

March 6, 2003

To: Community Services Committee

From: Commissioner, Community and Neighbourhood Services

Subject: Ontario Works Benefit Rates: Loss of Purchasing Power Since 1995

Purpose:

This report discusses the progressive loss of purchasing power for persons participating in the Ontario Works (OW) program in Toronto as a result of steadily rising costs of living and social assistance rates which have remained unchanged since 1995. The report first examines the sufficiency of benefits, compared with standard of living indicators for Toronto residents as a whole. It then considers the adequacy of both the shelter and basic needs components of the monthly OW benefit. Finally, the report describes a proposal put forward by the Association of Municipalities of Ontario (AMO) intended to help address these and other key issues concerning OW.

Financial Implications and Impact Statement:

There are no financial implications resulting from the adoption of this report.

Recommendations:

It is recommended that:

- (1) in light of the substantial reduction in purchasing power experienced by social assistance recipients since 1995, and the hardship that OW recipients living in Toronto face due to the city's high cost of living, City Council advocate that the Province significantly increase social assistance allowance rates to compensate for increases in the costs of shelter, food, transportation and other basic needs;
- (2) City Council endorse the "Ontario Child Supplement" proposal put forward by the Association of Municipalities of Ontario;
- (3) this report be forwarded to the Minister of Community, Family and Children's Services; and
- (4) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Background:

In 1995, the first in a series of sweeping reforms to the social assistance system introduced by the newly elected provincial government reduced monthly social assistance benefit rates by 21.6 percent. Since these unprecedented cuts, which took effect October 1, 1995, there has been no subsequent increase in social assistance allowances. From the time the Province announced its intentions with respect to rates, Toronto Social Services (TSS) has expressed great concern about the impacts that such action would have on the ability of social assistance recipients to meet their basic needs.

The progressive erosion of social assistance benefits since 1995 due to inflation and rapidly rising shelter costs has spurred numerous calls from a variety of sources for the Province to establish rates that reflect the cost of living in Toronto. Most recently, the Community Services Committee, at its capital budget meeting of January 16, 2003, recommended that “the Commissioner of Community and Neighbourhood Services be requested to report to the next meeting of the Community Services Committee on March 27, 2003, with respect to the 40 percent loss of purchasing power of social assistance allowances, and on the impacts on the City of Toronto’s most vulnerable social assistance recipients, such report to include food and rental costs, etc.” The following report is hereby submitted in response to this request.

Discussion:

A. Overview of Rates

In 1995 the newly-elected Government of Ontario cut social assistance rates by 21.6 percent to the level at which they remain today. Table 1 compares the maximum monthly social assistance rates prior to, and following, these reductions for various family types and sizes. Since that time, recipients of social assistance in Ontario have seen a constant and considerable erosion in the value of their benefits as the cost of living in the province has continued to rise. The final column in Table 1 illustrates this reality by converting the current monthly OW rates to constant 1995 dollars in accordance with the Bank of Canada’s annual rate of inflation. The figures indicate that Ontario’s OW recipients have seen a 13 percent decline in the relative value of their monthly social assistance allowance. Together with the 1995 reductions, social assistance rates have fallen by almost 35 percent in real and relative terms over the past eight years.

Family Type	1995 Rates (pre rate cut)	Current Rates (since rate cut)	Current Rates in constant 1995 \$
Single person	\$660	\$520	\$452
Single parent with 1 child (aged 0 – 12)	\$1,221	\$957	\$833
Single parent with 2 children (aged 13+)	\$1,483	\$1,162	\$1,011
Couple with 2 children (aged 13+)	\$1,596	\$1,250	\$1,088

The reduction in social assistance rates has particularly detrimental implications for families, as they must deal with declining financial resources while trying to raise children whose needs are only expanding as they grow. Examining how such families fare in comparison to Statistics Canada's Low Income Cut-Offs (LICOs) reveals that it is a struggle that is becoming more and more difficult for families to overcome as they fall further and further behind. Table 2 indicates the percentage of the LICOs achieved by social assistance benefits over the course of a year prior to the 1995 rate reductions, immediately following the cuts in 1995, and again in 2002.

Family Type	1995		2002
	Pre Rate Cut	Post Rate Cut	
Single person	47%	37%	32%
Single person with 1 child	69%	54%	48%
Single person with 2 children	68%	53%	47%
Couple with 2 children	60%	47%	41%

As is evident, social assistance allowances have offered recipients a decreasing standard of living relative to the general population. The position of families has regressed most noticeably, with the annual incomes for single parents on social assistance dropping from almost 70 percent of the LICOs before the 1995 rate reduction to less than 50 percent in 2002, a difference of more than 20 percent. Two parent families face similar hardship, having seen their yearly allowance fall from 60 percent of the LICOs to 41 percent at present.

