

# ***Campaign for Adequate Welfare And Disability Benefits***

## ***How to Reduce Poverty and Stimulate the Economy***

February 17, 2020

### **Increase Ontario Works rate to \$962 monthly.**

While our paper deals with the Ontario budget, we believe the principals should be adopted nationally. The monthly rate of \$962 is that which the OW rate would be if a previous government had not cut back rates by 21.6% in 1996, a cut-back from which rates have not recovered. Today, in real terms, ODSP is 20% lower and OW is 30% lower when compared to 1993 (1) . We suggest an immediate increase in OW rates to \$962, a 2015 number arrived at by adding back the 21.6% and including annual cost of living increases. (2)

And here is why it's a good idea: Society is changing. The middle class has been shrinking for some time. The economy is slow. Globalization and automation have negatively impacted a number of job categories. Ontario needs an economic stimulus program that works while dealing with the very real problem of the evaporation of jobs. (3)

Generally, the middle class owns stores and provides services. The lower class buys in the neighbourhood stores and purchases services locally. With an additional \$229 each month, the OW recipient would purchase food and services in their neighbourhood. Corner stores would open up. Growth in the middle class would be stimulated. The tax base would begin to grow. Revenues to the government would increase.

And while the addition of \$229 to the \$733 monthly would not change the client's life appreciably (they would not be able to move to a better apartment) the bulk of that money would be spent on cash purchases locally. So the \$102M the \$229 would cost (\$229 x 445,000 people), would be put back into the Ontario economy. And more than \$102M may be written off the \$27.1 - 30B (4) that poverty costs all of us now.(5).

## **Stop Suspension Letters**

This exercise is a waste of time and money. It's an unnecessarily heavy administrative albatross. Caseworkers and clients alike dislike them greatly.

Why waste money on mountains of paperwork, when a simple phone call would suffice? In most cases, the caseworker can find easily the requested information online.

The Ontario system of OW and ODSP surveillance has been termed by the academic group, "The Surveillance Network", (formerly "Surveillance and Society")(6) to be brutal. It not only punishes the recipient, it punishes the worker who must deal with the extra paperwork this exercise entails. The Caseworkers become primarily paper shufflers, rather than engaged with their clients.

## **Include the Cost of Living**

Include the increase in food costs on an annual basis to social assistance rates, thereby ensuring the purchasing power of the lower class which continues supporting the middle class to keep the tax base stable.

## **In Summary, the Advantages**

These changes to the delivery of social services would do one thing really well. It would be seen as an enlightened stimulus package;

1 John Stapleton, February 9th, 2020, in an email exchange with the Defend Disability google group.

2. <https://www.thestar.com/news/gta/2015/10/10/cost-of-Ontarios-1995-welfare-diet-soars-amid-inadequate-rates.html>

3.. Gwynne Dyer, Growing Pains, scribepublications.com Pages, 146-149

4. “Health investments, the justice system and lost productivity, along with the myriad of existing welfare programs are increasingly unaffordable”. OBIN ‘Talking Points’ Available on OBIN website (currently under construction).

5. Feed Ontario, The Cost of Poverty in Ontario 10 Years Later, October 2019. Lee and Alexa Briggs, accessible at [feedontario.ca](http://feedontario.ca)

6. K. Maki, “Neoliberal Deviants and Surveillance: Welfare Recipients under the watchful eye of Ontario Works”, Queen’s University, as reported in: <https://ojs.library.queensu.ca/index.php/surveillance-and-society/article/view/deviants> and held at the website: [The Surveillance Studies Network – The international research and information network on surveillance](http://www.surveillancestudiesnetwork.org/)