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RECENT REPORTS ON POVERTY AND IMPLICATIONS FOR COMMUNITY AND HEALTH SERVICES

The Community and Health Services Committee recommends:

- 1. That Senators Art Eggleton and Hugh Segal be invited to make a presentation to Council pertaining to the reports *In from the Margins: A Call to Action on Poverty, Housing and Homelessness* and *Recommendations for an Ontario Income Security Review*.**
- 2. The adoption of the recommendation contained in the following report dated September 1, 2010, from the Commissioner of Community and Health Services.**

1. RECOMMENDATION

It is recommended that:

1. This report be shared by the Regional Clerk with the Human Services Planning Board, the York Region Community Reference Group, the York Region Funders' Alliance and the Social Planning Council of York Region.

2. PURPOSE

Over the last year, a number of key policy federal and provincial reports have been released to address poverty and promote social inclusion. The Senate of Canada's *In from the Margins: A Call to Action on Poverty, Housing and Homelessness* (December 2009) and the Social Assistance Review Advisory Council report *Recommendations for an Ontario Income Security Review* (May 2010) are particularly important.

This report summarizes the main findings and common elements between these reports. The policy research and recommendations advanced in these reports also provides a useful "check-point" for Regional poverty prevention and mitigation initiatives.

3. BACKGROUND

Comprehensive approaches, by all three levels of government and community organizations, to prevent and reduce poverty have been reinforced by recent policy reports

In December 2009 the Federal Standing Senate Committee on Social Affairs, Science and Technology released *In from the Margins: A Call to Action on Poverty, Housing and Homelessness*. The report is based on a two-year cross-country study. A key component is over 70 recommendations aimed at overhauling Canada's income security system to more effectively lift people out of poverty. The collaboration of every level of government is emphasized as a key component in this strategy.

The Executive Summary of the Senate report is provided as *Council Attachment 1*.

Also based on consultations with experts, organizations, and people with lived experience in poverty, the Social Assistance Review Advisory Council (SARAC) released its report in May 2010. SARAC was mandated by the Province to recommend the scope and terms of reference for a review of Ontario's social assistance system. This review was a key commitment in the Province's Poverty Reduction Strategy.

Similar to the Senate report, SARAC concludes that a more comprehensive review of Ontario's income security system is needed, including a focus on broader federal, provincial, municipal, and community supports.

The Executive Summary of the SARAC report is provided as *Council Attachment 2*.

There is growing advocacy for a national strategy to address poverty in Canada—including among municipalities

Responses to both the Senate and SARAC reports are still pending from the federal government and the Province.

However, there is increasing advocacy across Canada for greater action on poverty. A key recent development is the introduction of a private member's bill to develop a national strategy to eliminate poverty in Canada. This is a key part of the *Dignity for All* campaign.

Launched in 2009, *Dignity for All* is a national multi-partner, non-partisan campaign calling for a federal plan to eliminate poverty in Canada by 2020.

The Federation of Canadian Municipalities (FCM) has endorsed the *Dignity for All* campaign. This builds on a recent report by FCM, *Mending Canada's frayed social safety net: The role of municipal governments* (March, 2010), which has highlighted the impact of poverty in Canadian cities and the pressures this is placing on municipal governments.

The reports provide an opportunity to inform Council on poverty reduction strategies and future C&HS initiatives

Council expressed its support for the *Dignity for All* campaign by adopting Clause 10, Communication No. 4 of Report No. 4 of the Community and Health Services Committee

(C&HS) on May 20, 2010. Ongoing focus has been placed on poverty issues at the regional level through C&HS departmental initiatives.

C&HS provides a wide range of housing, community, and health services which address the spectrum of needs of residents living in poverty or facing financial hardship. These include provincially-mandated as well as 100% regionally funded programs. To meet demographic growth and the increasingly complex needs of residents, enhancements to the programs currently provided are proposed in the Department's Multi-Year Plan (*Investing in Our Communities: A Multi-Year Plan for the Community and Health Services Department 2010-2015*).

The Senate and SARAC reports outline broader contextual issues around poverty reduction strategies and roles for municipalities, and can help determine the suitability of future C&HS planning initiatives. They can also help inform where advocacy priorities could be developed as part of the Human Services Planning Board workplan.

4. ANALYSIS

THE SENATE AND SARAC REPORTS IDENTIFY KEY POVERTY ISSUES AND HOW THEY CAN BE MORE EFFECTIVELY ADDRESSED BY ALL LEVELS OF GOVERNMENT

Both the Senate and SARAC reports are an extensive compilation of the issues and possible solutions related to poverty and how municipalities can be part of the solution. The following highlights some of the common themes or elements between the reports.

Poverty is a complex issue with multiple-factors—residents need reasonable support to manage through periods of economic disruption and key transitions in life

Poverty is an extremely complex condition with economic, cultural, social, and institutional roots that result in social, health, and economic costs to society.

For many, a loss of a job, a sickness or health issue, a family breakdown, or another major crisis or life event can trigger a spiral into longer-term poverty if supports are not available.

Poverty affects a community's general quality of life and is costly to every level of government. Poverty tends to lead to poor health, social isolation, lower productivity, lower educational attainment, increased criminal activity and the ability for children to succeed. This is why preventing and reducing poverty is so important to the success of communities. People need a reasonable level of support to manage key changes in their lives so they can preserve stability and continue to contribute to their communities.

Investments to reduce and eliminate poverty can help sustain a more robust economy through higher productivity and reduced pressures on health or social services.

Government approaches to addressing poverty have improved and these reports urge continued enhancements

Both reports conclude that while some progress has been made, overall too much of the current approach is focussed on “managing” poverty rather than creating opportunity. The current system is generally a patch-work of income and social and employment supports that do not work together to lift people out of poverty or prevent them from becoming destitute.

There is a need for comprehensive change to the income security system to provide liveable incomes and access to supports that create pathways out of poverty

Throughout both reports, there is an overall consensus on the need for comprehensive changes to the income security system. The following highlights the main parts or components of a reformed system.

Provide liveable income levels for all low income households—including people on social assistance, those working, and those whose employment over the long-term is limited (i.e. people with severe or prolonged disabilities).

Strengthen initiatives that support employment as an effective pathway out of poverty.

Improve supports to the temporarily unemployed. This is so that Ontario Works stops being the income support of “first resort” for unemployed workers who do not qualify for Employment Insurance (EI).

Focus giving people the skills and education they need to succeed through every stage of life. Provide a national early childhood learning initiative, integrated supports to “at-risk” youths, better access to post-secondary education, and adult training and lifelong learning opportunities.

Re-engineering Ontario Works into an “opportunity planning” program and give clients supports to get and keep them working. This would include integrated, locally-run: public health, housing, recreation, mental health and addictions, dental, and child care.

Housing is a key foundational support to addressing and preventing poverty

The reports note that housing policy must change to ensure access to safe, affordable, and stable housing for low income households. Key proposed changes are:

- Create an income-tested housing benefit. This is an effective mechanism to get support directly to people in need.
- Focus resources on homelessness prevention programs and housing stabilization services. These are cost-effective alternatives to more costly emergency or crisis interventions and they focus on preventing crisis.
- Create a national housing and homelessness strategy to support further construction and rehabilitation of affordable and social housing. Until this is achieved, providing sustained funding through current programs such as the Affordable Housing Initiative or the Homelessness Partnering Strategy is needed.

