
2010 Budget Holds Only Threat For Ontario's Most Vulnerable

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The 2010 Budget fails the test of a Government committed to a comprehensive poverty reduction plan for Ontarians. An amount of \$57 million is designated as an increase to the Basic Needs Allowance for people on social assistance, which is 1%, while inflation is projected to be 2% or higher in 2010.

The Government signaled major cuts to the Special Diet Allowance (SDA), while making no specific provision in the 2010 Budget. Claiming that the SDA was "unsustainable" at current levels, the Government announced that the program will be redesigned and transferred from Social Services to the Ministry of Health and Long Term Care. Government officials would give no estimates of what would constitute sustainability, but indicated that it would be well below the current \$200 million program cost. Clearly, thousands of low income Ontarians now dependent on the SDA for access to a nutritional diet critical to their health will become more subject to debilitating illness and disease, likely even more costly to the healthcare system.

"People with medical conditions can get up to \$250 a month for healthy food on the SDA," says Tom Pearson, Chair of the Poverty Action Coalition for Change in York Region, "While giving a 1% increase across the Board, the Government is not saying clearly that its proposed action on Special Diet will likely mean tens of thousands of recipients will actually get a 15-20% cut in their incomes."

"Research in Ontario clearly shows that social assistance benefit levels are so low that all recipients are subject to higher incidence of illness and chronic disease," says Peter Clutterbuck with the Put Food in the Budget Campaign, "The inevitable cut to the SDA puts the most susceptible to these conditions at even greater risk. Rather than considering the PFIB campaign's recommendation for a \$100/month Healthy Food Supplement, the Government is actually about to take a good portion of that amount out of the monthly budgets of Ontario's most vulnerable people."

"Further, the Government's claim that it is increasing rates by 1% and has already increased rates by 11% since 2003 is a charade," says Clutterbuck, "As the Government's 2007 Budget document itself stated, these 1-2% increases are cost of living adjustments, made to protect the purchasing power of the existing rates. They are not real rate increases. So, actually for people on social assistance in this province, Premier McGuinty's Government has done absolutely nothing to begin to reverse the 22% rate cuts instituted by Mr. Harris in 1995."

For further information:
Peter Clutterbuck, SPNO/PFIB,
416-653-7947
416-738-3228