



Government Makes a Difference: Working Together Towards Poverty Reduction

***A Discussion Paper by the Association of
Municipalities of Ontario (AMO) and
the Ontario Municipal Social Services
Association (OMSSA)***

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Introduction

Like many jurisdictions, until recently, Ontario experienced unprecedented economic growth. Even then, almost one in six children was growing up in poverty, while 132,000 of Ontario's children relied on food banks ¹. During unprecedented economic growth, Ontario's most vulnerable were unable to change their fortunes. In light of the current economic environment, investing in community makes sense. The efforts to do so must be expanded and not retracted with all orders of government coordinating efforts to invest in our communities.

Municipalities understand first hand the effects of poverty. We see it as people in our communities struggle to earn a living wage or find and keep suitable housing, visit food banks or in children who go to school hungry.

The current economic situation does not mean that the efforts to reduce poverty need to be abandoned or slowed down -- it just means, that how we approach poverty reduction may need to be adjusted. It also means that the Poverty Reduction Strategy is more important than ever. Tackling poverty is a key to both economic and social development.

The Government's commitment to addressing and reducing poverty is a critical and necessary step and must be applauded. Communities have been hard hit with downsizing, layoffs and corollary related job reductions in the automobile manufacturing, and resource sectors. The time for accelerated action is now. Investment in our communities and local poverty reduction initiatives will provide an important economic stimulus and support poverty reduction.

The Association of Municipalities of Ontario and the Ontario Municipal Social Services Association have joined to discuss and provide examples of how municipalities can reduce poverty in their communities.

We are hopeful that all orders of government and key community stakeholders will come together in an effort to create healthy citizens and resilient communities.

¹ A Poverty Reduction Strategy for Ontario: Ontario Campaign 2000 Discussion Paper, July 2007.

Shared Objectives in Poverty Reduction

AMO and OMSSA share the Government's objectives on poverty reduction. We agree that reducing poverty contributes to a more fair and inclusive society. We recognize that giving individuals the tools they need to reach their full potential means stronger communities for everyone.

Poverty costs us all, through increased costs of social and health programs and the lost potential that comes when people are not given opportunities to succeed.

Poverty reduction does more than simply raise the income levels of our communities' lowest-earning citizens. Reducing poverty builds our economy, strengthens individuals and families, helps our schools and businesses, and gives more people the opportunity to make meaningful contributions to our society. In short, poverty reduction improves the quality of life for all Ontarians, thus strengthening Ontario's overall prosperity.

As partners in human and health services, municipalities are key to the success of poverty reduction in Ontario. In their official role as Consolidated Municipal Service Managers (CMSMs) and District Social Services Administration Boards (DSSABs), municipalities and DSSABs manage and deliver a range of human services -- income security, employment services, social housing, homelessness prevention, and child care included.

They know how to develop and deliver these programs and services that work better for the people who need them.

Municipalities and DSSABs are also well positioned to build effective local partnerships among individuals, communities, and governments that help to lift more people out of

Key Components of Poverty Reduction in Ontario

Poverty reduction must be a collaborative effort, with each partner doing what it does best.

*The **provincial government** must establish a fair, sustainable, and progressive social policy that can assist in poverty reduction. Initiatives such as the Cabinet Committee on Poverty Reduction are important steps for the government to develop an understanding of the local dimensions of poverty in Ontario.*

***Municipalities and DSSABs** can support the government's objectives through locally planned service delivery models that are responsive, coordinated, integrated, and accountable.*

poverty. In fact, municipalities and DSSABs have a proven track record in building community capacity, as demonstrated by their successes with the Best Start Initiative, the Supporting Community Partnerships Initiative, and Local Immigration Partnerships.

In short, municipalities can help the provincial government to get the most for its efforts and resources.

Municipalities and Poverty

Poverty is not an abstract concept to be debated and theorized. Poverty is a real experience, tangibly expressed in the daily lives of thousands of Ontarians. We understand that poverty is a reality affecting single mothers and children, seniors, people with disabilities, the homeless, newcomers, Aboriginal people, those with mental illness and addictions, low wage earners and the jobless. Poverty has become the daily reality of the most vulnerable citizens in our communities.

Municipalities see this poverty first hand because we are on the front line of addressing poverty through the cost shared and municipally funded programs we provide.

