



# Ensuring the success of Ontario's vision for social assistance transformation

Comments on and analysis of *Recovery & Renewal: Ontario's Vision for Social Assistance Transformation*

Garima Talwar Kapoor

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Maytree  
77 Bloor Street West, Suite 1600  
Toronto, ON M5S 1M2  
CANADA

+1-416-944-2627

Email: [info@maytree.com](mailto:info@maytree.com)  
Website: [www.maytree.com](http://www.maytree.com)  
Twitter: [@maytree\\_canada](https://twitter.com/maytree_canada)

# Introduction

In February 2021, Ontario's Ministry of Children, Community and Social Services (MCCSS) released *Recovery & Renewal: Ontario's Vision for Social Assistance Transformation*.<sup>1</sup> The paper focuses on how service delivery changes across the social services sector could help people receiving social assistance address barriers to employment and access the benefits they need for their well-being.

This policy brief provides an overview of MCCSS' vision paper and analyzes the opportunities and challenges associated with the changes that the Ontario government is envisioning. It is slightly adapted from a briefing note that Maytree submitted to the ministry on this issue.

The overall vision that MCCSS has laid out for service delivery transformation is encouraging. However, it is important to recognize that the vision set out in the paper can only be realized if meaningful investments are made in public services. To that end, it does not appear that the government of Ontario has a plan to enable the vision's success. There is only so much progress and fiscal room that can be made through streamlining administrative processes.

It is also important to add that the focus of the vision paper is only on service delivery changes, and the government does not comment on the inadequacy of rates provided through social assistance. It is our contention that a meaningful transformation of social assistance cannot rely on one part of the system alone.

Just as the focus on service delivery changes is overdue and necessary, the rates also need to be increased to help ensure that people receiving social assistance can live a life with dignity. While we agree that the services provided to people living in poverty are integral to their well-being, we will continue to push for an increase in social assistance rates.

Given the high-level nature of the vision paper, there are many details that need to be resolved before any reforms can succeed. These include:

- Alignment in legislation and regulation between different policy and program areas to enable collaboration and integration;
- Funding for services;
- Human resource impacts;

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1 Government of Ontario. 2021. *Recovery & Renewal: Ontario's Vision for Social Assistance Transformation*. Accessed at <https://www.ontario.ca/page/recovery-renewal-ontarios-vision-social-assistance-transformation>

- Funding implications for municipalities; and, most importantly,
- Implications for people living in poverty.

MCCSS' ability to realize the vision laid out in the paper depends on how these details are resolved. The ministry also needs to engage with people receiving social assistance and other stakeholders as it undertakes its reforms.

# Summary of key areas of reform, and Maytree’s analysis of opportunities and considerations

The following are the key highlights outlined in the vision paper, and associated opportunities and considerations.

We will provide more details on these opportunities and considerations after the table below.

Key areas of reform	Opportunities	Considerations
<ul style="list-style-type: none"> <li>Uploading administration of financial benefits to the provincial government. As a result, municipalities would be responsible for case management for all social assistance recipients (Ontario Works and ODSP) and, eventually, for the broader population in need of support and access to services.</li> </ul>	<ul style="list-style-type: none"> <li>This change is intended to help free up time that caseworkers spend on administration so they can spend more of their time on case management.</li> <li>Broadening access to case management, supports, and services to those in the broader public (but not necessarily receiving social assistance) will help ensure people get access to services they need without having to first qualify for social assistance.</li> </ul>	<ul style="list-style-type: none"> <li>Municipalities will be providing case management for Ontario Works and ODSP and others in need of supports, marking a shift from their current responsibilities.</li> <li>There likely are significant fiscal impacts for municipalities.</li> <li>There are significant human resources and collective bargaining implications that need to be resolved. As a principle of reform is supporting positive staff experiences, the government must ensure that its realignment of responsibilities reflect the views of caseworkers.</li> <li>Any potential savings from administration efficiencies will not offset the necessary investments needed in services to enable effective wrap-around support delivery.</li> </ul>

