



**August 2009**

## Social Assistance Restructuring (SAR) Reinvestment

The National Child Benefit (NCB) reinvestment is now renamed the Social Assistance Restructuring reinvestment. It will be referred to as SAR in the balance of this document. SAR was introduced in July 1998. The introduction of this federal benefit resulted in reduction to provincial and municipal expenditures in the Ontario Works (OW) and the Ontario Disability Support Programs (ODSP).

Following the implementation of the Ontario Child Benefit in August 2008, the OW and ODSP rates were again restructured. This change removed the children from the allowance calculation. The Ontario Child Benefit more than replaced any allowance paid to the family for children. Since the OW and ODSP rates were reduced, this resulted in 20% reduction in cost for children in the OW and ODSP allowances. The resulting reduction in costs to the DSSAB must be reinvested under the Social Assistance Restructuring plan.

The municipal SAR reductions must be reinvested by each Consolidated Municipal Service Manager/ District Social Services Administration Board under guidelines set by the Ministry of Community and Social Services. We are obliged to seek Ministry approval for SAR reinvestments. We are further obligated to report actual expenditures on an annual basis.

Simply put, the money that was being spent on social assistance allowances for children must be reinvested in other services for children. These monies represent an accumulating liability which the Board must expend on services related to children and under a plan which must meet Ministry criteria. As they are an accumulating liability they need to be budgeted for in each budget year.

Preliminary estimates of SAR reinvestment amounts have been developed for the year 2010. These estimates include the SAR reinvestment amounts on the OW & ODSP programs.

The accumulated SAR reinvestments for 2010 are, at this time, estimated at approximately \$ 183,218. Actual reinvestment may vary dependent on actual OW and ODSP expenditures. In 2009 the DSSAB budgeted \$134,000 based on previous SAR reinvestment estimates. This increase of \$49,218 represents a 37% increase for this program line which reflects the reduction in the allowance cost caused by the removal of children the OW and ODSP allowances.

The Manitoulin-Sudbury DSSABs' SAR reinvestment is utilized to fund the Our Kids Count Program.

The Our Kids Count program is a Social Assistance Reinvestment program that assists all low-income families by:

- Supporting parents on social assistance as they move into employment with improved access to essential benefits and services for their children;
- Providing much needed support to parents who are employed in low income jobs to stay employed.

The underlying premise is that in the long term, child poverty will be reduced if parents on social assistance enter the workforce and remain in it.

The strategy of the Social Assistance Reinvestment is to reduce child poverty by providing income supplements and other assistance outside of social assistance so that families can keep those supports as they move into jobs.

The program is comprised of three separate components:

#### **Recreational Bursaries**

- A maximum of **\$500 per child/year** is available for children ages 0 to 12. Exceptions maybe made for bursaries over this amount and for bursaries for children aged 12 - 18.

#### **Early Childhood services & Supplementary Health Benefits**

- A maximum of **\$500 per child/year** is available for children ages 0 to 12. Exceptions maybe made for assistance over this amount and for assistance for children aged 12 - 18.

#### **Informal Child Care Subsidies**

- To support parents as they move from social assistance to employment in areas where licensed childcare is not available, the Manitoulin-Sudbury DSSAB has created informal childcare subsidies. The maximum available for informal subsidies will be established based on local market conditions at the discretion of the Director of Social Services.

Eligibility for these benefits will be based on the most recent Low Income Cut-Off (LICO) for the appropriate family size published by the Canadian Council on Social Development.

Families in receipt of OW and/or ODSP will automatically qualify.