



**Neighbourhood  
Legal Services**  
LONDON AND MIDDLESEX

June 3, 2019

**By Email**

Community and Protective Services Committee  
City Clerk's Office  
City of London  
300 Dufferin Avenue  
London, ON  
N6A 4L9  
Email: [cpsc@london.ca](mailto:cpsc@london.ca)

**Re: Request for Delegate Status to Speak at the Community and Protective Services Committee Meeting on June 17, 2019 Concerning the Impact of Social Assistance Changes on the Community and the City of London Budget**

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

- Ontario Works ("OW")
- Ontario Disability Support Programs ("ODSP")
- Canada Pension Plan Disability ("CPP-D")
- Landlord/Tenant
- Criminal Injuries Compensation Board
- Employment

Due to the nature of our work, we are regularly made aware of the challenges and difficulties that low-income Londoners face, especially those who are in receipt of OW and ODSP. Part of the clinic's mandate is public legal education, law reform and advocacy. We promote the interests and concerns of low-income Londoners (those on social assistance, fixed incomes, and the working poor) so that they may be taken into consideration in public policy areas. We participate in many City of London groups and tables that deal with poverty and housing issues such as the Community Advocates

---

Suite 910 – 383 Richmond St., London, ON. N6A 3C4 (519) 438.2890 Fax (519) 438.3145 [nlsim.com](http://nlsim.com)



Network, London for All Implementation Tables, London Homelessness Coalition, and the Child and Youth Network.

At this time, I would like to point out additional indirect costs to the City of London and our community due to certain social assistance changes confirmed in the budget and announced afterwards.

## 1. Provincial Budget Cuts

At our clinic, we initially thought that the provincial budget did not appear to have a significant negative impact on low-income individuals and municipalities. However, over time on a more in-depth analysis of the budget and announcements from the provincial government, the impacts on both are very serious. The following budget cuts will have negative consequences, especially for low-income individuals who are more likely to rely on provincial government services:

- Library services
- Public education
- Public health
- Safe injection sites
- Child care
- OSAP grants
- Flood management
- Compensation for victims of crime
- Ending rent control in new buildings
- OHIP+ prescription coverage for children and youth
- Cancellation of the previously promised gas tax increases, which will likely impact LTC plans to improve transit in London
- Legal Aid
- Labour and employment standards/\$15 minimum wage
- Basic income pilot

The provincial budget brought forward changes that effectively amount to a downloading of costs to municipal governments. Initially, these changes were retroactive to April 2019. It was predicted that the City of London would need to find up to \$3 million in the budget to compensate for changes in the areas that included public health and child care. [Megan Stacey, Ontario government downloading to cost city hall as much as \$4M, London Free Press, May 7, 2019] After significant political pressure from municipalities, the provincial government has announced that these cuts will no longer apply to the current budget. **This is a significant achievement that shows that it is possible to influence the provincial government's policies.**

However, it appears the downloading of costs will only be delayed by 1 year. It is our opinion that the proposed downloading will significantly impact the City of London's 4-year budget plan, as downloading is expected to add additional costs of approximately 6 to 7 million to the City by 2021. This downloading will severely and negatively impact the City of London's plans to tackle the affordable housing crisis, to improve transit or to undertake poverty reduction measures. The ability to respond to other issues that may arise will also be severely compromised.

**In addition to the serious concerns we have presented in regards to the provincial budget, I would like to point out additional indirect costs to the City of London and our community due to certain social assistance changes confirmed in the budget/announced afterwards.**

## **2. Major Changes to Social Assistance**

People on OW/ODSP face enormous challenges in meeting basic needs of food and shelter. On July 31, 2018, the PC Government announced a 1.5% increase in social assistance rates for one year. [Helping People with a Plan to Reform Social Assistance. MCCSS. July 31, 2018] This translates to an \$11 increase per month for OW recipients and an approximately \$18 increase per month for ODSP recipients. The 1.5% increase does not keep up with the rate of inflation and is unlikely to significantly benefit social assistance recipients.

This increase is actually a reduction of the 3% increase per year for three years promised by the former Liberal government. However, even that proposed increase fell short of the rate increases that would "bring people closer to adequacy", as set out in the "Income Security: Roadmap to Change". [ISAC, Ontario Budget 2018: Important First Steps to Transformation but No Meaningful Progress on Rates, March 28, 2018]

As it is, it is almost impossible for people on OW/ODSP to find and locate affordable housing and this meager increase will not help. This means that those on OW/ODSP will need to turn to community resources/supports to try and meet basic needs.

