



PATHS TO PROSPERITY

WELFARE TO WORK

An Ontario PC Caucus White Paper
January 2013



Compassion is part of this province's defining character. But compassion means helping people capture their full potential, not condemning them to a life of dependency.

It's been said many times that the best social program is a job. More than that, I believe work provides each of us with a feeling of self-worth, dignity and the independence and means to follow our individual aspirations. The incentive should always be to work and to contribute. To this end, we need to remove any government barrier that stands in the way.

Today jobs in Ontario are hard to come by – we have a jobs crisis in this province that affects all of us, especially those wanting off welfare. Our first priority must be to restart economic growth.

For people on welfare our goal should be straightforward: to help them rebuild their lives, develop employable skills and advance from the welfare system to new opportunities and stable work. But few people will say Ontario's current social assistance programs are succeeding in that goal.

With 800 government regulations, 240 eligibility criteria and nearly half a million people on welfare, we're spending significantly more on social services each year than we are on training, colleges and universities. We need a new approach that focuses on outcomes, not process. All too often the value of a public servant is in helping to navigate the maze of the welfare system itself, instead of focusing on helping people find new jobs.

This *Paths to Prosperity* white paper – the eighth in a series – proposes sensible ideas to streamline and improve program delivery and to eliminate the hundreds of unnecessary rules that hinder our ability to help those in need.

We also place a particular focus on leveraging the enormous untapped potential of those with disabilities who are still significantly underrepresented in our province's workforce. Where the current government has equated disability assistance with an inability or desire to work, we will take a different approach that leaves this outdated attitude in the last century with a vision that looks for every source of innovation and productivity.

A handwritten signature in black ink, appearing to read 'Tim Hudak', with a stylized, cursive script.

Tim Hudak
Leader of the Official Opposition



Toby Barrett, MPP

MEMBER OF PROVINCIAL PARLIAMENT,
HALDIMAND-NORFOLK

The purpose of this *Paths to Prosperity* white paper is to generate discussion about how Ontario can better serve its most vulnerable citizens in a cost-effective manner. It summarizes views, opinions and advice on reforming the delivery of social welfare from my extensive consultations across the province. I believe we must refocus and concentrate our social welfare services on effective support of the elderly, sick, disabled and truly disadvantaged.

In short – to get Ontario back on its feet again – we need to create incentives to work and remain working. This belief is based on the principles of reducing bureaucracy and eliminating waste, continually improving service delivery and asking more of recipients.

For over 200 years in Ontario, individuals, families and churches helped one another with minimal government assistance. We all have a duty to help the truly disadvantaged who, perhaps from circumstances of unforeseen misfortune and hardship, have been reduced to the lowest depths of poverty and distress, and those with a disability who struggle through no fault of their own. This must be done in a fair and accountable manner, while fostering individual responsibility.

We have all seen the crushing impact of Ontario's economic decline. The province is over-taxed, has a spending problem and an unsustainable public debt. Taxpayers demand increasing levels of service from government, and yet there remains a growing list of wants and needs. That's why an overriding theme in this discussion of social service delivery is how we can best make decisions with respect to the allocation of scarce budget resources among administration, compensation of workers and monetary transfers to recipients.

It is time to wake up Ontario's social welfare system. To do this we need approaches and programs laden with fresh, cost-effective ideas to address complex problems. An extensive list of recommendations has been provided by Frances Lankin and Munir Sheikh of the Commission for the Review of Social Assistance in Ontario and also from independent economist Don Drummond.

Changing the province's approach to social service delivery has challenges – but we can seize opportunities being presented to modernize and provide cost-effective programs.

Life is about making continuous improvement through constant change and adaptation. The choices are tough because the tasks are challenging. However, we need to right some wrongs. Reform must be all-encompassing and speedy, ever-focusing on the person in need. At minimum, let's look at what is working and then adapt and emulate the best instead of getting caught up in mission statements and visions primarily used to impress funding sources. Please let us know what you think by contacting my office through email at toby.barrett@pc.ola.org or by phone at **1-800-903-8629**.

A handwritten signature in blue ink that reads "Toby Barrett". The signature is fluid and cursive.

Ontario PC Critic for Community and Social Services

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Social Services

475,000

children, women and men are on welfare in Ontario.

