



Report To:	Manitoulin-Sudbury DSB Board
From:	Donna Moroso, Director of Integrated Social Services and Gilles Plouffe, Ontario Works Program Supervisor
Date:	May 23, 2013
Re:	2013 Provincial Budget – Issue Report

Purpose

The purpose of this report is to provide the DSB Board Members with an update on the 2013 Provincial Budget and what impact it will have on Manitoulin-Sudbury DSB's program delivery.

Objective

In the 2013 provincial budget, Finance Minister Charles Sousa has reasserted the government's commitment to fiscal responsibility while committing to moving Ontario to a more prosperous and fair society.

Here are a few key highlights that will impact the Manitoulin-Sudbury DSB's program delivery.

Social Assistance transformation to be built on consultation

Recognizing that "successful transformation will take time", the first steps towards transformation will begin through conversations with key stakeholders, including municipalities, recipients and delivery agents to set priorities and to work through the choices required for transformation.

The budget is largely silent on specific priorities outside of employment integration. It is unclear whether the integration of the Ontario Works and Ontario Disability Support Program is being considered or if it will be a priority set by consensus of key stakeholders.

The budget does contain some key steps aimed at improving opportunities for recipients of social assistance in transitioning to work and reducing hardship including:

- A rate increase of 1% beginning and an additional \$14 per month top up for Ontario Works adults without children;

- Increased earning exemption of \$200 per month;
- Increased asset levels for Ontario Works recipients from \$606 to \$2,500 for adults and from \$1,043 to \$5,000 for couples; and
- Simplifying asset rules that includes removing the restriction on the value of a primary vehicle and permitting gifts of up to \$6,000.

The above changes will total approximately \$400 million over the next three years (to 2016-2017) and take effect as of September 2013. The municipal cost share contributions will be deferred until January 1, 2014. OMSSA will be seeking clarification on the impact to CMSM and DSSABs of the changes and will be advising members of the implications.

Other notable changes include:

- the government's commitment to work with partners to develop a simpler, more flexible employment related benefits structure;
- a commitment to develop benchmarks on setting a consistent social assistance rates;
- effective September 2013 treating self-employment of Ontario Works and Ontario Disability Support Program recipients the same as employment earnings; and
- allowing full time high school students to keep earnings from part time work effective September 2013

Integrating Employment Program and Services

OMSSA and its members have been interested in the 2012 provincial government announcement to integrate employment programs and services across government with Employment Ontario. Budget 2013 commits to "engaging with municipalities, First Nation communities and employment service providers" to work on this plan.

Poverty Reduction and social assistance transformation

A notable announcement is the governments renewed commitment to continue to work on poverty reduction.

The budget identifies the creation of a cross government approach to developing the second Poverty Reduction Strategy under the leadership of a new Cabinet Committee on Poverty Reduction.

The Cabinet Committee will also be charged with leading social assistance transformation. The new poverty reduction will be released in late 2013. Details on elements of the strategy or mechanisms to develop the strategy were not provided.

Early Learning and Child Care

The budget indicates the government's firm commitment to continuing the implementation of full day kindergarten by September 2014 and to continue to build the vision for an integrated early year's program and services.

Broader areas of interest

Other budget highlights include the continued commitment to upload social assistance benefits as agreed in the 2008 Provincial Municipal Fiscal and Service Delivery Review.

Federal Advocacy

In terms of social and affordable housing the province commends the government on the recent extension of the Investment in Affordable Housing Program and commits to working with the federal government on the program design.

Conclusion

In many ways the 2013 provincial budget is a holding pattern that signals the direction the government is committed to taking given the opportunity.

OMSSA and AMO are committed to working with the government in moving forward on social assistance transformation and other areas of mutual interest and concern. This includes all elements of poverty reduction and as appropriate the development of federal-provincial programs.