



Presentation to the Pre-Budget Consultations
(Ontario)

Canadian Federation of University Women – Burlington

Hamilton
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Introduction

The Canadian Federation of University Women is a not-for-profit self-funded organization of female university graduates with approximately 10 000 members across Canada. In Ontario, we have about 6 000 members spread around the province in small and large communities. Our mission statement asks us to put our education at the service of the community and to stimulate an intelligent interest in public affairs. We work for improvements in human rights and foster education by giving scholarships, locally and nationally. We are members of the International Federation of University Women and have standing at the Canadian Commission for UNESCO.

We appreciate the opportunity to put our views forward today.

Poverty

Canada is a rich country and Ontario its richest province. Our economy, on the whole, is doing well and we can afford to look after all our citizens in a manner which enhances their dignity.

It is incomprehensible to us, therefore, that in this land of plenty we pay so little attention to the neediest of our citizens. In Ontario, 200 000 people earn minimum wage and 1.2 million make less than \$10 per hour. More than half of minimum wage earners are between the ages of 15 and 25 and two thirds are women.

On January, 2nd 1989, Parliament voted to end child poverty but the number of poor children has increased. 13 500 children use food banks in Toronto. The previous government cut Ontario Works recipients' income by 21.5% but inflation since then has totaled 24%. We applaud the government's increase of 2% in '06 and 3 % in '05 but it amounts to an increase less than inflation so Ontario Works recipients are falling further behind. We applaud your plan to allow recipients to keep half of the extra money they earn as a step in the right direction and your decision to allow recipients to keep their benefits for six months. We would like to see the minimum wage become a living wage and urge you to raise it to \$10 per hour.

Sharing the wealth with a maximum number of people generates more consumers since people at the lower end of the income scale do not invest but spend what they have. European countries manage to have thriving economies with decent wages for the bottom 20% of their citizens. Surely we can, too!

It is dangerous for social cohesion to have great differences in income between the upper strata and lower strata of society. It causes social unrest and ultimately civil war. Yet that is a trend in our country. The average income of the 100 highest paid CEOs in the country is \$ 9 million dollars a year. Yet only 10% of Canadian families have increased their share of the national income between 1984 and 2005 while the bottom 50% dropped from 5.6% to 3.2% in 2006 (Stats Can as quoted in Toronto Star Dec 24, p A20).

To use an example closer to home as a comparison, Ontario MPPs have increased their salary recently from \$88 000 to \$ 110 000. We know politicians work long hours and MPPs deserve a catch up raise but when you look at the percentage increase, it is huge when compared with the 2 and 3% raises Ontario Works recipients got and the increase in the minimum wage. Are minimum wage workers less deserving?

In 2005, a family of four on Ontario Works lived on less than \$ 20 000 a year. 16.9 % of low wage earners use foodbanks. Ontario ranks 10th out of 13 provinces and territories in funding welfare. Since 1989 this income has dropped 17.5% when inflation is taken into account. Moreover, only 27% of the unemployed in Ontario qualify for Employment Insurance benefits, thus driving up the number of Ontario Works recipients.

When we examine the working poor, we see that they often work two part time jobs without benefits. Many of the working poor are physically or mentally ill or are single mothers abandoned by deadbeat fathers. They tend to have poorer education and work skills.

Poverty costs society! It forces up tax bills, depresses the economy, increases health costs, breeds alienation, poor nutrition, ill health and crime. It interferes with school performance, achievement and productivity. Healthy well educated people have the opportunity to be more productive.

In the GTA, the poverty level for a family of four is approximately \$32 000. The average stay on Ontario Works is two years and for disabled people, it is 6-10 years. They are people in transition, not people out to bilk the system.

When the current government campaigned for office, it promised to end the clawback of the National Child Benefit which costs a family approximately \$162. a month per child. This clawback punishes the poorest children and is unconscionable. To date, the government has not acted on this promise. When asked, the reply is that ending it will contribute to the welfare wall.

Let us examine this welfare wall. It is defined as a disincentive to finding a job. The theory is that giving more money will allow people to avoid looking for work. When we examine the facts, however, we find that Ontario Works recipients are penalized for looking for work. Take the case that was much discussed in the

Toronto Star and other media: Amany Johnson, a bank teller and single mom from Ajax who tried to better herself by working a few extra hours when they were offered. Because she worked those few extra hours, she lost her subsidized daycare and her subsidized rent went up. Now that is a welfare wall. Penalizing people for working harder!

Recommendations:

1. We would like to see the minimum wage become a living wage and urge you to raise it to \$10 per hour.
2. End the clawback of the National Child Benefit which costs a family approximately \$162 a month per child.
3. Create incentives to encourage people to get off Ontario Works by retraining programs, subsidized daycare and continued benefits.

The Economy

The answer to the welfare wall that CFUW has been striving for since 1972 is universally available childcare. We thought we had finally got it last year on a country wide basis but were disappointed on the national level. It is time for the province to step up to the plate.

Easily available childcare increases women's participation in the labour force, especially of those with a high school education or less. In the province of Quebec, once they introduced universal access, they found a 7% increase in labour force participation, according to Professor Gordon Cleveland, an economist of the Division of Management at the University of Toronto. This is of direct benefit to the economy which is wrestling with labour shortages because of the aging population and the falling birthrate. Moreover, working moms lift many families' income above the poverty level, resulting in increased tax collection by government and a drop in the use of social services benefits.

In 1973 only 40% of mothers with young children were in the paid workforce. In 2006 that percentage climbed to 80%, so it is now the norm. 80% of these families use non-parental childcare at least once a week. The cost of childcare to these families was only 5% of the family income for two parent families but for single parent families, mostly headed by women, it was 15%.