6 straight years

Ontario's unemployment rate has been higher than the national average.

4 OUT OF 10 PEOPLE

who get off welfare in Ontario return within one year.

ONTARIO HAS:

45 different benefit programs,

240 different benefit rates and more than

800 rules and regulations governing social assistance.

by the Numbers

Over the past decade, yearly spending on social services has increased by

67 per cent.

We spend

\$10 BILLION A YEAR

on social services in Ontario, the largest government expense after health care, education and debt interest.

There are

230,000 CHILDREN

in Ontario whose families rely on social assistance.

Only

ONE THIRD

of Ontario welfare applicants have finished high school.

The number of people living in poverty in Ontario increased by

300,000

over the past decade.

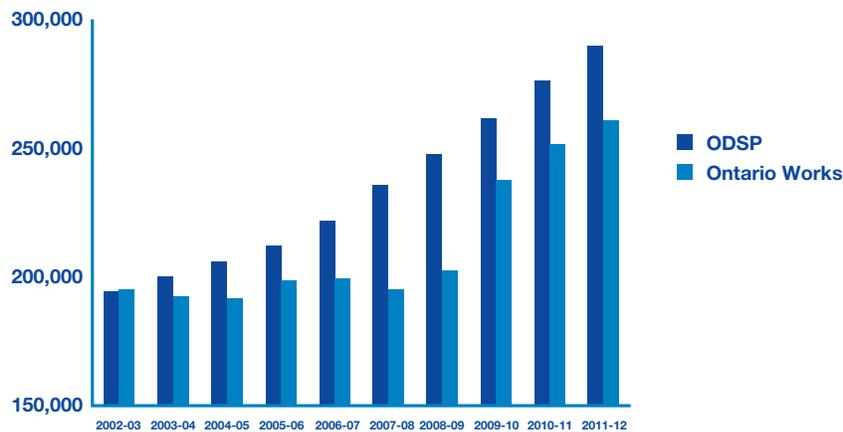
ONTARIO'S JOBS CRISIS

Ontario is in a jobs crisis. The most recent data shows that our welfare caseload has increased by 38 per cent since 2003, and today nearly half a million people rely on support through a program known as Ontario Works (OW).

The Ontario Disability Support Program (ODSP) caseload has also increased significantly – up 49 per cent since 2003. Approximately 400,000 people receive this support.

and better integration of support systems from all three levels of government and the private sector would increase the ability of people to leave social assistance.

ODSP and Ontario Works Caseloads



Together 6.7 per cent of Ontario's total population relies on some form of social assistance.

The best way to help people escape poverty is to find stable, meaningful employment. The Ontario PC Caucus *Paths to Prosperity* white paper series presents a comprehensive and integrated approach to growing Ontario's economy and creating new jobs – ranging from sensible, new ideas to get more skilled workers into the labour force to making affordable energy a cornerstone of economic growth.

Prosperity defeats poverty. The best social program is a job and any reforms must guarantee a situation where recipients are better off working, contributing to their full potential and helping to lift themselves and their families out of poverty. We believe everyone deserves their best shot at a successful and fulfilling life.

New jobs and stable employment are the only things that can provide fundamental security to individuals, families and communities, as well as prosperity for our province. We all want employment opportunities for our children. The introduction of financial incentives to work, expansion of employment-related services

Municipalities presently administer the Ontario Works welfare system in Ontario – the expertise and administration has been in place for over 100 years. While a transformation of Ontario's social welfare system

Social assistance in Ontario is delivered by two main programs:

- Ontario Works is delivered on behalf of the Ministry of Community and Social Services by 47 Consolidated Municipal Service Managers and District Social Services Administration Boards, as well as 101 First Nations. OW is intended for those who need temporary financial assistance.
- The provincially delivered Ontario Disability Support Program is intended to help people with disabilities live as independently as possible.

“I wish I could say that there's something in the program that works. We think the program just doesn't work at all.” – *Munir Sheikh, Commission for the Review of Social Assistance in Ontario on The Agenda with Steve Paikin*

“We have uncovered evidence of higher costs and reduced quality of services due to maintaining two separate social assistance programs delivered by two levels of government.”