Parallel trends are observed when examining the relationship between annual social assistance benefits and the median income for particular family types between 1995 and 2002. As can be seen in Table 3, single persons and couples with two children on social assistance now receive an annual income that is less than 30 percent of the median income, down from over 40 percent prior to the 1995 rate cuts. Single parents have been especially hard hit, with the extent of decline increasing for larger family sizes. The yearly social assistance allowance for a single parent with one child has dropped from 66 percent of the median income in early 1995 to 43 percent in 2002, while a single parent with two children has seen their benefits plummet from 80 percent of the median income to 52 percent, a 38 percentage point difference.

Family Type	1995		2002
	Pre Rate Cut	Post Rate Cut	
Single person	44%	35%	29%
Single person with 1 child	66%	52%	43%
Single person with 2 children	80%	63%	52%
Couple with 2 children	42%	33%	29%

(The annual social assistance benefits, LICOs and median incomes for the respective family types at the three time periods are provided in Attachment 1.)

The progressive erosion of social assistance rates since 1995 has been especially acute in Toronto, which boasts the province's highest cost of living. Two areas that have experienced significant price increases over the past decade include rental accommodations and basic needs such as food, clothing and transportation. These correspond to the two components of the

monthly OW benefit that provides clients with a shelter allowance and basic needs allowance based on their family type and size. A discussion of the adequacy of these two portions of the benefit in relation to the cost of living in Toronto is provided below.

B. OW Shelter Benefit Rates

The affordability of suitable shelter in Toronto has long been an issue for low income residents of the city. When the Province announced it was reducing social assistance rates in 1995, TSS recognized that these cuts would have particularly damaging and disproportionate impacts on recipients in large urban centres such as Toronto and called on the Province to reconsider its actions (Clause No. 6, Report No. 13 of the Human Services Committee titled "Social Assistance Rate Reductions" adopted by the former Metro Council at its meeting of August 16 and 17, 1995). For many clients, the lower rates meant much less income was available, after shelter costs were paid, to cover other basic needs. For others, it meant they could no longer afford to stay in their current homes. Given that there has been no increase to social assistance rates since 1995, shelter affordability continues to be a source of great stress for OW participants. Only now, the situation has been compounded over seven years.

With more than 80 percent of OW clients renting in the private market, the inadequacy of the prevailing shelter allowance component of the monthly OW benefit leaves the vast majority of those on social assistance fully exposed to market pressures. This becomes very apparent when the following is considered:

- 1) Toronto continues to have the country's highest average rents (see Attachment 2). According to the Canada Mortgage and Housing Corporation (CMHC), the average monthly rent for a two-bedroom apartment in Toronto in October 2002 was \$1,047.00, almost \$500.00 higher than the maximum monthly shelter allowance of \$554.00 for which a family of three is eligible.
- 2) Average rents in Toronto increased 32 percent between 1995 and 2002 while the shelter allowance remained unchanged. The average two-bedroom apartment that rented for \$784.00 a month in 1994 had a market rate of \$1,047.00 in 2002. For a single mother with two children in 1994, the monthly shelter allowance of \$707.00 resulted in a \$77.00 gap between the allowance and the average rent for a two bedroom apartment. In 2002, this gap stood at \$493.00 based on a maximum shelter allowance for a family of three of \$554.00 (see Attachment 3). Overall, this amounted to a 540 percent growth in the gap between the shelter allowance for a single mother with two children and the average rent for a two bedroom apartment.
- 3) The supply of rental housing has declined steadily over the past decade. In Ontario, the loss of existing rental units has exceeded the number of new rental units constructed by 44 percent, meaning there were fewer private rental units in the province in 2001 compared to 1991. In Toronto, the proportion of the rental stock with low monthly rents fell steadily between 1998 and 2001 (see Attachment 4). The proportion of bachelor apartments available at \$500.00 or less per month has fallen from almost 27 percent in 1998 to 12 percent in 2001. One-bedroom apartments at \$600.00 a month or less accounted for fewer than 6 percent in 2001, down from 16 percent in 1998. And two-bedroom apartments at \$700.00 or less, which comprised 13 percent of such apartments in 1998, made up a mere 7 percent in 2001. Given that the maximum shelter allowance

for a family of three is \$554.00 per month, well over 90 percent of the existing one- and two-bedroom rental stock is unaffordable to such families on OW.