Municipalities have many levers to achieve social and economic goals. We have the capacity to integrate and coordinate service delivery, ensuring that citizens receive services in an efficient, effective and complementary way. We have the experience and expertise to build local capacity and cooperation as well as leading strategic economic and social development planning. We are the lever to mobilize and engage for change.

Some Examples of Municipal Efforts to Reduce Poverty:

Municipal responses to poverty reduction involve a combined effort of municipally driven programs and initiatives and a collaboration of efforts with community stakeholders.

Municipalities and DSSABs undertake many activities to directly help individuals and families. Programs such as dental services, vision care, and special assistance find the municipalities working directly with citizens — often using local funding over and above whatever provincial funding flows to the municipality. For individuals and families relying on assistance to pay energy bills, obtain food vouchers, or emergency dental care, these municipal efforts at poverty reduction are crucial to their daily survival.

At the same time, CMSMs and DSSABs are involved in broader community initiatives to reduce poverty. Some of the most prominent municipal efforts at local poverty reduction include the Hamilton Roundtable on Poverty Reduction and the Provincial Consultation Working Group of Nipissing District. Many more collaborative tables where municipalities play a pivotal role also exist in communities across Ontario, including; Kitchener-Waterloo (Opportunities Waterloo Region), the Mayor's Task force on Poverty Reduction in the City of Peterborough and a community round table in the City of Kingston. Additionally, similar structures are emerging in Windsor,

London, Peel Region, Brantford and Brant County, York Region and Ottawa as examples.

Such activities have brought municipal representatives together with local stakeholders to develop comprehensive responses to poverty. They have stimulated innovative thinking about the collective responsibility for poverty reduction that have resulted in tangible differences in their communities.

What is clear, then, is that communities each address the issue of poverty in ways that leverage their particular local resources, capacities, and advantages. In other words, a successful poverty reduction strategy requires locally driven approaches that include all orders of government, citizens, business, funders, researchers, education, and low-income leaders.

Municipal Expertise and Experience

The experiences of poverty reduction initiatives at the municipal level have provided two key lessons for a broader poverty reduction strategy. These include the municipal capacity to integrate and coordinate human service delivery, and to build local capacity and collaboration. Human services integration means creating a system of services that is coordinated, seamless, and tailored to the needs of people so they can maximize their potential, enhance their quality of life, and contribute to their community. It means addressing the complex needs of people in a coordinated and holistic way. It means understanding that a person's child care, employment, income, and housing needs are connected. In the fight to reduce poverty, human services integration is an important tool for municipalities, particularly in terms of the small-scale initiatives described above. Poverty affects all aspects of a person's life. The solutions, therefore, must encompass those aspects as well.

At the same time, municipal poverty reduction strategies have shown the importance of creating collaborative tables to address the issue of poverty locally. By bringing together municipal leaders with key local stakeholders and representatives of the provincial government, local solutions can be created by working towards common goals and outcomes and undertaking collaborative initiatives to tackle the problems of poverty. For example, only a few years ago, Hamilton had the highest rate of poverty in Ontario. Through the work of the Hamilton Roundtable on Poverty Reduction the rate of poverty has been reduced from 20 percent to 18 percent. What this means, is that 6,000 fewer people in the City of Hamilton are living below the Low Income Cutoff. This municipally initiated and supported effort has made some important and significant first strides in addressing poverty.

Municipalities traditionally have strong connections to their residents including individuals living with low and limited incomes, many of whom are clients of municipal programs and services. As a result, municipalities can be both conduits for information about policy and systems changes and serve as a resource around engagement of individuals living in poverty.

Municipal efforts can provide leadership and act as a champion for change. Citizens can be offered the opportunity to be heard. Public awareness of local issues and the importance of change and local social and economic investments can be communicated. A sense of responsibility across sectors can be fostered through building relationships among diverse organizations and sectors, these relevant communities of interest can make all the difference in the lived experience of the poor in our communities.

Recommendation to the Province of the Need for Change at the Local Level: Local Issues Require Local Flexibility

Poverty might be local, but the municipal experiences demonstrate that the face of poverty differs from locality to locality based on geography, ethnicity, economic factors, and historical patterns.

