



Tax harmonization takes food off the table

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We are deeply concerned about the Ontario Government's plans for harmonizing the PST and GST. Low income people cannot afford to lose ground as cash is taken out of their pockets for increased taxes on things like gas and electricity leaving them with less for food and other necessities.

The Social Planning Network of Ontario has been actively promoting the introduction of a \$100 monthly Healthy Food Supplement for more than half a million adults on social assistance as a central part of a poverty reduction strategy for Ontario. Regrettably, the provincial budget does not include this measure.

The Province's one-time rebate (\$300 for singles) combined with a sales tax credit increase of \$160 maximum may cover the tax increases in 2010 for low income people. For single adults on social assistance, however, the sales tax credit alone starting in 2011 (about \$13.00 a month more) will not likely cover the harmonized tax increase on electricity, gas and other items.

Social assistance recipients cannot afford to fall further behind in their monthly living expenses. The cost of inadequate income to their physical and mental health is well-documented. More and more communities across Ontario are making the connection between food, health and poverty.

This issue will not be going away as public health and community leaders continue to join their voices for the Healthy Food Supplement in the coming months.

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