Key areas of reform	Opportunities	Considerations
		<ul style="list-style-type: none"> <li>It is unclear how ancillary benefits (like the Special Diet Allowance) will be administered. These benefits are critically important for many social assistance recipients. Clarity on how decisions about these benefits, and their administration, is required.</li> </ul>
<ul style="list-style-type: none"> <li>Fostering collaboration between services that enable life stabilization and well-being, including housing, childcare, primary health care, mental health and addictions services, and tax filing support.</li> </ul>	<ul style="list-style-type: none"> <li>As such collaboration will require joint case management, it will enable people to access the various supports they may need more seamlessly.</li> </ul>	<ul style="list-style-type: none"> <li>This vision can only be realized if there is coherence in legislation, policy, and funding between social and health service areas.</li> <li>The province will have to invest much more significantly in areas that enable stability and well-being (e.g., housing). Without such investments, the government will be just consigning people to housing and childcare waitlists.</li> <li>Unfortunately, based on information available through the Financial Accountability Office's Economic and Budget Outlook, Winter 2021, it does not appear that the province intends to keep up with baseline demand-driven increases in public services, let alone meaningful investments to increase their quality and availability.</li> </ul>

Key areas of reform	Opportunities	Considerations
<ul style="list-style-type: none"> <li>Transferring all social assistance employment and training services to Employment Ontario (EO). The Ministry of Training, Labour and Skills Development is responsible for significant changes taking place under the EO umbrella.</li> </ul>	<ul style="list-style-type: none"> <li>The vision paper does not detail how the EO changes envisioned would interact with the goals that MCCSS has envisioned for social assistance reform.</li> </ul>	<ul style="list-style-type: none"> <li>MCCSS has not outlined how employment and training services transformation would impact social assistance recipients. MCCSS risks exacerbating silos, as opposed to reducing them, if these changes are not thought through and made clear.</li> <li>While the prototypes for new employment and training service delivery are underway, we remain concerned that some Service System Managers (SSMs), to reach their own performance goals, may mis-stream social assistance recipients and thus prevent them from accessing the types of supports they need.</li> <li>Based on publicly available information, the relationship between SSMs and Consolidated Municipal Service Managers (CMSMs) and District Social Services Administration Boards (DSSABs) remain unclear.</li> </ul>

# What are the opportunities set out by the paper?

**Recognition that an all-of-government approach is needed to support people living in poverty.**

The first line of the vision paper rightly outlines what so many already know: “Many people turn to social assistance needing more than what financial assistance alone can provide.”

While this does not mean that the government can abdicate its responsibility from providing people with adequate financial assistance, the paper recognizes that access to quality public services and supports—like housing, childcare, and health services—promote well-being and independence. It further reflects, importantly, that it is the government’s duty to enable access to these services.

However, the siloed approach to social assistance to date—where MCCSS is responsible for supports provided directly through social assistance—has not enabled a “person-centred” approach to the system. Collaboration and integration through multiple policy and programmatic areas, across multiple ministries and orders of government, are necessary.

## Considerations

**The context for change focuses on the administration of social assistance and other human services to address barriers to employment and life stabilization, without focusing on the broader economic and labour market shifts that have created instability for so many people.**

The primary principles for reform are to prioritize the employment outcomes, financial resilience, independence, and well-being of social assistance recipients. While these are good principles, the vision paper focuses on barriers to employment, without recognizing the realities of the labour market that prevent people from accessing good and secure jobs in the first place.

Standard employment arrangements—ones that are characterized by good wages and benefits, for example—grew at a rate of 1.2% per year from 1997 to 2015. In



contrast, non-standard employment grew by 2.3% per year during the same time period.<sup>2</sup>

Non-standard work—some of which can be precarious—tends to have lower wages, fewer workplace benefits, and lower job tenure. Workers in non-standard employment tend to have poverty rates two to three times higher than those that work in standard employment arrangements.<sup>3</sup>

What's more, the shifts in the labour market have undermined income security and stability. Jobs do not provide the same amount of security as they once did for a growing segment of the labour market. And inequities produced in the labour market over the past several decades have been further exacerbated by the COVID-19 pandemic.

