

## Tangled up in welfare rules



Christine Watts caught in system nightmare.

### STAR EXCLUSIVE

Help poor with small, low-cost changes, report urges province

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Christine Watts was shocked in June when a truck pulled into her yard and threatened to disconnect her hydro. The 51-year-old Cobourg-area woman had no idea she owed \$1,100 from an equal-billing underpayment for the past year.

And as a survivor of childhood sexual abuse who lives on provincial disability support and a part-time job at her local library, she had no way to pay.

Community agencies and family helped Watts cover all but \$240 of the outstanding bill. Her employer agreed to lend her the rest and deduct \$80 from her monthly earnings of just under \$300 for three months.

But under Ontario's mind-numbingly complicated welfare rules, Watts' loan is considered income, and every dollar earned by someone on welfare triggers a 50-cent cut in provincial support. So Watts, who lives in a

tiny bungalow on a rural road, will lose \$120 from her \$826 September benefit cheque.

"How am I supposed to get to work?" she says. "What will I eat? Why does the system make it so hard?"

The government's treatment of loans to people on welfare is among 13 short-term changes a government-appointed panel of poverty experts recommended for quick action in a confidential report last February.

Now the panel is making that confidential report public Monday to turn up the heat.

WELFARE continued on A4



VINCE TALOTTA/TORONTO STAR

Recovering addict Mike Riley wants to go back to school full-time, but welfare rules prohibit it.

# 'Every day is a struggle'

WELFARE from A1

Other welfare changes the panel wants fixed include: increasing asset limits, letting single parents keep a portion of child support payments and allowing those who have been disqualified from Ontario's student loan program to receive welfare while attending college or university.

The panel's mandate was to identify changes that wouldn't cost the government much money in advance of a long-awaited broader review of the system this fall.

Social Services Minister Madeleine Meilleur made four of the changes in March. "I really hope they announce the fulsome review soon, using the terms of reference that we gave them," said Gail Nyberg, head of the Daily Bread Food Bank, who chaired the panel.

"In the meantime, I wish they would send some of these other rules off to the finance ministry and get them changed," she said. "They would make the life of a number of people who collect social assistance so much easier."

In an interview, Meilleur said she will address the remaining nine rules as part of the ministry's broader welfare review. But she didn't rule out the possibility that some of the rules may be adjusted as part of next spring's budget, before the broader review is complete in a year to 18 months.

"Social assistance rules are very complex," she said in an interview. It is difficult to change one without having an impact on other rules and even other ministries, she added.

"But I am not closing the door. We are always looking to improve social assistance — to encourage people to get back on their feet."

**MIKE RILEY, 41, IS** a recovering addict who is trying to turn his life around. The Scarborough man, who grew up in the care of children's aid after his parents divorce, wants to become a child welfare worker to help kids "in the system" avoid the troubles he encountered.

But an outstanding \$2,500 student loan he took out more than 15 years ago, before he fell into addiction, means he may never get the chance to go to college to get the training he needs.

Riley could easily qualify for bursaries to cover tuition and books if he could continue to receive welfare while going to school, says Theresa Schrader of the Ve'ahavta Street Academy, which is helping him get off the system.

But the rules prohibit an adult from going to college or university full-time while collecting welfare. So Riley, whose \$345 rent leaves him with just \$227 from his \$572 monthly welfare cheque, is stuck.

"Every day is a struggle," Riley says. "But I do have ambition. And I want a career... and for that I need an education."

**JOHN CORSO WAS** excited about

## RECOMMENDED FIXES

### Proposed changes

- Ensure people on welfare with earnings don't face unreasonable hikes in subsidized rent.
- Increase asset limits.
- Extend asset exemptions to RRSPs, tax-free savings accounts.
- Treat EI benefits as earnings for people receiving disability payments.
- Allow those disqualified from student loan program to receive welfare while attending college.
- Do not treat loans as income.
- Do not stop welfare payments

for children leaving school.

- Allow single parents to keep partial child support.
- Increase medical transportation rates.

### Changes accepted in March

- Let friends and family give casual gifts to people on welfare.
- Allow those who receive windfalls to remain eligible for welfare.
- Don't reduce welfare for those sharing accommodation.
- Change welfare suspension rules for not participating in job search and other requirements.

the possibility of a full-time job with FoodShare this summer — until he learned that his increased income would trigger a cut in his government benefits and a spike in his subsidized rent.

The 47-year-old Toronto man has lived on provincial disability support since he was diagnosed with HIV at age 24. Corso had been too ill to do much of anything until about five years ago when a new generation of drugs began easing his symptoms.

"I'd really like to get off the system and go back to work, but I really need the support in case I have a setback," says Corso, who receives

\$727 in monthly benefits including \$250 in the soon-to-be scrapped special diet allowance.

His disability payments also cover the \$2,000 monthly cost of medication to control the disease and other related health problems.

Under the province's social housing rules, people on welfare receiving rent subsidies have to watch what they earn or risk seeing their rents increase dramatically.

In Corso's case, his rent would have risen from \$139 a month to about \$500 had he taken the job.

"With welfare already taking 50 cents of every dollar it didn't really seem worth it," he says.