# CUPE Ontario Pre-Budget Submission

## Ontarians Deserve Better

**Fred Hahn**

**President**

**1/29/2015**

*Canadian Union of Public Employees Ontario Division*

The Canadian Union of Public Employees (CUPE) Ontario is the largest union in the province with more than 240,000 members in virtually every community and every riding in Ontario. CUPE members provide services that help make Ontario a great place to live. CUPE members are employed in five basic sectors of our economy to deliver public services: health care, including hospitals, long-term care and home care; municipalities; school boards in both the separate and public systems; social services; and post-secondary education. CUPE members are your neighbours. They provide care at your hospital and long-term care home. They deliver home care for your elderly parents. They collect your recyclables and garbage from the curb. They plough your streets and cut the grass in your parks and playgrounds. They produce and transmit your electricity, and when the storm hits in the middle of the night, they restore your power. CUPE members teach at your university and keep your neighborhood schools safe and clean. They take care of your youngest children in the child care centre and make life better for developmentally challenged adults. They protect at-risk children as well as those struggling with emotional and mental health issues.

Our members do this work every day, and as a collective experience it equips us to make a positive and informed contribution to the discussions around the provincial budget and the priorities of Ontarians. We support the development of vibrant, healthy communities and strong local economies, and part of this can be realized through a provincial budget that invests in people and public services.

*A Broken Contract*

Ontarians believe they have an implicit contract with their government – you work hard and you and your family can have a good life. We believe our government is there to help in times of need and to make sure no one is left behind. While this government has agreed in theory that it will be an 'activist government', it has regretfully not consistently translated this into action, and a secure life is now a pipe dream for too many Ontarians.

With over a decade now of the Ontario Liberal Government in power, there has been ample time for a variety of voices to reflect on and review the government's successes and failures. While undoubtedly the government has made progress in a few areas, too many of its decisions have negatively impacted the majority of Ontarians.

Most significantly, years of corporate tax cuts have bled the province of desperately needed revenue. Over the course of 2010/11 to 2014/15, had corporate tax rates remained the same, government coffers would have had an additional $8 Billion[1]. These lost revenues have resulted in missed opportunities to build a stronger Ontario and have left many of our neighbours, friends, and families desperate for a government that works for them and their communities.

[1] Calculation by CUPE Economist Toby Sanger

Instead, this supposedly 'activist government' views having the lowest per-capita program spending and the lowest total government revenue per capita as a source of pride. This is emblematic of the mindset of government that cannot decide what it really wants to be. It woos voters with promises of progressive solutions but when faced with the tough choices it just will not commit to reversing tax cuts for profitable corporations so we can invest in the services Ontarians need.

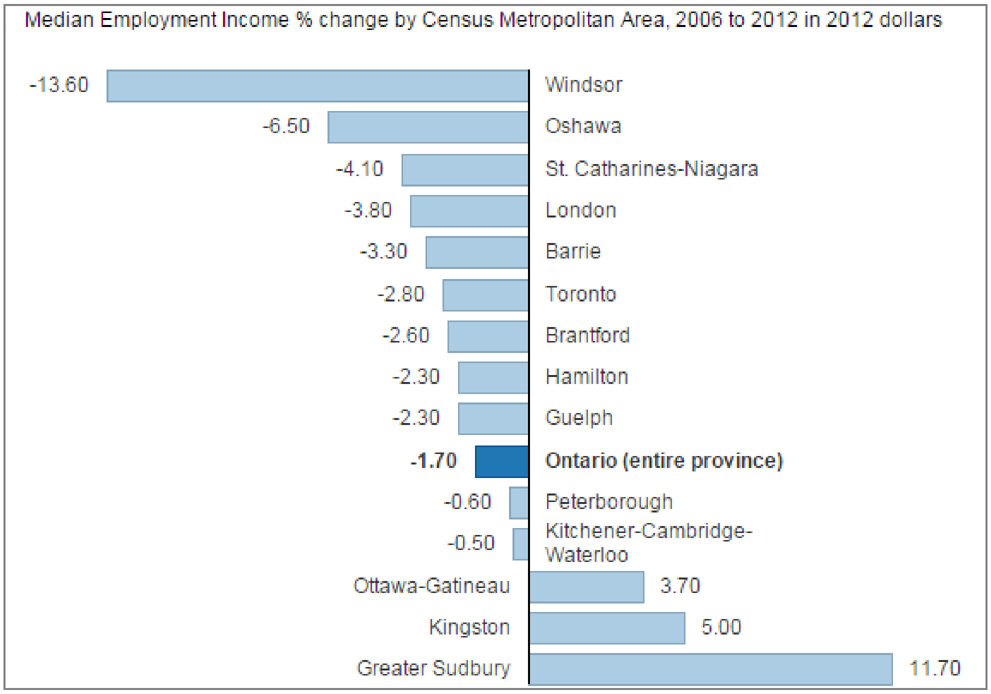
A tide of sobering third party analysis should have washed over and encouraged this government to change course at this stage in its mandate.

