

Consolidated Clause in Community Services Committee Report 1, which was considered by City Council on February 1, 2 and 3, 2005.

2

**Towards an Action Plan for Social Assistance
in the City of Toronto**

City Council on February 1, 2 and 3, 2005, adopted this Clause without amendment.

The Community Services Committee recommends that:

- (1) City Council adopt the staff recommendations in the Recommendations Section of the report (November 25, 2004) from the Commissioner of Community and Neighbourhood Services; and**
- (2) the Commissioner of Community and Neighbourhood Services, in consultation with the Chair of the Community Services Committee, be requested to solicit support and participation of at least one Member of Parliament and one Member of Provincial Parliament, preferably from ridings outside of Toronto, who would be willing to assist in the review and develop recommendations on an Action Plan for Social Assistance.**

Purpose:

The overall purpose of this report is to describe the proposed framework for developing an Action Plan for social assistance in the City of Toronto.

Financial Implications and Impact Statement:

There are no financial implications resulting from the adoption of this report.

Recommendations:

It is recommended that:

- (1) this report be adopted as a basis for the development of an Action Plan for social assistance in keeping with the City of Toronto's overall social and economic policy directions and priorities; and**
- (2) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.**

Background:

At its September 9, 2004 meeting, the Community Services Committee discussed the findings from a staff report, entitled "Toronto Social Services' 2003 Survey of Single Parents on Ontario Works." The report highlighted key issues facing single parents in receipt of Ontario Works (OW), and documented the limitations with the current provincial program design. Responding to Committee's request for additional information about the OW program, Toronto Social Services (TSS) provided a report and presentation to Committee at its October 7, 2004, meeting that described key barriers facing clients applying for and receiving OW.

Taken together, the reports recently tabled at Committee speak to the serious concerns TSS has with the OW program. They also point out the effects changes to the OW program have had on single parents in particular, and vulnerable City residents in general, who seek to access the program or who rely on it to meet their basic needs and support their efforts to return to work.

Committee responded to these reports by requesting that staff undertake a wide ranging review of critical issues facing both the "growing permanent poor single-parent population" in Toronto and the social assistance program. The specific recommendations made by Committee are listed in Attachment 1.

The breadth of the Committee's interests in what can be done to not only improve OW, but to better the prospects of poor single parents in Toronto, acknowledges the degree to which solutions to current issues require concerted action by different levels of government and community service providers across a range of service areas. Acting alone, City service providers, including TSS, can make only limited progress. Consistent with the City's position in a growing number of areas, it is essential that senior levels of government, who set funding and program priorities, and often do so unilaterally, adequately support and maintain the City's critical social infrastructure.

Thus, responding to Committee's challenging requests, TSS is committed to developing an Action Plan for social assistance in Toronto. The focus of the Plan will be to propose improvements to social assistance, at a policy, program design and program delivery level. However, consistent with Committee's direction, such a Plan will necessarily identify changes required in a range of relevant policy and program delivery areas, including Employment Insurance (EI), federal and provincial labour market adjustment programs, training and settlement services, adult education programs, child care and community-based services, as well as minimum wage and wage supplementation policies.

Such an approach makes sense for a number of reasons:

- (1) there is a growing low income population that is moving between low paying jobs, social assistance and hostels, and facing the prospect of long term exclusion from the mainstream. Increasingly it seems that there is one low income population that requires the City's help, whatever the presenting need or service gateway;

- (2) people in financial crisis have always needed services and supports from a wide range of providers. Focusing on any one program exclusively, such as OW, makes less sense today than ever; and
- (3) one of the most pressing concerns is the degree to which work pays, and the steps that can be taken to ensure those who move into the workforce can move out of poverty, and not simply cycle between low paying jobs and social assistance.

This report is the first in a series that will identify the steps needed to move in the right direction with respect to the above aims. It does this by briefly discussing what has happened in Toronto, and to Toronto, with respect to the evolution of the City's social assistance delivery system. Having established where we have come from, a brief overview of the City's experience with OW is discussed. Finally, this report will outline the context in which the proposed Action Plan will be developed. It will draw from various reports and policy positions that help clarify the issues and signal the preferred direction, providing a framework for wider consultation and plan completion.

Discussion:

(I) Income Support Programs: The Need to Balance Social Protection and Social Investment:

It may seem that the last two decades have been a case of two steps forward – two steps back with respect to the City's social assistance delivery system, and indeed the City's overall social infrastructure, and with regard to the provision of services to vulnerable citizens. From the perspective of broad changes to social welfare programs, the question is what is happening and why. This section takes a step back from the particulars of what has happened, and attempts to provide a context within which the tensions evident in the role and purpose of social welfare, and particularly income security programs, can be better understood.

Professor Keith Banting of Queen's University, in a crisp synopsis of the forces driving what he sees as a fundamental transition occurring in the social role of governments, argues that the core purpose of income security programs, such as EI and social assistance, is being rethought and reshaped. This is not news. However, his analysis is very relevant to the issues Toronto is facing with respect to entrenched poverty and exclusion in the City.

In "Responding to Social Risk in Ontario: Are We There Yet"¹, (¹Banting, Keith (2003). Responding to Social Risk in Ontario: Are We There Yet? Research paper prepared for the Panel on the Role of Government, Government of Ontario). Banting notes that the classic role of the welfare state, through income redistribution programs, was to manage social risks (such as unemployment) by promoting economic security and protecting people from change. This approach worked well enough during periods of near full employment, and with a labour force that tended to have one breadwinner in a family. For some time, these conditions have not been met.

Governments everywhere, and organizations like the Organization for Economic Co-operation and Development (OECD), for at least 15 years have determined that if jobs cannot be guaranteed, governments "could try to ensure labour markets functioned well and citizens were prepared to participate in economic life." According to Banting, the new paradigm that is emerging:

“...represents a different conception of the sources of security in an insecure world. The underlying image is one of an active society in which citizens are engaged in economic and social life, and participation in the labour market is the primary source of economic security. The primary purpose of social policy is to equip citizens for such a world, and to facilitate the inclusion of individuals and groups on the margins of, or excluded from society. In policy circles, security no longer means protection from change and from the market.” (2003, page 7)

Essentially, the transition “is from security as protection from change, to security as the capacity to change; and at the level of policy design, the challenge is to transform social policy into an instrument of change, by trimming historic protections, strengthening incentives to adjust, and equipping citizens to cope more effectively with economic transitions.”

The changes taking place in a whole range of social policy areas, and the language used to describe and justify them, provide ample proof that Banting is right. Attachment 2 provides a quick summary of how social policy instruments are being rebalanced, with respect to the new consensus emerging about the emphases placed on social protection compared to social investment.

(II) Making Social Assistance Work in Toronto: Balancing Social Protection and Social Investment:

Attachment 3 provides a necessary overview of the changes that have occurred in the social assistance delivery system in Toronto for the past two decades. These changes are pivotal to understanding the role TSS has played in making provincial policies work in Toronto, whatever the era. They also shed light on the approaches that have been effective in the past, and which could form the foundation for further program innovation within Toronto.

Despite the recent changes to the program with the introduction of OW, social assistance in Toronto continues to play the roles it took on in the 1980s. It provides financial assistance to people to meet basic needs; it serves as an entry point to a wide range of services and resources; it provides individuals with the range of services and supports necessary to find and sustain employment. In fact the role has grown, in that OW clients now have a mandatory obligation to participate in activities that will increase employability or lead to jobs.

However, the context within which OW plays these roles has changed considerably. OW caseloads have decreased substantially since 1995. The cases that remain increasingly require more intensive interventions and more staff and other supports to gain or regain jobs.

