

**THE MATTHEWS REPORT:  
MOVING TOWARDS REAL INCOME SECURITY**

**Income Security Advocacy Centre**  
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## Introduction

In December 2004, Deb Matthews, Parliamentary Assistant to the Minister of Community and Social Services, released her long-awaited report on social assistance entitled, *Review of Employment Assistance Programs in Ontario Works & Ontario Disability Support Program* (“Matthews Report”). The Matthews Report contains 49 recommendations, several of which improve the system in ways that actually work for low-income people.

The report consolidates the suggestions she received during her consultations with stakeholder groups across Ontario and makes recommendations that Deb Matthews says would provide people with the supports they need to permanently move off of social assistance. Deb Matthews also believes that the recommendations would provide the government with more bang for its buck.

The Matthews Report is not a comprehensive review of social assistance. It does not deal directly with the wholly inadequate rates that leave individuals and families ill-clothed, ill-sheltered, hungry, and downtrodden. The scope of the Matthews Report is to improve the rules and regulations that deal directly with, or impact upon, employment supports. The underlying notion is that employment provides an escape out of poverty. This is not new. Successive governments have made that claim. But while this assertion has always been problematic, it is especially troubling in the context of a labour market that is characterized by precarious, low-waged work. The current minimum wage, weak enforcement of employment standards, and a social assistance system driven by getting people into jobs no matter how safe or well paid they are serves the interests of the rich not the poor.

Below you will find an analysis of the strengths and weaknesses of the Matthews Report, followed by the report’s recommendations and then the conclusion. There are 49 recommendations listed in numerical order. Recommendations fall under the issue identified in the Matthews Report that they were meant to address. There are eight issues. The format of the recommendations is consistent throughout this document. Each recommendation is stated along with the commentary that was contained in the Matthews Report on that recommendation, followed by ISAC’s response to that recommendation. Whether or not the recommendation was implemented, and to what extent, in MCSS’ reforms of social assistance in December 2004 and May 2005 follows ISAC’s response. It must be noted that the May 2005 reforms will not be implemented until August 2005, and they do not apply to Ontario Disability Support Program recipients.

ISAC is concerned that few of the recommendations contained in the Matthews Report have been implemented. The recommendations in the Matthews Report were a good first step – but only a first step – in reforming the social assistance system. ISAC shared the disappointment of many low-income people and anti-poverty groups when the government of Ontario announced its social assistance reforms in mid-December 2004 and only a handful of the Matthews Report recommendation were included. Further, the

reforms in mid-May 2005 only implemented a few of the Matthews Report recommendations.

ISAC will continue to push for the implementation of the Matthews Report recommendations that we favour, the implementation of the Rogers inquest recommendation that social assistance rates reflect actual costs of living, an immediate increase of the minimum wage to \$10 an hour, and the elimination of the NCBS clawback.

It should be noted that we have flagged the recommendations that have either been implemented or announced as of the writing of this report. The government appears to be implementing the Matthews Report recommendations on a piecemeal basis. Recommendations that are implemented/announced by the government in the future will appear on ISAC's website at [www.incomesecurity.org](http://www.incomesecurity.org).

## **Strengths of the Report**

As she embarked on this process, Deb Matthews committed herself to listening to low-income people and their advocates. This she did. It had been many years since the Ontario government was interested in opening a dialogue with people who receive social assistance. The result is a report that, although far more limited in scope than it ought to be, acknowledges that Ontario's social assistance system is punitive and traps people in poverty.

In particular, we see in the report:

- a recognition that the current system is structurally flawed;
- an awareness that inadequate social assistance rates:
  - (i.) affect recipients' ability to find and keep work;
  - (ii.) result in additional demand for and therefore cost of other government services;
- an awareness that the government must address the systemic issues which create the need for social assistance and that reforming social assistance programs is only part of the solution;
- a willingness to bring together all the relevant Ministries to address the needs of social assistance recipients;
- a willingness to eliminate punitive social assistance rules;
- a recognition that labour market conditions are relevant in the design of strategies concerning getting people into jobs;
- an acknowledgment that programs must be evaluated;
- a desire to make social assistance rules clearer and simpler;
- a willingness to make the application process and ongoing interaction with caseworkers more user friendly;
- a recognition that the design and delivery of the program must reflect the cultural and ethnic diversity of the caseload.

## **Weaknesses of the Report**

It is apparent that Deb Matthews was constrained by the political framework in which she operates. This likely explains why despite some quite progressive observations woven throughout the narrative pertaining to the inadequacy of the rates and the relevance of local labour market conditions, none of the recommendations meaningfully speak to these issues.

The result is a report that contains some valuable recommendations that will improve recipients' lives, but none of the recommendations fundamentally address the inadequacy of the rates. If this represents the totality of the government's response to poverty and its creation, we will have made some but not enough progress.

The report also does not address the particular needs of Aboriginal Peoples within the social services structure. This oversight is regrettable and is attributable, in large part, to the fact Deb Matthews did not consult with Aboriginal Peoples before writing her report.

The following are our chief concerns:

- despite acknowledgement that rates are unacceptably low, there are no explicit recommendations that rates increase;
- despite acknowledgement that labour market conditions affect the success of job searches, the report is premised almost exclusively on getting people back to work and relies on concepts such as “incentives” and disincentives” to employment;
- despite the promise to address the needs of recipients inter-ministerially, there are no recommendations touching on the minimum wage, the enforcement of employment standards, tenant rights, affordable housing, etc., and no indication that relevant ministries were contacted regarding the review (child care is an exception to this);
- the report endorse wage supplements, a mechanism that subsidizes low wages not to mention corporate profits;
- although the report invited the input of recipients and their advocates, there is no long-term plan for our continued involvement in policy planning and implementation.

## **Recommendations**

### **1. Issue: Understand and Respond to the Diversity of the Caseload**

The Matthews Report acknowledges that there are many barriers to employment that have nothing to do with skills training and everything to with the multitude of other issues faced by social assistance recipients. The report states that a successful strategy to permanently move people off of social assistance requires that the diverse caseload, with the individual barriers faced by recipients, be given individualized programs. The report further states that these programs and their outcomes cannot be developed and implemented without better information on who is on social assistance, why they need it,

what barriers to employment they face, and what supports they need to get back into the workforce. Recommendations 1 through 4 deal with this issue.