- Don Drummond

is required, we can build on the existing system. This will enable property taxpayers to share in the savings from reduced welfare caseloads, the continuation of work for welfare, increasing incentives for employment, and a reduction in fraud and abuse.

The sharing of welfare and disability responsibilities has been a contentious issue for municipalities. Yet it is incumbent on government at all levels to ensure we are getting value for the dollars we have to distribute. More wasted tax dollars means less for the essential programs that Ontario residents have paid for, and less for the services our less fortunate depend upon.

We advocate replacing Ontario Works and the Ontario Disability Support Program with one program that is streamlined and better coordinated. This single program would provide individualized employment services to all social assistance recipients, including those with disabilities. Don Drummond, Frances Lankin and Munir Sheikh all recommended this approach. In particular, Frances Lankin proposed to the current government a single program that focused on ability, not disability. This change needs to be done in a way that does not negatively impact the municipal sector which is grappling with its own fiscal challenges.

Independent economist Don Drummond warned that higher costs and reduced quality of services result from maintaining two separate programs delivered by two levels of government. Drummond noted that the current rate of increase in social services is unsustainable and must be reduced significantly. In order to balance the

budget, he recommended yearly increases in social services be reduced by 90 per cent. Another way to reduce costs is through administrative improvements, which Lankin noted could save \$140 million.

It is important to state unequivocally that many people with disabilities have unique needs. This proposal does not amount to treating everyone the same. In fact, it's the opposite. This proposal would open up new opportunities for those with disabilities to find training, to acquire new skills and to participate in Ontario's workforce to the fullest of their abilities.

Frances Lankin and Munir Sheikh also recommended all recipients work with caseworkers to develop a “Pathway to Employment Plan.” This plan identifies each recipient's goals, activities and needed services and supports. The key to this type of plan is that it is a “living” document, constantly updated and adjusted. In order to receive income support, recipients would be expected to participate in the activities committed to in their personalized Pathway to Employment Plan to prepare for and find work. This idea refocuses social assistance programs on what they are meant to do: assist recipients in their progress towards finding employment and ending the cycle of poverty and dependence.

We propose to adopt this recommendation. By concentrating on the individual, the employment plans will take into account the unique barriers and circumstances each recipient faces. For people with a disability, the plan would be based on what they are able to do.

PATH 1

In order to get people into jobs faster, we will adopt the recommendations of Don Drummond, Frances Lankin and Munir Sheikh to transform Ontario's social assistance system by replacing Ontario Works and the Ontario Disability Support Program with one program, focused on ability, not disability, while respecting the distinct needs of the people with disabilities.

PATH 2

Require personalized Pathway to Employment Plans for each recipient of social assistance. The plans will be developed in a way that recognizes each individual's unique challenges and circumstances. In order to receive income support, recipients will be expected to participate in the activities committed to in their individual employment plan.

CREATING OPPORTUNITY FROM CHALLENGE

Our focus should be on helping people get back to work so they can get back on their feet and achieve their potential. All social assistance incentives should be geared towards this goal. The message should never be that recipients are better off going on welfare than going to work.

In Ontario, we have a strong work ethic with traditional values of ingenuity, individual responsibility and living within one's means. A transformation of Ontario's social welfare system can be achieved by tapping into the inherent social, economic and fiscal conservatism and work ethic of its people. But we must still deal with the "Why work?" problem – the disincentive to work arising from social welfare programs that create a small disparity between in-work and out-of-work incomes. Many recipients, understandably so, fear taking employment and thus losing entitlement to dental, drug and other health benefits.

Working many hours and holding full-time, year-round employment is no longer a guarantee for escaping poverty. We now hear frequent reference to the "working poor," a term that combines two concepts – work and poverty – that ought to be mutually exclusive. This intermingling has created a distinct social category: people who are both employed and living in poverty.

While programs may have met the needs of Ontarians

in the past, today's recipients feel they are being condemned to a life of poverty with government policy squeezing their savings and earned income.

A key recommendation of Frances Lankin and Munir Sheikh was to allow recipients to build up higher asset levels such as their savings or an automobile, and keep more of their earned monthly income. They argued this would help people on social assistance get a foothold in the labour market while still keeping full benefits.

In order to make sure the incentive is always to work, we want to encourage those who do take on work and acquire assets by reducing their clawbacks and allowing them to keep more of what they earn each month.