Multi-government and multi-sector approaches will be needed to bring about effective change—particularly through local plans and strategies

Both reports recognize the need for all sectors, including the private sector, to work together in addressing poverty. To make progress on this issue, a range of activities is proposed, including advocacy, public education, community engagement, service coordination, local planning, and program development. It is also proposed that the federal and provincial governments support local initiatives and provide more reliable funding commitments. Finally, willingness to work towards collaborative decision-making in program design and implementation is also needed.

There are a number of examples throughout Canada where effective collaborations are underway. In the case of Ontario, SARAC raised the important role of Municipal Service System Managers in developing a reformed social assistance system as they provide multi service access points and can lead integrated approaches to dealing with complex human service needs.

Good and affordable data is needed to support planning and evaluation

Both reports also recognize the importance of monitoring and evaluating the effectiveness and outcomes of government interventions to reduce poverty. Reliable and consistent community data is the foundation for this and could be enhanced through more support to Statistics Canada for the collection, analysis, and affordable dissemination of data to support local social planning.

**COMMUNITY AND HEALTH SERVICES APPROACH TO POVERTY
REDUCTION AND PREVENTION ARE CONSISTENT WITH SENATE AND
SARAC REPORTS**

Through the proposed Multi-Year Plan and other strategic planning initiatives, C&HS is increasingly focused on prevention and creating opportunities for residents who face

barriers to self-sufficiency. The findings of the Senate and SARAC reports provide a useful check-point for future C&HS initiatives.

The number of people living in low income households is increasing in York Region—recent economic stability could be placing more at risk

Based on the 2001 and 2006 Census data, the number of York Region residents living in low income households has increased by 55%—to about 112,000 residents (calculated using Statistics Canada’s Before Tax Low Income Cut-Off).

People living in low income households reflect families and individuals in “straitened circumstances”, in that they spend 20% or more of their income than the Canadian average on food, shelter, and clothing. For a family of four living in York Region’s southern communities, this would mean living on \$35,573 or less of annual income (in 2009 dollars).

The recent economic instability has likely placed more residents at risk, particularly working families and individuals faced with job loss, reduced hours, or adjustment from higher to lower paying jobs.

A recent social audit in York Region will provide critical information about experiences of people in poverty

To better understand poverty in York Region, the Poverty Action for Change Coalition and the York Region Food Network recently convened a social audit in York Region in April 2010. The focus of the social audit is on providing a forum for people living in poverty to engage the community on key issues and challenges. The social audit is sponsored by the provincial Interfaith Social Assistance Reform Coalition.

Both the purpose and the scope of the social audit have been reported to Council through adoption of Clause 10, Communication no. 5 of Report No. 4 of the Community and Health Services Committee on May 20, 2010.

The results of the York Region social audit should provide a critical perspective on the reality of poverty in York Region for both residents living on social assistance as well as low income workers.

Council has already recognized the need for comprehensive changes to income security and integrated approaches to housing and homelessness

Through adoption of Clause No. 2 of Report No. 5 of the Community Services and Housing Committee on June 19, 2008 and Clause 6 of Report No. 2 of the Community and Health Services Committee on October 22, 2009, Council has endorsed policy positions as part of the consultations for the Ontario Poverty Reduction Strategy and the proposed Long-Term Affordable Housing Strategy.

These policy positions are consistent with many of the recommendations in the Senate and SARAC reports and provide a starting point for further advocacy.

Community and Health Services will continue to implement innovative approaches to poverty reduction and prevention

Through the Multi-Year Plan, C&HS is proposing a number of strategic initiatives that will help reduce and prevent poverty among vulnerable residents where the Region has the capacity and mandate to act. As highlighted by the Senate and SARAC report, the fiscal “heavy lifting” to address poverty is largely a responsibility of the federal and provincial governments. However, local strategies and knowledge are critical so multiple programs leverage each other to maximize positive results.

Municipal service managers are well-placed to provide leadership for local initiatives. They can help fill critical gaps in services and enhance integrated approaches to service access and coordination.

The proposed C&HS Multi-Year Plan is being presented to Council for final approval under a separate report to the September 15, 2010 Community and Health Services Committee meeting.

NEXT STEPS

C&HS will monitor provincial and federal policy developments related to poverty reduction strategies

Of particular importance will be the Province’s on-going implementation of the Ontario Poverty Reduction Strategy, including the response to the SARAC recommendations (expected in Fall 2010); the proposed Long-Term Affordable Housing Strategy (also anticipated for the Summer/Fall 2010); and the roll-out of the Early Learning Program.

Progress on the development of a federal poverty elimination bill through the *Dignity for All* campaign, as well as the formal federal government response to the Senate report, will also be tracked.

Community and Health Services will also continue to apply a poverty lens to program development and service delivery while supporting collaborative advocacy.

C&HS looks forward to the release of the York Region social audit report and will report back on its findings as soon as possible.

5. FINANCIAL IMPLICATIONS

There are no financial implications associated with this report. However, it has been demonstrated that poverty has an immediate and longer term economic impact on society, communities, and government. Investments in poverty reduction, and preventative social and health services, can help reduce pressures on more costly emergency or crisis supports.

Specific impacts of federal and provincial policy development on C&HS program spending will be assessed and reported to Council as appropriate.

6. LOCAL MUNICIPAL IMPACT

Lower income residents live in all communities across York Region. Strategies to assess needs and develop enhanced approaches to poverty reduction and prevention will help support healthy communities and local economic vitality.

Many communities across Ontario including Hamilton, Ottawa, Peterborough, and Kingston, Lambton County, and Peel and Waterloo Regions have developed local poverty reduction initiatives or roundtables. Local municipalities can play an important role in reducing or preventing poverty. Local municipalities can also actively promote the social inclusion of people living in poverty through recreation, library, and cultural services they provide to all residents.

7. CONCLUSION

The Senate of Canada and the Social Assistance Review Advisory Council have both released reports that highlight the need for more comprehensive approaches to reducing and eliminating poverty in Canada and Ontario.