Local flexibility in delivering provincial policies means more efficient implementation — municipalities know best how to connect local residents to the particular services they need in the best ways possible. Moreover, in many parts of Ontario, the municipal government is the only order of government with a local presence.

Consider the differences between Ontario's denser urban and suburban communities and the more dispersed northern and rural parts of the province.

In the major centres of Ontario, there is usually a visible provincial presence, through offices of ministries of Community and Social Services, Housing, Children and Youth Services, Health, or Training, Colleges, and Universities. Residents in these communities are familiar with accessing services through these provincial government offices.

In many northern and rural communities, however, these provincial representatives are absent. In the Cochrane District, for example, none of these ministries are represented, with the exception of a single ODSP office that works strictly with income maintenance and employment supports and plays no role in community capacity building.

In these northern and rural communities, when residents in these areas think of “government,” they think of the municipalities. That is the government they see and deal with on a regular basis. In terms of fighting to reduce poverty, then, municipalities and DSSABs are often the only option for managing and delivering programs to local residents.

These varied arrangements are the clearest demonstration of not only the need for the province and municipalities to work together on poverty reduction but also the need for service delivery reform at the local level. Complex and contradictory policy and regulatory arrangements are often significant barriers to those most in need of services.

The government committed to important policy and program changes including the Provincial Municipal Fiscal and Service Delivery Review, the Ontario Child Benefit, the Long Term Affordable Housing Strategy and the review of child care. We are hopeful that a key goal in all of these efforts is not only fair and sustainable funding arrangements but a program delivery system that recognizes the unique needs and capacity of all municipalities and DSSABs.

Local Decision-Making Results in Solutions

Having local flexibility in municipal implementation of provincial poverty reduction policies — the need for decentralization of policy implementation, essentially — offers real opportunities for positive social change.

A number of initiatives have engaged communities by putting decision-making in the hands of local experts — with tremendous success. Consider the following examples:

- The Best Start Initiative put forth a provincial vision for children’s services that relied on the municipalities to bring that vision to fruition. Led by CMSMs and DSSABs, local Best Start Planning Tables brought together community stakeholders to craft locally appropriate implementation plans. Using the provincial vision as a guide, each community’s Best Start Planning Table reflected their unique needs while meeting the broader mandate of expanding and integrating children’s services.
- The Supporting Community Partnerships Initiative (SCPI), though a federally funded program -- municipalities were directly engaged and funded to develop local solutions to homelessness. Recognized as best able to understand and address local issues, municipalities were a key driver in developing local collaborations and solution focused initiatives. This program has been extremely

successful in reducing homelessness in communities across the province. This important initiative continues today as the Homelessness Partnership Initiative.

- Local Immigration Partnerships (LIPs) — Recently, Citizenship and Immigration Canada and Ontario's Ministry of Citizenship and Immigration (MCI) released the Local Immigration Partnerships (LIPs). Through an initial invitation for proposals, municipalities and community organizations were able to submit proposals outlining a strategy and action plan for achieving the immigration objectives of their communities. Key to this initiative is the need for a collaborative and coordinated approach between local immigration services and agencies and municipalities. A coordinated, collaborative approach not only maximizes resources and outcomes, but celebrates the notion of community that is vital to attracting, retaining and settling newcomers.

The above highlight some examples of the critical partnerships that already exist between federal, provincial and municipal partners in the planning and delivery of services to the citizens of Ontario. There is a real opportunity to grow this partnership and to enhance the coordination of efforts from the three orders of government. Other examples of these successful partnerships emerging from the City of Hamilton include the City of Hamilton's Government Engagement Working Group of the Hamilton Roundtable on Poverty Reduction where knowledge and investment priority areas are shared and opportunities identified for joint planning and service delivery. Another example was the delivery of the provincial Summer Use of Schools funding in Hamilton. The Hamilton community was able to come together with the school boards and other partners to design and deliver a series of summer camp programs, which served 6,000 low-income youth in 28 locations across the community and hired 60 youth (many of whom were at-risk youth).

If strong, local, broad-based collaboratives exist, the community is poised to act collaboratively with a shared outcome focus to act upon investment opportunities when they are made available.

The initiatives mentioned above have created new community energy mobilizing around important social issues. Equally important is that those local mobilizations look different from one community to the next. For example, the LIPs program has rightfully recognized that, although the integration of immigrants is a cross-Canadian phenomenon, the particular issues associated with it vary by community. Its community-based approach enabled local service providers to work together to jointly plan, prioritize activities, and recommend how funds should be disbursed — even if those plans looked different from one another across the country.

