isarc FAITH COMMUNITIES IN ACTION AGAINST POVERTY

ISARC Pre-Budget Submission

February 13th, 2023

Interfaith Social Assistance Reform Coalition
Rev. Dr. Susan Eagle, Chair

The Interfaith Social Assistance Reform Coalition (ISARC) represents Christian, Jewish, Muslim and other faith communities across Ontario, including the Anglican Diocese of Toronto, the Anglican Provincial Synod of Ontario, the Assembly of Catholic Bishops of Ontario, the Canadian Unitarian Council, Catholic Charities of the Archdiocese of Toronto, Congregation Darchei Noam, the Council of Imams, the Council of Canadian Hindus, the Eastern Synod of the Evangelical Lutheran Church in Canada, the Islamic Humanitarian Service, Mennonite Central Committee Ontario, the Presbyterian Church in Canada, The Salvation Army, the Society of St. Vincent de Paul, the Toronto Board of Rabbis, and the United Church of Canada.

ISARC Budget Submission 2023

Recommendations:

Income Security

- **Index Ontario Works rates to inflation**
- **Index the Ontario Guaranteed Annual Income System (GAINS) to inflation**
- **Remove the artificial separation of social assistance benefits into basic needs and housing benefits and provide the maximum basic needs and housing allowance portions of Ontario Works and ODSP benefits as a single, combined benefit.**
- **Increase OW and ODSP incomes to the Market Basket Measure (MBM)**
- **Ensure ODSP recipients keep the full Canada Disability Benefit when it is implemented**

Health Services

- **Expand dental care, pharmacare and vision care services to all Ontarians through the Ontario Health Insurance Program**

Public Transit

- **Provide operating subsidies to public transit to fund fare reductions.**

Housing

- **Increase rent support for low-income households**
- **Restore rent control on vacant units and new apartment buildings**
- **Restore tools for municipalities to create preserve and create new affordable housing**
- **Curb real estate speculation and generate revenue for affordable housing**

Paid Work

- **Raise the minimum wage to the level of living wage rates**
- **Require 10 paid sick days per year on a permanent basis**
- **Minimum hours of work and advance scheduling**
- **Equal pay for equal work**
- **Remove barriers to the right to join unions and to secure decent collective agreements**
- **withdraw its appeal on Bill 124 ruling.**

Long Term Care

- **There needs to be an appeal process put in place prior to moving the person out of Hospitals with the burden of proof on the hospital that the person's care meets the above commitment.**
- **Increase hours of care available to persons needing and preferring home care at least to the level that would match the cost of care in long term care homes**

- **Grant home care employees the same pay equity and collective bargaining rights as exist for employees in long term care homes**
- **Apply the targets in Section 8 and 9 to each individual home**
- **Establish similar targets for staff responsible to maintaining long term care homes sanitary**
- **Take steps to ensure that the Ministry Directive with respect to the PSW wage enhancement is properly complied with.**
- **Mandate the public reporting by each home of their actual quarterly staffing levels**
- **Reinstate annual comprehensive surprise inspections for all homes**
- **Grant to representatives of residents and front-line staff the same inspection accompaniment and appeal rights as are found in the Occupational Health and Safety Act**
- **Make Whistleblower protections effective**
- **Establish a reasonable timeline for the conversion of services to "not for profit" and municipal organizations that are now provided by "for profit" corporations and bar the granting of any new licenses or home care contracts to 'for profit" companies.**

Introduction

The Interfaith Social Assistance Reform Coalition (ISARC) welcomes this opportunity to have a voice in shaping the province's 2023 budget. Our coalition represents Christian, Jewish, Muslim, and other faith communities across Ontario, which are identified on the cover of our presentation.

For more than 35 years ISARC, has participated in Government consultations on social assistance, affordable housing, and budgets, among other issues. Our involvement in these consultations stems from the role our member faith communities play in serving people on the margins and advocating with and for Ontarians, living in low-income households, who struggle to support themselves and their families.

As we find our way out of the pandemic, we are aware of the urgent need to address woefully low-income levels and desperate housing needs for many across our province. Remembering that we are called to care for neighbour, we are deeply aware that a budget is not simply about allocation of sums of money for particular programs and services. Ultimately, it's about people and values and our priorities as a society.