Yet the labour market that OW clients are moving into has become increasingly precarious over the past decade. Fewer jobs provide a route out of poverty, and low wages and lack of stability often provide neither the income nor the stability to meet basic needs, much less build assets. Restrictions to the EI program mean that many people can no longer work long enough to qualify for benefits. Not surprisingly, more individuals and families cycle between work, social assistance and increasingly, emergency shelters, all the while remaining poor.

Evidence from TSSs own exit survey² (²The findings from TSS' research report "After Ontario Works: A survey of people who left Ontario Works in Toronto in 2001" were discussed in a report to the Community Services Committee by the Commissioner of Community and Neighbourhood Services dated May 14, 2002.) reveals that over 40 percent of clients who leave OW are not any better off financially, with the majority of leavers earning wages that will not move them out of poverty (as measured by the Low Income Cutoff lines for the City of Toronto). Recent research by the Division indicates that nearly 30 per cent of clients who leave OW will return within one year.

TSS' survey of single parents on OW identified how the challenges this population faces were resulting in increasing marginalization and exclusion, not only with respect to the labour market, but also their communities. The Division's June 2004 report, entitled "Social Assistance and Social Exclusion: Findings from Toronto Social Services' 2003 survey of single parents on Ontario Works", illustrates the interrelated nature of the issues confronting single parents and the tremendous efforts they must make to break through the barriers they deal with daily. While it is research on this population that initially inspired the current report, it must be noted that powerful research findings emerging from the federal government's Policy Research Initiative (PRI)³ (³Policy Research Initiative (2004). 'New Approaches for Addressing Poverty and Exclusion.' Presented at the Canadian Employment Research Forum, June 2004.) show that single parents are one of five groups that are at the greatest risk of experiencing persistent low income.

(III) Populations at Risk of Persistent Exclusion:

Drawing on an extensive analysis of longitudinal income data collected between 1993 and 1998, research undertaken as part of the PRI project on problems of persistent exclusion identified five vulnerable groups:

- (1) single people aged 45-59;
- (2) single parents with at least one child under 18;
- (3) persons who emigrated to Canada within the last ten years;
- (4) persons with a long term physical or mental condition or health problem that limits the amount of paid work they can perform; and
- (5) persons of Aboriginal origin living off reserve.

Members of these groups have an incidence of low income that is double, and in some cases, five times that of all households with individuals aged 16-59 across Canada⁴. (⁴Despite the higher risk of persistent poverty among these groups, it should be pointed out that only a minority of all individuals in any group were poor at any given time.) The main factor that distinguished those within groups that were persistently low income was a lack of steady attachment to paid work. Individuals who were not strongly attached to the labour force were much more likely to remain poor than those who did, regardless of education levels.

Based on an analysis of the current OW caseload, individuals that belong to these groups make up at minimum 75 percent of TSS' current caseload (the proportion is likely somewhat higher, as the Division has no reliable information on the number of aboriginal clients on OW). Information about the labour force attachment histories of people in these groups is not available in a comprehensive way. However, data gathered by TSS with its Employment Assistance Support

Tool (EAST) indicates that approximately 60 percent of the 40,000 clients screened in 2003 had limited or no work experience.

It is clear that TSS is now serving at least three different caseloads. These include a group no larger than 15 to 20 per cent that is readily employable, and for whom a rapid return to work is possible with the right supports. A much larger group, likely approaching 70 percent, has at least one major barrier to employment, and may require a range of supports on an intensive basis to reconnect to the job market. Finally, there is a smaller group, equal to about 15 percent of the caseload that may never be able to work. It is these clients who should be served by the Ontario Disability Support Program (ODSP), or other long term income support programs. Also among this group are the nearly 1,000 homeless⁵ (⁵Homeless clients are those that do not have a permanent address at the time of their OW application.) individuals the Division serves every month.

In the current labour market environment, a significant majority of OW cases will thus remain on social assistance for a lengthy period prior to exiting. There are some clients for whom, lacking more appropriate alternatives, OW may serve as a ongoing source of income. Illustrating this, the average length of stay on OW is now 28 months, while the median time on assistance is over 16 months. It should also be noted that in 2003, OW was the main source of income for a total of over 83,000 children, for at least some part of the year.

It is easy to understand why there must be a renewed focus on social protection. It may be that social assistance should not be the mechanism through which children, for example, are supported, and that a separate child benefit support program (outside of social assistance), may make sense. However, given the extent to which current rates, and restrictions on asset levels, impoverish clients who may remain on OW for sizable periods before they can re-enter the job market, more adequate rates are required. Similarly, providing other prevention oriented benefits to clients (e.g., dental benefits), whether through the social assistance program or another program, will be critical to enabling people to look for work without the constant fear and uncertainty that a lack of access to these benefits induces.

Given how critical labour market and community integration is to the long term prospects of vulnerable populations, social investment must continue to be a core focus of income support and related programs. Making work pay, providing supports that sustain people's ability to hold jobs, and enabling them to increase their skill levels and education are vital in today's competitive job markets.

Renewed efforts must now be made to rebalance the traditional but still necessary focus on social protection that has been a longstanding role of social assistance, with the indisputable need to invest in social assistance clients through improved services and supports, and through better linkages to the array of program and service options available in the broader community.

(IV) Towards an Action Plan:

In Ontario, as direct experience confirms, the last decade has seen substantial decreases to social protection mechanisms for vulnerable populations, with only minimal social investments in resources and services for these groups. Mounting evidence suggests that the policies and programs that once protected vulnerable people are no longer working. Radical changes in

Toronto's broader social infrastructure during the late 1990s disadvantaged all low income people, including social assistance recipients. Social assistance benefits, through provincial rate reductions and inflationary erosion, are now worth 35 percent less than they were ten years ago. Consequently, the shelter component of these rates falls far below the average rent in Toronto's expensive housing market (despite recent moderation).

Increasingly, low income persons and families in precarious housing situations are forced to make impossible decisions between paying the rent and buying food. Throughout the 1990s, use of shelters and food banks grew steadily, reflecting the new fact that social assistance is no longer the program of last resort in the new, frayed social safety net. Child poverty levels remain stubbornly high, and the depth of poverty has increased for families that are poor.

Senior levels of government have simply reduced or downloaded many of their traditional responsibilities. Whether due to the erosion of the City's child care system, the continuing housing and homelessness crisis, reduced access to EI, the City's adult education services, and post secondary education overall, or the loss of community-based programming, low income people in general find they now have fewer options and fewer supports. Increasingly, people with restricted incomes have to pay for services that were formerly free, as is the case with many recreation services. User fees have increased as well, requiring clients to pay for an ever-growing proportion of program costs.

Integration, accreditation and settlement services that have not kept pace with program needs in Toronto have hindered a growing proportion of newcomers from joining the economic mainstream. The absence of federal-provincial agreements in Ontario with respect to immigration and labour market development is a source of further frustration, as the much-needed funding that such agreements would make available remains unrealized.

Critically, the growing prevalence of low wage jobs has lead commentators to note that increasingly people with jobs are being "paid to be poor." Despite recent changes, minimum wages in Ontario are lower in real terms than they were in the 1970s. For those leaving OW to take jobs, the absence of a prescription drug plan means medication can be a daunting expense. Further, the shortage of affordable and reliable child care and the rising cost of transportation make it difficult for many clients, particularly single parents, to sustain employment over the long term.

Overall, these changes have resulted in stubbornly high poverty levels, increasing concentrations of poverty among certain geographic and newcomer communities, and greater insecurity for large numbers of Torontonians, during a period that otherwise saw overall income levels and average wages increase. It is also apparent that many City residents are poor and on Ontario Works, poor and working more than 30 hours a week, poor and living in hostels. The one constant is poverty.

