



300 Dufferin Avenue
P.O. Box 5035
London, ON
N6A 4L9

London
CANADA

Office of the Mayor

March 4, 2009

The Honourable Dalton McGuinty
Premier of Ontario
Legislative Building
Queen's Park
Toronto ON M7A 1A1

Dear Premier McGuinty:

Re: EI Reform and Ontario Works Eligibility Requirements

On behalf of the City of London, I am writing in response to recent media reports quoting Finance Minister Dwight Duncan concerning potential changes to Ontario Works eligibility. It is our understanding the Minister was commenting on the tremendous toll the current economic crisis is having on those losing work, as well as the need to provide appropriate support to these individuals and families. To this end, we recognize the Federal Government has failed to reform and modernize its Employment Insurance (EI) programs, which results in greater pressure coming to bear on social assistance programs, including Ontario Works.

Therefore, I have written to the Prime Minister asking him to immediately reform EI and copied our area MPs on the correspondence. As such, London City Council encourages you and the Provincial Government to also continue pressuring the Federal Government to immediately reform EI, so that Ontarians are treated equally in comparison to other Canadians who have lost work, and sufficiently to enable them to cope during these difficult times without turning to social assistance.

As well, we commend the potential easing of eligibility requirements for Ontario Works, which we understand may be included in your upcoming budget. London believes expansion of the social safety net is good public policy during extraordinary times and it is also consistent with your Poverty Reduction Strategy. Still, we fear such a move could dramatically impact municipal property taxes, if all additional Ontario Works costs are not paid 100% by the Province.


Please know London City Council has approved its 2009 Budget, with provision for an additional \$3.8M (almost 1% on the property tax) so that we can meet our projected financial obligations to support the rapidly increasing social assistance caseload during this time of economic crisis. However, our budget does not contemplate a further expansion via eligibility changes, which would be extremely problematic for London and all other Consolidated Municipal Service Managers.

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As you know, the Provincial Municipal Fiscal and Service Delivery Review Agreement provides a useful framework for considering OW eligibility changes. With this in mind, we respectfully request the Province uphold its principled position that social services costs do not belong in municipal property tax and consider accelerating the uploading of OW costs. We also trust you will be reviewing this matter with the Association of Municipalities of Ontario (AMO), per the Memorandum of Agreement.

We greatly appreciate your attention to this matter and look forward to your response.

Sincerely,



Anne Marie DeCicco-Best
Mayor

cc: The Honourable Deb Matthews, MPP London North Centre
The Honourable Chris Bentley, MPP London West
The Honourable Steve Peters, MPP Elgin-Middlesex-London
Khalil Ramal, MPP London-Fanshawe
Association of Municipalities of Ontario (AMO)
Ontario Municipal Social Services Association (OMSSA)
South West Economic Alliance (SWEA)
A. Langille, R. Collins, Co-Chairs, Employment Sector Council – London-Middlesex
C. Stewart, Project Lead, Employment Sector Council – London-Middlesex
R. Fair, General Manager of Community Services, City of London
G. Hopcroft, Director of Intergovernmental and Community Liaison, City of London
L. Rowe, Deputy City Clerk, City of London