

Office of the President

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The Honourable Dr. Helena Jaczek Minister of Community and Social Services 80 Grosvenor Street Hepburn Block, 6th Floor Toronto, Ontario M7A 1E9

Dear Minister Jaczek:

On behalf of the Association of Municipalities of Ontario (AMO), I am pleased to provide comment on the advice given to government through the *Income Security: A Roadmap for Change* document.

First, AMO commends the Province for undertaking this initiative. The working group members, under the leadership of George Thompson, produced a thoughtful, comprehensive and detailed report for the government to consult on. We agree with the assessment that the current income security system was designed for yesterday's work force and no longer meets the needs of low income working and unemployed Ontarians. There is clearly a need for change. As you are aware, income security reform has been studied and talked about for decades. It is now time for action. AMO urges the government to seriously consider reform along the lines of the thematic approach outlined in the *Roadmap* and to move in an expeditious manner. We acknowledge that the government will need to prioritize actions with other priorities, including the need for critical municipal infrastructure investments; however, reform is essential to meeting the needs of Ontarians who rely on income security programs to live better lives.

It is good to see the government thinking about the entire income security system and how it can work better to reduce poverty, a persistent problem in Ontario. Municipal governments understand firsthand the effects of poverty. It is seen as people in our communities struggle to earn a living wage or find and keep suitable housing, visits to food banks, or in children that go to school hungry.

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AMO, therefore, is supportive of efforts to reduce poverty in Ontario and to promote social and economic inclusion through a prosperous and livable province resulting in communities that offer a high quality of life for their residents. Each action implemented by the government should be backed by evidence that the intervention will be effective and validated by a cost-benefit analysis over time. The *Roadmap* provides a solid foundation for this.

Income security reform will require government investments on a sustained basis. The *Roadmap* does not suggest a municipal contribution to helping achieve income adequacy. While supportive of provincial action, reform must have no new costs for municipal governments. Municipal governments are already doing their part by investing in critical services such as transportation, community recreation, child care, social assistance, and housing with however much we can with the nine cents of every household tax dollar municipal governments receive. The provincial income tax is the most appropriate source of revenue for new and enhanced income security programs. This would be consistent with the shift from the property tax base to the provincial income tax base with the upload of social assistance benefits that will be funded fully by the Province in 2018.

This being said, municipal governments and District Social Service Administration Boards (DSSABs) will remain critical players on the ground to assist with implementation particularly through the service system management of the cost-shared human service programs. They are well positioned to help facilitate success for the reform initiative and continue to contribute to poverty reduction through local actions and initiatives.

At the same time as embarking on income security reform, AMO encourages the government to consider a broad spectrum of priorities for government expenditures and complimenting the need for investments in income security programs with other supportive infrastructure investments that can also help reduce poverty and improve the quality of lives of residents. This includes, but is not limited to: transportation and transit, recreation facilities, affordable housing stock, and meeting the accessibility needs of persons with disabilities. For example, continuing to invest in transit and transportation infrastructure is beneficial as this has an effect on persons living in poverty. A lack of access in many communities and neighbourhoods creates barriers to getting to places of employment, training providers, educational institutions as well as medical appointments. AMO continues to advocate for a Local Share of the HST to meet critical municipal infrastructure priorities, including social infrastructure like housing.

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AMO recommends that the following measures be considered by the Province as complimentary and supportive actions:

- actively work with municipal governments, AMO and other municipal associations in a co-design process;
- support municipal service system managers through social assistance reform with change management and funding resources as needed;
- continue to support municipal service system managers by modernizing the service delivery models of municipally delivered, and provincially cost-shared, income security programs (e.g. child care, housing, social assistance);
- continue to facilitate greater human services integration in the cost-shared programs to continuously improve client-centric services at the local level by breaking down ministry funding and program 'silos';
- continue investments in human services (E.g. child care, housing) to continuously improve access and affordability;
- seek opportunities to scale up across the province the successful pilots funded by the Local Poverty Reduction Fund initiative;
- work with other provincially funded local government institutions to address poverty such as school boards and LHINs;
- continue with the proof of concept evaluation of the Basic Income Pilot to determine if it presents a viable, future alternative for income security reform; and,
- move quickly to transform employment support programs in order to more effectively help job seekers to secure employment and become attached to the labour force.

I look forward to discussions with us and municipal representatives shortly on the future direction of income security reform in Ontario as it relates to municipal roles and responsibilities.

Yours sincerely,

Lynn Dollin AMO President

cc: The Honourable Kathleen Wynne, Premier of Ontario
The Honourable Bill Mauro, Minister of Municipal Affairs

The Honourable Peter Milczyn, Minister of Housing and Minister Responsible for the Poverty Reduction Strategy

Janet Menard, Deputy Minister, Ministry of Community and Social Services and Deputy Minister Responsible for the Poverty Reduction Strategy Elaine Baxter-Trahair, President, Ontario Municipal Social Services Association Iain Angus, Chair, Northern Ontario Service Deliverers Association Mayor John Tory, City of Toronto