Similarly, for those who have been on welfare for a long time but are able to work, we want to decrease the incentives to remain on welfare, so they should see their benefits steadily decline.



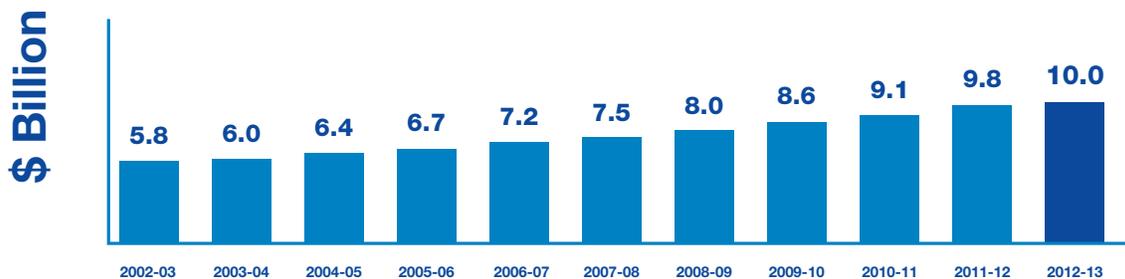
PATH 3

It is counterproductive to penalize social assistance recipients for working. In order to make sure the incentive is always to work, we will allow social assistance recipients who are working to keep more of their earned income each month. For those who are on welfare for a long time who are able to work, we will reduce the incentives to remain on welfare with a staged reduction of their benefits.

REDUCING BUREAUCRACY AND ELIMINATING WASTE

Any transformation of government functions must have widespread support encompassing the principles of efficiency, cost-effectiveness, equity and accountability.

Yearly Spending on Social Services in Ontario



Source: Ontario Ministry of Finance, Public Accounts and Budget, 2002 to 2012

In today's system, very few people can explain how Ontario's social welfare system functions, much less delineate its problems. Eligibility rules, budget levels, caseload sizes, policy interpretations and court rulings all influence how the system operates.

Fresh ideas are needed to cut through the cobweb of a complicated and complex social service system. Changes in organizational behavior, structure and procedures are needed, such as reducing layers of management and the over-abundance of front-line supervisors. In the process, frontline workers must be consulted and involved, on the basis of anonymity if so desired, without interference from management.

Finding efficiencies is possible. In Frances Lankin and Munir Sheikh's review, they found that a very reasonable 15 per cent improvement in administration would result in \$140 million of savings to the system each year.

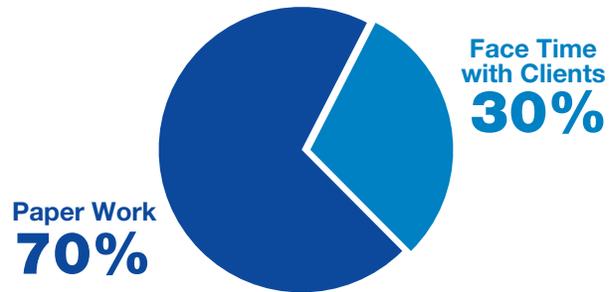
One job of government is to manage and steer the activities of thousands of public servants. Yet when it succumbs to red tape and bureaucracy, it becomes inefficient and ineffective.

Creating competition in government service delivery can help Ontario break away from dated approaches to serving the public. It will also make government more efficient, effective and productive, freeing up

“ We heard from caseworkers who could be spending as much as 70 per cent of their time just administering the rules arising from the complex benefit structure... ”

- Brighter Prospects, Page 13

Social Services Bureaucracy



Source: Commission on the Review for Social Assistance in Ontario, Page 13

resources for the services we all value.

The public sector can compete with the private sector, not-for-profits and businesses to provide and deliver government services. Contracting out through open, competitive tenders should be used more frequently.

We recognize the sum of knowledge held by individuals, communities, local authorities, charitable groups and the private sector can be a real driving force for change and delivery.

We must all challenge poor quality and questionable service, slow responsiveness, inattention to customer-client concerns and the failure to modernize. Right now, people in need are forced to navigate a constellation of access points when income testing could be centralized and income verification automated.

