

Social Assistance Rates Update and information on the Ontario Child Benefit

The 2013 Ontario budget included a number of changes to social assistance.

ISAC has prepared several fact sheets on these changes to give information to people receiving support from Ontario Works (OW) and the Ontario Disability Support Program (ODSP), and the people who work with and support them.

This fact sheet explains the changes to social assistance rates and the relationship of rates to this summer's increase in the Ontario Child Benefit (OCB). For our other fact sheets, please visit <http://www.incomesecurity.org>.

The 2013 Budget commitment and past practice

The 2013 Budget makes a commitment “to increase social assistance rates by one percent for adult Ontario Works recipients and people with disabilities receiving ODSP benefits” and to provide “single Ontario Works adults without children... an additional top-up of \$14 per month”.

Shortly after taking office, the government announced that a 3% increase would be made to OW and ODSP rates in 2005. Subsequent increases have been lower – 2% in 2006 through 2009, and 1% from 2010 through 2012. Typically, these increases went to everyone and were applied to both the basic needs and maximum shelter amounts of people's cheques.

This year, however, things have changed. The wording of the budget commitment actually means that different increases are going to different people, depending on whether they are on OW or ODSP, and whether or not they have a spouse or children.

Clearly, as we have said in the past and continue to say, the amount of the increase is not nearly enough to properly address the very low incomes of people receiving OW and ODSP.

A summary of the changes in rates for select family types – and the interaction with the Ontario Child Benefit – is shown in the tables on pages 5 and 6.

1. Ontario Works

All increases will start on cheques that people receiving OW will get on October 1 (i.e., the cheque for October).

- **Single adults on OW** will receive a total 3% increase. This includes the extra \$14 “top-up” amount, for a total of \$20 extra per month. The entire \$20 will go on the basic needs portion of cheques, which is a positive change. It means that all singles receiving OW will get the \$20 regardless of the real cost of their housing. In other words, everyone will receive the additional money, even if their housing costs are less than the maximum shelter amount.

- **Single parents on OW** will get a 1% increase on what the government calls the “adult portion” of their basic needs benefit, but not on the “single parent supplement”. They will also get a 1% increase to the maximum shelter allowance.

This means that the total increase single parents on OW will get is very slightly less than 1%. The amount of money that this represents is very small, and will not be reflected on people’s cheques.

- **Couples on OW – both with children and without** – will get a 1% increase. In other words, the 1% applies to both the basic needs and maximum shelter portions of their cheques.

2. Ontario Disability Support Program (ODSP)

All increases will start on cheques that people receiving ODSP will get on September 30 (i.e., the cheque for October).

As is the case for single people on OW, increases for all people receiving ODSP will be delivered on the basic needs portion of their cheques. Again, this is positive in that it means that everyone will receive the additional money, even if their housing costs are less than the maximum shelter amount.

- **Single adults on ODSP** will get a 1% increase. This amounts to an additional \$11 per month.
- **Couples on ODSP where both have a disability – both with children and without** – will get slightly more than a 1% increase, as they will get an additional \$22 per month. However, this \$22 represents an increase on the amounts intended to support the adults with disabilities.
- **Everyone else on ODSP** will get an increase that is less than 1%. This includes:
 - Single parents;
 - Couples without children where the spouse does not have a disability; and,
 - Couples with children where the spouse does not have a disability.

This year, these families will get no increase in the amounts intended to support non-disabled spouses or children.

Instead, these families will get the same \$11 per month increase as singles on ODSP. In other words, they will only get an increase of 1% for the person in the family who has a disability.

3. Basic needs “rate restructuring” and the OCB increase (summer 2013)

The Ontario Child Benefit (OCB) is a monthly benefit for low-income families in Ontario who have children, both those who work at paid jobs and those who are on social assistance. The provincial government introduced the OCB as a lump-sum payment of \$250 per child in July 2007, and as a monthly payment of \$50 per child in July 2008. The monthly payments were to increase to \$92 by 2011.

When the OCB became a monthly payment in 2008, the government started to “restructure” the basic needs part of social assistance rates in order to move money for children out of OW and ODSP and into the OCB. The OCB is intended to become the primary income support benefit for the children of all low-income Ontarians.

ISAC and other advocates at the time pressed the government to ensure that people on OW and ODSP would receive the full benefit of the OCB. The same advocacy call was made when the OCB was increased in 2009 – two years ahead of schedule – as part of the government’s poverty reduction strategy. The only continuing commitment from government about the net benefit to people on social assistance was that no one on OW or ODSP would be worse off as a result of the OCB and rate restructuring.

