



Ontario United Ways¹ 2023 Pre-Budget Submission to the Standing Committee on Finance and Economic Affairs

Introduction

Ontario's 2023 Budget comes at a time of both challenge and opportunity for the province. While confronting record inflation, food insecurity, a critical lack of affordable housing, escalating mental health and addiction-related needs, and a greater complexity and demand for community services, the province is growing and revitalizing at a rapid rate. Growth brings opportunity as investments can do double duty, enhancing health and social outcomes while supporting equitable and inclusive growth.

With the Ontario government's commitment to growth and prosperity, unprecedented investment in large-scale and transit-oriented development, and its focus on employment and skills training, housing and health infrastructure, United Ways across Ontario are positioned to support government to maximize the impact of its investments by ensuring that everyone has access to the programs, services, and opportunities they need to thrive. Mobilizing community support, United Ways bring deep knowledge of local issues and opportunities, strong community capital, and innovative cross-sectoral partnerships committed to building lasting solutions to Ontario's significant social and economic challenges.

If implemented, our recommendations to government help ensure that the 2023 Budget builds a foundation for the equitable prosperity of all Ontarians, maximizing resources and public dollars for multiple economic and social benefits. In that spirit, Ontario United Ways urge government to:

1. Invest in the community services sector to enable the delivery of critical services that meet the unique needs of diverse communities across the province including First Nations, Métis and Inuit Peoples; Black and other racialized communities; women; seniors; people living with disabilities and 2SLGBTQ+ communities.
2. Invest in safe, affordable and accessible housing options to protect the health and well-being of lower-income Ontarians and build a strong housing ecosystem and economy.
3. Provide greater income security and equitable access to employment supports and opportunities to ensure that all people have the means to live and prosper in Ontario.
4. Create inclusive, connected, and equitable communities that support the health and well-being of all residents.

Recommendations

- 1. Invest in the community services sector to enable the delivery of critical services that meet the unique needs of diverse communities across the province including First Nations, Métis and Inuit Peoples; Black and other racialized communities; women; seniors; people living with disabilities and 2SLGBTQ+ communities.**

There can no longer be any doubt as to the vital role the community services sector plays in providing essential services and supports to Ontarians, especially in the face of increasingly complex and enduring social issues. From mental health and addictions services; affordable, transitional, and

¹ Full list of endorsements below.

supportive housing; employment and skills building; childcare; food security; addressing race, gender and faith-based violence; settlement services; and building social connection for seniors and others, community services are critical to our social and economic fabric and collective prosperity.

However, the sector has reached a breaking point². Staff and volunteers have worked tirelessly throughout the pandemic, adapting service delivery to ensure that thousands of Ontarians can access critical programs and services needed to survive. Funding deficits, an unprecedented need for services, significant challenges in recruiting and retaining staff, and a toll on the mental health of frontline workers themselves are eroding the stability and sustainability of Ontario's vital community services infrastructure. Many workers in the sector – predominantly female and racialized – are precariously employed, receiving lower wages than their private and public sector counterparts. Volunteerism and charitable giving are also steadily declining^{3 4}, putting further strain on the sector as it fills the gaps to respond to a growing mental health, addictions, and housing crisis.

There is an urgent need to collaboratively identify public policy solutions to mitigate current challenges and establish a sustainable model that will effectively support the sector many Ontarians increasingly depend on today and into in the future. We want to work with government to:

- i. Transition to stable, flexible, long-term operational funding, adjusted for inflation, that reflects the full cost of delivering services and programs, allows for competitive wages, reduces administrative burden, and can be adjusted to respond to changing community needs.
- ii. Support the development of a sector-wide labour force strategy and workforce development plan that will attract, retain and train workers while reducing precarious work conditions and delivering wage parity.
- iii. Invest in new and innovative approaches to funding and service delivery in rural and remote communities, including those that address the housing and mental health and addictions crises and respond to the unique needs of equity-deserving groups.
- iv. Partner with the sector to explore possible strategies to support the recovery of volunteerism and charitable giving in the province.
- v. Establish a permanent home within government for the social services sector to streamline policy and program coordination across Ministries and sector partners.

2. Invest in safe, affordable and accessible housing options to protect the health and well-being of lower-income Ontarians and build a strong housing ecosystem and economy.

A safe, affordable, and accessible home is the first step in ensuring a stable life, foundational for people to access employment, educational opportunities, adequate food, and other support. Yet across Ontario, people face critical barriers to housing, particularly low-income individuals and families. One third of all Ontario households are renters⁵, with almost a quarter paying rents that are unaffordable⁶. Housing unaffordability is also associated with poorer physical and mental health outcomes⁷ which in addition to the impact on individual well-being, increases pressure on other provincial programs and services.

The province's [More Homes Built Faster Act \(2022\)](#) was enacted to address Ontario's housing crisis with a plan to build 1.5 million new homes over the next 10 years. We welcome government's commitment to increasing housing supply and addressing housing-related needs across the province. While supply is critically important, a full suite of options is required, however, to protect and deliver the

² See, for example, Ontario Nonprofit Network (2021). *COVID-19: State of the Ontario Nonprofit Sector One Year Later*.

