



Ontario Coalition for Social Justice
305 - 15 Gervais Dr., Toronto, ON M3C 1Y8
416-441-3714 info@ocsj.ca www.ocsj.ca

December 5, 2008

An Open Letter to the People of Ontario in Response to the Poverty Reduction Strategy Announced by the Ontario Government

The poverty reduction strategy announced yesterday by the Ontario Government offered more spin than substance.

The strategy promises to increase the Ontario Child Benefit over the next few years, but it does not increase the minimum wage more than already planned, and it does not increase social assistance or disability rates at all.

Josephine Grey, co-chair of the OCSJ, expressed the coalition's frustration. "As long as people do not have enough to cover their basic needs, they cannot support their families. A few changes made to the system do little to make up for increasing hardship."

Should we applaud the Government for adopting specific timelines and targets for reducing poverty when they choose to target only a fraction of the population? Reducing child poverty by 25% over 5 years is important but that's not social justice. Tony Blair reduced poverty amongst all Britons by very nearly 25% over 5 years, and Barrack Obama has promised to reduce poverty in America by 50% in the next 10 years. The Ontario scheme is poor in comparison.

According to Professor Dennis Raphael, the author of *Poverty and Policy in Canada*, four key factors that determine the incidence of poverty are the level of minimum wages (as a % of average wage), the level of social assistance benefits (as a % of average wage), regulations that facilitate workers being able to organize and obtain collective labour agreements, and the availability of affordable childcare. Raphael points out that "The McGuinty government has actively resisted making it easier for low wage workers to organize, has provided minimum wage and social assistance levels that leave people worse off than they were during the Harris years, and has made little effort to provide affordable childcare for those most in need."

Ontario's strategy depends upon money from the Federal Government – a government that is in a precarious position to deliver anything, a government led by someone who has shown little interest in the plight of poor people.

The Ontario Government's strategy says further that it cannot meet its goal "without a growing economy" – when help is needed now more than ever.

Poverty is measured in relative terms. It's really about how income is shared among people. So it does not require an economic miracle or a rich economy to share more equitably -- people adrift in a lifeboat can share what little they have. But that would require Premier McGuinty and friends getting relatively less so that others might get enough. As our economy continues to crash the lifeboat analogy seems more and more appropriate.

The good news is that those countries that have shown the political will to share incomes more equitably now enjoy the most prosperous and competitive economies in the world. In the Scandinavian countries no lives are wasted -- everyone can contribute and enjoy a high quality of life.

Meanwhile, you had better not lose your job in Ontario. The McGuinty Government has still not restored the social safety net which was slashed by Mike Harris. This latest scheme will only tinker with delivery -- there's nothing in it for the hundreds of thousands fearful of being laid off in the coming months, those who are only a few pay cheques away from poverty.

Rather than pity the poor in this province let's build a movement for a real improvement.

*For information, contact **John Argue**, OCSJ Coordinator 416-441-3714*