A PEOPLE'S BUDGET towards a fair ontario





















A People's Budget—Towards a Fair Ontario

A white paper from the Ontario Federation of Labour

April 2013

For more information, please visit **www.thepeoplesbudget.ca**



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A PEOPLE'S BUDGET TOWARDS A FAIR ONTARIO

Executive Summary

The Ontario Federation of Labour is proud to support "A People's Budget – Towards a Fair Ontario." The People's Budget campaign was initiated as a response to the continuing evidence of the failure of the austerity agenda. Austerity measures have had a devastating impact on the people of Ontario, particularly its most vulnerable citizens. When even organizations such as the International Monetary Fund and the World Economic Forum are calling for a reconsideration of the austerity agenda, it is time for Ontario to chart a new course.

To change the conversation on austerity, and prepare for a more inclusive, more just 2013 Ontario Budget, the People's Budget campaign solicited feedback from Ontarians from across the province. In an ambitious initiative, the People's Budget campaign held public consultations with citizens and organizations in nine communities: Windsor, London, Hamilton-Niagara, Kitchener-Waterloo, Brampton-Mississauga, Toronto, Sudbury, Thunder Bay, and Ottawa. The campaign also encouraged feedback through our website (www. thepeoplesbudget.ca), email, and social media.

What we heard were stories of hard-working Ontarians falling behind, young people losing their optimism, and families struggling to make sense of the unfairness of income inequality. We also heard inspiring stories of success, of overcoming difficult odds, and most encouragingly, thoughtful ideas to make Ontario a fair society. Specifically, three key themes emerged from our consultations:

- 1 Austerity is failing the people of this province, particularly our most vulnerable citizens.
- **2** Ontarians want to live in a fair society.
- **3** Government can do a better job of supporting Ontarians to realize their full potential.

From this feedback we have developed this report – a People's Budget – that offers a positive path forward, away from austerity and towards a fair society based on equity and shared prosperity. Our recommendations are grouped into five key areas: creating good jobs, alleviating poverty, supporting workers and their families, giving young people a fair chance, and tax fairness and revenue generation. Out of these broad areas, there are three specific priority recommendations:

 Increase the minimum wage and put in place a formula for determining regular future increases. A People's Budget offers a positive path forward, away from austerity and towards a fair society based on equity and shared prosperity

- **2** Establish an infrastructure fund to be used for the expansion of public transit, rebuilding aging infrastructure, and green infrastructure initiatives.
- **3** Implement a fair taxation package that will include a range of tools to generate revenue.

Now is the time to embrace the potential of Ontarians. We look forward to working with the Government of Ontario, all Members of Provincial Parliament, other stakeholders, and the people of Ontario to implement these recommendations.



Introduction

How do we make Ontario better for everyone?

This was the fundamental question posed by the People's Budget campaign, an initiative of the Ontario Federation of Labour (OFL) to engage residents of the province in a thoughtful, positive discussion about the 2013 Ontario Budget.

Since Confederation, Ontario has been on a path forward – building, growing, innovating, and becoming more prosperous. Over generations we became better at sharing the fruits of our collective labour too. We developed a public school system that was the envy of the world. We made important investments in our physical and social infrastructure. We recognized the need to safeguard our environment. We nurtured a collective responsibility to care for the ill and support those who are struggling.

In short, Ontario evolved into a society that tempered great wealth with enduring compassion, rewarded individual success while recognizing community need.

For many in Ontario today, these reminders of what our province once was are too remote from the reality of their current situation. Unemployment remains stubbornly high, employment is becoming more precarious, and income inequality is growing. Public supports that used to be available for those of us who were struggling are getting weaker – affordable housing waiting lists are getting longer, as are those for subsidized child care spaces; social assistance rates have not kept pace with inflation; and government cutbacks have made life more difficult for seniors, students, newcomers, injured workers, and families with children with special needs.

