



2026 Ontario Pre-Budget Submission

FROM

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[*via email*]

ODSP Action Coalition submits the following considerations and recommendations for Ontario Budget 2026:

Since the current Ontario government was first elected to office in 2018, the number of homeless social assistance recipients — Ontario Works and Ontario Disability Support Program — has almost doubled. From January 2019 to August 2025, the number of homeless recipients has grown from ~16,000 to ~31,100, a jaw-dropping 94 per cent increase, with little evidence to believe these numbers will abate anytime soon.

Unsurprisingly, 84 per cent of that total are OW recipients with OW benefit rates cynically frozen at \$733 per month since 2018. Additionally, as recently reported by the Association of Municipalities of Ontario, total homelessness across the province since 2021 has increased by an alarming 50 per cent, to ~85,000 individuals, with approximately 2,000 homeless encampments in communities throughout Ontario.

It would not be hyperbolic to view this growing crisis as nothing less than a humanitarian disaster. Meanwhile, rather than tackling the problem head-on, the province fast-tracked legislation in 2025 — without consultation or opportunity for public input — that will further exacerbate the homelessness crisis, as cash-strapped municipalities and front-line staff are left to grapple with the after effects.

Our social safety net is failing its most basic purpose — keeping people facing adversity housed and fed — as a direct result of government inaction and blatant indifference. As the number of deeply affordable housing options in communities across the province continues to dwindle, and waitlists for community/social housing reaching ~300,000 households, more and more social assistance recipients are being forced onto the streets, evicted into a private, financialized housing market they cannot afford. To be clear, homelessness is primarily caused by poverty and bad government policy, not mental illness. And employment alone is not a guaranteed pathway out of poverty as housing costs have far outpaced wages.

In 2025, ODSP Action Coalition collaborated with a researcher, MSW and PhD candidate whose work and research encompasses issues related to disability and poverty, and it was through this collaboration that the Coalition learned more about the ODSP 'Personal Needs Allowance' of \$149 per month for people in institutions such as long-term care or specialized residences. This paltry amount has not been increased in well over a decade and is wholly insufficient to pay for modern necessities like a cell phone/tablet/laptop and internet, or clothing, haircuts, over the counter medications, preferred food/snacks, period products, transportation and other necessities. It's an often overlooked aspect of our income security system that desperately needs to be brought into the 21st century.

Per Feed Ontario's most recent annual 'Hunger Report', 2025 was the ninth record-breaking year in a row in terms of the number of food bank users in Ontario and number of visits, over one million and 8.7 million respectively, with over 60 per cent of food bank

users being social assistance recipients. Yet another symptom of increasingly unaffordable housing costs combined with low wages and woefully inadequate income security programs.

Earlier last year, Community Living Ontario and Ontario Disability Employment Network (ODEN), released a report entitled [Still Tangled in Red Tape](#), a follow-up to their 2024 [Tangled in Red Tape](#), for which surveys were conducted with disability-focused employment services providers regarding their first-hand experiences with Ontario's *Employment Services Transformation* (EST), now referred to as *Integrated Employment Services* (IES).

The reported survey results paint a picture illustrating the negative impact the employment services reforms have had on job-seekers with disabilities and employment services providers alike. The new system has inserted an onerous layer of [administration](#) and has created significant barriers combined with a sharp reduction in the quality of services provided. For the transformation to be successful, the province needs to implement significant reforms as recommended by those doing the work at the front-lines, including eliminating the '20 hour rule' minimum work requirement for job-seekers whose disabilities substantially restrict their labour market participation.

As indicated in previous submissions to the province, our Coalition continues to 'triage' dozens of emails every month from desperate ODSP recipients/applicants seeking help/advice on any number of issues related to ODSP. While we are neither able nor qualified to provide 'real' legal advice or intervene in individual cases, we do our best to connect folks to helpful information/resources based on their individual circumstances.

Among the most common issues people reach out to us about are complaints/concerns related to the 'benefit unit' structure which automatically 'marries' couples after three months of cohabitation, and reduces recipients' benefits based on their partners'/spouses' income. The negative impacts of this policy are two-fold. These same rules that can trap a recipient — typically women — in abusive/toxic relationships/environments, also serve as a disincentive and barrier to the formation/continuation of intimate relationships by essentially forcing the non-disabled partner to support the disabled partner financially and reducing their overall income. By forcing couples to live apart, the [side-effect](#) is they wind up occupying two units of housing instead of one, indirectly contributing to the scarcity of affordable housing options.

