

YWCA Toronto Pre-budget Submission to the Standing Committee on Finance and Economic Affairs

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January 2010



Advocacy | Employment & Skills Development | Girls & Family Programs | Housing & Shelter

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I. INTRODUCTION

YWCA Toronto is the city's trusted multi-service organization by, for and about women and girls. YWCA Toronto is a turning point for women who are escaping violence and rebuilding healthy lives. We offer a range of housing options, employment and skills development and girls' and family programs. Last year YWCA Toronto served more than 26 000 people in Toronto.

As an organization whose work is largely focused on poverty reduction, broadly defined, we are eager to point out that it has been well documented that policies and programs that reduce poverty not only result in stronger, healthier individuals and communities, they also have the potential to contribute to strengthening Ontario's economy. YWCA Toronto recommends that poverty reduction remain a priority in the 2010 budget.

II. SOCIAL ASSISTANCE REFORM

Breaking the Cycle: Ontario's Poverty Reduction Strategy (PRS) is of critical importance to the social and economic well-being of Ontario. YWCA Toronto is encouraged that this trailblazing strategy included a commitment to review Ontario's social assistance programs, Ontario Works and the Ontario Disability Support Program, with an approximate annual budget of \$6 billion.

The recent appointment of the Social Assistance Review Advisory Council further encourages YWCA Toronto that the urgent need for social assistance reform is being taken seriously.

There is widespread agreement that in addition to long-term structural changes to social assistance, immediate rule changes would provide relief to Ontarians reliant on a largely punitive and unsupportive social assistance system.

Given the near consensus regarding the ineffectiveness of Ontario's social assistance system, and the economic hardships which many Ontarians are facing, it is essential that the 2010 provincial budget includes changes to some of the most problematic social assistance rules.

YWCA Toronto recommends the following rule changes be prioritized.

a) Asset limits

The current asset limits for Ontario Works are so low that recipients are virtually depleted of any financial cushion they may have.¹ Requiring OW recipients to deplete their savings is not only excessively punitive, it undermines people's ability to both maintain a reasonable standard of living while on assistance (because of the very low benefit levels) and to cover costs associated with returning to work.

The very low asset limits essentially deny recipients any financial control or capacity to engage in financial planning. For single mothers who face significant financial stress while on social assistance, this denial of opportunity seems particularly inconsistent with the goals of poverty reduction and opportunity planning articulated in the PRS. In fact, the low asset levels likely prolong recipients' poverty.

¹ The asset limit for a recipient with one dependent is \$1630.

YWCA Toronto has also experienced that for women who are victims of violence, the experience of applying for and being on welfare is often a very disempowering experience that at times replicates abuse they have experienced. This is compounded by excessively punitive and disempowering rules. YWCA Toronto has found that a critical component of women being able to gain control of their lives and achieve well-being includes gaining financial control over their affairs.

YWCA Toronto recommends that OW asset levels be increased to match the ODSP asset levels².

b) Asset exemptions

In order to be eligible for OW and ODSP, applicants are required to spend down their Registered Retirement Savings Plans (RRSPs). Requiring applicants to deplete their RRSPs undermines their long-term financial security. Indeed, this requirement seems to run contrary to the spirit of the Poverty Reduction Strategy.

YWCA Toronto has worked with thousands of women who have fled abusive partners, been denied the opportunity to do paid work and/or been deprived of control over their financial affairs. The reality is that few of these women have RRSPs. However, for the few that do, it seems cruel to force these women to spend down their RRSPs in order to access social assistance. It also seems to undermine the goals of long-term poverty reduction and opportunity planning.

YWCA Toronto recommends that RRSPs for both OW and ODSP recipients be exempt.

c) Child support

Single mothers on social assistance struggle to make ends meet as a result of the inadequate benefit levels. Indeed, public health officials, educators, social workers and even members of the current government have publicly stated their concerns regarding the negative health and social impacts of the very low benefit levels. Thus, the deduction of child support payments from social assistance cheques is inconsistent with the goals of poverty reduction and promoting healthy child development. Income from child support will help ensure children eat healthier food and have opportunity to participate in extra-curricular activity.

