
September 25, 2023

Submission to: The Honourable Minister Michael Parsa
Minister of Children, Community and Social Services

Submitted by: Chris Beesley, Chief Executive Officer,
Community Living Ontario (CLO)

Elise Hineman and Joanna Brant,
Co-chairs, Ontario Coalition of Rape Crisis Centres (OCRCC)

Marlene Ham, Executive Director,
Ontario Association of Interval and Transition Houses (OAITH)

Robert Walsh, Chief Executive Officer,
Ontario Agencies Supporting People with Special Needs (OASIS)

Susan Somogyi Wells, Chief Executive Office,
Family Service Ontario (FSO)

Executive Summary

Transfer payment agencies funded under the Ministry of Children, Community and Social Services (MCCSS) have not received sufficient increases to keep up with rising costs, with some programs having been without an increase for decades. Agencies are struggling to balance budgets, while meeting growing service demands and the excessive burdens in the name of accountability. Our sectors are lagging in our ability to compete for staff in a labour market shortage.

We need to ensure our sectors can meet the current demands and continue to provide high-quality and safe services. Our services are community-based and a cost-effective solution to meeting the needs of some of our most vulnerable Ontarians.

Collectively, we are sounding the alarm that the current funding is not sustainable. Historical funding formulas have resulted in significant discrepancies between our sectors, within our sectors, across regions and within regions. One of the many impacts of these discrepancies is wage disparity. As a result, our staffing levels are at risk, some organizations are at risk, and therefore, vulnerable Ontarians are at risk.

Key Issues

- **Risk to staffing levels**

Historically, budgets and targets were created with vast inequities between sectors, within our sectors, across regions and within regions. We continue to operate within these historical, nonformulaic funding arrangements. As a result, salaries are significantly different. For example, the same position can be paid \$18.00 per hour in one agency and \$30.00 in a neighboring agency. In addition, education and health have historically higher salaries and continue to be able to increase salaries. Our sectors cannot compete.

Fewer staff to respond to the growing needs has impacted on working conditions. With a province-wide human resource shortage, declining working conditions and our wage disparities, we are reaching dangerously low staffing levels in some of our member agencies.

- **Risk to sustainability**

Funding is not based on actual costs. With current inflation, the cost of operating an agency has increased, while funding typically has not. As a result, some agencies have turned to offsetting revenue, such as one-time grants and fundraising to support core program expenses. This operational model is not sustainable and increases the risk to the sustainability of some agencies.

- **Risk to vulnerable Ontarians**

There is a risk to vulnerable Ontarians due to the pressures noted above. With increased demands, skyrocketing costs, and a human resource crisis, we no longer have a sustainable model for our provincial system of care that ensures the safety and well-being of Ontarians.

Next Steps

We appreciate the investment this government has made in some of our health and social service programs. Some employees within our member organizations will benefit from the 5% increase announced for mental health and addictions, and some will benefit from the increase through the Ministry of Attorney General for the Partner Assault Response Program. In addition, the wage enhancements for our developmental services workers have been extremely helpful in addressing urgent staffing demands. However, there are unintended consequences to these investments, which includes:

- Wage disparity between sectors.
- Wage disparity within transfer payment agencies that receive funding from multiple ministries.
- Wage compression, between direct reports and their supervisors, resulting in greater challenges with recruiting for leadership positions.

To resolve these unintended consequences of siloed funding investments, and to ensure stabilization of the sector, we are requesting an inter-ministerial approach. Our member agencies serve some of the most vulnerable Ontarians, meeting the needs of safety and well-being. The services provided by our members are community based and therefore a cost-effective solution within our health and social service system. The

funding issues within MCCSS's funded programs require the government's immediate attention.

Specifically, we are seeking an immediate 5% increase in base funding that is unrestricted, allowing agencies to address their unique pressures and risks to sustainability. In addition, we are recommending the establishment of a task force to develop a plan for a longer-term sustainable funding model for our sectors.

To discuss the concerns and solutions noted above in further detail, we request a meeting at your earliest convenience. We look forward to hearing from you.

Sincerely,



Chris Beesley, Chief Executive Officer, Community Living Ontario (CLO)



Elise Hineman, Co-chair, Ontario Coalition of Rape Crisis Centres (OCRCC)



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Susan Somogyi Wells, Chief Executive Office, Family Service Ontario (FSO)

cc: The Honourable Peter Bethlenfalvy