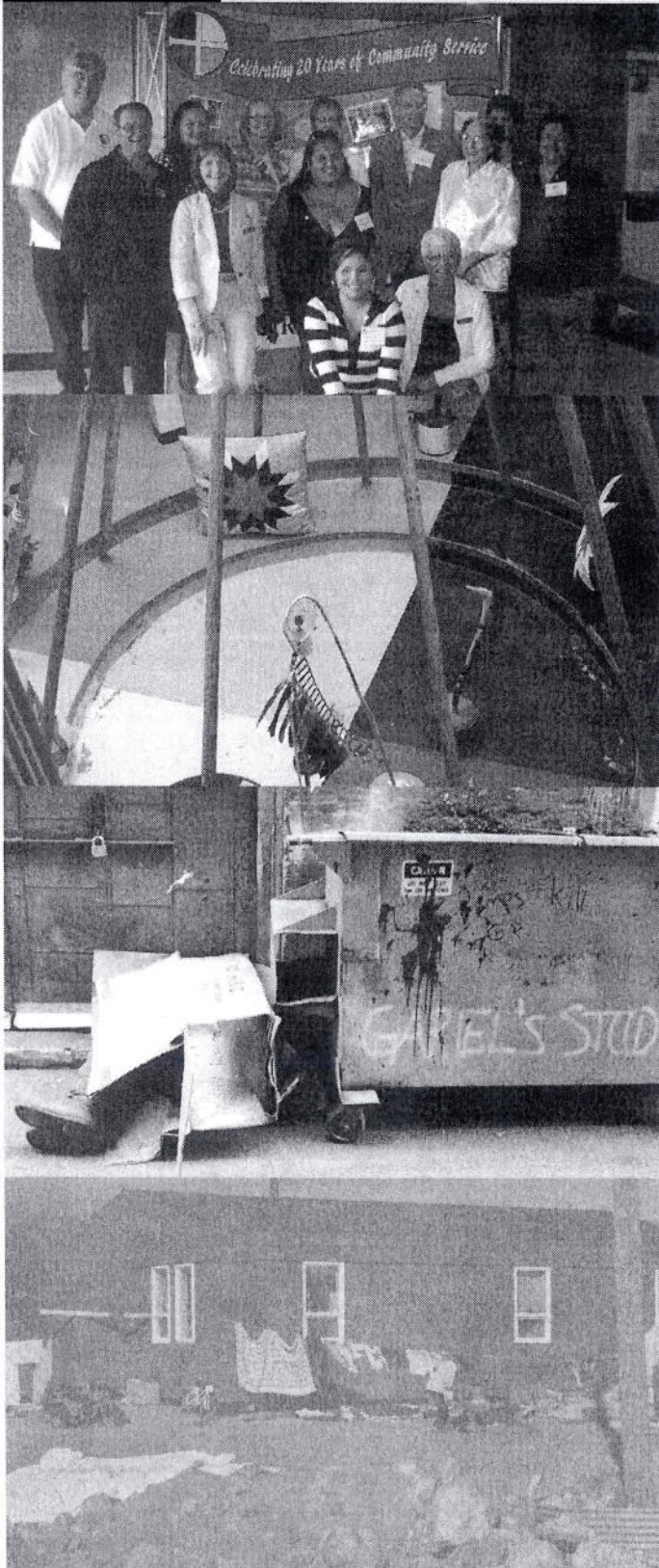
As a municipal service manager, Community and Health Services provides a range of housing, health, and community services that mitigate, reduce and prevent poverty in York Region. Enhancements to services to meet new needs due to growth and a more complex population base have been proposed in the Multi-Year Plan.

The key findings from these reports provides an opportunity to inform Council on some of the broader contextual issues around poverty reduction strategies, and where future C&HS planning initiatives fit within this broader context. It can also help inform where advocacy priorities could be developed as part of the Human Services Planning Board work plan.

For more information on this report, please contact Cordelia Abankwa-Harris, Managing Director, Strategic Service Integration and Policy Branch, at Extension 2150.

The Senior Management Group has reviewed this report.

(The two attachments referred to in this clause are attached to this report.)



IN FROM THE MARGINS: A CALL TO ACTION ON POVERTY, HOUSING AND HOMELESSNESS

The Standing Senate Committee
on Social Affairs, Science and Technology

Report of the Subcommittee on Cities

The Honourable Art Eggleton P.C., Chair
The Honourable Hugh Segal, Deputy Chair

December 2009

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Extract for the *Journals of the Senate* of Tuesday, February 24, 2009:

The Honourable Senator Eggleton, P.C., moved, seconded by the Honourable Senator Fairbairn, P.C.:

That the Standing Senate Committee on Social Affairs, Science and Technology be authorized to examine and report on current social issues pertaining to Canada's largest cities. In particular, the Committee shall be authorized to examine:

- (a) poverty, housing and homelessness;
- (b) social inclusion and cohesion;
- (c) urban economies;
- (d) models for collaboration and co-operation among governments;

That the study be national in scope, and include a focus on the largest urban community in each of the provinces;

That the study report include proposed solutions, with an emphasis on collaborative strategies involving federal, provincial and municipal governments;

That the papers and evidence received and taken and work accomplished by the Committee on this subject since the beginning of the First Session of the Thirty-Ninth Parliament be referred to the Committee; and

That the Committee submit its final report no later than October 30, 2011, and that the Committee retain all powers necessary to publicize its findings until 180 days after the tabling of the final report.

The question being put on the motion, it was adopted.

Paul C. Bélisle

Clerk of the Senate

Membership

The Honourable, Art Eggleton, P.C., Chair
The Honourable, Hugh Segal, Deputy Chair

And

The following Honourable Senators participated in this study:

Jane Cordy
Lillian Eva Dyck
Wilbert Joseph Keon
Yonah Martin
Jim Munson

Other Senators who have participated from time to time on this study:

The Honourable Senators: Callbeck, Champagne, P.C., Cook, Fairbairn, P.C., and Pépin.

The committee would like to thank the following staff for their hard work in the preparation of this report:

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Foreword

Our cities are integral to the prosperity of Canada. They are the economic engines, the cultural linchpins, and are also the intersection point for many national, regional and local issues. This vital place that cities hold in the health and vibrancy of Canada is why we decided to study the current state of poverty, housing and homelessness in Canadian cities.

Through a myriad of expert witnesses, site visits, roundtables and most importantly, testimony from those living in poverty and homelessness, we are saddened to report that far too many Canadians living in cities live below any measure of the poverty line; that too many people struggle to find and maintain affordable housing; and that an increasing number of Canadians are homeless. And despite the thoughtful efforts and many promising practices of governments', the private sector, and community organizations, that are helping many Canadians, the system that is intended to lift people out of poverty is substantially broken, often entraps people in poverty, and needs an overhaul.

What does this mean for the millions of Canadians that live with these daily hardships? It means making tough decisions about putting enough food on the table or paying the rent. It means making the decision to stay in school or to drop out to find a job to help the family. It means that by just struggling to get by, these families can not even dream about getting ahead.

This problem reflects on each and every member of society and our inability or unwillingness to commit to significant changes. We believe Canada, the provinces and the private sector can and must do better.

Also, the Committee's testimony clearly underlines that poverty costs us all. Poverty expands healthcare costs, policing burdens and diminished educational outcomes. This in turn depresses productivity, labour force flexibility, life spans and economic expansion and social progress, all of which takes place at huge cost to taxpayers, federal and provincial treasuries and the robust potential of the Canadian consumer economy.

This unacceptable situation has led the Committee to offer some essential, broad and incremental recommendations that go beyond the "path dependency" paralysis that has typified federal and provincial policy under governments of all affiliations for decades.

We believe that eradicating poverty and homelessness is not only the humane and decent priority of a civilized democracy, but absolutely essential to a productive and expanding economy benefitting from the strengths and abilities of all its people.