Income Security

In our Submission to the 2022 pre-budget consultations, ISARC recommended that the Government index Ontario Disability Support Program (ODSP) and Ontario Works (OW) rates to inflation. In addition, ISARC called on the Government to implement a plan to raise ODSP and OW incomes above the Poverty Threshold (the Market Basket Measure).

The Government's decision to increase ODSP rates by 5% on September 1, 2022 and index ODSP rates to inflation beginning in July 2023 are positive steps. Even with these changes ODSP rates leave people with disabilities living in deep poverty. But stabilizing the rates through indexation and making additional increases are moves in the right direction.

Inflation robs people of real income. That is why most parts of Ontario's tax and transfer system are indexed to inflation.

The basic personal exemption is indexed as are the tax rate thresholds. *Ontarians with the highest incomes benefit from indexing of each of those thresholds.*

Some Ontario tax credits are also indexed. These include the Ontario Child Benefit and the Trillium Benefit.

Ontario’s minimum wage is also now indexed to inflation.

Several other key part of Ontario's income security system have not been indexed for decades. These include ODSP, Ontario Works (OW) and the Ontario Guaranteed Annual Income System payments for seniors (GAINS), whose benefit level and income eligibility thresholds have been frozen since 1986.

This has meant that while most Ontarians receive inflation protection of their income through the tax system, the most economically vulnerable Ontarians have not.

To the Government's credit, it has begun to rectify that problem. The decision to index ODSP rates to inflation starting in July 2023 will protect the incomes of ODSP recipients from inflation. In doubling the GAINS, albeit only temporarily, the Government is also acknowledging the injustice poor seniors in Ontario have faced for decades.

But Ontario Works rates remain frozen. The Government's plan for social assistance renewal identifies why people turn to Ontario Works.

> They may have experienced family violence, illness or an accident, be facing physical or mental health challenges, or find themselves homeless, or at risk of losing their home or accommodations.

Income supports that are not indexed to inflation result in a cut to the real incomes of people relying on them. Why would the Government choose to leave OW rates frozen year after year and effectively cut the real incomes of people who have experienced family violence? Why would the Government cut the real incomes of people experiencing illness or an accident or facing physical or mental health challenges? Why would the Government choose to cut income support for people who find themselves homeless, or at risk of losing their home or accommodations?

Index OW rates to inflation

ISARC urges the Government to index OW rates in the same way that core ODSP rates, the Ontario Child Benefit, the Trillium Benefit and the income tax thresholds are all indexed to inflation.

Combine basic needs and housing allowance into a single benefit

The shelter allowance portion of Ontario Works and ODSP is so low that few social assistance recipients are able to secure housing at the levels of the shelter allowance; and not receiving the shelter allowance makes it difficult if not impossible for unhoused people to put together the deposits they need to access housing.

Remove the artificial separation of social assistance benefits into basic needs and housing benefits and provide the maximum basic needs and housing allowance portions of Ontario Works and ODSP benefits as a single, combined benefit.

Index the Ontario Guaranteed Annual Income System (GAINS) to inflation
The doubling of the Ontario Guaranteed Annual Income System (GAINS) rates for low-income seniors should be made permanent and then indexed to inflation going forward.

Increase OW and ODSP incomes to the Market Basket Measure (MBM)
That latest report on Welfare in Canada (Maytree Foundation)[1] found that social assistance incomes for four household types – single employable adult on OW, a single adult on ODSP, single parent with one child, and a couple with two children – all feel below the deep poverty line (75% of the MBM, Ontario's official poverty line) in 2021.

Such a depth of poverty impacts the physical and mental health of people and leaves people at risk of homelessness. That is why ISARC joined hundreds of other organizations across Ontario calling for social assistance incomes to be doubled.

The Government should implement a plan to raise social assistance incomes above the Market Basket Measure of Poverty through a combination of **increases to social assistance rates above inflation and increasing the Sales Tax Credit and the Property Tax Credit. The Government should also look at converting the Basic Personal Exemption into a refundable tax credit.** In its current form as a non-refundable tax credit, the Basic Personal Exemption benefits all taxpayers except the poorest Ontarians.

