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**Subject:** Asylum Seekers Transferred to Niagara Falls – Request for Immediate Temporary Funding

**Report to:** Public Health and Social Services Committee

**Report date:** Tuesday, March 7, 2023

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## Recommendation

1. That the Regional Chair **BE DIRECTED** to send a letter to the Ministry of Children, Community and Social Services requesting one-time provincial funding of \$5,959,200 for the delivery of Ontario Works (OW) and discretionary client benefits to address the critical services pressures associated with the provision of social assistance to Asylum Seekers currently placed in Niagara by the federal government.

## Key Facts

- The purpose of this report is to provide information on the significant increase in demand for OW in Niagara and the immediate need for five (5) temporary full time Niagara Region, Social Assistance and Employment Opportunities (SAEO) staff.
- In July 2022, in response to the extraordinary volume of irregular Asylum Seekers arriving in Canada, the Ministry of Immigration Refugees and Citizenship Canada (IRCC) began transferring claimants from Quebec to a hotel in Niagara Falls, contracting 87 rooms for temporary accommodations.
- In December 2022, IRCC began to rapidly increase the number of contracted hotels. By February 2023, IRCC expanded to 1,800 rooms across nine (9) hotels to accommodate over 2,800 Asylum Seekers in Niagara Falls.
- Asylum Seekers are eligible to apply for the Provincial OW Program, funded by the Ministry of Children, Community and Social Services (MCCSS) and administered by Niagara Region. The resulting service pressures of the rapid influx of asylum seekers have been progressively unmanageable with current staffing resources. In February 2023, over 1,400 Asylum Seekers presented in person at the Niagara Falls SAEO office requesting service.
- Niagara's OW cases increased by 10% in two months, rising from 10,428 in December 2022 to 11,357 in February 2023. The caseload is projected to increase an additional 5% in March 2023 to 11,925.
- SAEO has collapsed various areas of work in order to redirect 18 full time staff to immediately respond to the unprecedented surge in demand.

- Niagara approached IRCC for Federal funding through the Interim Housing Assistance Program (IHAP) and was advised that funding was not available to support the delivery of OW.
- On February 15, 2023, Niagara Region staff submitted a funding request to MCCSS in the amount of \$5,929,200 to address the anticipated costs associated with the increased demand for service in 2023, but it is unknown whether the request will be approved.
- To respond to the immediate need for additional staff, Niagara Prosperity Initiative's (NPI) expenditures for the last quarter of 2023 will be repurposed to hire five (5) temporary full time staff at an approximate cost of \$310,000 pending the Provincial funding decision.

### Financial Considerations

The 2023 approved gross budget for Social Assistance is \$119,846,423 with a net levy impact of \$12,092,014. The 2023 budget includes OW Program Delivery Funding (PDF) from the MCCSS of \$15,492,200, of which \$3,662,700 is funded 100% and \$11,830,500 is funded 50/50 with the Region. This PDF funding has not had any increases since 2018.

On February 15, 2023, SAEO submitted a one-time funding request for \$5,959,200 to MCCSS in order to address the current and expected caseload increase. SAEO is currently waiting to hear back if the one-time request will be fully or partially approved or not approved at all. The breakdown of the one-time request is as follows:

Description	Amount	Comments
15 temporary Full-time Staff	\$1,261,500	Estimate is based on an expected increase of 1,500 cases (2,000 individualized action plans) which require ongoing case management.
Interpreter Services	\$453,000	To support interpreter services costs associated with providing supports to the caseload increase.

Description	Amount	Comments
Discretionary Benefits – Rent Deposits	\$2,356,200	To support the need for a rent deposit to transition individuals/families from IRCC hotels to permanent housing.
Life Stabilization Benefits	\$1,888,500	Benefits to support clients with moving forward with actions plans. Benefits issued for bus passes, phones, etc.
<b>TOTAL</b>	<b>\$5,959,200</b>	

In an effort to immediately address the caseload increase, SAEO will hire five (5) new temporary case managers from April 1, 2023 to December 31, 2023 at an estimated cost of \$310,000 inclusive of benefits. The approved 2023 SAEO budget includes \$1,500,000 of levy funding specific for NPI. The current NPI contract ends September 30, 2023 with a one-year renewal option for an additional year. In order to hire the five (5) temporary FTE, SAEO will repurpose the budget specific to NPI for the last quarter, amounting to approximately \$375,000, to fund the estimated cost of the five (5) temporary FTE to December 31, 2023 of \$310,000. Should funding become available these provincial dollars will first be used to fund these costs and the budget for NPI would be replenished.

