

February 10, 2023

Hon. Peter Bethlenfalvy
Minister of Finance
Frost Building, 7th Floor
7 Queen's Park Cres.
Toronto, Ontario
M7A 1Y7

Sent by email to: submissions@ontario.ca

Re: OMSSA 2023 Provincial Pre-Budget Submission

Dear Minister Bethlenfalvy,

The Ontario Municipal Social Services Association (OMSSA) is a non-profit association whose Members are Ontario's Consolidated Municipal Service Managers (CMSMs) and District Social Services Administration Boards (DSSABs). Our 47 Members appreciate the opportunity to provide consultation on the upcoming 2022 Ontario Budget.

Housing and Homelessness:

In Ontario, community housing and homelessness prevention programs are co-funded, planned, and administered by our 47 Service System Managers. OMSSA and its Members work with the provincial and federal governments to improve access and affordability across the full spectrum of housing options in communities across Ontario.

OMSSA appreciates the relationship and consultations that have taken place with the Ministry of Municipal Affairs and Housing (MMAH) on several initiatives, including: the Social Services Relief Fund (SSRF), Community Housing Renewal, the Supportive Housing Review, the Housing Supply Action Plan, Homelessness Enumeration, and the response to the COVID-19 pandemic within the community housing and shelter systems.

OMSSA also appreciates the increased allocations that have come through the Ontario Homelessness Prevention Program (OHPP) and the announcement at the

ROMA Conference about \$939 million for Service Managers to help address homelessness for 2023 and 2024 from the National Housing Strategy.

OMSSA Members are concerned about the expiry of the SSRF that has been crucial to their response to homelessness and the pandemic within their communities, including the reversal of many of the local gains and innovative solutions that were made possible as a result of SSRF.

The SSRF has provided additional capacity, generated positive outcomes, and has funded important local projects and initiatives in communities across Ontario that were needed even before the pandemic. Long-term, sustainable operating funding also needs to accompany capital funding to ensure positive outcomes over the longer term. Another round of SSRF funding is needed but would result in the same challenges in the future if this funding remains temporary.

A permanent solution to significantly reduce homelessness could be supported by rolling SSRF funding into permanent funding through the Ontario Homelessness Prevention Program (OHPP).

Enumeration efforts have shown that homelessness is increasing across Ontario. Many municipalities are dealing with homelessness encampments as capacity is stretched in the shelter and community housing systems due to increasing demand. A recent Ontario Superior Court of Justice ruling in Waterloo demonstrates the state of crisis and prevents municipalities from evicting homelessness encampments due to a lack of available shelter spaces.

A housing first approach is required to address the issue of homelessness. This requires investment across the spectrum of housing including shelters, temporary, transitional, supportive and community housing.

OMSSA Members have worked closely with MMAH through provincial-municipal tables on the Community Housing Renewal initiative. Municipalities welcome changes that would lead to municipally funded programs being recognized under service level standards. An inventory of these programs has been collected and submitted to MMAH for consideration under service level standards.

Clear standards should be set to provide Service Managers with guidance on what would be required in locally-funded municipal programs that would count towards service level standards. More innovative municipally funded programs such as portable housing benefits should also be included with flexibility to address unique local needs and priorities.

Funding from the federal and provincial governments is needed to address the backlog of repairs within the community housing system, increase capacity, address growing waitlists in the province of Ontario and ensure sustainability.

Increased and sustained funding under the Ontario Priorities Housing Initiative (OPHI), which is used to fund new community housing development and housing

provider capital repairs is needed to address supply issues identified in service manager 10-year housing and homelessness plans.

Under Bill 23, the More Homes Built Faster Act, 2022, municipalities will no longer be eligible to collect development charges for housing services. The removal of this vital funding source will severely impact the ability to deliver new community housing. The province must fully compensate Ontario municipalities for any lost revenue resulting from this bill.

OMSSA supports the province in demanding a “fair share” from the federal government to recover the \$400 million gap of funding that is needed in Ontario communities. The province could also advocate to the federal government for the Inclusion of all 47 Service Managers into the Reaching Home program as a top priority. Currently, only 25 out of 47 are eligible for this funding. Service Managers support the province working closely with the federal government on the National Housing Strategy, Rapid Housing Initiative, and ensuring that housing and homelessness remain a top priority as part of intergovernmental negotiations.

Capital and operational funding is needed to support housing and homelessness initiatives at the local level of government. Efforts must also be made to reduce overall administrative and reporting burdens on Service Managers.