### **Recommendation #1**

Analyze and utilize existing caseload data more effectively; collect and analyze additional relevant information.

#### *Commentary*

- Better information is required on factors related to barriers and opportunities to facilitate targeted programming.
- Data should be collected at individual, not aggregate levels to allow for in-depth analysis.
- Offer programs that respond to barriers and opportunity.

#### ***ISAC's Response***

Social assistance recipients cannot be assisted in finding employment unless it is understood why they are unable to find employment on their own. The collection of relevant data by the Ministry of Community and Social Services ("MCSS") is long overdue. Low-income people and their advocates should be consulted regarding what data is collected and the manner of its collection.

Recommendation #1 was not implemented by MCSS in its December 2004 reform of social assistance ("2004 Reform") or in the May 2005 reforms.

### **Recommendation #2**

Develop employment strategies for target groups.

#### *Commentary*

- Implement pilot projects with measurable outcomes in conjunction with community partners to test the effectiveness of targeted strategies.
- Expand successful programs.

#### ***ISAC's Response***

Employment strategies must be reflective of and responsive to labour market conditions along with individual needs, capacity, and aspirations of recipients. Employment strategies also must take into account the particular barriers encountered by people from racialized communities, women, parents, older workers, and people living with disabilities. MCSS needs to work with community partners to develop these strategies as well as the measures for successful outcomes. Effective measures need to be carefully

developed and must aim for outcomes that make a real and lasting difference in the lives of social assistance recipients – not just getting recipients off the caseload.

Recommendation #2 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #3**

Recognize that for those with multiple barriers to employment, social assistance is not temporary.

#### *Commentary*

- Provide additional supports to those for whom multiple barriers to employment result in long-term dependence on social assistance.

#### ***ISAC's Response***

MCSS must recognize that there are social assistance recipients who are permanently unemployable because of the multiple barriers they face, and OW is not the appropriate program for them. MCSS must further recognize that disability is just one of a number of barriers to employment that recipients face. Recognition that multiple barriers can lead to a permanent need for social assistance should be reflected in policy and benefit structure reform. MCSS should develop a client-centred, service model by ensuring that caseworkers act as advocates for their clients by assisting them to access appropriate services.

Recommendation #3 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #4**

Streamline the ODSP application process.

#### *Commentary*

- Assign advocates to help collect documentation and support client applications. Reform the appeals process; currently a very high percentage of applications for ODSP are denied, appealed, and subsequently approved.

#### ***ISAC's Response***

MCSS should implement the recommendations set out in Denial by Design, including the simplification of the Disability Determination Process (“DDP”) forms based on community consultation, making the revised forms public, linking the questions on DDP forms to the legislated definition of disability, instructing health practitioners to include

their clients' medical/test scores, providing clear language information and training on the application process for applicants, community agencies, and health practitioners, and providing support workers to assist applicants in getting through the process.

The 2004 Reform included one change to the Regulations that slightly impacts Recommendation #4. The activities of daily living index can now be completed by registered nurses, speech language pathologists, and social workers as well as the practitioners who previously were allowed to complete this index. The May 2005 reforms did not address this recommendation.

## **2. Issue: Eliminate Barriers and Disincentives to Employment**

The Matthews Report states that there are a number of “disincentives” built into the system that make it rational for social assistance recipients to remain on social assistance rather than take employment. The report further states that if these “disincentives” were removed then a substantial proportion of the caseload would be able to enter the labour force. Loss of drug and dental benefits is dealt with in Recommendations 5 and 6. Earnings exemptions or the STEP program rules are dealt with in Recommendations 7, 8, and 9. The quit-fire rule is dealt with in Recommendation 10. Inadequate access to transportation is dealt with in Recommendations 11, 12, and 13. Lack of affordable and safe child care is dealt with in Recommendations 14 and 15. Deep and sustained poverty for current and future generations is dealt with in Recommendations 16, 17, and 18. Finally, undiagnosed mental health issues are dealt with in Recommendations 19 and 20.

### **Recommendation #5**

Consider various options to remove loss of the drug card as a disincentive to employment.

#### *Commentary*

- Extend benefits for a period of time until recipients qualify for employer benefits; if no employer benefits, extend social assistance benefits for a transition period.
- Provide bridge financing to the Trillium Drug Plan. With Trillium people have to pay for drugs at the time of purchase and seek reimbursement later – people who rely on social assistance do not have the money to do that.
- Make drug benefits available to all low-income people.
- Provide permanent drug cards for people with disabilities; the cards would stay with them regardless of their income or until their income reaches a certain level.

#### *ISAC's Response*

The extension of a drug card should be conceptualized as the removal of a barrier to employment rather than as a disincentive. Dental care benefits should also be extended. Back-to-school and winter clothing allowances for children should be available to low-

wage workers transitioning from social assistance. Ideally, the extension of these and other benefits would not be time-limited but would continue until income reaches the poverty line (Statistics Canada's Low Income Cutoff – "LICO").

The 2004 Reform amendment of the Regulations impacts on Recommendation #5. The amendment allows for extended health benefits if an OW recipient's earned income for a given month results in his or her ineligibility for financial assistance. However, the recipient's health costs for that month must be so high as to wipe out the financial gain above his or her maximum allowable earnings. Further, the extended health benefits only apply if the person was a recipient in the previous month.

The May 2005 reforms extended health benefits for up to six months for people exiting social assistance for employment provided employment benefits are not paid by the employer. If the employer pays employment benefits then the extended health benefits cease when the employer benefits are paid. In exceptional cases, extended health benefits can be extended for up to one year rather than ending at the six-month mark.

### **Recommendation #6**

Educate people about the rules concerning drug card eligibility.

#### *Commentary*

- There is tremendous misinformation about the loss of drug and dental benefits.
- Many clients incorrectly believe they will lose the card and benefits if they earn any income whatsoever.

#### ***ISAC's Response***

MCSS should educate social assistance recipients about the rules concerning drug card eligibility as well as all other monies that are available to recipients to meet their needs, for example, special diet and winter clothing funds.

Recommendation #6 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #7**

Change earnings exemption policies to encourage labour force participation.

#### *Commentary*

- Eliminate increased "claw back" after 12 and 24 months.
- Eliminate the 3-month qualifying period for earnings exemptions.
- Implement a straight 50% exemption, so that for every dollar earned, the benefit is reduced by 50 cents.