Ensure ODSP recipients keep the full Canada Disability Benefit
That Federal Government's proposed new Canada Disability Benefit holds the potential to improve the lives of Onarians with Disabilities. ISARC urges the Government of Ontario to ensure that ODSP recipients keep the full amount of the CDB, when it is implemented, and that ODSP payments or benefits are not reduced.

Health Services

Dental care, Pharmacare, Vision care through OHIP
Lack of access to portable benefits such as dental care, pharmacare and vision care is a problem for many Ontarians. ISARC sees the Government's decision to look at how to expand health and

[1] https://maytree.com/wp-content/uploads/Welfare_in_Canada_2021.pdf

benefits coverage -- by launching the Portable Benefit Advisory Panel[2] – as an important opportunity. People relying on Ontario Works have poor access to those services and when people move into low-wage work, those jobs often lack health benefits. While people relying on ODSP have better access to health coverage, when people with disabilities turn 65 and transition to Old Age Security and the Guaranteed Income Supplement, they lose access to many of those benefits.

The Federal Government has also launched a program to expand dental coverage for Ontarians and is exploring the creation of a pharmacare program.

Ontarians should pay for their dental, vision and pharmacare with their OHIP card and not their credit card**. ISARC urges the Government of Ontario, in collaboration with the Government of Canada, to expand dental care, pharmacare and vision care services to all Ontarians through the Ontario Health Insurance Program.**

Public Transit

Provide operating subsidies to public transit to fund fare reductions.
The Government is making investments in public transit – through Metrolinx and through capital grants to expand municipal light-rail and subway services and expanding rail service in northern Ontario. Having more public transit options is a good thing. Ontarians with low incomes are more likely to rely on public transit. However, rising transit fares poses greater financial stress for people with low incomes.

ISARC urges the Government to provide operating subsidies to public transit to fund fare reductions that will reduce costs for people with low incomes who rely on public transit.

Housing

Ontario is in the midst of a housing affordability crisis. Not only are mortgage costs extremely high, rents have reached levels that have put many Ontarians at risk of homelessness. Indeed, the housing affordability crisis has fueled a growing homelessness crisis across Ontario. It is not enough to build new rental units. As it is, more existing affordable rental units are being lost due to both vacancy decontrol and to demolition to build new, more expensive rental units.

Increase rent support for low-income households

The Ontario-Canada Housing Benefit has the potential to help many households at risk of homelessness. But the program needs to be expanded to be more effective. ISARC urges the Government of Ontario to w**ork with the Federal Government to expand the reach of the**

[2] Portable Benefits Advisory Panel | ontario.ca

Ontario-Canada Housing Benefit through the Canadian Alliance to End Homelessness' proposed Homelessness Prevention and Housing Benefit.[3]

Restore rent control on vacant units and new apartment buildings

Ontario's experiment with weakened rent control has contributed to the housing and homelessness crisis. Vacancy decontrol is a powerful incentive for landlords to evict tenants in order to increase rents. Rather than increasing the stock of affordable housing, Ontario's policy of vacancy decontrol has spawned a growing real estate investment industry focused on maximizing profits on existing rental apartments.[4] And the lack of rent control on vacant units and new apartments undermines the effectiveness of rent supplement programs in helping Ontarians in core housing need. **ISARC calls on the Government to amend the Residential Tenancies Act to control rent increases on vacant rental units and remove the Residential Tenancies Act exemption on rent controls on housing built since 2018.**

Restore tools for municipalities to preserve and create new affordable housing

In our submission to hearings on Bill 23 - More Homes Built Faster Act, 2022, we pointed to several problems with the legislation.[5]

Though developers stand to get hundreds of millions of public dollars in incentives and tax cuts under Bill 23, nothing in the legislation requires developers to create affordable units (80% of market rent is still deeply unaffordable) or to pass on savings to the renter or homebuyer.

Although current municipal rental replacement provisions ensure that, when an apartment building is redeveloped, existing rental units are replaced at affordable levels, Bill 23 allows the Minister to cancel those provisions.

In spite of evidence from studies across North America that has demonstrated that Inclusionary Zoning has the potential to be an effective tool in creating more affordable rental housing, with up to 20-30% being financially viable, Bill 23 reduces and restricts Inclusionary Zoning to 5%.

While reducing or eliminating development charges for developers of affordable units would be a welcome assistance to creating low-cost housing, the elimination of development charges for market units undermines the very funding source which creates new affordable units and supports other housing affordability programs.

