



## ALPHA RESOLUTION A26-04

<b>TITLE</b>	<b>Enhancing the Ontario Works Benefit</b>
<b>SPONSORS</b>	<b>Middlesex-London Health Unit (MLHU), Huron Perth Public Health Unit (HPPH), Windsor-Essex County Health Unit (WECHU) and Oxford-Elgin-St. Thomas Public Health Unit (also known as Southwestern Public Health Unit, SWPH)</b>
<b>WHEREAS</b>	household food insecurity (HFI), the inadequate or insecure access to food due to financial constraints, is a critical indicator of a household's financial situation, their ability to afford basic needs, and a highly sensitive measure of material deprivation;
<b>WHEREAS</b>	HFI is an important social determinant of health, a strong predictor of poor health, and is associated with an increased risk of a wide range of physical and mental health challenges, including chronic conditions, non-communicable diseases, infections, depression, anxiety, and stress;
<b>WHEREAS</b>	poor diet quality costs Ontario an estimated \$5.6 billion annually in direct healthcare costs and indirect costs (e.g., lost productivity due to disability and premature mortality), with higher costs associated with more severe food insecurity;
<b>WHEREAS</b>	from 2020 to 2024, Ontario's food insecurity rates have significantly increased from 1 in 6 households (17.1%) to 1 in 4 households (25.3%);
<b>WHEREAS</b>	Ontario Works (OW) rates are inadequate for households to afford basic needs;
<b>WHEREAS</b>	67.2% of Ontario households reliant on OW or Ontario Disability Support Program (ODSP) were food insecure in 2021;
<b>WHEREAS</b>	OW income plus all eligible family and tax benefit entitlements is \$11,500-\$23,500 below Canada's Official Poverty Line and \$4,000-\$11,500 below the Deep Income Poverty threshold for various household scenarios (e.g., single person household, single parent with one child, and couple with two children);
<b>WHEREAS</b>	based on average provincial rent and food costs, Ontario households (e.g., single person, family of 4) receiving OW and all eligible family and tax benefit entitlements need an additional \$333-\$817 per month to afford rent and food, plus funds for all

additional expenses, and a single parent with 2 children has only \$447 remaining to pay for all additional expenses;

**WHEREAS** the OW earned income exemption of \$200 per month after a 3-month waiting period, with benefits reduced by 50 cents for every additional dollar earned, was established to encourage workforce participation;

**WHEREAS** the OW earned income exemption has not increased since 2013 while minimum wage and the cost of living have greatly increased;

**WHEREAS** greater than 11.5 hours of minimum wage work per month results in a reduction in OW benefits, impacting the ability to afford the cost of living and creating a deterrent to workforce participation;

**WHEREAS** an increased OW earned income exemption would help households afford the cost of living and help support people working toward leaving the OW program;

**WHEREAS** the ODSP earned income exemption increased from \$200 to \$1,000 per month in 2023, with benefits reduced by 75 cents for every additional dollar earned and no waiting period;

**WHEREAS** ODSP rates are increased annually based on inflation, with the first inflation-based increase in 2025;

**WHEREAS** OW rate increases indexed to inflation are needed as part of OW enhancements and were previously supported by alpha [\(A23-05\)](#);

**NOW THEREFORE BE IT RESOLVED** that the Association of Local Public Health Agencies call on the Government of Ontario to increase the OW earned income exemption to align with ODSP exemption increases, and adjust the OW benefit reduction rate to align with ODSP reduction rates;

**AND FURTHER** that the Government of Ontario eliminate the three-month waiting period for the OW earned income exemption to ensure that exemptions apply immediately upon entry to assistance;

**AND FURTHER** that the Association of Local Public Health Agencies reaffirm and advance its previously adopted position in Resolution A23-05, *Monitoring Food Affordability in Ontario and Inadequacy of Social Assistance Rates*, calling for increases to Ontario Works base benefit rates and the indexation of those rates to inflation, and urge the Government of Ontario to implement these measures as foundational components of a sustained approach to income adequacy;

**AND FURTHER** that the Government of Ontario conduct periodic reviews of the OW earned income exemption to maintain alignment with labor market conditions and cost-of-living trends;

**AND FURTHER** that a copy of this resolution be sent to the Premier of Ontario, the Minister of Children, Community and Social Services, and local Members of Provincial Parliament.

