

Briefing Note to the Ontario Provincial Government

Re: Implementation of Effective Financial Support for Caregivers in Ontario

Issue Statement: How can the Government of Ontario implement effective financial support for Ontario caregivers, thereby addressing caregiver financial distress?

Recommendation: Replace the current Ontario Caregiver Tax Credit with the **Ontario Caregiver Support Benefit (OCSB)**. The proposed OCSB is a monthly cash allowance that is integrated alongside existing, strong systems in the province and is delivered directly - bypassing the often complex and hard-to-navigate tax system.

Background:

- *Caregivers experience significant financial distress as a result of their caregiving:* Twenty percent of Ontario caregivers reported taking out a loan or a line-of-credit to finance caregiving expenses in 2020 (Canadian Centre for Caregiving Excellence).
- *Lack of financial support can affect caregivers' ability to continue their vital role:* 37% of caregivers are considering reducing their work hours or quitting their jobs (Ontario Caregiver Organization).
- *When financial distress contributes to the collapse of community caregiving arrangements, it has significant costs in terms of care recipient wellbeing, and the resilience of the health, long-term care, and social services systems:* 63% of caregivers feel they have reached their breaking point (Ontario Caregiver Organization).
- Providing adequate financial support to caregivers alongside other supports such as respite care will result in better quality care for care recipients, at a lower cost for the province of Ontario.
- The Public Good Initiative has done extensive work to identify cost-effective and implementable means of providing direct financial supports to caregivers, thereby shoring-up our stressed health, long-term and social services systems.

Key Considerations for designing effective financial supports for caregivers:

- Direct financial support should be part of a multi-faceted approach to supporting caregivers in Ontario. Financial benefits should supplement, rather than replace, programs such as respite care, home and community care, and direct funding programs.

- Supports should be designed to be accessible to caregivers facing heavy time pressures, meaningfully address their needs, and reflect the diversity of experience among caregivers.
- Current tax credits are inadequate to the level of need, as well as being confusing to navigate. Overly restrictive eligibility criteria and program requirements mean that they often do not reach the intended caregivers and care recipients.

Recommended Policy Option and Analysis:

Ontario Caregiver Support Benefit (OCSB)

A Comprehensive System of Caregiver Supports: Financial support only addresses one aspect of the caregiving crisis in Ontario. For any caregiver financial support to be effective it must be part of a larger, effective, and comprehensive home and community care and developmental services system. As illustrated by [the Canadian Centre for Caregiving Excellence](#), the provincial government needs to facilitate a coordinated approach to caregiving, investing in options to improve care services, developing policy to support caregivers in the workforce and improving conditions for care providers. Direct financial supports are an essential element of this coordinated and comprehensive approach.



A Phased Approach: A phased approach is recommended to rapidly provide support to caregivers that need it most while allowing the provincial government to continue to improve, invest, and expand on supports in the community prior to expanding the Ontario Caregiver Support Benefit to all caregivers.

In Phase One: the monthly benefit of \$1,000 would be received on the first of every month. Through an online portal (such as My Account CRA) an online application would be filed (similar to CERB). Caregivers providing care to individuals who are enrolled or approved (including waitlisted) in any program illustrating a need for care would be eligible for the benefit. A rate reduction would apply to households over \$100,000 as illustrated below.

In Phase Two: After strengthening community support systems, eligibility would no longer be determined by enrollment in other programs but rather determined by the level of impairment, which would determine hours of care needed (similar to the Nova Scotia Caregiver Benefit). The number of hours of care needed by an individual would

determine the amount of the **Ontario Caregiver Support Benefit (OCSB)** received every month. The program is illustrated in a table located in the appendix below.

Rate Reductions for Phase 1 & 2: For those making over \$100K, a rate reduction of 2% for every \$1,000 over an annual household income of \$100,000 would apply. For example, if your income is \$120K (\$20K over the \$100K), you would only be eligible to receive 60% of the benefit for the number of hours worked. If indicated caregiving hours are 22 hours (\$1,000), you would only be eligible to receive \$600 (\$1,000 x 60%) in monthly transfers.

Appendix:

	Overview	Execution	Specifics
Eligibility Criteria <i>Who will get it?</i>	Number of hours of caregiving required by caregiver	Ensure a provincially coordinated comprehensive approach to caregiving. Level of impairment would determine hours of care needed.	# of hours a week < 5 hours = \$ 5 - 10 hours = \$\$ 10 - 15 hours = \$\$\$ 15 - 20 hours = \$\$\$\$ 20 - 30 hours = \$\$\$\$\$ OVER 30 hours = \$\$\$\$\$\$
Program Design <i>How will they get it?</i>	Direct monthly benefit on the first of every month.	Transparent evaluation of level of impairment, criteria would determine hours of care necessary.	→ 1 time request for Appeal process.
Compensation <i>How much will they get?</i>	Hours Weekly = \$ Monthly < 5 hours = \$ 150 5 - 10 hours = \$ 300 10 - 15 hours = \$ 600 15 - 20 hours = \$ 800 20 - 30 hours = \$ 1,000 OVER 30 hours = \$1,200	If making \$100,000 or lower in net income, eligible for 100% of the benefit. (Not including any other financial program support).	For households over \$100K, there would be a reduction for every \$1K you make over \$100K (\$1K = 3% reduction) example income of \$120K only eligible to 40% of the benefit.

References:

Canadian Centre for Caregiving Excellence. “Giving Care: An Approach to a Better Caregiving Landscape in Canada,” 2022. https://canadiancaregiving.org/wp-content/uploads/2022/11/Giving-Care_Executive-Summary.pdf.

The Ontario Caregiver Organization. “ SPOTLIGHT REPORT: CAREGIVING IN YEAR 3 OF THE PANDEMIC,” 2022. <https://ontariocaregiver.ca/wp-content/uploads/2022/12/OCO-Spotlight-Report-English-Final.pdf>.

To learn more about our detailed recommendation, visit the [Ontario Caregiver Coalition website](#) to review our comprehensive slide deck [here!](#)