



**Submission: Ontario Poverty Reduction Strategy**

To The Ministry of Children, Community, and Social Services

March 29, 2020

## **Community Legal Services of Ottawa**

Community Legal Services of Ottawa (CLSO) is a not-for-profit legal clinic governed by an independent, community-based Board of Directors. CLSO provides legal services to low-income and vulnerable individuals in the City of Ottawa with public benefits, workers' compensation, tenant rights, and immigration legal matters.

In providing legal services to low-income and vulnerable individuals, we are well-positioned to make recommendations on the essential supports and social conditions in which they are of need in order to move out of poverty.

## **Overview**

Poverty is expensive. Estimates of the costs of poverty in our province are upwards of \$33 billion each year.<sup>1</sup> Inaction on poverty reduction leads to greater “downstream” costs in our health care and justice systems.<sup>2</sup> Strong investments in the social determinants of health, on the other hand, are smart “upstream” economic investments that will save the government money in the long term by preventing more expensive “downstream” costs, as well as increase economic productivity and, thereby, government revenues.<sup>3</sup> Income and housing are two such social determinants of health that are important vehicles to allow vulnerable community members to, for example, recover from illness, adapt to living with a disability, stabilize after fleeing domestic violence, and return to work to the extent they are able.

Reducing poverty will require investments in our income security programs, namely Ontario Works and the Ontario Disability Support Program, and investments in affordable rental and social housing supports that ameliorate our housing crisis.

## **Recommendations**

Community Legal Services of Ottawa makes the following recommendations to the Ministry of Children, Community and Social Services:

- Recommendation #1: Increase investments in our income security programs.
  - Increase Ontario Works and Ontario Disability Support Program benefit rates to reflect established poverty measures and the actual cost of living in Ontario;

---

<sup>1</sup> Feed Ontario, *The Cost of Poverty in Ontario, 10 Years Later*. October 2019. <https://feedontario.ca/cost-of-poverty-2019/>

<sup>2</sup> Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities, House of Commons, Canada. May 2017. *Breaking the Cycle: a study on poverty reduction*. <https://www.ourcommons.ca/Content/Committee/421/HUMA/Reports/RP8982185/humarp07/humarp07-e.pdf>

<sup>3</sup> Canadian Mental Health Association, *Strategies for Reducing Poverty in Ontario*. June 2008. <https://ontario.cmha.ca/documents/strategies-for-reducing-poverty-in-ontario/>  
Canadian Public Health Association, *Making the Economic Case for Investing in Public Health and the SDH*. <https://www.cpha.ca/making-economic-case-investing-public-health-and-sdh>

- Introduce legislation to annually increase social assistance benefit rates with changes in the Ontario Consumer Price Index; and,
  - Expand housing rent supplement programs, particularly for low income Ontarians and social assistance recipients that rent private market units.
- Recommendation #2: Maintain the integrity of our social assistance programs.
    - Maintain and enhance funding to social assistance;
    - Maintain the current definition of a “person with a disability” under the Ontario Disability Support Program (ODSP); and,
    - Maintain the independence of the Social Benefits Tribunal.

Recommendation #3: Increase funding for non-profit social housing.

- Increase funding to build sufficient numbers of new subsidized units with non-profit social housing providers that meets current demand; and,
  - Increase funding to improve the quality of all current social housing stock.
- Recommendation #4: Assist low-income and vulnerable tenants to secure affordable and adequate rental housing.
    - Introduce Provincial cost-matching of the Federal National Housing Strategy funds;
    - Improve and simplify rent supplement programs;
    - Fund and implement more portable “full gap coverage” housing allowances; and,
    - Expand rent control to all units, regardless of when they were built or created, and implement vacancy control.
  - Recommendation #5: Prioritize low income and vulnerable individuals in most urgent housing need and commit to eliminating homelessness.
    - Develop more integrated housing stabilization supports for low-income and vulnerable individuals seeking housing or who are precariously housed.
  - Recommendation #6: Ensure human rights principles are included in the development of all housing policies, legislation and programs.

