomes?
 - First available job?
 - Job that pays well? With benefits?
 - Job that lasts over time?
 - Outcomes other than for employment?
- Incentive-based funding
 - “Creaming” of people who have least barriers to work

What do these changes look like all together?

- Ontario Works
 - More people with disabilities relying on it
 - Less money than ODSP
 - Requirements to work / take employment-related training – “Action Plans”
 - Wrap-around supports – good for people in crisis who need specific supports but may not be enough for people with disabilities
 - Local service delivery – incentives and outcomes for employment services unclear
 - Fewer mandatory benefits
- ODSP
 - Fewer people with disabilities qualify – only “severe” and “prolonged” disabilities
 - Health Spending Account
 - No information on access to supports for employment or community participation even if people want to work

Consultation

- Very little consultation during 100-day review
- Not likely to be any consultation the next 18 months
- Lack of formal consultation does not mean we can't take action
- Ask questions, express concerns, fight back

WHAT'S NEXT?

Inform and engage

This is not a done deal!

- What can you do as an individual on OW / ODSP?
 - Get connected
 - Attend town-halls and other meetings to stay up-to-date
 - Share information with as many people as you can
 - Share your thoughts

Build momentum and for future action

Inform and engage

- What can you do as an agency?
 - Get familiar
 - Analyse
 - Discuss
 - Host public gatherings
 - Share our materials
 - Stay connected

Build momentum and for future action

Educate and Engage your politicians

Meet with local MPP

- Inform them about the changes
- Express your concerns and those of community members (take community with you)
- Ask them to get answers from the Minister
- Ask them for a follow-up meeting

Educate and Engage your politicians

Meet with local city / regional councillor

- Inform them about the changes
- Express your concerns and those of community members (take community with you)
 - Adequate funding for proper support of wrap-around services
 - Impact of moving people with disabilities on ODSP to OW
- Ask them to get answers from the Minister
- Ask them for a follow-up meeting

Contact the Minister



Minister of Children, Community and Social Services
Minister Responsible for Women's Issues

Hepburn Block
6th Floor
80 Grosvenor St.
Toronto, ON M7A 1E9

Tel 416-325-5225

lisa.macleodco@pc.ola.org

More to come

- Connect with us at ISAC
 - Website: www.incomesecurity.org
 - Email list: <https://incomesecurity.us4.list-manage.com/subscribe?u=095b12c98935ecaadd327bf90&id=ce967786b2>