While MCCSS' vision paper recognizes that access to services is necessary for life stabilization and aims to address barriers to employment, it does not contend with the idea that people may be spending a longer time on social assistance because access to good jobs is increasingly out of reach.

If the realities of the labour market are not examined at the same time as MCCSS undertakes the reforms outlined in its vision paper, it will continue to think about rates, jobs, and services separately. For example, the ministry will continue to undertake analyses to examine work incentives and disincentives without asking whether the jobs being created provide the stability that MCCSS is hoping social assistance clients achieve.

### **Helping people achieve stability will require significant changes in *how* government undertakes its work.**

The integrated, “human services” approach outlined in the vision paper reflects a significant change in *how* government provides services.

It will require government to re-frame how it develops policies and implements programs for people. As a result, the government will need to think through and resolve a number of important details before the ideas in the vision paper can be realized.

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2 While many refer to the impacts of precarious employment in Ontario, the government of Ontario does not have strong data on the rate of precarious employment. As a result, this policy brief uses information about standard and non-standard work arrangements. The information provided in this brief is available at <https://www.ontario.ca/document/changing-workplaces-review-final-report/chapter-4-vulnerable-workers-precarious-jobs#section-2>

3 Ibid.

### **Clarity on governance, fiscal, and human resource implications is needed:**

- In realigning responsibilities, MCCSS' vision paper outlines a future state in which the province takes on the administration of financial benefits of all social assistance recipients (both Ontario Works and ODSP recipients). Municipalities would take on service provision for all social assistance recipients (except for employment and training services, which are being siphoned off to the newly-constructed Employment Ontario Service System Managers) and those in the broader public in need of supports. This marks a significant shift from how social assistance is administered and delivered at this time.
- It is unclear how ancillary benefits (like the Special Diet Allowance) will be administered. These benefits are critically important for many social assistance recipients, and clarity on how decisions about these benefits are going to be made, and their administration, is required.
- It is unclear how Consolidated Municipal Service Managers (CMSMs) and District Social Services Administration Boards (DSSABs) will be funded for the provision of integrated human services moving forward. Even if there are some administrative efficiencies gained through the realigning of responsibilities, they will not be enough to offset the much needed investments required to provide better, integrated services to social assistance recipients and those in the broader public in need of supports.
- The realigning of responsibilities will lead to significant implications for front-line staff; caseworkers, whether they currently provide services for Ontario Works or ODSP recipients, will face changes in the requirements of their work. The province will have to work effectively with staff and their respective unions to move this work forward.

### **Coherence in legislation, regulations, policies, and funding in different policy and program areas is required:**

- For success, collaboration across ministries and departments in provincial and municipal governments, and between different orders of government, will be required.
- To move towards human services integration, goals and principles for all supports and services need to be clearly communicated. This will help align the purpose of different types of support, so that they are complementary and not contradictory.

- The alignment of legislation, regulation, and policy will help guide changes needed in funding and administration to better integrate the delivery of services on the ground.
- The province should consider the introduction of some flexible funding envelopes. This would enable CMSMs and DSAABs to allocate fiscal resources as needed within their local communities, without having to manage fiscal resources only within the specific policy and programmatic areas funded by various provincial ministries.
- Furthermore, to truly ensure a person-centred approach to reform, investments are needed in the services that enable life stabilization. For example, in 2016, there were about 185,000 households on the wait list for subsidized housing in Ontario.<sup>4</sup> Without investments in critical social services, integrated human services will only mean that caseworkers will simply know of the various services available to people and then add them to the waitlist. This will not help achieve the vision that MCCSS has laid out.

**Policy and program areas for joint case management need to be clearly articulated:**

- Joint case management can only be realized if caseworkers know of the services that people in need of support may qualify for, often in service areas beyond their scope of work.
- To enable joint case management, the process has to start with a clear articulation of which policy and program areas are envisioned for further collaboration and integration. For example, the province has not outlined how employment and training system changes will affect municipalities (from a funding perspective) and social assistance case managers.
- In the future, a province-wide system of ensuring that there is a “warm hand-off” between service providers will help ensure that there truly is “no wrong door” to seeking support. However, joint case management will only be realized if the above considerations around alignment of legislation, policy, and funding are resolved.
- From a policy and planning perspective, data integration across various social service areas will also be necessary for effective joint case management.