## **1. Raise Benefit Rates**

Recipients of Ontario Works (OW) and the Ontario Disability Support Program (ODSP) are forced to live well below the poverty line. The poverty line for a single person in 2017 in Ottawa was \$20,998.<sup>4</sup> Currently, a single person can receive from OW a maximum of \$733 monthly, or \$8,796 annually. A single person can receive from ODSP a maximum of \$1,169 monthly, or \$14,028 annually.<sup>5</sup> ODSP recipients subsist on an income that is 34% less than

---

<sup>4</sup> Statistics Canada. *Low income cut-offs (LICOs) before and after tax by community size and family size, in current dollars* <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110024101>

<sup>5</sup> Income Security Advocacy Centre. *OW and ODSP Rates and the OCB 2018*. September 2018. <http://incomesecurity.org/public-education/ow-and-odsp-rates-and-the-ocb-2018-les-taux-dot-du-posph-et-de-la-poe-2018/>

the 2017 poverty line, and those who rely on OW subsist on an income that is 59% below the poverty line.

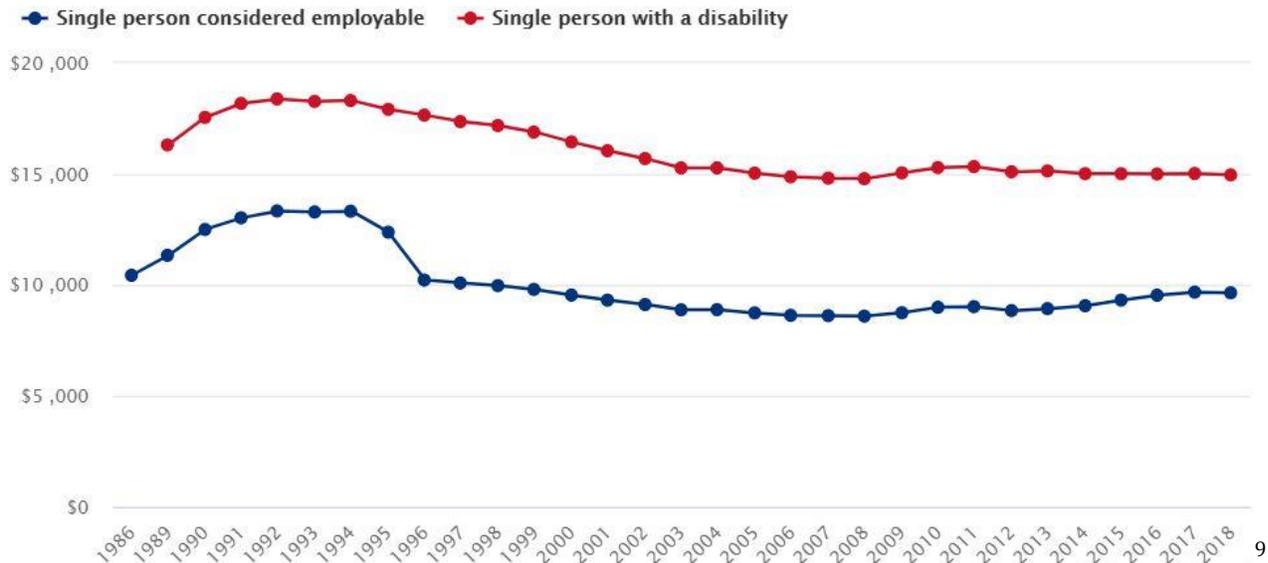
As a result of inadequate benefit rates, OW and ODSP recipients often struggle to find appropriate housing and pay rent. In Ottawa the average monthly rent for a one-bedroom apartment is \$1,440.<sup>6</sup> Due to the lack of social housing, and lengthy wait-times for social housing, many social assistance recipients rent units in the private housing market which they cannot afford.

We recommend that existing housing benefits and supplements be reviewed and expanded to ensure that social assistance recipients, particularly those living in private market housing, have adequate income to cover their rent. Expanding rent supplements, such as the new Canada-Ontario Housing Benefit, is a step in the right direction. We recommend that the Ministry conduct ongoing assessment of the adequacy of these supplements to make rents more affordable for social assistance recipients. It is crucial that such housing benefits and supplements not be considered an income source and get clawed back from social assistance benefits.

Due to the meagre rates, OW and ODSP recipients also often rely on the support of food banks and other charities. Unsurprisingly, it is estimated that 53,600 people in Ottawa are food insecure, and 37,524 access the food bank each month.<sup>7</sup> We recommend that a review of the rate structure take into account food security.

Ontario Works and Ontario Disability Support Program rates have been stagnant for decades.<sup>8</sup>

Welfare incomes for single adults in Ontario, 2018 constant dollars



<sup>6</sup> March 2020 Canadian Rent Report, PadMapper. March 16, 2020. <https://blog.padmapper.com/canadian-rent-trends>

<sup>7</sup> Ottawa Food Bank. *Ottawa Hunger Report 2018*. <https://www.ottawafoodbank.ca/wp-content/uploads/2019/07/Ottawa-Hunger-Report-2018-EN.pdf>

<sup>8</sup> Maytree. *Welfare in Canada: Ontario*. November 2019. <https://maytree.com/welfare-in-canada/ontario/>

<sup>9</sup> Ibid.

