



May 24, 2015

Submission to the Standing Committee on Finance and Economic Affairs regarding Budget Bill-91 2015, with specific reference to Schedule 36

We thank the Committee for the opportunity to contribute to your teleconference on May 22nd. The following written submission includes the main points raised in our presentation about the Poverty Reduction Act, 2009 (Schedule 36) and some additional comment on other portions of Bill-91 as these may relate to income security.

Background to Local Engagement

The Social Planning Council of Kitchener-Waterloo has contributed to Government of Ontario poverty reduction initiatives locally and across the province since 2007. We know it is important to have meaningful and accessible opportunities for citizens to learn about, discuss and give input on public policy and decision making. We have provided local leadership to do this in a number of ways.

During elections we organize all-candidate sessions so people can sit and discuss issues with candidates. We have hosted community forums related to taxation or policy changes for broad public participation. We also coordinate informal kitchen table talks to engage citizens in their homes and community settings about topics important to them such as a 2011 series focused on what is needed for a healthy community and healthy life and the benefits of tax dollars investment in public infrastructure and services.

In this work to provide ways for people to participate in government consultations, we often find it necessary to modify technical materials to make these more accessible to more vulnerable audiences. Recent examples¹:

- Four community forums related to the Social Assistance Reform Review process – 2009-2013
- Consultation on Proposed Changes to the Ontario Building Code regarding accessibility – this entailed an intensive 6 week process to support a group with lived experience in reviewing and assessing proposed changes to the Code in 2013
- Multiple community forums to get input into the development of Ontario's Poverty Reduction Plan, including Ontario Poverty Reduction Strategy Consultation October 2013
- Social Justice Tribunals of Ontario Consultations June 2013 & 2015





- Submissions to the Ontario Pre-budget consultations 2013-2015
- Pre-Budget Presentations to the Standing Committee on Finance and Economic Affairs 2014

We have learned much about how important it is to be inclusive when we consult and how much it can take to provide meaningful and accessible ways for all voices to be heard.

Omnibus Bills Do Not Build Understanding and Trust

Based on our experience in creating meaningful and accessible opportunities for people to provide well informed and structured input, we strongly oppose omnibus bills such as Budget Bill-91.

Presenting a complex set of legislative changes through the budget process confuses the issue of what is being done. The volume of intended changes presented in legal language in a short time frame does not allow for fair and sufficient review. This token approach to consultation does not allow time for dialogue so as to build mutual understanding. Those affected by the legislative changes can't be confident that they understand what is being done which does not build their trust in government representatives.

Schedule 36 - Changes to Poverty Reduction ACT 152 Are Not Enough

Ensure Community and System Change Initiatives Can Be Supported Through Poverty Reduction Fund

We support the proposed Budget Bill-91 changes to the Poverty Reduction Act as these acknowledge the role of non-profits and community groups by providing a fund to support local poverty reduction work. By allowing the Minister responsible for the Poverty Reduction to allocate grants to charities and non-profits for implementation of locally designed solutions, the Government opens doors to a much needed alignment of provincial funding to support local initiative.

However, the focus of the poverty reduction fund that has been announced seems to emphasize individuals and family intervention and does change community environments or system change. The poverty reduction fund should more strongly reflect the purpose of the fund to:

- Support strong and healthy communities.
- Make sure people can contribute and participate (in economy and society).
- Provide opportunities for people most impacted to be involved in the design and implementation of the Poverty Reduction Strategy



We know that if more people, especially those living in poverty, are involved in developing and implementing poverty reduction strategies through dialogue and deliberation with community leaders, we are more likely to make progress.

Social Assistance Reform is Piecemeal

As the Government has renewed its Poverty Reduction Strategy, and initiated work on important issues such as homelessness, we are disappointed that two years after the Social Assistance Review we still do not have a strategy or action plan.

During this time, changes have been made to the social assistance delivery but these are piecemeal and are not transparent. We hear from service recipients that they are disheartened and anxious as inconsistent modifications to an already complex system make it more difficult for people to understand and navigate the supports available. People do not feel they have been heard during the previous years of consultations as the income support rates remain inadequate to cover basic food and shelter costs. People fear that the initial improvements made regarding earnings or eligibility for assistance will be taken away.

