



**FAMILY SERVICE TORONTO**  
For People. For Change.



# **2024 Ontario Budget Response**

## **Ontario Campaign 2000**

### **April 2024**

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#### **About Ontario Campaign 2000**

Ontario Campaign 2000 is a provincial coalition of over 70 active partner organizations committed to eradicating child and family poverty in Ontario. Our membership is broad and diverse. It includes faith groups, members of the healthcare and community sectors serving children and families, educators, academics, racialized communities, and low-income and working families from Thunder Bay to Peel Region to Windsor. For nearly 30 years, Campaign 2000 has carefully monitored child poverty rates and related social policies at the federal and provincial levels through our annual report cards on child and family poverty. For more information, visit [www.ontariocampaign2000.ca](http://www.ontariocampaign2000.ca).

The 2024 Ontario Budget fails to adequately meet the needs of the most vulnerable among us.

As a coalition of over 70 organizations, rooted in the communities we serve, we understand how critical it is for Ontario to prioritize support for those who continue to be left behind. When a budget falls short in addressing the needs of the most marginalized in our province, it leads to increased negative consequences.

Although there were some positive announcements, the 2024 Ontario Provincial Budget, *Building a Better Ontario*, does little to uplift families living in low-income, persons with disabilities, workers and those relying on income supports like Ontario Works (OW) and Ontario Disability Support Program (ODSP).

Ending child and family poverty requires a multifaceted approach that involves policy changes, increased funding and targeted initiatives aimed at improving the lives of children and families across the province. The approach must involve decent work, investment into child care, affordable housing and barrier-free access to income supports to reduce and ultimately eradicate child and family poverty.

Our pre-budget recommendation submission can be found [here](#).

### Prioritizing Decent Work & Equity in the Workplace

In our pre-budget submission, we recommended the following;

- a. Increase the minimum wage to at least \$20
- b. Close the gender gap
- c. Implement 10 permanent sick days

The province will put an additional \$100 million in the Skills Development Fund this year, which will help young people and job seekers advance their careers. However, prioritizing decent work in Ontario does not only mean more jobs but good jobs, characterized by fair equitable wages, job security and benefits such as adequate paid sick time. The minimum wage increase from \$15.50 to \$16.55 in October 2023 still falls short of the \$20 needed. This increase will impact close to 1.4 million workers, but workers and families are still struggling to make ends meet as they're forced to contend with multiple jobs to afford necessities.<sup>i</sup> In 2021, the Consumer Price Index (CPI) went up by 3.4% and food costs alone increased by 4.2%.<sup>ii</sup> Poverty will deepen as the price of basic goods continues to increase and wages do not.

Women-led lone-parent households, racialized, Indigenous and transgender women and women with disabilities are disproportionately affected by poverty and experience barriers to accessing the job market. The 2024 Ontario Budget does not make any reference to closing the gender pay gap and pay equity legislation.

Similarly, the 2024 budget did not address the longstanding call for ten employer-paid sick days for workers across the province that would allow workers to take sick leave without risking their income. Paid sick days are crucial to reducing poverty as they prevent the loss of wages due to illness-related absences, which in turn helps individuals and families maintain their financial well-being.

## Investment in an Adequate Childcare System

In our pre-budget submission, we recommended the following;

- a. Prioritize a childcare workforce strategy
- b. Implement affordable childcare fees
- c. Implement a needs-based funding formula
- d. Investment into quality public and non-profit childcare

We commend the government for the investment of \$16 billion in capital grants over 10 years to build, expand and renew schools and childcare spaces across Ontario. However, an investment in an adequate childcare system in Ontario is not only one of “spaces” but one of affordability for parents, public funding and adequate training and wages for childcare workers.

Advocates, staff and parents have continuously called on the province to address the ongoing retention and workforce crisis affecting quality childcare and Early Childhood Educators (ECEs). Yet this year's provincial budget fails to mention any funding aimed at creating a workforce strategy for ECEs. Without an adequate ECE workforce strategy, efforts to expand and renew childcare centres will not succeed. The Ministry of Education has estimated Ontario will be short 8,500 ECEs needed to meet their expansion targets by 2025-2026.<sup>iii</sup> An adequate workforce strategy includes investment into increased salaries for ECEs and non-RECE staff, reversal of funding cuts to the education budget, paid preparation time and a healthy and safe work environment among other recommendations.

Last year's budget committed to reducing childcare fees to an average of \$10 per day,<sup>iv</sup> but this continues to be inaccessible for many families. Outside of the plan to expand spaces, there was no mention of working to fix affordability in the 2024 Ontario Budget. This aforementioned plan should work to replace the current subsidy system with a barrier-free sliding fee scale with a cap of \$10 per day per family. While this is being developed, the province must increase access to the current subsidy system and remove barriers like subsidy childcare wait times and unaffordable fees. Early learning and childcare are considered critical to addressing child poverty and a lack of access to childcare will only hinder parents, especially mothers, from joining the workforce, pushing them into a further state of poverty.

## Investment into an Affordable and Accessible Housing Strategy

In our pre-budget submission, we recommended the following;

- a. Increase housing supply and access to housing
- b. Prioritize and support the nonprofit and co-op housing sector
- c. Collaborate with the federal government to ensure that unfair evictions, rent increases and service decreases are proscribed by provincial statutes and that accessible enforcement mechanisms are available to tenants.
- d. Support tenants by preventing unlawful evictions, eliminating vacancy decontrol and making meaningful reforms to the Landlord and Tenant Board (LTB).
- e. Build an adequate data system for housing indicators

As the affordable housing crisis worsens, low-income renters are disproportionately affected. We commend the provincial government in investing an additional \$152 million over the next three years to support those facing unstable housing conditions and dealing with mental health and addiction challenges, which will complement the \$202 million each year in homelessness prevention programs and Indigenous supportive housing programs announced last year. Expanding access to supportive housing will go a long way for marginalized groups who are dealing with the lack of mental health and addiction supports in their respective communities.