(V) Focus and Aims:

Against the backdrop of these formidable trends, it is obvious that looking for answers solely within the social assistance program is clearly inadequate. Nonetheless, the program represents a core source of support for large numbers of City residents (over 130,000 individual cases in 2003,

or 230,000 persons). At the same time, it is critical to contain the Plan's scope. To that end, the Action Plan will have three straightforward but interconnected aims:

- (1) to increase access to the resources, services and supports vulnerable Toronto residents require to meet their basic needs;
- (2) to assist vulnerable Toronto residents, notably single parents, get and keep jobs that will move them out of poverty; and
- (3) to develop made-in-Toronto program delivery solutions, supported by senior levels of government, that bundle together the different services that unemployed and vulnerable individuals and families need to become more self-sufficient, regardless of who is mandated to provide the service.

Consistent with Committee's directions to the Commissioner, the Plan will specifically:

- (1) identify what different levels of government need to do to adequately support the City's low income population in their efforts to escape poverty, notably with respect to funding and provision of settlement and integration services and employment services and supports;
- (2) review the City's past experience and the best practices in place in other jurisdictions, including evidence from ongoing welfare reforms in other OECD, to identify initiatives and innovations that will improve the delivery of social assistance and associated supports for the City's low income residents; and
- (3) propose detailed and specific improvements to social assistance at a policy, program design and program delivery level, including ways of streamlining eligibility determination and financial functions while increasing the time and resources dedicated to employment assistance activities.

In developing the Action Plan, TSS will inform and be informed by other efforts currently underway with respect to addressing related issues. The Association of Municipalities of Ontario (AMO) together with the Organization of Municipal Social Assistance Administrators (OMSAA) is looking at ways to improve OW's effectiveness with respect to labour market integration and reducing child poverty. A task force on modernizing income security for working-age adults is being jointly lead by the City Summit Alliance and St. Christopher's House. The Strong Neighbourhoods Task Force is setting the benchmarks for revitalization in Toronto neighbourhoods, defining the principles, scope and purpose of a tripartite agreement between all levels of government to mobilize investment in community infrastructure. The Toronto Region Immigrant Employment Council (TRIEC) is exploring initiatives that it believes are vital to the integration of skilled immigrants into the Toronto region labour market, as is the Maytree Foundation. Of course, the City's own Immigration and Settlement Policy Framework provides the basis for actions taken to address these issues in Toronto.

Finally, TSS will continue to consult with a range of community and agency stakeholders throughout the development of the Action Plan. As per Committee's request, the Division's report, "Social Assistance and Social Exclusion: Findings from Toronto Social Services' 2003 survey of single parents on Ontario Works", has already been circulated to a number of groups and agencies. Initial feedback regarding key issues related to the development of the Plan has

also been gathered through the community consultation the Division is holding on the implementation of its Employment Assistance Strategy.

Conclusion:

The past twenty years have seen remarkable changes to the delivery of social assistance in Toronto and to the City's wider social infrastructure. As TSS' report "Social Assistance and Social Exclusion: Findings from Toronto Social Services' 2003 survey of single parents on Ontario Works" documented, these changes are having detrimental impacts on vulnerable low income residents of the City. Given the interrelated nature of the issues being faced by low income Torontonians, potential solutions cannot be realized through the actions of the City of Toronto alone, nor simply by making improvements to the delivery of social assistance.

Accordingly, in response to the recommendations made by the Community Services Committee related to the findings from its survey of single parents, TSS will develop an Action Plan for social assistance in Toronto. A series of reports to Committee in 2005 will focus on actions that can be taken by different levels of government; initiatives and best of practices from other jurisdictions that can improve the delivery of social assistance in Toronto; and specific policy, program design and program delivery changes to OW.

Contact:

Heather MacVicar
General Manager, Social Services Division
Tel: (416) 392-8952/Fax: (416) 392-8931
Email: hmacvic@toronto.ca

Attachments:

Attachment 1: Community Service Committee Recommendations
Attachment 2: A New Consensus
Attachment 3: The Evolution of Toronto's Social Assistance Delivery System

Attachment 1

- A. September 9, 2004, Community Service Committee Recommendations Respecting "Toronto Social Services' 2003 Survey of Single Parents on Ontario Works", Report 6, Other Items Clause 11(h):

The Community Services Committee:

- (1) again deferred consideration of the report (June 14, 2004) from the Commissioner of Community and Neighbourhood Services until the October or November 2004 meeting of the Community Services Committee, with a request that the Commissioner of Community and Neighbourhood Services:

- (i) report further on:
 - (a) a list of actions that the provincial and federal governments can take to address the growing permanent poor single-parent population that are not able to become self-supporting, through the lack of direction at the provincial and federal level, including what changes can be made to immigration policies that may help;
 - (b) comprehensive recommendations that can be forwarded to both the provincial and federal governments;
 - (c) possible incentive programs supported by the local, provincial and federal levels of government that could assist single parents on Ontario Works;
 - (d) a pilot project that could be implemented, including a budget and expected financial support from both the provincial and federal governments; and
 - (e) any research statistics on the budgeting choice difficulties of Toronto's Ontario Works families;
 - (ii) immediately circulate the report (June 14, 2004) from the Commissioner of Community and Neighbourhood Services and the report "Social Assistance & Social Exclusion: Findings from Toronto Social Services' 2003 Survey of Single Parents on Ontario Works" to appropriate stakeholders for review, and that the comments and recommendations of these stakeholders be considered by staff prior to submission of the report requested in Recommendation (1)(i); and
 - (iii) explore and report on reforms that have been initiated by other jurisdictions, including the United States, on programs that have had time limits imposed, and whether or not these programs have been successful; and
- (2) tabled the following motion by Councillor Mammoliti until such time as the report requested is submitted:

"That the Chair of the Community Services Committee, Councillor Mammoliti, and appropriate staff be requested to meet with the Federal Minister of Citizenship and Immigration to present the findings of the report "Social Assistance & Social Exclusion: Findings from Toronto Social Services' 2003 Survey of Single Parents on Ontario Works" regarding the challenges faced by immigrants living in poverty, especially single parents, and explore ways in which the federal government can assist.

Report (June 14, 2004) from the Commissioner of Community and Neighbourhood Services respecting the Toronto Social Services' (TSS') survey of single parents on Ontario Works (OW) in Toronto undertaken in August 2003.

- B. October 7, 2004, Community Services Committee Recommendations Respecting “Barriers Facing Clients Applying for and Receiving Ontario Works”, Report 7, Other Items Clause 7(b).

Action taken by the Committee:

The Community Services Committee:

- (i) requested the Chair of the Community Services Committee to invite the appropriate Provincial MPPs, Federal MPs, Opposition spokespersons and Parliamentary Secretaries to a meeting of the Community Services Committee to discuss the Ontario Works Program and related issues;
- (ii) requested the Commissioner of Community and Neighbourhood Services to undertake discussions with provincial staff on redesigning and rewriting all Ontario Works forms and letters in simple language at a Grade 4 level or less;
- (iii) requested the Commissioner of Community and Neighbourhood Services to report to the Community Services Committee on:
 - (a) the viability of producing all letters in five major languages, in addition to English and French;
 - (b) changes to the technical systems to permit the electronic filing of clients’ files at the municipal level for more than 30 days;
 - (c) a recommendation on the length of time that files can be stored/retrieved, and on the rationale for keeping these files, i.e., cost-savings, etc.;
 - (d) the top ten basic changes to the Ontario Works system which would allow for the accessing of required financial disclosure yet improve the efficiency in cases where completing the prescribed application provides no benefit;
 - (e) within six months on:
 - how the entire Ontario Works system could be improved;
 - the financial impact caused by Federal immigration policy, including the potential benefits from the downloading of immigration selection to the Province, and the implications to the City of Toronto; and
 - the legality of providing summary information on the place of birth of immigrants on the caseload;

Attachment 2: A New Consensus

Promoting labour force attachment	Investing in human capital
<p>Social programs should be employment-friendly, encouraging engagement in the labour force.</p> <p>Restrictive labour legislation, including minimum wages, should be relaxed.</p> <p>The tax-transfer system should be restructured to reduce welfare dependency.</p> <p>Incentives to engage in employment should be strengthened to “make work pay.”</p> <p>Support for the unemployed should move from “passive” transfers to “active” programs that encourage re-engagement in the labour force.</p>	<p>Recognition that education, training and skills are the real source of security in a technological economy.</p> <p>Policy attention should focus in particular on children, to ensure that they have a rich learning environment, especially in the early childhood years.</p> <p>Family support systems such as child care should also be strengthened to help people, especially women, enter the labour market.</p> <p>Young people should be educated to higher levels than in the past, learning should become a lifelong process, and training programs should re-equip older workers to re-enter the labour market.</p>

Adapted from Banting, Keith (2003). “Responding to Social Risk in Ontario: Are We there Yet?” Research paper prepared for the Panel on the Role of Government, Government of Ontario, page 7 and 8.