There are 72 recommendations in this report. Some key examples of recommendations to the federal government include:

- *Adopt a core poverty eradication goal of lifting people out of poverty [Recommendation 1];*
- *Establish with the provinces a goal that all welfare recipients receive support totalling at least after-tax LICO levels [Recommendation 4];*

- *Further examine a basic annual income based on a negative income tax [Recommendation 5];*
- *Coordinate a nationwide federal/provincial initiative on early childhood learning [Recommendation 16];*
- *As a step toward eradicating child poverty, increase the National Child Benefit to reach \$5,000 by 2012 [Recommendation 34];*
- *Commit to increasing the WITB (Working Income Tax Benefit) to bring recipients at least to the LICO line [Recommendation 35];*
- *With the provinces, develop a national housing and homelessness strategy [Recommendation 44];*
- *Establish a basic income floor for all Canadians who are disabled [Recommendation 53]; and*
- *Use the Urban Aboriginal Strategy as a platform for greater investment and collaboration in addressing the poverty and housing problems facing urban Aboriginal peoples [Recommendation 66].*

We need - once and for all - to break the cycle of poverty in Canada, and to finally lift its devastating burden. We owe it to the millions of Canadians that struggle day in day out with poverty. But we also owe it to Canada as a whole.

The time for action is now!

The Honourable Art Eggleton P.C., Chair

The Honourable Hugh Segal, Deputy Chair




Executive Summary

Assigned the task of studying social conditions in Canadian cities, the Standing Senate Committee on Social Affairs, Science and Technology's Subcommittee on Cities chose to begin with people whose lives in those cities are marginalized by poverty, housing challenges and even homelessness. The most vulnerable among city-dwellers in Canada were our starting place.

We set out to determine how governments, businesses and the voluntary sector were able to help people escape poverty. To our distress, we found that decades of social policy making at different levels of government have had two possibly devastating results.

First, when all the programs are working, when the individual gets all possible income and social supports, the resulting income too often still maintains people in poverty, rather than lifting them into a life of full participation in the economic and social life of their communities. While the Committee heard from and met with a wide range of people with direct experience of poverty and homelessness, government officials, voluntary sector organizations, and analysts who described remarkable initiatives and results, these are generally small scale and exceptional, rather than usual and expected outcomes.

Second, at their worst, the existing policies and programs entrap people in poverty, creating unintended perverse effects which make it virtually impossible for too many people to escape reliance on income security programs and even homeless shelters. Their escape into employment should allow them to support themselves and their families with an income adequate to meet their basic needs. The programs that entrap people also provide too little income to meet those same needs.

The Committee does not believe that these outcomes are inevitable. In fact, the federal programs designed to bring older Canadians out of poverty have proven to be enormously, if not completely, successful, lifting many seniors out of poverty, and ensuring that none are in deep poverty. While federalism can result in complications in programming, it has also proved highly effective when there is a shared goal. For example, many provinces have tailored the Working Income Tax Benefit (a federal program) to build on existing or new initiatives to supplement the income of low-income workers, resulting in enhanced benefits to eligible people in those provinces. We know that the federal government can make a big difference, and that collaboration among government can enhance the benefits from federal programs.

Yet, this has often not been the case. There are federal instruments that supplement incomes of virtually all Canadians, except those who are adults and considered capable of earning a living. The National Child Benefit for children, the Old Age Security/Guaranteed Income Supplement for seniors, the Working Income Tax Benefit for low-income workers have all proven to be effective, though the benefits to children and workers are not yet sufficient to truly lift them from poverty.

The Committee has also noted that some groups are particularly disadvantaged, in terms of income and housing inadequacy: unattached individuals, persons with disabilities, Aboriginal peoples, some newcomers to Canada (recent immigrants and refugee claimants), and lone parents. They are over-represented among the poor, the homeless, high school dropouts and people with limited literacy skills. Despite an extensive array of programs targeted to assist them – especially newcomers, urban

Aboriginal peoples, and people with disabilities - the results being sought are not being achieved. Gender and race seriously complicate the challenges for these groups, resulting in even greater discrimination.

Particularly in the time of recession and economic upheaval, the Committee recognizes the urgency of providing remedies to these groups. The Committee seeks to ensure that the programs and policies in place serve to provide hope with a commitment to education, training and employment as a way out of poverty and into their place in jobs, schools, and communities where they can benefit from the opportunities that must be available to all.

Evidence

In more than 35 hearings, five roundtables and site visits to 20 agencies in nine cities across Canada, the Committee had the opportunity to hear from more than 175 witnesses, some living in poverty and/or homeless themselves, others working for community agencies, and some analysts from universities, think tanks and national voluntary organizations. For each site visit and each hearing, the Committee also read syntheses of recent and seminal research on the three main themes.

We relied on testimony of personal experience, conversations with people living with these problems in Canadian cities, and policy experts, relying on up-to-date data and information. We considered how people are affected by current policies and programs, and we welcomed suggestions on how these could be improved to create real opportunity for those currently marginalized by homelessness and poverty, or the threat of these conditions.

In its research, hearings and site visits to agencies, the Committee learned of “promising practices”, programs and initiatives that were demonstrating remarkable success in taking people out of poverty and insecure housing or homelessness, and supporting them into economic and social security. The full report identifies these community responses in each section, and provides more detailed information about each in an appendix to the report.

The full report which this Executive Summary seeks to summarize provides the testimony, examples and data that support these recommendations.

Poverty

As the Committee studied income security programs, including tax-delivered benefits, social assistance, Employment Insurance, and OAS/GIS, our focus was on adequacy, reliability, and effectiveness of these programs. Did people have enough money to live on? How did the policies and programs fit together? Did all Canadians have an opportunity to upgrade their education and skills, at any stage in their lives? Could people struggling with health and disability issues get the income and services they needed without giving up the possibility of returning to work or school? Did the programs and policies create opportunities or obstacles? Were parents of children in low-income households able to provide for their children’s needs, including their readiness for and completion of school?

An important observation, of particular interest to the Committee, was that many income programs sustain people in poverty, rather than lifting them out of poverty. The Committee therefore offers the following general recommendations with respect to poverty.

The Committee recommends that the federal government:

- adopt as a core poverty eradication, that programmes dealing with poverty and homelessness are designed to lift Canadians out of poverty rather than make living within poverty more manageable and that the federal government work with the provinces and territories to adopt a similar goal [Recommendation 1] ;
- modify federal income security programs, e.g., Employment Insurance, to better protect Canadians in low-income households who experience short-term gaps in income [Recommendation 3];
- seek to establish with the provinces a goal that individuals and families, regardless of the reasons for their need, receive incomes totaling at least after-tax LICOs [Recommendation 4];
- publish a Green Paper by 31 December 2010, to include the costs and benefits of current practices with respect to income supports and of options to reduce and eliminate poverty, including a basic annual income incorporating a negative income tax, and to include a detailed assessment of completed pilot projects on a basic income in New Brunswick and Manitoba [Recommendation 5] and
- reinstate a federal minimum wage at \$10/hour, indexed to the Consumer Price Index, with suppliers to government paying at least the same amount [Recommendation 6].

The Committee recommends that provincial governments increase current limits on assets for qualifying applicants for the first six to 12 months, to allow those relying on social assistance for short periods of time to retain the assets they need to re-engage in the labour force and regain their economic footing [Recommendation 2].

Poverty reduction strategies

The Committee has heard strong recommendations from national organizations in particular for a national poverty reduction strategy. The Committee has studied provincial and local poverty reduction strategies, with a particular focus on what their recommendations are for federal policy and programs.