- Implement a combination of an earnings exemption and, beyond that, a straight 50/50 split.
- Explore moving to a wage supplement approach that would top up earnings rather than deduct earnings from a benefit. Depending on how it is structured, such an approach could help some people transition away from social assistance.
- Calculate earnings exemptions based on the net (as opposed to gross) benefit to the participant.

### ***ISAC's Response***

MCSS should eliminate the increased claw back after 12 and 24 months as well as the 3-month qualifying period for earnings exemptions. Earnings exemptions should be structured so that people are able to keep all their earnings until they reach the poverty line. We oppose wage supplements because they subsidize corporate profits by keeping wages low. The money that would be spent on wage supplements should go to improving the social assistance system rather than increasing business profits. Further, the government should raise the minimum wage immediately to \$10 an hour.

Also, OW and ODSP reporting processes should be harmonized and made less onerous.

Recommendation #7 was not implemented by MCSS in its 2004 Reform.

In the May 2005 reforms MCSS implemented a single 50% earnings exemption for all earnings from employment for OW recipients. The basic or flat rate exemption is eliminated, as is the two-year phase-out percentage rate exemption. The 50% earnings exemption does not apply to ODSP recipients.

### **Recommendation #8**

Develop a plan to prevent great fluctuations in monthly income for seasonal workers.

#### *Commentary*

- Consider an annual earnings exemption before “claw back” (e.g. Canada Pension Plan allows \$3,500 per year) to allow for seasonal work.
- Alternatively, calculate exemptions quarterly to reduce the great fluctuations.

### ***ISAC's Response***

The concern about great fluctuations in monthly income should be extended to all recipients with earnings because the monthly reporting and adjustment cycle is disruptive for anyone who works dramatically different hours at different times of the year. Calculating exemptions or deductions over a longer period could be less disruptive to social assistance recipients.

Recommendation #8 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #9**

Enhance client statements to show the calculation of social assistance payments.

#### *Commentary*

- Currently there is no way to obtain a printed reconciliation from SDMT [Service Delivery Management Tool] showing how employment earnings deductions are calculated.

#### ***ISAC's Response***

MCSS should not deduct monies from a social assistance cheque without providing the recipient with a clear and simple explanation of what was deducted and why.

Recommendation #9 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #10**

Eliminate the quit-fire rule.

#### *Commentary*

- Replace with post-employment supports that will help people retain their job.

#### ***ISAC's Response***

The quit-fire rule should be eliminated. People who leave social assistance for employment and do not continue to receive benefits should be rapidly reinstated if they lose their employment for reasons unrelated to cause.

Recommendation #10 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #11**

Revise eligibility rules to facilitate access to transportation.

#### *Commentary*

- Consider an increase in the allowable value of a vehicle.

### *ISAC's Response*

MCSS must eliminate the current OW program rule that renders people ineligible for social assistance if they have more than \$5,000 of equity in a vehicle. For many people a vehicle is the only way to travel to work or, alternatively, a vehicle provides the means of earning employment income. For many social assistance recipients in rural areas a vehicle is necessary for grocery shopping and attending medical appointments. Vehicles with \$5,000 or less of equity are usually older and less reliable than vehicles with more equity, which raises maintenance issues and costs for social assistance recipients.

Recommendation #11 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #12**

Partner with municipalities to improve access to public transportation.

#### *Commentary*

- Continue to push for better public transit, especially improved access to industrial areas.
- Consider providing free off-peak transit passes to social assistance recipients and/or people with disabilities.

### *ISAC's Response*

Public transportation costs should be covered for social assistance recipients. Off-peak travel passes do nothing to support recipients who are able to and do work, and it does not give recipients the resources required to travel to appointments, schools, and events like other members of the community. Where public transit is unavailable or is restricted, mileage should be paid to social assistance recipients, and it should be based on the rate paid to provincial civil servants. The wholly inadequate rates make it difficult for many social assistance recipients to maintain a vehicle.

Recommendation #12 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #13**

Support transportation during post-employment transition period.

#### *Commentary*

- Provide transportation allowances for a period of transition after employment, until clients can make other arrangements.
- Facilitate car-pooling.

- Encourage employers located away from public transit routes to facilitate transportation.

### ***ISAC's Response***

Transportation costs should be covered for social assistance recipients during the transition period from social assistance to employment. The best way to ensure this happens is to cover transportation costs for low-wage workers living below the poverty line. As noted above, where public transit is unavailable or is restricted, mileage should be paid to low-wage workers based on the rate paid to provincial civil servants.

Recommendation #13 was not implemented by MCSS in its 2004 Reform.

The May 2005 reforms included a new payment of up to \$500 to help offset costs related to getting started in a new full-time, i.e. 30+ hours per week, job, including transportation costs to and from work. This benefit can only be received once in any 12-month period, and it replaces the Employment Start-up Benefit for all full-time workers transitioning from OW to employment.

### **Recommendation #14**

Continue to improve child care for all Ontarians.

#### *Commentary*

- Increase the number of subsidized spaces.
- Accommodate different hours of operation.
- Improve access to infant care.

### ***ISAC's Response***

Regardless of how much a parent may want to work, assuming that appropriate work is available, if he or she cannot find safe, affordable child care, employment is not possible. The same is true for training and educational programs that could lead to permanent employment. Regulated not-for-profit child care for all ages must be covered for social assistance recipients.

Recommendation #14 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #15**

Support child care needs during post-employment transition period.

### *Commentary*

- Continue access to child care support for a transition period once an individual is employed.
- Provide consistency in the delivery of child care.

### ***ISAC's Response***

The best way to ensure that child care needs for social assistance recipients will be supported in the post-employment transition period is for child care expenses to be covered for low-wage workers living below the poverty line. Without affordable child care low-income workers risk having to leave work because child care costs are not manageable. The number of adequately funded, regulated, and subsidized child care spots must be increased.

Recommendation #15 was not implemented by MCSS in its 2004 Reform.

The May 2005 reforms increased the maximum amount that working parents with children under the age of 13 can deduct for informal child care expenses from \$390 to \$600 a month. Where recipients with dependent children over the age of 12 require child care due to special circumstances, then recipients would also be eligible for this benefit. This deduction is available to both part-time and full-time working parents.

