



OW and ODSP Rates

Item 10

February 13, 2025

Board of Directors

Report: TCHC:2025-05

To: Board of Directors (the “Board”)

From: President and Chief Executive Officer

Date: January 21, 2025

PURPOSE:

To provide information to the Board in relation to steps that TCHC can take to collaborate with the City of Toronto’s advocacy for an increase in Ontario Works (“OW”) and Ontario Disability Support Program (“ODSP”) benefits and an increase in the rent amounts attributed for a month to benefit units in the Rent Scales prescribed under Section 50 of the *Housing Services Act, 2011* and next steps TCHC staff will take to further those advocacy efforts.

RECOMMENDATIONS:

It is recommended the Board receive this report for its information.

REASONS FOR RECOMMENDATIONS:

Decision History

At its meeting of May 11 and 12, 2022, City Council considered Item EX32.6 - Intergovernmental Partnerships and Advocacy Efforts to Advance the City's HousingTO 2020-2030 Action Plan and resolved, in part, to re-iterate its request to the Province of Ontario to address the adequacy and structure of social assistance by implementing a new standard flat rate structure for both the OW and ODSP that:

- uses a data-informed and evidence-based approach to annual social assistance rate increases, equalizes the benefit rate across the OW and ODSP, and better supports recipients to meet their basic needs, including the cost of housing; and

- equalizes the OW and ODSP rent scales paid to Torontonians living in social housing with the housing benefit paid to OW and ODSP recipients living in private market rentals.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.EX32.6>

At its meeting of July 19, 20, 21 and 22, 2022, City Council considered Item PH35.18 - Renoviction Policy - Creating a Framework to Protect Affordable and Mid-range Rental Homes and Deter Renovictions and resolved, in part, to re-iterate its request to the Province of Ontario to improve the adequacy and structure of social assistance by using data and evidence to increase social assistance rates so that recipients are better able to meet their basic needs, including the cost of living (including housing) in Toronto, equalize the benefit rate across the OW and the ODSP, and adjusts utility scales and social assistance rent scales for residents living in social housing who are in receipt of OW or ODSP supports.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.PH35.18>

At its meeting of November 8 and 9, 2023, City Council considered Item 2023.EX9.3 - Generational Transformation of Toronto's Housing System to Urgently Build More Affordable Homes and resolved, in part, to:

- reiterate its request to the Government of Ontario to improve the adequacy and structure of social assistance programs, based on data and evidence, so that recipients are better able to meet their basic needs, including the high cost of housing in Toronto, and to equalize the benefit rate across the OW and the ODSP; and
- request the Government of Ontario to reduce the financial burden on the City of Toronto related to provincial social assistance programs, which is estimated to be \$125 million annually, by eliminating the Housing Services Act Rent Scales to equalize the shelter benefit components of OW and the ODSP for rent-geared-to-income households residing in City-administered community housing, with those residing in the private market housing.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.EX9.3>

At its meeting of October 9 and 10, 2024, City Council considered Item PH15.6 – Increasing the City's Supply of Accessible Affordable Housing and resolved, in part, to re-iterate its request to the Government of Ontario to improve the adequacy and structure of social assistance programs, based on data and evidence, so that recipients are better able to meet their basic

needs, including the high cost of housing in Toronto, and to equalize the benefit rate across the OW and the ODSP.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.PH15.6>

At its meeting of December 12, 2024, the Board directed TCHC management to consider adopting a motion to that asks the City to advocate for an increase in OW and ODSP amounts and report back to the Board.

Background

In 2024, 44% of TCHC's Rent-Geared-to-Income households relied on OW or ODSP as their primary income source. This percentage has not changed, materially, since 2023. As a source of revenue for TCHC, rent paid by RGI households has remained relatively constant over the period from 2023 to 2025 while representing a reduced percentage of TCHC Revenue.

Table 1 – TCHC Sources of Revenue (2023-2025)¹

(In \$000s)	2023	%	2024	%	2025 (Proposed Budget)	%
Residential Rent - RGI	\$185,855	33%	\$194,759	31%	\$195,227	30%
Residential Rent - Market	\$85,564	15%	\$86,231	14%	\$88,349	14%
City Subsidy (Base)	\$231,089	41%	\$272,332	44%	\$326,757	50%
City Subsidy (1X)	\$23,027	4%	\$29,248	5%	\$709	0%
Other	\$42,868	8%	\$38,549	6%	\$39,768	6%
2025 1X Bridging Strategy	--	0%	--	0%	\$3,192	0%
Total Revenue	\$570,426		\$621,119		\$654,002	

OW and ODSP each provide a “shelter allowance” as a component of the benefits they provide. The shelter allowances available through OW and ODSP are subject to a maximum that varies based on the number of people who make up the benefit unit. In the case of social assistance recipients who reside in private market rental accommodation, their own home or public housing, the shelter amount issued is the sum of the actual verified costs of shelter paid, up to the maximum eligible amount for shelter (i.e., if actual shelter costs are less than the established maximum, then the lesser actual costs are paid). In contrast, the Province's Policy Directives provide that a benefit unit living in RGI housing, where the amount of rent is determined by the local housing service manager, the amount of rent payable through social assistance for an RGI housing unit is determined using a Provincial social assistance rent scale or 30% of the benefit unit's gross monthly income. This

¹ 2025 Budget Notes Toronto Community Housing Corporation, p. 12

<https://www.toronto.ca/legdocs/mmis/2025/bu/bgrd/backgroundfile-252053.pdf>

limits the shelter allowance that an RGI tenant can obtain through OW and ODSP.

