



February 9, 2018

Re: 2018 Provincial Budget

The Honourable Charles Sousa
Minister of Finance
c/o Budget Secretariat
Frost Building North, 3rd Floor
95 Grosvenor Street
Toronto, ON M7A 1Z1

Sent by email to the Minister: submissions@ontario.ca

Dear Minister Sousa,

Established in 1950, the Ontario Municipal Social Services Association (OMSSA) is a non-profit organization whose members are the 47 Consolidated Municipal Service Managers (CMSMs) and District Social Services Administration Boards (DSSABs) across Ontario. We support leadership in integrated human services through strong local service system management in all municipalities.

We value our partnership with the Province of Ontario and appreciate the investments that have been made in human services by this government. OMSSA members believe this budget is an opportunity to leverage on the good work that service managers have seen from Queen's Park over the past term of the Provincial government. We look forward to a continued strong working relationship to support those most vulnerable in our community and changing lives together in a positive way. This year is the 20th anniversary of the service manager system now in place within the Province of Ontario. It is important to keep the unique role of service managers top of mind when considering issues impacting human services policy within the Province of Ontario.

OMSSA supports AMO Local Share Campaign:

Of the total tax collected in Canada, municipalities only receive 9 cents on the dollar. OMSSA members have responsibilities primarily in the areas of housing, social assistance and child care. They must also improve and maintain roads, infrastructure and capital assets. The municipal level of government provides important services that cannot be funded by property taxes alone and requires support from other levels of government and additional sources of revenue. The Association of Municipalities of Ontario estimates the annual infrastructure funding deficit for municipal governments is \$4.9 billion over the next 10 years. If municipal governments had to close this funding gap on their own, it would mean that property taxes and user fees would need to double.

Fair Share for Ontario, Equalization Reform:

This idea has been championed by the Provincial government in the past, but Ontario can no longer afford the flawed equalization formula. Ontario boasts the lowest per capita spending on social services in Canada. Ontario taxpayers should be funded badly stretched services in Ontario, not Quebec. A more aggressive campaign is needed to reduce the \$10B annually we send to other Provinces through the outdated and flawed federal equalization formula. That money recovered would make a major difference within the Province of Ontario. Every tax dollar counts and must be allocated to where it is needed most.

Move Forward with Income Security - A Roadmap for Change Recommendations:

OMSSA members strongly support the proposed Income Security Reform Recommendations. The working group report calls for significant commitments starting in the first year. We have heard loud and clear from service managers across the Province that they would like to see the Provincial government begin to implement these recommendations, starting with this budget.

Ontario has received international attention as a result of its Basic Income pilot. OMSSA members are very interested in the outcome of the pilots in: Thunder Bay, Hamilton, Brantford and Lindsay. We encourage the government to communicate frequently and share data with service managers as the pilot continues. We want to see the pilot completed as scheduled over the 3-year period to determine if a Basic Income makes sense for Ontario over the long term.

Social Services modernization and a client-centred approach to delivery of these critical services is welcome. As change takes place, many service managers (especially those in the North and rural areas) are starting to feel overwhelmed. Support is needed for capacity building, including training and planning and preparing for the culture change this will require. OMSSA members tell us that frequent Provincial government surveys, consultations, administration and reporting are starting to take a toll on day to day operations with no end in sight. While the long-term goal is better service and a more efficient use of tax dollars, in the short term, Provincial support is needed to implement these changes happening in income security reform and human services. OMSSA calls on the province to ensure supports are co-designed with municipal partners and avoid creating new or increased costs or inadvertent impacts to municipal programs.

Employment Support:

OMSSA supports a larger role for service managers in the area of employment support and training. OMSSA encourages the Province to continue to support and bolster employment and training programs, particularly those under Employment Ontario and Ontario Works. The Canada-Ontario Job Grant has been a welcome program for both employers as well as their existing and new employees. It is suggested, however, that consideration be given to expanding the priority of the Canada-Ontario Job Grant (COJG) beyond Tier 1 applications. A broader focus, without the various stipulations, will encompass a larger target group of employees benefiting from training and enhanced skills development as well as help to address the skill gap that challenge many employers. This reprioritization would augment the overall program.