Enhancing portable housing benefits to reflect true market rental costs, is required to ensure the success of these programs. These portable benefits are important to supporting victims of domestic violence and human trafficking.

Programs that also allow seniors to stay in their homes are also important and will take pressures off hospitals and long-term care facilities. Rent and utility scales for rent-geared-to-income (RGI) must also be increased to reflect present costs. Increasing the overall supply of affordable rental housing is desperately needed to address high rents and low vacancies in Ontario communities. OMSSA Members support increased capacity at Community Legal Clinics to assist with eviction prevention.

To improve health outcomes and help prepare for employment, close integration is required between health and human services. Ontario is currently consulting with municipalities and partners on a supportive housing review. Transitional and supportive housing is needed in all communities with operational funding for crucial wrap around supports.

When there are shortfalls, the burden falls squarely on the shoulders of the municipal housing departments and puts further pressure on municipal budgets and property taxpayers. **Long-term sustainable funding is needed to support the supportive housing system.**

Warming centres have proven to be important during the winter months and support is needed to operate these centres locally. Many Service Managers have

found success with mobility supports reaching homeless populations where they are which encourages trust building and is a proactive approach to homelessness services.

OMSSA recommends the Province of Ontario immediately implement recommendation 1 from the Auditor General of Ontario's Value for Money: Homelessness report (December 2021). To take a more coordinated and cohesive action oriented approach to preventing and reducing homelessness in Ontario, we recommend that the Ministry of Municipal Affairs and Housing take a lead role, in collaboration with other ministries that fund or directly provide services and supports to people who are homeless or at risk of homelessness, in developing a provincial strategy with specific actions, targets, and timelines to collectively aim to address the issues that contribute to homelessness.

Ontario's 47 Service System Managers look forward to continuing to work together with our provincial and federal partners to address the growing crisis of homelessness and housing affordability.

Early Years and Child Care:

In Ontario, Service System Managers play a central role in the planning, funding, administration and operation of licensed early years and childcare services. OMSSA appreciates the relationship with the Ministry of Education, and the consultations that have taken place through the provincial-municipal technical table on implementing the Canada-Wide Early Learning & Child Care (CWELCC) agreement, the new funding formula, workforce recruitment and retention, emergency child care, capacity-building, and to ensure access, quality, inclusivity and choice are part of any sustainable early years and child care system in Ontario.

OMSSA Members are excited about the signed CWELCC agreement reached between the federal and provincial government. Municipalities in Ontario are now working hard to ensure the reduction of fees occurs immediately and are working towards a further reduction of fees to an average of \$10-per-day. For Ontario parents, this agreement could result in Ontario families saving over \$9,000 per child per year assisting with the cost-of-living crisis¹.

Early years and child care is vital to economic recovery, increased labour participation and child development. To successfully implement CWELCC, attention must be focused on the retention and recruitment of RECEs. Many are leaving to pursue opportunities with school boards or in other sectors. **A strategy to recruit and retain RECEs should have the same priority as the province's goal to increase workers in the health sector and in skilled trades. Higher wages for RECEs are central to recruitment and retention efforts.**

¹ Government of Canada <https://www.canada.ca/en/employment-social-development/campaigns/child-care.html>

To support growing demand for early years and child care in Ontario, federal and provincial support is required to create the new spaces to meet expected demand with capital funding. Operational funding is also required to operate these spaces and ensure those with special needs are being served.. **The provincial and federal government should factor in that many cannot afford \$10-a-day childcare and currently pay less through fee subsidies. These fee subsidies must be expanded to reduce poverty and prioritized for those with the lowest income.**

The goals of \$10-a-day childcare and affordability cannot be the only objective within the national child care deal. Emphasis must also be placed on quality, equity and supporting the licensed system.

OMSSA feels strongly about the need to provide inclusive child care. This includes Indigenous child care programs and special needs resourcing. **OMSSA believes that, where possible, Indigenous child care should be delivered by and directly funded to Indigenous organizations.** OMSSA has a partnership and MOU with the Ontario Federation of Indigenous Friendship Centres (OFIFC) and encourages the Ministry of Education to consult directly with OFIFC and Indigenous organizations.

OMSSA requests the province reconsider cost sharing and cuts to administration that will put pressure on future municipal budgets. One time funding is appreciated but a permanent solution is required to address growing administrative and reporting burdens.

Ontario's Service System Managers stand ready to continue consultations, co-design and work closely with our provincial partners to implement CWELCC and further enhance the early years and child care system in Ontario over the coming years.

Social Assistance and Employment:

In Ontario, Service System Managers play a central role in the planning, funding, administration, and delivery of income support (Ontario Works) and employment services.