### **Recommendation #16**

Improve the standard of living for children of parents living on social assistance.

### *Commentary*

- Continue work with Ministry of Children and Youth Services (MCYS) to accomplish this goal.
- Continue movement toward the elimination of the claw back of the National Child Benefit Supplement.

### ***ISAC's Response***

Raising the rates is the best way to improve the standard of living for children of parents living on social assistance. Immediately eliminating the claw back of the National Child Benefit Supplement ("NCBS") would help.

Recommendation #16 was not implemented by MCSS in its 2004 Reform or May 2005 reforms. The Ontario Budget for 2005-06 included a provision that the July 2005 increase to the NCBS would not be clawed back. The government continues to claw back approximately 85% of the NCBS.

### **Recommendation #17**

Consider implications of AMO recommendation to move toward a child benefit.

#### *Commentary*

- Work in partnership with the other levels of government and MCYS.

#### ***ISAC's Response***

Current child benefit models are problematic because they do nothing to improve the situation of the 80% of the social assistance caseload who both qualify for the federal National Child Benefit Supplement and don't have employment earnings. Artificially separating children out of the family as a stand alone economic unit is potentially problematic. Exploration of the advisability of a child benefit must, therefore, be an inclusive and participatory process that brings to the table low-income people and their advocates. ISAC is currently discussing various models with community partners and is unconvinced at this point in time that this recommendation should be implemented.

Recommendation #17 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #18**

Recognize that low rates affect employability.

#### *Commentary*

- Trying to manage on low rates leave little time and energy to make the changes required to find work.

#### ***ISAC's Response***

It just makes sense that people who are visiting food banks and clothing depots and who don't have the money for a telephone or decent interview clothes will have difficulty looking for work. The rates must be increased. The government should implement the Rogers inquest recommendation that social assistance rates must increase to reflect the actual cost of living. The actual cost of living means implementing shelter allowances based on the average local rents as calculated by the Canada Mortgage and Housing Corporation, and a basic needs allowance based on local public health units' Nutritional Food Baskets as well as the calculations of the costs of household needs, clothing, transportation, and health care as reported in Statistics Canada's Average Household Expenditures. In addition, the minimum wage must immediately increase to \$10 an hour (see Recommendation #7). The 3% increase to the rates that occurred in March 2005 was announced early last year but was delayed due to the inflexible computer technology implemented by the Harris/Eves government. The 3% rate increase was not in response

to the Matthews Report. This increase remains wholly inadequate when one considers the cut in social assistance rates in 1995 and the subsequent decade-long freeze which now amounts to a 40% decrease in the rates.

Recommendation #18 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #19**

Continue to enhance community mental health programs.

#### *Commentary*

➤ None.

#### ***ISAC's Response***

Any such programs should be designed based on consultation with the psychiatric survivor community as well as affected social assistance recipients.

Recommendation #19 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #20**

Enhance caseworker awareness and referral capabilities.

#### *Commentary*

➤ None.

#### ***ISAC's Response***

Caseworkers should receive sensitivity and awareness training regarding mental health issues, generally, and depression, specifically. The design and delivery of such training should include participation from the psychiatric survivor community. Caseworkers should be provided with the tools to enable them to act as advocates for their clients by assisting them to access appropriate services when caseworkers believe mental health problems exist.

Recommendation #20 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **3. Issue: Provide the Range of Tools that People Need to Get to Work**

The Matthews Report recognizes that people are on social assistance for a variety of reasons and getting them off social assistance means building on each person's skills and lowering, if not eliminating, each person's barriers to employment. The report notes that if sustained employment is the goal then employment supports will need to be provided in the post-employment period. The report also states that individualized plans should be developed by social assistance recipients, and the supports necessary to realize those plans will need to be developed within the context of the local labour markets as well as taking into account the individual needs and abilities of the recipient. The Matthews Report further states that this approach requires a focus on results and requires caseworkers to be well trained. Staffing must also be sufficient to allow for realistic caseloads that afford caseworkers the time to help recipients. Finally, the report says that dollars must be spent realistically, that is, the most intensive employment supports should be offered to those who will benefit the most. Recommendations 21 – 30 deal with moving the system to a client-centred approach that supports the entire transition to work. Recommendation 31 deals with the need to review the current funding model for social assistance, and Recommendation 32 deals with the need to provide adequate training for caseworkers.

#### **Recommendation #21**

All applicants should begin with a job readiness assessment.

#### *Commentary*

- Develop or use assessment similar to EAST [a tool developed by Toronto Social Services that includes a series of nine questions to quickly determine job readiness and provide the basis for a Participation Agreement].
- In some cases, a more intensive psychosocial evaluation would be required to identify barriers to employment not captured by skills assessment.

#### ***ISAC's Response***

MCSS must recognize that employability is primarily determined by labour market conditions rather than "job readiness" or skills training. Often the skills of social assistance recipients do not match the jobs that are available. On the other hand, social assistance recipients may have the skills necessary for the job, but their skills are not recognized. MCSS should work with relevant Ministries to develop a fair process for the speedy recognition of foreign credentials. Also, funding should be provided for workers with non-Canadian experience to receive Canadian accreditation. A holistic assessment of social assistance recipients' needs and opportunities should be undertaken at the outset. The assessment should include not only job readiness but also whether or not employment is an appropriate goal given the recipient's particular barriers.

Recommendation #21 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #22**

Develop an individualized plan with each client.

#### *Commentary*

- Employment plans should be developed based on client's strengths, needs and goals, with the emphasis on reducing barriers to employment within the local labour market and maximizing the potential of the individual.
- There is joint responsibility for achieving success. Plans need to clearly state the client's responsibilities.
- Part-time work should be encouraged and considered a step toward full-time employment.
- Progress toward achieving the goals set out in the plan would be expected.
- The plan would be kept on file for future reference, so that clients who return to the system would get back on the plan without repeating unnecessary steps.

#### ***ISAC's Response***

Individualized plans are a positive direction, but there is a need to look at structural barriers as well, e.g., secure housing, access to reliable and affordable child care and the realities of the local labour market. Individualized plans should be able to address longer-term strategies, such as meaningful education and skills training options. The development of individualized plans must include meaningful input from social assistance recipients. This must not become a top-down exercise. Punitive measures should not be taken against recipients who are unable to carry through on their individualized plans. Part-time work should not be encouraged unless that is the choice of the recipient. Social assistance recipients – the majority of whom are women, people from racialized communities, Aboriginal people, and people with disabilities – are already over-represented in part-time and other precarious jobs.