Processing applications, assessing eligibility and payout of benefits could also be automated. Caseworkers have reported spending up to 70 per cent of their time administering the rules. Reducing the regulatory burden by scrapping needless rules and procedures and substituting transparency for policing would free up workers to spend more time on providing assistance to people on social assistance.

Moreover, it is only fair that invasive and demeaning rules for recipients, which can invite dishonest behaviour, be eliminated so those who do play by the rules can better escape the cycle of poverty.

A smaller, leaner social service agency staff complement will be the inevitable result of reducing the cost of programs, cutting red tape and achieving greater value for money.

PATH 4

Having 800 rules and regulations creates a system that is impossible to navigate. Caseworkers are forced to spend as much as 70 per cent of their time just administering the rules instead of working directly with their clients to help them find jobs. Aggressively reduce the rules governing social services.

PATH 5

Programs should be focused on outcomes. If other non-government organizations such as non-profits, charities or the private sector can improve outcomes by administering social programs more effectively and efficiently, we will accelerate contracting out and tendering so that they can be involved.

BETTER SERVICE DELIVERY AND ACCOUNTABILITY

Not all OW and ODSP recipients share the same challenges. Discretion and common sense must prevail over “one-size-fits-all” regulation. For example, in rural and remote areas there is a lack of, or in many cases, no public transportation. This makes it difficult for recipients to attend mandatory meetings in person.

We must streamline the application system. It doesn't make sense that people with catastrophic injuries must apply to ODSP three times before being accepted. This is just paper pushing. We need to make it easier for individuals who truly need help from ODSP to have timely access to a streamlined appeal process.

Individuals and their families want more choice and flexibility in choosing those supports. Shifting funding to clients – under a single, consolidated, community-based, direct-funding program – could promote a more competitive approach to providing supports based on individual demand.

“ The complexity of the current legislation and regulations as related to financial eligibility does not allow staff the time required to direct their focus to where it should be – helping clients find jobs. ”

- City of Windsor's submission to the Commission for the Review of Social Assistance in Ontario

As part of a top-to-bottom social service program and agency review designed to put the needs and welfare of clients first, we propose client-centered funding. Individuals with a developmental disability can, with appropriate supports, live independently.

Vulnerable people and their families do not care which level of government or which ministry or which agency is responsible for providing support. They just want help.

PATH 6

A “one-size-fits-all” approach to social services does not work. Social welfare recipients face different challenges. We will implement client-centered funding of Ontario's social assistance requirements to ensure resources and efforts concentrate on the individual needs of each recipient.

IMPROVING OVERSIGHT AND TARGETING FRAUD

Government has a responsibility for the proper management of public funds on behalf of all citizens.

Without oversight, there is a real possibility we are sending taxpayers' money down the drain. Every dollar we lose in fraud is one that should be going to the truly vulnerable. We must not fall into the trap of grantsmanship and over-documentation. The focus has to be on what we actually do and accomplish, not how we look. The outcomes should be our focus, not the bureaucratic process.

The recent Auditor General's 2011 report indicated the Ministry of Community and Social Services continues to deal with oversight and further economic concerns originally reported 15 years ago. In half the cases reviewed in the audit, agencies didn't have supporting documentation to adequately show a person's eligibility or needs. As a result, the agencies couldn't demonstrate and the Ministry couldn't assess whether the person was receiving the appropriate level of service.

According to the Auditor General's report, "unrecovered overpayments to about 350,000 current and former Ontario Works recipients had increased 45 per cent,

from \$414 million in February 2002 to \$600 million as of March 2009. Efforts by service managers to recover these overpayments had been minimal..."

This is unacceptable. Oversight is key. Benchmarks must be in place to measure success and failure. Sufficient, consistent and comparable performance data must be ensured. In ensuring accountability and control, we must not ignore less tangible non-financial measures such as evaluating client satisfaction, program flexibility and quality of intervention.

Timely and regular medical reviews are fundamental to the integrity of ODSP and ensuring proper accountability for expenditures. Frances Lankin and Munir Sheikh highlighted in their report that there are currently about 40,000 medical reviews outstanding. Lankin and Sheikh found there is potential for millions of dollars of savings here, since some of the recipients may no longer be deemed eligible for ODSP. We propose establishing a strategy to address this backlog to ensure program money is going to those who truly need it.