The 2013 budget announced that the maximum OCB would increase from \$1,100 to \$1,210 per child per year. This new maximum amount is more than the government first committed to in 2008 and represents a significant financial commitment to low-income Ontario families with children. The increase went through starting in July 2013, when the OCB went up by \$9 per child per month.

As in previous years, basic needs rates were again “restructured” this year for some people on OW and ODSP who have children. This year rates were reduced by the entire \$9 increase in the OCB for the following family types:

- **Single parents on OW.** The “single parent supplement” portion of the basic needs rate was reduced by \$9 per month. Single parents with one child therefore received no net monthly benefit as a result of the increase in the OCB. Single parents with two children received a net benefit of \$9 per month.
- **All parents on ODSP who have older children.** The “age-related supplement” portion (for children age 13-17) of the basic needs rate was reduced by \$9 per month per child. Parents on ODSP with older children receive no net monthly benefit from the OCB increase.

It is important to note that the combination of this rate restructuring and the failure to apply the 1% rate increase to the family members of people with disabilities means that the older children of parents on ODSP (where one parent has a disability) received no net benefit from either of this year’s OCB increase or rate increases.

4. Other rate increases

Ontario Works

- the board and lodge rate for single recipients will increase by \$20 / month
- in addition, the following OW rates and benefits will increase by 1%:
 - the board and lodge rates for families
 - the rates for dependants with dependants and financially independent adults living with parents
 - Northern Allowance
 - Advanced Age Allowance
 - Personal Needs Allowance and budgetary requirements for residents of interval and transition homes
 - First Nations emergency hostel services *per diem*
 - Special Boarder Allowance
 - the guide dog benefit
 - temporary care assistance
- people on OW who receive these benefits and allowances will see these increases as of October 1, 2013

Ontario Disability Support Program

- the board and lodge rate for persons with a disability and members of a prescribed class will go up by \$8/month
- in addition, the following ODSP rates and benefits will increase by 1%:
 - Northern allowance
 - Personal Needs Allowance and budgetary requirements for residents of interval and transition homes
 - budgetary requirements for residents of long-term care homes, intensive support residences, supported group living residences
 - Special Boarder Allowance
 - the guide dog benefit
- people on ODSP who receive these benefits and allowances will see these increases as of September 1, 2013

Assistance for Children with Severe Disabilities

- the maximum Assistance for Children with Severe Disabilities will increase from \$455 to \$460 a month.

Changes to Monthly Basic Needs and Maximum Shelter Rates and Ontario Child Benefit amounts for select family types on Ontario Works (Dec 2012 – Oct 2013)

OW	As of Dec 1, 2012				As of cheque for Aug 1, 2013 OCB increased by \$9 / basic needs reduced by \$9 for single parents				As of October 1, 2013 Rate changes explained above			
	Basic Needs	Max Shelter	OCB	Total	Basic Needs	Max Shelter	OCB	Total	Basic Needs	Max Shelter	OCB	Total
Single	\$230	\$376	0	\$606	\$230	\$376	\$0	\$606	\$250	\$376	\$0	\$626
Single Parent 1 child under 13	\$350	\$590	\$92	\$1,032	\$341	\$590	\$101	\$1,032	\$344	\$596	\$101	\$1,041
Single Parent 1 child 13-17	\$350	\$590	\$92	\$1,032	\$341	\$590	\$101	\$1,032	\$344	\$596	\$101	\$1,041
Single Parent 2 children under 13	\$350	\$641	\$184	\$1,175	\$341	\$641	\$202	\$1,184	\$344	\$648	\$202	\$1,194
Single Parent 2 children (under/over)	\$350	\$641	\$184	\$1,175	\$341	\$641	\$202	\$1,184	\$344	\$648	\$202	\$1,194
Single Parent 2 children 13-17	\$350	\$641	\$184	\$1,175	\$341	\$641	\$202	\$1,184	\$344	\$648	\$202	\$1,194
Couple	\$453	\$590	\$0	\$1,043	\$453	\$590	\$0	\$1,043	\$458	\$596	\$0	\$1,054
Couple 1 child under 13	\$453	\$641	\$92	\$1,186	\$453	\$641	\$101	\$1,195	\$458	\$648	\$101	\$1,207
Couple 1 child (13-17)	\$453	\$641	\$92	\$1,186	\$453	\$641	\$101	\$1,195	\$458	\$648	\$101	\$1,207
Couple 2 children under 13	\$453	\$695	\$184	\$1,332	\$453	\$695	\$202	\$1,350	\$458	\$702	\$202	\$1,362
Couple 2 children (under/over)	\$453	\$695	\$184	\$1,332	\$453	\$695	\$202	\$1,350	\$458	\$702	\$202	\$1,362
Couple 2 children 13-17	\$453	\$695	\$184	\$1,332	\$453	\$695	\$202	\$1,350	\$458	\$702	\$202	\$1,362