- 4) A review of the classifieds in a major Toronto daily newspaper conducted by the “Pay the Rent and Feed the Kids” campaign between February 6 and February 10, 2003, revealed that of the 1,626 unfurnished apartments advertised (excluding repeat ads and including bachelor apartments), only four were listed at \$554.00 or less. Of these, three were bachelor apartments at \$490.00, \$500.00 and \$525.00, and one was a one-bedroom basement apartment listed at \$500.00.
- 5) At the same time that the supply of rental housing, and affordable rental housing in particular, has been declining, the demand for such accommodations has been expanding. CMHC has estimated that rental demand in Ontario grew from an annual rate of 7,000 units between 1991 and 1996 to 16,000 yearly from 1996 to 2001. In Toronto, which is home to a disproportionate share of the Greater Toronto Area’s low income population, there has been a negligible increase in subsidized housing in recent years. Meanwhile, between the beginning of 1999 and the end of 2002 the waiting list for subsidized housing has grown by 29 percent from 51,428 to 66,327, with 40 percent of households having been on the waiting list for a period of three to ten years. Toronto also continues to serve as the country’s primary port-of-entry for immigrants for whom locating affordable housing is an integral first step in establishing a new and successful life in Canada.

In Toronto’s current rental market, the laws of supply and demand are working to ensure that affordable accommodations remain scarce. Coupled with stagnant social assistance benefits, this has resulted in 72 percent of OW clients residing in market rental units in Toronto paying rents in excess of their maximum shelter allowance. Ranging from a low of 67 percent for single persons to a high of 89 percent for couples with two children, as evident in Table 4, these figures illustrate that the lack of affordable shelter is especially problematic for larger families. Not coincidentally, the Daily Bread Food Bank reported a 35 percent increase in monthly food bank use between 1995 and 2002.

Family Type	No. of Cases	Average Rent Paid	No. in Excess	Percent in Excess	Average in Excess
Single	29,728	\$364.00	20,006	67%	\$95.00
Single with children	15,558	\$678.00	11,310	73%	\$251.00
Couple	1,937	\$622.00	1,520	78%	\$204.00
Couple with children	5,521	\$854.00	4,916	89%	\$302.00
Total	52,744	\$518.00	37,752	72%	\$173.00

The precariousness of the prevailing shelter situation across the province has served as an impetus for legal action. At present, at least a dozen single mothers have filed human rights complaints against the Province claiming that the OW shelter allowance is inadequate and discriminates against them as tenants in the private rental system.

In response to the significant and widening gap between the cost of rental accommodations in Toronto and the monthly shelter allowance provided to social assistance recipients through OW, the City has called on the Province to increase the shelter rates on numerous occasions. In 1999,

recommendation 37 of the Mayor's Homelessness Task Force Action Plan called for the maximum OW shelter allowance to be increased to 85 percent of the median market rent for each local housing market. The following year, the Toronto Report Card on Homelessness 2000 urged the provincial government to increase the shelter component of OW as recommended in the Action Plan. In 2002, Council, in adopting the Phase II Report of the Food and Hunger Action Committee, requested that the Province increase social assistance allowances, particularly the housing component, and that such rates be indexed to inflation.

C. OW Basic Needs Allowance

As was acknowledged previously, given the extent to which monthly OW allowances must be stretched in order for most social assistance recipients to maintain their accommodation, few funds remain once the rent is paid to cover other basic needs. To illustrate, consider the scenarios that are provided in Attachment 5. In each case, precious little income remains after shelter costs to pay for other necessities such as food, clothing and transportation. For a single parent with one child less than twelve, the daily amount available per person is \$4.21. In the case of a single parent with two teenaged children, the funds remaining for each family member come to \$5.04 a day, and for a couple with two teenaged children, the amount leftover for each individual on a daily basis is a mere \$3.68. Of note, these family types account for the vast majority of families with children currently receiving OW in Toronto.

Social assistance recipients are also faced with the reality that the limited income available for basic needs is being further eroded as the costs of items such as food, clothing and transportation continue to climb. For example, the average cost of the Nutritious Food Basket – a food costing tool that measures the cost of healthy eating based on recommendations set by Canada's Food Guide to Healthy Eating (1992) and Nutrition Recommendations (1990) – for a family of four in 2002 was \$529.93 per month, 3 percent higher than the 2001 price and up 13 percent overall since 1999. Table 5 compares the monthly cost of the Nutritious Food Basket with the funds remaining after rent is paid for the four scenarios in Attachment 5. As is evident, in the case of a couple with two children the amount of funds remaining after rent is paid is more than \$130.00 short of the cost of the Nutritious Food Basket alone (i.e., excluding other basic needs). In the case of the single parent families, sufficient funds are available after rent to purchase food in accordance with the Nutritious Food Basket guidelines, but little would remain to cover other essentials. As a result, nutritious eating is an unaffordable option for most families on social assistance. This in turn, according to Toronto's Medical Officer of Health, makes it difficult for family members to meet energy and nutrient needs which are basic requirements of health.