## Statement of Sponsor Commitment

Drs. Alexander Summers, Miriam Klassen, Mehdi Aloosh and Ninh Tran, Medical Officers of Health for the endorsing health units, will be present at the 2026 Annual General Meeting to introduce, move, and answer questions about the resolution being presented and commit to undertaking actions as requested by the Association of Local Public Health Agencies should the resolution pass.

## Background

ALPHA previously endorsed various resolutions in support of social assistance reform and income-based solutions to household food insecurity including:

- [A24-05: Early Childhood Food Insecurity: An Emerging Public Health Problem Requiring Urgent Action](#)
- [A23-05: Monitoring Food Affordability in Ontario and Inadequacy of Social Assistance Rates](#)
- [A18-02: Public Health Support for a Minimum Wage that is a Living Wage](#)
- [A18-04: Extending the Ontario Pregnancy and Breastfeeding Nutritional Allowance to 24 Months](#)
- [A15-04: Public Health Support for a Basic Income Guarantee](#)
- [A05-18: Adequate Nutrition for Ontario Works and Ontario Disability Support Program Participants and Low Wage Earners](#)

## Food Insecurity in Ontario

Household food insecurity (HFI) is the inadequate or insecure access to food due to financial constraints<sup>1</sup>. HFI is a critical indicator of a household's financial situation and their ability to afford basic needs, and a highly sensitive measure of material deprivation<sup>1</sup>.

HFI is an important social determinant of health, a strong predictor of poor health, and is associated with an increased risk of a wide range of physical and mental health challenges, including chronic conditions, non-communicable diseases, infections, depression, anxiety, and stress<sup>1,2,3</sup>.

Poor diet quality costs Ontario an estimated \$5.6 billion annually in direct healthcare and indirect costs (e.g., lost productivity due to disability and premature mortality)<sup>4</sup>, with higher costs associated with more severe food insecurity<sup>5</sup>.

### Current Situation

- From 2020 to 2024, Ontario's food insecurity rates significantly increased from 17.1% (1 in 6 households) to 25.3% (1 in 4 households)<sup>6</sup>.
- In 2024, 4,055,000 people lived in a food insecure household in Ontario, including 33.3% of children under 18<sup>7</sup>.
- From 2022 to 2024, Middlesex-London's food insecurity rates significantly increased from 17.5% (1 in 6 households) to 31.3% (1 in 3 households)<sup>6</sup>.

## Inadequacy of Ontario Works

Ontario Works (OW) rates are inadequate for households to afford basic needs and haven't increased since 2018.

- In 2021, 67.2% of Ontario households reliant on social assistance were food insecure<sup>1</sup>.

- In 2024, Ontario Works income plus all eligible family and tax benefit entitlements was \$11,504-\$23,498 below Canada's Official Poverty Line (i.e., Market Basket Measure) and \$4,171-\$11,452 below the Deep Income Poverty threshold (i.e., Market Basket Measure – Deep Income Poverty) for various household scenarios (e.g., single person household, single parent with one child, and couple with two children)<sup>8</sup>.
- Based on average provincial rent and food costs, Ontario households (e.g., single person, family of 4) receiving Ontario Works and all eligible family and tax benefit entitlements (e.g., Ontario Trillium Benefit, Canada Child Benefit) need an additional \$333-\$817 per month to afford rent and food, plus funds for all additional expenses, and a single parent with 2 children has only \$447 remaining to pay for all additional expenses<sup>2</sup>.
- Middlesex-London households receiving Ontario Works (e.g., single person, single parent with 2 children, family of 4) and all eligible family and tax benefit entitlements (e.g., Ontario Trillium Benefit, Canada Child Benefit) need an additional \$7-\$558 per month to afford rent and food, plus funds for all additional expenses<sup>9</sup>.

### **Ontario Works Earned Income Exemption**

Under current OW rules, the first \$200 per month of (net) earned income is exempt from OW clawbacks, with benefits reduced by 50 cents for every additional dollar earned. The earned income exemption amount starts after a 3-month waiting period, meaning all earned income reduces benefits by 50 cents for every dollar earned in the first 3 months receiving assistance.

