

Province planning complete overhaul of income security

By
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TORONTO—The Ontario government is laying the foundations for one of the largest overhauls of the province's income security systems with the espoused aim of tackling the issues of income inadequacy within a 10-year timeframe. To that end, the province tasked three working groups with coming up with a roadmap to meeting that goal.

Those three groups included the Income Security Reform Working Group, the First Nations Income Security Reform Working Group and the Urban Indigenous Table on Income Security Reform. The working groups contained representatives from a wide range of social service and First Nations political agencies, health services, immigration service groups and District Services Boards.

At the beginning of November, that working group delivered a 186-page report 'Income Security: A Roadmap for Change.'

"There is a lot there," said Manitoulin Sudbury District Services Board (DSB) CAO Fern Dominelli of the report. "It is a whole transformation of the system."

The costs of simply maintaining the status quo are massive, but so will be the costs of moving forward. With an estimated price tag of doing nothing running into the multiple billions of dollars, the status quo is not an option, but with the costs also involved with taking action also massive, finding the right path forward is of paramount importance.

The report seeks to find the path to where the future state of income security means people have their essential health needs met, help raising children, employment support, safety at home, support if they have a disability and provides an effective safety net—and to do that within a 10-year timeframe.

With the province's minimum wage now set at \$14 an hour, and slated to rise to \$15 an hour should the Liberals remain in office following this year's provincial election, the gap between a safety net that provides an equitable income level that ensures dignity and respect but doesn't provide a disincentive to seeking employment becomes something of a political question.

"Setting that level where the gap between \$14 an hour and staying at home," said Mr. Dominelli. "That's where the political argument comes in."

Mr. Dominelli noted that the current guaranteed annual income experiment (Basic Income Pilot) being conducted by the government in select jurisdictions was not part of the report.

The costs associated with poverty and provincial health system are actually quite immense

The roadmap outlined in the report has the overarching goals of ensuring that "individuals are treated with respect and dignity and are inspired and equipped to reach their full potential. People have equitable access to a comprehensive and accountable system of income and in-kind support that provides an adequate level of financial assistance and promotes economic and social inclusion, with particular attention to the needs and experience of Indigenous peoples."

With a large part of the social safety net in the province falling on municipal shoulders (and by extension property taxes) the Association of Municipalities of Ontario (AMO) has studied the report in-depth and has come up with a number of observations.

“At the same time as embarking on income security reform, AMO encourages the government to consider a broad spectrum of priorities for government expenditures and complimenting the need for investments in income security programs with other supportive infrastructure investments that can also help reduce poverty and improve the quality of lives of residents,” notes a statement from the AMO. “This includes, but is not limited to: transportation and transit, recreation facilities, affordable housing stock, and meeting the accessibility needs of persons with disabilities. For example, continuing to invest in transit and transportation infrastructure is beneficial as this has an effect on persons living in poverty. A lack of access in many communities and neighbourhoods creates barriers to getting to places of employment, training providers, educational institutions as well as medical appointments.”

To that end AMO is recommending that the following measures be considered by the province as complimentary and supportive actions: actively work with municipal governments, AMO and other municipal associations in a co-design process; support municipal service system managers through social assistance reform with change management and funding resources as needed; continue to support municipal service system managers by modernizing the service delivery models of municipally delivered, and provincially cost-shared, income security programs (e.g. child care, housing, social assistance); continue to facilitate greater human services integration in the cost-shared programs to continuously improve client–centric services at the local level by breaking down ministry funding and program ‘silos’; continue investments in human services (for example in child care and housing) to continuously improve access and affordability; seek opportunities to scale up across the province the successful pilots funded by the Local Poverty Reduction Fund initiative; work with other provincially funded local government institutions to address poverty such as school boards and LHINs; continue with the proof of concept evaluation of the Basic Income Pilot to determine if it presents a viable, future alternative for income security reform; and move quickly to transform employment support programs in order to more effectively help job seekers to secure employment and become attached to the labour force.”

The recommendations in the report include adopting a minimum income standard in Ontario, "to be achieved through a combination of supports across the income security system." The minimum income level to be determined by the low-income measure (LIM) currently in use by Ontario's Poverty Reduction Strategy, plus an additional 30 percent for persons with a disability.

The report also recommends that a made-in-Ontario market basket measure that includes goods set at true costs (adjusted for each region of the province) that could be used in evaluating the progress being made toward success and as a guide to evaluate investment decisions over the long term.

The report's roadmap envisions engaging the whole income security system, including the Ontario Housing Benefit, income support for children, the working income tax benefit (which would require working with the federal government), making essential health benefits available to all low income people and access to justice in that "procedural fairness should be embedded in all aspects of the income security system through adequate policies, procedures, practices and timely appeal mechanisms."

The roadmap's transformation of social assistance seeks to "make social assistance simpler and eliminate coercive rules and policies," thereby creating "an explicit focus on helping people overcome barriers to moving out of poverty and participating in society."

The costs of poverty have been clearly documented in numerous reports over the last few decades, they include: higher health care, social service and justice system costs compounded by lower tax. "The bottom line is that poverty is expensive and it costs us all," notes the government's website on the report. "Many previous reports have documented the problems in Ontario's income security system; now it is time for action. The purpose of this Roadmap is to identify a clear path forward, one that sets out concrete steps over multiple years with the goal being a modern, responsive and effective system."