

Ontario bans Pharmacies from selling their own Generic Prescription Brands under the Drug Plan

Sallie Hunt, Staff Lawyer, Kenora

In 2010 Ontario introduced a ban on big pharmacies from selling their own private-label prescription drugs under the provincial drug plan. The ban was an effort to reduce health costs. Both Shoppers' Drug Mart and Rexall/Pharma Plus who had introduced prescription drugs under an in-house label challenged this decision in court. In February 2011, Ontario's Superior Court of Justice ruled that the province went too far and could not ban pharmacies



from selling their own generic drugs. This was appealed to the Ontario Court of Appeal, who later in 2011, reversed the earlier decision and ruled in favour of Ontario. This was then appealed by the pharmacy companies to the Supreme Court of Canada.

On November 22, 2013, the Supreme Court of Canada ruled in favour of Ontario, stating that the ban was consistent with Ontario's efforts to ensure transparent drug pricing. (This decision will not affect generic labels for over the counter medications such as Life brand.)

The larger pharmacy companies had wanted to be able to sell their own generic drugs in order to save money by not having to buy them from an outside company. However, there was no indication that they would have passed on any savings to the customer.

While the ban and other cost-cutting measures have been undertaken by the province to reduce health costs, many people relying on being able to purchase medications under Ontario's drug plan formulary have found that their medication is no longer listed in the formulary and that the cost of such medication has substantially increased.

Financial Assistance for Families of 2013 Homicide Victims

Carol Grosset, Office Manager, Kenora

If you are an Ontario resident and are the parent(s) or spouse of a victim of homicide which occurred in Ontario in 2013, you may be eligible to apply for financial assistance through the *Financial Assistance for Families of Homicide Victims* (FAFHV) Program, no later than February 28, 2014.

Unlike compensation through

the Criminal Injuries Compensation Board which requires family member(s) to have had witnessed or come upon the scene of a crime involving a loved one, and experienced significant psychological shock requiring significant treatment, the FAFHV Program addresses the gap by helping those suffering grief and sorrow by providing financial

assistance up to \$10,000 per homicide.

For further information or an application for *Financial Assistance for Families of Homicide Victims* call the Program at 1-855-467-4344 or go on-line at http://www.attorneygeneral.jus.gov.on.ca/english/ovss/financial_assistance_for_families_of_homicide_victims/default.asp.

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Mincome

Sallie Hunt, Staff Lawyer, Kenora

Think of it – *guaranteed minimum income* – what a simple idea that could significantly change people’s lives!

The idea of the government providing people with a *guaranteed minimum income* has been debated from time to time. Some would argue that this would be the equivalent to the sky falling because they anticipate that no one would ever work again. Others suggest that it would help everyone maintain a minimum standard of living and would simplify bureaucracy as numerous government departments would no longer be necessary.

One administrative system could simplify the complicated and various government programs – such as Employment Insurance (EI) benefits and social welfare legislation (Ontario Works (OW) and Ontario Disability Support Program (ODSP), and income supplements for seniors. A *guaranteed minimum income* could address poverty directly. Governments, to some extent, do this today with child tax benefits (CCTB – Canadian Child Tax Benefit and OCB – Ontario Child Benefit). And, hopefully, one system would remove the stigma of receiving “welfare” – everyone would be provided with a basic starting point – a minimum level of income for a single person or a family.

A *guaranteed minimum income* would be taxed back when a person began to work. Taxing earned income at a low marginal

rate would provide a strong incentive to work and to earn more. As people earned more income, they would, through income taxes, pay back their share of the *guaranteed minimum income*.

Until recently, I never realized that a *guaranteed minimum income* had ever happened in Canada. But it did – to my amazement – in a small town in Manitoba during the 1970s!

The idea of a *guaranteed annual income* began in the United States in the late 1960s. The United States conducted several experiments to determine whether a *guaranteed annual income* was feasible.

The late sixties were heady times and the idea of a *guaranteed annual income* also caught on in Canada. In 1971, the *Croll Report*, a report of the Special Senate Committee on Poverty recommended that a *guaranteed annual income* be introduced by the federal government. Of course, as you know, this never happened.

From 1974 – 1978, the federal government along with the province of Manitoba conducted a social experiment in the small farming community of Dauphin.

For four years, a federal program called *Mincome* guaranteed a basic income for everyone living in the town of Dauphin.

Expectations for *Mincome* were high. A joint federal-provincial news release (22 February 1974) announced that *Mincome* was

“expected to make an important contribution to the review of Canada’s social security system”

Then times changed and the program was shelved. While the Americans did release final reports looking into their social experiences, no official findings were ever published by the federal government. The vast amounts of data was simply archived.

The goal of the *guaranteed minimum income project* or *Mincome*, as it came to be known, had been to determine whether a *guaranteed income* (i.e., a stated amount of money given to everyone living in the area) would improve health and community life. Household incomes were topped up by a certain amount.