Recommendation #22 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #23**

Recognize that there is more to job-readiness than skills-training.

#### *Commentary*

- Social supports and life-skills training are sometimes as important as an initial step before skills training and employment supports can be effective.

- Social isolation and feelings of uselessness can be an enormous barrier to gaining employment.
- A focus on social inclusion and building networks of informal support and friendship can have real value.

### ***ISAC's Response***

A holistic approach to social assistance recipients means accepting that for some people improving their level of social functioning may be the realistic long-term objective. Social supports may be a necessary precursor to employability. If, for example, a social assistance recipient does not have stable housing then it is very difficult for that person to focus his or her energies on finding a job. Given the daily challenges social assistance recipients face because of the low rates, it is fair to say that their “life-skills” may be more honed than the general population. While other factors may be influential, the barriers to employability are chiefly structural, having more to do with the choices made by governments and the business community than with the “choices” made by recipients. Community organizing and development are powerful tools that impact on self-esteem. Social assistance recipients and other low-income people must be the organizing force behind such initiatives.

Recommendation #23 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #24**

Ensure adequate support throughout the process.

#### *Commentary*

- Caseworkers should spend sufficient time with clients to set goals and develop a plan to move toward sustainable employment.
- Intensive care management should be offered to all caseworkers.
- Utilize volunteers to provide mentoring programs.

### ***ISAC's Response***

An individualized, client-centred approach to the administration of all aspects of social assistance delivery is a model that should be implemented. Adequate support and a culture of advocacy rather than policing is very important. All work connected with the delivery of mentoring programs should be paid rather than volunteer work. The design of the supports offered to recipients in connection with their job search should be informed by the views of recipients. MCSS should learn from and partner with community-based employment support organizations that have developed programs that are tailored to the needs of discrete communities – women, sole support mothers, recent immigrants, linguistic, and cultural communities.

Recommendation #24 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #25**

Consider the context of the local labour market.

#### *Commentary*

- Each market has limitations and opportunities.
- Labour market information is often outdated and not specific enough.
- Connections with Economic Development departments and Boards of Trade are needed.

#### *ISAC's Response*

The realities of the local labour market must inform strategies that are developed to support transition into the workforce. Particularly, the limitations of the local labour market should be acknowledged and integrated with the goal of ensuring that recipients are supported to move towards a situation where they will be economically better off in the short- and long-term and not just off the caseload. Local labour market conditions should be reflected in job search requirements and related aspects of social assistance delivery. Connections with both local labour councils and the Ministry of Labour are an important component of reading and addressing labour market conditions.

Recommendation #25 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #26**

Build relationships with local employers.

#### *Commentary*

- Ensure they understand the potential of the people on social assistance.
- Develop partnerships so programs are tailored to employer needs.
- Establish strong post-employment supports.

#### *ISAC's Response*

Strategies that help to overcome the discrimination against social assistance recipients and open up opportunities are supported. Relationships should be built with local employers and local labour councils to ensure that the needs of social assistance recipients and low-income workers are being met. All programs developed and delivered must support and respect employment standards laws. Strong post-employment supports are a must.

Recommendation #26 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #27**

Improve employment supports and training opportunities.

#### *Commentary*

- Remove disincentives for completion of basic education.
- Increase time permitted for on-the-job experience to three months (currently six weeks).
- Allow clients to continue ESL training until they are competent – the current time allowance is insufficient.
- Break down silos between MCSS and the Ministry of Training Colleges and Universities (MTCU) to support clients in reaching their full potential.
- Improve access to intensive training programs – make training programs available to all Ontarians, regardless of their source of income.
- Create one-stop shopping for people wanting to upgrade skills.
- Co-ordinate and streamline job development functions to avoid duplication and unnecessary competition.
- Offer ODSP employment supports to all social assistance recipients.

#### *ISAC's Response*

Training opportunities must not reflect gender, race-based, or other stereotypes. The social assistance caseload is diverse. The assessment of individual abilities and not group pigeonholing should be an important component of social assistance delivery for those recipients who can work. Social assistance recipients with training obtained outside Canada should be accredited expeditiously, and funding should be provided to those people needing to be accredited. MCSS should, in tandem with the Ministry of Labour, work with employers and local labour councils to ensure that jobs which are currently viewed as “unskilled” are paid a living wage, i.e., \$10 an hour. It must be recognized that training is not a full answer to address the issue of transitioning from social assistance to employment. Structural issues play a significant role and must also be addressed.

Recommendation #27 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #28**

Consider offering more incentives for participating in specialized programs.

### *Commentary*

- Offer limited number of places in intensive programs (e.g. apprenticeships).
- Select participants most highly motivated and dedicated to achieve success.
- Pay additional allowance to participants.
- Continuation in program is contingent upon meeting requirements.

### ***ISAC's Response***

As has been previously stated, structural barriers rather than “incentives” or “disincentives” primarily stand in the way of people moving from social assistance to employment. “Motivation” and “dedication” are subjective assessments that could exclude those social assistance recipients who are unable to participate in intensive programs because of child care, other family member care-giving needs, language barriers, etc. Punitive measures should not be imposed on recipients who are not able to continue their participation in a specialized program.

Recommendation #28 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #29**

Encourage innovation and self-employment.

### *Commentary*

- Re-examine rules that limit opportunities for self-employment.

### ***ISAC's Response***

Self-employment should not preclude entitlement to transportation, drug and dental benefits, and child care benefits. Social assistance recipients should not be pressured by caseworkers to leave social assistance for self-employment. For those recipients who voluntarily leave social assistance through self-employment, social assistance benefits should be reinstated immediately if the venture fails. Rules that restrict self-employment should be removed. For example, income rules prevent borrowing money to start a business.

The 2004 Reforms contained an amendment that dealt with self-employment. The definition of self-employment was taken out of the OW General Regulation. Dependent contractors - which include taxi drivers, truck drivers, and real estate agents - and commissioned salespersons are eligible to deduct reasonable business expenses. However, it is important to note that categorizing these workers as self-employed has significant implications in terms of coverage under the Employment Standards Act. These themes are beyond the scope of this paper.