The Committee has chosen to focus on concrete changes to federal programs, some of which were recommended by provincial and local initiatives, to raise the income of Canadians through federal income and social insurance programs, and to support the work already underway in more than half of Canada's provinces and many local communities. Detailed recommendations with respect to these income security programs follow; in the short-term, the Committee offers the following recommendation with respect to supporting provincial initiatives.

The Committee recommends that the federal government target "shovel ready" social infrastructure for investment, with their provincial counterparts, specifically housing, income security, and social agencies, whose ability to serve can be quickly enhanced through increased and accelerated investment in the Canada Social Transfer, to parallel its

investment in "shovel ready" physical infrastructure, to combat recession [Recommendation 36].

Employment Insurance

The Committee found that federal programs generally provide the instruments needed to achieve the results that every Canadian would like to see; their failure often rested in program design: eligibility criteria, level of supports or benefits, and duration of support. No-where was this more true than with Employment Insurance. Recent extension of benefits to all eligible claimants, with a special benefit for those with long employment and short EI claim periods, were welcome antidotes to the short-term crisis, but do not address longer term insufficiencies and inequities in the program, particularly with respect to access to training funded through this program.

The Committee also heard evidence about the expansion of EI beyond its social insurance beginnings, to support people working in seasonal industries, and to offer benefits for some intentional periods of unemployment, including parental benefits and compassionate benefits. There were some differences of opinion among witnesses about whether these programs should be maintained within EI or moved to other social programs; the Committee has opted for the short-term expedience of sustaining these initiatives within EI. Therefore, the Committee offers the following recommendations to improve EI, and contribute to poverty prevention.

The Committee recommends that the federal government:

- **develop a new program to insure against income losses due to long-term employment interruption, that covers those who are not included under the Employment Insurance Act [Recommendation 7];**
- **amend the *Employment Insurance Act* to provide benefits for a longer period to workers who become unemployed after a long attachment to the workforce, and that the longer benefit period not be based solely on regional unemployment rates [Recommendation 8];**
- **remove the two-week waiting period for Employment Insurance benefits for people who are taking compassionate or parental leave funded through the EI program [Recommendation 9];**
- **re-engineer the Employment Insurance program to allow adjustments to anticipated economic downturns, rather than be based solely on past experience [Recommendation 10];**
- **amend the EI program to extend its parental insurance benefits to self-employed individuals, with premiums assessed similar to those being paid by employees who access this benefit [Recommendation 11];**
- **expand EI sickness benefits over time to 50 weeks, to provide appropriate support for eligible beneficiaries experiencing medium-term illnesses or disabilities [Recommendation 12];**

- include reinstatement of experience rating for consideration in any redesign or substantial modification to the EI program [Recommendation 13] ;
- make EI-funded training available to those who have contributed to the EI fund over time, but are not eligible for benefits [Recommendation 14]; and
- permit the inclusion of advanced language training and training that could equip those with credentials from other countries to qualify for Canadian recognition be permitted within training funded through the EI program [Recommendation 15].

Training and education

The Committee's hearings and research also painted a clear picture of the importance of education and training to household income, and the disturbing reality of barriers to access for many, especially those groups over-represented among the poor, whose under-representation in training and education programs is a tragic contributor to their persistent poverty. The Committee learned about and witnessed the importance of middle-school supports for vulnerable children and supports for high-school completion and literacy upgrading for young adults, about the high costs of dropping out of high school for individuals and society, about the importance of skills-building for adults of all ages as they enter the job market or lose a job in a declining industry, and about the strong correlation between post-secondary education and adequate family incomes.

The Committee built on that evidence and research, and recognizing the role of both provincial and federal governments in education and the importance of early intervention, makes the following recommendations.

The Committee recommends that the federal government:

- coordinate a nationwide federal/provincial initiative on early childhood learning [Recommendation 16];
- emphasize and support initiatives that keep disadvantaged youth enrolled and engaged in schools, including effective counselling, after-school programs, homework clubs, and youth centres through existing programs and initiatives [Recommendation 17];
- in conjunction with the Council of Ministers of Education, encourage and support actions to reduce the high-school drop-out rates, especially among Aboriginal students, on-reserve or off-reserve, including the establishment of targets and time-lines, with regular reporting on progress [Recommendations 18 and 19];
- monitor and report on new post-secondary student aid programs, including comparisons with affordability and debt load results of the programs that have been replaced [Recommendation 20];
- offer additional tax support for post-secondary education targeted to students in groups under-represented in post-secondary education and over-represented among the poor (e.g., Aboriginal students or students with disabilities) and to their families [Recommendation 21];

- sustain strong financial support for adult and family literacy programs, with a special priority given to groups over-represented among high-school non-completers [Recommendation 22];
- work with provincial governments to collectively amend existing income security programs to provide secure funding to training participants for long enough periods to ensure opportunities for secure employment at adequate incomes [Recommendation 23];
- set aside a fixed percentage of training positions (to match the percentage established for federal employment equity targets) for persons with disabilities in all renewing and new labour market agreements; and until then extend and expand funding for such training through the Labour Market Agreements for Persons with Disabilities [Recommendations 24 and 57];
- allocate a proportion of training money for immigrants, to match the percentage established for federal employment equity targets, including training to reduce language and other barriers to the labour market in all renewing and new labour market agreements [Recommendation 25];
- at the next meeting of the Federal-Provincial-Territorial Ministers of Labour, take a leadership role in encouraging a harmonization of provincial and territorial workers' compensation programs [Recommendation 50]; and
- sustain and increase the funding for the Opportunities Fund for persons with disabilities, with a clear mission to address barriers to the labour force, and encourage provincial and territorial governments extend supports needed for employment for up to 12 months following employment to persons with disabilities leaving social assistance; and negotiate with employers to provide these supports indefinitely for those earning low incomes. [Recommendations 51 and 55].

Health

The Committee conducted a study on population health concurrent with this study on poverty, housing and homelessness, often holding joint hearings and benefitting from the testimony before both subcommittees. In addition, the Committee held a hearing specifically focussing on the connection between living in a low-income neighbourhood or having a low income, and disproportionately negative health outcomes. Despite the universal health care system that provides access to doctors and hospitals, the evidence demonstrate that results are not the same for rich and poor. The Committee also recognizes that illness can exacerbate existing poverty and can lead individuals and families into poverty.

In recognition of the contribution of poverty and homelessness to health challenges, and in keeping with this Committee's recent report on population health, the Committee recommends that the federal government:

- instruct its central agencies to allocate resources to prevent and address negative health outcomes associated with poverty and unemployment [Recommendation 26];

- work with provincial and territorial governments and appropriate other stakeholders to develop a national pharmacare program, building on progress underway in some provinces [Recommendation 27]; and
- with provincial and territorial governments and health researchers across Canada, provide funding for physical health services for people who are homeless [Recommendation 46].

Income transfers through the tax system

Increasingly, the federal government has relied on income support programs triggered by or delivered through the income tax system. Credits and deductions, of course, are available only to people with enough income to pay taxes. However, many credits are now “refundable”, being paid to people who do not owe taxes but who file tax returns. Examples include the Goods and Services Tax (GST) refundable credit paid to low-income tax filers.