The magic of austerity driving business confidence has been thoroughly debunked by numerous sources including the IMF and others. In November 2014, the Independent Evaluation Office of the IMF published its assessment of the IMF's Response to the Financial and Economic Crisis and came to the conclusion that the call for austerity in 2010 was a mistake[2]:

> *"The IMF's call for fiscal expansion and accommodative monetary policies in 2008–09, particularly for large advanced economies and others that had the fiscal space, was appropriate and timely. IMF advocacy of fiscal consolidation proved to be premature for major advanced economies, as growth projections turned out to be optimistic. The recommended policy mix was not appropriate, as monetary expansion is relatively ineffective in boosting private demand following a financial crisis. Also, the IMF did not sufficiently tailor its advice to countries based on their individual circumstances and access to financing when recommending either expansion or consolidation."*

The original misguided call for austerity was unfortunately heeded by this government and has had tremendous fallout. For those 'lucky' enough to have a job, wage growth over the past six years has been negative under the Liberal government. Over the course of six years (2006-2012) the real median income in Ontario has gone down by -1.70%. As noted below, few cities in the province have been spared in the decline of real wage growth.[3]

[2] http://www.ieo-imf.org/ieo/pages/CompletedEvaluation227.aspx
[3] http://www.broadbentinstitute.ca/en/blog/employment-income-2006-who-gained-and-who-lost




While many global institutions, banks and NGOs are now speaking with one voice on the wrongheadedness of austerity, this government has decided to continue policies that exacerbate the problems instead of implementing solutions that will work for all Ontarians. Further evidence of this has been recently highlighted by the Ontario Auditor General. The government's fixation of public-private-partnerships (P3) has been denounced by the Auditor General in both Ontario and BC. The Ontario Auditor General calculated that due to the government's use of P3'S, Ontarians have overpaid nearly $8 Billion to private contractors for projects which have historically been delivered safely and efficiently through the public sector.[4] Similarly, the BC Auditor Generals 2014 annual report suggested that "while [the BC] government's weighted average cost of borrowing is approximately 4%, on the $2.3 Billion that government borrowed through public private partnerships this is 7.5%". The Auditor Generals in both of these provinces have reached identical conclusions.

Ontario can also learn a lesson from the BC experience on asset sales. The BC Auditor General report states "that government earned $601 million from the sale of assets [which is] much more than the prior year and contributed significantly to ensuring a balanced budget. It is important to note that assets can only be sold once and cannot be relied upon as a continuing revenue stream."[5] These asset sales are short-term gains at the expense of the long-term prosperity of both provinces. Yet, the Liberal government continues to move forward with recommendations made by the Ed Clark report advocating asset recycling and the privatizing of Ontarians collective wealth. Asset recycling is a novel way to repackage the discredited idea of privatization. While Clark does make some welcome observations on how the Breweries retail monopoly has deprived Ontario of sorely needed revenue, his recommended sell off of income generating public assets is counterproductive. Astonishingly, at no time has a sense of

[4] http://www.auditor.on.ca/en/reports_2014_en.htm
[5] http://www.bcauditor.com/files/publications/2014/special/report/AGBC%20ROPA-FINAL.pdf

cognitive dissonance fallen upon the government on this matter. The government should ask itself, with interest rates so low, when if not now will they be able to justify borrowing to invest in crucial public services and infrastructure? The government must find the strength to end the scourge of unemployment and idle capacity, and invest in Ontarians and the services they deserve.

This amplification of poor policy decisions has hurt too many Ontarians. This is particularly egregious at a time when income inequality is one of our generation's greatest concerns. As demonstrated by Thomas Piketty inequality has now reached heights not seen since the age of robber barons[6]. It is incumbent for the government to focus its efforts on reducing the savages of inequality. It must be stated in the clearest of terms: inequality is not inevitable, it's engineered.

The unfortunate success of this engineering was recently highlighted in a repot by OXFAM[7]. According to the report, the richest 1% own almost 50% of the world's net wealth. This buttresses another finding that the world's 85 wealthiest people have as much money as the 3.5 Billion poorest people on the planet – half of the Earth's population. This serves as a stark reminder that creating policies that continue to advantage the wealthy few comes with increasingly heavy costs for the many.