PATH 7

In order to ensure programs and supports are effective, they have to be constantly monitored. If they are not working, adjustments have to be made. We will conduct value-for-money audits of Ontario Works, Ontario Disability Support Program and other selected social welfare programs. We will continue to monitor the effectiveness of workfare with respect to finding jobs, developing skills, improving finances, complying with work requirements and preventing recidivism.

PATH 8

There is currently a backlog of 40,000 outstanding ODSP medical reviews to be completed, which could result in significant savings. Address the backlog of medical reviews and commit to performing ongoing medical reviews to improve accountability.

BREAKING DOWN BARRIERS FOR PEOPLE WITH DISABILITIES

It is estimated 100,000 to 200,000 Ontarians have an intellectual disability or are dually diagnosed with an intellectual disability and a mental illness. People with disabilities are significantly under-represented in the workforce. The most recent data from Statistics Canada shows that employment rates for all Ontarians is 75.4 per cent, but for people with disabilities it is only 51.8 per cent. There are several reasons for this significant gap. Many view hiring people with disabilities as burdensome to their business. Another factor is a lack of post-secondary education and training opportunities.

As Ontario moves towards full implementation of the *Accessibility for Ontarians with Disabilities Act* and full inclusion of all Ontarians, we believe government needs to focus on several key areas in order to boost the participation of people with disabilities.

The government should work with businesses and employers to develop workplace opportunities for people with disabilities. A private sector initiative called Rotary at Work visits Rotary Clubs across the province educating employers on the benefits of employing people with disabilities. They argue that hiring individuals with disabilities isn't an act of charity, but a good business practice.

Among many other benefits, studies by the program found that those who hire people with disabilities enjoy higher levels of employee retention and lower levels of absenteeism. Employers also characterized employees with disabilities as hardworking, dedicated and having a positive attitude.

Additionally, the province would save significant tax dollars by reducing those dependent on the Ontario Disability Support Program. Working with successful programs like Rotary at Work would not only help individuals with disabilities and businesses, but would also help the province.

Technology has come a long way. People with disabilities can participate in the workforce in ways previously unimagined by using telecommunications tools and web-based applications. We need to recognize and reward those employers who take extra measures to hire people with disabilities.

Accommodating workers with disabilities may mean a company has to invest in new technology or equipment.

“Increasing employment of people with disabilities is a question of leadership and attitude, of focusing on ability, rather than disability.”

-Report from the Panel on Labour Market Opportunities for Persons with Disabilities, page 15

Other employers might make capital investments in the workplace to facilitate wheelchair access or accessible washrooms.

There are a number of tools at the government's disposal to encourage this kind of investment. Tax credits or equipment write-offs are two examples. Another tool would be to structure procurement contracts so that in addition to cost and quality, the proportion of the workforce that is made up of people with disabilities is also weighed.

There are also very limited opportunities for people

with disabilities to enroll in post-secondary education and training. As a result, they are unable to obtain employment. A number of Ontario's community colleges have recognized the need and now offer programs that support students with disabilities to allow them to study and be successful in finding employment. Programs like

Community Integration through Cooperative Education (CICE) do not receive core funding, but are carved out of the individual colleges' existing budget. We believe these programs should be expanded in order to allow more people with disabilities to enter Ontario's workforce.

PATH 9

People with disabilities face challenges that others don't. For example, there are very limited opportunities for people with disabilities to enroll in post-secondary education and training. As a result, they are unable to obtain employment and end up on ODSP. Therefore, colleges should prioritize funding towards programs like Community Integration through Cooperative Education, which allow students with disabilities to enter college in a supported environment.

PATH 10

The way the system is set up now, people with disabilities are not provided the opportunities to reach the potential they really want to. They want to contribute to the workforce, but employers can view hiring people with disabilities as burdensome to their business. We would work with businesses and employers to encourage them to hire people with disabilities by providing incentives such as tax deductions for investing in special equipment or technology.



SOCIAL IMPACT BONDS

The traditional approach to government funding of social programs is costly and often produces unsatisfactory results. This is due to the fact more attention is placed on the delivery model rather than the objectives that should be met. As we have witnessed, insufficient attention to performance measurement means that unsuccessful programs can persist for many years without ever being subjected to any meaningful cost-benefit analysis.