As outlined in the request for provincial funding, SAEO anticipates the need for far more resources in the months ahead but at this time are opting to wait before requesting further resources from Council in order to understand the province's response to the funding request, and whether there is a reduction in the use of local hotels as the IRCC seeks to distribute the response to other areas of the province.

## Analysis

### Background

In response to the extraordinary volume of irregular Asylum Seekers arriving in Canada (particularly at Roxham Road), IRCC has established temporary accommodations in both Quebec and Ontario, transferring claimants from Quebec to Ontario as needed, either based on a preference to settle in Ontario or due to capacity constraints within Quebec's emergency facilities. In 2022, approximately 40,000 people crossed at Roxham Road and there is no evidence that this volume to expected to decline in 2023.

IRCC approached Niagara in early spring 2022 to understand available resources through Niagara's regular emergency shelter system. Niagara senior staff articulated additional Asylum Seekers would create substantial and unmanageable pressure on Niagara's already strained social support system. Niagara also communicated that hotel capacity within the region is not reflective of its social service capacity as Niagara's emergency shelter system is at maximum capacity and funds for emergency shelter are fully committed. Lastly, staff cautioned that the local affordable housing stock was virtually non-existent and expressed serious concern that asylum seekers would be presented with little in the way of housing options, resulting in extended stays in hotels.

IRCC had been operating a temporary quarantine site in a hotel in Niagara Falls throughout the pandemic. In July 2022, recognizing local challenges, IRCC began utilizing this hotel (87 rooms), covering hotel costs, food and staffing for the sites to address capacity concerns in Quebec. IRCC, despite staff expressing concerns as to local service capacity, has steadily increased contracted hotels for this purpose from one (1) hotel and 87 rooms in July 2022 to nine (9) hotels and 1800 rooms in February 2023. Niagara approached IRCC for IHAP funding and was advised that funding was not available to support the delivery of OW, or other community service needs.

### **Increase in Niagara's OW Caseload**

Niagara's OW caseload increased by 10% in two (2) months, rising from 10,428 in December 2022 to 11,357 in February 2023. The caseload is projected to increase an additional 5% in March 2023 to 11,925. The caseload projection is based on current numbers and does not reflect the fact that Niagara may realize a greater caseload increase due to the continuous transfer of new people when rooms become available. In addition, IRCC is unable to confirm if the number of hotel rooms in Niagara will continue to increase or when the current contracts will expire.

### **Immediate Need for Five Temporary Full Time Staff**

SAEO is required to ensure accurate payment of benefits, complete a comprehensive assessment, and develop, support and monitor an individualized action plan for all OW clients. In February 2023, over 1,400 Asylum Seekers presented in person at the Niagara Falls SAEO office requesting benefits. Appropriate staff levels are critical to ensuring accurate, timely, quality and outcome driven service is provided to all Niagara residents. Asylum seeker cases are complex and require extended and frequent interactions, often including the need for an interpreter. SAEO has collapsed various areas of work in order to redirect 18 full time staff to respond to the unprecedented

surge in demand. However, this strategy is not sustainable within existing staffing levels as it significantly impacts the ability to meet current community need.

As part of SAEO's approved 2023 operating budget, Regional Council invested \$1,500,000 toward increasing prosperity for Niagara residents living in poverty. In June 2022, seven (7) agencies were awarded funding to deliver programs for two (2) years for a total of \$2,800,000 starting October 2022, with a renewal date of October 2023 and concluding October 2024.

In order to ensure that SAEO does not reach a critical point of failure in the administration of the OW program to Niagara residents, SAEO urgently requires additional temporary full time staff. To respond to the urgent need, NPI expenditures for the last quarter of 2023, aligned with the October 1, 2023 renewal dates, totalling \$375,000, will be temporarily repurposed to hire five (5) temporary full time staff (\$310,000) pending a decision from the Provincial government.

### **Next Steps**

SAEO is committed to maximizing all available provincial funding before accessing Regional funding. SAEO will bring regular updates related to the provincial funding request and demand for service to PHSSC. If full or partial provincial funding is not received, then a budget amendment may be required later in the year to further increase staffing levels, add to client benefits and administrative costs (e.g. translation costs) and restore the NPI budget for the next year renewal.

### **Alternatives Reviewed**

If additional funding is not approved by MCCSS, Niagara will be forced to make significant local operational process and policy changes that will impact the quality, timeliness and level of service provided to people in receipt of OW. The policy changes will directly impact the scope, amount and frequency of issuance of much needed discretionary benefits to all OW and Ontario Disability Support Program clients in Niagara.

### **Relationship to Council Strategic Priorities**

The delivery of the OW program and NPI align with the Council Strategic Priority of Healthy and Vibrant Communities.

## Other Pertinent Reports

None noted.

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This report was prepared in consultation with Stephanie Muhic, Program Financial Specialist.