In addition, we advocate support for employer on-site company specific training programs to complement those training programs already in place.

Employment Ontario funding allocations need to keep pace with inflationary pressures, specifically in the areas of salary and benefit costs, which are often bound by collective agreements and other cost drivers over which municipalities have little control.

Other Employment Ontario programs including: Second Career, Employment Programs for Youth, and Apprenticeship Programs are all contributing to the development of our workforce and adding to a needed pool of skilled labour. Our members are appreciative of the positive impact this has had on local communities

With respect to Ontario Works, we request that the Province assist Municipalities to help the most vulnerable individuals with both financial and employment supports. Although our economy is showing signs of recovery, the bulk of clients who remain on Ontario Works face numerous challenges to entering and remaining in the workforce.

Poverty Reduction:

OMSSA is pleased with the Ontario Poverty Reduction Strategy and looks forward to the details of the National Poverty Reduction Strategy and how collaboration will result in a more positive result. We call on all levels of government (including local) to coordinate on poverty reduction. Together we can reduce child poverty rates, reduce homelessness and ensure that all Ontarians share in the economic growth our country and Province are currently enjoying.

Affordable Housing, Social Housing and Purpose-Built Rental:

Additional social housing stock is required to address wait lists across Ontario. The Auditor General of Ontario reported that there are more people waiting for social housing on the waiting list than there are housing units. The cost of and maintaining existing stock is enormous. Housing modernization is welcome but must not be an excuse to reduce direct investment into existing or new stock. The Province downloaded this responsibility onto municipalities, but relying on property taxes is not sustainable.

OMSSA welcomes new investments and programs that support social and affordable housing in the Province of Ontario. We encourage the Province to set inclusive criteria so that all services managers benefit. Urban, suburban, rural and Northern municipalities have unique needs. A one size fits all approach will not work, flexibility is required and service managers are best placed to define and

manage local needs. It is important to consider the role of service managers in the area of housing policy development.

The need for affordable housing across Ontario is urgent. The Region of Peel has one of the longest waitlists for subsidized housing in Ontario and the need is growing. As of December 2016, there were 12,958 households on the centralized wait list for subsidized housing and the average wait time was six and a half years. This is an increase from 11,747 households (+10.3 per cent) and 5.9 years (+10.2 per cent) respectively in 2015. In addition, 14,861 individuals accessed a Region of Peel Emergency Shelter in 2016. It is also estimated that the funding gap for state of good repair in Peel's subsidized housing system is over \$350 million within the next 10 years. Other service areas also have increasing wait lists and wait times as supply has not kept up with demand.

Program criteria must allow for all municipalities to participate. For example, support for green efficiency within affordable housing units was welcome. Unfortunately, the program criteria initially shut out smaller communities from applying. We appreciate the announcement on February 9, 2018 that targets those with fewer than 100 units and will support rural and Northern communities who could not apply under the previous criteria. The Province must also consider the administrative burden on service managers when determining the application process. Many smaller communities dedicate significant staff resources to the application process, only to be left out in the end. This causes frustration and reduces the likelihood that limited resources will be dedicated to future applications. Program criteria should be as inclusive as possible so that all communities in the Province can benefit.

OMSSA members welcome the new Provincial Portable Housing Benefit and the proposed Portable Housing Benefit outlined in the National Housing Strategy. Maximum local flexibility is needed to ensure unique local needs can be addressed. Eventually, we would like to see a provincial or federally funded Portable Housing Benefit that is centrally managed and funded allowing those in need to seek options across jurisdictions. For the Portable Housing Benefit approach to be successful, affordable rental units must be available. Incentives must be provided to increase the supply of rental targeted where vacancy rates are lowest. The \$125M development charge rebate fund from the Province is welcome if it is targeted to increasing the supply of rental housing. OMSSA recently made a submission on Inclusionary Zoning. Our members prefer to target the lowest income individuals in our communities as opposed to an affordable home ownership program for moderate income individuals that could be inconsistent with the objectives outlined in the Fair Housing Plan. Inclusionary zoning would be most useful if there was an incentive for rental units and less financial burden on local governments.