In a previous white paper, *A Fresh Start for Children and Youth*, we proposed the implementation of Social Impact Bonds, which are a new, innovative “pay-for-success” initiative to structure government services contracts. They are being pursued all around the world. These initiatives are a cost-effective way of using the private and non-profit sectors to fund and deliver social programs focused on better outcomes, and not bureaucratic process.

As recommended by Don Drummond, the Mowat Centre for Policy Innovation, KPMG, the University of Toronto’s School of Public Policy & Governance — among many others — this approach encourages innovation in service delivery and offers incentives for the development of progressive, preventive policy which ultimately results in better service.

In Canada, the federal government is looking at creating Social Impact Bonds to raise money for promising

new community initiatives. The hope is to both boost charitable giving and make non-profit groups more accountable. Social Impact Bonds have been adopted in the United Kingdom, Australia and the United States.

The U.S. federal budget included a proposal to invest \$100 million in “pay-for-success” projects in seven pilot areas including job training, education, juvenile justice and care of children with disabilities.

In August 2012, Massachusetts announced it will be partnering with social entrepreneurs to target chronic homelessness by providing stable housing. The goal of the initiative will be to improve the well-being of the individuals while simultaneously reducing emergency shelter and Medicaid costs. Funding for the Massachusetts program would be paid only if the programs deliver better social outcomes and savings to the state budget.

PATH 11

In order to encourage innovation in service delivery, the government should use a Social Impact Bond or “pay-for-success” model that only pays out if targets are reached for programs such as helping the chronically homeless or job training. This model allows Ontarians to invest in the future success of their community while also reducing the burden on taxpayers and improving results for recipients.



ENSURING BENEFITS GO TO NECESSITIES

One commonly heard criticism of Ontario's welfare system is that some recipients spend their benefits how they wish and sometimes not enough is spent on necessities like healthy food. While most OW and ODSP recipients receive their benefits via direct deposit, there is no means to ensure the money is being spent on the intended purpose.

In the United States, Electronic Benefit Transfers (EBT) have replaced food stamps and are being used across all 50 states. Instead of issuing paper food stamps, the government transfers funds into a special account which can only be accessed using the EBT debit card when purchasing food at participating establishments. The cards offer a more efficient way to distribute government aid.

In California, their EBT system automates the delivery, redemption and reconciliation of issued public assistance benefits. The benefits can be redeemed at more than 80,000 locations. The "Bridge Card" in Michigan can also only be used for food items. Alcohol, cigarettes or tobacco cannot be purchased. In Vermont, over 40 farmers' markets started accepting EBT cards last year.

Here in Ontario, the City of Toronto announced in 2011 that it will become the first major Canadian city to replace welfare cheques with a debit card.

The use of debit cards could provide the security sought for taxpayers' dollars that are intended to cover essential food items. A debit card with a limit that only works at food vendors offers an alternative to the food stamp system, ensuring that the portion of monthly benefits intended for food is set aside and cannot be used on other expenses. This also allows OW and ODSP recipients to manage their benefits and remain anonymous.

By limiting where the money can be spent, we can ensure that the money intended for necessities is set aside. The remaining benefit amount will of course still be discretionary funds.

A competitive bidding process could be used to supply cards to people on social assistance. It must be kept in mind all food store chains aren't located in rural and northern Ontario, and the province has an expanding farmers' market system. In these situations, a food voucher system may be workable.

PATH 12

To ensure that the portion of monthly benefits intended for essential food items is set aside and cannot be used on other expenses, we should implement a benefits-directed debit smart card system for social assistance recipients.



CONCLUSION

The goal of this discussion paper is to present sensible, new ideas to rebuild Ontario's social welfare system around work and security. Work for those who can, security for those who cannot.

To develop a new approach, we need to go beyond the clichéd debates between those who say the answer is to simply increase benefit levels and those who say the answer is to simply cut all benefits. The key test must instead become whether or not social supports are helping people become independent, not dependent.

In the past, Ontario has risen to the occasion by confronting challenges honestly. We must do it again.

To be honest and fair to recipients and taxpayers, we must once again measure success through effectiveness. Let's focus on action, not studies or sound bites on the six o'clock news.

things that need to be done differently, and a great number of things that can be done better.

