

HPAP Peterborough
submission to the Standing Committee on Finance and Economic Affairs for the Ontario
Legislature
January 28 2019

Hello. Thank you for having me here today to participate in the 2019 pre-budget consultations to the Standing Committee on Finance and Economic Affairs.

My name is Dr. Jessi Dobyms, and I am here as the co-chair of Healthcare Providers Against Poverty Peterborough, a sub-chapter of HPAP Ontario.

HPAP is a voluntary organization of healthcare providers such as physicians and nurses, who work to:

- eliminate poverty
- work towards income security and social security for all
- and raise awareness about the health impacts of poverty

I am here today to call on the provincial legislature to address income security and health inequity in your upcoming budget. This is not a single Ministry issue, nor a single-interest issue. It is one that affects us all as Ontarians, and that requires broad, comprehensive, and urgent action.

Poverty is the most significant threat to the health of Ontarians. As healthcare providers, we see this every day in our work.

A colleague at a local primary care clinic recently shared a story from their waiting room. A young man came in for an appointment. He lay his coat on the waiting room floor and lay down. When asked if he felt so unwell he needed to lie down, he responded “No, I’m just exhausted. I’ve been walking the streets for the past 3 nights because I can’t find a shelter bed.” Imagine being so exhausted that you lie down to sleep on a busy waiting room floor.

In Peterborough, emergency shelters are full to capacity. The rental vacancy rate is 1.5%, and the market rates for rental housing are prohibitively expensive for someone living on \$733 a month on Ontario Works, or someone working a full-time minimum wage job. The cost of a single unit in Peterborough is currently \$850 a month, more than \$100 more than the monthly benefit paid by social assistance. This is simple math- it doesn’t add up.

Trying to survive on an income grossly below one’s basic needs leads to food insecurity. 1 in 6 children in Ontario live in households that are food insecure. In Peterborough, that number rises to 30% of household with children, and half of all single parent households. Almost 60% of food insecure households in Ontario have an employment income. Peterborough Public Health calculates the monthly cost of eating a healthy diet: in 2018 a family of 4 working minimum wage needs to spend 25% of their monthly budget on food. For A family of 4 on Ontario Works this rises to 35% of their budget. Minimum wage and social assistance rates are woefully inadequate to cover bare necessities. And food insecurity translates into poor health.

The Canadian Medical Association 2013 report ‘Healthcare in Canada: what makes us sick’ outlined that poverty is the biggest barrier to health for Canadians. The social determinants of health, by conservative estimates, account for at least 50% of people’s health outcomes.

Lower income is associated with increased burden of diseases and higher mortality- higher rates of diabetes, heart disease, obesity, asthma and depression. And these inequalities disproportionately affect those who are additionally marginalized- women, children, persons with disabilities, racialized Ontarians, and Indigenous people.

When we talk about an increased burden of disease for poor people, this isn’t just about quality of life. It translates into a huge gap in life expectancy. A study from Hamilton, Ontario found that there is a 21-year gap in life expectancies between the highest and lowest income neighbourhoods. 21 years! In a province with a public health care system, this degree of health inequity is shameful.

It is also expensive. In 2007 a study calculated the substantial expense to our healthcare system from poverty. It states, that “increasing the income of people in the lowest income quintile in Ontario to a level comparable to those in the second quintile would reduce health-care expenditures by \$2.9 billion provincially and \$7.6 billion federally.”

Your government has outlined planned reforms to the social assistance system, such as expanding the amount of income a client can earn while on social assistance, which could lead to re-entry into the workforce. However both Ontario Works and Ontario Disability Support Program (ODSP) will now clawback 75% of all income after the exemption limit, instead of the current 50% clawback.

The increase in the clawback will mean that clients will be cut off at a lower level of income under the new system than the old. This will result in a disincentive to work, as people struggle to survive on the inadequate income that social assistance provides.

Health Providers Against Poverty (HPAP) is also extremely concerned with the proposed changes to the definition of disability for ODSP.

Narrowing the definition of disability and restricting eligibility will affect the most vulnerable. Those struggling with mental illness, who face barriers to work and require substantial access to healthcare, will become more vulnerable. People with cumulative disability from intermittent or multiple conditions would be affected. And the stressors of deeper poverty predictably lead to worsening health- precarious housing, crises, inability to manage health conditions- this will lead to higher use of acute healthcare resources.

The reduction of OW and ODSP rate increases to only 1.5% will also keep clients in deep poverty. It is below the rate of inflation and is simply not enough.

As health care providers treating the effects of poverty on a daily basis, we call on the provincial legislature to:

Reverse the decision to change the definition of ODSP
reverse the increase in the OW and ODSP earning clawback back to 50%,
ensure that social assistance reform is implemented cooperatively with clients and that it is truly client centred.
restore the 3% increase in social assistance rates, and work towards social assistance rates reflecting the real cost of living,
and resume the basic income pilot to its completion.

These recommendations are in line with the Canadian Medical Association, the national physicians body of Canada, which called in 2013 for similar recommendations at the provincial and federal levels, including giving top priority to developing an action plan to eliminate poverty in Canada and evaluating guaranteed annual income through a major pilot project.

This is the national medical body of Canada calling for urgent attention to poverty; because we treat diseases caused and perpetuated by poverty every day in our clinical practices.

These would amount to an ounce of prevention which will reduce Ontario's chronic disease burden and prevent taxpayers from having to foot the bill for healthcare that will be required if you does not. If you could save 2.9 billion in healthcare costs by providing income security, wouldn't you?

The alternative, of weakening worker protections and weakening social assistance programs is a deadly combination that will worsen the health of low-income Ontarians and, far from ending hallway medicine, will entrench it.

Health Providers Against Poverty welcomes the opportunity to work with the government to continue the important work of welfare reform and income security for all.

Recommendations:

1. Reverse the decision to change the definition of disability for the Ontario Disability Support Program and ensure all current recipients of ODSP remain on ODSP, and if they are due for medical review, that their medical review be based on the current ODSP definition of disability.
2. Reverse the increase in OW and ODSP earnings clawback from 50% to 75%, which creates financial insecurity and disincentive to workplace re-integration.
3. Ensure that the investments and supports that have been announced for wrap-around services and partnership with the Ministry of Health for addictions and mental health support are implemented cooperatively with clients, with a focus on understanding their needs and barriers to income security.
4. Ensure the new system is truly client-centered, meaning nobody sees a reduction or elimination of already inadequate benefits due to inability to comply with system-imposed rules.
5. Allow individuals to build their own cushions for remaining out of poverty, by

allowing them to keep their retirement savings, in RRSPs and TFSAs, intact while receiving social assistance.

6. Ensure any computerized decisions to reduce or restrict benefits are personally reviewed to avoid vulnerable individuals from losing essential benefits without due process.

7. Restore the previously planned 3% increase in social assistance rates, recognizing this is only a small step towards bringing people out of deep poverty, and that social assistance rates should reflect the real cost of living.

8. Resume the basic income pilot to its completion. It is a huge loss to the participants, who made life decisions and choices under the understanding they would have income stability throughout the duration of the project, as well as a great loss to scientific research on income security.

9. Reinstate paid Personal Emergency Leave days

10. Remove the Employment Standards Act requirement to provide a doctor's note when sick.