All Dauphin families were guaranteed an income of 60% per cent of the low-income cut-off (or LICO), as set out by Statistics Canada, a level of income comparable to existing welfare rates. Each dollar of income from other sources was taxed at a relatively high marginal rate of 50%.

Unlike welfare, which is available to only certain people who qualify and who must conform to certain rules to continue to qualify – the *guaranteed minimum income* was available to everyone. It was the first – and to this day – the only time that Canada has experimented with such an open-door social



Our Pamphlet Stands
All three offices of the Northwest Community Legal Clinic carry a large supply of pamphlets relating to areas of law within the Clinic Mandate. We invite you to call or stop into your local office to view the selection.

Mincome cont'd

assistance program. Any one could apply for support. So many people fall through the cracks under the current welfare system. Not everyone can access welfare – because they are attending school, because they have savings, because they failed to access other sources of revenue, because of their living situation, or because they fail to obey the numerous rules and regulations. They are also penalized for working, as earned money is clawed back.

Recently, Evelyn Forget, professor of community health science at the University of Manitoba looked at the results of *Mincome* from the government data. Forget studied the social determinants of health, looking at the connection between social realities and health outcomes; trying to understand how poverty and living in poverty contributes to poor health. The link between poverty and poor health has been well-documented.

Forget found that people lived healthier lives when they did not have to worry about poverty. Hospitalization rates of *Mincome* recipients fell by 8.5% compared to

people living in a similar community but who did not receive any *Mincome*. From 1974 to 1978, Dauphin residents:

- Were hospitalized less often
- Suffered from fewer accidents and injuries
- Were hospitalized for mental health matters less often
- Had fewer visits to doctors.



Fewer hospitalizations and fewer doctor visits means more savings for the province by spending less on health care. It was found that simply from receiving *Mincome*, Dauphin residents saved the province money with a significant reduction in health spending.

Forget commented on a concern about a *guaranteed minimum income*: **“Politically, there was a concern that if you began a guaranteed annual income, people would stop working and start having large families.”** — Evelyn Forget, researcher (from: *1970s' Manitoba poverty experiment called a success*)

<http://www.cbc.ca/news/canada/manitoba/story/2010/03/25/mb-poverty-experiment.html>

Fertility rates remained about the same. Family stability seemed to remain the same. The exception was that couples who had stayed together solely for economic reasons were able to choose separation, as each person would continue to receive *Mincome*.

The rate that people worked did not seem to change, except for two categories:

- teenagers stayed in school longer to achieve their Grade 12, and
- single moms left the workforce to go back to school so they could get better jobs.

Overall *Mincome* seemed to improve the health of Dauphin residents while reducing health costs. And there was no down side, except for the fact that it was ignored and forgotten.

“Forget found that people lived healthier lives when they did not have to worry about poverty.”

Changes to the Occupational Health & Safety Act

Sallie Hunt, Staff Lawyer, Kenora

New regulations made under the Ontario Occupational Health and Safety Act (OHSA) are requiring that, by July 2014, all employees and supervisors in Ontario participate in occupational health and safety awareness training.

A basic occupational health and safety awareness training program for workers must include instruction on the following:

- The duties and rights of workers under the OHSA
- The duties of employers and supervisors under the OHSA
- The roles of health and safety representatives and joint health and safety committees
- The roles of the Ministry of Labour with respect to occupational health and safety
- Common workplace hazards
- Workplace Hazardous Materials Information System (WHMIS) with respect to information and instruction on controlled products
- Potential occupational illnesses.

For more information visit the Ontario Ministry of Labour Website at labour.gov.on.ca.



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Sub-Offices

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March 5, April 2
Ear Falls - Thursdays: February 6,
March 6, April 3

What is 211?

Rebekka DeCorte, 211 Data-Entry Clerk, Atikokan

211 is an easy to remember 3-digit non-emergency number that provides information and referrals on related government, community, health and social services. The service is free, confidential, and always answered by a live Information & Referral (I&R) Specialist, 24 hours a day, 7 days a week.

Complementing the telephone help line is a web-enabled online resource database www.211north.ca that offers access to existing programs and services located in and serving Northern Ontario. This database is used

by the I & R Specialists managing the help line and is considered a valued resource among professionals who use it regularly.

So when you don't know where to turn in finding the programs and/or services you need, simply call 2-1-1.



Did you know?

Laurie Nuttall, Staff Lawyer, Fort Frances

Starting April 2014, the province will increase access to dental care for kids. More children 17 years old or younger will be eligible for services such as cleanings, diagnostic services and basic treatment by expanding eligibility for the Healthy Smiles Ontario program. Visit <http://www.health.gov.on.ca/en/public/programs/dental/> or call 1-866-532-3161 for more information or to apply.



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