Creative use of tax credits have been important contributors to putting money in the hands of low-income individuals and households. These include the National Child Benefit Supplement, described by witnesses as offering the potential to take children out of poverty, and the Working Income Tax Benefit, offering the potential to “make work pay.” To realize that potential, and to contribute to lifting all households out of poverty, the Committee makes the following recommendations.

The Committee recommends that the federal government:

- analyze gender-based differences in designing benefits and implementing new tax measures [Recommendation 32];
- increase the Guaranteed Income Supplement for seniors to ensure that economic households are not below the poverty line as defined by the low income cut-off levels, and that intergovernmental collaboration ensure that such increases do not result in the loss of eligibility for provincial/territorial subsidies or services for seniors [Recommendation 33];
- increase the National Child Benefit, incrementally and predictably, to reach \$5,000 (in 2009 dollars) by 2012 [Recommendation 34];
- commit to a schedule of longer term planned increases to the Working Income Tax Benefit [Recommendation 35];
- make the Disability Tax Credit refundable, as a first step, and move toward a basic income guarantee at or above the LICO level for people with severe disabilities, with provincial investment in support services to all persons with disabilities regardless of their source of income [Recommendations 52, 53, and 54];
- encourage all provincial governments to amend their social assistance legislation to exempt savings under the Disability Savings Plans from calculations of eligibility or benefits [Recommendation 56]; and

- **develop a tax credit for employers who hire newcomers for their first job in their field or area of expertise [Recommendation 59].**

Housing and homelessness

The Committee's study of housing and homelessness focussed on these as separate policy areas, as many federal programs in particular separate the two. During our research, hearings and site visits, the Committee learned of important and exciting initiatives at the local and provincial levels, and how local and provincial governments, as well as private-sector and voluntary-sector developers, are sometimes constrained by regulations, time-frames, and declining operating support from the federal government.

As well, it has become clear to the Committee that a more integrated consideration of both housing and homelessness offers a better chance of implementing a "housing first" approach. With this approach, individuals who are homeless or at risk of homelessness are stabilized with affordable housing, offering a base from which any other complicating factors in their lives can be addressed.

Further, the Committee is aware that unaffordable and inadequate housing, even for those who are currently able to meet their needs and aspirations, can contribute to poverty, and to a spiral that can include losing jobs, dropping out of school, and being unable to sustain families.

Not all solutions address both the needs of those who are currently homeless and the importance of a housing "system" that supplies affordable and adequate housing to those who are currently housed.

With respect to housing, the Committee recommends that the federal government:

- **provide sustained and adequate funding through the Affordable Housing Initiative to increase the supply of affordable housing [Recommendation 37];**
- **issue a White paper on tax measures to support construction of rental housing in general and affordable rental housing in particular, including for the donation of funds, lands or buildings for low-income housing provision [Recommendation 38];**
- **clarify the mandate of Canada Lands Corporation to favour use of surplus federal lands for development of affordable housing and to expedite planning processes to facilitate this use [Recommendation 39];**
- **support the work of local and provincial non-profit housing developers by making housing programs longer term to accommodate five-year development cycles and ten-year planning cycles, and to permit more effective planning at the local and provincial levels [Recommendation 40];**
- **identify civil legal aid as an element to be supported by the Canada Social Transfer to assist tenants facing discrimination in housing [Recommendation 41];**
- **extend the Residential Rehabilitation Assistance Program as a permanent program, increase the budget allocations for this program, and amend eligibility requirements to take into account differential costs for repairs in different communities across**

Canada, and projects converting housing units for affordable rental accommodation [Recommendation 42]; and

- work with provincial housing authorities, private landlords' associations and non-profit housing providers, to assess impact of housing subsidies provided to individuals rather than landlords on rents [Recommendation 43].

With respect to homelessness, the Committee has heard of the effectiveness of the Homelessness Partnering Strategies and its predecessor programs in supporting communities to reduce homelessness and to move people from the streets into housing. **The Committee recommends that the federal government:**

- expand the Homelessness Partnering Strategy to play a greater coordinating role within the federal government, engaging all departments and agencies with a mandate that includes housing and homelessness, especially for those groups over-represented among those in need [Recommendation 47];
- provide financial incentives to encourage communities already supported through the Homelessness Partnering Strategy to use a 10-year time horizon in adjusting and renewing their community plans [Recommendation 48]; and
- continue to provide direct funding for and continued support of related research and knowledge dissemination about a "housing first" approach to eliminating homelessness [Recommendation 49].

With respect to an integrated approach to housing and homelessness, the Committee recommends that the federal government:

- in collaboration with provincial governments, representatives of municipal governments, First Nation organizations, and other housing providers, develop a national housing and homelessness strategy to include:
 - priorities established by and for each provincial and territory with respect to meeting existing needs for affordable and secure housing;
 - a 10-year commitment of funds from the federal government, to include similar commitments from provincial and territorial governments that will receive these funds;
 - annual reporting on how the money is being spent, with particular attention to the number of people housed who could not afford to secure housing in the private market;
 - a specific focus, with targets and funding commitments, with respect to meeting the needs for affordable housing for urban Aboriginal peoples;
 - a simpler, more integrated application process for funds, cutting across programs related to housing funded at the federal level;

- the integration of the Homelessness Partnering Initiative, with an expanded mandate and budget to support combined local housing and homelessness plans and the initiatives identified in them;
- a thorough evaluation at the end of the 10-year period to assess achievements and continuing gaps [Recommendation 44]; and
- sustain federal funding focussed on homelessness until a combined strategy on housing and homelessness is developed to guide federal investment [Recommendation 45].

Programs targeted to over-represented groups

While the Committee has chosen to consider impacts of general, or “mainstream” programs on the groups over-represented among those experiencing persistent poverty (i.e. Aboriginal peoples, people with disabilities, unattached individuals, and newcomers to Canada), only some have been addressed in the previous sections of this Executive Summary. Other policies or programs, specific to these groups, are addressed below.

Aboriginal peoples

The Committee’s city study has focussed on urban Aboriginal peoples, a group that includes diverse cultures and varying levels of economic and social challenges. The Committee understands that the lives of many Aboriginal people are not lived out exclusively on-reserve or negotiated land claims land on the one hand or in cities on the other; rather transitions to and from traditional lands and cities are common. Both on-reserve and in cities, Aboriginal people are generally poorer and less adequately and affordably housed than their non-Aboriginal counterparts. Federal policies and programs have sought to redress this differential; recommendations with respect to those policies and programs follow.

The Committee recommends that the federal government:

- provide on-going subsidies to off-reserve, non-profit Aboriginal housing providers for new and existing units to ensure increased supply of affordable housing [Recommendation 65];
- use the Urban Aboriginal Strategy as a platform for greater investment and collaboration in addressing the poverty and housing problems facing urban Aboriginal peoples [Recommendation 66];
- continue and expand targeted funding and programming for training and employment supports for urban Aboriginal peoples, and their organizations, where appropriate [Recommendation 67]; and
- require an Aboriginal working group to identify priorities for urban Aboriginal people and designated funding for this purpose within all federal funding to communities to address housing and homelessness [Recommendation 68].