While the province is still feeling the effects of the global economic recession, we are also being squeezed by a federal government that is increasingly abdicating its leadership – and taking its funding with it – in areas of social policy, health care, and newcomer settlement, to name just a few. Despite this challenging context, our provincial government can still choose whether or not to pursue an agenda of austerity in Ontario. In February of this year the Ontario Federation of Labour released a green paper challenging the current, dominant political discourse around the province's fiscal policy, namely the need for austerity. The paper exposed four of the most common myths perpetuated by the proponents of austerity. They are the following:

- The government can no longer afford to deliver the same level of services to Ontarians.
- >> Cutting the deficit will grow the economy.
- >> The experts are never wrong.
- Everyone is being asked to do their share to reduce the deficit.

The paper revealed that Ontario is already spending less per capita on public programs and services than any other province in Canada (Ontario Ministry of Finance, Ontario Budget 2012). The Canadian Centre for Policy Alternatives estimates in a new report More Harm than Good: Austerity's Impact in Ontario, that Ontario program spending declined by close to 1% of provincial GDP between 2009 and 2012.

At the same time, the provincial government has maintained unaffordable tax cuts that benefit the wealthiest citizens and corporations – tax cuts that have reduced the province's annual revenue by \$15 billion per year (Canadian Public supports that used to be available for those of us who were struggling are getting weaker

Centre for Policy Alternatives – *Deficit Mania*, 2010). In the absence of this revenue, the deficit is now being used to justify hundreds of program and service cuts that hurt Ontario families, particularly children, and the most vulnerable citizens.

We should know better. Cutting our way to economic growth failed in the 1930s and it is not working now.

Even the International Monetary Fund recently concluded in its paper *Growth Forecast Errors and Fiscal Multipliers*, that deep cuts that accompany austerity have had a much greater negative impact on economic growth than anticipated. In their *Global Risks 2013* report, the World Economic Forum also suggested that the greatest threat to the global economy is income inequality, not government deficits.

Towards a People's Budget called for changing the conversation on austerity. Following this call, we hosted a province-wide consultation that endeavoured to expand the conversation about the province's fiscal priorities from the halls of government, the backrooms, and corporate boardrooms, into people's homes, their community centres, and workplaces.

This is how we did it.

The People's Budget consultation process

The vitality of our democracy is dependent on citizens having meaningful opportunities to shape the public policy decisions that affect their lives. Choices governments make about how to raise and spend tax dollars shape the kind of society we live in, including the economic opportunities that are available to Ontarians, what our health centres and schools are like, and the quality of our public services.

There is a trend among governments at all levels to scale back opportunities for public consultation. In Ontario in 2012, the usual multi-city public budget consultation was scrapped, with cost savings being the rationale. It is always a mistake to nickel-and-dime democracy, and the 2013 Ontario Budget comes at a critical time for the province. Greater public input is required to validate a path forward. The People's Budget campaign set out to help fill this void.

The campaign set an ambitious plan to conduct its own consultations throughout the province, from the shores of Lake Superior to the edge of the Niagara escarpment, from the mining city of Sudbury to the multicultural Region of Peel, and from the province's political and economic capital to its agricultural heartland.

Ontarians were invited to participate in this process by attending an in-person consultation in one of nine communities: Windsor, London, Hamilton-Niagara, Kitchener-Waterloo, Brampton-Mississauga, Toronto, Sudbury, Thunder Bay, or Ottawa. We also encouraged feedback through our website (www.thepeoplesbudget.ca), email, and social media. In sum, we heard presentations from 83 individuals and organizations at consultations attended by several hundred more, some of whom filled out comment cards offering their own ideas for the Ontario Budget. We also received 55 written submissions through online channels.

Over the course of six weeks, the People's Budget campaign heard from a broad cross-section of Ontarians – including educators, economists, anti-poverty advocates, small business people, injured workers, health professionals, students, and members of racialized and Aboriginal communities.

The diversity of this feedback is at the centre of the People's Budget recommendations to the Ontario government. The success of the consultations is evidence that Ontarians want to have a greater say in the direction of their government, and are ready to provide thoughtful ideas and commentary when given the opportunity.

As one observer of the People's Budget consultation process remarked:

Ithis is how government consultation should be done.



The view from Ontario

Ontario has the opportunity to be a model for all the provinces and for the federal government, [by being] a caring community, one that works to take care of all who live within its boundaries. II – Lyndsay, from Shumacher

The People's Budget campaign asked Ontarians to share their thoughts on the 2013 Budget and the future of the province – and Ontarians responded. Among the deeply personal examples of dreams put on hold, or worse, abandoned, we heard many inspiring stories about commitment to community, the unparalleled value of fairness, and unyielding hope for a better future.

