



The Social Planning Council of Cambridge and North Dumfries is a non-profit organization that actively participates in building and strengthening our community through research, analysis, facilitation and education, fostering innovation and positive social change.

[www.socialplanningcouncil-cnd.org](http://www.socialplanningcouncil-cnd.org)

## 2011 Provincial Budget

On March 25th, just two days after the federal government fell on a non-confidence motion, the Ontario provincial liberal government of Dalton McGuinty tabled its own Budget. Heralded as "Turning the Corner to a Better Tomorrow", it contains \$124 billion in total spending, notably in the areas of healthcare, job creation, childcare, post-secondary education and municipalities.

The 2011 Budget is projecting deficits of \$16.7 billion in 2010–11, \$16.3 billion in 2011–12 and \$15.2 billion in 2012–13. This represents an improvement of \$4.7 billion over three years from the projections outlined in the 2010 Budget.

The following analysis outlines what is in, and what's missing, from the 2011 budget, particularly with regards the provincial government's 2008 poverty reduction strategy commitments.

### What is in the Budget?

**Jobs and Growth:** \$175 million in economic development funding with the aim of creating 2,100 jobs and retaining 7,800 jobs.

**Healthcare:** accounting for total of 38% of the budget, includes increased funding for breast cancer screenings, hospitals, as well as prescription drug benefits.

**Education and Employment:** \$64 million in 2011/2012 growing to \$309 million in 2013/2014 to add 60,000 new spaces to college and university students by 2015/2016. \$44 million over three years for literacy and basic skills programs. \$22.5 million in 2011/2012 for the Summer Jobs Strategy.

**Mental Health:** Investment in a Mental Health and Addictions Strategy aimed at children and youth that increases to \$93 million per year by 2013/2014.

**Childcare and Education:** 200 additional schools will offer full-day kindergarten this fall, and the program will be available in all schools in September 2014.

**Municipalities:** The province will continue the upload of social assistance benefits, court security, and road and bridge maintenance from municipalities, assuming \$1.5 billion in annual costs by 2018.

### 2011 Budget By the Numbers

\$124 billion in  
total spending

\$100 million in  
Ontario Drug  
Benefit Program  
enhancements

\$44 million over  
three years for  
literacy and basic  
skills programs

\$22.5 million for  
the Summer Jobs  
Strategy

1500 Public  
Service Jobs cut  
by 2015

## Poverty Reduction Initiatives

Despite earlier promises, the budget contains little to support the Poverty Reduction Strategy's goals to reduce child poverty, apart from references to the current social assistance review. The proposal from many individuals and organizations throughout the province for a \$100 Healthy Food Supplement for all adults receiving social assistance as a first step to meeting basic needs was not included in the budget.

Though the province introduced its new Long-Term Affordable Housing Strategy in November 2010, there were no monies attached. The Ontario budget 2011 says that the province is continuing to negotiate with the federal government for significant new housing funding (most major federal housing programs are scheduled to expire by 2014, and funding for existing affordable housing funded under federal housing programs will drop sharply in the coming years).

## Municipalities

According to the Association of Municipalities of Ontario (AMO), the 2011 Ontario Budget respects the 2008 Provincial-Municipal Fiscal and Service Delivery Review Agreement to upload \$947 million in provincial costs from the municipal property tax base this year. The 2008 Review committed the Ontario government to upload \$1.5 billion in annual costs related to provincial social services, court security, and road and bridge maintenance by 2018.

"Overall the budget stays the course on past commitments to municipalities and others in the public sector, takes steps to protect jobs, and aims to reduce the cost of delivering provincial programs and services."

-Peter Hume, Association of Ontario Municipalities

## Healthcare and Mental Health Investments

The Budget contained various health-related measures including:

- A Mental Health and Addictions Strategy, starting with children and youth with funding to reach \$93 million per year by 2013-14
- \$15 million over the next three years for 90,000 more breast cancer screening exams, including access to the Ontario Breast Screening Program for high risk women aged 30-49
- \$100 million annually to enhance the pharmacy services (e.g. MedsCheck Program) and supports to recipients of the Ontario Drug Benefit Program, primarily seniors and social assistance recipients

"The commitment to pick up over \$63 million in outstanding child care costs is a positive and long-overdue move by the Ontario government, but the government needs to provide greater help to laid-off workers."

-Ken Lewenza, CAW President

## Childcare Spending Maintained

Childcare spaces in Ontario will be protected despite the end of a federal subsidy because of a \$63.5-million investment in the budget. Despite the lack of federal funding, the provincial government will keep 8,500 child-care spaces.

However, worries remain that the problem will only be aggravated when Ontario moves ahead with its plan to bring in full-day kindergarten for four and five year olds, particularly with regards to before and after school care.

## Implications for the Nonprofit Sector

The Budget includes new investments and commitments for reform. It emphasizes deficit reduction, finding savings and rethinking how government works. There is, however, no mention of the Partnership Project, or the contributions of the nonprofit sector in building and maintaining a strong society and economy.

## Additional Resources

Ontario Nonprofit Network, [www.ontariononprofitnetwork.ca](http://www.ontariononprofitnetwork.ca)

Wellesley Institute, [www.wellesleyinstitute.com](http://www.wellesleyinstitute.com)

Association of Municipalities of Ontario, [www.amo.on.ca](http://www.amo.on.ca)

25 in 5 Network for Poverty Reduction, [www.25in5.ca](http://www.25in5.ca)

Put Food in the Budget, [www.putfoodinthebudget.ca](http://www.putfoodinthebudget.ca)

For more information about this paper or related research, please contact:

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