Family Type	Monthly Family Income	Rent	Monthly Funds Available After Rent	Monthly Cost of the Nutritious Food Basket	Funds Left for Other Basic Needs
Single, 1 child	\$1,052.91	\$800.00	\$252.91	\$204.95	\$47.96
Single, 2 children	\$1,353.83	\$900.00	\$453.83	\$403.18	\$50.65
Couple, 2 children	\$1,441.83	\$1,000.00	\$441.83	\$575.59	-\$133.76

Note: The monthly family income consists of the total OW allowance and the Canada Child Tax Benefit. The monthly cost of the Nutritious Food Basket varies based on family type and size as well as the age and gender of each family member. See Attachment 5 for detailed information on income and family composition.

Transportation costs provide another example of rising prices that put added pressure on the limited financial resources of social assistance recipients. For those fortunate enough to possess their own vehicles, the volatile price of gasoline can introduce great uncertainty to personal budgets, particularly when regular travel is required. For others who rely on public transportation, rising fares are severely restricting personal mobility. The current adult price for a TTC token is \$1.90, 46 percent higher than the \$1.30 charged in 1995. A monthly adult MetroPass has experienced similar increases, rising 47 percent from \$67.00 in 1995 to \$98.50 presently. For families with more than one person riding public transit, such costs represent a daunting obstacle.

Examples such as these account for only two of the many basic needs that must be met each month using the limited funds that are available after shelter costs are paid. The cost of other necessities (e.g., clothing, personal hygiene products, hydro, natural gas, telephone service and basic household supplies) have all experienced varying degrees of inflation since 1995. The inability of social assistance recipients to meet the financial demands of their daily lives can have long term health and developmental repercussions, in addition to hindering their ability to take advantage of the employment and educational opportunities that will help them to break free of the poverty trap.

D. Ensuring Adequacy of Social Assistance Rates: Converging Positions

Over the past eight years, both the City of Toronto and the wider community have recognized the detrimental impacts that stagnant social assistance benefits have had for Toronto's low income population. The following section briefly examines the City's and community's respective perspectives.

(a) City Positions

Since the Province announced its intentions to reduce social assistance rates by 21.6 percent, the City of Toronto has called on the Province to reconsider and/or restore allowances to levels more reflective of the cost of living in large urban centres such as Toronto. At least seven reports have discussed the adequacy of, or issues related to, social assistance rates in Toronto. The common feature shared by each of these reports is that the Province establish social assistance rates that recognize the actual costs of living in Toronto. Attachment 6 provides details about the recommendations contained in these reports.

(b) Community Positions

Coincident with the City of Toronto's advocacy efforts, a wide range of community-based organizations has actively campaigned to increase social assistance benefits to alleviate the extreme hardship being faced by Toronto's low income population, and thereby lessen the overwhelming demand for community services. In 2002, the "Pay the Rent and Feed the Kids" campaign, a coalition of community organizations formed in response to collective concern for Toronto's low income residents, endorsed the recommendation of the Mayor's Homelessness Action Task Force that shelter rates be increased to 85 percent of the median market rent for each local housing market. A list of the various coalition member organizations contributing to this campaign is provided in Attachment 7.

Additional recommendations that the inadequacy of social assistance rates be addressed stemmed from separate coroner's inquests during 2002 into two tragic incidents. In February 2002, the jury's verdict on the inquest into the deaths of Gillian Hadley and Ralph Hadley called on the Province to increase the shelter allowance component of social assistance to enhance the ability of women and their children to escape abusive situations. More recently, the inquest into the death of Kimberly Rogers recommended that the Minister of Community, Family and Children's Services assess the adequacy of all social assistance rates, giving particular attention to the actual costs of housing and basic needs in specific communities. The specific recommendations of the coroner's inquests are provided in Attachment 6.

E. Ontario Child Supplement Proposal

At its recent Board meeting, the Association of Municipalities of Ontario (AMO) endorsed a proposal forwarded by its Community and Social Services Task Force calling for the introduction of an Ontario Child Supplement (OCS) by the provincial government. Developed with staff from Toronto, Peel and Algoma taking a lead role, the initial phase of the proposal involves removing children from social assistance.

For families, an OCS equivalent to the child component of the current OW/Ontario Disability Support Program (ODSP) budget would be provided through 100 percent provincial funding. The proposal also assumes that the National Child Benefit Supplement (NCBS), which is currently clawed back from those on social assistance, will be retained by families thereby increasing their income. Eventually, the NCBS is expected to replace the OCS resulting in the child component of social assistance being 100 percent federally funded.

Following this change, OW would then become a program exclusively for adults which focuses on labour market attachment. It is proposed that adults receive a flat rate benefit equivalent to a set percentage of the minimum wage. The result will be an administratively streamlined OW program that more effectively supports workers to find and sustain employment. Consistent with longstanding municipal positions, the proposal sees the adult benefit being funded 100 percent by the Province. Administrative costs will continue to be shared on a 50/50 basis by delivery agents.

