



November 23, 2018

Memo to Presidents of Municipal Social Service Workers' Locals

Subject: Update on issues in Municipal Social Services

**From: Carrie Lynn Poole-Cotnam, Chair, SSWCC
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On Thursday, November 22, the Honourable Lisa MacLeod, Minister of Children, Community and Social Services, announced the go-forward plan for reforming social assistance in Ontario after the government completed a 100 Day Social Assistance Review. The minister emphasized the objective of these reforms is to “Break the Cycle of Dependency” created by the outgoing Liberal government. MacLeod presented some findings from the 100 Day Review. She claimed that more than one million Ontarians are on some form of social assistance program costing more than \$10 billion annually while one-in-seven Ontarians remains in poverty. The current system built under the Liberals needs to be overhauled, she claimed, because it wasn’t getting people off of social assistance. The irony of this statement is that for 15 years, the Liberal government followed the plan laid out by the previous PC government, merely tweaking the Mike Harris legacy of social assistance with the introduction of the *Ontario Works Act* and the *Ontario Disability Support Program Act*.

The focus of the announcement spoke specifically to two different demographics: people who can work in contrast to people who have permanent disabilities. As frontline workers, we know that personal circumstances and medical disabilities are far more complicated than the binary that the government is presenting. However, the government will be introducing significant changes to the eligibility criteria for new applicants to the Ontario Disability Support Program (ODSP), so let’s start there.

Disability Criteria

The Ford government is proposing that the definition of a disability to qualify for ODSP be aligned with the Government of Canada’s definition. The most prevalent federal program with the clearest definition of a disability is the Canada Pension Plan (CPP).

According to the CPP-Disability website:

“To qualify for a disability benefit under the Canada Pension Plan (CPP), a disability must be both "severe" and "prolonged", and it must prevent you from being able to work at any job on a regular basis.

- *Severe means that you have a mental or physical disability that regularly stops you from doing any type of substantially gainful work.*
- *Prolonged means that your disability is long-term and of indefinite duration or is likely to result in death.*

Both the "severe" and "prolonged" criteria must be met simultaneously at the time of application.”

The Ontario government could choose to use these criteria and have explicitly stated that existing ODSP recipients are grand-parented in under the previous ODSP criteria; however, all new applicants will need to meet the new federal definition. Presently, under ODSP, a temporary disability is recognized, and it appears that this will no longer be the case for new applicants. This will result in more persons being found ineligible for ODSP, and most likely applying for Ontario Works (OW). The other comments with respect to ongoing eligibility were financial eligibility being determined annually for ODSP rather than monthly.

Other comments that stood out about ODSP included the following:

- \$6,000.00 annual flat rate exemption and 25 per cent on earnings above \$6,000.00 instead of the current monthly flat rate exemption of \$200.00
- The introduction of a Health Spending Account to provide choice to ODSP recipients to have greater flexibility and self-procure the supports they require to meet their medical needs
- Overarching comments about simplifying a complicated program by reducing red tape and providing more flexibility.

While the press conference focused heavily on persons with disabilities, the government did release a background document that speaks in more detail to the changes to Ontario Works:

“Cutting Red Tape and Restoring Accountability

- *Making it easier for people on social assistance who want to pursue a self-employment opportunity as their pathway to greater self-reliance,*
- *Modernizing how services are delivered and introducing more paperless, digital options that will make program delivery more efficient and reduce costs,*
- *Providing people receiving assistance with more options to access information and service by computer or smartphone which will mean front-line staff can spend more time working with people to address complex needs,*
- *Restoring accountability throughout the social assistance system,*

- *The province will be accountable for designing a simplified system that focuses on outcomes, helps people instead of trapping them, and uses risk-based approaches to ensure that those who receive assistance are eligible,*
- *Municipalities will be held accountable for helping people achieve their goals and public reporting of outcomes,*
- *People receiving Ontario Works will complete individual action plans and file their taxes so they are maximizing all available benefits."*

The minister said that municipalities will now have greater control to self-determine service delivery models and frontline workers will work with recipients to develop individualized action plans. This spoke very specifically to the CUPE Ontario Submission on the 100 Day Social Assistance Review. However, the minister also added comments about the complicated rate structures, paperwork and red tape, and the need to move away from "policing the system," and made comments that frontline workers would "not be determining eligibility."

It remains unclear how initial and ongoing eligibility for Ontario Works will be determined; however, CUPE Ontario will be advancing our previous policy position that, the circumstances faced by the people who receive social assistance, are often complicated and ever-changing, partly due to abysmally low social assistance rates. Every system that supports residents in Ontario should be responsive to these changes, and have the agility to meet existing needs, and this will invariably require the support of frontline caseworkers to ensure these changes are made in a timely manner.