Rate increases should not be a discretionary decision. In addition to increasing rates to account for the actual cost of living, we recommend that the province introduce legislation that would increase rates each year by the rate of inflation or changes in the consumer price index. Such legislation would prevent rates from falling further behind due to rising living costs.

In a number of Federal income support programs, benefit rates are regularly reviewed and increased. With respect to Old Age Security, for example, increases are tied to changes in the Consumer Price Index each quarter.<sup>10</sup> Even if the Consumer Price Index decreases, Old Age Security rates remain constant.

Similarly, Ontario landlords are able to raise the rent of most residential units by the Rent Increase Guideline every twelve months.<sup>11</sup> The Guideline is set annually and is based on the Ontario Consumer Price Index. Legislation mandating regular increases in income supports following increases in the Consumer Price Index would protect social assistance recipients from losing more of their income each year due to rising living costs like their rent.

A basic or guaranteed income could be another means of addressing the issue of inadequate benefit rates. A basic income in our view cannot resolve all issues related to poverty and inclusion, as vulnerable populations require wrap-around supports such as mental health care, addictions programs, childcare and employment supports, among others.

Evidence from the basic income pilot in Ontario underscores the value of income security programs that allow recipients to afford living essentials. Studies of this pilot indicate many successful outcomes for its recipients:<sup>12</sup>

- The majority of recipients who were employed maintained their employment;
- Many recipients transitioned to higher paying and more secure employment;
- Recipients' health outcomes improved, including a decrease in trips to health practitioners and emergency rooms; and,
- Many recipients reported an impact in their sense of self-worth and optimism about their futures.

## **2. Maintain the Integrity of our Social Assistance Programs**

### *Maintain the Current Definition of Disability for the Ontario Disability Support Program*

It is crucial that the provincial government maintain the current definition of a disability under the Ontario Disability Support Program (ODSP).

---

<sup>10</sup> Old Age Security Amounts and the Consumer Price Index. Government of Canada. February 19, 2020. <https://www.canada.ca/en/services/benefits/publicpensions/cpp/old-age-security/oas-price.html>

<sup>11</sup> Government of Ontario. *Rent Increase Guideline*. January 22, 2020. <https://www.ontario.ca/page/rent-increase-guideline>

<sup>12</sup> Ferdosi et al, *Southern Ontario's Basic Income Experience*. March 2020. <https://labourstudies.mcmaster.ca/documents/southern-ontarios-basic-income-experience.pdf>

On November 22, 2018, the province announced plans to change the ODSP definition of disability.<sup>13</sup> Specifically, the previous Minister of Children, Community and Social Services announced that the ODSP definition would be changed to align with that of federal programs. The 2019 Budget provided further clarity that the provincial government is working towards “redesigning the Ontario Disability Support Program...for people with *severe* disabilities.”<sup>14</sup>

We interpret these government statements as referring to the Canada Pension Plan Disability (CPP-D) benefit. Aligning the definition of a disability under ODSP with that of CPP-D is contrary to the purpose of ODSP, and more importantly, would increase poverty in Ontario.

To be eligible for CPP-D benefits, one must have a “*severe*” and “*prolonged*” disability. The CPP-D definition is meant to encompass people with prolonged, or life-long illnesses.

The current ODSP disability definition, however, includes continuous and episodic disabilities that substantially restrict one’s activities of daily living. The current ODSP disability definition also captures short-term disabilities, as applicants are required to show that their disability will last at least one year. The current definition is meant to grant disability benefit coverage for those who otherwise would not have access to such benefits due to critical gaps in our income security system, including:

- Persons with disabilities who are not employed, and thus may not have access to other disability benefits or insurance, such as private disability insurance or Employment Insurance Sickness benefits;
- Persons with disabilities that have employment history, but whose disabilities are short-term and/or episodic and thus would not qualify for CPP-D;
- One who recently stopped working due to illness or a disability, but whose employer does not provide disability insurance; and,
- One whose Employment Insurance Sickness benefits have run out as they are only available for a maximum of 15 weeks.

Furthermore, to be eligible for CPP-D one must have made contributions to CPP as an employee or self-employed person. ODSP, however, is a social assistance program, in which in order to financial qualify one is required to demonstrate that they meet the program’s strict income and asset rules.