Ultimately, the proposal offers the following benefits:

- 1) removes children from social assistance by providing a child allowance comprised of provincial and federal funds;
- 2) boosts incomes of families with children by 10 to 15 percent;
- 3) generates municipal savings for reinvestment in labour market development by removing the municipal contribution to the child portion of social assistance benefits; and
- 4) transforms OW into a more streamlined and responsive labour market attachment program where benefit rates are tied to the minimum wage and are funded 100 percent by the Province.

This proposal was presented to the AMO Board of Directors at its meeting held February 28, 2003. The Board, which is comprised of elected officials from municipalities across Ontario including Toronto, voted unanimously to endorse the proposal and requested that AMO members seek endorsement from their respective Councils.

Given its focus on reducing child poverty, increasing the incomes of families on social assistance, and eliminating municipal social assistance costs, TSS believes this proposal offers an innovative approach to further reforming social assistance in Ontario for the benefit of clients and communities. At the same time, the proposal, if implemented, will refocus OW by allowing delivery agents to concentrate on helping unemployed workers return to the labour market. It will also significantly streamline the current OW delivery system, an ongoing objective of TSS. A future report to Council in the Spring of 2003 will discuss key issues relating to program complexity and prescriptiveness that, among other things, reduce OW's effectiveness as a labour market program.

Conclusions:

Social assistance rates have remained unchanged since 1995, when the newly elected provincial government reduced benefits by 21.6 percent. At the same time, the cost of living in Toronto rose approximately 13 percent between 1995 and 2002, with shelter, food and transportation becoming markedly more expensive. As a consequence, social assistance rates have fallen by almost 35 percent in real and relative terms over the past eight years. In light of this progressive erosion in the standard of living of persons on social assistance, it is imperative that the Province increase social assistance rates to a level reflective of the actual cost of living in large urban centres such as Toronto in order to alleviate the extreme hardship that those on assistance face. One promising option to increase incomes and to further the reform of social assistance in Ontario involves restructuring the OW and ODSP programs in line with AMO's "Ontario Child Supplement" proposal.

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Attachment 1: Annual Social Assistance Benefit, LICO and Median Income by Family Type
 Attachment 2: Average Rents for Major Canadian Cities (October 2002)
 Attachment 3: Shelter Gap (Toronto CMA: 1994, 1998, 2002)
 Attachment 4: Proportion of Toronto Rental Stock with Low Monthly Rents (1998 - 2001)
 Attachment 5: Daily Per Person OW Allowance Available for Basic Needs After Rent is Paid
 Attachment 6: Past Recommendations for Increased Social Assistance Rates
 Attachment 7: Coalition Members of the "Pay the Rent and Feed the Kids" Campaign

Attachment 1: Annual Social Assistance Benefit, LICO and Median Income by Family Type

Family Type	1995				2002		
	Median Income	LICO	Annual Benefit		Median Income	LICO	Annual Benefit
			Pre Rate Cut	Post Rate Cut			
Single	\$17,900	\$16,874	\$7,920	\$6,240	\$21,400	\$19,261	\$6,240
Single with 1 child	\$22,200	\$21,092	\$14,652	\$11,484	\$26,700	\$24,077	\$11,484
Single with 2 children	\$22,200	\$26,232	\$17,796	\$13,944	\$26,700	\$29,944	\$13,944
Couple with 2 children	\$45,800	\$31,753	\$19,152	\$15,000	\$52,400	\$36,247	\$15,000