As expected, the prominent focus of the minister's rhetoric was moving people into employment, and the concept that there are "Jobs Out There." The following sparse details were released:

"Moving People to Employment"

- *Introducing new Ontario Works' earnings exemptions to encourage employment faster.*
- *Recipients will be able to earn up to \$300 per month without reducing their assistance, up from the current \$200 flat rate. Twenty-five per cent of subsequent earnings would be exempt,*
- *Exemptions would start after one month on assistance, quicker than the current three-month waiting period,*
- *Improving employment services for people receiving social assistance, placing a greater focus on outcomes and creating better, more streamlined supports,*
- *Exploring options for more locally responsive, outcome-driven service delivery models,*
- *Coordinating local social services to better connect and deliver supports for people, such as helping people on Ontario Works access mental health and addictions supports,*
- *Incentivizing people on Ontario Works to find jobs, particularly by allowing lower-income workers to keep more of what they earn through the Low-Income Individuals and Families Tax Credit (LIFT) which, if passed, will help an individual worker earning \$30,000 a year keep an extra \$850 per year,*

- *Launching a website, Ontario.ca/openforbusiness, to make matching job seekers with businesses easier. Employers can also post job opportunities at employer.jobbank.gc.ca."*

Details emerged near the end of the press conference about the introduction of three pilot projects based on outcome/incentive-based employment models. CUPE Ontario will be following up with the ministry to find out more details regarding these pilot projects. CUPE Ontario advanced a strong position on the need for employment programs to be attached to municipal delivery of Ontario Works to ensure that recipients have seamless wrap-around supports.

The next steps of the government are not crystal clear at this stage, but an 18-month timeline was mentioned during the press conference and a "multi-ministry" approach will be used. CUPE Ontario has requested a technical briefing, and the government has not yet set a date for this; however, we do expect more details to be released in the coming week.

We will continue to work with our partners in the Raise the Rates Coalition to respond to Social Assistance Reform. In light of the November 22 announcement, the following response was issued:

Ford Government intensifies attack on Ontario's poorest people

The social assistance reforms that the Ford Government [announced today](#) can well be described as the new Doug Ford Poor Laws. As expected, they're making Ontario Works (OW) and the Ontario Disability Support Program (ODSP) significantly more restrictive and precarious.

The basic intention is to refine the system as a tool to push people into the lowest paying and most exploitative jobs on offer. It is entirely in line with the attack they have already carried on the minimum wage, workers' rights, and job protections. Forcing people off social assistance while depressing working conditions in the midst of a housing crisis won't move people out of poverty but will make the Progressive Conservative's bankrolling base of business executives and owners even richer.

The reforms will divide people on social assistance into those deemed the most severely disabled and those who must join the scramble for jobs. The kind of "compassion" that severely disabled can expect from this Government is made clear from the fact that the social services Minister, Lisa McLeod, would offer no comment on whether any increases in social assistance rates can be expected over the next three years.

Those presently on ODSP will be grand-parented into the new system but new eligibility rules will use the more narrow federal definition of disability. Many who could get onto ODSP under the existing rules will be forced to try to live on OW, including having to look for work even when they are too unwell to do so.

All those who are deemed capable of working will be expected to comply with "individual action plans" and the Government's "Open for Business" website will draw the most

unscrupulous employers directly into the process. Local municipalities will be encouraged to compete with each other in the development of punitive and intrusive practices designed to hound people into scrambling for the worst jobs. The door is certainly open to the privatization of delivery and services.

The government also signalled that supplementary benefits accessed by people on social assistance will be moved from being mandatory to discretionary. These benefits will likely differ from municipality to municipality. So we'll be left with a patchwork of benefits with no access to the Social Benefits Tribunal to appeal denials. Outright elimination of particular existing benefits remains a possibility.

People on OW will only be able to earn \$300 monthly without claw backs, up from the current \$200, but less than the \$400 it was supposed to go up to this December. Earnings above \$300 will be subject to a 75% claw back, which is worse than the current 50%. The earning exemption for ODSP changes to \$6000 annually, but is again subject to the increased 75% claw back beyond that limit.

Over the next eighteen months the full viciousness of the Doug Ford Poor Laws will emerge but it is already clear that, for the Tories, social assistance is a weapon in their war on the poor.

OCAP and the Raise the Rates campaign will be organizing a town hall on Wednesday, December 5 to help make sense of this announcement and to build a fight back. Join us.

Members and supporters of the Raise the Rates Coalition include CUPE Ontario, Jane-Finch Action Against Poverty, Ontario Coalition Against Poverty, ODSP Action Coalition, Parkdale Community Legal Services and Put Food In the Budget.

For further information: Yogi Acharya, Ontario Coalition Against Poverty, 647-764-0488; Carrie Lynn Poole-Cotnam, CUPE Ontario, 613-864-1061

How to receive updates?

Our goal is to be able to communicate, not only with CUPE Local leadership, but also with our rank-and-file membership. If you wish to receive updates, please email sswcc@cupe.on.ca and we will add you to the distribution list.