



Pre-Budget Submission

to the Ontario Legislature's Standing Committee
on Finance and Economic Affairs

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Hon. Rod Phillips

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Community Legal Services of Ottawa

Community Legal Services of Ottawa (CLSO) is a not-for-profit legal clinic governed by an independent, community-based Board of Directors. CLSO provides legal services to low-income and vulnerable individuals in the City of Ottawa in the areas of public benefits, tenant rights, and immigration.

In providing legal services to low-income individuals, we are well-positioned to understand the safety net services that vulnerable Ottawans rely on to keep roofs over their heads and food on their tables.

Recommendations

Based on our understanding of the needs of low-income and vulnerable communities in Ottawa, we wish to make the following recommendations for the 2020 budget:

- **Recommendation #1: Invest more in income security programs through the Ministry of Children, Community and Social Services. Reverse planned cuts, and increase social assistance rates to reflect real costs of living in Ottawa.**
- **Recommendation #2: Maintain the current definition of a “person with a disability” for the Ontario Disability Support Program (ODSP).**
- **Recommendation #3: Increase investments in affordable, non-profit rental housing for low-income households who cannot afford market rate rents.**

1. Invest in Income Security Programs

ODSP and OW provide a safety net for those in our city who are unable to support themselves for reasons of disability or other vulnerabilities, but rates of assistance have failed to keep pace with inflation over the years.¹

Because of the inadequacy of rates, those relying on social assistance in Ottawa are living far below the poverty line. The poverty line for a single person in 2017 in Ottawa was \$20,998.² Currently, a single person can receive from OW a maximum of \$733 monthly, or \$8,796 annually; a single person can receive from ODSP a maximum of \$1,169 monthly, or \$14,028 annually.³ This means that people in Ottawa who rely on ODSP subsist on an income that is 34% less than the 2017 poverty line, and those who rely on OW subsist on an income that is 59% less.

¹ <https://maytree.com/welfare-in-canada/ontario/>

² <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110024101>

³ <http://incomesecurity.org/public-education/ow-and-odsp-rates-and-the-ocb-2018-les-taux-dot-du-posph-et-de-la-poe-2018/>

As a result of inadequate benefits, people on OW and ODSP in Ottawa rely heavily on the support of food banks and other charities. Unsurprisingly, it is estimated that 53,600 people in Ottawa are food insecure, and 37,524 access the food bank each month.⁴

12.6% of Ottawa's population lives below the poverty line, and the inadequacy of rates has been felt more acutely in some of our communities than others.⁵ The provincial rate of child poverty is 17%, whereas the rates in the ridings of Ottawa-Vanier, Ottawa South, and Ottawa West-Nepean are 31.3, 28.6, and 24.9 respectively.⁶

Despite a clear need, the province did not increase social assistance rates in the current fiscal year. Instead, an 11% reduction in spending was announced for 2019-2022.⁷

- Recommendation #1: Invest more in income security programs through the Ministry of Children, Community and Social Services. Reverse planned cuts, and increase social assistance rates to reflect real costs of living in Ottawa.

2. Maintain the Current Definition of Disability

On November 22, 2018, the province announced plans to change the ODSP definition of disability.⁸ The ODSP definition that was developed by the provincial Conservative government in the 1990s would be changed to align with that of federal programs, such as Canada Pension Plan disability (CPP-D) benefits, which was developed in the 1960s.

The CPP-D definition is meant to encompass those who are almost entirely precluded from any employment, whereas people receiving ODSP benefits are encouraged to work as they are able. The CPP-D definition is also meant to encompass people with prolonged, or life-long, illnesses, whereas people on ODSP benefits have disabilities that will last a year or more on an episodic or continuous basis. Notably, the CPP-D definition is itself under federal review due to its unduly restrictive nature.⁹

If this definition change is adopted, a significant number of disabled individuals in Ottawa who would currently qualify for ODSP benefits may no longer be eligible. In particular, those with time-limited disabilities, like breast cancer, those with episodic disabilities, like multiple-sclerosis, those with addiction conditions, and those with mental health issues, like depression, may no longer qualify.

⁴ <https://www.ottawafoodbank.ca/wp-content/uploads/2019/07/Ottawa-Hunger-Report-2018-EN.pdf>

⁵ <https://www.neighbourhoodstudy.ca/>

⁶ <http://incomesecurity.org/publications/social-assistance-general/Fast-Facts-Poverty-and-Social-Assistance.pdf>

⁷ <http://budget.ontario.ca/2019/brief.html#section-2>

⁸ <https://news.ontario.ca/mcys/en/2018/11/reforming-social-assistance.html>

⁹ Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities. Taking Action: Improving the Lives of Canadians Living with Episodic Disabilities. March 2019, 42nd Parliament, First Session. <https://www.ourcommons.ca/Content/Committee/421/HUMA/Reports/RP10367115/humarp15/humarp15-e.pdf>

The difference between OW and ODSP benefits is substantial, approximately 40% for most families.¹⁰ If disabled individuals no longer qualify for ODSP benefits, their families will be forced to live in the extreme poverty of OW.

- Recommendation #2: Maintain the current definition of a “person with a disability” for the Ontario Disability Support Program (ODSP).

3. Invest in Affordable, Non-Profit Rental Housing

As of the most recent census in 2016, 23.8% of all Ottawa households have unaffordable housing – meaning more than 30% of household income is spent on housing.¹¹

The cost of adequate housing in Ottawa is particularly punishing for those on ODSP and OW. To illustrate this problem, take the example of a single disabled renter in Ottawa: the average vacant bachelor apartment currently rents for \$933 per month, whereas ODSP would provide this individual just \$497 per month in shelter costs.¹² Understanding these disparities helps to explain why Ottawa faces a shelter crisis, with our municipality spending millions of dollars on emergency off-site shelter services each year.¹³

Because of this affordable housing crisis, it is unsurprising that the waiting list for subsidized housing presently has 12,513 households and a more than 5-year wait time.¹⁴ Of those households on the waiting list, 59% rely on social assistance.

To address this affordability crisis, the provincial budget must provide for a comprehensive affordable housing plan that addresses the needs of all Ontarians, but particularly those with the lowest incomes, by ensuring that new affordable housing is developed with public funds and managed by the non-profit community housing sector.

- Recommendation #3: Increase investments in affordable, non-profit rental housing for low-income households who cannot afford market rate rents.

¹⁰ <http://incomesecurity.org/public-education/ow-and-odsp-rates-and-the-ocb-2018-les-taux-dot-du-posph-et-de-la-poe-2018/>

¹¹ <https://www.neighbourhoodstudy.ca/>

¹² <https://www.cmhc-schl.gc.ca/en/data-and-research/publications-and-reports/rental-market-reports-major-centres>

¹³ <https://www.cbc.ca/news/canada/ottawa/homeless-family-motel-1.4939329>

¹⁴ <https://www.housingregistry.ca/housing-providers/>