Newcomers to Canada

The Committee recognizes the primary responsibility of the federal government with respect to policies and programs for refugee claimants and immigrants to Canada. The Committee is also aware that these refugees and some immigrants face particular economic and social challenges. The Committee also learned that the networks within immigrant communities often prevent absolute homelessness among newcomers, as recently arrived immigrants are often welcomed into the sometimes over-crowded homes of newcomers who arrived weeks or months before.

In addition to the tax measures proposed to ease integration to appropriate employment in Canada, the Committee believes that other initiatives are needed to redress these hardships.

The Committee recommends that the federal government:

- **work with provincial governments and social housing providers to take the necessary steps to provide larger housing units for larger families [Recommendation 58];**
- **reduce the immigration sponsorship period from 10 years to three years, similar to the regulations pertaining to conjugal sponsorship, and make a commensurate reduction in the residency requirement for entitlement to a monthly pension under the *Old Age Security Act* [Recommendation 60];**
- **extend eligibility for the resettlement assistance program for refugees to two years for regular cases and to four years for joint assistance sponsorships [Recommendation 61];**
- **establish a repayment schedule and loan forgiveness program for travel loan repayment by government-sponsored refugees, that takes into account the time needed to integrate and the household income upon employment [Recommendation 62];**
- **accelerate its work with provincial governments and other relevant agencies to complete and implement a framework leading to the recognition of qualifications from other countries, and report annually to Parliament on its progress [Recommendation 63]; and**
- **support bridging programs, especially for immigrants with professional qualifications from their countries of origin, through immigrant settlement funds and agreements [Recommendation 64].**

Rights-based approaches

Whether the subject was poverty, housing or homelessness, many witnesses described the problems in terms of rights denied. Pointing to both domestic human rights legislation and international commitments made by Canada to United Nations declarations and conventions, these witnesses identified the failure of governments to live up to these obligations, and the importance of providing access for individuals to hold governments accountable and to claim rights in appropriate courts and tribunals.

The Committee understands that these commitments are important – both in terms of assessing governments' performance with respect to international and domestic law and agreements and in the context of defending one's rights.

The Committee recommends that the federal government:

- **establish a fund to allow groups over-represented among the persistently low-income to have legal representation in law reform cases with respect to their human rights [Recommendation 30]; and**
- **in recognition of both Canadian obligations under international human rights law, and their importance in claiming access to appropriate programs and services, explicitly cite international obligations ratified by Canada in any new federal legislation or legislative amendments relevant to poverty, housing and homelessness [Recommendation 31].**

Common cause

The Committee believes that lifting Canadians out of poverty, ensuring they are adequately and affordably housed and eliminating homelessness is the work of all sectors, working in harmony wherever possible. In addition to the recommendations already provided above, the Committee wishes to support such collaboration wherever possible.

In particular, the Committee has noted the critical contribution of local agencies, both voluntary and municipal, to supporting people in their transitions out of poverty into appropriate and affordable housing and into social and economic participation in their communities. The 20 agencies visited by the Committee and the dozens of agencies that submitted briefs, participated in roundtables and appeared as witnesses, all inspired the Committee with their innovations, passion and effective programs.

The Committee recommends that the federal government:

- **seek and support local voluntary sector and municipal agencies as active partners in design and delivery of federal government initiatives at the community level [Recommendation 28];**
- **review and revise grants and contributions reporting requirements among federal departments and agencies to enhance horizontal and vertical coordination of reporting and encourage multi-year funding among federal granting agencies, where problems that programs are addressing are persistent and longer term [Recommendation 69];**
- **recognize and stabilize the contribution of voluntary sector organizations with respect to poverty, housing and homelessness, by budgeting adequate support for these organizations to accomplish not only the delivery of government-funded services, but also the community-building activities that only this sector can provide [Recommendation 70]; and**

- **use grants and contributions to fund community-based organizations to provide innovative solutions, to share innovation, and where appropriate to replicate successful community-based initiatives involved in poverty reduction, housing affordability, and supporting homeless people [Recommendation 71].**

The Committee has recognized throughout its study that the best and most successful approaches to the problems of poverty, housing and homelessness, emerge and are implemented when all levels of government, employers, and community agencies are all involved. Whether co-ordinating efforts among government departments, finding employment for youth on the streets of Halifax, or connecting newcomers and employers in Toronto, or providing appropriate learning and employment opportunities for Aboriginal youth in Regina, collaborations inside and across governments and across sectors have had remarkable results. The Committee has seen that no single department, level of government, or sector can solve these problems alone.

The Committee recommends that:

- **the federal government explore and implement additional Urban Development Agreements among federal, provincial and municipal governments, in concert with community-identified leaders and priorities [Recommendation 29]; and**
- **federal and provincial governments, acting internally, bilaterally and/or multilaterally, review current policies and programs and new initiatives in the context of eliminating and avoiding both gaps and duplication, through a whole-of-government approach to poverty, housing and homelessness issues [Recommendation 72].**

Knowledge exchange

In its hearings and submitted briefs, the Committee has noted the reliance of individual citizens, local and national voluntary organizations, think tanks and universities and private-sector organizations on data provided by federal departments, notably Statistics Canada and Canada Mortgage and Housing. The Committee also heard repeatedly that these and other data shared among agencies allow governments and community groups alike to anticipate needs and respond more appropriately to people with problems with poverty, housing and homelessness.

The Committee recommends that the federal government:

- **continue and expand support to Statistics Canada for the collection, analysis and more affordable dissemination of data important to the evaluation and improvement of social programs with respect to poverty, housing and homelessness [Recommendation 73]; and**
- **continue to support knowledge exchange with respect to poverty, housing and homelessness [Recommendation 74].**

**RECOMMENDATIONS FOR AN ONTARIO INCOME SECURITY
REVIEW**

REPORT OF THE ONTARIO SOCIAL ASSISTANCE REVIEW ADVISORY COUNCIL

May 2010

REPORT OF THE SOCIAL ASSISTANCE REVIEW ADVISORY COUNCIL
May 2010

The Social Assistance Review Advisory Council

Gail Nyberg (Council Chair) – Daily Bread Food Bank
Pedro Barata – The Atkinson Charitable Foundation
Pat Capponi – Voices from the Street
Grace-Edward Galabuzi – Ryerson University, Colour of Poverty
Kira Heineck – Ontario Municipal Social Services Association
Mary Marrone – Income Security Advocacy Centre
Michael Mendelson – Caledon Institute of Social Policy
Valerie Monague – Beausoleil First Nation
Colette Murphy – The George Cedric Metcalf Foundation
Michael Oliphant – Daily Bread Food Bank
John Stapleton – Open Policy

Quotations in the report from Ontario Works and Ontario Disability Support Program recipients were drawn from the “Peoples’ Review,” which brings together a representative group of persons from across Ontario currently or recently living on social assistance as peer researchers. The purpose of the Peoples’ Review is to generate innovative solutions for social assistance reform based on a research process conducted by those who have lived through the system.

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Letter of Transmittal

May 2010

Hon. Madeleine Meilleur
Minister of Community & Social Services
Hepburn Block
6th Floor, 80 Grosvenor St
Toronto ON M7A1E9

Dear Minister:

I am pleased to submit the Social Assistance Review Advisory Council's recommendations for a scope and terms of reference of an Ontario Income Security Review. Our report proposes a comprehensive assessment of income security, employment supports and related services for working age adults, which builds on the foundation laid out in *Breaking the Cycle* and its vision "of a province where every person has the opportunity to achieve his or her full potential and contribute to and participate in a prosperous and healthy Ontario."