The CPP-D definition is meant to encompass those who are almost entirely precluded from any regular employment due to the nature of their disability. In 2020, current CPP-D recipients can earn no more than \$5,800 in employment earnings without losing their benefits.<sup>15</sup> In contrast, ODSP recipients are encouraged to work as they are able. ODSP recipients can earn up to \$200 per month without any impact on their benefits. Earnings in excess of \$200 per month are clawed back by a rate of 50%. Similarly, unlike CPP-D, ODSP

---

<sup>13</sup> Government of Ontario, Ministry of Children, Community and Social Services. *Background: Reforming Social Assistance*. November 22, 2018. <https://news.ontario.ca/mcys/en/2018/11/reforming-social-assistance.html>

<sup>14</sup> Government of Ontario. *2019 Ontario Budget*, p. 43. <https://budget.ontario.ca/pdf/2019/2019-ontario-budget-en.pdf>. Emphasis added.

<sup>15</sup> Employment and Social Development Canada. *Canada Pension Plan Disability Benefit – While on Canada Pension Plan Disability Benefit*. February 28, 2020.

<https://www.canada.ca/en/services/benefits/publicpensions/cpp/cpp-disability-benefit/while-receiving.html>

offers employment supports, grants, and referrals to assist recipients to return to work to the extent they are able.

Notably, the CPP-D definition is itself under federal review due to its unduly restrictive nature.<sup>16</sup> The House of Commons HUMA Committee has identified that the disability definition under the Canada Pension Plan Disability benefit, among other Federal benefits, often unfairly excludes persons who live with recurrent or episodic disabilities.<sup>17</sup> Indeed, the Committee recommended that CPP-Disability's severe and prolonged disability definition be "expanded to include episodic experiences."<sup>18</sup>

Changing the ODSP definition of disability as proposed will cause greater poverty. If this definition change is adopted, a significant number of disabled individuals who would currently qualify for ODSP benefits may no longer be eligible. In particular, those with time-limited disabilities, like some cancers, and those with episodic disabilities, like multiple sclerosis, addictions, mental health issues, and chronic pain, may no longer qualify.

The difference in income support between OW and ODSP benefits is substantial, approximately 40% for most families.<sup>19</sup> If disabled individuals no longer qualify for ODSP benefits, their families will be downloaded onto Ontario Works and live in further extreme poverty. Ontario Works caseworkers will likely also have greater caseloads, and have to serve more clients with diverse and challenging needs.

### *Invest in the Overall Programs*

The provincial government announced that its proposed reforms of social assistance would lead to \$1 billion in "savings" to be realized by 2022.<sup>20</sup> A budget cut of this level amounts to an 11% reduction for Ontario Works and the Ontario Disability Support Program.<sup>21</sup>

To maintain the integrity of our social assistance programs, we recommend that such cuts should be reversed, and more investment be directed into these programs. The COVID 19

---

<sup>16</sup> Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities. *Taking Action: Improving the Lives of Canadians Living with Episodic Disabilities*. March 2019, 42nd Parliament, First Session. <https://www.ourcommons.ca/Content/Committee/421/HUMA/Reports/RP10367115/humarp15/humarp15-e.pdf>

<sup>17</sup> Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities. *Taking Action: Improving the Lives of Canadians Living with Episodic Disabilities*. March 2019, 42nd Parliament, First Session. <https://www.ourcommons.ca/Content/Committee/421/HUMA/Reports/RP10367115/humarp15/humarp15-e.pdf>

<sup>18</sup> *Ibid*, pp. 19 - 20.

<sup>19</sup> Income Security Advocacy Centre. *OW and ODSP Rates and the OCB 2018*. September 10, 2018. <http://incomesecurity.org/public-education/ow-and-odsp-rates-and-the-ocb-2018-les-taux-dot-du-posph-et-de-la-poe-2018/>

<sup>20</sup> Government of Ontario. *Ontario's Economic and Fiscal Outlook in Brief*. April 11, 2019. <https://budget.ontario.ca/2019/brief.html#section-2>

<sup>21</sup> Income Security Advocacy Centre. *Ontario Budget 2019 Announces \$1 Billion in OW and ODSP Cuts*. April 11, 2019. <http://incomesecurity.org/public-education/ontario-budget-2019-announces-1-billion-in-ow-and-odsp-cuts/>

pandemic highlights the importance of maintaining and enhancing our social assistance programs. These programs cannot be flexible or innovative and fulfill their core services if their budgets are reduced.