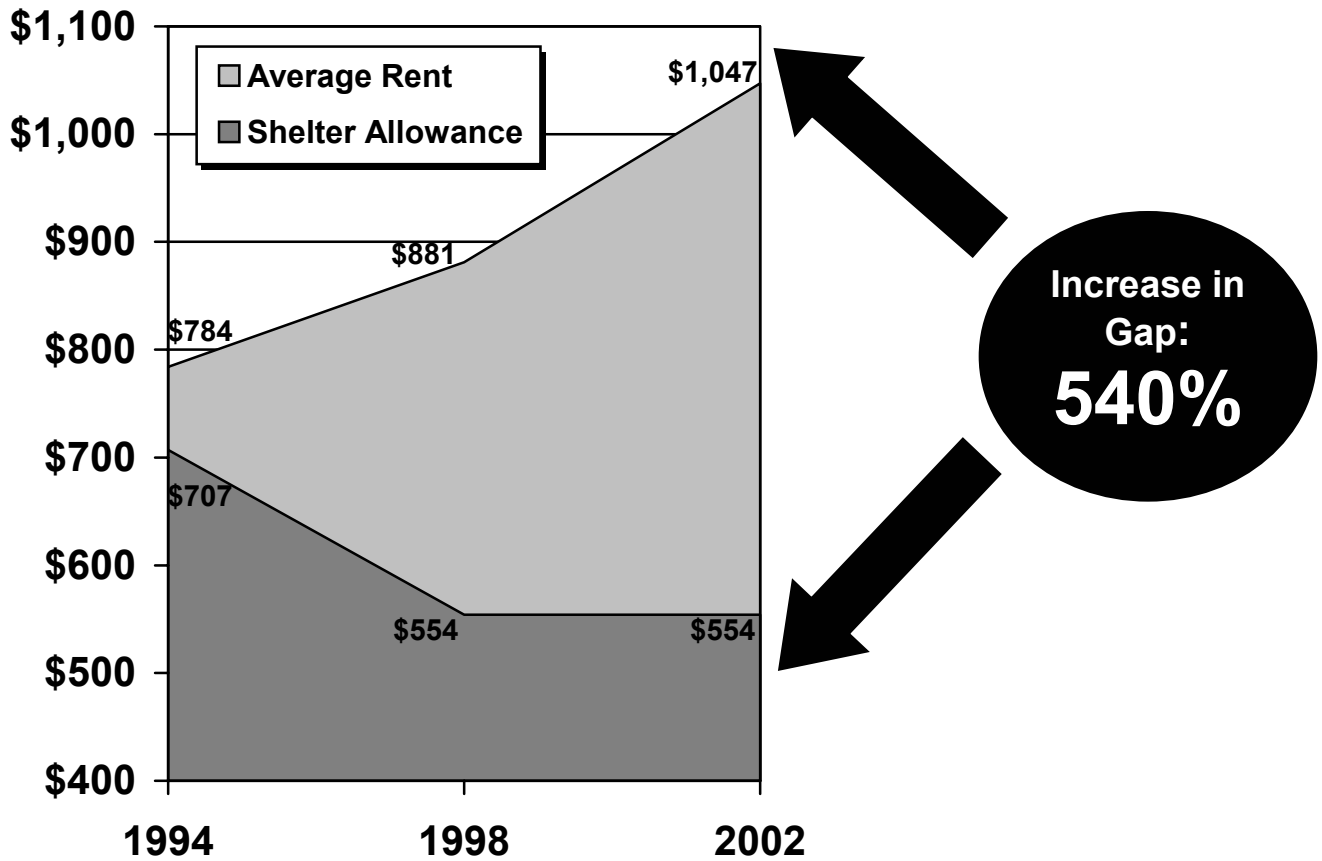
Attachment 2: Average Rents for Major Canadian Cities (October 2002)

Metropolitan Area	One-Bedroom (% of Toronto Average)	Two-Bedroom (% of Toronto Average)
Toronto, ON	\$891	\$1,047
Vancouver, BC	\$743 (83%)	\$954 (91%)
Ottawa, ON	\$767 (86%)	\$930 (89%)
Oshawa, ON	\$713 (80%)	\$819 (78%)
Calgary, AB	\$657 (74%)	\$804 (77%)
Victoria, BC	\$605 (68%)	\$771 (74%)
Windsor, ON	\$638 (72%)	\$769 (73%)
Hamilton, ON	\$627 (70%)	\$765 (73%)
Kitchener, ON	\$638 (72%)	\$750 (72%)
Kingston, ON	\$598 (67%)	\$727 (69%)
Edmonton, AB	\$575 (65%)	\$709 (68%)
London, ON	\$566 (64%)	\$705 (67%)
Halifax, NS	\$572 (64%)	\$704 (67%)
St. Catharines, ON	\$583 (65%)	\$695 (66%)
Thunder Bay, ON	\$532 (60%)	\$657 (63%)
Abbotsford, BC	\$530 (59%)	\$650 (62%)
Sudbury, ON	\$513 (58%)	\$647 (62%)
Winnipeg, MB	\$490 (55%)	\$622 (59%)
Gatineau, QC	\$509 (57%)	\$599 (57%)
St. John's, NF	\$510 (57%)	\$589 (56%)
Regina, SK	\$480 (54%)	\$581 (55%)
Saskatoon, SK	\$461 (52%)	\$567 (54%)
Montreal, QC	\$505 (57%)	\$552 (53%)
Quebec City, QC	\$489 (55%)	\$550 (53%)

Source: Canada Mortgage and Housing Corporation

Shelter Gap (Toronto CMA: 1994, 1998, 2002)

