
MINISTRY OF CHILDREN, COMMUNITY AND SOCIAL SERVICES: ONTARIO WORKS RATES

Purpose

We appreciate the Province's partnership and look forward to continued collaboration to improve the wellbeing of families in Renfrew County and across Ontario. We request an increase to Ontario Works (OW) basic financial assistance rates and higher caps on discretionary benefits to reflect the true cost of living and reduce downstream municipal pressures.

Proposal

Poverty continues to have a profound impact across Ontario, disproportionately affecting individuals who rely on social assistance programs such as Ontario Works (OW) and the Ontario Disability Support Program (ODSP). While the cost of essential needs – housing, food, utilities, medicine, and transportation – has escalated significantly due to historic inflation, social assistance rates have failed to keep pace.

We urge the Province of Ontario to increase both the **basic financial assistance rates under Ontario Works** and the **caps on discretionary benefits**. The current stagnation in rates is driving more individuals into deep poverty and placing unsustainable financial pressures on municipalities, who are increasingly using local reserves to meet needs the provincial system no longer sufficiently supports.

Why Now

Since 2018, Ontario Works rates have remained **frozen at \$733 per month**, while ODSP rates have seen only modest increases. During this same period, inflation has risen by **24%**, meaning the OW monthly rate would need to be at least **\$909.99** today just to match 2018 purchasing power.

This shortfall leaves individuals and families unable to afford housing, food, medicine, transportation, and other essentials particularly in rural communities like Renfrew County, where costs are higher and access to services is significantly more limited.

Municipal Impact: Financial Pressures and Program Strain

The freezing of OW rates has directly contributed to rising municipal expenditures. Local governments are increasingly forced to act as the safety net for a provincial system that no longer meets the minimum standard of adequacy. As OW recipients struggle to afford essential expenses within their monthly entitlement, municipalities are forced to cover the shortfall through programs like the **Homelessness Prevention Program (HPP)** and, increasingly, through local reserves.

Between the **2018–2019 and 2024–2025 fiscal years**, we have seen sharp annual increases in HPP spending to respond to core housing and utility needs:

- **Rental arrears support:** Average annual increase of **45%**
- **Fuel arrears support:** Average annual increase of **26%**
- **Hydro arrears support:** Average annual increase of **25%**

These increases highlight a troubling trend: social assistance rates are no longer adequate to cover even the most basic living costs. Programs like HPP, originally designed to address exceptional or one-time needs, are now being relied upon to fill systemic and ongoing financial gaps.

In addition to these pressures, our municipality has had to allocate **more than \$700,000 from local reserves in the past year alone** to fund **emergency motel stays** for individuals experiencing homelessness. This emergency measure does not account for the additional administrative, staffing, and support-service costs required to manage temporary motel placements and crisis intervention.

Food banks are overwhelmed, and discretionary funds meant for emergencies are now being used to cover recurring needs such as groceries, personal hygiene, and internet access.

Unique Challenges in Rural Ontario

Residents in rural areas like Renfrew County face **compounded barriers**, including:

- **Lack of public transportation**, limiting access to employment, medical appointments, and community resources.
- **Inconsistent and costly taxi service**, which is often unavailable during evenings or weekends.
- **Higher internet costs**, with limited broadband availability, making it harder for residents to apply for jobs, attend virtual appointments, or access training opportunities.
- **Greater travel distances**, making everyday errands and employment logistically and financially unfeasible for those without a personal vehicle.

These challenges disproportionately affect OW recipients who already operate with extremely limited means, making it even harder for them to escape poverty.

Rationale for Increased Investment

Research is clear: persistent poverty and food insecurity lead to **poor health outcomes, mental health challenges, lower employment participation, and higher long-term public costs.**

Increasing the OW rate and expanding discretionary benefit limits will allow municipalities to:

- Provide recipients with more **dignified and stable access to food and shelter**
- Reduce emergency housing costs through **preventive investment in rent subsidies and utilities support**
- Support workforce integration through better access to **transportation, internet, and basic employment readiness**

Without these changes, the cost of inaction will continue to climb, and it will be felt most acutely at the municipal level.

Ontario Works rates have remained static while the cost of survival has surged. Municipalities like ours are increasingly stepping in to cover this gap – with limited resources, limited authority, and at growing financial and social cost. We urge the Province of Ontario to recognize the seriousness of this crisis and act now.

Together, we can ensure that individuals and families have access to the opportunities and support they need to reduce their long-term reliance on Ontario Works financial assistance and benefit programs. The County of Renfrew is ready to work with MCCSS to refine details, timelines, and evaluation so these changes deliver fast, measurable impact.