What we found was a different vision of Ontario from the one deemed "necessary" and "responsible" by the proponents of austerity. Instead of the usual politics of division, we heard calls for greater inclusion. Instead of talk of cuts, we heard ideas for spurring growth. Rather than repetitive calls to pursue the failed policies of the past, we heard pleas that government show confidence in its citizens and move their creative proposals forward.

Between the heartbreaking tales of family struggle and the uplifting accounts of individuals overcoming barriers to achievement, three distinct themes came up repeatedly at consultations in cities across the province. They form the basis of our recommendations outlined in this report. The themes are:

- 1 Austerity is failing the people of this province, particularly our most vulnerable citizens.
- 2 Ontarians want to live in a fair society.
- **3** Government can do a better job of supporting Ontarians to realize their full potential.



AUSTERITY IS FAILING THE PEOPLE OF THIS PROVINCE, PARTICULARLY OUR MOST VULNERABLE CITIZENS

Again and again, residents and groups told us all is not well in Ontario. The lingering effects of the 2008 recession continue to negatively impact families and communities, and any recovery has yet to be felt by large segments of the population. In this economic climate the new normal for workers and their families is no longer about moving forward, but instead about simply hanging on.

In the Greater Toronto-Hamilton Area, for example, half of all residents are working in what a recent United Way Toronto report calls "precarious" employment. Some are workers with part-time, low-wage, or insecure jobs without benefits. Others are selfemployed or living from contract to contract, again without benefits.

This situation is not unique to southern Ontario. According to the Sudbury Social Planning Council, 15% of the 14,000 monthly users of food banks in that city are working. In Windsor-Essex, Pathway to Potential explains that one in five renters pays more than 50% of their income on rent, placing them at risk of homelessness.

Across Ontario, people are literally working harder only to find themselves falling farther behind. The challenges of the current economic climate are being compounded by the consequences of the government's fiscal choices.

Perhaps there is no clearer evidence of the impact of public spending reduction than when citizens seek access to public health care. As noted previously, the Government of Ontario spends less per capita than any other province on programs and services, and this includes health care. As a result, according to the Ontario Health Coalition, hospital beds are at 98% capacity, while 80% is the international norm; patients are waiting 50% longer for Emergency Room treatment than they should be; and waiting lists for access to home and community care continue to grow.

Perhaps less immediately dramatic, but with serious long-term ramifications, is the effect of austerity on our public schools. More and more, it was noted by Thunder Bay City Councillor and Ontario Secondary School Teachers' Federation representative Andrew Foulds, that we are seeing the development of "have" and "have not" schools based on their ability to fundraise. The reality is that, like our health care system and other public programs and services, our public schools are not as well funded as those in other provinces. The impact of this underfunding was a prominent point of discussion throughout the consultation process. Among the examples we heard about were:

- In Ottawa, a school trustee remarked on the poor physical condition of public schools.
- In Windsor, a teacher lamented the recent closures of both rural and urban schools.
- In Thunder Bay, a parent noted that northern schools cost more to build, maintain, and heat.
- The Elementary Teachers' Federation of Ontario called for a funding formula based on need, rather than number of students, noting the lack of support for special education programming.

A strong public education system is not only the driver of our future economic growth but it is also the best social program we have. Rather than laying off teachers – as planned in Toronto – which fosters unnecessary tension in schools, and leaves students who require English as a Second Language or special education support without such assistance, the provincial government and local school boards should be working together to solidify and strengthen our public education system. We need to also address the reality that on First Nations reserves across the province, education infrastructure is grossly inadequate.



Deputants appearing at the People's Budget consultations also raised concerns about recent government cuts made to the arts, environmental initiatives and enforcement, and delays to municipal infrastructure improvements.

Still, it is the impact that austerity measures have had on furthering income inequality and increasing poverty that was the most common point of discussion. From the Canadian Centre for Policy Alternatives we heard that Ontario is experiencing some of the largest changes in income inequality in Canada, second only to Alberta. On average, the richest 1% in Ontario have incomes that are 16 times greater than the bottom 90%.