Attachment 3: The Evolution of Toronto’s Social Assistance Delivery System

(I) From Residual Program to Gateway Service: Where We’ve Been:

Through the 1980s, social assistance began to gradually change. Rather than a program of last resort, social assistance became a core support for people whose health and social needs were not being met through other programs. It also took on an important immigration settlement role by default, and began to serve as a significant employment adjustment program for people unable to meet changing labour market demands. In effect, social assistance evolved into a program that served as a gateway to a broader range of health, social, educational and employment services.

In Toronto, this emerging role was reflected in the importance and resources TSS attached to assisting social assistance clients obtain a range of employment supports and services, or to access services and supports required to stabilize their lives. These were provided either through specially developed staff roles such as housing counsellors or family support workers, through the provision of direct services in the area of employment programs or through referrals to appropriate community based service supports.

This emerging role was reflected in the steps TSS took to make its service delivery system work better for the broader range of clients it was serving.

- (1) TSS either created or took advantage of funding from the federal or provincial governments to expand employment programs and training opportunities for clients. It created programs to assist employable people with job search techniques, and maintained job clubs to support ongoing work search. It liaised with and delivered employment assistance support onsite at local Canada Employment Centres.
- (2) When Sole Support parents were deemed to be “employable” in 1981, TSS pioneered the delivery of the provincially funded Employment Support Initiatives program, serving sole support parents with a full range of case management services, and providing day care and other allowances to pay for training and transportation.
- (3) Responding to a task force on provision of housing services to low income single people in the early 1980s, the Division added Housing Counsellors to the staff complement.
- (4) Building upon the early purposes of the social assistance system in the City, and in the absence of these supports from other levels of government, the municipality continued to support low income families and seniors with the costs of drugs, dental care and other health care costs.
- (5) Taking action to respond to an influx of refugee claimants in 1987, TSS developed a staff language inventory, established co-located services in community agencies, established a task force to examine workload implications, worked with agencies to develop programs tailored to these clients and created staff positions to ease increased workload.

By the end of the 1980s, social assistance in Toronto was far more than a source of emergency income to a small portion of the population. Toronto’s delivery system bore little resemblance to anything imagined in the original social assistance legislation enacted in 1959.

The Impact of Recession and Economic Restructuring:

The onset of the worst recession in the post WWII era in 1990 saw the City’s social assistance program become the chief source of income support for a large number of employable individuals, many of whom had previously held steady jobs. By 1993, over 75 percent of the Division's caseload were comprised of employable clients, compared to just over 50 percent in 1988. Moreover, an increasing proportion of this group had post secondary education and/or long attachment to the labour force in professional, technical or manufacturing occupations.

What was becoming apparent even in the early 1990s was that the recession, in conjunction with the most significant restructuring of Toronto's economy in decades, was irreversibly altering the City's labour market. The early 1990s also witnessed the ongoing scaling down of federal programs supporting unemployed people and newcomers, placing greater pressure on the Province and the City.

Cost containment measures taken at the Province subsequently impacted municipal governments. Combined with the rapid growth of caseloads, the result was many municipalities, including Toronto, drastically reduced program expenditures by significantly cutting back the provision of discretionary programs provided to social assistance recipients. Between 1992 and 1994, social assistance clients in Toronto lost many discretionary benefits provided by the City, such as clothing allowances, cribs and special shelter allowances. Other benefits, such as dental care, were reduced.

Anticipating the Future: TSS' Reform and Redesign Initiatives:

In 1988, even before the recession, TSS recognized both that the social assistance program was no longer viable as it existed, and that the then current system for delivering social assistance in Toronto was inadequate.

In the context of the Province's major report on reforming social assistance, "Transitions"⁶, (⁶Ministry of Community and Social Services [1988]. Transitions: report of the Social Assistance Review Committee, Government of Ontario), released in 1988, and the dramatic changes occurring in the City in the early 1990s, TSS proposed related directions both for reform of the social assistance program and for the fundamental redesign of the City's delivery system.

In the first instance, building on the ideas contained in "Transitions", but also incorporating its own experiences, TSS proposed that changes to social assistance should ensure the following:

- (1) investment in people, designed to support broader social and economic goals;
- (2) programs for social assistance clients should, wherever possible, be treated as part of the mainstream human services system for employable recipients rather than as welfare;
- (3) programs should be flexible enough to target resources to respond appropriately to the unique needs of different people in different communities;
- (4) programs should improve the quality of the workforce by increasing the ability of individuals and communities to compete in the labour market;
- (5) programs should facilitate rapid access for job ready recipients to job creation projects, to existing jobs and to learning and training opportunities; and
- (6) programs should demonstrate positive, measurable results in terms of helping recipients become more independent.

Based on these criteria, through the early 1990s TSS was exploring pilot programs and other innovations that represented a concrete commitment to explore ways of using existing resources more productively to help people become self-reliant.

At the same time, TSS was intent on redesigning the social assistance delivery system in Toronto, the aim being to develop a service delivery model for the 1990s that would strengthen the Division's ability to provide accessible, responsive, flexible and cost-efficient services to a diverse and rapidly changing caseload. At the heart of this effort were the following objectives:

- (1) making services accessible to all City residents;
- (2) ensuring that the Division possessed the technological infrastructure and associated administrative systems to efficiently deliver both income and employment support services;
- (3) enabling the Division to adapt to changing needs in the community, identify and address emerging service gaps, and respond to changing caseloads;
- (4) promoting increased client participation in service planning;
- (5) better integrating the Division's services with those provided in the broader Metropolitan community and optimizing the use of the City's service dollars in the community; and
- (6) protecting the financial integrity of the social assistance program by minimizing abuse.

In line with these program reforms and service system redesign priorities, TSS moved on a wide range of fronts to improve service delivery, as follows:

- (a) by providing vocational counselling services and employment related expenses to up to 30,000 clients per year;
- (b) by directly purchasing assessment, pre-employment training, job search assistance and family/personal counselling through service agreements with community-based agencies;
- (c) working directly to place clients in federally funded employment and training programs;
- (d) embarking on an innovative program known as the Job Incentive Project that placed clients in on the job training with community agencies;
- (e) creating full time jobs for clients in community-based agencies;
- (f) sharing onsite services, streamlining referrals, program planning and co-ordination as well as staff training with the then Human Resources Development Canada;
- (g) establishing a Secretariat on Employment Training that examined community economic development, opportunity planning, language and literacy, and skills training as ways to identify appropriate responses to growing unemployment;

- (h) signing an information sharing agreement with Canada Immigration, the first of its kind in Canada;
- (i) establishing review processes for monitoring case files that presaged provincial efforts introduced later in the 1990s;
- (j) processing applications for assistance in community-based agencies;
- (k) increasing access to the City's diverse communities by establishing a community access team operating in different languages, introducing multilingual access telephone lines, liaising with ethno-cultural agencies serving mutual clients, and undertaking pilot projects with community agencies and the Ministry of Citizenship and Culture to provide sensitive and appropriate services;
- (l) establishing community liaison workers in each office and conducting service fairs (later, under OW, to become job fairs, an important vehicle for job placement and referrals); and
- (m) opening the first of many Employment Resource Centres in local offices.