OMSSA and its Members are ready to build on our relationships and work in partnership with the provincial and federal governments to lend our expertise and experience towards integrated human service delivery and improved outcomes in stability supports, employment, income security, food security and poverty reduction.

OMSSA has a strong relationship with the Ministry of Children, Community and Social Services (MCCSS) and Service Managers are grateful for the consultations that have occurred on Social Assistance (SA) Renewal, Employment Services Transformation (EST), poverty reduction, human trafficking, and human services integration through the Provincial-Municipal Social Assistance Table, OMSSA's 47 Leadership Table and other provincial-municipal networks and tables.

Service Managers support social assistance renewal and the co-design process that has occurred between MCCSS and Service Managers. Members have participated in consultations to support Ontario's poverty reduction strategy, the developmental sector, child welfare, and efforts to support victims of domestic violence and human trafficking.

Centralized intake, improved technology and risk-based decision-making has the potential to be positive for people receiving support from the Ontario Works (OW) and the Ontario Disability Support Program (ODSP).

Caseworkers believe in the vision of focusing more on supporting individuals directly with less time spent on enforcement and administration. OMSSA also supports efforts to simplify the over 800 rules associated with Ontario Works and to work towards a goal of human services integration locally.

OMSSA recently sent a letter to MCCSS related to centralized intake with recommendations to solve issues experienced in local offices. OMSSA Members look forward to future opportunities to provide consultation and work together to find solutions as issues arise.

Members are concerned about program delivery funding that has been frozen since 2018-19. Members are facing pressures with increased caseloads as federal benefits expire, new collective bargaining agreements require negotiation, the loss of employment dollars transferred to new Employment Ontario System Service Managers as part of EST.

CMSMs and DSSABs appreciate the opportunity to consult on the new funding and accountability agreement for municipalities as part of Social Assistance Renewal. It is important for the province to recognize that inflationary pressures are impacting municipalities and also individuals being supported.

Federal benefits offered during the pandemic were far higher than those offered by ODSP and OW. The federal government has acknowledged that that \$2,000 per month is what people require to avoid poverty and meet basic needs. At current OW and ODSB rates, many are forced to live well below the poverty line and will not be able to meet their basic needs. OMSSA supports Social Assistance Renewal, but it will be difficult to reach desired outcomes without addressing this reality.

As the cost of living continues to rise, we face a reality that OW and ODSP rates must increase to keep up with inflation. Rent and utility scales must also be reviewed and increased to address current costs. OMSSA also recommends that the province increase the earnings exemption rate of \$200 per month for those on Ontario Works to support clients to earn more reflecting the increase in the minimum wage.

Stability supports are needed to assist OW and ODSP clients who face barriers to employment. To serve ODSP clients and other residents with stability support requires additional funding including administrative costs.

Investments are needed to address the social determinants of health and to help support clients with barriers prepare for employment. This includes mental health and addiction services, supportive and transitional housing, early years and child care, employment services, food security, transportation, and flexible discretionary benefits to support medical services such as dental, eye care and prescription drugs. Flexibility should be maintained with regards to discretionary benefits to promote innovation, meet unique local needs and to prioritize supports where they are most needed.

Crucial stabilization supports and wrap-around services remain vital to social assistance recipients in addition to an overall increase in financial supports. Increased social assistance rates can help lift people out of poverty but many also need the crucial life stabilization services that OMSSA Members currently provide to Ontario Works and ODSP clients prior to being employment ready.

The pandemic has led to an increase in demand for mental health and addiction supports with many facing long waits or no local access to those supports. **Access to mental health and addiction supports are especially critical in all Canadian communities.**

OMSSA and its Members believe in human services integration and a client centric approach to human services delivery. It is important that current initiatives are evaluated to ensure they are fulfilling desired outcomes and objectives before they are expanded. **OMSSA encourages the province to review the EST prototype areas to determine if they are resulting in improved client service and employment outcomes.**

Social Assistance Renewal initiatives that separate functional responsibilities for centralized intake, financial administration, stabilization services and employment run the risk of creating a system where clients will feel lost and find it more difficult to navigate services. It is also important to consider the ongoing global pandemic and economic situation in advancing renewal initiatives and in establishing realistic employment and service delivery targets.

OMSSA encourages Ontario to fully support non-profits, charities, and foodbanks doing crucial work within Ontario communities. The charitable and non-profit sector fulfills important gaps in human services, but many have faced fundraising challenges and increased demand resulting from the pandemic and current economic conditions.

