

Sent by e-mail to: MinisterMCCSS@ontario.ca

February 16, 2024

The Honourable Michael Parsa
Minister of Children, Community and Social Services
438 University Avenue, 7th Floor
Toronto, Ontario M5G 2K8

Dear Minister Parsa,

Municipal governments provide critical services that are central to Ontario's economy and quality of life, investing almost \$65 billion annually into important public services and infrastructure. AMO has called on Premier Ford, through our pre-budget submission, to work together with municipal governments to undertake a social and economic prosperity review. This review is crucially important for both municipal and provincial governments to best serve the health of our communities and residents.

AMO is ready to work more with the Ministry of Children, Community and Social Services to support our residents. AMO's top-of-mind priority is ending homelessness in the province by supporting low-income and vulnerable people. Income security programs and social service supports play a critical role in addressing this issue.

Income disparity and poverty continue to be a growing concern across the province. One indicator is that food bank use in Ontario has skyrocketed, increasing 42% over the past three years alone. One third of these visitors are using food banks for the first time, including growing numbers of workers. We must work together to support low-income and vulnerable Ontarians at a time where Ontario's inadequate income support system is a key root cause of the homelessness crisis across the province. The income support changes outlined below are needed to prevent the current crisis from worsening and to achieve systemic change over the long-term for those who are experiencing or at risk of homelessness.

Realize the Potential and Promise of Social Assistance Transformation.

It is critical to realize the full potential and promise of social assistance transformation to help people gain employment but also to aid with preventing and helping low-income and vulnerable people move out of homelessness. The work to improve centralized intake is critically important as is strengthening the municipal case management function.

Without both components functioning well for low income and vulnerable people, they cannot be stably housed. Without housing, there are no prospects for employment and financial self-reliance. The success of social assistance transformation will also rely on other ministries doing their part. For example, the Ministry of Health is a critical partner needed at the table. The life stability needs of multi-barriered clients that are distant from the labour market must be met, including health needs such as mental health and addictions.

We respectfully continue to ask the government to proclaim all the amendments to the *Ontario Works Act* and to continue working with AMO to get the outcomes that we are all looking for.

Increase provincial social assistance rates to adequate rates so that people can pay rent and feed themselves and their families.

As part of our association's 2023 Pre-Budget Submission, AMO highlighted the inadequacy of Ontario's income support system as a key root cause of the homelessness crisis across the province. Experts such as the Canadian Alliance to End Homelessness and the former UN Rapporteur on Housing continue to highlight the likelihood of a growing homelessness challenge in the absence of progress on both income security and a greater supply of deeply affordable housing.

When people cannot afford to pay rent and feed themselves and their families, they are not able to work, take care of their kids, or contribute to the community. Despite recent increases to the Ontario Disability Support Program rates, in real terms ODSP and Ontario Works rates have never been lower, having not kept up with inflation for decades. AMO continues to call for rates for both Ontario Works and the Ontario Disability Support Program to be raised and indexed to inflation going forward.

Provide base shelter amount to unhoused people on Ontario Disability Support Program (ODSP) and Ontario Works (OW) to help them get out of homelessness.

Currently, because they do not have shelter costs, people who are homeless are not entitled to receive shelter benefits. This means that homeless people on ODSP/OW receive around \$500/\$400 less per month than the average monthly rates (\$1308/\$733). Income is a critical part of helping people to move out of homelessness, especially at a time where housing costs are rising throughout the province.

Increase the amount of money individuals on Ontario Works can earn without impacts to monthly benefits (i.e., "earnings exemptions").

In fall 2022, the Province increased monthly amount individuals on ODSP could earn without a claw back from \$200 to \$1000 per month. A similar change for people on OW would increase incomes to help people afford rent while encouraging and incentivising them to work.

Increase the cap on discretionary benefits administered by municipal system managers from 5% to 10%.

This includes benefits for both health and non-health related costs. Examples include health benefits for dental, prosthetic appliances, including vision care for adults, and non-health related benefits such as utility costs and heating arrears.

AMO looks forward to working with your Ministry on these pressing issues. We hope to see new investments in social assistance in the upcoming budget. AMO looks forward to continuing this discussion with the Ministry at the MOU table, at the Provincial-Municipal Social Assistance and Employment Committee (PMSAEC) table, and as part of a broader Social and Economic Prosperity Review.

Sincerely,



Colin Best
President, Association of Municipalities of Ontario
Regional Councillor, Halton Region

cc: The Honourable Doug Ford, Premier of Ontario
The Honourable Paul Calandra, Minister of Municipal Affairs and Housing
Martha Greenburg, Deputy Minister, Ministry of Municipal Affairs and Housing
Denise Allyson Cole, Deputy Minister, Ministry of Children, Community and Social
Services & Office of Women's Social & Economic Opportunity