Meanwhile, the austerity agenda is also cementing an epidemic of poverty. Consider these facts:

- According to the Workers' Action Centre, 383,000 children are currently living in poverty.
- In Windsor-Essex alone, notes Pathway to Potential, more than 16,000 children and youth live in poverty.
- The poverty rate among immigrants residing in Peel Region is 33% (Peel Newcomer Group).
- In the Waterloo Region, the Homelessness and Housing Umbrella Group revealed that in 2011 there were 3,133 people who stayed in emergency shelters, a 30% increase in the number of families accessing shelters compared to 2010.
- In 2012, there were 1,420 people on the waiting list for social housing in Thunder Bay, 27% of whom were on the urgent list (Poverty Free Thunder Bay).

In Toronto – the wealthiest city in the country – 42 homeless people have died on the streets in the past 15 months (Ontario Coalition Against Poverty).

Freezes in social assistance rates and the maintenance of archaic rules governing how Ontarians qualify, maintain, and transition off Ontario Works (OW) and the Ontario Disability Support Program (ODSP) are trapping individuals and families in poverty.

Consider Joe's story. He is an ODSP recipient living in Toronto, who wants to be able to access the same work programs that are offered to people on Ontario Works.

I am unable to access a job program that is offered only to people on Ontario Works called Investment in Neighbourhoods. Instead, I am forced to compete with the general population although I have the same, if not more, barriers than someone on Ontario Works has. I cannot compete with the 'average' job search candidate and will remain on assistance, which is continually being eroded, but the supports to get out of [my situation] are non-existent.

Among the most potentially devastating and shortsighted of recent government austerity cuts was the decision to eliminate the Community Start-Up and Maintenance Benefit, which provides emergency housing funding for the homeless and those on social assistance. The benefit helps people get off the streets and into new homes by providing first and last month's rent, supports abused women to move from shelters into safe housing, and ensures a family does not lose their home due to the cost of an emergency repair. While special one-time funding was provided by the Province on January 1st to municipalities to continue the program, its future, and those of the benefit's recipients, is less certain.

ONTARIANS WANT TO LIVE IN A FAIR SOCIETY

Ontarians value fairness, but we are still a long way off from achieving the kind of fair society – one that is equitable and adequately supports our most vulnerable members – that many of us imagine.

Michelle Friesen, an advocate with the Windsor-Essex Family Network, shared with us her story. Michelle has a 32-year-old daughter who was born with a severe brain injury. When Michelle's daughter was 18 months old, Michelle's family received government-funded home support to care for her. Had Michelle's daughter been born in the last five years, however, she would not have received this support and Michelle is unsure if she would have been able to care for her at home. Today, there are 350 people with a developmental disability on a waiting list for support in the Windsor area alone. Is this consistent with a fair society?

Over the course of our consultations we heard from many post-secondary education students. We learned from the Canadian Federation of Students that since 2006 tuition has increased by 71%. Food banks are not uncommon on university campuses and the average debt load for a post-secondary education graduate is \$37,000. At the same time, youth unemployment is high. At the end of 2012 the unemployment rate in Ontario was 7.8%, while for youth it was 16.9% (http:// www.fin.gov.on.ca/en/economy/ecupdates/factsheet. html and Labour Force Survey, Cansim Table 282-0002). Unfortunately, unpaid internships have also become commonplace and when young people do find work it is more likely to be temporary or short-term. Is this a fair burden to place on the next generation?

Another frequent voice at our consultations was that of injured workers. We learned that the Workplace Safety and Insurance Board (WSIB) has been drastically cutting back on injured workers' benefits, while maintaining low premiums for employers. This has forced many injured workers to apply for social assistance, at a cost to municipal and provincial taxpayers. We also heard that the WSIB is working to reduce their unfunded liability through cuts to benefits and services for injured workers, despite past promises from the government that this would not take place. Is this fair to injured workers? Sometimes, fairness is as simple as being properly compensated for the work you do. For a lot of Ontarians, having a job is not enough to adequately support themselves and their families. Ontario's minimum wage has been frozen since 2010 at \$10.25 per hour, while costs for food, housing, and transit have continued to increase. The number of people earning minimum wage also doubled between 2000 and 2009, according to the Workers' Action Centre. Overall, there are 750,000 Ontarians earning this wage. Is a minimum wage that leaves workers living below the poverty line reflective of a fair society?