As Canadian Economist Miles Corak has noted, one of the major costs of inequality is a decrease in economic mobility. His Great Gatsby Curve shows a comparison of Canada in relation to other countries and their ability to move up the economic ladder. Ultimately, the more inequality in a parents' generation leads to less mobility in the future generations. This has becoming so concerning that TD Bank has released a report on inequality highlighting that Canada has "not been immune from the overall trend towards higher income inequality" and that "inequality is not just bad for individuals, it's bad for your economy and your society". [8] For many Ontarians, working hard is no longer a pathway to success. Having low income parents can often mean that you have the hardship of being an economically marginalized adult. Corak has calculated that Canadian parents can expect to pass on between a fifth and a quarter of their advantage to their children.[9] While Canada does better than the US on intergenerational mobility, this is historically due in large part to the ability of low-income children to receive reasonably high-quality education and health care. However, increasing cuts to a range of public services threaten that advantage. This rising inequality means it will be harder for future generations to climb the economic ladder.

[6] Piketty, Thomas. *Capital in the Twenty-First Century*. Cambridge, MA: Harvard UP, 2014.
[7] http://www.oxfam.org/sites/www.oxfam.org/files/bp-working-for-few-political-capture-economic-inequality-200114-summ-en.pdf
[8] http://www.td.com/document/PDF/economics/special/income_inequality.pdf
[9] Corak, Miles Raymond. *Are the kids all right?: Intergenerational mobility and child well-being in Canada*. Statistics Canada, Analytical Studies Branch, 2001.

*A Counterfactual for Ontarians*

In total, these collections of poor choices have tangible costs to Ontarians. Corporate tax rate cuts cost coffers $8 Billion[10] and money wasted on P3'S were another $8 Billion, totaling $16 Billion. Had the government chosen a different path all these years it could have lived up to its contract with Ontarians and delivered on desperately needed public services. We could have avoided[11]:

- Hospital bed closures, staff cuts and downsizing.
- Lack of quality long-term care based on assessed resident need.
- Continuing shortfalls in the core operating grant to schools.
- More than 10,000 people waiting for home care.
- More than 12,000 people waiting for residential support.
- That less than half of universities' operating revenue comes from government.
- Regulated minimum 4 hours hands-on care, per day, per patient, in Long Term Care.

These strategic investments are an important pillar of well being for Ontarians. Public services are the great equalizer in society. The median household in Canada has an income of $66,000 and derives a benefit of $41,000 from public services[12]. This is the equivalent of more than 63% of its income. With an average household size of 2.6 persons per household, the benefit per capita in the median household is $15,724. When the government short changes investment in public services it does lasting damage and accelerates already worsening inequality.

For example, a recent study out of the UC Berkley looked at K-12 spending and its outcome effects. It found that: [13]

> *"a 10 percent increase in per-pupil spending each year for all twelve years of public school leads to 0.27 more completed years of education, 7.25 percent higher wages, and a 3.67 percentage-point reduction in the annual incidence of adult poverty; effects are much more pronounced for children from low-income families."*

It should hardly come as a surprise that when public schools get more money, students do better. This holds true for strong investment in all public entities including hospitals, libraries, social services, and infrastructure.

In spite of all of the above, the Ontario government decided in its last budget that it would back end load austerity. Its only focal point seems to be having the $12.5 Billion dollar deficit erased by 2017/18, an arbitrarily chosen date, with no clear rationale provided. It is clear that the government will need to

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[10] Calculation by CUPE Economist Toby Sanger
[11] See appendix A for additional thoughts
[12] Mackenzie, Hugh, and Richard Shillington. "Canada's Quiet Bargain." *Canadian Centre for Policy Alternatives* (2009).
[13] Jackson, C. Kirabo, Rucker Johnson, and Claudia Persico. *The Effect of School Finance Reforms on the Distribution of Spending, Academic Achievement, and Adult Outcomes*. No. w20118. National Bureau of Economic Research, 2014.

balance its budget at some point, but governments should be guided by improving fundamentals which matter to all Ontarians such as wage growth, increasing job opportunity, and strong social services. As the previous Ontario Finance Minister, Greg Sobara stated, "the number one item on the agenda is the economy, including productivity growth, job creation, new business development and higher real wages."[14] A fixation with balancing the books puts politics over policy. As the former Bank of Canada governor David Dodge noted, "there's nothing magic about zero deficit"[15].