Poverty reduction is no different. We all can agree on the broad goal of reducing poverty. How we achieve that might be different from one community to the next. Municipalities and DSSABs are ideally positioned to make this broad provincial goal a local reality. They can inform and mobilize poverty reduction by engaging key local stakeholders and ensuring that key government representatives from across the orders of government are at the table.

By managing the cooperative efforts of all stakeholders, municipalities and DSSABs can become champions for change with the support of the broader community. They can create community plans that combine the collective local knowledge with the technical expertise of service delivery. And once the programs are put in place, they are well situated to monitor progress of program implementation.

The Problems of Program Complexity

Poverty is not a simple issue. No single factor contributes to a person's poverty. No single solution can eliminate poverty. Yet the complexity of responses to poverty — the tangled web of programs and initiatives — can impede efforts to reduce poverty.

As previously identified, the complexity can be found at both the provincial policy level and the municipal service delivery level.

Provincial structures can hinder the ability of ministries to work together. Different ministries often undertake different — and sometimes competing — initiatives — with little regard for other programs. The Cabinet Committee on Poverty Reduction is an important first step, but there needs to be more. The provincial policy and funding complexity becomes even more apparent when municipalities work with their clients. Most service and support programs target specific aspects of poverty, and often conflict with or undermine other services and programs. Social service clients are often forced to repeat their stories to multiple case workers, who might be limited by funding and other administrative mandates to deal with only a single issue. Such a siloed approach to poverty reduction can be frustrating for clients and an inefficient use of resources for the service deliverers.

An effective poverty reduction strategy requires appropriate and efficient investments that reduce complexity for clients and deliverers.

The complexity of siloed funding becomes compounded when the funding streams themselves are tied to different provincial budgetary schedules. The effectiveness and efficiency of service delivery — and the broader reduction of poverty in Ontario — could be achieved if municipalities and DSSABs could count on a stable, predictable, and sustainable level of funding for human services. Both short-term and long-term community efforts to reduce poverty could be greatly improved if the partners could rely on a level of provincial funding that could sustain the local initiatives.

Finally, the government has made important changes and commitments to examine and address existing social policies that act as disincentives to those seeking to transition from welfare to work. Communities can work together towards the goal of poverty reduction, this is important, but, if social assistance and taxation rules make it tough to seek income security outside of social assistance, there is only so far these efforts will go.

The provincial government needs to ensure that health and dental benefits, child care and housing subsidies are in place for a reasonable amount of time. What this means, is that those seeking employment with the goal of exiting social assistance, can stabilize and are not at risk of sliding back into social assistance once the benefits have been terminated. Change takes time, especially permanent change. Every order of government's goal should be to support a healthy and sustainable transition to independence.

The Provincial Poverty Reduction Strategy commits to a social assistance review which includes addressing complex and contradictory rules that diminish the likelihood of achieving self reliance. We look forward to supporting the government in this effort and supporting our clients in their transition to self reliance.

Streamlining Approaches to Poverty Reduction

Sustainability, Stability, and Predictability: The keys to funding a poverty reduction strategy

Municipalities and DSSABs need funding streams that they can count on for several years — not just through the next political cycle. The coordination of efforts to reduce poverty at the local level requires financial support. Without sustainable, stable, and predictable funding, effective service planning and delivery is difficult. It becomes a guessing game as to how many staff should be hired or where a new program should be implemented if there is no clear indication that funding will continue beyond the next year. Poverty reduction is too important a goal to be subject to political initiatives.

Poverty reduction might be a big task, but it need not be complex. It requires the creativity and will of all orders of government to work collaboratively and innovatively.

Reducing complexity means enabling different funding models that allow communities to address the complex issues of poverty as a whole rather than via program funding silos.

Block funding of community, social, and health services would enable communities to combine programs, and make investments in prevention that will reduce costs in both support services and reactive, emergency services. Block funding would also let communities' select the right balance between prevention and assistance.

The increased flexibility to tailor programs to meet local needs will mean more efficient and appropriate use of provincial funds. It will mean that the province can set broad policy goals and be assured that municipalities will meet those goals in locally appropriate and relevant ways.

