

# *London Community Advocates Network*

September 28, 2012

Councillor Matt Brown, Chair  
Community Services Committee  
c/o City Clerks Office  
Room 308-300 Dufferin Avenue  
P.O. Box 5035  
London, ON N6A 4L9

## **RE: Community Start-Up & Maintenance Benefit**

Dear Chair & Members of the Community Services Committee

The London Community Advocates Network is comprised of numerous organizations serving recipients of Ontario Works and Ontario Disability Support Program benefits. We meet as a group on a quarterly basis with staff from both program areas to provide input into local issues and policies affecting the vulnerable population we serve.

We met on September 27<sup>th</sup> and the main concern identified at our meeting is the provincial decision to end the Community Start-Up and Maintenance Benefit. Some of the key concerns are detailed in the attached letter to Hon. John Milloy, Minister of Community and Social Services from Neighbourhood Legal Services.

It is our understanding that this critical benefit is ending on December 31<sup>st</sup> at which time the province will provide the City of London only a portion of the previous cost-sharing amount that was made available to meet some of the urgent housing needs. The new smaller portion will be allocated to the Community Homelessness Prevention Initiative. This will allow the City of London to develop new programs to address critical needs, but with fewer dollars to meet the current potential recipients and the additional population the new program is intended to serve.

The September 10<sup>th</sup> report to the Community Services Committee indicated that the financial implications are not yet clear, as the figures for the allocations were not expected until September 10<sup>th</sup>. As of this week's meeting of the London Community Advocates Network, the allocations formula has still not been made available to design a delivery program that includes a possible replacement benefit for the Community Start-Up and Maintenance Benefit. Member agencies of the London Community Advocates Network will participate in the community process and consultations, outlined in the September 10<sup>th</sup> report, once the numbers are finalized.

Our position is that there is not sufficient time to develop a model to replace the Community Start-Up and Maintenance Benefit before the December 31<sup>st</sup> deadline. The City of London is required to structure a program to accommodate the services being downloaded by the province; however the timeframe is not reasonable given the delay of the funding formula.

The London Community Advocates Network passed a motion at our meeting of September 27<sup>th</sup> to ask that the City of London submit a request to the Minister of Community and Social Services to delay the removal of Community Start-up and Maintenance Benefit from social assistance until the end of the fiscal year, March 31, 2013. This will enable the City of London to develop a community-based Investment Plan that meets the critical and urgent needs in our community.

*Respectfully*

*On behalf of the London Community Advocates Network Co-Chairs*



Jacqueline Thompson, ODSP Co-Chair  
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Mike Laliberte, OW Co-Chair  
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#### Attachments

- August 2, 2012 – Neighbourhood Legal Services letter to Hon. John Milloy
- September 11, 2012 – Hon. John Milloy, Minister – letter of response to Neighbourhood Legal Services

August 2, 2012

The Hon. John Milloy  
Minister of Community and Social Services  
6<sup>th</sup> Floor, Hepburn Block  
80 Grosvenor Street  
Toronto, Ontario M7A 1E9

Dear Sir:

**RE: 2012 Provincial Budget:**  
**Community Start Up and Maintenance Benefit**

Neighbourhood Legal Services is a poverty law clinic that assists low-income Londoners and Middlesex County residents with legal issues in the areas of:

1. Ontario Works ("OW")
2. Ontario Disability Support Program ("ODSP")
3. Canada Pension Plan Disability
4. Landlord/Tenant

Due to the nature of our work, we are made aware on a regular basis of the challenges and difficulties that low-income Londoners face, especially those individuals who are in receipt of OW and ODSP. Part of the clinic's mandate is public legal education, law reform and to ensure that the interests and concerns of low-income Londoners (those on social assistance, fixed incomes, working poor) are made known and are taken into consideration in public policy areas.

In light of the above, Neighbourhood Legal Services would like to make the following comments with respect to the 2012 Provincial Budget that eliminates the Community Start Up and Maintenance Benefit ("CSUMB") for people on OW and the ODSP.

The loss of CSUMB will have a considerable negative impact on people on OW and ODSP, the majority of whom are renters. Three aspects of this benefit make it essential for people on social assistance.

