



## END CHILD & FAMILY POVERTY

Media Release

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### Budget 2013: Strong Steps Forward but Still Missing the Target

**TORONTO**-The 2013 Ontario budget makes strong steps forward in some areas but does not fully increase the Ontario Child Benefit, the cornerstone of Ontario's Poverty Reduction Strategy. At the same time, the budget starts the process of social assistance reform. Further action is still required in other areas that will reduce child poverty in the province.

Ontario Campaign 2000 commends the government for important and long overdue action on social assistance rule changes to earnings exemptions and asset rules. Unfortunately, the delay to 2014 in the increase of the Ontario Child Benefit to \$1310/child/year leaves hanging in the balance the achievement of the government's goal of reducing child poverty by 25% by the end of 2013.

"The delay in the full increase to the OCB leaves parents struggling to stretch benefits while the prices of food and rent have risen. The Ontario labour market does not distinguish between workers who are parents and those who are not. From 2008-10, the Ontario Child Benefit effectively reduced child poverty in the province and most importantly, it put food in the fridge, diapers in the cupboard and school supplies in the hands of children from low and modest income households who may otherwise have gone without. This budget's failure to implement the full Ontario Child Benefit means the Ontario government will be off track on its own poverty reduction strategy and that children and families will feel the effects. We urge all parties to keep their commitment to Ontario's families by delivering the full Ontario Child Benefit as early as possible," said Anita Khanna, Coordinator of Ontario Campaign 2000.

Ontario Campaign 2000 is encouraged by the budget's inclusion of rule changes recommended by the Commission for the Review of Social Assistance. "Allowing people on OW who are able to work to keep \$200 of their monthly earnings is a significant and overdue rule change. Raising the savings and asset limits of people on OW is also a step in the right direction," said Margaret Hancock, Executive Director of Family Service Toronto. "Unfortunately, there has been no change to the rule that claws back child support payments from lone parents on assistance dollar for dollar. Implementing the commission's recommendation to reduce the claw back to 50% of child support would make an important difference to families and their children."

The budget includes a \$3 million annual investment to improve workplace standards but does not include an increase in the minimum wage. Today, 120,000 children live in poverty despite having one parent working full time, full year. In 2013, the minimum wage needs to be set at \$14 to lift hard working people out of poverty. "Increasing the minimum wage will not only make paid work a pathway

out of poverty, it can also stimulate the economy. A low wage earner can do little more but make rent. Increasing wages puts money back into the local economy so that people can support small business and in turn help to create more jobs,” said Deena Ladd of the Campaign to Raise the Minimum Wage.

“The areas of child care and housing also require action from government to reduce child poverty in Ontario,” said Khanna. “A new model of child care funding including indexation is urgently needed to begin to address the needs of Ontario’s families. An accessible system of high quality child care services means parents can work full time or attend training and lift their families out of poverty. Housing remains the single biggest expense for low income families, yet this area is not explored in the budget. Tackling poverty in a meaningful way requires immediate investment in affordable housing.” Ontario Campaign 2000 urges all parties to continue working towards reducing child poverty.

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To request an interview with these speakers or a low income parent, contact Anita Khanna at 416-788-3439 or Liyu Guo at 416 595 9230 ext. 244.