



April 27, 2017

Memo to Presidents of Municipal Social Service Workers' locals

Subject: Basic Income Pilot Announcement

**From: Carrie Lynn Poole-Cotnam, Chair, SSWCC
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On Monday, April 24, Premier Kathleen Wynne made the announcement about the Basic Income Pilot and the sites that have been selected for rollouts of the pilot. This comes after the budget announcement in 2016 of a Basic Income Pilot and a series of consultations on what a model of Basic Income could look like in Ontario.

While many details were released to the press and made available by the government, CUPE did not feel we had enough detail to be able to make comments or communicate to the membership about the impact to our members who work in social assistance delivery.

We were able to schedule a technical briefing on Thursday, April 27, to meet with the Assistant Deputy Minister tasked with the pilot, as well as a Policy Advisor from the office of the Minister for Community and Social Services. We are committed to following up with these key players as more details are released, but wish to move forward with sharing what we know as of today.

Pilot Sites

There are four geographical areas that will deliver the pilot in the province: Hamilton, Brantford/Brant County, Thunder Bay and vicinity, and the City of Lindsay. These communities were selected because of the different ways that they are reflective of Ontario's population.

What we were able to confirm today is that the CSM/DSSAB boundaries are not at play in this pilot sample. The Ministry and the evaluators feel that this would limit the composition of rural and urban demographics; therefore, for the purpose of this pilot, the traditional social assistance geographical boundaries have been removed. Participants in the Basic Income Pilot

must have been residents in these communities for the previous 12 months to be considered for the pilot.

OMSSA is not directly involved in the pilot, and instead the Ministry is working directly with the Commissioners in each of the regions.

Sample Size

All the media releases speak to 4,000 participants in the pilot, and there has been some confusion about how this number reflects those participating in the pilot and receiving Basic Income compared to a control group. While we were not able to get specific numbers on how many pilot participants will be existing OW or ODSP recipients compared to low-income Ontarians not in receipt of social assistance, we were able to gather the following information:

The Ministry has stated that, of those who meet the Low-Income Measure and who qualify for the Basic Income Pilot, only 30% are currently in receipt of Social Assistance. The expectation is that the greater number of participants in the Basic Income Pilot will come from the working poor with no attachment to Social Assistance. Then the other portion of recipients will come from OW and ODSP.

The numbers are:

- Hamilton/Branford/Brant County: 1,000 receiving Basic Income, 1,000 Control Group
- Thunder Bay and Vicinity: 1,000 receiving Basic Income, 1,000 Control Group
- City of Lindsay: 2,000 receiving Basic Income, No Control Group

Timeline

Mailings will commence the end of May to low-income people and social assistance recipients in Hamilton/Brantford/Brant County and Thunder Bay and vicinity; people will fill out a short application if they want to be considered for participation.

Staff employed directly by the Ministry of Community Social Services will work in a project team and will follow through with processing those applications, obtaining informed consent, and providing all explanations necessary to applicants.

The timeline for the Lindsay pilot is Fall 2017. MCSS staff will start with looking at the first 200 applications, from the early sites to determine if their outreach is capturing the sample targets of a mix of working poor, OW and ODSP recipients. An evaluation will be done to

determine whether this outreach is producing the target sample and adjustments, with recommendations made as necessary by the evaluation team.

The program will then ramp up and payments will be produced by the Ministry of Finance. It remains unclear at this point how pilot participants will report their income, whether quarterly or annually. Income from employment will be deducted at 50%; however, the Ministry has been very clear that this will not be a monthly income reporting statement, as the pilot has “no strings attached.”

CUPE’s concerns were brought forward. We said that we wanted to ensure that pilot participants are not going to get into situations in which they receive overpayments that they would then have to pay back, which would mean that they never get further ahead.

The Ministry has stated that they will be dealing with payments centrally through direct delivery, and not a third-party delivery agent. Evaluation of the pilot will be ongoing, without the use of private consultants such as KPMG or Price Waterhouse Cooper, as we have seen in the past.

A third-party research consortium will evaluate the pilot. The province will form an advisory group with research and evaluation experts to ensure the pilot is conducted with the utmost integrity, rigour and ethical standards. The plan at this stage is to involve experts from public institutions, such as academics in universities.

Basic Income Pilot Participants

People who are currently on social assistance who participate in the pilot will exit social assistance. Drug benefit cards and dental benefits will continue if participants have had access to these benefits while they were in receipt of social assistance.

Low-income people who participate in the pilot who were not in social assistance will not have access to these programs and instead would have access to programs that already exist, such as Trillium. The Ministry recognizes that this will need to be evaluated carefully, given that the sample will have different benefit entitlements while in receipt of Basic Income.

For Basic Income recipients who receive child care subsidies or who are in rent geared-to-income housing, there will obviously be an increase to their income while they take part in the pilot. At their annual reviews of these programs and subsidies, they may face a rent increase and find themselves eligible for only a partial fee subsidy for child care. The Ministry states that all these programs will continue as status quo while the pilot goes on for three years. Participants will then have the option of exiting the pilot and returning to social assistance. However, once they exit, they are not eligible to return, since that would impact the evaluation.

Basic Income Pilot participants will not have caseworkers, employment supports, or wraparound services, such as they had while in receipt of Social Assistance. While they are participating in the pilot, recipients will be self-navigating access to the supports that they need, using services like 211 and community agency directories.

There is no attachment to the labour market required during the Basic Income Pilot; recipients can go to school or search out quality child care for their children. Evaluations of outcomes will be broader than attachment to the workforce.

First Nations Basic Income Pilot

CUPE communicated that we fully support the self-governance and self-determination for First Nations social welfare programs and the implementation of the Truth & Reconciliation recommendations.

Where do we go from here?

The Ministry has indicated that it will welcome CUPE proposals for ways the union can engage in an ongoing way around the Basic Income Pilot. We have communicated our structure and that we have four CUPE Locals directly impacted at this stage of the pilot. We said we will speak with those Locals and the SSWCC Municipal Social Services representatives about what that engagement could look like.

We have some additional questions that the Ministry was not able to respond to right away and we will follow up for those answers. In particular, we asked about the City of Lindsay, as this municipality could be what was originally described as a “high saturation site” for the pilot, with a large number of participants.

How to receive updates?

Our goal is to be able to communicate not only with CUPE Local leadership, but also with our rank and file membership. If you wish to receive updates, please email sswcc@cupe.on.ca and we will add you to the distribution list.

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