



News Release

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ONTARIO WORKS PAYMENTS NEED MORE SCRUTINY: AUDITOR GENERAL

(TORONTO) Unrecovered overpayments to about 350,000 current and former Ontario Works recipients have increased by 45% to \$600 million as of last March—but the Ministry of Community and Social Services has made only minimal efforts to get that money back, Auditor General Jim McCarter says in his *2009 Annual Report*, released today.

“More should be done to ensure these overpayments do not occur in the first place,” McCarter said, noting that if the required financial and other eligibility procedures were being properly followed, many of these overpayments might not have been given out.

The province pays 80% of benefits under Ontario Works to about 200,000 people in temporary financial need who are unemployed or underemployed; municipalities pay the remaining 20% and provide front-line services to recipients. In 2008/09, the government spent about \$1.9 billion on Ontario Works.

Applicants must provide proof that their liquid assets and income fall below specific amounts. They also must sign an agreement to participate in activities designed to gain skills and progress toward sustainable employment, unless they obtain a deferral for medical or other reasons.

Among the more significant findings in the Auditor’s Report:

- Municipalities rely on new applicants to provide most of the information used to determine initial eligibility, and the municipalities the Auditor visited seldom carried out the required third-party verification of applicant claims, increasing the risk of applicants under-reporting their income.
- Although the government considers Ontario Works assistance as temporary, about one-third of recipients in three municipalities were paid longer than two years and 13% longer than five years.
- Many special dietary allowances, which overall have risen from \$5 million in 2002/03 to more than \$67 million in 2008/09, were questionable. The Auditor found several instances where every member of a large family was diagnosed with identical multiple medical conditions. A single general health-care practitioner was responsible for diagnosing and approving almost 20% of the dietary allowances in a sample of 1,000 applications.
- Although the Ministry provided \$171 million in employment-assistance funding to municipalities, it had little information on how those funds were actually spent and whether the funding helped recipients find jobs.

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