



Pre-Budget Submission

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

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and the Ontario Minister of Finance
Hon. Rod Phillips

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ODSP Action Coalition
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Re: ODSP Action Coalition - Pre-Budget Submission 2020

The ODSP Action Coalition is a grassroots, province-wide network of people with lived experience receiving ODSP benefits, disability service providers and advocates, community agencies including anti-poverty groups, and community legal clinics. Our mandate is to advocate for improvements to the income and employment supports available to all ODSP clients. By pushing for improvements to the Ontario Disability Support Program, our goal is to allow for all persons with disabilities the opportunity to live with adequacy, justice and dignity. People living with disabilities on ODSP should not have to live in deep poverty.

We want to acknowledge that the government has, in the past year, made some important and positive changes to a couple of items proposed in last year's budget: First, the Transitional Child Benefit continues to be available for those families who desperately need it to provide for their children. Secondly, the proposed 75 per cent clawback on recipients' earned income beyond the threshold amount has not been imposed, keeping the current 50 per cent exemption rate in place. While the deep cuts made to Legal Aid funding last year were very detrimental and deeply troubling, it was a bit of a relief to learn that planned further cuts will not go forward.

As the government is aware from previous communications and meetings with ODSP Action Coalition representatives, our community has many concerns regarding ODSP in its current form, as well as concerns regarding proposals put forth by the Ministry of Children, Community and Social Services (MCCSS) in the name of reforming the system. Additionally, the Auditor General's recent report on ODSP is the first in a decade and is fraught with misconceptions and stereotypes. It would appear that the auditor may lack a basic understanding of the program and its objectives (see ODSPA, 1997). The auditor's recommendations calling for more oversight and monitoring of all involved throughout the process, including health care providers, adjudicators, frontline caseworkers and clients, will only add more red tape, stress and anxiety for all involved. It will also cause costs to balloon even higher while doing little to help clients on the system better their lives. Our community is keenly aware that every aspect of ODSP clients' lives is already overly intruded upon, monitored and policed.

Indeed, the most serious problem adversely affecting ODSP clients continues to be dismally inadequate rates. As the government and MCCSS is aware, the last rate increase came in the Fall of 2018, which was a below-inflation increase of 1.5%, halved from the originally planned 3%. 2019 saw no increase whatsoever, yet the costs of rent, hydro, nutritious food, etc. have all risen considerably during the same time period, and continue to rise while ODSP rates remain stagnant.

ODSP Action Coalition therefore puts forth the following recommendations for Ontario Budget 2020:

Recommendation #1: Restore the 1.5 per cent increase that was cut from the planned 3 per cent increase in Fall 2018, and increase (Basic Needs and Shelter) rates by at least 3 per cent for 2019 (retroactively) and 3 per cent for 2020. Hydro rates just increased by a reported 1.8 per cent. Ontario rental increase guidelines over the past three years starting 2018, total 5.8 per cent, while the maximum monthly shelter allowance for a single person with disabilities on ODSP is only \$497. Worth noting that the vast majority of ODSP clients reside in private market rentals, forcing clients to spend a large proportion of their 'Basic Needs' benefit on rent. Frankly, Ontarians with disabilities on ODSP are effectively getting poorer every year and live in constant fear of becoming homeless, if they're not already. In fact, allowing for inflation, it would take a roughly 25 per cent increase to restore ODSP rates back to 1993 levels. Our recommendation pales in comparison.

Recommendation #2: Change the earnings exemption for earnings from employment to \$6,000 per year with a 50 per cent exemption on earning above that threshold. MCCSS' proposal to move to an annual exemption of \$6k was a move in the right direction that would greatly reduce red tape and onerous reporting requirements on both sides, but the 50 per cent clawback must be maintained in order for the move to be successful.

Recommendation #3: Treat income from CPP-Disability the same as earned income as prescribed in the above. As CPP-D is an 'earnings replacement' program based on contributions from a client's employment history, it is therefore logical to treat these entitlements as earned income. This simple move, though it won't necessarily move clients above the poverty line, will make thousands of Ontarians with disabilities lives' just a bit more affordable.

Recommendation #4: Reduce the social assistance overpayment recovery rate to 5%. Currently the maximum overpayment recovery rate is 10% which creates serious hardship for many recipients already barely scraping by on measly monthly support. It is worth noting that a large proportion of overpayments occur through no fault of the client, rather via administrative/clerical error on the ministry's end.

Recommendation #5: Change the definition of 'spouse' to match Family Law. Currently social assistance recipients are considered 'common-law' after only three months of cohabitation, which presents a huge barrier to clients trying to form an intimate relationship, for a demographic who are admittedly already at a disadvantage in this area. Under Family Law, recipients are considered common-law after three years of cohabitation.



Recommendation #6: Maintain the current definition of “disability” as it relates to ODSP qualification. Narrowing the definition of disability to reclassify clients will sink them into deeper poverty and will cause many more Ontarians with episodic or periodic disabilities, such as certain cancer treatments or mental illnesses, to be denied crucial supports and forced onto Ontario Works which provides a maximum of only \$733 per month.

Recommendation #7: Make the imminent Canada-Ontario Portable Housing Benefit available to ODSP clients who are living in market rentals, without any clawback of benefits. The entire province, and indeed the entire country, is currently experiencing a serious housing crisis which affects Ontarians at almost all levels of income. Clearly, this crisis affects those of us who are living at the bottom end of the income spectrum most severely. This crisis has been decades in the making and it is crucial that our current government bring in strong measures to protect our most vulnerable residents, including stronger rent control and an end to ‘vacancy decontrol’.

Finally, as MCCSS commences a broader review of social assistance, we certainly hope that the Ministry recognizes the value in including our Coalition’s voice and we look forward to being a part of the broader consultations going forward. Please reach out to us at any time.

Thank you for your consideration of our submission.

On behalf of the Coalition

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