A housing first approach is best and there is universal agreement that permanent housing solutions are preferred to transitional housing and shelters. Having said that, there remains a need for shelters and transitional supports to address immediately, homelessness issues while longer-term solutions are being worked out that increases the overall supply of permanent housing options. New supply is critical but so are the program supports needed to ensure successful homelessness and health related outcomes. Social and affordable housing providers are not funded or equipped to manage the complex and diverse tenant populations living in their communities. Mental health, addictions and wrap-around supports are needed to support the providers and their residents.

Federal investment in housing is welcome and long overdue. The National Housing Strategy unveiled by the government is a good start. We call on the Province to quickly negotiate an arrangement with the federal government so that the new money can flow as soon as possible. We also request that the Provincial government attempt to negotiate Thunder Bay, Cochrane, Rainy River and Kenora to be

included in the funding allocated for Northern Territories based on similar demographic and geographical considerations as Yukon, the Northwest Territories and Nunavut. Concerns around End of Operating Agreements and likely federal solutions is a major issue that must be addressed.

The Ontario government should provide long-term, sustainable capital and operational funding for affordable housing, including maintenance of the current housing stock and new rental development.

Child Care:

OMSSA members acknowledge and appreciate the investment government has made to date in child care. Clearly, it has been a high priority. All-day kindergarten, the creation of 100,000 new spaces, the work being done with Early Years Centres and the funding to mediate the impact of the minimum wage are recognized by our membership. Subsidized wait lists have dropped dramatically across the Province and in most cases our members feel they have been given the resources to succeed. Unfortunately, this has been coupled with inflexibility and onerous administration in implementation. The federal child benefit and decision not to claw back from the Province is probably the single most important factor that has been introduced to reduce child poverty rates. We hope to see child care remain as a priority this year and in future years.

For a variety of reasons, it is difficult to recruit and retain quality ECEs in many areas of the Province. ECEs play a vital role in child care and funding should be available to organize the profession, pay them a fair wage and ensure their availability where needed across the Province. Funding for those seeing an increase from the past to a new minimum wage is appreciated. However, the requirements should allow for funding to those communities who were paying more than the minimum wage but are seeing labour costs increase as a result of the minimum wage hike. Any increase in costs will be passed on resulting in increased fees. Child care affordability is already an issue and OMSSA members, including the Provincial government does not want to see an escalation of costs, such as those reported in the media. Additional flexibility is required to address increased costs directly or indirectly caused by the minimum wage increase. Affordability for licensed child care remains a pressing issue in many areas of the Province for those that do not qualify for a subsidy. OMSSA is very interested in universal affordability and looks forward to the recommendations and findings of Dr. Cleveland this spring.

No child should go to school on an empty stomach. Students cannot learn and reach their full potential if they are hungry. Supporting breakfast and after school programs is a worthwhile investment. OMSSA members would also like to see more coordination with the various local school boards toward common objectives. Removing barriers related to preserving public spaces, fully utilizing schools in off hours, using surplus buildings for community hubs and creating additional child care spaces should be addressed.

Public Health, Mental Health & Addictions:

Mental health is a very important issue to OMSSA members. Currently the lack of support for mental health and addictions in many areas of the province is a top concern for OMSSA. People should be able to seek the care they need early and regardless of where they live. Adequate support for mental health is needed to deliver successful outcomes in eliminating homelessness and reducing poverty. Addictions and the opioid crisis are impacting both large and small communities everywhere in this Province. January 31 is Bell's *Let's Talk Day*. The time is now to move from talk to firm action. OMSSA calls on the Provincial government to immediately invest \$2B into a Province wide mental health strategy, which

collaborates with service managers who see the impact of mental health issues in local situations. The issue in Northern Ontario is especially urgent as data shows the need in Northern communities is higher than the provincial average. Ontario supports the Open Minds, Healthy Minds: Ontario's Comprehensive Mental Health and Addictions Strategy. Continued funding for staffing and purchase of services related to Mental Health Matters to continue to support mental health training for staff and data collection and evaluation.