The May 2005 reforms did not deal with this recommendation.

### **Recommendation #30**

Offer strong post-employment supports.

#### *Commentary*

- Assist with transportation, child care and health benefits while clients become established in their jobs.
- Develop job-coaching and job-mentoring initiatives.

#### ***ISAC's Response***

As has been noted previously (see Recommendation #5), the provision of benefits to those recipients who leave social assistance for jobs that do not include employer paid benefits is strongly supported. Job-coaching and job-mentoring may be worthwhile, but they are not a replacement for adequate and meaningful employment supports and training.

Recommendation #30 was not implemented by MCSS in its 2004 Reform.

The May 2005 reforms included provisions for a payment of up to \$500 for employment-related needs, including transportation needs (see Recommendation #13), increased the monthly deduction for informal child care from \$390 to \$600 (see Recommendation #15), and extended health benefits until either the employer's health benefits are paid or six months, whichever comes first, with a possible extension of the extended health benefits beyond the six months to a year (see Recommendation #5).

### **Recommendation #31**

Review the current Levels of Service funding model.

#### *Commentary*

- Consider changing to a model that rewards results, not activities, and allows flexibility for innovation.

#### ***ISAC's Response***

Funding should never be contingent upon moving people off social assistance. Success should be measured in terms of whether recipients are being placed in jobs that provide good pay, benefits, and offer prospects of long-term security. All discussions regarding the restructuring of social assistance should involve an open and inclusive dialogue that includes low-income people, both recipients and workers, and their advocates.

Recommendation #31 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #32**

Offer intensive case management to more front-line staff, including Customer Service training.

#### *Commentary*

➤ None.

#### ***ISAC's Response***

As has been noted previously (see Recommendation #20), the provision of adequate training of front-line staff to ensure that social assistance is delivered in a sensitive, thoughtful, and meaningful manner is strongly supported. Instituting intensive case management must accompany the very clear expectations that a client-centred culture will replace the current monitoring, surveillance, and policing culture. Staffing levels should be adequate to make this approach feasible.

Recommendation #32 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

## **4. Issue: Simplify Program Rules and Streamline Administration**

The Matthews Report states that the current system is very heavily burdened with rules that are enormously time-consuming to administer. Deb Matthews was told by front-line workers that they spend at least 80% of their time on administrative issues, i.e., filling out forms, photocopying documentation, and responding to the demands of the Service Delivery Model Technology [SDMT], and not addressing the needs of recipients. These burdensome rules and regulations have financial implications. Simplified rules would result in funds being made available to provide employment supports. The report acknowledges that many of the 800 rules and regulations are punitive and designed to keep people out of the system. The report further acknowledges that these rules are not only expensive to administer, they are also applied inconsistently and are virtually impossible to communicate to recipients. The Matthews Report notes that it is well beyond the scope of the review undertaken by Deb Matthews to identify all the rules that need to be changed or eliminated. Throughout the report there are recommendations to change or eliminate specific rules. Recommendations 33 – 36 deals more with systemic rule changes rather than individual rule changes/elimination.

### **Recommendation #33**

Close Intake Screening Units.

*Commentary*

- None.

***ISAC's Response***

The ISUs should be closed. They add a layer of bureaucracy that is both expensive and designed to keep people out of the system, in particular people with disabilities and people who do not speak English or whose first language is not English. It also acts as a barrier to accessing ODSP.

MCSS announced that communities would begin closing ISU when it released its 2004 Reforms. Subsequently, a number of ISUs have closed in various communities across Ontario.

The May 2005 reforms did not deal with this recommendation.

**Recommendation #34**

Establish a task force to undertake a cost-benefit analysis of existing rules, with the goal of streamlining administration and eliminating unnecessary rules.

*Commentary*

- Determine which rules and administrative processes can be simplified and/or eliminated. Some examples include: allow visual verification instead of photocopying and filing paper; simplify the re-application process to save time and aggravation, and consider a flat-rate shelter allowance or eliminate the separate allowance altogether.

***ISAC's Response***

ISAC strongly supports simplification of the rules, with a view to making them more accessible. Any steps that reduce the level of administrative processes, levels of monitoring, assessment, and the constant demands for verification are steps in the right direction. The rules should explicitly contain a provision that extends the benefit of the doubt to recipients. Recipients, low-income working people, and their advocates should be included in a review of the rules.

Recommendation #34 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

**Recommendation #35**

Allow more flexibility with program administration.

### *Commentary*

- Allow local offices to address the specific needs of their clients.

### ***ISAC's Response***

As stated previously (see Recommendation #3), a client-centred approach to the delivery of the program that addresses the individual needs of recipients is strongly supported. However, MCSS must ensure that there are clear standards for client service and access to programs that are applied across the province. Again, this will require adequate staffing levels.

The 2004 Reforms contained an amendment to and ODSP Regulation and an OW Directive that impacts, although only in a limited way, on flexibility with program administration. The Director now has the discretionary authority to provide a benefit for low-cost energy conservation measures to social assistance recipients. The amount of the benefit was subsequently determined to be a one-time amount of \$50.00.

The May 2005 reforms did not deal with this recommendation.

### **Recommendation #36**

Reconsider the value of SDMT [Service Delivery Management Tool] in the employment assistance process.

### *Commentary*

- SDMT should serve caseworkers as a support to administer, not drive, programs.
- Upon a review of rules, consider retiring SDMT.

### ***ISAC's Response***

The SDMT should be retired. It is the system that applies the existing 800 rules. It is clear that the SDMT was developed to frustrate rather than support a caseworker system based on client support and advocacy. Computer systems that are inflexible, e.g., the purported computer “glitch” that for months prevented the government from processing the 3% increase to social assistance rates, should be replaced. Social assistance recipients, low-income workers, and low-income advocates should have input into decisions around the design of programs meant to be responsive to the needs of recipients.

Recommendation #36 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

## **5. Issue: Eliminate Punitive Rules that Act as Disincentives to Economic Independence**

The Matthews Report makes recommendations in this section that deal with the elimination of rules that make it very difficult for people to work their way out of social assistance. Recommendation 37 deals with asset levels, and Recommendation 38 deals with family and community support.

### **Recommendation #37**

Consider reforms with respect to asset levels and limits.

