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2018 Ontario Pre-Budget Submission Art Gallery of Hamilton Hamilton, Ontario, January 29, 2018

Thank you for this opportunity to represent the Social Planning Network of Ontario in this prebudget consultation. The SPNO is made up of 19 non-profit social planning and community development organizations across Ontario working locally on social development issues and coming together as SPNO for social policy matters of province-wide concern.

In the short time we have here today, SPNO would like to raise several issues for consideration related to the 2018 provincial budget.

First, we wish to acknowledge the important social investments that the Government has made in the last eighteen months in areas such as prescription drug coverage for children and youth, post-secondary tuition relief for low income families, increased support to seniors, expanded child care spaces, and, most recently, passage of *The Fair Wages*, *Better Workplaces Act*.

There, of course, remain important areas for policy and budget consideration in 2018-19.

- While increasing the minimum wage was a major accomplishment in the last year and is generally recognized as just and fair in the public mind, the Government has recognized the increased cost pressures on about 400,000 small businesses and has accommodated with a business tax reduction. The 55,000 nonprofits and charities in Ontario with minimum wage employees are eager to pay their workers fairly. Unfortunately, raising prices in service work to their communities is not an option for most. As the Ontario Nonprofit Network has requested with the support of its organizational members including SPNO, the wage cost increases should be reflected in adjustments to Transfer Payment Agreements for the last part of 2017-18 and in new TPAs for the next fiscal year.
- SPNO has been an active contributor to the Ontario Government's Community Hubs
 initiative to improve community capacity for health, social, economic and cultural supports.
 We support the <u>Ontario Nonprofit Network's recommendation</u> for capital funding, low cost
 loans, and multi-year, multi-program funding agreements for community hubs.
- Through <u>local research</u> and a <u>project on student well-being</u> involving 14 communities, the SPNO is concerned about inequities and exclusion in the school system. A specific concern requiring attention in the 2018 Budget is the pressure on local school boards to use

Learning Opportunities Grants designated for support to students in low income communities for other purposes. This problem arises from an inadequate school funding formula that SPNO recommends that the next Budget begin to address.

- SPNO appreciates that both the provincial and federal governments are assuming more leadership on the affordable housing agenda, although much of the actual investment at least federally is spread over a long-time frame. Legislated inclusionary zoning would initiate more immediate relief. Unfortunately, the regulations as now drafted are counterproductive to the intent and purpose of inclusionary zoning. Although this enabling legislation for municipalities and would not seem to have a direct impact on the Ontario budget, inclusionary zoning that requires additional direct costs on municipalities will undermine local adoption, thus reducing the role of municipalities as effective partners with the province and the federal governments in solving the affordable housing crisis and resulting in more pressure on the Ontario housing budget next year and in future years.
- Finally, SPNO urges action on the recently released report <u>Income Security: A Roadmap for Change</u>. As a long-term plan the report's recommendations would transform the culture of the social assistance system from a policing and punitive model to <u>a more personalized</u>, <u>responsive and supportive approach</u> for Ontario's most vulnerable residents. The proposal of achieving a Minimum Income Standard for all living in deep poverty is critically important, but *A Roadmap for Change* sets an unacceptably long time horizon for achieving this standard (10 years). The specific recommendations for increases amounting to about 22% by 2020 for a single adult would still leave single recipients just over half-way to the official income poverty line (\$10,700 for OW recipients). Notably, the <u>Lankin and Sheikh Social Assistance Review Commission Report</u> in 2012 recommended that the Government implement a \$100/month Healthy Food Supplement endorsed by 25 municipal councils across the province, which would have been a 17% income increase for adults on social assistance in the first year.

As long as Government revenues reflect an Ontario economy that is showing strong growth, a first year commitment in 2018-19 to a larger rate increase in the order of 15% to 17% in the 2018 provincial budget would show a serious Government commitment to addressing deep poverty. SPNO recommends this first step for the 2018-19 budget and an accelerated plan for achieving the Minimum Income Standard within three to five years.

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