First, it is targeted to help people on assistance – people who are among the most vulnerable in Ontario. Second, it provides people with the direct assistance they need to retain their housing and prevent homelessness; CSUMB can help people pay their rent or

utility arrears, or help them move to safer or more secure housing. Third, people who are denied CSUMB are able to appeal the decision. This framework ensures a measure of fairness for Ontarians with low income and protects them from arbitrary decisions.

All three of these critical factors will be lost when CSUMB ends in January 2013 and a new consolidated housing and homelessness funding regime comes into force.

As you know, 50% of CSUMB funds are slated to be combined with funding from five other housing and homelessness programs to create a new consolidated fund. Municipalities will set their own local priorities for this fund, which will be spread over a larger pool of potential clients. Currently, the \$120 million CSUMB fund assists approximately 16,000 OW/ODSP clients per month; these people have urgent housing needs and emergencies. In London, there are approximately 36,000 OW/ODSP recipients who currently have CSUMB available to them to meet housing emergencies. Under the anticipated CSUMB changes, only half of the current CSUMB budget will be available to municipalities. Cities like London that are already financially constrained will be unlikely/unwilling to fund the financial gap created by the new program. The need will remain but the required funds to address that need will no longer be available. Community agencies who are already stretched to their limits will not be able to fill the void.

The changes to the CSUMB regime will impact many individuals, such as:

- Women trying to move from transition shelters into permanent homes after experiencing domestic violence;
- People trying to move from homelessness – living on the street, in ravines, alleyways, parks, or under bridges – or from a shelter, into permanent homes;
- People dealing with bedbugs who need to move and/or buy new furniture and clothing;
- People who cannot afford the rising cost of utilities;
- Women with a lack of resources to buy cribs and other items for infants whose parenting may be called into question by Children’s Aid;
- People who have fallen behind in their rent for a variety of reasons, including unexpected expenses or unexpected loss of income, but who have no financial resources to make up the accumulated arrears;
- People with mental health disabilities or mental illnesses, who are trying to move from hospital into the community and whose discharge from hospital will be delayed;
- People with health challenges and disabilities who require air conditioning, hospital beds, bathroom aids, etc.;
- People who have to pay retroactive electricity bills that come in annually;
- People needing to transition from one home to another for safety reasons, an increase or decrease in family size, because of maintenance problems, or simply because of eviction;
- Anyone needing to rent a truck in order to move their possessions;
- People with developmental disabilities trying to make their first move into the community from their parents’ home into a place of their own;
- People moving to another city or town for education or to try to find work;
- People recovering from substance abuse issues who are trying to get back on their feet.

The loss of these benefits will in turn put more pressure on other services in local communities, like homeless shelters, transition houses, hospitals, food banks, social/public housing providers, etc.

The cuts will also increase the demand on existing low-income energy programs, like the Ontario Energy Board's LEAP Emergency Financial Assistance program, which provides grants to low income energy consumers facing short-term difficulty in paying their electricity or natural gas service bills. The Emergency Financial Assistance program is administered by local social services agencies on behalf of the locals gas or electricity distributor.


We find it especially troubling that these cuts to social assistance benefits are being made just as the Commission for the Review of Social Assistance prepares to issue its final report and recommendations. The cuts pre-empt and undermine the important process of reform that will arise out of the work of the Commission.

In light of the foregoing, we strongly urge you to reverse this cut and restore full funding to these critical programs.

On behalf of Neighbourhood Legal Services,

  
Jeff Schlemmer, Director

  
Mike Laliberte, Staff Lawyer

  
Stephanie Dickson, Staff Lawyer

Cc: The Hon. Dwight Duncan, Minister of Finance  
Toby Barrett, PC Critic for Community and Social Services  
Cheri DiNovo, NDP Critic for Community and Social Services  
Steve Clark, PC Critic for Municipal Affairs and Housing  
Cindy Forster, NDP Critic for Municipal Affairs and Housing  
Peter Shurman, PC Critic for Finance  
Michael Prue, NDP Critic for Finance  
The Hon. Christopher Bentley, Attorney General, London West, Liberal  
The Hon. Deborah Matthews, Minister of Health and Long-Term Care, London North Centre, Liberal  
Teresa J. Armstrong, MPP, London-Fanshawe, NDP  
Jeff Yurek, MPP, Elgin-Middlesex-London, PC  
The Hon. Joe Fontana, Mayor for the City of London

Ministry of Community  
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Mr. Jeff Schlemmer  
Director  
Mr. Mike Laliberte  
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Staff Lawyers  
Neighbourhood Legal Services (London & Middlesex) Inc.  
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London, Ontario  
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Dear Mr. Schlemmer and Colleagues:

Thank you for your letter regarding the 2012 Budget and social assistance in Ontario. I appreciate the time you have taken to write and I welcome the opportunity to respond.