Far too many government funding envelopes have plateaued, or worse - have not even kept up with inflation or population growth. These are minimum spending levels which must be met. This is to say nothing of the lack of funding provided to actually increase public services by investing in Ontarians. While political parties in the recent election had plans around balancing the budget, this government was also elected as an 'activist government' which campaigned on strategic investments, wage growth and public investments. Based on the government's current budgeting priorities, it cannot realistically have it both ways.

Unfortunately the government has unwisely decided to play with Ontarians livelihoods by attempting to balance the budget by its arbitrary 2017/18 date. Even the most optimistic of economists does not believe it is within the government's grasp to do this without imposing drastic spending cuts, and more importantly question the rationale for this goal. The government should delay its balance budget timeline of 2017/18 by at least two years and then evaluate next steps based on economic indicators. This is essential if Ontario is to avoid further cuts to vital services and jobs which will put additional strain on our economy.

Ontarians deserve better than promises of progressiveness underscored by stealth cuts driven by an artificial budget date. They deserve tax fairness to pay for public services and policies that address the real challenges so many people are facing. Wage stagnation and inequality are not inevitable. They are outcomes of policy choices that we have the power to change.[16]

The Premier recently remarked that job growth was her most important task for the upcoming year; however she did not want to promise job growth in the public sector because she knew that "the private-sector creates jobs". This is in stark contrast to the Premier's remarks with respect to Tim Hudak's plan to cut 100,000 jobs from the public sector, which the Premier called "disastrous"[17]. It is critical to see the role that the public sector plays as the anchor in what has been a terrible economic period for too many. Both the private and public sector have roles to play in a healthy environment and for the Premier to dismiss that duality of our economy is illustrative of the mindset of this government.

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[14] The Battlefield of Ontario Politics: An Autobiography By Greg Sorbara (page 196)
[15] http://www.cbc.ca/news/politics/the-politics-behind-stephen-harper-s-fixation-on-a-balanced-budget-1.2928453
[16] http://news.nationalpost.com/2014/12/19/premier-kathleen-wynne-on-oil-prices-smart-meters-and-why-the-liberals-forced-end-to-gas-plant-hearings/
[17] http://www.680news.com/2014/05/09/hudak-says-hell-reveal-plan-to-balance-ontarios-books-before-2017/

*Looking Forward*

Moving ahead, the government's plan to embark on a new Ontario Retirement Pension Plan (ORPP) is a step in the right direction; however the lack of universality will mean that many Ontarians will remain in tenuous retirement. All of Canada's successful social programs are universal in nature and creating a carve out for the ORPP would mean that future expansion into the Canada Pension Plan (CPP) would be highly unlikely, if not impossible. The government should mimic its own arguments towards expansion of a universal CPP when deciding how to structure the ORPP and make it universal. Many workers with Defined Benefit and Target Benefit plans receive limited income in their retirements based on years of service, varying contribution and benefits levels and breaks in employment – often for family matters. A universal expansion of our public pension system, either through the ORPP or CPP, will mean a secure retirement for all, which in turns ensures that these workers will be able to contribute to their economy in their retirement while also addressing rising and worsening inequality.

Investing in Ontario will require that we all pay our fair share, which includes corporations. Regressive corporate tax reductions have diminished Ontarians revenue and our ability to fund the basic public services and infrastructure that we need. Corporate taxes should be raised to their 2010 rate of 14 per cent. Additionally, tax fairness should include applying Business Education Taxes at a uniform rate and indexing them, introducing a financial activities tax (similar to Quebec), removing the Employer Health Tax exemption for the first $450,000 of payroll, suspending the phase-in of HST input tax credits provided to large businesses (for energy, telecom, meals and entertainment expenses) and ending the partial deduction of meals and entertainment expenses for corporations. These measures would allow for strategic investments in Ontarians which would help balance our budget. See additional selected measures below:

| Measure | Estimated Annual Revenue |
|---|---|
| Restore Ontario's general corporate income tax rate to 14% from 11.5% | $1.8 billion |
| Restore Ontario corporate capital tax for medium and large sized corporations to 0.3% for general corporations and from 0.6% to 0.9% for financial corporations | $2.1 billion |
| Apply a uniform Business Education Tax rate with indexation | $0.4 - $1 billion |
| Remove the Employer Health Tax exemption for the first $450,000 of payroll | $0.9 billion |
| Suspend the phase-in of HST input tax credits provided to large businesses for energy, telecom and meals & entertainment expenses | Gradually rising to $1.3 billion annually from 2016 to 2019 |
| Introduce a financial activities tax (5% rate on finance sector profits and compensation | $2 billion |
| Eliminate tax preferences for stock options | $0.16 billion |
| Eliminate lower rate of tax on capital gains for individuals and corporations | $1.5 billion |
| Eliminate deductions for meals and entertainment expenses for corporations | $0.12 billion |
| Tax audit collection and compliance measures | $0.7 billion in 2013/14, rising to $2.0 billion in 2017/18 |
| **TOTAL** | ~$10+ billion annually<br>~$12-13 billion by 2018/19 |