The proposals made by TSS, and the actions taken, operated on the assumption that a social program can only be as good as its delivery system. TSS believed, and still strongly believes, that social assistance reform and delivery system redesign must not be seen as one size fits all processes. Rather there must be collaborative efforts between the Province and municipalities that respect the experience, characteristics and capacity for innovation that has been consistently demonstrated by municipal delivery agents, especially Toronto.

The introduction of OW in 1995, and the new Ontario Works Act in 1997, dramatically altered both the social assistance program and the City's delivery system. Actions taken by the Division to create a more employment oriented service delivery system directly anticipated the focus of OW. However, provincial changes to social assistance in many ways did not fully support an employment focus, as the following section discusses.

(II) Ontario Works and Social Assistance in Toronto: Where We Are Now:

Since its introduction in 1995, TSS has prepared a large number of reports discussing the welfare reforms initiated in 1995, including the creation of the new Ontario Works and Ontario Disability Support Programs. The intention here is not to repeat the information contained in these reports. Rather, a brief overview of the primary effects on the City will be presented.

OW represented the most dramatic change in the direction of social assistance in Ontario history. Initial changes included a 21.6 percent cut to social assistance rates, plus the introduction of a wide range of restrictive policies (e.g., quit/fired policies; increased sanctions for non-compliance for not making reasonable efforts to find employment, and for leaving employment without just cause), reintroduced the spouse in the house rule, and reduced eligibility for 16 and 17 year olds. Mandatory participation requirements were introduced for all clients, including single parents. In 2000, time limits were established, reducing to zero the amount of employment earnings a

clients can retain over a two-year period (a small amount of income still can be retained by clients as a basic exemption).

A major part of the Province's reforms included the transfer of over 11,000 single parent cases, previously managed by the Province, to the City. Single parents now comprise over 30 percent of the City's caseload.

The clear emphasis of OW was to be the "shortest route to a job." In that vein, by the end of 1996, the Province had eliminated almost all of the so-called "soft services" associated with social assistance. In Toronto, this meant an end to long standing support services positions such as teaching homemakers (in place since the 1970s), as well as housing counsellors (in place since the early 1980s), adult education support workers (a feature of the Work Activity Program since 1971 under the Canada Assistance Plan), and employment support counsellors (in place since the mid 1970s). Indeed people who were severely employment-disadvantaged were to be served, not through OW, but through the provincial Job Connect program. Purchased family counselling, a critical support particularly to newcomers and immigrants, ended in December 1995.

OW also introduced performance based funding and targets for specific program components. Funding, and associated sanctions, were directly tied to program activity targets. Overall, OW provided little local flexibility in service delivery design.

Ultimately, as TSS' reports about OW have indicated, and as the Division's presentation to Committee at its October meeting showed, OW has a number of negative features. These include a very prescriptive regulatory framework, a provincially designed service delivery model that is complex, costly and focuses on non-value added processes, as well as provincial technology whose design is driven by income support requirements, creating substantial barriers to effective delivery of employment programming. OW staff across the Province report that they are spending the majority of their time on administrative duties versus helping clients find work or get the supports they need.

A recent report that documents the experiences of young families on OW in Toronto notes:

"Participants described OW as a system that creates barriers to accessing employment. Many had too little money for transit for job searches and interviews. Some could not afford appropriate clothing for job interviews or a telephone. Parents felt that low OW rates and the hassles that they encountered at the OW office have made them more stressed, and less healthy with poorer nutrition, putting them at a disadvantage in their job search." ¹ (Community Social Planning Council of Toronto and Family Service Association of Toronto. (2004). Community Voices: Young Parents in Toronto Speak Out About Work, Community Services and Family Life: page 13.)

The OW program 'work first' emphasis does not meet the needs of clients that require longer term interventions. A broader range of options and more timely supports are needed for clients who are not job ready. Numerous clients need better and more in-depth education and training

opportunities. TSS own data, gathered through its employability screening tool, indicates that 60 percent of OW applicants are not immediately employable. Indeed, many clients should be served through the Provincial program for disabled individuals (ODSP).

With an estimated 50 percent of OW clients having arrived in Toronto in the past decade from largely non-European locations, key indicators point to specific constraints entering the local labour market, which may be systemic, such as:

- (a) non-recognition of credentials/work experience from another country;
- (b) lack of information about Canadian labour market needs and recruitment practices;
- (c) lack of Canadian work experience; and
- (d) lack of labour market language training and bridging programs.

It must be recognized, however, that OW has provided all delivery agents, including Toronto, with significantly increased resources to deliver employment programs and employment supports. Using these resources, TSS now provides OW clients with a broad range of employment preparation, skills training, basic job search and employment placement services. Through the Division's Employment Assistance Strategy, more effective ways of delivering employment services and supports are now being examined and tested.

Finally, in implementing OW, TSS has developed new approaches to service delivery on a number of fronts to support both clients and staff. As noted above, the introduction of an employability screening tool has provided valuable information about how job ready clients are. Using incentive funds earned for exceeding Provincial client placement targets, TSS created the Kids@Computers project, which has to this point provided computers and basic computer orientations to over 14,000 kids in 7,000 families. Significant resources have also been directed to support a wide range of youth oriented programming in high-risk communities. TSS has also created a powerful set of computer-based systems, including the City's first Data Mart, developed in conjunction with the City's Corporate Information Technology (IT) Division, to support the delivery of OW in Toronto.

TSS' ongoing efforts to improve the delivery of OW in Toronto and to more effectively support clients, will both inform and be informed by the Action Plan. The Division will continue to work with its community partners, other divisions and departments within City government and other levels of government to obtain the best possible services and outcomes for Toronto's vulnerable residents and communities.

The Community Services Committee submits the communication (September 9, 2004) from the City Clerk.

Recommendation:

The Community Services Committee on September 9, 2004, during consideration of the report (June 14, 2004) from the Commissioner of Community and Neighbourhood Services respecting the report “Social Assistance & Social Exclusion: Findings from Toronto Social Services’ 2003 Survey of Single Parents on Ontario Works”, in part deferred consideration of the report and tabled the following motion by Councillor Mammoliti until such time as the report requested is submitted:

“That the Chair of the Community Services Committee, Councillor Mammoliti, and appropriate staff be requested to meet with the Federal Minister of Citizenship and Immigration to present the findings of the report “Social Assistance & Social Exclusion: Findings from Toronto Social Services’ 2003 Survey of Single Parents on Ontario Works” regarding the challenges faced by immigrants living in poverty, especially single parents, and explore ways in which the federal government can assist.

(Report dated June 14, 2004, addressed to the
Community Services Committee from the
Commissioner of Community and Neighbourhood Services)

Purpose:

This report discusses Toronto Social Services' (TSS') survey of single parents on Ontario Works (OW) in Toronto in August 2003, and outlines how the survey outcomes reinforce TSS' position with respect to a number of OW program-related design and delivery issues.

Financial Implications and Impact Statement:

There are no financial implications resulting from the adoption of this report.