Continued investments in broadband is also required as the province moves forward with digitization and technology. Many OW clients do not have access to high-speed internet, cell phone service or services in their first language. In some cases,

individuals are not able to attend Social Benefit Tribunal or Landlord Tenant Board hearings due to barriers around technology. Investments in training and technological literacy are also needed to ensure this transition to digital services is successful. For many, the cost to access technology is too high for people to afford. As services move towards digitization (Centralized Intake, MyBenefits), the province needs to provide support by fully fundh a Digital Access Strategy.

OMSSA looks forward to continuing to build on an already strong relationship with MCCSS to modernize the social services system within Ontario and achieve the best possible stability supports and employment outcomes for Ontario's most vulnerable residents.

Community Safety and Well-Being:

Municipalities were mandated to submit a Community Safety and Well-Being Plan to the Ministry of the Solicitor General in 2021 with no provincial support. These plans assisted with overall health and human services planning and involved extensive consultations within the communities covered by these plans. The Community Safety and Wellbeing plans are required to be renewed every five years.

Community Safety and Well-Being plans have the potential to be great planning tools and could also reduce overall municipal reporting and administrative burdens by eliminating duplicate administration, planning, and reporting requirements. These plans are endorsed by elected municipal Councils and municipalities are accountable to residents in achieving desired outcomes outlined in the plans. Support is needed to implement these plans.

Police departments often receive funding that would support initiatives within Community Safety and Well Being Plans but stays within the police department budget. Funding and decision making doesn't flow back to municipal human services.

OMSSA requests that the province support municipalities with direct financial support to hire staff to implement the plans, continue engagement with all community stakeholders, assist with reporting outcomes, create and support situation tables, and promote health and human services integration.

OMSSA hopes to further build on our relationship with the Ministry of the Solicitor General to move forward on integrating justice, health, and human services integration within the province. OMSSA also hopes to work with the Ministry of the Solicitor General to enhance collaboration on corrections releases to ensure supportive services are available to support rehabilitation and help avoid further interactions with the justice system.

Health:

Ontario's 47 Service Managers support the work of Ontario Health Teams (OHTs), and it is important to ensure a municipal voice is at the table to maximize efforts towards collaboration between health, human services, and supports offered within local municipalities. **All 47 Service System Managers should have an OHT within their community.** While some OHTs are under development there are some areas, such as Northeastern Ontario, where a gap in service exists. OMSSA has been working closely with Ontario Health on Health Care System Navigation and integrating health and human services while improving relationships, integration, planning and collaboration between municipalities and OHTs.

Emergency Social Services:

OMSSA's Members provide emergency social services. Emergencies such as forest fires, floods, heat waves, blizzards, tornadoes, and other natural disasters resulting from climate change are becoming more frequent. **Increased provincial support to assist municipalities with planning for emergencies would be appreciated.**

Municipalities are on the frontlines of climate change and require funding to retrofit buildings, adapt to climate change through mitigation efforts, and cover the cost of increasing climate events that result in the need for more emergency social services.

Climate change is a global crisis, and all governments have a role to play in reducing carbon emissions and preparing for the adverse impacts resulting from climate change such as the recent flooding in British Columbia, ice storms, flooding, and forest fires.

Partnership between Municipalities and the Province of Ontario:

OMSSA and its Members appreciate the partnership and consultation that has occurred over the last four years in the areas outlined earlier in this letter.

Municipalities are facing fiscal challenges and can only raise money through property tax increases and user fees. Our members cannot run deficits and cannot afford any downloading. The scope of services has increased over time and the lingering effects of the pandemic is putting pressure on municipal budgets. **To support residents through and beyond the pandemic, continued support is needed from the provincial and federal levels of government.**

OMSSA and its Members are committed to our collective Truth and Reconciliation responsibilities and believe that all services should be inclusive are offered through an equity lens. These proposals and health and human services need to be examined through the many lenses that make up Ontario communities including Indigenous, gendered, age, racialized, LGBTQ2S+ and newcomer populations.

Ontario's 47 Service Managers continue to contribute technical expertise, engagement, and providing feedback at many provincial-municipal technical tables.

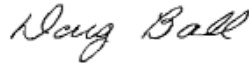
We look forward to building on this relationship and working in partnership as we navigate the pandemic response and work towards recovery.

OMSSA supports submissions from other municipal associations including the Association of Municipalities of Ontario (AMO) and the individual cities, regions, counties and DSSABs that make up our membership. We wish the Minister and Ministry of Finance officials all the best as they develop the 2023 Ontario Budget.

Sincerely,



Cathy Cousins
President



Doug Ball
Executive Director