## **3. Changes to the definition of disability for ODSP [Ontario Disability Support Program]**

Once the new definition of disability is introduced, there will be many fewer people eligible for ODSP. The current definition of disability, which involves at least one medical condition verified by a prescribed health care provider that

causes “substantial impairments and restrictions” lasting for a year or more, will be replaced by a new definition of “severe” disability.

While the details have not been released, the provincial government has indicated that the new definition of disability will “align with federal guidelines”. For example, applications for disability benefits through the Canada Pension Plan require that a disability be “severe and prolonged”, which typically means a lifelong disability. Those who have episodic conditions or mental health challenges will likely no longer qualify for ODSP. As the Income Security Advocacy Centre points out, given the promise of a radical redesign of ODSP, “the change to the ODSP definition of disability could actually transform OW into a program that primarily serves people with disabilities.” [ISAC, Defining Disability: What plans to change the ODSP definition would mean to people with disabilities in Ontario. Dec 2018]

Many questions remain concerning the timing and nature of these changes. For example, current ODSP recipients also have no assurance that they will be grandfathered into the new system and the process for reviewing eligibility has not yet been developed.

For these reasons, changing the definition will result in a much higher Ontario Works (OW) caseload and increased costs to the City. Many individuals with barriers to employment – mental health, physical disabilities, addiction issues – will now remain on OW and likely will require additional resources to try and become employable. As well, we believe it is reprehensible to expect individuals to deal with their significant medical conditions on the extremely meagre OW assistance they receive. For example, it is hard to adequately deal with mental health issues when you are trying to find suitable housing and pay for food and other basic necessities on a welfare budget.

#### **4. Elimination of the Transition Child Benefit**

The provincial government has introduced a profoundly unfair and punitive cut by eliminating the Transition Child Benefit (TCB), effective November 1, 2019. This is a benefit cut to those OW or ODSP recipients who are not yet in receipt of the Ontario Child Benefit, either because of their immigration status (e.g., refugees who may wait up to two years for a resolution of their status) or because they have not yet filed their tax returns or are requesting a change in their TCB due to a child being born.

The benefit was introduced in 2008 when the province launched the Ontario Child Benefit and began shifting support from low-income children out of the welfare system. The amount per child is currently \$230/month, which provides essential assistance to parents who need this money to feed and clothe their children while on OW or ODSP. By eliminating this benefit, these families on

social assistance will now receive no funds for food, clothing, or other basic needs for their children.

It is our understanding that in London, approximately 800 children per month are getting the TCB and that in the last year approximately \$2 million was provided under this benefit. Without that benefit, there will be increased demand on food banks, shelters and other housing supports. In addition, those currently in shelters will face even greater challenges in transitioning to housing.

This benefit is critical for the vulnerable children and their families to try and find/maintain affordable housing and to cover all their other basic needs including food. It is currently extremely difficult for Ontario Works recipients who are receiving the Transition Child Benefit to meet their basic needs and to find affordable and adequate housing. There is a housing affordability crisis in London as the city has a very low vacancy rate, especially in the low rent category.

Ontario Works assistance with the Transition Child Benefit is well below the poverty line. To expect families who will no longer receive the Transitional Child Benefit to meet their and their children's basic needs is irresponsible/irrational.

For example a couple with 2 children on Ontario Works will lose approximately \$460.00 a month with the loss of Transition Child Benefit. This couple will now be expected to meet all their needs on \$494.00 received for basic needs for themselves and a maximum of \$756.00 for all shelter cost. Most families already need to use some of their basic funds to cover shelter costs that exceed \$756.00 (not unusual in London because of rental costs). To now expect this family to feed themselves/children, purchase necessary clothing, cover school expenses, over the counter medication and other necessities on a maximum of \$494.00 is inconceivable.

The undue hardship to families will also negatively impact the London community. Community agencies with very limited resources will be looked to by these families for assistance. Food banks that are already overwhelmed will see an increase. Already at or near capacity homeless shelters will be inundated with families/children who have lost the benefit. Those families staying in a shelter will face a higher income barrier to exiting shelter into housing. This means that shelter spaces won't be available for other families that encounter a crisis, such as domestic violence.


**Resolution:**

Given the submissions presented above, we ask that the Council of the City of London make the following resolution:

Be it resolved that the Council of the City of London will call upon the Premier and the Minister of Children, Community and Social Services to request that the province:

- 1) Review and rescind the decision to change the definition of disability in the Ontario Disability Support Program Act; and
- 2) Review and rescind the decision to eliminate the Transition Child Benefit.

Yours truly,



Mike Laliberte  
Staff Lawyer