Recommendations:

It is recommended that:

- (1) the City advocate to the Province for Ontario Works program design and delivery changes to address issues identified in this report, including the need for a holistic approach to assisting clients facing multiple barriers to employment, the lack of program flexibility, the need for transitional and job retention supports, the lack of access to affordable, quality child care, and the inadequacy of benefit rates;
- (2) this report be forwarded to the Minister of Community and Social Services along with the research report titled “Social Assistance & Social Exclusion: Findings from Toronto Social Services’ 2003 Survey of Single Parents on Ontario Works”; and
- (3) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Background:

In 1997 and 1998, Toronto Social Services (TSS) conducted a survey of single parents on social assistance, titled "Going to Work: A Survey of Single Parents Receiving Social Assistance in Toronto (Winter 1997-1998)", to better understand the characteristics, service needs and employment barriers of that segment of the caseload. A report to City Council by the Commissioner of Community and Neighbourhood Services dated October 19, 1998, and titled "Survey of Single Parents" discussed the implications of the findings for service delivery.

At the time of that survey, the OW program had not yet been fully implemented. The introduction of the Ontario Works Act (OWA) in 1997 brought with it a shift in program focus to moving social assistance recipients back into the work force as quickly as possible. Under OWA, for the first time, all single parents were provided social assistance through the OW program, and had mandatory participation requirements which had not previously existed. In conjunction with the strong economic growth of the late 1990s, OW's welfare-to-work emphasis, together with its strict eligibility criteria and sanctions for non-compliance, contributed to the dramatic reduction in the size of Toronto's social assistance caseload. As the caseload declined to current levels, issues have emerged with respect to the program's ability, given Provincial policies, to adequately address the needs of more vulnerable social assistance recipients, including single parents. A March 5, 2003, report by the Commissioner of Community and Neighbourhood Services, titled "The Evolution of Ontario Works: Critical Issues for Service Delivery", summarizes the critical program issues hindering TSS' ability to respond to the full range of client needs.

With the length of time that has elapsed since the last survey and the significant changes that have taken place through the implementation of OW, there is a clear need for current information on how single parents are faring under the new program. In particular, such information would be useful in informing TSS' efforts to renew its employment assistance delivery strategy. This strategy is aimed at ensuring the right services and supports are available to address the diversity of client needs in Toronto within the context of a dynamic and volatile labour market. A report to Council by the Commissioner of Community and Neighbourhood Services dated April 5, 2004, and titled "Toronto Social Services' Employment Assistance Renewal Strategy" outlined the steps TSS is taking in this regard.

Comments:

(I) Introduction:

In 2003, single parents continued to form a significant proportion of the OW caseload in Toronto, accounting for approximately one-third of social assistance cases. The purpose of this study is to further TSS' understanding of the characteristics and experiences of single parents in the OW program, within the context of the labour market, their communities and their homes. This will assist in identifying single parents' service needs, as well as the changes that have occurred since the 1997/98 survey. To this end, the study is particularly timely, as OW matures and TSS develops more effective client-focussed strategies to assist clients in moving forward.

A related purpose is to investigate the ways in which social exclusion provides a suitable lens through which the experiences of single parents on social assistance in Toronto can be explained. Social exclusion recognizes that the disadvantaged situation of many single parents is not the

result of specific and isolated barriers, but rather the consequence of inter-related personal, economic and social circumstances, experiences and relationships. It is both a consequence of, and contributor to, the ongoing struggles confronting single parents in their efforts to enter into the labour market and leave social assistance.

Guided by these objectives, TSS undertook a telephone survey between August 5 and August 19, 2003, of single parents on OW in Toronto. The survey questionnaire consisted of seventy-nine questions and covered a range of topics relating to the experiences of single parents with the labour market, social assistance, their families and their communities. Interviews were conducted by Pollara, an independent research group selected through the City's purchase of service process. A total of 800 interviews were completed from a random sample of 1,748 eligible single parents (i.e., being a single parent on OW with a telephone, residence, and at least one child under the age of eighteen residing with him/her), yielding a response rate of 46 percent.

(II) Key Findings:

The survey results yielded several key findings concerning: (1) paid work experience and barriers; (2) education, skills training and certification; (3) child care; (4) housing characteristics; (5) community characteristics; (6) experiences of hardship and social exclusion; and (7) participation in OW activities.

In general, the 2003 survey of single parents on Ontario Works in Toronto has demonstrated the negative impact that systemic, personal and economic barriers are having on single parents as they struggle to raise their children, join the labour force and integrate into their communities. Comparison to the previous 1997/98 survey reveals that these obstacles have become much more common since the introduction of OW. Additionally, the prevalence of social exclusion demonstrates the interrelated nature of the issues with which single parents are grappling and the compounding effects that they have.

Accordingly, the circumstances of single parents on OW in Toronto cannot be improved with one-size-fits-all job search and training supports designed to move single parents into the workforce as quickly as possible. Rather, responding to the diverse needs of this population demands longer-term comprehensive and integrated strategies that extend beyond the period of social assistance receipt to facilitate and sustain successful transitions to the labour market, support job retention and advancement, and reconnection with the community. Examples of the range of services required by low income single parents in Toronto is provided in Attachment 1.

The survey findings, and implications thereof, are described in detail in the full research report, titled "Social Assistance & Social Exclusion: Findings from Toronto Social Services' 2003 Survey of Single Parents on Ontario Works."

(III) OW Program Design and Delivery Issues:

The survey outcomes also reinforce TSS' position with respect to a number of OW program-related design and delivery issues discussed in previous reports to Council. These are addressed below.

(A) OW Caseload Change:

Toronto continues to be home to a disproportionate share of the Greater Toronto Area's (GTA's) and Ontario's disadvantaged and low income populations, perhaps reflecting its status as a major metropolis, its extensive social infrastructure, and its popularity as a destination for immigrants seeking to establish a new life in Canada. According to the 2001 Census, approximately one out of every five persons residing in Toronto is experiencing low income, the highest rate of any Ontario jurisdiction. In addition, 16 percent of Toronto's single parents are receiving social assistance, much higher than the proportions in the other GTA regions of Durham (11 percent), Peel (9 percent), York (7 percent) and Halton (5 percent).

With respect to the distribution of OW cases, Toronto exhibits a similar imbalance. As demonstrated in Attachment 2, Toronto accounts for 77 percent of OW cases and 72 percent of single parent OW cases in the GTA, while having only 49 percent of the region's population and 58 percent of its single parent families. Similarly, the City has 33 percent of Ontario's OW cases (29 percent of its single parent cases) and only 22 percent of its population (27 percent of its single parent population).

Despite the continued prevalence of low income in Toronto compared to other Ontario cities, it has, like other jurisdictions, seen a significant reduction in its social assistance caseload since the mid-1990s. From January 1997 to August 2003 the social assistance caseload in Toronto fell sharply from 94,013 to 66,497. This was attributable in part to the improved economic conditions that characterized the latter survey period in 2003, whereas the previous study in 1997/98 was conducted on the heels of the prolonged recession that spanned much of the 1990s. In addition, the introduction of OW in 1998 brought with it a new "work-first" emphasis for the delivery of social assistance in Ontario whereby the top priority became moving clients into the labour force as quickly as possible.

The change in program policy further accelerated caseload decline across the Province, particularly with respect to the most employment-ready clients. The end result is the emergence of a core, longer-term OW caseload exhibiting significant and/or multiple employment barriers. The survey findings demonstrate that a growing proportion of single parents who remain on OW in 2003 are facing more challenges in making the transition to the labour force than was the case in 1997/98. At the same time, the dynamic nature of Toronto's competitive knowledge-based economy has led to rising entry thresholds and increased demand for highly educated and technically adept workers. These represent qualifications that many single parents have not had the opportunity to acquire, further hindering their ability to secure meaningful work. In response, there is an increased need for resources and supports to assist less employment ready clients with preparing for and obtaining employment.