### *Growth in the Number of Social Assistance Recipients Should be Comprehensively Studied*

The former Minister of Children, Community and Social Services and the Auditor General have noted the number of recipients has increased in recent years. The Auditor General has requested the Ministry conduct a review of how our social assistance programs are administered and may have led to the increase in recipients. In order to understand and inform better poverty reduction policy in our province, we recommend the Ministry undertake a comprehensive study.

We recommend that the Ministry conduct a contextual analysis of the socio-economic factors that give rise to the number of social assistance recipients. Specifically, we recommend the Ministry study how health, our aging population, economic factors, labour market factors, workplace protections, particularly for workers with disabilities and from marginalized communities, and the availability and cost of childcare, among other factors, are contributing to the rise in numbers of Ontarians requiring social assistance.

Indeed the Ministry has heard before about how such socio-economic conditions underline the importance of our income security programs. The 2017 Roadmap for Change report identified major recent labour market changes, such as the decline of high-paying manufacturing jobs, increase in service sector jobs, and rise in precarious and contract employment.<sup>22</sup> These labour market changes have corresponded with a decline in employer funded benefits, including medical and dental benefits, disability insurance, and pension plans.

It is also crucial that the Ministry adopt an equity lens in such analyses and assess how systemic racism and gender discrimination drive poverty particularly among marginalized populations.

We believe a more comprehensive study in this matter would allow the Ministry and government to better understand why the numbers of social assistance recipients may be increasing and to make informed policy decisions regarding poverty reduction.

### *The Social Benefits Tribunal is Key to the Integrity of Our Social Assistance Programs*

The Social Benefits Tribunal (SBT) hears appeals of decisions to deny, reduce, or cut off benefits provided by Ontario Works and the Ontario Disability Support Program (ODSP). Like all administrative tribunals, the SBT is a more efficient and cost-effective adjudicative process

---

<sup>22</sup> Income Security Reform Working Group, First Nations Income Security Reform Working Group, and Urban Indigenous Table on Income Security Reform. *Income Security: A Roadmap for Change*, pp. 35 – 37. October 2017. <https://www.ontario.ca/page/income-security-roadmap-change>

than appellate review by our courts. The SBT plays an important role to provide independent review and ensure Ontarians are not unfairly denied social assistance benefits.

The Auditor General has noted that the SBT grants approximately 60% of appeals of ODSP decisions involving rejections of applications for ODSP benefits on the basis of medical eligibility. The Auditor General suggests that the SBT is granting appeals to individuals who may not medically qualify for ODSP and that a new appeal process may be necessary.<sup>23</sup> We completely disagree with the Auditor General's findings.

The Auditor General appears to have ignored the fact that adjudicators of the SBT review new medical evidence and hear oral testimony from ODSP applicants. Ministry decision-makers on the other hand, make their decisions solely on a review of the documents provided at the application stage. Similarly, it is rare that the Ministry will correspond with medical professionals if records are unclear or missing. The level to which the SBT overturns Ministry denials of ODSP benefits, therefore, highlights that the Ministry needs to continue to review and evaluate its decision-making processes when it receives ODSP applications.

### **3. Increase Funding for Non-Profit Social Housing**

Close to one-third of households in Ontario are tenants and close to half of those tenants are spending more than 30% of their income on their housing.<sup>24</sup> In Ottawa specifically, 19,000 households spend more than 50 per cent of their income on rent.<sup>25</sup> It is indisputable that there is a growing gap in Ontario between rental housing costs and what people can afford. Low-income tenants in particular need non-market solutions to secure affordable rental housing. Therefore, investment in social housing to create a sufficient number of new subsidized units that meets current demand is critically important.

The importance of non-profit social housing providers was supported by the 2017 Provincial Auditor's report on Social and Affordable Housing,<sup>26</sup> which recommended non-profit social housing be prioritized over private housing development to increase the supply of affordable housing.<sup>27</sup> The Auditor General found that non-profit social housing providers have objectives to contribute to the community, provide affordability benefits that can continue in perpetuity, and are more cost-effective than private housing developers.<sup>28</sup>

In order to effectively meet the needs of low-income and vulnerable tenants there must be adequate investment in social housing.