Fairness also applies to how Ontarians contribute financially to the overall well-being of the province. Doctors for Fair Taxation and other fair tax groups advocate that those with the means to contribute more to the common good through income tax should do so. Others, including the Broadbent Institute, also recommend that corporations pay more. Currently, Ontario has a corporate tax rate that is lower than every U.S. state, even Alabama or Texas (speech by then Ontario premier Dalton McGuinty to the Canadian Club of Toronto, January 2012). Yet there is no evidence that this low tax rate has generated new jobs for the people of this province. The Ontario Health Coalition argues that exemptions from the Employer Health Tax are costing the treasury badly needed funds. The Auditor General reports that the Province is missing up to \$2.4 billion in unpaid taxes. If those who can afford to contribute more are not asked to do so, or are unwilling to do so, the cost of paying for the programs and services that benefit us all will be borne disproportionately by those who can afford it least. Is a tax system that benefits those with the greatest ability to contribute fair?

As John Rae from Toronto so succinctly put it,

Ontario needs a budget that is fairer than the last several. While no one likes to pay more in taxes, the wealthiest individuals and corporations need to pay their fair share.

GOVERNMENT CAN DO A BETTER JOB OF SUPPORTING ONTARIANS TO REALIZE THEIR FULL POTENTIAL

We need long-term thinking.

– Bill Thompson, small business owner, Hamilton

For too many years our governments – at many levels – have shied away from establishing policies and committing funding to projects that will realize long-term benefits, even when the cost of inaction is significant.

There is perhaps no greater manifestation of this than the current debate about transportation in the Greater Toronto-Hamilton Area. Improving productivity as a means to achieving greater economic growth has become a frequent talking point among many economists and bureaucrats in recent years. Discussion on the role government can play in supporting improved productivity, however, is often limited to recommendations for further tax cuts for corporations, without any guaranteed return on investment. A more tangible opportunity for governments to improve productivity involves investing in infrastructure such as public transit.



The Toronto Region Board of Trade has calculated the cost of lost productivity in the region due to traffic congestion at \$6 billion annually. They predict this number could more than double, to \$15 billion, by 2031. Even the most ambitious transit proposals will cost a fraction of what would be recouped through economic growth – not to mention the added environmental benefits of fewer cars on the road and the new jobs that would be created by building and supporting new transit infrastructure.

More broadly, rebuilding and maintaining infrastructure, such as water pipes and roadways, and investing in new "green" infrastructure such as stormwater management ponds and green roofs, is a concern of municipalities throughout urban and rural Ontario. With interest rates at historic lows, governments have an affordable opportunity to make substantial investments in Ontario's future right now.

Not all of government's strategic investments need to be as grand in ambition or significant in funding, however. The Government of Ontario can and should invest not just in projects but in people.

In Windsor, a program of the Unemployed Help Centre supporting the retraining of older workers so they can find new work is realizing tremendous success. In the past fiscal year 113 people aged 55-64 participated in the program, 77 of whom are now employed, along with 21 people still enrolled and receiving training. With increased funding, the organization could support even more individuals.

In Hamilton, an innovative poverty reduction strategy has helped that city weather the recession better than what might have been expected considering the recent loss of manufacturing jobs in the steel industry. Part of this strategy, according to the Hamilton Roundtable on Poverty Reduction and the Social Planning and Research Council of Hamilton, was the creation of an affordable bus pass for low-income residents. Since its inception, 5,000 people, 70% of whom are women, have benefited from the pass by making it possible to get to and from work or appointments. The modest funding the Province provided for this pass is not being renewed, forcing the City to absorb the cost. Rather than being cut, this is a model that should be considered for other communities in Ontario. If we can match up newcomers in Ontario with the appropriate resources early on, both newcomers and the broader community will benefit. This was the motivation behind the provincial government's creation of the first-ever Ontario Immigration Strategy last year. According to the Peel Newcomers Strategy Group, 58% of all newcomers to Ontario settle in Toronto, and 26.4% of newcomers settle in Peel Region. The organization also notes that approximately 40% of immigrants aged 24-65 have a post-secondary degree, compared with 23% of the total population. At a time when federal settlement support is declining, the Province will be more heavily relied upon for resources for programs that foster social inclusion, support the transfer of qualifications, and assist with employment. It is in the long-term interests of the Province to pick up this funding slack, even while advocating for a stronger commitment from the federal government.