(B) Lack of Program Flexibility:

The prescriptive and inflexible nature of Provincial policies and funding models for OW has restricted the ability of TSS to provide the range of supports that Toronto's low income single parents (and other vulnerable segments of the caseload) require, particularly those struggling with multiple and persistent barriers. The extent of chronic health issues among single parents on OW also raises concerns regarding their ability to access benefits through the Ontario Disability Support Program (ODSP). Accordingly, TSS has repeatedly advocated to the

Province regarding the need for a flexible funding and policy framework that supports and facilitates local solutions to program delivery challenges, and that builds on the best practices that are relevant to the scope, scale and unique attributes of clients in different jurisdictions.

(C) The Need for Transitional and Job Retention Supports:

The provision of transitional and job retention services and supports are vital to assisting single parents to secure and maintain work (particularly during the critical first few months of a new job), and thereby improve their standard of living and quality of life. The survey findings have shown that the loss of social assistance benefits can be a key barrier to employment that pays a livable wage. Single parents exiting OW for work are often confronted with child care, employment and transportation expenses that were previously covered while on social assistance. In addition, given that few jobs obtained by single parents offer benefits, the loss of drug coverage that the family had while on OW represents a significant threat to their well-being (particularly given the propensity for health issues among single parents on OW and their children).

(D) Child Care Issues:

Child care in particular is a formidable obstacle restricting the participation of single parents in the labour market and/or educational and training opportunities. Confidence in the safety and quality of care that their children are receiving is integral to helping single parents focus on their employment goals. Unfortunately, not nearly enough single parents on OW in Toronto are able to access quality, affordable child care, and subsequently, must rely on informal, and often unreliable, sources. In a 2003 report, titled "Preserving Child Care in Toronto: The Case for New Government Funding", the City of Toronto's Children Services Division called on the senior levels of government to increase funding in order to stabilize child care services in Toronto and prevent further service loss.

(E) Inadequacy of Benefit Rates:

While the purchasing power of OW has diminished by approximately 35 percent since 1995, the cost of basic needs such as housing, utilities, food and transportation has increased significantly in Toronto. This reality exerts great stress on single parent households in particular where a single income earner is required to provide these necessities for an entire family with a budget that is gradually being eroded through inflation. In fact, the inadequacy of the OW rate structure may actually work to undermine the efforts of single parents to improve their situation. For many, housing concerns and food shortage issues become daily priorities, pre-empting their ability to focus on work-related activities. Often they will sacrifice their own meals to ensure that their children have enough to eat.

It should be noted that the 2004 provincial budget of the Ontario Government announced a modest 3 percent increase in the shelter and basic needs components of OW benefits. In addition, the July 1, 2004, increase in the National Child Benefit Supplement (NCBS) will not be clawed back from OW recipients. For a single parent with two children under twelve this will amount to an increase of approximately \$40.00 a month upon implementation. While such an

increase is badly needed, it barely begins to address the high cost of living in large cities such as Toronto.

Conclusions:

The 2003 survey of single parents on OW in Toronto has demonstrated that single parents are a very vulnerable and marginalized segment of the social assistance caseload. Additionally, comparison of the survey results with those of the 1997/98 survey indicate that workforce-related barriers are much more prevalent under OW in 2003 for a growing proportion of single parents. These outcomes underline the need for OW program design and delivery changes that will aid TSS in meeting the diverse needs of this segment of the OW caseload. The Division is heartened by recent comments regarding program renewal made by the Minister of Community and Social Services, and her Parliamentary Assistant, suggesting that much-needed program changes are forthcoming.

Contact:

Heather MacVicar
General Manager, Social Services Division
Tel: (416) 392-8952/Fax: (416) 392-8931
Email: hmacvic@toronto.ca

List of Attachments:

- Attachment 1: Examples of the Services and Supports Required by Low Income Single Parents in Toronto
- Attachment 2: Comparing Toronto's Share of OW Cases Compared to Other GTA and Ontario Jurisdictions
- Attachment 3: "Social Assistance & Social Exclusion: Findings from Toronto Social Services' 2003 Survey of Single Parents on Ontario Works"

Attachment 1

Examples of the Services and Supports Required by Low Income Single Parents in Toronto

(1) Addressing Barriers:

- language training;
- life skills;
- mental health/depression counselling;
- substance abuse counselling;
- immigration settlement services;
- recognition of foreign credentials;
- counselling and shelters for victims of domestic violence and sexual assault; and
- access to affordable housing.

(2) Employment Preparation:

- skills training and development;
- educational upgrading;
- job search services; and
- Canadian work experience opportunities.

(3) Job Transition and Retention:

- affordable and quality child care;
- transportation supports;
- health/drug coverage;
- crisis management; and
- peer mentoring.

(4) “Making Work Pay”:

- increased minimum wage*;
- wage supplements;
- provision of benefits;
- tax relief for working poor; and
- access to training and developmental opportunities.

(*The National Council of Welfare in its 2004 report, titled “Income for Living” recommended that the minimum wage be raised to levels exceeding either Statistics Canada’s Low Income Cut-Offs or the Market Basket Measure.)

Attachment 2

Comparing Toronto’s Share of OW Cases Compared to Other GTA and Ontario Jurisdictions

Greater Toronto Area						
Municipality	Total OW Cases	% of GTA OW Cases	% of GTA Population	Single Parent OW Cases	% of GTA Single Parent OW Cases	% of GTA Single Parent Population
Toronto	64,073	77.0%	48.8%	20,901	72.4%	57.8%
Peel Region	8,499	10.2%	19.5%	3,625	12.6%	17.6%
Durham Region	5,086	6.1%	10.0%	2,216	7.7%	9.3%
York Region	4,291	5.2%	14.4%	1,532	5.3%	9.8%
Halton Region	1,316	1.6%	7.4%	590	2.0%	5.4%
Province of Ontario						

Municipality	Total OW Cases	% of Ontario OW Cases	% of Ontario Population	Single Parent OW Cases	% of Ontario Single Parent OW Cases	% of Ontario Single Parent Population
Toronto	64,073	32.5%	21.7%	20,901	29.3%	27.0%
Ottawa	18,111	9.2%	6.8%	6,024	8.5%	6.9%
Hamilton	10,781	5.5%	4.3%	4,286	6.0%	4.6%
London	8,341	4.2%	2.9%	3,021	4.2%	3.3%
Niagara Region	6,868	3.5%	3.6%	2,570	3.6%	3.7%
Waterloo Region	6,679	3.4%	3.8%	2,446	3.4%	3.5%

(Note: OW case figures based on March 2004 Provincial statistics. Population figures obtained from the 2001 Census.)

(A copy of Attachment 3, “Social Assistance & Social Exclusion: Findings from Toronto Social Services’ 2003 Survey of Single Parents on Ontario Works”, was forwarded to all Members of Council with the Supplementary Agenda of the Community Services Committee for its meeting on June 29, 2004, and a copy is on file in the office of the City Clerk, City Hall.)

The Community Services Committee also submits the report (December 2, 2004) from the Commissioner of Community and Neighbourhood Services.

Purpose:

The purpose of this report is to provide information on the recommendations of the report to the Minister of the Community and Social Services by the Parliamentary Assistant to the Minister, titled “Review of Employment Assistance Programs in Ontario Works & Ontario Disability Support Program”.

Financial Implications and Impact Statement:

There are no financial implications resulting from the adoption of this report.

Recommendations:

“It is recommended that this report be received for information.”

Background:

A report to the Minister of the Community and Social Services by the Parliamentary Assistant to the Minister recommending reforms to Ontario’s social assistance programs was released by the Province on December 1, 2004. The report, titled “Review of Employment Assistance Programs in Ontario Works & Ontario Disability Support Program”, is the result of a series of consultations held across the Province in 2004 with key social assistance stakeholders, including the City of Toronto. The discussions, initiated following the election of the current provincial government, were designed to “take stock of the current system of employment assistance within Ontario Works (OW) and the Ontario Disability Support Program (ODSP), to learn about what is and is not working, and to better understand the challenges faced by clients and those who work within the system.”