Another issue we've been contacted about on several occasions is the policy of deducting, dollar-for-dollar, CPP [Survivor Benefits](#) from a widow's/widower's ODSP benefits. This is a flawed and cruel practice that punishes people at a time when they're experiencing a painful loss, strips them of their dignity, further entrenches them in poverty, and in some cases causes them to lose their homes where so many memories were created together.

With the above considerations in mind and in no particular order, we urgently call on the province to implement the following recommendations in 2026:

1. As a start, immediately double ODSP and OW rates and tie future OW increases to the annual rate of inflation as the province did with ODSP in 2023. Increase the *Personal Needs Allowance* for people residing in institutional settings to \$1,000 per month.
2. Replace the current myriad social assistance rate structures with a single flat-rate for recipients of both ODSP and OW by combining the current maximum basic needs and shelter components into one base amount, irrespective of clients' living arrangements. This would also require ending the artificially deflated OW and ODSP rent scales for RGI housing, moving to a true 'geared to income' model which would help municipalities with repairs and upkeep of community housing stock.
3. Double the maximum Special Diet Allowance, which has remained unchanged for over a decade. Food and grocery prices have increased dramatically just since the COVID-19 pandemic, with some experts describing Canada as the "[food inflation capital of the G7](#)."
4. Using a GBA+ lens, remove the antiquated 'benefit unit' policy for ODSP/OW recipients so that a recipient's benefits are not reduced as a result of other partner/spouse's income and create an "Emergency Move Out Fund" so that recipients fleeing Intimate Partner Violence (IPV) can quickly escape their abuser.
5. Double the ODSP earnings exemption to \$2,000 per month while reducing the clawback rate to 50 per cent on earnings over \$2,000, and increase the earnings exemption for non-disabled partners/spouses to match that of their disabled partner/spouse. Increase the earnings exemption for Ontario Works to \$1,000 with a 50 per cent exemption thereafter.
6. With a dearth of housing options that social assistance recipients can afford, create a 'made in Ontario' portable housing benefit that prioritizes homeless people with disabilities and those receiving social assistance paying private-market rent so they're able to remain housed. The province must commit to building deeply affordable, adequate, and accessible housing, while increasing age-appropriate supportive housing options, where residents can live with security, comfort and dignity.
7. Reinstate stronger rent controls, including closing the 2018 rent control loophole (which exempts rent control on units first occupied after Nov 15, 2018), initiating vacancy control that maintains the rent between tenancies and abolishing above guideline rent increases (AGIs).

8. Double the Employment and Training Startup and Work-Related Benefits which also have not increased in well over a decade while costs have increased significantly.
9. Implement the reforms to Integrated Employment Services as recommended by front-line workers and outlined in [Still Tangled in Red Tape](#), including eliminating the '20 hour rule' minimum work requirement for job-seekers with disabilities.
10. Exempt up to \$100,000 in TFSAs, RRSPs and other investments generally intended for retirement from ODSP and OW asset limit considerations so that clients may have a chance of avoiding complete destitution when they turn 65.
11. Let ODSP/OW recipients keep more of their money by treating 'income replacement' programs like Canada Pension Plan Disability (CPP- D) Employment Insurance (EI), and injured workers (WSIB) entitlements the same as earnings from employment. And completely stop clawing back CPP Survivor Benefits.
12. Introduce a 'Connectivity Allowance' to help recipients pay for internet/wi-fi and web-enabled devices so they are able to stay connected with caseworkers through MyBenefits and access other vital services, resources and information.
13. Where applicable, allow social assistance recipients free access to public transit so they're able to participate in employment-related activates, commute to work, meet with their caseworker, etc.

We appreciate your immediate implementation of the above recommendations that will help people with disabilities to live with the security, autonomy, and dignity they deserve.

Sincerely,

[via email]

ODSP Action Coalition
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Founded in early 2000s, ODSP Action Coalition is a volunteer, grassroots advocacy group led by people with disabilities on ODSP, with a vast network of valued allies including legal workers, disability/poverty-related NGOs/NPOs, health care professionals, social policy experts, among other advocates. Our mandate includes advocating for improvements to ODSP to allow for clients of the program to live with adequacy, security and dignity.