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[3] Homelessness-Prevention-and-Housing-Benefit-Policy-Whitepaper-CAEH.pdf

[4] Martine August (2020): The financialization of Canadian multi-family rental housing: From trailer to tower, Journal of Urban Affairs, DOI: 10.1080/07352166.2019.1705846 August2020.pdf (waterlooregion.org)

[5] ISARC Response to Bill 23.docx

Despite the fact that brownfield sites already have municipal servicing and are usually close to urban centres with existing transit networks, the Bill is silent about brownfields and offers no support for this housing potential.

ISARC reiterates our recommendations in that submission:
1. Link incentives directly to the provision of affordable housing;
2. Protect existing rental replacement rules;
3. Protect and enhance inclusionary zoning by maintaining existing IZ requirements and setting a minimum standard of 15% of new residential units affordable for a period of 99 years;
4. Ensure that incentives do not simply transfer costs for municipal infrastructure from developers to property tax-payers;
5. Invest financial and regulatory resources to accelerate the development of brownfield sites across Ontario.

Curb real estate speculation and generate revenue for affordable housing

ISARC recommends the Government to increase taxes on real estate speculation – even for domestic investors - and on vacant properties, with those funds allotted to not for profit groups who wish to build affordable rental housing where the rents will be less than the 30% of the average industrial wage in Ontario.

Developers who build and then sell units over $2,000,000 should be subject to a hefty tax for each such unit unless it builds an affordable unit that rents for less than the 30% of the average industrial wage in Ontario. Those funds should be allotted to not for profit groups who wish to build affordable rental housing where the rents will be less than the 30% of the average industrial wage in Ontario.

Buyers of homes for a price above $2,000,000 should be subject to substantial excise land transfer tax on top of the existing tax. Those funds should also be allotted to not for profit groups who wish to build affordable rental housing where the rents will be less than the 30% of the average industrial wage in Ontario.

Paid Work

If work is to be a pathway out of poverty all jobs need to pay a living wage. Workers also need access to paid sick days, fair scheduling and the right to join unions.

The Government has raised the minimum wage and indexed it to inflation. Given the major increase in CPI we urge you as an interim step to implement immediately the new minimum wage based upon the 2022 increase in CPI. However, at $15.50 an hour currently and the new rate upon implementation of the 2022 CPI increase, the provincial minimum wage falls far below the living wage rate in every community across Ontario. ISARC call on the Government of Ontario to **make additional increases to the minimum wage to bring it in line with living wage rates in Ontario.**

We welcome the initial step of providing a 3-day entitlement for paid sick leave. The pandemic highlighted the importance of paid sick days for public health and the security of workers. The Ontario Superior Court of Justice has ruled that Section 7 of the Charter does protect residents from the inadequacies of public policy. In this case there is the risk that workers who are ill and without access to paid sick leave will attend at work risking the health of fellow workers and clients. ISARC reiterates our call for the legislation **require employers to provide employees with 10 paid sick days per year on a permanent basis, with an additional 14 paid sick days during public health emergencies.**

Decent working conditions also adequate hours of work. **ISARC recommends the Government require employers to provide a minimum number of hours per week for each position and give employees adequate advance notice of work schedules.**

We acknowledge the initiative of the Government exploring portable benefits for workers who don't already receive them from their Employer and the Government's recognition that equal pay for equal work is essential. One gap in pay equity is the denial of access to Proxy Pay equity for employees in Retirement homes and Home Care**. ISARC call on the Government to require employers to pay part-time, temporary and casual workers the same rate as their permanent, full-time employees doing the same work.**

Workers have the right bargain collectively for fairs wages and working conditions. The Government should **make it easier for workers to join a union**. ISARC supports the call for the Government to adopt legislation that will ensure workers have the right to join unions for example by signing a union membership card and allow workers to form unions across franchises and subcontractors. Furthermore, the government should reverse the amendments it made governing access to first contract arbitration when collective bargaining has not been successful within a reasonable period of time.