The people operating programs or receiving the benefits of programs should be afforded the opportunity to identify improvements and needed change. Change is more likely to happen when staff members and all stakeholders are convinced of the merit.

A good social welfare system provides support when people have nowhere else to turn. A good system simultaneously shows compassion by helping people reach their full potential, lifting families out of poverty and ending the cycle of dependency.

“Poverty expands healthcare costs, policing burdens and diminishes educational outcomes. This in turn depresses productivity, labour force flexibility, life spans and economic expansion and social progress, all of which takes place at a huge cost to taxpayers...”

- Standing Senate Committee on Social Affairs, Science and Technology, Subcommittee on Cities

Fairness is about equal opportunity. We must ensure services perform for Ontario's taxpayers. This is important for clients, employees, their respective communities, society and the economy as a whole. The heart of the issue is the need to strike the right balance between those who fund the system and those who use it. Social assistance balances the needs of people who require public assistance and the community's responsibility towards them, as well as the recipient's responsibility towards the community and themselves. If welfare is considered a right, that right comes with responsibility.

We must tap into the creative and innovative thinking in communities, as well as expert groups about how we can redesign Ontario's social services system to be better, more effective and focused on those most in need. Those on the front lines should continue to be invited to tell us directly how the system can work smarter and more productively. There are a great many

Government must be actively accountable for designing and delivering the programs. Those who receive benefits must be actively accountable for participating in those programs.

The vision remains an effective, affordable and accountable service system that supports and invests in families and communities, one where adults are as independent as they can be, where children are safe and support is provided to people most in need.

PATHS TO PROSPERITY

WELFARE TO WORK

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Require personalized Pathway to Employment Plans for each recipient of social assistance. The plans will be developed in a way that recognizes each individual's unique challenges and circumstances. In order to receive income support, recipients will be expected to participate in the activities committed to in their individual employment plan.

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PATH 4

Having 800 rules and regulations creates a system that is impossible to navigate. Caseworkers are forced to spend as much as 70 per cent of their time just administering the rules instead of working directly with their clients to help them find jobs. Aggressively reduce the rules governing social services.

PATH 5

Programs should be focused on outcomes. If other non-government organizations such as non-profits, charities or the private sector can improve outcomes by administering social programs more effectively and efficiently, we will accelerate contracting out and tendering so that they can be involved.

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A "one-size-fits-all" approach to social services does not work. Social welfare recipients face different challenges. We will implement client-centered funding of Ontario's social assistance requirements to ensure resources and efforts concentrate on the individual needs of each recipient.

PATH 7

In order to ensure programs and supports are effective, they have to be constantly monitored. If they are not working, adjustments have to be made. We will conduct value-for-money audits of Ontario Works, Ontario Disability Support Program and other selected social welfare programs. We will continue to monitor the effectiveness of workfare with respect to finding jobs, developing skills, improving finances, complying with work requirements and preventing recidivism.

PATH 8

There is currently a backlog of 40,000 outstanding ODSP medical reviews to be completed, which could result in significant savings. Address the backlog of medical reviews and commit to performing ongoing medical reviews to improve accountability.

PATH 9

People with disabilities face challenges that others don't. For example, there are very limited opportunities for people with disabilities to enroll in post-secondary education and training. As a result, they are unable to obtain employment and end up on ODSP. Therefore, colleges should prioritize funding towards programs like Community Integration through Cooperative Education, which allow students with disabilities to enter college in a supported environment.

PATH 10

The way the system is set up now, people with disabilities are not provided the opportunities to reach the potential they really want to. They want to contribute to the workforce, but employers can view hiring people with disabilities as burdensome to their business. We would work with businesses and employers to encourage them to hire people with disabilities by providing incentives such as tax deductions for investing in special equipment or technology.

PATH 11

In order to encourage innovation in service delivery, the government should use a Social Impact Bond or "pay-for-success" model that only pays out if targets are reached for programs such as helping the chronically homeless or job training. This model allows Ontarians to invest in the future success of their community while also reducing the burden on taxpayers and improving results for recipients.

PATH 12

To ensure that the portion of monthly benefits intended for essential food items is set aside and cannot be used on other expenses, we should implement a benefits-directed debit smart card system for social assistance recipients.

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