Single + 2 Children, 2 Bedroom Apartment

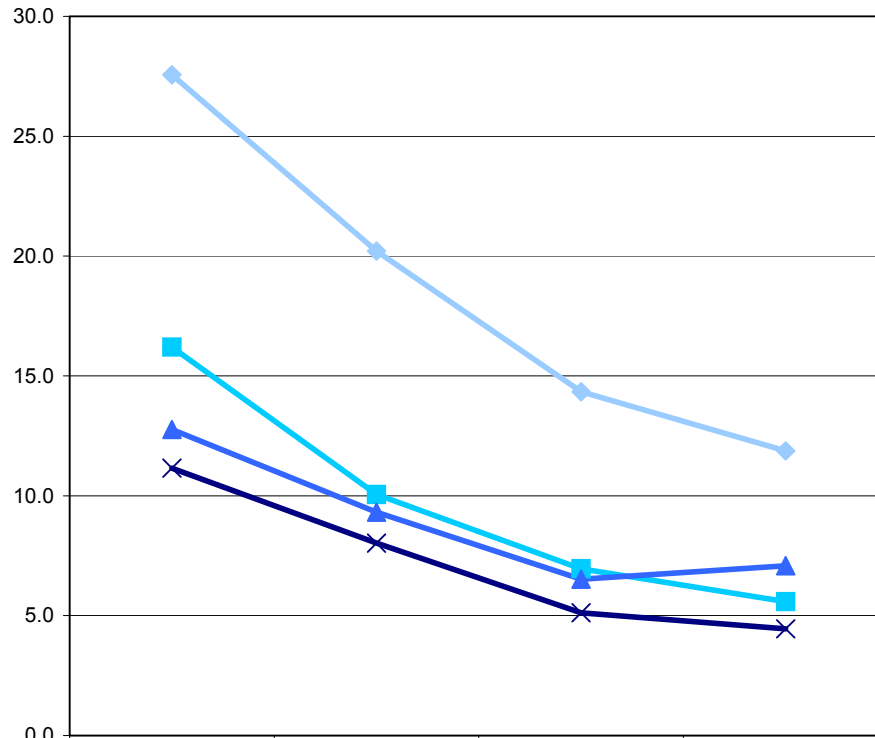


Sources:

Canada Mortgage and Housing Corporation, Rental Market Survey Reports
Ontario Ministry of Community, Family and Children's Services

(Graphic provided courtesy the "Pay the Rent and Feed the Kids" campaign)

Proportion of Toronto Rental Stock with Low Monthly Rents (1998 - 2001)



	1998	1999	2000	2001
◆ Bachelor Apt. at \$500 or less	27.6	20.2	14.3	11.9
■ 1-bdrm Apt. at \$600 or less	16.2	10.1	7.0	5.6
▲ 2-bdrm Apt. at \$700 or less	12.8	9.3	6.5	7.1
× 3-bdrm Apt. at \$800 or less	11.2	8.0	5.1	4.5

Attachment 5: Daily Per Person OW Allowance Available for Basic Needs After Rent is Paid

Scenario 1: Single parent (female aged 20) with one child (son aged 2) renting a one-bedroom apartment at \$800 per month

Estimated proportion of one-bedroom apartments available in Toronto at \$800 or less per month in 2002: 50%

Monthly Income:

OW Allowance

Shelter Allowance	\$511.00
Basic Needs Allowance	\$446.00

Canada Child Tax Benefit

Child Tax Benefit	\$ 95.91
National Child Benefit Supplement	<u>\$107.75</u>

Sub-total	\$1,160.66
Less NCBS Clawback	<u>\$ 107.75</u>

Total	\$1,052.91
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Less Rent	\$ 800.00
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Remaining Income for Basic Needs	\$ 252.91
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Daily Funds Available (based on 30-day month)	\$ 8.73
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Daily Funds Available Per Person	\$ 4.21
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Scenario 2: Single parent (female aged 39) with two teenaged children (daughter aged 16, son aged 14) renting a two-bedroom apartment at \$900 per month

Estimated proportion of two-bedroom apartments available in Toronto at \$900 or less per month in 2002: 40%

Monthly Income:

OW Allowance

Shelter Allowance	\$554.00
Basic Needs Allowance	\$608.00

Canada Child Tax Benefit

Child Tax Benefit	\$191.83
National Child Benefit Supplement	<u>\$198.33</u>

Sub-total	\$1,552.16
Less NCBS Clawback	<u>\$ 198.33</u>

Total	\$1,353.83
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Less Rent	\$ 900.00
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Remaining Income for Basic Needs	\$ 453.83
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Daily Funds Available (based on 30-day month)	\$ 15.13
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Daily Funds Available Per Person	\$ 5.04
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Scenario 3: Couple (male aged 45, female aged 42) with two teenaged children (son aged 17, daughter aged 15) renting a three-bedroom apartment at \$1,000 per month

Estimated proportion of three-bedroom apartments available in Toronto at \$1,000 or less per month in 2002: 25%

Monthly Income:

