

Recommendations to reform social assistance from the front line

A submission to the Honourable Lisa MacLeod, Minister of Children, Community and Social Services, regarding social assistance reform in Ontario

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Introduction

The Ontario Public Service Employees Union (OPSEU) is Ontario's largest public sector trade union with over 155,000 members. OPSEU represents over 5,000 people who work in Ontario Disability Support Program (ODSP) and Ontario Works (OW) offices across the province. These workers are experts in social assistance – they deeply understand the clients, know what works in the system, what the clients need, and where the service can be improved to save the government money and improve outcomes.

On July 31, Minister MacLeod announced the Ontario government would be reforming social assistance in Ontario. OPSEU draws from its 30 years of experience delivering social assistance and its commitment to social justice to deliver the following recommendations to the ministry ahead of its planned November announcement.

Recommendations

1. If a single-tier model is contemplated, upload OW to the province.
2. Simplify the rules to reduce red tape policing for caseworkers.
3. Raise social assistance rates to Statistics Canada's Low-Income Measure (LIM).
4. Hire more caseworkers to help beneficiaries seek meaningful employment.
5. Restore mental health funding by \$525 million

Discussion

1. Upload OW back to the province.

When OW was downloaded, administrative costs ballooned. By our estimates, the total cost of administering ODSP in 2017 was \$228 million. In contrast, OW cost \$448 million to administer, despite the overall cost of ODSP being 65 per cent more expensive when disbursements to beneficiaries are factored in. No doubt, uploading OW back to the province would save taxpayers, local ratepayers and municipalities literally millions of dollars – money that can be invested in local infrastructure and transit.

Harmonizing the delivery of OW and ODSP would also create a one-window service for those seeking social assistance and provide program consistency and oversight. It would standardize service delivery across the province and provide fairer access and treatment for clients seeking employment or income supports.

2. Simplify the rules to reduce red tape policing for caseworkers.

The current system has over 800 rules. Every time a circumstance changes in a beneficiary's life, a caseworker must spend time recalculating their benefit. On any given day, a worker can spend up to 80 per cent of their time doing this, rather than ensuring a client's basic needs are met or a person is on the right track to getting a job.

Eliminating or greatly reducing these barriers to re-entering the economy would mean more taxpayer dollars are being spent on helping people get back to work – rather than penalizing beneficiaries for being in a precarious employment situation.

If the regulatory framework were clear and succinct, allowing workers to use their experience and judgement in making decisions, it would change the very nature of the recipient/worker relationship from one of policing potential swindlers to supporting future workers.

3. Raise social assistance rates to Statistics Canada’s Low-Income Measure (LIM).

The LIM is the most commonly used poverty measure for international comparison. It is a fixed percentage (50 per cent) of median adjusted household income.

Very few people choose to be on assistance and would leave if they could. When someone’s basic human needs are not easily met – a haircut, a trip to the dentist, having the ability to pay household utility bills – it becomes a burden to them gaining employment. When it’s difficult to land a job, it’s difficult to leave social assistance. When basic needs are met, individuals are free to look for work, seek education and training opportunities, and sharpen their social and communications skills.

4. Hire more caseworkers to help beneficiaries seek meaningful employment.

Most people go on social assistance as a last resort. It often happens after hitting the lowest point in their lives. Most of these people need guidance on how to rebuild their lives. Many have strained or even no relationships with family and friends, which means they rely on their caseworker. People who have a strong support system in their lives tend to do better than those who have no supports.

Most people on social assistance need help navigating life and the support programs that exist to help them survive and re-enter the economy. Caseworkers should be focused on creating individualized plans for their clients, assisting with referrals, and helping them navigate the system. Caseworkers should be a resource that helps lift people out of poverty and not be acting as red-tape enforcement officers.

5. Restore mental health funding by \$525 million.

“One in five people stays on Ontario Works for five or more years, and if they leave almost half return, 90 per cent of them within a year. This is what a cycle of poverty looks like.” (Minister MacLeod, July 31, 2018).

From our experience, we can tell you this is not a cycle of poverty, but rather an outcome for people whose mental health prevents them from keeping a job due to a lack of programs.

Based on the minister’s remarks, the cost of people re-entering social assistance is \$530 million per year. That is based on the total average yearly payout for OW to be approximately \$17,000 per person, with, at any given time, 150,000 accessing assistance and 20 per cent of them returning to OW. If the government invested \$525 million in mental health, and the number of people going back on OW was cut in half, it would save almost \$260 million per year.

Conclusion

Social assistance in Ontario can be reformed for the better, but it needs investment: in the frontline people who provide the service, in rates for those who seek the service, and in funding to government support programs. These reforms should focus on giving caseworkers the time to provide support to beneficiaries, instead of policing them. Equally important, the government can provide much-needed relief to municipalities and local ratepayers by uploading OW to the province.

OPSEU and the Ontario government have a shared interest in lifting people out of poverty and getting them back into the workforce to create a strong, prosperous and fair Ontario. We hope the ministry adopts our recommendations. We welcome the opportunity to formally discuss our position and your planned reforms ahead of your November announcement.