

2010 Provincial Budget Announcement – Doesn't Add up to Poverty Reduction

Only 15 months ago, the McGuinty government made a commitment to a comprehensive poverty reduction plan for all Ontarians. During this time they have demonstrated time and again, that their commitment is far from comprehensive. And they have done it again in this Budget proposed for 2010. In York Region, our Do the Math Working Group, which is part of a provincial "Put Food in the Budget" campaign, is working to bring awareness to MPPs and the public, for the need to increase social assistance rates for individuals who find themselves forced to rely on Ontario Works (OW) and the Ontario Disability Support Program (ODSP). While the government engages in a review of the current system which could take months or even years to complete, we have made a strong case for an immediate increase in assistance by adding a \$100 /month Healthy Food Supplement, for individuals living far, far below the poverty line on OW and ODSP.

In visiting 6 out of 7 of our MPPs across York Region between July and December 2009 to complete the Do the Math Survey (a budget exercise to determine the monthly costs of an individual living on OW or ODSP; see www.putfoodinthebudget.ca) the consensus from the MPPs was that individuals cannot afford to live on the current basic amounts of \$586 for OW and \$1,042 for those on ODSP. And yet contrary to this opinion which is shared by the vast majority of MPPs across Ontario who completed the survey, the Government has taken a big step in the other direction. The McGuinty government has ignored the requests of thousands of Ontarians for the Healthy Food Supplement, as well as the opinions of their own MPPs who had to admit to the substandard rates for individuals on social assistance in this province. In the 2010 Budget announcement on March 25, they took another gigantic step backward with the announcement of cuts to the Special Diet Allowance (SDA) which provides access to a nutritional diet, critical to the health of thousands of low income Ontarians. They claim that the program was unsustainable at it's current levels. Those individuals who were eligible for a special diet allowance, up to now, are those who experience health concerns and illness and are dependent on the supplement. Without it, they become more susceptible to debilitating illness and disease which will no doubt be even more costly to our healthcare system in the short and long-term.

While the province has introduced an across the board increase of 1% to the Basic Needs Allowance for all people on social assistance, (inflation is projected to be 2% or higher in 2010), this goes nowhere towards redressing the 22% cuts to social assistance rates that occurred in 1995 under the Harris government. Let's put this in real terms. If you are living on \$586/month and you get a 1% increase or \$5.86 additional per month, does that make a substantial improvement in your ability to pay rent or put food on the table? And if you happen to be a person with compromised health, who had previously qualified for the special diet allowance and you experience a significant cut which impedes your ability to purchase healthy food, what do we realistically expect the outcomes to be?

"People with medical conditions had been able to get up to \$250 a month for healthy food on the SDA," says Tom Pearson, chair of the Poverty Action Coalition for Change in

York Region. While giving a 1% increase across the Board, the Government is not saying clearly that its proposed action on Special Diet will likely mean tens of thousands of recipients will actually get a 15-20% cut in their incomes.

“Research in Ontario clearly shows that social assistance benefit levels are so low that all recipients are subject to higher incidence of illness and chronic disease,” says Peter Clutterbuck with the Put Food in the Budget Campaign. “The inevitable cut to the SDA puts the most susceptible to these conditions at even greater risk.”

“It is well documented, that the cost of treating chronic disease far outweighs the cost of preventing it. So instead of moving forward we have actually taken a big step backwards in safeguarding the health of many of our most vulnerable citizens in this province, and this will cost all of us.” Yvonne Kelly, Chair of the York Region Do the Math Working Group.”

With the announcement of what have been described as considerable cuts to the SDA, the province is not providing details. The opposition has attempted to get some clarity on what this will mean for SDA recipients immediately but the Premier is not answering those questions. So for now everyone remains in the dark as to what the cuts will mean to individuals and when we can expect these to come into effect.

Even with the knowledge that the fiscal costs of long-term or chronic illnesses such as diabetes and heart disease, not to mention the “human” costs, are much higher when individuals lack access to healthy food and other dietary supports, the McGuinty government is proceeding with its plan to cut dietary allowances. They are also choosing to maintain social assistance rates at substandard levels which keeps individuals trapped in unbreakable cycles of poverty. These recent decisions reflect the belief that the most vulnerable among us, no longer “deserve” the most basic of supports – nutrition, which gives them the best chance at managing and fighting their illness. It would seem that somewhere along the way, we reverted to a “survival of the fittest” mentality in Ontario where it comes to the health of our population. Could we be on a slippery slope towards losing ground on our overall commitment to health for all in Ontario? If we’re not really concerned about the implications of this, we should be.

If you are concerned about these issues, if you see the merit in investing in people and in the long-term viability of our health care system, if you believe basic nutrition is a preventative measure in winning the war against chronic illness and that everyone deserves to have the best chance to maintain their own health, then talk to your MPP who will no doubt be well aware of the Put Food in the Budget Campaign and our position on the government’s proposed cuts to the Special Diet Allowance.

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