



Poverty Free Ontario

Pulling poverty out by the roots

Call for Cross-Community Action on Social Assistance Review

Discussion Paper #2

February 13, 2012

People and organizations in communities across Ontario who are concerned about the intolerable living conditions of recipients of Ontario Works (OW) and the Ontario Disability Support Program (ODSP) are urged to send a message to Commissioners Frances Lankin and Munir Sheikh regarding their Discussion Paper #2 released on February 2, 2012.

PFO Bulletin #9 accompanying this call to action offers an analysis which all are encouraged to use in their communications to the Commissioners. A meeting/tele-conference of 35 PFO leaders in 19 communities on Feb. 10 identified the following questions and key messages as priorities for communication to the Commissioners:

- ***Why are the Commissioners not hearing clearly expressed community voices for significant rate increases?*** Discussion Paper #2 does not reflect the strength of feeling nor urgency for action on OW and ODSP benefit levels that condemn recipients to chronic conditions of hunger and hardship. Four out of five submissions recommended income adequacy as a priority. Sixteen city councils representing 3,000,000 Ontarians passed resolutions supporting a \$100/month Healthy Food Supplement, which was not referenced at all in Discussion Paper #2 and received one short line in a secondary document on what the Commissioners heard in their consultations. The credibility of the reform exercise is undermined when such clearly expressed community input is ignored.
- ***Why do the Commissioners continue to pit the interests of social assistance recipients against those of the working poor in their discussion on an “appropriate benefit structure”?*** The Discussion Paper perpetuates the historical divisiveness of pitting the interests of the “deserving” poor (low wage workers) against the “undeserving” poor (social assistance recipients). Focusing on the need to balance the “benefit structure” so that OW/ODSP recipients do not receive more in income and services than low wage earners consigns both groups to ongoing poverty – the OW/ODSP recipients struggling to get out of deep poverty (below 80% of LIM) and the full-time, full-year minimum wage earner still falling below the poverty line. The Commissioners must be encouraged to recognize that, in terms of income adequacy, the interests of these two groups are joined. Social assistance rates must be raised starting now so that over several years no one is living in deep poverty. Simultaneously, additional minimum wage increases must be scheduled over the next two years so that by 2014 a full-time, full-year worker earns an annual income 10% above the poverty line (\$12.50/hr).
- ***Why do the Commissioners reinforce the myth that social assistance recipients need incentives to take work?*** From chapter headings like “Reasonable Expectations” to repeated references to “incentives” for recipients to enter the labour market, the Discussion Paper keeps alive the unfair assumption that people on social assistance who can work prefer to stay on benefits. It is easier to blame the victims of a poor job market than to challenge Government to create the conditions for the development and

growth of decent, life sustaining jobs, which would benefit not only social assistance recipients but workers now struggling on poverty level wages. What incentives does the Government need to meet the reasonable expectation that the economy and labour market should offer the opportunity and prosperity for all Ontarians?

- ***Why do the Commissioners re-open the question of which income poverty measure should be used in social assistance reform?*** The Government clearly set the Low Income Measure (50% of median income) as Ontario's official income poverty line in 2008, and LIM is internationally recognized and used by the United Nations. This issue is resolved and should not be used to further confuse, delay or distract from urgently needed action.
- ***Why will the Commissioners not champion the needs of Ontario's most vulnerable in the face of austerity and retrenchment?*** The Commissioners have missed an opportunity to clearly establish and express a case to Ontario's political leadership for protecting OW and ODSP recipients and championing their interests in the face of the looming austerity agenda promised in the upcoming Drummond Commission Report. People on OW and ODSP have been living under austerity since the 22% rate cuts in 1995 and can endure no further assaults. No other group had its income cut so severely in the 1990s without any restoration at all since. Cost of living adjustments by the current Government since 2003 have not produced increases in the *real* income of recipients and, in recent years, 1% cost of living adjustments have fallen behind the provincial rate of inflation. Social assistance recipients have been subject to almost 20 years of austerity and need a policy champion with the ear of Government as a bulwark against the wave of new cuts and retrenchment about to crash down.

Responses to the Commission's Discussion Paper #2 can be submitted in the following ways:

By email at socialassistancereview@ontario.ca

Completing a form (150 word limit) on the Commissioners' web site at www.socialassistancereview.ca

Submission can be mailed or faxed to:
Commission for the Review of Social Assistance in Ontario
2 Bloor Street West
4th Floor, Suite 400
Toronto, ON
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FAX 416-212-0413