



**Ontario Agencies Supporting Individuals with Special Needs**  
**Agences ontariennes de soutien pour les personnes qui ont des besoins speciaux**

March 2013

## **OASIS PRESENTATION TO STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS**

OASIS which stands for “Ontario Agencies Supporting Individuals with Special Needs” welcomes this opportunity to participate in the pre-Budget consultations by the Standing Committee on Finance and Economic Affairs.

### **OASIS**

- Understands the fiscal constraints that the Government of Ontario is faced with in this economic period;
- Strongly supports the vision of the Developmental Services Sector ensuring that the “Transformation of Services in Ontario for People who have a Developmental Disability” results in a high quality service system that is equitable, flexible and sustainable, and is designed to meet the lifelong needs of Ontario citizens with developmental disabilities;
- Emphasizes the importance of ensuring the maintenance of a strong, responsive and stable non-profit transfer payment agency system both as the Province’s primary service delivery mechanism and as the backstop for the initiation of funding directly to individuals and families under the transformed system.

### **OASIS needs the Government of Ontario to**

- Make a commitment to invest in the Developmental Services Sector to ensure that by April 1<sup>st</sup>, 2020, and thereafter, every person who has a developmental disability and their family has access to the support they need to live in the community, free from poverty and in a manner of their choosing.
- Make changes to the Proxy Pay Equity legislation or amend Proxy Regulation 396/93 to allow for in-sector comparators, placing a moratorium on Proxy Pay Equity liabilities until changes are put in place, and commit to funding pay equity adjustments to completion once the changes are in place.
- Commit funding to begin to address the recommendations of Brighter Prospects: Transforming Social Assistance in Ontario.
- Allow for the creation of Reserves to provide greater flexibility in planning and the use of resources.

## **BACKGROUND**

OASIS is a province-wide association of transfer-payment agencies that seeks to ensure cost-effective, high quality supports and services for people with developmental disabilities, and to facilitate and strengthen the operations of its members. OASIS is an entirely voluntary association – it has no staff and no office. All work is performed by individuals and committees on a volunteer basis using the internet to communicate to members on such matters as best practices in financial management, program and service innovations, human resources and labour/management relations, and governmental regulations and initiatives.

Founded by 6 non-profit agencies in 1996, OASIS' membership has grown to 165 transfer payment agencies located in all regions and communities of Ontario. OASIS member agencies provide services to about 35,000 individuals with developmental disabilities, employ 25,000 full-time, part-time and casual staff, and receive approximately \$1 Billion in operating funding, primarily from the Ministry of Community and Social Services. In addition, they raise significant funds from their communities mainly to assist in the provision of respite and recreation and leisure opportunities not otherwise funded, and in the purchase and modification of suitable, accessible properties. Our members are closely involved in the communities in which they are located.

Such agencies constitute the primary vehicle for delivering government-regulated supports and services to people with developmental disabilities, notably in the form of:

- Residential care via group homes, supervised residences or approved family-home programs;
- Supported independent living programs;
- Community Participation and Respite Supports;
- Supported employment programs leading to independent employment in the community;

## **Challenges**

The developmental services sector is at an important, indeed critical, juncture. The level of unmet need for community supports and services for Ontarians with a developmental disability and their families has never been as high as today. Ontario must face up to the problems created by growing waiting lists – primarily through young people with a developmental disability leaving school and older ones living with aging parents. Ontario must permit supports and services to reach a broader range of people, encourage and allow new initiatives to be launched and ensure the long term financial and support stability of the sector. This must include the opportunity for longer term budgeting and financial planning, especially the creation of reserves. Agencies, families and the Ministry of Community and Social Services are jointly planning and working to meet these challenges.

## **System Capacity**

Supporting people with developmental disabilities within communities has become increasingly more challenging. There are people with complex personal needs, there is an aging population, and there are escalating demands for services (not only those individuals living with aging parents but also those young adults new to the adult system). These challenges have exacerbated the pressures on the sector and on service providers who have reached their limit in terms of their ability to respond effectively to these pressures.

Current challenges include:

- Residential supports are unavailable for individuals whose parents have become unable to care for them.
- Individuals with high needs must wait several years for day and residential programs, placing ongoing stress on families and caregivers.
- The changing “needs” profile of individuals (aging individuals and those with multiple disabilities) requires more sophisticated and varied support services beyond the level currently available. This requires significantly more staff training.
- Increasing costs of construction and real estate (eg. Fire and building code regulations).
- Increased costs of staffing, especially benefits and training – including the mandatory requirements under Regulation 299/10 of the new Social Inclusions Act.

### **Long Waiting Lists / Few Vacancies**

OASIS members remain very concerned for the many families and individuals who remain without the required support in our communities. Families are facing financial and emotional stress as they try to care for their loved ones when services and supports are not available. Parents are faced with the difficult choice of having to give up careers and financial stability when educational supports are no longer available to their children. The recent changes to Special Services at Home will only increase the pressure on families when this funding ceases for individuals at the age of 18 and are met with increased waiting list for Passport and Respite services.

We require a plan for continued investment in the Developmental Services Sector to meet this growing need. We need the Government to commit to ensuring that by 2020, every person who has a developmental disability and their family has access to the supports and services that they need to live in the community, free from poverty and in a manner of their choosing. We need to ensure that agencies have the necessary funding to guarantee their sustainability, meet legislative requirements and provide quality services and supports to individuals with a developmental disability.