OMSSA calls on the Province to maintain the public health system and reform the LHIN system to better address local health priorities. OMSSA is opposed to the Expert Panel on Public Health recommendations. Better working relationships are needed with the LHINs across the Province. OMSSA calls for better coordination between service managers and their LHINs. Better collaboration is needed to improve the health system as a whole in communities across Ontario. The government made the right decision in reforming the CCACs, but reforms are still required at the LHINs. Our members want to partner with the LHINs on crucial local priorities and ensure that each health care dollar spent has maximum value to the taxpayer. OMSSA also calls on the province to recognize service managers as health providers to remove red tape preventing individuals from accessing badly needed services.

Long Term Care:

Ontario is facing an aging population. Long term care for seniors and affordable housing for seniors will be an increasing priority in the years to come. Ontario must prepare for this shift in demographics and be ready to adapt to changing needs. We also call on the Provincial government to support local hospitals in rural and Northern Ontario. All Ontarians deserve access to first class health care in the Province.

There is a need to increase LTC funding to 4.0 hours of care per day for LTC residents, as was originally recommended in the provincial "People Caring for People Report" (2007) for completion by 2012. Over the past number of years, to meet a mandate of fiscal restraint, the long-term care sector has received increases of roughly 2.0% per annum. This funding has not been sufficient to address, the report's recommendations, resident acuity increases and inflationary pressures. Aging with Confidence: Ontario's Action Plan for Seniors (2017) revisits the recommendations of the People Caring for People report and commits the provincial government to increase funding such that the long-term care sector will receive funding to achieve 4.0 hours of direct care per resident per day. The Action Plan does not detail how the 4.0 hours will be calculated or the time frame for roll-out of the funding. OMSSA calls on the Ministry of Health and Long-Term Care's to support their own commitment to increase funding for direct resident care in the 2018 provincial budget.

Emergency Services:

OMSSA supports reform to the broken arbitration system. The rising costs of emergency services to municipalities is unsustainable. From OMSSA's perspective, paramedic services are taking up to a third of the total DSSAB budget in the North. Smaller populations spread across large geographical areas threatens service and coverage. Funds are being diverted from social services priorities to address rising costs, maintaining first responder stations and keeping a responsible level of service and coverage. The Province needs to explore ways to help DSSABs manage these rising costs as part of the DSSAB Act review.

Transportation:

OMSSA is a strong supporter of investments in transportation. We are concerned with human services, but they are less effective if people cannot access the services they need. This is especially true in rural and Northern communities where no public transit system exists. Innovative solutions are required to address this issue. Fares must be affordable and many municipalities have found innovative ways to support seniors and those on low income. In some cases, broadband and technology may assist with this issue. This has been recognized in the efforts towards social services modernization. However, some parts of the Province do not have access to high speed internet or quality cell phone service. This is an investment the Province must make.

In the GTA, integrated regional transit is a high priority. OMSSA supports expanding public transportation to allow people to better navigate the region where human services support exists. OMSSA supports public transit that is convenient, affordable and accessible across the GTA. There is also an added benefit of reducing gridlock, increasing productivity and improvement to the environment on top of the ability for people to better access social services, housing and health care.

Community Hubs:

OMSSA members support community hubs and there are many solid community proposals across the Province for potential hubs. The problem is there is limited sources of funding to address capital and operating costs and the complications of zoning to make them a reality. Better collaboration is also required with school boards to facilitate community hubs and maximize utilization of local community assets and resources.