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4 Office of the Auditor General, 2017. Annual Report: 2017. Accessed at: [https://www.auditor.on.ca/en/content/annualreports/arreports/en17/2017AR\\_v1\\_en\\_web.pdf](https://www.auditor.on.ca/en/content/annualreports/arreports/en17/2017AR_v1_en_web.pdf)

**Helping people achieve stability will require investments in public services.**

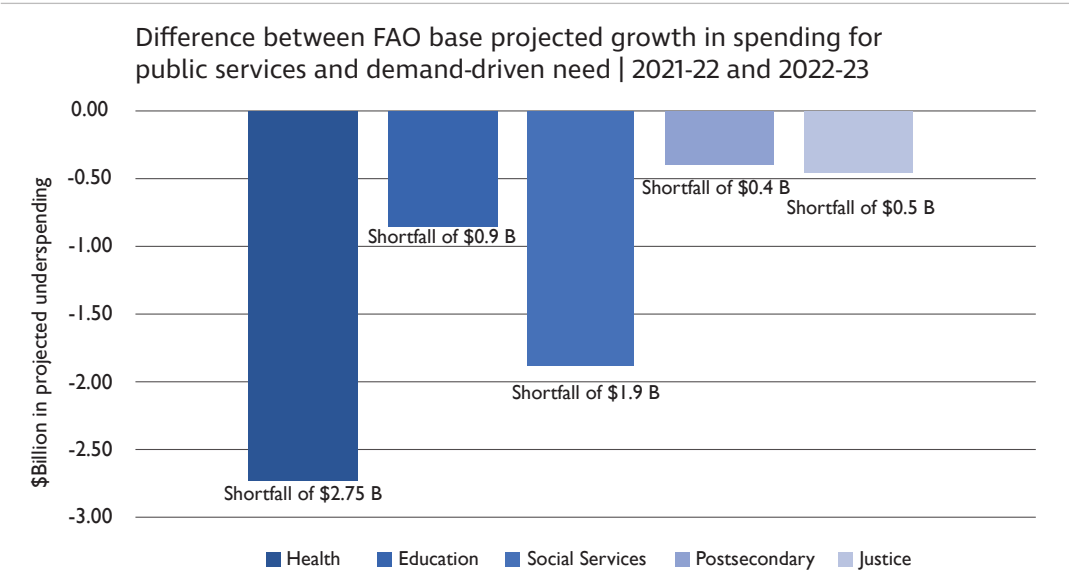
To help ensure that MCCSS’ vision for social assistance reform is achieved, the provincial government will have to invest much more significantly in areas that “enable” stability and well-being (e.g., housing).

The government will also have to invest further in social assistance itself. Given the range of benefits available to different types of beneficiaries (e.g., Ontario Works recipients do not currently have access to the same benefits that ODSP recipients have access to), the province should expand some of the benefits that are available to Ontario Works recipients (e.g., dental care services should no longer be only funded or provided at the discretion of municipalities).

Without further investments, the government will not be able to realize its vision. Instead, it will be just consigning people to housing and childcare waitlists. Simply putting people on housing waitlists will not help people establish the stability they need for well-being or address barriers to employment.

Unfortunately, the province currently does not have a plan to invest in public services. Based on internal calculations using a recent report from the Financial Accountability Office (FAO), there will be a \$1.9 billion shortfall between expected and demand-driven requirements for investments in social services in 2021-22 and 2022-23 alone. The FAO’s definition of “demand-driven” needs are limited to population growth and inflation, and do not capture the extent of investments that are actually required to help strengthen the breadth of social services that people need.

Without significant investments in the areas of housing, childcare, and health services, the province will prevent itself from realizing the vision that it has set out for social assistance reform.



Maytree calculations using the FAO’s *Economic and Budget Outlook, Winter 2021*