Monitoring Progress

Creating and managing a poverty reduction strategy is one thing. Monitoring and evaluating its success is something entirely different. Nevertheless, because of their experience and expertise in delivering human services to their local communities, municipalities and DSSABs are well positioned to collaborate with the province on measuring the fight to reduce poverty.

The knowledge of the local context — what the baseline situations are, what the changes are — means that municipalities can work with their provincial partners to establish an accountability framework that includes population and performance indicators. Models for such an accountability framework exist, including the current commitment to employment outcomes, where the specific performance indicators were developed through active conversations between provincial and municipal partners.

Simply put, when given the opportunity to develop locally appropriate responses to provincial policy goals, municipalities and DSSABs are familiar and comfortable with adhering to high levels of provincial accountability in service delivery.

Moving Forward on Poverty Reduction:

While this paper has outlined some of the immediate steps that can be taken to address poverty, it is imperative that the more long term and complex issues of poverty continue to be addressed. The systemic issues of income disparities, access to affordable housing, access to education, transportation and food, to only name a few, require an honest and comprehensive analysis and response.

The Longer Term: Foundational Underpinnings Required

The municipal role in reducing poverty will be made even stronger with improvements to the underlying foundations of social infrastructure. These foundations include:

- *Improved income security*
- *Increased supports to children, youth and families*
- *Expanded access to affordable child care*
- *Greater federal and provincial commitment to affordable housing and homelessness initiatives*
- *Integrated labour market development*
- *Enhanced service system integration*
- *Broadened opportunities to education and skills training*
- *Increased access to transportation*
- *Higher levels of food security*
- *Improved services for newcomers, seniors, aboriginals, women, single mothers, and those affected by addictions and mental health*

Working Together: Recommendations on Moving Forward on Poverty Reduction

Given the discussions thus far, AMO and OMSSA recommend the following key steps to ensure a successful poverty reduction strategy in Ontario. These include an active and coordinated dialogue among provincial and municipal governments as well as some fundamental shifts in how we address local service delivery:

- A local service delivery model that is flexible and addresses the needs and issues of poverty in municipalities across the province.
- Stakeholder collaboration: including meaningful consultation with key stakeholders and citizens and outcomes focused actions and solutions.
- Addressing the complex issues of poverty through good public policy. This includes addressing current provincial policies and programs that operate at cross purposes of one another and the goal of poverty reduction. In addition, the systemic, foundational underpinnings need to begin to be addressed.

- Sufficient, sustainable, long term funding for poverty reduction initiatives which includes the administration of the initiatives.

As discussed earlier in the paper, municipalities require the flexibility and the means to appropriately and efficiently address the manifestation of poverty in their communities. An integrated approach with flexible funding is an important first step in breaking down needless barriers to reducing poverty.

Stakeholder collaboration should include the creation of networks in which poverty reduction becomes the common goal.

At the provincial level, stakeholder collaboration should include coordination among the diverse ministries affected by issues of poverty: community and social services, children and youth services, municipal affairs and housing, public health, and so forth. The Cabinet Committee is a good first step in this direction that could lead to meaningful structural change.

At the municipal level, stakeholder collaboration should include the creation of local networks -- where appropriate and so desired -- led by municipalities focusing on poverty reduction. Poverty reduction tables or networks can be modeled after some of the successful existing initiatives as discussed in this paper.

An important aspect of the collaborative process is meaningful consultation. This means that, as the provincial government continues to review current policies, explore new policies, and develop targets and outcomes; municipalities and their representative organizations AMO and OMSSA have a voice in those reviews. Municipalities should have a meaningful voice in these reviews, given their first-hand knowledge of the impact of poverty and the presence of local experts in delivering poverty-reducing services as well as their role as funders in the majority of local poverty reduction strategies.

In the drafting of this paper, we have heard from a number of our member municipalities about the increased hardship experienced by many of their citizens as a result of the current economic situation. The growing uncertainty of future job security as well as the growing depth and breadth of poverty requires prompt action, direction and sustainability of programs and initiatives. Significant challenges for the future remain. In our paper, AMO and OMSSA have helped identify a number of the key steps critical to addressing these growing concerns. Now, more than ever, all orders of government must work together in a collaborative and coordinated effort to support our communities and our citizens.