#### *Commentary*

- Change asset rules regarding benefits to provide a reasonable cushion for unexpected expenses.
- Encourage debt consolidation loans at lower rates of interest; don't consider them as income.
- Allow parents to keep RESPs for children's' education.
- Allow recipients' children to save money without penalty to the family.
- Allow students receiving OSAP to stay at home without penalty to parents' eligibility.
- Do not count scholarships and bursaries as income for parents of students.
- Allow people to keep vehicles, especially where public transit is not available.
- Eliminate liens on homes.

#### ***ISAC's Response***

For both OW and ODSP recipients, the liquid asset level should reflect half the value of Statistics Canada's pre-tax, Low Income Cutoff ("LICO") for each community. Liens should be eliminated against the homes of OW recipients. The inability to sell a second property should not be a bar to eligibility for social assistance. RESPs and RRSPs should not be counted as assets. Personal vehicles of any reasonable value should not be counted as assets. Also, tools of the trade should not be counted as assets. Loans of any kind should not be considered income. Parents should be able to receive student loans for their living expenses without having them deducted from their social assistance cheque.

The 2004 Reform implemented some of the asset changes as set out in Recommendation #37. Liens on a principle residence as a condition of eligibility have been eliminated for OW and ODSP recipients. Liens against the second property of all ODSP recipients will now no longer be required. ODSP recipients, however, must still make reasonable efforts to sell a second property unless it is considered necessary for the health or well being of a member of the benefit unit. RESPs held by any member of the benefit unit for persons related to them by blood, marriage, or adoption are exempt as assets. Payments from RESPs that are used for educational purposes are exempt as income. The portion of a personal loan (including OSAP loans), student or trainee grant, or award approved by the

Director for educational costs is exempt as an asset or income so long as the person is attending the program or training for which the loan was taken or the payment was intended. Dependent children's earnings are exempt as assets as well as assets from a dependent child's earnings, e.g., savings bonds.

The May 2005 reforms did not deal with this recommendation.

### **Recommendation #38**

Eliminate rules that discourage and/or punish supportive families.

#### *Commentary*

- Allow clients to accept reasonable gifts without penalty.
- Eliminate the dependent adult category and treat all adults as independents.

#### ***ISAC's Response***

ISAC supports the elimination of rules that discourage and/or punish recipients for having supportive families. At the very least, the exemption amount for gifts permitted to ODSP recipients should also be applied to OW recipients. However, the state and not the family should continue to be seen as having the primary role in ensuring an adequate and secure income for all. The dependent adult category should be eliminated.

The 2004 Reform implemented Recommendation #38 somewhat for people receiving ODSP. The exemption for gifts or voluntary payments from any source has been increased from \$4,000 to \$5,000 in a 12-month period for each member of the benefit unit. No such exemption exists for people receiving OW.

The May 2005 reforms did not deal with this recommendation.

## **6. Issue: Change Internal and External Attitudes About Social Assistance Recipients**

The Matthews Report states that at the foundation of all the changes recommended in the report is the need to change internal and external attitudes about who social assistance recipients are, why they are on social assistance, and what they have to offer society. The report further states that the ideology of the previous government drove the rules, attitudes, and administration of the social assistance system. The Matthews Report claims the negative stereotypes have led to reluctance on the part of employers to hire social assistance recipients. Recommendations 39 – 41 deal with changing internal and external attitudes.

### **Recommendation #39**

Change the approach and messaging regarding social assistance.

#### *Commentary*

- Encourage politicians and community leaders to look beyond the stereotypes and understand the challenges and opportunities facing people on social assistance.
- Consider sponsoring the production of a play called “Danny’s Basement” about what it is like for a child on social assistance (St. Teresa School, Etobicoke) and other cultural expressions that foster an understanding of what it is like for children living on social assistance.

#### ***ISAC’s Response***

A powerful tool by which to challenge stereotyping of recipients is to meaningfully involve them in decisions regarding the design and delivery of the programs that directly impact on them. The most effective strategy for eliminating stereotyping of people on social assistance is to abandon government policies that create and perpetuate poverty, e.g., intolerably inadequate social assistance rates and an unlivable minimum wage.

ISAC supports the development of an anti-poverty secretariat that would have responsibility for developing strategies for changing public attitudes about social assistance and ensuring that government communications about low-income people, including both social assistance recipients and the working poor, are respectful and positive.

Recommendation #39 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #40**

Position OW offices as the place to access the required supports.

#### *Commentary*

- Consider ways to make the offices more client-friendly, including longer hours of service.
- Produce brochures that clearly and simply outline rules, services and responsibilities in various languages.
- Facilitate the communication of information to clients through newsletters, posters, etc.
- Rewrite form letters to be more positive in tone and more informative in content.
- Consider implementing more tools and services in French and other languages.

### *ISAC's Response*

The above suggestions are positive steps, but they will only be effective if there is a transformation to a client-advocate/client-centred model and culture. Program delivery should be user friendly and should reflect input from social assistance recipients. Communication must be available in both official languages, and in urban areas with non-English/French local communities, communication must be available in languages dominant in these local communities. Again, as noted above, staffing levels must be adequate to ensure these approaches are feasible.

Recommendation #40 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #41**

Enhance caseworker training.

#### *Commentary*

- Train front-line staff to be helpful and to treat clients with respect.
- Ensure caseworkers are aware of programs available to clients.

### *ISAC's Response*

Enhanced training for caseworkers is strongly supported. Caseworkers are, however, currently overwhelmed by a system that has 800 rules. Little time is available for caseworkers to spend assisting recipients (see Issue #4: Simplify Program Rules and Streamline Administration). The best training in the world cannot overcome a system that stifles effective delivery. Enhanced training also does not address the need to rectify the punitive nature of the current system, with its focus on monitoring. Caseworkers should be required and expected to continuously identify and advise recipients of programs that might be of benefit to them. Here too, the issue of staffing levels is relevant.

Recommendation #41 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

## **7. Issue: Improve Relationships with Employers, Partners, Other Ministries and Other Levels of Government**

The Matthews Report acknowledges that MCSS needs to work with other Ministries and community partners to move social assistance recipients into employment. To this end, the report states that partnerships need to be developed with employers, labour unions, other ministries, other levels of government, and other partners in the community. The report notes that the impending job crunch of skilled labour may be the biggest boost of

all, but only if MCSS can capitalize on it. Recommendations 42 – 47 deal with improving relationships with these identified partners.