---

<sup>23</sup> Auditor General of Ontario. 2019 Annual Report, Chapter 3, Section 3.09, Ontario Disability Support Program, at p. 544. [http://www.auditor.on.ca/en/content/annualreports/arreports/en19/v1\\_309en19.pdf](http://www.auditor.on.ca/en/content/annualreports/arreports/en19/v1_309en19.pdf)

<sup>24</sup> Advocacy Centre for Tenants Ontario, 2020. <https://www.acto.ca/for-tenants/>

<sup>25</sup> "Ottawa city council declares housing, homelessness emergency." January 29, 2020.

<https://globalnews.ca/news/6477415/ottawa-city-council-declares-housing-homelessness-emergency/>

<sup>26</sup> Auditor General of Ontario. 2017 Annual Report, Chapter 3, Section 3.14, Social and Affordable Housing. [http://www.auditor.on.ca/en/content/annualreports/arreports/en17/v1\\_314en17.pdf](http://www.auditor.on.ca/en/content/annualreports/arreports/en17/v1_314en17.pdf)

<sup>27</sup> Ibid, at Recommendation 6.

<sup>28</sup> Ibid. See also, Advocacy Centre for Tenants Ontario, Submission to the Standing Committee on Finance and Economic Affairs. January 15, 2019. [https://www.acto.ca/production/wp-content/uploads/2019/02/PreBudget\\_Submission\\_Final.pdf](https://www.acto.ca/production/wp-content/uploads/2019/02/PreBudget_Submission_Final.pdf)

### *Build New Subsidized Units with Non-Profit Social Housing Providers*

It is estimated that Ontario needs over 16,000 new rental homes each year to meet the demand of the growing population and range of household incomes. Just under half of those new homes must be affordable units for low-income renters.<sup>29</sup> We believe investment in brick and mortar housing should be prioritized over portable subsidies as the former creates a permanent structure that provides greater stability for low-income tenants and addresses the aggressive demand for new units.

Additionally, physical units run by social housing providers allow for wrap around supports that ensure successful and long-term housing outcomes for low-income and vulnerable tenants.

As a result of the high demand for new social housing stock, there is great need for affordable purpose-built rental housing for low-income and vulnerable tenants, where tenants are not forced to pay more than 30% of their income on rent. We recommend that the Ontario government commit to building new, deeply affordable rental housing for low income and vulnerable tenants that is run by non-profit social housing providers.

### *Improve Quality of all Current Social Housing Stock*

We believe that there must be increased investments in repairs to existing social housing to ensure that the minimum housing standards are being met for low-income and vulnerable tenants. Most of the social housing stock was built between 1945 and 1990; furthermore, according to the Provincial Auditor, there is an estimated \$2.6 billion needed in repairs to this housing stock.<sup>30</sup>

If these repairs are not prioritized low-income and vulnerable tenants will be forced to continue to live in units in various states of disrepair to the detriment of their health, safety and security. Therefore, the Ontario government must commit sufficient funds to repairing the current social housing stock.

## **4. Assist Low-income and Vulnerable Tenants to Secure Affordable and Adequate Housing**

Stable housing enables individuals to build a future, connect to their community, increase personal safety, and achieve goals in education, employment, training etc. <sup>31</sup> It is also well-

---

<sup>29</sup> Advocacy Centre for Tenants Ontario, Submission to the Standing Committee on Finance and Economic Affairs. January 15, 2019. [https://www.acto.ca/production/wp-content/uploads/2019/02/PreBudget\\_Submission\\_Final.pdf](https://www.acto.ca/production/wp-content/uploads/2019/02/PreBudget_Submission_Final.pdf)

<sup>30</sup> Auditor General of Ontario. 2017 Annual Report, Chapter 3, Section 3.14, Social and Affordable Housing. [http://www.auditor.on.ca/en/content/annualreports/arreports/en17/v1\\_314en17.pdf](http://www.auditor.on.ca/en/content/annualreports/arreports/en17/v1_314en17.pdf)

<sup>31</sup> Canadian Mental Health Association Ontario. *Housing and Mental Health*. <https://ontario.cmha.ca/documents/housing-and-mental-health/>

established that access to safe, affordable housing is a determining factor in one's health outcomes,<sup>32</sup> including in physical and mental well-being.

The recent COVID-19 pandemic has highlighted the dangerous consequences to individual and public wellbeing when safe, affordable and adequate housing is denied. In fact, the United Nations issued a press release on March 18, 2020, in which Leilani Farha, UN Special Rapporteur on the right to adequate housing, stated “[h]ousing has become the front line defence against the Coronavirus. Home has rarely been more of a life or death situation.”