Deducting child support payments from the income of families on social assistance essentially punishes single mothers and their children for being poor.

YWCA Toronto works with more than 26 000 women and children a year. Many of the women we work with in our shelters and in our employment programs have experienced violence. We are very aware of how male violence against women has wide-ranging impact on women and children. For the women who are able to safely access and receive child support, they should be able to receive it without penalty.

YWCA Toronto recommends that child support payments be exempted from the calculation of income.

² The asset limit for an ODSP recipient with one dependent is \$5500.

d) Income: casual gifts and payments and loans

Ontario's Poverty Reduction Strategy calls for "all hands on deck" in our shared efforts to reduce poverty and create opportunity for all Ontarians. YWCA Toronto agrees that there is tremendous opportunity for individuals and groups to make positive contributions to help reduce poverty and increase access to opportunity. Indeed, as a community-based organization, YWCA Toronto sees first-hand the positive impact of businesses offering training opportunities, of mentorships, of neighbors helping neighbors and of material and financial generosity towards those in need.

YWCA Toronto is concerned that the current Ontario Works rules regarding casual gifts and payments undermines the spirit of "all hands on deck" and denies OW recipients assistance that is much needed, especially because of the low benefit levels mentioned earlier. Current OW rules allow recipients to receive casual gifts and payments on a continual basis for only six months; ODSP rules allow for maximum of \$6000/year.

Current rules also deem loans as income. For example, if a parent is forced to make a cash withdraw on her credit card to pay for groceries or rent, the withdrawal is considered income and the amount is deducted from her welfare cheque.

Single mothers who are struggling to make ends meet and create as much opportunity for their children as possible are particularly impacted by these punitive rules for two reasons. Firstly, the financial and logistical challenges of raising children while on social assistance are great and the likelihood of needing additional assistance is high. Secondly, because of the needs of young children, single mothers and their children are more likely to be reliant on social assistance for a longer period of time than those without children and therefore will be suffer after they have passed the 6-month window in which payments on a continual basis are permitted.

If a kind neighbor offers to cook dinner every Friday night for a single mother and her children, the mother should not be forced to declare this gift income. If a generous grandparent offers to pay for a child's weekly music class for the whole year, the mother should not be forced to declare this gift and have its value reduced from her OW cheque.

YWCA Toronto recommends that the rule governing casual gifts and payments for OW be amended to allow recipients to receive gifts and payments on an ongoing basis throughout the year and to a maximum value of \$6000/year per individual in the benefit unit.

YWCA Toronto also recommends that loans be exempted as income.

III. CHILDCARE

Access to childcare is critical to women's ability to work. The provincial government has established a number of innovative programs and policies to support women's ability to work, including the Ontario Child Benefit. However, without affordable childcare, the goals of such programs are undermined. Women simply cannot work outside the home if they do not have childcare.

In the 2006 budget, the McGuinty government allocated \$63.5 million for child care for each of the next four years to support critical child care services. However, those funds have now been depleted.

The City of Toronto has stated that should the Province fail to provide additional resources to maintain existing services they would need to cut 5000 subsidies (21%) by January 2012.

YWCA Toronto is concerned that if childcare is not appropriately funded, there will be dire consequences including: the loss of thousands of essential subsidized spots, increased fees for fee-paying families who are struggling with the existing fees, empty child care spots, job losses and the closure of childcare centres.

YWCA Toronto recommends that the Province provide sufficient funding to maintain existing levels of child care service. Further, the Province must recognize cost of the living and other legitimate increases in operating costs.

YWCA Toronto also recommends that the Province provide all necessary tools to support the transition to an Early Learning Program – including base funding for child care programs to support operations and wages, comparable to the full-day learning program, in order to ensure the child care system remains stable and sustainable.

IV. AFFORDABLE HOUSING AND SUPPORT

Affordable housing is a critical component of *Breaking the Cycle: Ontario's Poverty Reduction Strategy*. YWCA Toronto was encouraged by the acknowledgement in the PRS of the particular housing needs of persons living with mental illness, seniors and victims of violence against women.

