

### **Stringent budgeting for the poor, staying on course for the rich**

The 2012 Ontario budget reins in the income of the poor, while having little effect on the rich. Ontario Campaign 2000 warns that the changes to social assistance rates and benefits as outlined in the 2012 Ontario budget will have a negative impact on the Poverty Reduction Strategy and the commitment to reducing child poverty by 25% by 2013.

The Ontario government has frozen social assistance rates, slowed the increase in the Ontario Child Benefit, is going to dissolve the Community Start Up and Maintenance Benefit and Home Repair Benefit, place a cap on health-related discretionary benefits for Ontario Works recipients, and ignores the current issues of underfunding for child care in its 300 page Budget document.

The budget does state that social services funding increases will be capped at 2.7% a year rather than Don Drummond's recommendation of 0.5% a year. This funding increase is lower than the 5% per year increases in social assistance funding over the past 3 years.

Alizeh Hussain, Ontario Campaign 2000 Coordinator states,

"The cuts in the 2012 budget mostly speak to putting in place restraints on the income and needs of people living in poverty. This is a time when the government should be providing supports to help people living on low income participate in the economy rather than putting them in a position where they are likely to be worse off.

The exclusion of child care from this budget is particularly concerning. Affordable, regulated child care is critical to the economic well-being of low income families with children under 4 years old. Many of these families are unable to realize their economic potential because of the lack of affordable regulated child care in Ontario. By not addressing this problem the government is adding to the province's labour market woes."

"This budget is deeply disappointing for people living on social assistance in Ontario," said Jennefer Laidley, Policy and Research Analyst at the Income Security Advocacy Centre (ISAC). "Budget 2012 takes \$180 million out of the pockets of the poorest Ontarians this year, people who are least able to absorb these cuts. How this squares with the government's commitment to poverty reduction is hard to understand."

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Ontario Campaign 2000 is a non-partisan, cross provincial network of over 60 organizations working to end child and family poverty in Ontario and Canada.