The earned income exemption was established in 2013 to encourage workforce participation<sup>10</sup>. However, the exemption has not increased since it started<sup>11</sup>, while minimum wage in Ontario has increased from \$10.25 to \$17.60 per hour and cost of living, as measured by the Consumer Price Index in Ontario, has increased by 36.9% (121.3 to 166.1)<sup>12</sup>.

In 2013, greater than 19.5 hours of minimum wage work per month resulted in a reduction in OW benefits ( $\$10.25 \times 19.5 = \$199.88$ ). In 2026, greater than 11.5 hours of minimum wage work per month results in a reduction in OW benefits ( $\$17.60 \times 11.5 = \$202.40$ ). Benefit reductions at the current level impact the ability to afford the cost of living and create a deterrent to workforce participation<sup>13</sup>. An increased earned income exemption would help households afford the cost of living and help support people working toward leaving the OW program.

The 3-month waiting period for the earned income exemption limits income at entry to assistance, where financial need is often greatest, and reduces the effectiveness of earned income exemptions as a work incentive. Removing the three-month waiting period would allow exemptions to apply immediately, improving income stability during the point of greatest vulnerability.

### **Comparison to Ontario Disability Support Program (ODSP)**

Aligning select OW rules with ODSP rules would provide short-term and long-term improvements to the adequacy of OW rates.

- ODSP rates are increased annually based on inflation, with the first inflation-based increase in 2025<sup>14</sup>.

- ODSP earned income exemption increased from \$200 to \$1,000 per month in 2023, with benefits reduced by 75 cents for every additional dollar earned<sup>15</sup>. There is no waiting period for the ODSP earned income exemption.
- Aligning OW earned income rules with those of ODSP would improve income adequacy and reduce inequities between social assistance programs.
- While the OW benefit reduction rate (50%) appears lower than ODSP’s reduction rate (75%), the much lower OW earned income exemption (\$200 vs. \$1,000) means that OW recipients begin to lose benefits at far lower levels of earned income.
- As shown in Table 1, an individual receiving OW would need to earn approximately \$2,600 per month before experiencing the same \$1,200 reduction in benefits as an individual receiving ODSP. This level of earned income is unrealistic for most OW recipients, given that individuals typically qualify for OW due to significant barriers to employment, including unstable work, caregiving responsibilities, health challenges, or recent job loss.
- In practice, the current OW structure results in earlier and steeper benefit reductions, discouraging workforce participation and undermining income stability. Aligning OW earned income exemptions and reduction rates with ODSP would allow individuals to increase earnings without immediate loss of essential income supports.

**Table 1. Ontario Works and ODSP Earned Income Exemption Comparison**

Earned Income (Monthly, Net)	Ontario Works \$200 Exemption 50% Clawback		ODSP \$1,000 Exemption 75% Clawback	
	\$ Above Exemption	Reduction	\$ Above Exemption	Reduction
\$200	\$0	\$0	\$0	\$0
\$500	\$300	\$150	\$0	\$0
\$1,000	\$800	\$400	\$0	\$0
\$1,500	\$1,300	\$650	\$500	\$375
\$2,000	\$1,800	\$900	\$1,000	\$750
\$2,600	\$2,400	\$1,200	\$1,600	\$1,200
\$3,000	\$2,800	\$1,400	\$2,000	\$1,500