- The top up increase made to single Ontario Works recipients is a tremendous step and change in the way we address poverty; however, it is weak consolation as overall income level remain below sustenance;
- Exemption of \$200 work earning gained will be annulled by removing the mandatory Work Related Benefits through introduction of discretionary Employment Related Benefits;
- The Government has allocated more funds and raised the threshold for people to access community legal clinic and at the same time it continues with inadequate Medical Reviews of ODSP files putting greater pressure on delivery of legal services and jeopardizing supports for the most vulnerable;
- Introduction of the Ontario Electricity Support program is well received by low-income families; whereas, those receiving child support payments are not better off when gains are deducted from social assistance.

We wish to recognize the efforts the Ontario Government has been making to improve the income of individuals, and their families, who are currently not employable or who cannot work. However, we know assistance levels are inadequate and indexing this inadequacy will lock people into deep poverty.

Many organizations such as ours have been working hard to bring people living in poverty to speak about their experience. The promise was that the Social Assistance Reform will be a strong initiative, inclusive of voices of the most impacted, transparent and bold. We would like to see that promise fulfilled and supported through legislative action as well as ongoing dialogue with communities and leaders across Ontario.



Other Sections of the Budget Bill-91 That Impact Low Income Earners

The Budget Bill-91 includes changes to a total of 44 different Acts. Our interest for this budget is primarily in making progress on providing adequate income support to those in our province who are the most disadvantaged. There has not been sufficient time to review all changes and potential impact on income security for low income earners. It would be important to do this. Two examples are:

- Schedule 31, Ontario Energy Board Act, 1998 for which significant concerns have been raised about future hydro rates and loss of public funds.
- Schedule 33, Ontario Pension Plan Administration Corporation Act, 2015 which is concerning on two points:
 - This fund will benefit only those who have adequate income levels to start with and will do nothing to increase income security for retiring baby boomer generation and
 - Again, in regards to process, introducing new legislation as part of an omnibus budget bill does not allow time for adequate review and debate.

More analysis of potential impacts and missing pieces is warranted but not possible given the speed of which this bill is being processed. Making such extensive legislative changes to enable the 2015 Budget to be passed puts us all at risk.

Conclusion

The Budget Bill-91 is both too much to review in a short time and not enough in terms of providing a more complete and integrated legislative structure to ensure all Ontarians can live a decent life.

For information about this submission, please contact:

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- ⁱ Multiple community forums to get input into the development of Ontario's Poverty Reduction Plan, including [Ontario Poverty Reduction Strategy Consultation October 2013](http://www.waterlooregion.org/reducing-poverty-for-everyone-message-from-kitchener-waterloo)
<http://www.waterlooregion.org/reducing-poverty-for-everyone-message-from-kitchener-waterloo>
 - [Four community forums](http://www.waterlooregion.org/poverty-reduction) related to the Social Assistance Reform Review process – 2009-2013
<http://www.waterlooregion.org/poverty-reduction>
 - *Extensive input into the Accessibility for Ontarians with Disabilities integrated standards.*
 - [Social Justice Tribunals of Ontario Consultations June 2013](http://www.waterlooregion.org/sites/default/files/SJTO-%20Submission%20June14%202013.pdf)
[http://www.waterlooregion.org/sites/default/files/SJTO-%20Submission June14 2013.pdf](http://www.waterlooregion.org/sites/default/files/SJTO-%20Submission%20June14%202013.pdf)
 - *2013 Consultation on Proposed Changes to the Ontario Building Code regarding accessibility – this entailed an intensive 6 week process to support a group with lived experience in reviewing and assessing proposed changes to the Code.*
 - [2014 Waterloo Region Pre-Budget consultations](http://www.waterlooregion.org/sites/default/files/Final%20letter%20Dec11%202013.pdf)
<http://www.waterlooregion.org/sites/default/files/Final%20letter Dec11 2013.pdf>
 - *Presentations to the Pre-Budget Consultations on Standing Committee on Finance and Economic Affairs, Kitchener January 13, 2014*
<http://www.waterlooregion.org/all-party-committee-pre-budget-consultation-in-kitchener>