Most Ontario cities have unacceptably long waiting lists for affordable housing. Governments have been too timid in building new affordable housing, even when faced with the societal cost, including too often the tragic consequences of homelessness. Research by Dr. Stephen Hwang, a leading medical researcher on homelessness in Canada, concluded governments recoup their contributions during construction of new housing through income and payroll taxes. There is no legitimate argument for failing to support Ontarians who require affordable housing so that they can raise a family and contribute to their communities.

Throughout the province there are growing waiting lists for subsidized child care, which ensures parents can afford to work. According to the Hamilton Social Planning Council, the waiting list for subsidized child care has doubled in the past two years. Yet child care is a public program that pays for Finally, unlocking the potential of Ontarians to contribute to their province through a good day's work should not be underestimated.

itself. Economist Pierre Fortin's study of the costeffectiveness of the Province of Quebec's public child care program concluded that this program has made a net contribution of \$1.7 billion to the province's GDP. Finally, unlocking the potential of Ontarians to contribute to their province through a good day's work should not be underestimated. We heard many examples of successful industries that require ongoing nurturing by the government to continue to grow. For example, the Northern Lights Arts Festival noted that across the province arts and tourism industries contribute \$3.7 billion to the province's GDP and are responsible for 67,000 jobs. It would be a mistake for the government to carry on with cuts to this sector.

Environmentalists who presented at the People's Budget's consultations spoke of the opportunities to create jobs, reduce energy use, and save money by greening and retrofitting public facilities and providing support for home owners to do likewise.

David Robinson, Professor of Economics at Laurentian University in Sudbury, called for more strategic regional development to support job growth, including the creation of two new northern schools – one focused on sustainable economic development and another on industrial design.



All these ideas are designed to leverage the knowledge, skills, experience, and passion of Ontarians to contribute to the provincial economy. This is exactly the kind of support responsible governments should afford their citizens.

Recommendations

The People's Budget campaign is proud to share the following positive recommendations for the 2013 Ontario Budget. These recommendations are based on the feedback generated during our extensive consultation process. Collectively, they chart a bold new path for the province of Ontario that will help build a fair society.

Priority recommendations:

- 1 Increase the minimum wage and put in place a formula for determining regular future increases.
- 2 Establish an infrastructure fund to be used for the expansion of public transit, rebuilding aging infrastructure, and green infrastructure initiatives.
- 3 Implement a fair taxation package that will include a range of tools to generate revenue.

Ontarians understand that when people are paid a fair wage, the economy is stronger and fewer people have to rely on government programs, such as social assistance. That is why we commit to ensuring fair wages and recommend an increase and new approach to raising the minimum wage. Ontarians also know that strategic investments in green infrastructure, in transportation and housing, and in health and education pay multiple dividends fiscally, economically and socially. That is why we emphasize an infrastructure fund as an important part of a new approach to transform the economy and help Ontarians realize their potential. Finally, Ontarians are committed to a fair society where those who benefit most pay their fair share, those that pollute most pay for the remediation, and those in greatest need are given the help they need. That is why we recommend significant reforms to make our tax system fair.

ADDITIONAL SPECIFIC RECOMMENDATIONS

The following recommendations are grouped into five important public policy areas that were consistently raised as priorities throughout our consultations: creating good jobs, alleviating poverty, supporting workers and their families, giving young people a fair chance, and tax fairness and revenue generation.

CREATING GOOD JOBS

- 1 Create an infrastructure fund to provide long-term funding for the expansion of public transit, rebuilding of aging public infrastructure, and supporting the development of green infrastructure.
 - a Consider additional revenue generation tools for a dedicated transit fund.
 - **b** Commit to public operation and maintenance of all publicly financed infrastructure projects.
- 2 Support key sectors in the Ontario economy that foster innovation and create good jobs, particularly by establishing a local procurement policy tied to major public infrastructure investments.