Despite inflation and steep increases to cost-of-living and the costs of goods and services, the OW and ODSP Rent Scales currently prescribed in Ontario Regulation 316/19 under the *Housing Services Act, 2011* and previously prescribed under *Ontario Regulation 298/01* under the *Housing Services Act, 2011* and *Social Housing Reform Act, 2000* have not increased in over 20 years.²

For a two-person benefit unit receiving OW, the maximum monthly shelter allowance is \$642, whereas the maximum rent TCHC can charge the same household is \$175 (plus utilities charges / allowances also prescribed by Ontario Regulation 316/19).

Table 2 - Comparison of OW shelter allowance available in private market rental accommodation v. RGI housing

Benefit Unit Size	Private Accommodation Shelter Allowance Maximum	Ontario Works Rent Scale Rent attributable to benefit unit³	Ontario Works Rent Scale Rent attributable to benefit unit⁴
1	\$390	--	\$85
2	\$642	\$191	\$175
3	\$697	\$226	\$212
4	\$756	\$269	\$254
5	\$815	\$311	\$296
6	\$844	\$353	\$339
7	\$844	\$396	\$381
8	\$844	\$438	\$423
9	\$844	\$480	\$466
10	\$844	\$523	\$508
11	\$844	\$565	\$550

² Historical versions of Ontario Regulation 298/01 are available online back to August 1, 2003. The OW and ODSP tables which set the rents have not changed since this time.

³ Benefit unit consisting of a recipient with no spouse but with one or more other dependents
<https://www.canlii.org/en/on/laws/regu/o-reg-316-19/latest/o-reg-316-19.html>

⁴ Benefit unit consisting of (a) a recipient with no spouse and no other dependents, (b) a recipient with a spouse but no other dependents or (c) a recipient with a spouse and one or more other dependents
<https://www.canlii.org/en/on/laws/regu/o-reg-316-19/latest/o-reg-316-19.html>

Benefit Unit Size	Private Accommodation Shelter Allowance Maximum	Ontario Works Rent Scale Rent attributable to benefit unit³	Ontario Works Rent Scale Rent attributable to benefit unit⁴
12 or more	\$844	\$607	\$593

For a two-person benefit unit on ODSP, the maximum monthly shelter allowance is \$915, whereas the maximum rent TCHC can charge the same household is \$199 (plus utilities charges / allowances also prescribed by Ontario Regulation 316/19).

Table 3 - Comparison of ODSP shelter allowance available in private market rental accommodation v. RGI housing⁵

Benefit Unit Size	Private Accommodation Shelter Allowance Maximum	Ontario Disability Support Program Rent Scale Rent attributable to benefit unit
1	\$582	\$109
2	\$915	\$199
3	\$990	\$236
4	\$1,074	\$278
5	\$1,159	\$321
6	\$1,201	\$363
7	\$1,201	\$405
8	\$1,201	\$448
9	\$1,201	\$490
10	\$1,201	\$532
11	\$1,201	\$575
12 or more	\$1,201	\$617

As a result, the shelter allowance that a benefit unit, residing in RGI housing is eligible to receive under either OW or ODSP is much less than the shelter allowance that a benefit unit, residing in private market rental accommodation is eligible to receive. The maximum OW shelter allowance

⁵ As set out in Province of Ontario Policy Directive regarding Ontario Works Shelter Allowance - <https://www.ontario.ca/document/ontario-works-policy-directives/63-shelter>

last increased in 2018. The maximum ODSP shelter allowance last increased in 2024.

For TCHC tenants' purposes, the shelter allowance can cover rent, contents insurance, utilities, heating costs, security deposits required for reconnection or connection of an energy source or heating, payment of rent, utility or heating arrears, etc. The shelter amount issued is the sum of the actual verified costs of shelter paid by the tenant, up to the maximum amount for shelter (i.e., if actual shelter costs are less than the established maximum, then the lesser actual costs are paid).

Despite inflation and steep increases in cost-of-living and the costs of goods and services, the OW and ODSP Rent Scales currently prescribed in *Ontario Regulation 316/19* under the *Housing Services Act, 2011* and previously prescribed under Ontario Regulation 298/01 under the *Housing Services Act, 2011* and *Social Housing Reform Act, 2000* have not increased in over 20 years.

NEXT STEPS:

Pursuant to the City's Shareholder Direction, TCHC is required to ensure that proposals regarding Provincial or Federal legislation, policies or programs are coordinated with the City Manager's Office and TCHC shall follow such protocols as are established by that office from time to time. As a consequence, any actions to be taken by TCHC in this regard, should be taken in concert with the City. TCHC staff have made City staff aware of the Board's desire for continued advocacy for the legislative changes outlined in this report and further consultation and collaboration with City staff is required in order to inform additional advice provided to the Board. Management will report back to the Board as to a proposed course of action, informed by those consultations.

RISKS AND IMPLICATIONS:

Inadequate social assistance rates and an outdated Rent Scale attributable to benefit units create additional affordability challenges for tenants and impair TCHC's ability to maintain financial stability. Collaboration with the City's efforts to lobby the Provincial government to improve the adequacy and structure of the Ontario Works and Ontario Disability Support Program and to eliminate the *Housing Services Act, 2011* Rent Scales aligns with TCHC's commitment to tenant advocacy, broader community support initiatives, and securing support from other levels of government for sustainable housing solutions.

SIGNATURE:

“Sean Baird”

Sean Baird
President and Chief Executive Officer