

Ontario Council Legislative Committee, March 13, 2010
Poverty File Update
 by Linda Hall

Today's presentation will be brief. I would like to make some general comments about the recent Provincial Throne Speech, outline some suggestions by Campaign 2000 to continue the fight against poverty, and give an update on the recent clawback of the Ontario Child Benefit (OCB) from families on social assistance.

The Throne Speech:

It was disappointing to note that the Provincial Throne Speech on Monday March 8th made no mention of increasing access to affordable housing or providing the \$64 million needed to maintain 7,600 subsidized childcare spaces now in jeopardy in Ontario. This does not bode well for the March 25th provincial budget. Both of these investments are badly needed in order for the Government to make inroads on its Poverty Reduction Strategy and its commitment to reduce child poverty by 25% in 5 years (by 2013.)

Poverty Measures and the 2010 Provincial Budget:

Campaign 2000 lays out the following priorities for action in Budget 2010, and these are the suggestions we can offer when we go to talk to our local MPPs about the government making good on its promised Poverty Reduction Plan:

- A. Ensure liveable incomes that affirm the dignity of all who live in Ontario, including those who cannot work by:**
- Increasing the OCB to \$125 a month to protect families during the economic downturn
 - Introducing a \$100 monthly Healthy Food Supplement
 - Ensuring that the social assistance Review is sufficiently resourced so that transformative changes can bring social assistance – Ontario Works (OW) and Ontario Disability Support Plans (ODSP) – in line with poverty reduction
- B. Invest in strong and supportive communities where opportunities and equity are a reality for all by:**
- Making a down payment of \$250 million on a ten year provincial housing plan
 - Investing at least \$64 million in child care to maintain existing service levels and cover increases in operating costs
- C. Achieve sustaining employment through a good jobs strategy that:**
- Poverty-proofs minimum wage by raising it to \$11/hr in 2011 and indexing it to inflation (It was just raised to \$10.25/hr this month)
 - Hire new employment standards officers and improve the employment Standards Act compliance through the additional \$5 million required
 - Establish an Equity and Anti-Racism Directorate to embed equity principles, programs and practices across all ministries and the broader public sector.

“The world looks very different in 2010 than it did when the government made its poverty reduction commitment in 2008. Ontario has been hit harder than most provinces by the global recession. Hundreds of thousands of contributing members of our province have lost their jobs and haven't even had an Employment Insurance (EI) system to fall back on.

Many Ontarians are silently hurting. For some, recession broadsided their ability to work and they joined the growing ranks of poor people in this province. Others were forced to take lower paying jobs. Still others struggled with the brutal reality of poverty long before recession made each and every one of us vulnerable to an economic transformation that is nowhere near finished.

Canada's economic recovery is incredibly fragile. Ontario is not yet out of the woods, nor is the rest of the world. The World Bank has already warned that the global economic recovery could wilt if governments pull back on their stimulus efforts too

quickly. Without bold provincial leadership, we risk plunging back into recession or faltering with a jobless recovery. We cannot afford either scenario. The good news is that solutions are within reach, and they are very do-able. The bad news is that the new reality of government deficits is leading some Ontarians to panic and suggest a repeat of some of the worst mistakes of the 1990s.

The lesson from the experiment of the 1990s? When you cut and run, you prolong the pain of recession and weaken an economic recovery. When you invest in people and communities, the economy recovers faster and our communities remain safer and healthier.” [25 in 5: Network for Poverty Reduction: Submission to Standing Committee on Finance & Economic Affairs; February 1, 2010]

Clawback of the Ontario Child Benefit (OCB):

As you may recall, the OCB was raised from \$50/month per child to \$92/month per child as of July 2009. At the same time, parents on social assistance (OW and ODSP) had the Basic Needs portion of their cheques reduced, and as a result, some families saw an increase of as little as \$1 a month to their overall incomes. Some local governments (e.g., Hamilton City Council, October, 2009) have written to the Provincial government asking that they reinstate the money that was removed from the Basic Needs allowance. Social justice groups have added their voices as well.

A rally to protest this “Clawback” to the OCB for families on social assistance is planned at Queens Park on the morning of Tuesday April 27, 2010. **Please note that this date has been changes. Originally it was slated for April 20th but the new date is April 27th.** Everyone is welcome to join in. See the attached flyer for details.

Ontario Council is currently in the process of drafting a letter to Laurel Broten, Minister of Child and Youth Services, to express our concern about the clawback of the OCB. [A “clawback” is defined by the Oxford dictionary as “recovery or retrieval of an allowance by taxation or by other means.”]