Changes to Monthly Basic Needs and Maximum Shelter Rates and Ontario Child Benefit amounts for select family types on ODSP (Nov 2012 – Sept 2013)

ODSP	As of cheque for Nov 30, 2012				As of cheque for July 31, 2013 OCB increased by \$9 / basic needs reduced by \$9 for children 13-17 yrs				As of cheque for Sept 30, 2013 Rate changes explained above			
	Basic Needs	Max Shelter	OCB	Total	Basic Needs	Max Shelter	OCB	Total	Basic Needs	Max Shelter	OCB	Total
Single	\$596	\$479	\$0	\$1,075	\$596	\$479	\$0	\$1,075	\$607	\$479	\$0	\$1,086
Single Parent 1 child under 13	\$739	\$753	\$92	\$1,584	\$739	\$753	\$101	\$1,593	\$750	\$753	\$101	\$1,604
Single Parent 1 child 13-17	\$757	\$753	\$92	\$1,602	\$748	\$753	\$101	\$1,602	\$759	\$753	\$101	\$1,613
Single Parent 2 children under 13	\$739	\$816	\$184	\$1,739	\$739	\$816	\$202	\$1,757	\$750	\$816	\$202	\$1,768
Single Parent 2 children (under/over)	\$757	\$816	\$184	\$1,757	\$748	\$816	\$202	\$1,766	\$759	\$816	\$202	\$1,777
Single Parent 2 children both 13-17	\$775	\$816	\$184	\$1,775	\$757	\$816	\$202	\$1,775	\$768	\$816	\$202	\$1,786
Couple 1 with a disability	\$882	\$753	\$0	\$1,635	\$882	\$753	\$0	\$1,635	\$893	\$753	\$0	\$1,646
Couple 1 with a disability 1 child under 13	\$882	\$816	\$92	\$1,790	\$882	\$816	\$101	\$1,799	\$893	\$816	\$101	\$1,810
Couple 1 with a disability 1 child 13-17	\$900	\$816	\$92	\$1,808	\$891	\$816	\$101	\$1,808	\$902	\$816	\$101	\$1,819
Couple 1 with a disability 2 children under 13	\$882	\$886	\$184	\$1,952	\$882	\$886	\$202	\$1,970	\$893	\$886	\$202	\$1,981
Couple 1 with a disability 2 children (under/over)	\$900	\$886	\$184	\$1,970	\$891	\$886	\$202	\$1,979	\$902	\$886	\$202	\$1,990
Couple 1 with a disability 2 children 13-17	\$918	\$886	\$184	\$1,988	\$900	\$886	\$202	\$1,988	\$911	\$886	\$202	\$1,999
Couple both have a disability	\$1,189	\$753	\$0	\$1,942	\$1,189	\$753	\$0	\$1,942	\$1,211	\$753	\$0	\$1,964
Couple both have a disability 1 child under 13	\$1,189	\$816	\$92	\$2,097	\$1,189	\$816	\$101	\$2,106	\$1,211	\$816	\$101	\$2,128
Couple both have a disability 1 child 13-17	\$1,207	\$816	\$92	\$2,115	\$1,198	\$816	\$101	\$2,115	\$1,220	\$816	\$101	\$2,137
Couple both have a disability 2 children under 13	\$1,189	\$886	\$184	\$2,259	\$1,189	\$886	\$202	\$2,277	\$1,211	\$886	\$202	\$2,299
Couple both have a disability 2 children (under/over)	\$1,207	\$886	\$184	\$2,277	\$1,198	\$886	\$202	\$2,286	\$1,220	\$886	\$202	\$2,808
Couple both have a disability 2 children 13-17	\$1,225	\$886	\$184	\$2,295	\$1,207	\$886	\$202	\$2,295	\$1,229	\$886	\$202	\$2,317