ALLEVIATING POVERTY

- 1 Reform social assistance programs to better support Ontarians. Specifically, the Province should:
 - a Increase rates for Ontario Works and the Ontario Disability Support Program;
 - b Raise the earning exemptions for social assistance recipients to \$200 per month;
 - Re-establish the Community Start-Up and Maintenance Benefit.
 - **d** Restore the Special Diet Allowance and Discretionary Health Benefits.

- 3 Support more "green collar jobs" including by considering subsidies for homeowners and small businesses that implement water and energy efficiencies and reviewing regulatory options for maximizing these same efficiencies in new developments.
- **4** Continue to work with northern and First Nations communities to develop clear guidelines that tie resource extraction to local processing.
- **5** Increase funding to support regional arts and tourism initiatives.

- 2 Continue funding for a share of Hamilton's affordable bus pass and look at expanding this funding throughout the Greater Toronto-Hamilton Area and beyond.
- **3** The Province should follow the lead of a number of Ontario cities and adopt a Fair Wage Policy to ensure that the companies it does business with are not exploiting their workers.
- 4 Set annual targets for each year over the next decade for new affordable housing.
- **5** Explore the feasibility of adopting a Guaranteed Annual Income.



SUPPORTING WORKERS AND THEIR FAMILIES

- Raise the minimum wage to \$14 per hour, which is 10% above the poverty line based on a 35-hour week, and de-politicize the minimum wage by implementing a formula that would determine regular future increases.
- **2** Phase in an affordable, public early learning and child care program.
- **3** Support our farmers in accessing local markets by developing a broad local food procurement policy for Ontario schools, hospitals, and other public institutions.
- 4 Create an Employment Equity Secretariat to ensure all equity-seeking groups have equal access to public and private sector jobs.
- 5 Increase funding for proactive enforcement of employment standards to ensure that all workers' rights, including those of temporary and migrant workers, are respected.

- 6 Provide funding for the recently established Ontario Immigration Strategy.
- 7 Increase supports for injured workers, including restoring full cost of living allowance and enhancing resources for injured worker representation and staff in the workers' compensation system.
- 8 Support calls for enhancing the Canada Pension Plan.
- 9 Strengthen funding for a universal, equitable, and accessible public health care system. Eliminate such practices as the competitive bidding process, the delisting of public services, and the public-private-partnership investment model.

GIVING YOUNG PEOPLE A FAIR CHANCE

- 1 Work with labour, municipalities, school boards, public health care organizations, and the non-profit sector to develop and strengthen skills training, mentorship and apprenticeship programs for young workers.
- **2** Reduce tuition fees for all Ontario post-secondary students by 30% over three years.
- **3** Revisit the public school funding formula so that funding is allocated based on actual need, rather than on number of students.

TAX FAIRNESS AND REVENUE GENERATION

- 1 Increase by 2% the income tax rate for those earning above \$250,000, which could generate up to \$700 million.
- 2 Increase the corporate tax rate from 11% to 14%, which could generate up to \$2.5 billion.
- Increase efforts to collect the \$2.4 billion in unpaid taxes the Auditor General has uncovered.
- 4 Remove the exemptions from the Employer Health Tax, which could generate up to \$2.5 billion.
- **5** Increase fines for polluters and restore funding for research, oversight, and investigation at the Ministry of the Environment and the Ministry of Natural Resources.
- 6 Increase the province's mining tax rate to ensure fair public benefit from resource extraction.

Next steps

The People's Budget campaign has charted an ambitious, inclusive, and prudent course for the future of Ontario. We hope that the values and priorities that have emerged throughout our campaign are reflected in the 2013 Ontario Budget. We know that the voices calling for austerity are loud and powerful. Yet if we consider the economic evidence, listen to Ontarians' stories about the negative impacts of austerity, and remember what we are capable of when we work together for the common good, then we can leave the austerity agenda behind and embrace a new course.

We appreciate that real change takes time, and that the implementation of policy that reflects the public interest requires ongoing dialogue with key stakeholders. We recommend that a Labour Market Partners Forum be struck. This Forum would consist of two bodies – a Premier's Advisory Council, which would meet twice a year, and a Labour Market Partners Committee, which would meet monthly. These bodies would be made up equally of representatives from government, labour, and business, and would address a wide range of economic and labour market challenges while advising on public policy, particularly employment strategies. Other provinces, including Nova Scotia and Newfoundland, use these types of forums successfully.