³ Ibid.

⁴ Canada Helps (2022). [The Giving Report 2022](#).

⁵ Statistics Canada (2022, July 21). [Table 46-10-0059-01 Housing suitability and dwelling condition, by tenure including social and affordable housing](#).

⁶ Statistics Canada (2022, July 21). [Table 46-10-0065-01 Core housing need, by tenure including first-time homebuyer and social and affordable housing status](#).

⁷ Leon, S., & Iveniuk, J. (2021). [Widening inequities: Long-term housing affordability in the Toronto Census Metropolitan Area 1991-2016](#).

range of affordable, accessible, transitional and supportive housing options that lower-income and at-risk Ontarians need. Beyond individual and shared social benefits, investing in affordable housing has a positive effect on the economy – for every \$10 invested in housing and related supports for chronically homeless individuals, there is a cost savings of up to \$20 within healthcare, justice, shelter, and social assistance⁸. To achieve the goal of providing a range of safe, affordable and accessible housing options to protect lower-income Ontarians and strengthen the housing ecosystem, we urge the provincial government to:

- i. Expand and protect the necessary range of affordable and accessible housing options in rural and urban areas through investment in affordable and deeply affordable housing – where affordable is defined as no more than 30 per cent of a household’s before-tax income – and through effective rent control policies that protect long-term affordability.
- ii. Increase investments in integrated transitional and supportive housing to provide a wide range of culturally responsive and relevant wraparound services for First Nations, Métis and Inuit Peoples, Black and racialized communities, and other populations such as 2SLGBTQ+, people with disabilities, those experiencing mental health illnesses, addictions, and survivors of domestic violence.
- iii. Increase support to municipalities for investment in repair and renewal of existing naturally occurring affordable housing, including aging towers.
- iv. Enable community-based non-profit organizations to acquire, preserve and revitalize existing affordable rental stock by increasing access to financing through both private and provincial lenders including Infrastructure Ontario and the Housing Investment Corporation, and dedicated capital funding strategies to ensure sustainable investment in community housing renewal.

3. Provide greater income security and equitable employment to ensure that all people have the means to live and prosper in Ontario.

Rising costs coupled with the highest rates of inflation in 40 years are putting immense financial pressure on Ontarians. Across the province people are struggling to make ends meet, with some earning well below what is needed to afford even the most basic necessities for themselves and their families. A 2021 survey showed that 2 in 3 food bank visitors in Ontario have less than \$100 left after paying their housing costs each month⁹. For people living on social assistance or disability supports the reality is even bleaker as they earn less than 50% of what they need to live¹⁰.

Recent increases to minimum wage and the Ontario Disability Support Program (ODSP), and reduced ODSP clawbacks are welcomed steps in the right direction but are not enough to meaningfully address the affordability crisis, or to lift people out of poverty. Increasing minimum wage, ODSP, and Ontario Works (OW) rates to livable levels would not only provide immediate relief for lower-income earners, but it would also benefit businesses, boost worker health and well-being, and create a positive multiplier effect in local economies¹¹.

Precarious work, characterized by low wages, instability and limited access to benefits and support is also rising, leaving many workers without the means to stay healthy, productive, and employed. The government’s consideration of a portable benefits program could help mitigate the detrimental effects of this type of work, but efforts to provide equal rights and protections to all workers and identify clear pathways to more stable, better paying jobs must continue in order to support and attract the workers needed to maintain a strong economy.

⁸ Gaetz et al, S., Gulliver, T., & Richter, T. (2014). The State of Homelessness in Canada 2014.

⁹ Feed Ontario. (2021). [Hunger Report 2021: How The Pandemic Accelerated the Income and Affordability Crisis in Ontario.](#)

¹⁰ Coleman, A., & Shaban, R. (2022). [Calculating Ontario’s Living Wages November 2022.](#)

¹¹ Barford, A., Gilbert, R., Beales, A., Zorila, M., & Nelson, J. 2022. [The case for living wages: How paying living wages improves business performance and tackles poverty.](#) Business Fights Poverty, University of Cambridge Institute for Sustainability Leadership & Shift.

In addition to the trades, infrastructure investments can provide pathways to professional, administrative, and technical jobs, and better economic opportunities for residents from historically disenfranchised communities who have not benefited from previous development. Tools such as Community Benefits Agreements (CBAs) can create targeted employment, training, and apprenticeship opportunities, new procurement pathways for local small businesses and suppliers, and improved neighbourhood amenities for residents. To ensure that all Ontarians have the means to live, obtain secure, well-paying jobs, and benefit from economic investments in their communities, we recommend that government:

- i. Increase minimum wage, ODSP and OW rates to align with living wages and index them to inflation.
- ii. Reduce precarious work conditions by:
 - a. Enhancing legislation to eliminate employee misclassification.
 - b. Increasing the number of provincial legislated sick days.
 - c. Continuing to invest in creating new, affordable licensed child care spaces.
 - d. Implementing a portable benefits program that provides access to affordable health and wellness benefits for all workers and their families.
- iii. Continue to invest in creating pathways to stable employment with a focus on accessible skills training and culturally appropriate wraparound supports for people experiencing multiple barriers to employment (e.g., those transitioning from social assistance to sustained employment, Indigenous and racialized people, newcomers and refugees, people living with mental illness, and people who have disabilities).
- iv. Require mandatory CBAs for all major infrastructure projects with specific, measurable targets to provide local economic benefits to residents (e.g., employment, training and apprenticeship opportunities, support for entrepreneurs, social enterprise, and local suppliers, funding for new community spaces).