OW Allowance

Shelter Allowance	\$602.00
Basic Needs Allowance	\$648.00

Canada Child Tax Benefit

Child Tax Benefit	\$191.83
National Child Benefit Supplement	<u>\$198.33</u>

Sub-total	\$1,640.16
Less NCBS Clawback	<u>\$ 198.33</u>

Total \$1,441.83

Less Rent \$1,000.00

Remaining Income for Basic Needs \$ 441.83

Daily Funds Available (based on 30-day month) \$ 14.73

Daily Funds Available Per Person \$ 3.68

Attachment 6: Past Recommendations for Increased Social Assistance Rates

1995 Clause No. 6, Report No. 13 of the Human Services Committee titled “Social Assistance Rate Reductions” adopted by the former Metro Council at its meeting of August 16 and 17, 1995

“The Human Services Committee further reports, for the information of Council having:

(2) referred the following motion by Councillor Kinahan to the Acting Commissioner of Community Services for inclusion in his report to the August 16, 1995, Council meeting:

“That Metropolitan Council remind Premier Harris this makes common sense that any decrease in assistance support to a person should take into account the average cost of living in the municipality in which such person resides;”

Report to the former Metro Council titled “Shelter Supplement to Address Social Assistance Benefit Reductions” adopted at its meeting of August 16 and 17, 1995

“Metro Council support the creation of a two tier shelter benefit system and direct senior Metro Officials to meet with the appropriate provincial officials as soon as possible to discuss viable options for the development and implementation of such a benefit system, and to discuss effective strategies for helping General Welfare Assistance (G.W.A.) customers respond to the announced rate changes, including the proposals outlined in this report.”

1999 Report of the Mayor’s Homelessness Action Task Force: Taking Responsibility for Homelessness (January 1999)

“Recommendation 37: The shelter component maximum for social assistance should equal 85 percent of median market rent for each local housing market, based on annual surveys. In Greater Toronto, this would represent, on average, an increase of just over 20 percent on the current maximum shelter benefit.”

2000 The Toronto Report Card on Homelessness 2000

“It is recommended that the City of Toronto:

(3) Urge the provincial government to:

(a) increase the shelter component of social assistance to reflect local market conditions as recommended by the Mayor’s Homelessness Action Task Force”

Verdict of Coroner's Jury into the deaths of Gillian Hadley and Ralph Hadley
(February 8, 2002)

"31. We recommend that the Government of Ontario (Ministry of Community and Social Services) review the social assistance rates under the *Ontario Works Act* and create a mechanism to provide for the adjustment of said rates to reflect the actual needs of recipients as they may be affected by the social and economic environment for the particular geographic location where they reside."

Clause No. 11, Report No. 5 of the Community Services Committee re: Report from Jack Layton, Co-Chair, Advisory Committee on Homeless and Socially Isolated Persons on the "Pay the Rent and Feed the Kids" campaign adopted by Council at its meeting of May 21, 22 and 23, 2002

"... and recommending that the Community Services Committee approve the following recommendations for action:

- (1) that the City of Toronto again recommend that the provincial government increase the shelter allowance component of social assistance to reflect local market rents"

Clause No. 10, Report No. 6 of the Community Services Committee titled "Progress Report on the Implementation of 'The Growing Season: The Phase II Report of the Food and Hunger Action Committee'" adopted by Council at its meeting of June 18, 19 and 20, 2002

"The Committee:

- (1) recommended to Council:
 - (b) that the Province of Ontario be requested to increase social assistance support, especially the housing component; and further that social assistance rates be indexed;"

Clause No. 16, Report No. 6 of the Community Services Committee titled "City of Toronto Response to the Gillian Hadley and Ralph Hadley Coroner's Inquest Recommendations" adopted by Council at its meeting of June 18, 19, 20, 2002

"It is recommended that:

- (4) the Province again be requested to increase the shelter allowance component of social assistance to reflect local market rents;"

Verdict of the Coroner's Jury into the death of Kimberley Rogers (December 19, 2002)

- “4. The Ministry of Community, Family and Children's Services and the Ontario Works Program should assess the adequacy of all social assistance rates. Allowances for housing and basic needs should be based on actual costs within a particular community or region. In developing the allowance, data about the nutritional food basket prepared annually by local health units, and the average rent data prepared by the Canadian Mortgage and Housing Corporation should be considered.”

Attachment 7: Coalition Members of the “Pay the Rent and Feed the Kids” Campaign

Advocacy Centre for Tenants Ontario

Centre for Equality Rights in Accommodation

Community Social Planning Council of Toronto

Daily Bread Food Bank

DisAbled Women’s Network

Federation of Metro Tenant’s Associations

Income Security Advocacy Centre

Kensington Bellwoods Community Legal Services

Low Income Families Together

Metro Network for Social Justice

Nellie’s

Ontario Association of Food Banks

Ontario Coalition for Social Justice

Ontario Federation of Labour

Ontario Social Safety Network

Parkdale Community Legal Services

Sistering

Somerset West Action Network

The STOP

Toronto Disaster Relief Committee

UNITE Ontario Council

YWCA of Greater Toronto