Throughout Ontario low-income individuals and households are struggling to afford safe, secure and adequate housing. Of particular concern, low income individuals and families are too often forced to sacrifice basic needs (ie. food, clothing, transportation) to pay for high and ever increasing rents.<sup>33</sup>

In Ottawa there are close to 100 people sleeping outside every night, 600 families living in hotels as emergency shelters, and 12,000 households on the Social Housing Registry wait list for subsidized housing.<sup>34</sup> In light of the above facts, the City of Ottawa unanimously passed a motion at City Council declaring a “Housing and Homeless Emergency.”

### *Introduce Provincial Cost-Matching*

The Federal Government has introduced the National Housing Strategy, which promises to create 100,000 new housing units and repair between 240,000 and 300,000 units of existing affordable/community housing in the next decade.<sup>35</sup> While this is a welcome announcement, it is insufficient on its own to address Ontario's affordable housing crisis as detailed above.

Significant and sustained financial investment from all levels of government will be required to successfully address the complex affordable housing crisis across the province. Therefore, it is recommended the Province introduce Provincial cost-matching of the Federal National Housing Strategy funds.

### *Improve Rent Supplement Programs*

We believe that where possible the rules relating to subsidies, in particular under the *Housing Services Act*, should be made more transparent and flexible. Furthermore, where reasonable, reporting requirements should be made less onerous. These changes will facilitate access to and retention of subsidized housing.

---

<sup>32</sup>“Housing and health: OMA calls for urgent government action, housing-supportive policies to improve health outcomes of vulnerable populations.” Ontario Medical Review. July/August 2013. [https://content.oma.org/wp-content/uploads/housing\\_health\\_aug2013.pdf](https://content.oma.org/wp-content/uploads/housing_health_aug2013.pdf)

<sup>33</sup>Advocacy Centre for Tenants Ontario. *Where Will We Live? Ontario's Affordable Rental Housing Crisis*. May 2018. [https://www.acto.ca/production/wpcontent/uploads/2018/05/WhereWillWeLive\\_May2018\\_ACTO\\_Report.pdf](https://www.acto.ca/production/wpcontent/uploads/2018/05/WhereWillWeLive_May2018_ACTO_Report.pdf)

<sup>34</sup> “Ottawa city council declares housing, homelessness emergency.” January 29, 2020. <https://globalnews.ca/news/6477415/ottawa-city-council-declares-housing-homelessness-emergency/>

<sup>35</sup> Canada Mortgage and Housing Corporation. *National Housing Strategy. What is the strategy?* May 2, 2018. <https://www.cmhc-schl.gc.ca/en/nhs/guidepage-strategy>

As recognized by the Provincial Auditor, income-calculation rules can be confusing and difficult for providers to administer.<sup>36</sup> We feel that if these rules are confusing to the providers they are even more impenetrable to tenants; thus, the rules effectively prevent tenants from being able to understand their obligations and responsibilities as recipients of a subsidy and to provide the correct information to their landlords necessary to obtain or retain this subsidy. This barrier is even greater for those who have limited English language skills or a mental or developmental disorder.

We therefore recommend that the rent-geared-to-income calculations be simplified and, where reasonable, the income reporting requirements be made less onerous.

### *“Full Gap Coverage” Housing Allowances*

We believe portable housing benefits can be a flexible solution for many low-income individuals and households to secure affordable housing while maintaining their ability to choose where to live. We would further recommend that the Province implement a “Full Gap Coverage Model” (FGC). A FGC model provides enough assistance to fill the entire affordability gap, providing households with enough funds to pay their actual with no more than 30% of their income.<sup>37</sup>

It is imperative that any housing benefit program be “Full Gap Coverage”<sup>38</sup> and be implemented as part of a comprehensive housing strategy that includes investment in brick and mortar housing stock managed by not-for-profit housing providers.

### *Expand Rent Control to All Units Including Vacant Units*

We recommend the province remove the 2017 Rent Control Exemption. The exemption removes the legal limit on how much a landlord can raise a tenant’s rent on units first occupied as a residential space after November 15, 2018.<sup>39</sup> Mandating rent control for all units will promote security of tenure for low-income and vulnerable tenants and ameliorate the provincial affordable housing crisis.

The rent control exemption will likely exacerbate our unaffordable rental housing market. A unit that was affordable for low-income tenants could at the end of the one year lease become unaffordable as the landlord can raise the rent to any amount they wish. As with the 1991 Policy, which was proven to be a failure,<sup>40</sup> we believe the 2017 Rent Control Exemption will not

---

<sup>36</sup> Auditor General of Ontario. 2017 Annual Report, Chapter 3, Section 3.14, Social and Affordable Housing. [http://www.auditor.on.ca/en/content/annualreports/arreports/en17/v1\\_314en17.pdf](http://www.auditor.on.ca/en/content/annualreports/arreports/en17/v1_314en17.pdf), at Recommendation 14.