One of the many services YWCA Toronto provides is housing and support to women and women-led families. We provide housing and support to women with mental health issues, victims of violence, seniors and women at risk of homelessness. Last year we provided housing to nearly one thousand vulnerable women and children.

YWCA Toronto has first-hand experience of the importance of the support in the context of affordable housing. Support comes in the form of skilled, well-trained staff; it is often critical not only in helping women maintain their housing – but also in gaining access to the appropriate resources and services that help women turn their lives around.

YWCA Toronto prides itself on being a turning point in the lives of women and girls. The support that our housing staff provided is essential to significant transformation in the lives of many of the women and their families we serve. Such transformations included improved health, improved family relations, improved school outcomes, increased capacity to live independently and entrance into the labour market.

Thus, as government moves forward with the Affordable Housing Program, the Long-Term Affordable Housing Strategy, the Mental Health & Addictions Strategy and as government considers the necessity of person-centred services, YWCA Toronto urges the government to ensure we realize the full benefit and create the biggest possible impact in our affordable housing programs by providing the necessary funding for the appropriate supports. As it is, funding for

such support is, for the most part, inadequate in the extreme. And yet the cost of failing to provide the support is great.

YWCA Toronto recommends that new funding be available to support partnerships between the Ministries of Municipal Affairs and Housing and Health and Long-Term Care to ensure the necessary supports are available to those who need them. Specifically, the Local Health Integration Networks should be recognized as critical partners to non-profit and alternative housing providers.

V. GENDERING “YOUTH”

The current government has led a number of initiatives to improve the lives of young people in this province, particularly youth-at-risk and children in low-income families.

At YWCA Toronto, we know how critically our young people need programs and services that are designed to meet their specific needs. However, we are concerned that when “youth” are referred to, it is actually boys to which we are referring.

As an organization focused on girls and women, YWCA Toronto is very aware of the need to gender youth programming, that is to acknowledge the need for girl-only programming and space.

The experience of YWCA Toronto is that girls have concerns and are grappling with issues that, at least in part, are best addressed in a girl-only space.

The Falconer Report on School Safety cited a study of 4200 girls in which it was found 80% of the girls between the ages of 9-19 years of age had experienced sexual harassment and 50% of those studied had experienced sexual harassment on a daily basis.

As the budget is prepared and projects such as the After School Initiative are further developed, YWCA Toronto recommends that funding should be made available to specifically support programming for girls in low-income and vulnerable communities.

VI. CONCLUSION

As Ontario continues to grapple with the consequences of the recession, Budget 2010 must take bold anti-recessionary measures, including continuing the work of poverty reduction.

Summary of recommendations

1. Change social assistance rules.
 - a. YWCA Toronto recommends that OW asset levels be increased to match the ODSP asset levels.
 - b. YWCA Toronto recommends that RRSPs for both OW and ODSP recipients be exempt.
 - c. YWCA Toronto recommends that child support payments be exempted from the calculation of income.
 - d. YWCA Toronto recommends that the rule governing casual gifts and payments for OW be amended to allow recipients to receive gifts and payments on an ongoing basis

throughout the year and to a maximum value of \$6000/year per individual in the benefit unit.

- e. YWCA Toronto also recommends that loans be exempted as income.
2. YWCA Toronto recommends that the province provide sufficient funding to maintain existing levels of child care service. Further, the Province must recognize cost of the living and other legitimate increases in operating costs.
3. YWCA Toronto also recommends that the Province provide all necessary tools to support the transition to an Early Learning Program – including base funding for child care programs to support operations and wages, comparable to the full-day learning program, in order to ensure the child care system remains stable and sustainable.
4. YWCA Toronto further recommends that new funding be available to support partnerships between the Ministries of Municipal Affairs and Housing and Health and Long-Term Care to ensure the necessary supports are available to those who need them. Specifically, the Local Health Integration Networks should be recognized as critical partners to non-profit and alternative housing providers.
5. YWCA Toronto recommends that funding should be made available to specifically support programming for girls in low-income and vulnerable communities.