The Journey Together: Ontario's Commitment to Reconciliation with Indigenous Peoples:

OMSSA members support inclusive and culturally sensitive human services that support the Indigenous population. It is important to have equality in access and quality of human services.

OMSSA supports funding for the development of comprehensive Indigenous engagement plans. We call on the province to allow for relationship building, without time constraints, between municipalities and local Indigenous groups.

OMSSA supports Truth and Reconciliation and strong partnerships with organizations such as the Ontario Federation of Indigenous Friendship Centres.

Bill 175 – Safer Ontario Act:

If the legislation is passed, OMSSA members would have resource implications such as: staffing, administrative support, public engagement costs, research, and publication of a Community Safety and Well-being Plan. The amount of work required to develop, monitor, and evaluate these plans will be significant and cannot be absorbed within existing resources and as such, additional resources would be requested. Provincial funding needs to be provided.

Newcomers:

OMSSA members fully support culturally appropriate information channels to newcomers ranging from presettlement, settlement and integration information needs including links to labour market opportunities. Sustainable funding is needed for bridging programs, as well as tools to further engage employers with bridging programs to provide experiential learning opportunities for newcomers. Further incentives for employers to support career pathways for underemployed and unemployed individuals. The ability for local governments to provide input into policy and program development, to support service provision to newcomers upon arrival to Canada and co-ordination of programs is requested.

Aging with Confidence: Ontario Action Plan for Seniors:

OMSSA calls on the province to ensure funding and resources are provided by both levels of government to support implementation of the Ontario Action Plan for Seniors. Work together with municipal partners to support implementation and to avoid creating new or increased costs or inadvertent impacts to municipal programs.

Justice and Corrections:

Addressing issues in the justice and corrections system is an important aspect for consideration under the Ontario Poverty Reduction Strategy and goals to end chronic homelessness in the Province of Ontario. In Kenora District, transportation issues must be considered when releasing those from the justice system from communities in which they are not from. With a total population of approximately 76,000, 1200-1400 individuals go through the local shelter system in any given year. Financial support and reforms to the justice system and corrections systems are required to support those released from institutions within the Province of Ontario.

Human Services Integration, Reducing administrative and regulatory burden:

OMSSA enjoys a close relationship with the MCSS and the Office of Human Service Integration. We fully support the goal of working towards a full integrated service model. The office deserves full praise for their consultation efforts and partnership with local service managers. While our members are at various stages of integration locally, there has not been much movement in terms of integration among relevant Ministries. There are also opportunities to integrate municipal affairs, health and education into the human services integration plans. Privacy barriers remain in place and clarification on this issue is requested. To improve efficiency and move towards a client centered approach, a reduction in the administrative and reporting burden service managers face in all areas should be explored. The Ontario government should favour an allocation-based approach for distributing funding that considers fairness for rural and Northern communities. An application based approach often results in a major resource burden for municipalities.

Conclusion:

A new study, published in the Canadian Medical Association Journal by Dr. Daniel Dutton of the School of Public Policy at the University of Calgary compared funding for health care and social services from 1981 to 2011. They found that average per capita spending for health was \$2,900, almost three times the \$930 per capita spending for social services. The study suggests if governments had spent one more

cent on social services for every dollar spent on health, life expectancy in this country could have increased by another 5 per cent and avoidable mortality could have dropped an additional 3 per cent.

OMSSA would like to see an increased focus on investments in social services to ensure a sustainable health care system with prevention as high priority. OMSSA members are proud of the role they play in affordable housing, income supports, emergency services, employment support, child care, newcomer settlement and public health. OMSSA is also very pleased with the working relationship we have with the various Ministries we deal with. Our members have had the opportunity to consult and provide feedback as changes happen in the human services sector. We also appreciate our partnerships with the Federal and Provincial government. Many of these issues require collective action from all levels of government.

Thank you very much for the opportunity to provide feedback and ideas for consideration. We wish Minister Sousa and Ministry officials all the best with crafting the upcoming 2018 Provincial budget.

Personal regards,

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