The People's Budget campaign wishes the Government of Ontario and all Members of Provincial Parliament courage and foresight as it deliberates on the path the province will take following the introduction of the 2013 Budget. Our province faces great challenges, but we have a history of rising to meet such challenges. Time and again, when faced with adversity, the people of Ontario have demonstrated compassion, diligence, and commitment to community.

The citizens of this beautiful province want to live in a fair society. The government, in its most recent Speech from the Throne, indicated that it shares this goal. Let us go forward and build a fair Ontario together.



Index of People's Budget consultation presenters and written submissions

BRAMPTON-MISSISSAUGA

PANELISTS:

Simon Black, Chair, Peel Action Against Poverty Jim McDowell, Brampton-Mississauga & District Labour Council Irwin Nanda, Executive Vice-President, Ontario Federation of Labour Sid Ryan, President, Ontario Federation of Labour

DEPUTATIONS:

Aamna Ashraf and Nikesh Amit, Peel Newcomer Strategy Group Harman Dulay Grace Guo, University of Toronto (Mississauga) Student Union Danny Jarmana Fayaz Karim Novi Mangat, University Graduate speaking on Youth unemployment after graduation Christine Massey, Council of Canadians – Peel Chapter Srimanth Mohanty, Social Planning Council of Peel Vishu Roche Edna Toth and Annamarie Bohus, Peel Poverty Action Group Shelly White, CEO, United Way of Peel Region Darryl Wolk, Fair Share Peel

HAMILTON-NIAGARA

PANELISTS:

Nancy Hutchison, Secretary-Treasurer, Ontario Federation of Labour

Wayne Lewchuk, Professor, School of Labour Studies, Department of Economics, McMaster University

DEPUTATIONS:

Tom Cooper, Hamilton Roundtable on Poverty Reduction Sue Hotte, Niagara Health Coalition Kim Kerridge, Greenpeace Canada Sara Mayo, Social Planning & Research Council of Hamilton Peter Page and Karl Crevar, ONIWG Bill Thompson, Environmental Consultant Roy Walker, Niagara Region Labour Council

KITCHENER-WATERLOO

PANELISTS:

Elizabeth Clarke, Executive Director, YWCA Kitchener-Waterloo *Nancy Hutchison*, Secretary-Treasurer, Ontario Federation of Labour

Marc Xuereb, President, Waterloo Regional Labour Council

DEPUTATIONS:

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Oz Cole-Arnal, Alliance Against Poverty

Shannon Dea, University of Waterloo Equity Committee Aleksandra Petrovic, Poverty-Free Kitchener-Waterloo Sandi Ellis, Ontario Federation of Labour Retirees – Waterloo Region

Lynn Macauley, Homelessness and Housing Umbrella Group Greg Michalenko, Grand River Environmental Network Shawn Rouse, President, CAW Healthcare Ontario Council Rebecca Roy, Assistant Director of Employment Services – Lutherwood Employment Services Linda Terry, Social Planning Council of Cambridge & North Dumfries

LONDON

PANELISTS:

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DEPUTATIONS:

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OTTAWA

PANELISTS:

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DEPUTATIONS:

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SUDBURY

PANELISTS:

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DEPUTATIONS:

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Pat Lemieux, Sudbury Coalition Against Poverty

Paul Loewenberg, Artistic Director, Northern Lights Festival Boréal John Lindsay, Friendly to Seniors

Cathy Orlando, Citizen's Climate Lobby

Annette Reszczynski, Social Planning Council of Sudbury David Robinson, Laurentian University

THUNDER BAY

PANELISTS:

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Paul Pugh, Thunder Bay City Council

Carlos Santander, Acting President, Thunder Bay and District Labour Council

DEPUTATIONS:

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TORONTO

PANELISTS:

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DEPUTATIONS:

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WINDSOR

PANELISTS:

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DEPUTATIONS:

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Creating good jobs **Alleviating poverty** Supporting workers and their families **Giving young people** a fair chance Tax fairness and revenue generation