The 2024 budget notes that they will be prioritizing homeownership and will be working with other levels of government and industry partners to help build at least 1.5 million homes by 2031. We appreciate that there is a focus on increasing the housing supply intended to meet the demand for homeownership; however, there was little focus put on families that have no option but to rent. Campaign 2000, alongside many housing advocates, has been pushing for investment into the construction of affordable rental properties to ensure affordable housing for low- and middle-income families. Low and moderate-income tenants have very few rental options that do not force them to pay unaffordable rents. 60% of Ontario tenants noted they had no option but to cut back on food in order to pay their shelter costs.<sup>v</sup> Campaign 2000 recommended that prioritizing and supporting the nonprofit and co-op housing sector would be an effective solution to ensure the creation of rental housing units that would remain accessible and affordable in the long term. New market housing alone has never provided the affordable housing supply needed by low-income families and nonprofit and co-op housing has a proven track record for filling in the gaps that the usual market does not fill.

There was also no mention of solidifying support and protection for tenants, elimination of vacancy decontrol and meaningful reforms to the Landlord and Tenant Board (LTB). Eliminating vacancy decontrol and extending rent regulation to units built after 2018 is critical to achieving affordability for families that rent and for reducing the number of evictions. As it stands, vacancy decontrol only creates an incentive for landlords to remove long-term tenants, which results in rental increases far above inflation and unnecessary evictions.

### Solidify Safety Nets & Remove Barriers

In our pre-budget submission, we recommended the following:

- a. Double Ontario Works (OW) and Ontario Disability Support Program (ODSP) rates
- b. Invest in making access to social assistance equitable and barrier-free.
- c. Work with the federal government and provincial governments to ensure that all children have adequate and barrier-free access to the Canada Child Benefit (CCB) and Ontario Child Benefit (OCB).
- d. Reinvest all clawed-back federal transfers including Canada Emergency Response Benefit (CERB) and Canada Recovery Benefit (CRB) funds into social assistance programs.
- e. Ensure immigration status is not a barrier to eligibility for income supports or public health initiatives

People with disabilities have a higher likelihood of living in poverty due to economic and social barriers to accessing full-time employment. Adequate income support programs like Ontario Works (OW) and

Ontario Disability Support Program (ODSP) rates can help prevent and alleviate poverty by ensuring that families have sufficient resources for housing, food, education, and health care. The 2024 Ontario Budget referred to the *annual inflation adjustments to core allowances* for the ODSP program. However, the current ODSP rates are not sufficient to cover the needs of individuals living with disabilities. While this was a step in the right direction, the base amount was already insufficient and far below the poverty line. Recent studies show that in Toronto, the cost of healthy food and shelter is already 50% more than the ODSP rates and 20-25% higher than those rates in other GTA communities and Ottawa.<sup>vi</sup>

Similarly, the 2024 provincial budget made no reference to increasing OW rates for Ontarians. OW has seen no increases in its rates for the sixth year in a row. OW rates continue to be \$733 a month for individuals despite inflation increasing an average of 6.5% over the last 12 months.<sup>vii</sup> Those who are unhoused, living in shelters, or do not have a fixed address do not receive the shelter component of OW/ODSP, thereby subsisting on an even lower rate.

We urge the provincial government to immediately double OW and ODSP rates to bring incomes up to at least the Census Family Low Income Measure, After Tax (CFLIM-AT). Inadequate rates of both ODSP and OW only keep families in persistent poverty. Policies that enhance income security contribute to a more equitable society and can lead to improved overall well-being, especially for marginalized communities that already face systemic barriers.

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<sup>i</sup> Workers' Action Centre (2023). *Ontario Minimum Wage Becomes \$16.55 but its Time for \$20*. Retrieved from <https://workersactioncentre.org/wp-content/uploads/2023/09/Ontario-Minimum-Wage-Media-Backgrounder-Oct-2023.pdf>

<sup>ii</sup> Workers' Action Centre (2022). *From the Frontlines: An Urgent Agenda for Decent Work*. Retrieved from workersactioncentre.org.

<sup>iii</sup> Association of Early Childhood Educators Ontario (2023). *AECEO Submission to Ontario Budget 2023 Consultations*.

<sup>iv</sup> Government of Ontario (2023). *Building a Strong Ontario: 2023 Ontario Budget*.

<sup>v</sup> Advocacy Centre for Tenants Ontario (2024). *2024 Budget Consultations*. [https://www.acto.ca/production/wp-content/uploads/2024/02/Ontario\\_BudgetSub\\_2024\\_ACTO.pdf](https://www.acto.ca/production/wp-content/uploads/2024/02/Ontario_BudgetSub_2024_ACTO.pdf)

<sup>vi</sup> Ferdosi, M., Graefe, P., Lewchuk, W., Ross, S. (2023). *Not Back to Normal: Social Assistance in Post-Pandemic Ontario*. McMaster University. Not Back to Normal Report September 2023 FINAL (mcmaster.ca).

<sup>vii</sup> Income Security Advocacy Centre (2023). *Ontario Budget 2023: Designed to Balance the Books on the Backs of Ontario's Poorest During a Worsening Affordability Crisis*.