4. Create inclusive, connected, equitable communities that support the health and well-being of all residents.

Every Ontarian deserves a safe place to live with access to the services and opportunities that build the foundation for a good life. Yet, in many rural and remote communities, the continued absence of affordable and accessible transit and broadband internet and cellular service means residents cannot access the basic services they require to maintain their health and wellbeing. In urban and rural areas, residents struggle to find affordable housing, accessible community amenities or decent employment opportunities close to home.

Investments in reducing barriers to services and strengthening physical and social infrastructure can pay dividends, leading to better health outcomes for residents, lower crime rates, stronger economic growth, and greater social capital¹² ¹³. Layering equity principles and targets into planning, local growth and development can also spur positive neighbourhood change by both addressing existing inequities and preventing creation of new inequities leading to stronger long-term growth and economic well-being¹⁴.

Many communities are reporting increases in violence targeted at equity-deserving groups and individuals experiencing vulnerabilities. As government acknowledged in its [2021 Anti-Racism Strategic](#)

¹² Kingsley, B., Morley, K., Das, S., Mayan, M., & Wallace, E. (2021). [Attempting to address conditions of poverty through an inclusive economic approach in Alberta](#). *Canadian Journal of Nonprofit and Social Economy Research*, 12(S1), 46–64.; Ross, L., Wood, S., Burgy, D., Eley, C., Guerra, M., Howard, T., Ledesma, E., Mitra, A., Ochoa, M., Perkins, A., Stowell, C., & Vazquez, M. (2019). [Planning for equity policy guide](#). American Planning Association.; Taylor, A., & Zuberi, D. (2017). [\(Re\)generating inclusive cities: Poverty and planning in urban North America](#). Taylor and Francis.

¹³ Early Action Task Force and Community Links (2020). [Being in a Good Place: Investing in Social Infrastructure](#).

¹⁴ Ross, L., Wood, S., Burgy, D., Eley, C., Guerra, M., Howard, T., Ledesma, E., Mitra, A., Ochoa, M., Perkins, A., Stowell, C., & Vazquez, M. (2019). [Planning for equity policy guide](#). American Planning Association.

[Plan annual progress report](#), incidents of anti-Indigenous, anti-Black and anti-Asian racism, Islamophobia, and antisemitism are on the rise. Gender-based violence continues to be prevalent, with more than 4 in 10 women experiencing some form of intimate partner violence in their lifetimes¹⁵. The province has shown strong leadership in mandating the development of municipal Community Safety and Well-Being (CSWB) plans to proactively address locally identified risks to community safety and well-being. To further support inclusive, connected, and equitable communities in Ontario, we recommend that government:

- i. Engage residents, people with lived and living experience, community leaders and agencies in meaningful consultations to develop innovative solutions to local issues, using collaborative approaches such as the [FOCUS Toronto](#) model.
- ii. Accelerate the [provincial Anti-Racism Strategic plan](#), increasing funding for anti-hate and anti-racism public education, relationship building, and support for victims of hate.
- iii. Ensure access to safe, reliable, and affordable transit, in rural, remote, and urban areas, that reduces the province's greenhouse gas emissions.
- iv. Continue to expand broadband and cellular service in rural communities through investments in infrastructure, similar to those recently [announced for Middlesex County](#).
- v. Support and fund the implementation of CSWB plans across Ontario.

Conclusion

Access to vital services, affordable homes, livable incomes, good jobs, and safer, more equitable and sustainable neighborhoods are the building blocks of a healthy and prosperous Ontario. United Ways across the province are ready to work with government, our corporate and community partners, residents, and communities to ensure that everyone has the means to seize the opportunities for a brighter future for themselves and their families.

Endorsements

United Way Bruce Grey
United Way Centraide North East Ontario
United Way Centraide Simcoe Muskoka
United Way/Centraide Stormont, Dundas & Glengarry
United Way/Centraide Windsor-Essex County
United Way for the City of Kawartha Lakes
United Way of Durham Region
United Way East Ontario
United Way Elgin Middlesex
United Way Greater Toronto
United Way Guelph Wellington Dufferin
United Way of Haldimand and Norfolk

United Way Halton & Hamilton
United Way Hastings and Prince Edward
United Way of Kingston, Frontenac, Lennox & Addington
United Way Leeds & Grenville
United Way Niagara
United Way Northumberland
United Way Oxford
United Way Perth-Huron
United Way Peterborough & District
United Way Waterloo Region Communities
United Way Thunder Bay

¹⁵ Cotter, A. (2021). [Intimate partner violence in Canada, 2018: An overview](#).