The Council's journey since our appointment in December 2009 has reinforced a deep and continuing dissatisfaction with the existing approach to social assistance from all quarters: community groups, business, labour, policy makers, the people who run the system and those who receive its benefits.

We believe that now is the time to engage Ontarians from all sectors and walks of life in constructing a long-term vision of an income security system that can guide a coherent, purposeful and focused strategy for reform by successive governments over the next decade and beyond.

The Council thanks you for this opportunity to contribute to Ontario's Poverty Reduction Strategy and for the support that the government has provided in completing our task. We remain ready to offer our assistance as Ontario takes the next steps in the review.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Gail Nyberg', with a stylized, cursive script.

Gail Nyberg
Chair, Social Assistance Review Advisory Council

Executive Summary

There is deep and continuing dissatisfaction with the existing approach to social assistance from all quarters: community groups, business, labour, policy makers, the people who run the system and those who receive its benefits.

Ontario's core social assistance programs – Ontario Works and the Ontario Disability Support Program – together with the other programs that make up Ontario's income security system, continue to fall short in providing an economic safety net for individuals and families as well as promoting opportunity to ensure everyone can contribute to the long-term prosperity of the province.

The current social assistance system is based on the budget deficit model. By its nature, the budget deficit model is intricate, rule-bound, complicated, hard to understand and difficult to administer fairly. The consequences are stigma, a high degree of invasiveness into the personal lives of recipients and the enforcement of rules placed above real support. The system requires applicants to deplete most financial assets, making it harder to recover from an economic setback. Once in the system, recipients live on substandard incomes, and often become trapped in a cycle of poverty.

The income security system as a whole fails to provide effective alternatives to social assistance. Lack of Employment Insurance coverage, inadequate workforce development and lack of income benefits to ease recipients' transition to independence all make social assistance the first program many people turn to in times of financial hardship.

While a need for reform is widely acknowledged, a consensus about how to fix the system does not yet exist.

With these challenges in mind, the Ontario government's poverty reduction strategy, entitled *Breaking the Cycle*, undertook to initiate: "[A] review of social assistance with the goal of removing barriers and increasing opportunity – with a particular focus on people trying to move into employment from social assistance. The review will seek to better align social assistance and other key programs and initiatives and better communicate program rules to achieve the aims of increasing opportunity for the individual."

In December 2009, the Ontario government created the Social Assistance Review Advisory Council, made up of eleven members. The Council was asked to report on the "scope and terms of reference that would guide the development of the social assistance review."

The Social Assistance Review Advisory Council concludes that Ontario does not need a review solely of social assistance – it needs a comprehensive review of Ontario's

income security system. Ontario Works and the Ontario Disability Support Program represent 23 percent of all provincial and federal income security program spending that serves working-age adult Ontarians. Social assistance is but one piece of a patchwork of income security, employment and social supports.

The Social Assistance Review Advisory Council is fully cognizant of the current difficult fiscal situation facing the province. We recommend transforming the income security system not despite Ontario's fiscal situation but because of it. The province needs a plan for the income security system it wants to build as part of its economic recovery. Ontario needs to articulate its interests and perspective to the federal government and the other provinces and territories.

Now is the time to develop a coherent, purposeful and focused strategy for reform to guide successive governments over the next decade and beyond. A transformed income security system in Ontario should:

- Contribute to labour market opportunities to ensure jobs provide real pathways out of poverty;
- Provide workforce development and related services to help all Ontarians do better, including support for out-of-work and underemployed Ontarians to transition into sustainable employment;
- Support Ontarians in good and bad times, through liveable incomes and community supports.

Below is the summary of our recommendations for the substance and process of a review which, we believe, can create such a vision. The full report of the Social Assistance Review Advisory Council that follows sets out the recommendations and explains their background and rationale.

Recommended Terms of Reference

Scope of the Ontario Income Security Review

The Social Assistance Review Advisory Council recommends that Ontario initiate the Ontario Income Security Review, pursuant to its commitment in *Breaking the Cycle* and its vision "of a province where every person has the opportunity to achieve his or her full potential and contribute to and participate in a prosperous and healthy Ontario."

The Social Assistance Review Advisory Council recommends that the Ontario Income Security Review be asked to undertake a comprehensive assessment of income security, employment supports and related services for working-age adults. The Review should include federal programs such as Employment Insurance, provincial programs such as

Ontario Works and the Ontario Disability Support Program, as well as municipal, local and community roles. The review should also include a plan to deal with financial and other mechanisms required to navigate through a changed income security system.

The process of transformation will necessarily involve other orders of government: the federal government must eventually be engaged. Lack of federal government co-operation, however, should not impede Ontario's work to define the reforms needed in federal programs to meet Ontario's interests.

Key Strategies to Guide the Ontario Income Security Review

The Social Assistance Review Advisory Council recommends the Ontario Income Security Review explore the following six strategic directions for reform. These strategies should form the basis for consultations with Ontarians. Based on the results of those consultations and research, the review would then develop a detailed 'road map' for implementing a transformed system.

- a. Building on the approach of the Ontario Child Benefit, develop an expanded range of income and services to be available to all low-income Ontarians.
- b. Strengthen initiatives such as minimum wage increases, enhanced employment standards, fair employment initiatives and the federal Working Income Tax Benefit to ensure the labour market offers effective pathways out of poverty.
- c. Replace short term coverage in Ontario Works with more appropriate financial support outside of the social assistance system for those who are temporarily unemployed.
- d. Re-engineer long-term coverage in Ontario Works as an opportunity planning program to support achieving full labour market potential through skills building, education, training, employment and related support.
- e. Develop standards for a liveable income and a process to use those standards to assess the adequacy of Ontarians' incomes.
- f. Improve income and social supports for those whose reasonable prospects of earning liveable incomes from employment are limited by disability or other circumstances, including a possible new vision for the Ontario Disability Support Program and exploring options for alternative models of financial assistance.

Specific reforms which could follow from each strategy are noted in the body of this report.

Measurable Outcomes

The Social Assistance Review Advisory Council recommends seven outcomes as a basis for measuring the performance of the system. These outcomes should form the basis for consultations with Ontarians on the development of a set of practical measurements for the new system – metrics – so that they may then be used to monitor the income security system.

- a. Social and economic inclusion
- b. Autonomy, responsibility and dignity of recipients
- c. Income for all Ontarians that at least meets a liveable income standard
- d. Human capacity development and its optimal employment to contribute to the economic prosperity of Ontarians
- e. Public and fiscal sustainability
- f. Fairness, equity and transparency
- g. Empowerment of recipients to improve their economic circumstances.

The Review Process

The Social Assistance Review Advisory Council recommends that the Ontario Income Security Review be structured with two commissioners and an advisory council. The Review would be supported by a small full-time Secretariat. The Review should develop a five part consultation process: a panel of persons with experience of being on assistance; public and province-wide consultation; separate and substantive discussions with First Nations to ensure reforms reflect their needs and priorities; expert panels; and written input. The Review should be completed within 12-18 months of being constituted.