## References

- <sup>1</sup> Li T, Fafard St-Germain AA, Tarasuk V. (2023). Household food insecurity in Canada, 2022. Toronto: Research to identify policy options to reduce food insecurity (PROOF). Retrieved from <https://proof.utoronto.ca/>.
- <sup>2</sup> Ontario Agency for Health Protection and Promotion (Public Health Ontario). Food insecurity & food affordability in Ontario. Toronto, ON: King's Printer for Ontario; 2025. Retrieved from [https://www.publichealthontario.ca/-/media/Documents/F/25/food-insecurity-food-affordability.pdf?rev=b6a02915d36b4821a37866915335ee9f&sc\\_lang=en](https://www.publichealthontario.ca/-/media/Documents/F/25/food-insecurity-food-affordability.pdf?rev=b6a02915d36b4821a37866915335ee9f&sc_lang=en).
- <sup>3</sup> Dietitians of Canada. (March 2024). Dietitians of Canada position statement on household food insecurity in Canada. Retrieved from [https://www.dietitians.ca/DietitiansOfCanada/media/Images/DC-Household-Food-Insecurity-Position-Statement\\_2024\\_ENG.pdf](https://www.dietitians.ca/DietitiansOfCanada/media/Images/DC-Household-Food-Insecurity-Position-Statement_2024_ENG.pdf)
- <sup>4</sup> CCO and Ontario Agency for Health Protection and Promotion (Public Health Ontario). The burden of chronic diseases in Ontario: key estimates to support efforts in prevention. Toronto: Queen's Printer for Ontario; 2019. Retrieved from <https://www.publichealthontario.ca/-/media/documents/C/2019/cdburden-report.pdf>.
- <sup>5</sup> Men F, Gundersen C, Urquia M, Tarasuk V. (2020). Food insecurity is associated with higher health care use and costs among Canadian adults. *Health Affairs*, 39(8), 1377-1385. <https://doi.org/10.1377/hlthaff.2019.01637>.
- <sup>6</sup> Ontario Agency for Health Protection and Promotion (Public Health Ontario). (2025). Snapshots data file for household food insecurity (2019 to 2024 (annual, 2-year combined, 3-year combined)). Retrieved from <https://www.publichealthontario.ca/en/Data-and-Analysis/Health-Equity/Household-Food-Insecurity>.
- <sup>7</sup> PROOF (Food Insecurity Policy Research). (May 5, 2025). New data on household food insecurity in 2024. Retrieved from <https://proof.utoronto.ca/2025/new-data-on-household-food-insecurity-in-2024/>.
- <sup>8</sup> Laidley J, Oliveira T. (2025) Welfare in Canada, 2024. Maytree. Retrieved from <https://maytree.com/>.
- <sup>9</sup> Middlesex-London Health Unit (2025). Report No. 83-25: Monitoring food affordability and implications for public policy and action (2025). Retrieved from <https://www.healthunit.com/wp-content/uploads/2025/12/83-25-Monitoring-Food-Affordability-and-Implications-for-Public-Policy-and-Action-2025.pdf>.
- <sup>10</sup> Ministry of Children, Community and Social Services. (2022). 5.3 Earnings exemptions. Retrieved from <https://www.ontario.ca/document/ontario-works-policy-directives/53-earnings-exemptions>.
- <sup>11</sup> Income Security Advocacy Centre. (2013). Changes to OW and ODSP rules on earnings from work, training, or employment. Retrieved from [www.nlstoronto.org/uploads/4/4/3/9/4439251/changes\\_to\\_ow\\_and\\_odsp\\_rules\\_about\\_how\\_much\\_money\\_you\\_can\\_keep\\_from\\_work\\_self-employment\\_or\\_training.pdf](http://www.nlstoronto.org/uploads/4/4/3/9/4439251/changes_to_ow_and_odsp_rules_about_how_much_money_you_can_keep_from_work_self-employment_or_training.pdf).
- <sup>12</sup> Statistics Canada (2026). Table: 18-10-0004-01: Consumer Price Index, monthly, not seasonally adjusted. Retrieved from <https://www150.statcan.gc.ca/t1/tbl1/en/cv.action?pid=1810000401>.
- <sup>13</sup> Income Security Advocacy Centre. (2024). Recommendations for Ontario budget 2025. Retrieved from <https://incomesecurity.org/wp-content/uploads/2025/01/ISAC-Recommendations-for-the-Ontario-2025-Budget.pdf>.
- <sup>14</sup> Ministry of Children, Community and Social Services. (2026). Ontario Disability Support Program. Retrieved from <https://www.ontario.ca/page/ontario-disability-support-program>.
- <sup>15</sup> Ministry of Children, Community and Social Services. (2022). Working and earning on the Ontario Disability Support Program. Retrieved from <https://www.ontario.ca/page/working-and-earning-ontario-disability-support-program>.