The Ontario Superior Court has recently struck down Bill 124 on the grounds that it interferes with the constitutional right of freedom of association, namely freedom to engage in collective bargaining. The Government has filed a notice of appeal. **ISARC calls on the Government of Ontario to withdraw its appeal on Bill 124 ruling.**

Long Term Care

- We applaud the Government's statement that residents should get the best care at the right place.
    - However, that policy is not being properly administered. **There needs to be an appeal process put in place prior to moving the person out of Hospitals with the burden of proof on the hospital that the person's care meets the above commitment.**
    - As well many seniors wish to age at home. It is not surprising that some seniors are fearful of seeking admittance to a long-term care home. Unfortunately, provincial practice severely rations availability of home care. **Increase hours of care available to persons needing and preferring home care at least to the level that would match the cost of care in long term care homes**
- One reason that there is rationing of home care is that there are insufficient health care employees willing to work in this sector. A major reason for this reluctance is the abysmal pay and working conditions that exist**. Grant home care employees the same pay equity and collective bargaining rights as exist for employees in long term care homes**
- We acknowledge that the Government in 2021 enacted the Fixing Long Term Care Act including the intention to raise staffing levels in front line nursing and personal care and to program staffing. The progression to 4 hours of front-line nursing and personal care and the increase in activation levels in the Fixing Long Term Care Act apply only province wide. What this means is that some homes (usually ones owned or operated by "for profit" companies) can continue to have staffing levels below the target because other homes (usually ones operated by municipalities or 'not for profits") have staffing levels in excess of the target. **Apply the targets in Section 8 and 9 to each individual home.** In any event the Act requires the Minister under Sections 10(1) & (3) to publicly report on the degree to which the provincial targets as of March 31, 2022 have been reached. Has that report been written and when will it be made publicly available?
- COVID has taught us the importance of laundry and housekeeping staff in preventing the spread of infectious diseases. We welcome your acknowledgement that Homes are expected to remain focused on infection prevention and control. In order for this to be undertaken effectively there have to be sufficient staffing complements. **Establish similar targets for staff responsible to maintaining long term care homes sanitary**
- Family members deserve to know what the staffing levels are when making a decision on which home to seek admission to for their relative. **Mandate the public reporting by each home of their actual quarterly staffing levels.**
- We acknowledge the Government has assisted some health care employers to attract and retain PSWs through the granting of a $3 wage enhancement and applaud the

government for making it permanent and for requiring it to be rolled into the base rate no later than April 21, 2022. Many Long Term Care Operators have not properly rolled in that enhancement. **What steps will the government to take to ensure their Directive is properly complied with?**

- We applaud the Government's investing to hire more inspectors and to commit to having annual inspections at all homes. The best way to assess compliance with resident protections is through inspections where the operator cannot artificially demonstrate good practices**. Reinstate annual comprehensive surprise inspections for all homes**
- The Occupational Health and Safety act recognizes that inspectors shouldn't be totally dependent on the information the employer is willing to provide it and that staff have a direct interest in ensuring health and safety rules are adhered to. The same is true in the operation of long-term care homes. **Grant to representatives of residents and front-line staff the same inspection accompaniment and appeal rights as are found in the Occupational Health and Safety Act**
- We expect staff to report instances of abuse and neglect, yet we do not ensure that they are effectively protected from retaliation. **Make Whistleblower protections effective**
- Government data demonstrates that "for profit operators have poorer levels of care and during COVID had higher instances of outbreaks and more deaths. **Establish a reasonable timeline for the conversion of services to "not for profit" and municipal organizations that are now provided by "for profit" corporations and bar the granting of any new licenses or home care contracts to 'for profit" companies.**

Appendix

ISARC Values

Human Dignity. The right of all people and their communities to be treated with justice, love, compassion, and respect, and their responsibility to treat others likewise.

Mutual Responsibility. The obligation of communities to care and share with their people, ensuring that basic needs are met.

Social Equity. The right of all people to adequate access to basic resources, to full participation in the life and decision-making of their communities.

Economic Equity. The right of all people and communities to adequate access to the resources necessary for full lives, including access to worthwhile work, fair employment considerations, and our communal responsibilities to use such resources responsibly.

Fiscal Fairness. The right of all people, communities, and institutions to fair fiscal treatment and the responsibility of all to contribute fairly for the well-being of all.

Ecological Sustainability. The obligation of communities to practice responsible stewardship of the earth and its environment, so that creation might be preserved for generations to come.