Quality of care is not the same in regulated and unregulated childcare. The Province of Quebec found 25% of unregulated care provided was inadequate compared with 5 % in regulated spaces.

Long term studies in the USA have found that early childhood education improves cognitive and language skills enormously. This is important to Canada, especially in Ontario because of its high immigration rate. Many children born in Canada come to school unable to speak English. This makes for poor

performance at school and a high drop out rate from high school, leading to social problems such as gangs and crime. Early childhood education goes a long way to helping all children adapt to a learning environment so they start from a level playing field.

Recommendation:

1. Increase funding for regulated child care spaces and early childhood education programs.

The economy of Ontario has lost many manufacturing jobs this past year.. Structural changes are taking place and jobs are moving offshore. Where are well paying jobs to come from in the future? Few people realize that the non-profit and voluntary sector contributes more to GDP (2.5%) than agriculture (1.5%), motor vehicle and manufacturing industries (1.4%). When we include hospitals, colleges and universities, this rises to 6.8% which is more than the mining, oil and gas industry. (Statistics Canada Satellite Account of Non-profit Institutions and Volunteering 2005 p.10)

We think we have to start thinking outside the box and give this sector more credit as a job-creating engine. The social services component accounted for 23.5% of the core non-profit sector's GDP between 1997 and 2001. Social services averaged a 10% annual growth rate in this period.

Temporary workers are receiving a raw deal from some unscrupulous and unregulated temp agencies. They are subject to abuse such as getting no holiday pay, having to pay a fee to get a job, having no sick days. Government regulations on labour standards should be strictly enforced and these agencies should be regulated.

Recommendations

- 1.Maintain and increase funding for the not-for-profit sector to create additional jobs.
- 2.Government regulations on labour standards should be strictly enforced
- 3.Temporary help agencies should be regulated.

Education

We commend the government for putting more money into education but most boards of education are still not getting enough funding to cover teachers' salaries. We know that the federal transfers have much to do with this and we urge the government to press Ontario's case to base federal transfers on per

capita calculations. Post secondary education also needs increased federal transfers for infrastructure neglected during the last ten years of budget cuts.

We approve of the attempts to prevent early school leaving with extra help for vulnerable students and we approve of the Safe Schools Act Review's findings. Schools must be safe but vulnerable students should get the help they need with suitable programs rather than be expelled and left to roam the streets. Properly funded shop programs in high schools would go a long way to keeping these students interested as would requiring shop and home economics courses at the senior elementary level since these courses would create the demand for the high school course later. Pathways to Education is an excellent program and should be expanded.

Northern schools still face additional problems and should receive increased funding.

Recommendations:

1. Provincial funding should cover teacher's salaries for each board
2. Post secondary education also needs increased federal transfers for infrastructure neglected during the last ten years of budget cuts. .
3. Pathways to Education is an excellent program and should be expanded.

Environment

The quality of our lives is measured by the quality of our environment, the air we breathe and the water we drink. We want our government to protect our biosphere, the escarpment and put an end to expanding quarries. We do not want it bisected by a mid-peninsula highway. Existing roads can be widened; the Niagara corridor on top of the escarpment can be joined to highway 6 or the 401. Public transit should be improved. GO transit carries 190 000 riders per weekday. The population served by GO Transit has increased and ridership grew 12 % between 2001 and 2006. These riders need improved services such as larger parking lots, more trains, extra track to avoid freight trains.

Industrial emission standards should be strictly enforced. Asthma, cancer, smog and a destabilized climate cause early deaths and destroy quality of life.

The quality of the water of the Great Lakes is vitally important to a large part of the population. It is essential to have comprehensive legislation and agreements in place for monitoring, research and plans to protect the lakes for the long haul.

Public private partnerships are too expensive. Witness the tolls on highway 407. We can have tolls to pay for the construction of highways but we should not relinquish ownership and create cash cows for private investors to be paid by hapless commuters mired in gridlock.

Recommendations:

1. We want our government to protect our biosphere, the escarpment and put an end to expanding quarries.
2. Public transit should be improved.
3. Industrial emission standards should be strictly enforced.
4. It is essential to have comprehensive legislation and agreements in place for monitoring, research and plans to protect the lakes for the long haul.

Health Care

We favour a strict enforcement of the Canada Health Act and want to see home care for seniors improved to cover not just acute care but long term care as well. It saves the government lots of money to keep people at home as long as possible and it is the preferred choice of most seniors to remain in their home.

Recommendation:

1. Extend homecare programs to include chronic care

Future of the OMB

In Burlington, we have just gone through a four year battle to keep Walmart from building on Fairview Street. CFUW Burlington monitored all meetings and presented to Council and the OMB. Our primary objection was increased traffic. We felt city planning staff at the public meetings did not listen to Burlington citizens and had their minds made up. They recommended to Council that Walmart be allowed to build.

Council listened to our presentations and voted to postpone a decision while studying alternatives. Walmart appealed to the OMB and last week, the city and Walmart withdrew from the hearings, having struck an agreement before the hearings were finished and an important traffic study could be presented. This episode breeds cynicism about democracy, the political process and politicians. Clearly, the planning process is broken. It raises the question: Why appeal to the OMB in the first place? What is its role?

1. There should be a review of the OMB's role to ensure it listens to citizens' wishes

Conclusion

We hope you will consider our suggestions which we make not out of self interest but with the genuine desire to promote the public good. Thank you for your attention.

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