### **Recommendation #42**

Identify and respond to skills shortages in local labour markets.

#### *Commentary*

- Improve communication with employers.
- Understand and respond to their current and anticipated labour needs.

#### *ISAC's Response*

Communications with employers, local labour councils, the Ministry of Labour, and the Ministry of Training, Colleges and Universities should be improved. Job placement should not be based on gender and racial/ethnic stereotypes. All jobs should be healthy and safe and should pay a decent, living wage.

Recommendation #42 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #43**

Market employment support programs to employers.

#### *Commentary*

- Remove “welfare stigma” – foster better understanding of client abilities and potential.
- Educate employers about the caseload as a potential labour supply.

#### *ISAC's Response*

Efforts to defeat the stereotyping of social assistance recipients are strongly supported. Job search supports should be delivered by MCSS staff and/or community-based, not-for-profit organizations. Again, ensuring that all jobs are healthy and safe and pay decent wages is an important component of this effort.

Recommendation #43 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #44**

Consider enhanced incentives for employers.

*Commentary*

- Encourage employers to hire harder-to-employ clients and train them for long-term employment.
- Wage subsidies could, in some cases, be an alternative to earnings exemptions.

***ISAC's Response***

Wage subsidies are vigorously opposed. Social assistance recipients are currently provided income support that is wholly inadequate. Diverting scarce funds out of the system to supplement the profits of business is unacceptable. The minimum wage should be immediately increased to \$10 an hour.

Recommendation #44 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

**Recommendation #45**

Facilitate “one-stop” shopping for employers.

*Commentary*

- Consider the consolidation of various targeted employment programs.
- Coordinate programs from all levels of government.

***ISAC's Response***

The seamless integration of programs from all levels of government and between relevant Ontario Ministries is supported. Any form of privatization to facilitate “one-stop” shopping for employers is opposed.

Recommendation #45 was not implemented by MCSS in its 2004 Reform or May 2005 reforms. However, the Minister of MCSS announced in April 2005 the pilot project JobsNow. The private corporation, WCG International, will run the JobsNow pilot in six pilot municipalities.

**Recommendation #46**

Partner with labour unions to provide better opportunities.

*Commentary*

- This could help address the skills trade shortage.

### ***ISAC's Response***

MCSS is encouraged to open an ongoing dialogue with local labour councils regarding labour market conditions, skills shortages, and related matters.

Recommendation #46 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #47**

Continue to break down silos between ministries and levels of government.

#### *Commentary*

- Working together to provide better results for less money will benefit everybody.

### ***ISAC's Response***

This recommendation is supported. In particular, MCSS should work closely with the Ministry of Labour to ensure the enforcement of employment standards.

Recommendation #47 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

## **8. Issue: Evaluate Programs and Policies**

The Matthews Report acknowledges that there is inadequate, if any, evaluation of current employment support programs. Programs lack measurable goals. The report notes that program success should not be measured solely on the basis of recipients moving from social assistance into employment. Other outcomes are also useful and should be acknowledged as program successes, such as achieving functional literacy or Grade 12 equivalency.

### **Recommendation #48**

Move to evidence-based employment programs.

#### *Commentary*

- Partner in research projects to obtain empirical evidence to support targeted programming.
- Research to understand long-term outcomes and capture information about cycling in and out of the system.

### *ISAC's Response*

Meaningful evaluation of program design and delivery is essential. The design and delivery of evaluation programs must include social assistance recipients and their advocates.

Recommendation #48 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

### **Recommendation #49**

Link with researchers at universities and elsewhere.

### *Commentary*

- Host an annual conference where academics and other researchers are invited to share their findings related to social assistance and explore potential research opportunities, given the research needs of the Ministry.
- Fund research so that MCSS can better understand its clients, their needs, and the effectiveness of programs.

### *ISAC's Response*

This recommendation is supported. Research design should reflect the input of recipients and their advocates.

Recommendation #49 was not implemented by MCSS in its 2004 Reform or May 2005 reforms.

## **Conclusion**

It has been a very long time since anyone in government has recognized that the social assistance system doesn't serve the interests of low-income people. Although far from being a complete answer, Deb Matthews' report acknowledges that there is much to be done to fix what she correctly identifies as an ailing system.

The Matthews Report represents the most significant governmental review of the social assistance system since the Transitions Report ("Transitions") was released in 1988. While Transitions afforded a more perfect and complete opportunity for the voices of social assistance recipients to be heard, Deb Matthews appears to have taken to heart what low-income people had to say.

No doubt due to the political climate in which she works, Deb Matthews was compelled to park some of her most significant observations in the narrative of her report rather than in the recommendations. This likely explains why it is that although she notes that

inadequate social assistance rates both affect recipients' ability to find and keep work and results in additional demand for, and therefore cost of, other government services. There is no recommendation that the rates rise.

Perhaps Deb Matthews did as much as she could given her role and the perspective of the government of which she is a part. Now it is up to low-income people and their advocates to utilize both her observations and recommendations to push for meaningful reform of the social assistance system. Of course, our long-term goal is not just social assistance reform but, rather, the eradication of poverty. What is required is a comprehensive response that also addresses the minimum wage and the enforcement of employment standards as well as other income security programs, including Employment Insurance.

At the same time that we are looking for ways to advance an enriched Deb Matthews agenda, there are a number of initiatives under way that look at this broader sweep approach, including the Modernizing Income Security for Working Age Adults project ("MISWAA"). However, no matter what groups such as this recommend, and even acknowledging that more is necessary, there is a pressing need to repair the current social assistance program both in terms of design and delivery.

Campaigns like Ontario Needs a Raise and Hands Off! The Baby Bonus, can point to the Matthews Report observations and recommendations as corroboration of what low-income people have long said. Specifically, the current social assistance system wrongly blames individuals rather than the state and the business community for the creation of poverty.

In the consultations leading up to the release of her report, Deb Matthews provided low-income people and low-income advocates with an opportunity to get our foot in the door. Perhaps we can ensure that we continue to be heard by demanding a formal process for receiving ongoing stakeholder review of policy and procedure. Low-income people must have a voice in the reconstruction of the social assistance regime.

ISAC will work with our community partners for as long as it takes to see meaningful and enduring reform of the social assistance system and, ultimately, the eradication of poverty.