### **Impact of the Unfunded Pay Equity Legislation on the Sector**

As you know OASIS member agencies are governed by many pieces of legislation including Pay Equity. Most agencies who were required to use the Proxy Comparison method of Pay Equity have not achieved Pay Equity and are still many years away from achieving this target. All of the agencies who were able to utilize the job to job or proportional value method for Pay Equity have achieved their targets. Prior to the implementation of the proxy method the Developmental Services did not have a pay equity issue and has always believed in equal pay for equal work. The Developmental Services Sector is a leader in equity – more than 50% of CEO’s are female.

Proxy agencies target hourly wages are \$14 per hour higher than non-proxy agencies, and are creating additional in-sector wage inequities. The pay equity method is also a moving target when cost of living and negotiated wage increases are given.

Provincial funding has not been provided for the past four years for employers to make these adjustments. Each year, we are required to commit an amount equal to a minimum of 1% of the previous year’s payroll for Pay Equity wage rate increases. Without funds being committed to meet this legislated requirement by the Government of Ontario, agencies are faced with millions of dollars of liability without the ability to meet the legislative requirement. This has put

Employers and their Board of Directors in a difficult position. They can EITHER reduce staffing levels and support in order to meet their financial obligations, OR decide to be in violation of the Pay Equity legislation, and not in compliance with the new Regulation 299/10, in order to maintain support needs. In a recent survey of the agencies who have provided pay equity adjustments 44% reduced staffing or services, 31% used administrative efficiencies, 14% are carrying a deficit, and 11% used other methods including restructuring, mergers, etc.

Agencies will be faced with this dilemma for many years to come, which will only add to the service pressures and waitlists if agencies are forced to meet their legislated obligations with no additional funding. This is wrong. People with disabilities should not be negatively impacted by this situation. OASIS is asking for a change in the Proxy Regulations to allow for in-sector comparator, eliminating the in-sector inequities. The change does not require a new Bill, a Lieutenant Governor in Council order can amend Proxy Regulation 396/93 or repeal the exiting regulation and introduce a new one. In the interim OASIS is asking for a moratorium on Proxy Pay Equity liabilities until changes are put in place. Once changes have been made to the legislation or regulation we ask the Government of Ontario to fund the pay equity adjustments to completion.

## **ODSP**

OASIS supports the recommendations outlined in *Brighter Prospects: Transforming Social Assistance in Ontario*. Without transformational changes, individuals on disability benefits are condemned to a life of poverty.

A simplified benefit structure must be created and include the following as outlined in the *Brighter Prospects* report:

- Establish a standard rate for adults living alone or a modified standard rate for people in shared accommodations. The standard rate would be a flat amount, with future rate increases varied regionally to reflect differences in living costs across Ontario.
- Developing a new “Basic Measure of Adequacy” to serve as the benchmark for determining the adequacy of social assistance rates, based on the costs of food, clothing and footwear, a basic list of personal and household needs, transportation and shelter in different Ontario regions;
- Through the upcoming review of minimum wage, linking changes in the minimum wage to Ontario’s economic performance, labour market outcomes, and earnings distribution, so that the minimum wage can be used as an appropriate “reference wage”;
- Undertaking research into the impact of benefit withdrawal rates on work incentive.
- Until the system is fully transformed, there would be two additional building blocks on top of the standard rate provided through social assistance: a disability supplement for recipients with disabilities, and uniform supplements for families with children and sole-support parents.
- A disability benefit outside social assistance should be introduced as a priority, to help combat the high level of unemployment among people with disabilities, and to improve the financial incentive to work. This benefit would recognize that there can be additional costs of

living with a disability, and employment opportunities and earnings may be constrained for people with disabilities.

- The report further recommends that no new benefits be introduced within the social assistance system without also making them available to all low-income Ontarians.

## **Reserves**

The budget process should be revised to allow for the creation of Reserves to provide greater flexibility in planning and the use of resources. Transfer payment agencies should have four year rolling budgets of their own, with accountability measures, for the purposes of establishing reserves to fund capital items and major repairs and to develop innovative, cost-effective programs in a planned manner.

## **Recommendations**

OASIS respectfully requests that members of the Standing Committee support inclusion, in the Committee's Final Report, of the following recommendations:

1. That the Minister of Finance make a commitment to invest in the Developmental Services Sector to ensure that by April 1<sup>st</sup>, 2020, and thereafter, every person who has a developmental disability and their family has access to the support they need to live in the community, free from poverty and in a manner of their choosing. In the 2013-14 budget, increase funding for the Developmental Services Sector, for the following purposes:
  - Assisting people currently without services, particularly where the need is urgent.
  - Stabilizing and rebuilding current service infrastructure and investing in a long term Human Resources strategy for the sector.
  - Increasing the funding allocated to individuals through such programs as Passports.
  - Supporting new opportunities for innovation by building on the ingenuity of families, friends and community as they collaborate in new ways with agencies.
2. Make changes to the Proxy Pay Equity legislation or amend Proxy Regulation 396/93 to allow for in-sector comparators, placing a moratorium on Proxy Pay Equity liabilities until changes are put in place, and commit to funding pay equity adjustments to completion once the changes are in place. That the Minister of Finance, at a minimum, makes an investment of an additional 2% on current base budgets in Transfer Payment agencies for 2013-14 to enable agencies to meet their unfunded pay equity legislated obligations for 2012 and 2013.
3. Commit funding to begin to address the recommendations of Brighter Prospects: Transforming Social Assistance in Ontario
4. That transfer payment agencies have four year rolling budgets of their own, with accountability measures, for the purposes of establishing reserves to fund capital items and major repairs and to develop innovative, cost-effective programs in a planned manner.

Such an investment in these difficult economic times will stimulate the economy with additional jobs and purchases of material items.

On behalf of its member agencies, OASIS appreciates the opportunity to present this submission and would be pleased to provide additional information as may be required.