<sup>37</sup> Advocacy Centre for Tenants Ontario. *Fact Sheet: Portable Housing Benefits*. July 2017. <https://www.acto.ca/production/wp-content/uploads/2017/07/Portable-Housing-Benefits.pdf>

<sup>38</sup> Ibid.

<sup>39</sup> Bill 124, Rental Fairness Act, 2017. <https://www.ola.org/en/legislative-business/bills/parliament-41/session-2/bill-124>

<sup>40</sup> Advocacy Centre for Tenants Ontario. *Ontario Government Goes Back to Failed Rent Control Policy*. November 27, 2018. <https://www.acto.ca/ontario-government-goes-back-to-failed-rent-control-policy>

help to build new rentals, rather it will exacerbate unaffordable housing rents across the province.

We also recommend that rent control be expanded to cover vacant units, through the implementation of vacancy control. Vacancy control would be an effective step towards preventing rents from becoming even more unaffordable than they are already, especially for low income and vulnerable communities.

Ontario's current approach to rent control offers an economic incentive for bad faith evictions. There have been some reforms to try to curb bad faith evictions, including mandating compensation to tenants who receive an N12 eviction notice for personal use from their landlord. We believe, however, these reform measures are insufficient. As long as the costs<sup>41</sup> involved in a bad faith eviction are less than the profits to be gained from increasing the rent beyond the Rent Increase Guideline once a tenant is evicted, we will likely continue to see bad faith evictions.

## **5. Prioritize Low Income and Vulnerable Individuals in Most Urgent Housing Need and Eliminate Homelessness**

Reducing chronic homelessness, along with improving access to safe and affordable housing for low income and vulnerable individuals, should be a top priority for Ontario's Poverty Reduction Strategy.

An affordable housing plan must strive to reduce chronic homelessness, include tactics to improve housing retention and explicitly provide for eviction prevention strategies. Chronic homelessness is straining our shelter system, the social housing registry, housing services, and most importantly those in our community who are most vulnerable.

Homelessness has a significant cost for taxpayers. For example, the average monthly cost of social housing is \$199.92, compared to the average monthly cost of \$1,932.00 to house an individual at a shelter.<sup>42</sup> Reducing evictions, and thus homelessness, in turn reduces costs to taxpayers.

### *Develop Integrated Housing Stabilization Programs*

The eviction of vulnerable low-income tenants and the cycle of chronic homelessness is a systemic problem. Supporting both landlords and low-income and vulnerable tenants by connecting them to necessary supports would be a significant step towards eliminating homelessness in the province. Furthermore, the development of more integrated housing

---

<sup>41</sup> Such as the compensation required to be paid in lieu of an N12, or a fine ordered by the Landlord and Tenant Board against a landlord found to have evicted a tenant in bad faith.

<sup>42</sup> Advocacy Centre for Tenants Ontario. *Fact Sheet: Homelessness in Canada and Ontario*. July 2017. <https://www.acto.ca/production/wp-content/uploads/2017/07/Factsheet-4-Homelessness-in-Canada-and-Ontario2.pdf>

stabilization supports for those discharged from other services systems and crisis situations will allow for particularly vulnerable low-income tenants to secure appropriate housing sooner.

We also believe that eviction prevention is an important way to reduce homelessness and must be the cornerstone of any poverty reduction plan. The Province must commit to a plan that ensures low income and vulnerable individuals receive the right types of services and supports to not only be able to afford, but also to maintain their tenancy. Addressing the homelessness and affordable housing crisis requires investment in not only affordable housing, but also in eviction prevention and low-income tenant-centered supports.

## **6. Human Rights Framework**

To address the affordable housing crisis, chronic homelessness and inadequate housing across the province, the Ontario Poverty Reduction Plan must provide for a comprehensive affordable rental housing plan that respects the needs and dignity of all Ontarians and which recognizes housing as a human right.

A human rights-based approach to housing requires accountability at all levels of government to ensure that low income and vulnerable tenants can attain housing with dignity. Being safely and adequately housed is more than just having a roof over one's head. Human rights principles should be embedded in all of the Ontario government's policies and practices and a human rights based approach is needed to successfully address and solve the housing crisis.