Our government is always looking for ways to improve our programs to better support clients. In the 2012 Budget, we announced another increase to social assistance rates. This is the eighth increase we have made to the rates since taking office, bringing the total increase to 14.9 per cent.

In the fiscal environment of today it is more important than ever that we are effective and efficient in the services we provide to Ontarians. As you note in your letter, under the Long-Term Affordable Housing Strategy, we are consolidating five housing and homelessness programs into one program, the Community Homelessness Prevention Initiative (CHPI).

CHPI will combine funding currently provided for the following five homelessness-related programs across two ministries into a single funding allocation:

- Consolidated Homelessness Prevention Program;
- Emergency Energy Fund;
- Emergency Hostel Services;
- Domiciliary Hostel Program; and
- Provincial Rent Bank Program.

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As part of the first phase of consolidation under the Long-Term Affordable Housing Strategy, we are removing the Community Start Up and Maintenance Benefit (CSUMB) from social assistance and reinvesting a portion of this funding in CHPI. This will mean additional provincial funding to support CHPI and will give municipalities more flexibility to address local priorities.

CSUMB will be removed from social assistance with the implementation of CHPI effective January 1, 2013.

While we are also removing home repair benefits from social assistance, there are other programs that will continue to assist eligible Ontarians with home repairs. The Ontario Renovates program and the federal Residential Rehabilitation Assistance Program are both available to assist low-income Ontarians with the cost of necessary home repairs.

By providing supports outside of social assistance, low-income people will be able to access housing supports regardless of whether they are on social assistance or not. In addition, providing fewer benefits within social assistance will help simplify rules and support program integrity and long-term sustainability.

Given the scope of the fiscal challenges facing the province, all ministries, including the Ministry of Community and Social Services, need to ensure that programs are fiscally sustainable. This is necessary to help us protect the services that Ontario families rely on and maintain the improvements we have made in health, education and social services. Our government remains committed to ensuring that the social assistance system is there for those who need it.

Since taking office, our government has improved supports for people receiving assistance. For example, we have:

- simplified the rules around earnings exemptions. This means that the more someone works, the more money he or she can keep;
- extended drug, dental and vision care benefits for people who leave social assistance to go back to work;
- increased the Employment and Training Start-Up Benefit from \$253 to \$500 under the Ontario Disability Support Program; and
- changed the rules for full-time post-secondary students who receive social assistance and work. They can now keep all of their employment income.

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Additionally, we launched the largest review of social assistance in Ontario in more than 20 years. It will develop an action plan to help:

- get those who can and want to work into jobs by connecting them with the right education and training opportunities;
- provide security for those who cannot work; and
- ensure our programs work better with other federal, provincial and municipal income security programs, such as Employment Insurance.

As you know, we have asked the Commission for the Review of Social Assistance in Ontario to find ways to make social assistance simple, easier to understand, and financially sustainable.

The review is being led by two Commissioners with extensive experience in social policy development, income security, economics and public finance. The Commissioners are the Honourable Frances Lankin, PC, and Dr. Munir Sheikh.

We will take into account the Commission's analysis and advice as well as other stakeholders' submissions. We look forward to considering the Commission's recommendations following the completion of their review.

While we know we still have more work to do, our government is committed to making positive changes.

Once again, thank you for writing.

Sincerely,



John Milloy  
Minister

- c: The Honourable Dwight Duncan, Minister of Finance  
The Honourable Chris Bentley, Attorney General  
The Honourable Deb Matthews, Minister of Health and Long-Term Care  
Toby Barrett, MPP, Haldimand-Norfolk  
Cheri DiNovo, MPP, Parkdale-High Park  
Steve Clark, MPP, Leeds-Grenville  
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