The report sets out 49 recommendations for improving the delivery of social assistance across Ontario in eight policy areas:

- (1) understand and respond to the diversity of the caseload;
- (2) eliminate barriers and disincentives to employment;
- (3) provide the range of tools that people need to get to work;
- (4) simplify program rules and streamline administration;
- (5) eliminate punitive rules that act as disincentives to economic independence;
- (6) change internal and external attitudes about social assistance recipients;
- (7) improve relationships with employers, partners, other ministries and other levels of government; and
- (8) evaluate programs and policies.

The Parliamentary Assistant to the Minister acknowledges that the report is just a first step. It offers “recommendations for change”, describing what was heard most often during the consultations. The report is not intended to be a comprehensive document, nor does it project the costs associated with implementing the recommendations.

The report’s recommendations are provided in Attachment 1.

Discussion:

Toronto Social Services (TSS) is encouraged by the directions outlined in the report by the Parliamentary Assistant to the Minister of Community and Social Services. The recommendations reflect the concerns that have been raised over the past seven years by municipalities across the Province, including Toronto, as well as the Association of Municipalities of Ontario (AMO) and the Ontario Municipal Social Service Association (OMSSA).

The report reinforces TSS’ position with respect to a number of OW program-related design and delivery issues (i.e., that OW is too prescriptive, complex and administratively intensive) discussed in several previous reports to Council. In particular, a March 5, 2003, report by the Commissioner of Community and Neighbourhood Services, titled “The Evolution of Ontario Works: Critical Issues for Service Delivery”, summarized the critical program issues hindering TSS’ ability to respond to the full range of client needs. Most recently, the June 14, 2004, report by the Commissioner of Community and Neighbourhood Services on the findings of TSS’ 2003 survey of single parents on OW, illustrated how program shortcomings are negatively affecting the City’s vulnerable residents.

To this end, the recommendations in the report prepared by the Parliamentary Assistant reflect TSS’ longstanding position that OW needs to be a more flexible, client-focussed program that supports achievable goals for clients and staff, and allows communities to address local issues. The report validates the concerns TSS has been raising with respect to OW, and demonstrates that the Parliamentary Assistant listened to views of those who directly deliver social assistance (Toronto is identified as a contributor in the report). TSS is further encouraged by the recognition in the report that reforming social assistance is only part of the solution and,

correspondingly, that action is needed across the social safety net and by all levels of government in order to adequately address the needs of vulnerable people.

The recommendations made in this report are far-reaching. Many focus on simplifying the application and administrative processes (e.g., lessening verification and documentation requirements, making the application process simpler and less punitive). Other recommendations call for eliminating or improving some of the program rules to help clients move forward into employment (e.g., improvements to earnings exemption levels, more transitional supports to employment). TSS encourages the Province to move quickly to implement those straightforward actions, related to reducing program complexity, that could be taken immediately with no financial impact.

A November 22, 2004, report by the Commissioner of Community and Neighbourhood Services, presently before the Community Services Committee, describes TSS' approach for preparing an action plan for social assistance in the City of Toronto. In the course of developing the action plan, which will develop made-in-Toronto delivery solutions for improving social assistance, as well as determine how senior levels of government need to better support the City's vulnerable populations, TSS will conduct a thorough review of the recommendations of the Parliamentary Assistant's report.

Conclusion:

TSS is encouraged by the directions taken in the report by the Parliamentary Assistant to the Minister of Community and Social Services. The recommendations contained in the report support the positions TSS has previously taken with respect to improving OW program design and delivery. TSS will complete a full review of the recommendations in the course of preparing its action plan for social assistance in Toronto.

Contact:

Heather MacVicar
General Manager, Social Services Division
Tel: (416) 392-8952/Fax: (416) 392-8931
Email: hmacvic@toronto.ca

Attachments:

Attachment 1: Recommendations from the "Review of Employment Assistance Programs in Ontario Works & Ontario Disability Support Program"

Attachment 1

Recommendations from the "Review of Employment Assistance Programs in Ontario Works & Ontario Disability Support Program"

- (1) Understand and respond to the diversity of the caseload:
 - (a) Analyze and utilize existing caseload data more effectively; collect and analyze additional relevant information.
 - (b) Develop employment strategies for target groups.
 - (c) Recognize that for those with multiple barriers to employment, social assistance is not temporary.
 - (d) Streamline the Ontario Disability Support Program application process.
- (2) Eliminate barriers and disincentives to employment:
 - (a) Consider various options to remove loss of the drug card as a disincentive to employment.
 - (b) Educate people about the rules concerning drug card eligibility.
 - (c) Change earnings exemption policies to encourage labour force participation.
 - (d) Develop a plan to prevent great fluctuations in monthly income for seasonal workers.
 - (e) Enhance client statements to show the calculation of social assistance payments.
 - (f) Eliminate the quit-fire rule.
 - (g) Revise eligibility rules to facilitate access to transportation.
 - (h) Partner with municipalities to improve access to public transportation.
 - (i) Support transportation during post-employment transition period.
 - (j) Continue to improve child care for all Ontarians.
 - (k) Support child care needs during post-employment transition period.
 - (l) Improve the standard of living for children of parents living on social assistance (e.g., continue movement toward the elimination of the claw back of the National Child Benefit Supplement).
 - (m) Consider implication of Association of Municipalities of Ontario recommendation to move toward a child benefit.
 - (n) Recognize that low rates affect employability.

- (o) Continue to enhance community mental health programs.
- (p) Enhance caseworker awareness and referral capabilities.
- (3) Provide the range of tools that people need to get to work:
 - (a) All applicants should begin with a job readiness assessment.
 - (b) Develop an individualized plan with each client.
 - (c) Recognize that there is more to job-readiness than skills-training.
 - (d) Ensure adequate support throughout the process.
 - (e) Consider the context of the local labour market.
 - (f) Build relationships with local employers.
 - (g) Improve employment supports and training opportunities.
 - (h) Consider offering more incentives for participating in specialized programs.
 - (i) Encourage innovation and self-employment.
 - (j) Offer strong post-employment supports.
 - (k) Review the current Levels of Service funding model.
 - (l) Offer intensive case management to more front-line staff, including Customer Service training.
- (4) Simplify program rules and streamline administration:
 - (a) Close Intake Screening Units.
 - (b) Establish a task force to undertake a cost-benefit analysis of existing rules, with the goal of streamlining administration and eliminating unnecessary rules.
 - (c) Allow more flexibility with program administration.
 - (d) Reconsider the value of the Service Delivery Model Technology (SDMT) in the employment assistance process (i.e., upon review of the rules, consider retiring SDMT).
- (5) Eliminate punitive rules that act as disincentives to economic independence:

- (a) Consider reforms with respect to asset levels and limits (e.g., allow parents to keep RESPs for children's education, allow people to keep vehicles, eliminate liens on homes).
- (b) Eliminate rules that discourage and/or punish supportive families.
- (6) Change internal and external attitudes about social assistance recipients:
 - (a) Change the approach and messaging regarding social assistance.
 - (b) Position OW offices as the place to access required supports (e.g., consider longer hours of service, rewriting letters in more positive tone, multilingual services).
 - (c) Enhance caseworker training.
- (7) Improve relationships with employers, partners, other ministries and other levels of government:
 - (a) Identify and respond to skills shortages in local labour markets.
 - (b) Market employment support programs to employers.
 - (c) Consider enhanced incentives for employers.
 - (d) Facilitate "one-stop" shopping for employers.
 - (e) Partner with labour unions to provide better opportunities.
 - (f) Continue to break down silos between ministries and levels of government.
- (8) Evaluate programs and policies:
 - (a) Move to evidence-based employment programs.
 - (b) Link with researchers at universities and elsewhere.