Sources: 2014 Ontario Economic Outlook and Fiscal Review; Ontario Transparency in Taxation; Ontario budget documents; Drummond Commission Report; Canada Revenue Agency, Income Statistics; Toby Sanger "Fair Shares CCPA report.

Additionally, fairness requires that we tackle the growing precarity amongst workers. This should be addressed by the implementation of labour law reform that protects workers' right to organize and further strengthen Employment Standards protection. .

The recent shift in the energy landscape has created further opportunities for Ontarians. With oil prices almost 50% below summer highs, the government is certain to see an additional increase in the GDP growth. These conditions, along with stronger economic growth in the US, should be used to enhance Ontarians well-being. Key to this is:

- Real wage growth
- Increased investment in public services

*Carbon Price*

The government has also announced a plan to introduce a carbon price.  CUPE Ontario has many concerns that would need to be addressed before we could lend support to a carbon price policy.

CUPE believes that any attempt to control climate change through pricing carbon must also be paralleled, with strong government regulation. Far too many commentators naively view a market carbon price as a panacea; instead we believe that a multipronged approach, which includes policy, regulation, and public investment, will create the systemic changes we need to solve the problems that we face.

While the exact details and makeup of a carbon price are unclear at this moment, it is incumbent upon the government to make sure that whatever model is chosen is structured in a way that is both socially and economically progressive. This model cannot seek to solve one crisis while perpetrating another.

The government is in a unique position to view the BC carbon tax through the lens of hindsight. Though the BC carbon tax has seemingly had an environmental impact, it has done so in a way that has unnecessarily hurt many British Columbians; in particular those who did the least to cause the climate problems.

The Ontario carbon price must be structured so that it is revenue positive and the revenue collected are used for the benefit of all Ontarians. The BC model of revenue 'neutrality' is not in fact revenue neutral and is in practice revenue negative.  Additionally a carbon price cannot be used to further reduce corporate incomes tax rates or revenues collected. Under the guise of revenue neutrality, BC reduced corporate income tax rates further from an already historic low.  No doubt there are corporations in Ontario who would like to see that same framework applied here. The government would be unwise to acquiesce to those narrow corporate interests and reduce corporate tax rates further in Ontario which already are at their lowest point since the 1930s. This approach will only serve to increase inequality for the majority of the population and continue to fracture the belief that the government works on behalf of all Ontarians.

A truly effective solution to climate change requires that the government use its resources to help people pivot away from fossil fuels. This includes both services and infrastructure that make it possible to reduce our carbon footprint. Taxpayers expect and understand that their taxes go towards public services and infrastructure. These necessary investments in the broader public sector cannot be paid for with tax cuts.

The BC example of revenue neutrality was an unfortunate example of 'bait and switch' for British Columbians. Not only did the government miss the opportunity to use the revenue collected to invest in desperately needed public services, but the tax cuts given away (primarily to corporations) were larger than the amount collected. The total revenue loss (including actual and forecasted) over the introduction of the tax in 2008 and up to and including the forecasted 2017 amounts is a total of -$1.66

Billion[18]. British Columbians were sold a revenue neutral carbon tax, but instead were sold a bill of goods to give a cut to corporate tax rates through a back door. This astounding loss of revenue has occurred every single year, with the government giving away more in tax cuts than they receive in revenue. Ontario's carbon price cannot replicate this failed policy. Ontario's carbon price must be revenue positive.

| BC Carbon Tax Revenues and Expenditures | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Actual | | | | | | Forecast | | |
| | Millions of Dollars | | | | | | | | |
| | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 |
| Carbon Tax Revenue | 306 | 542 | 741 | 959 | 1120 | 1212 | 1228 | 1248 | 1271 |
| Total tax expenditure | -313 | -729 | -865 | -1141 | -1380 | -1232 | -1436 | -1564 | -1626 |
| | -7 | -187 | -124 | -182 | -260 | -20 | -208 | -316 | -355 |
| | | | | | | | | | |
| Total Revenue Loss (including actual and forecast 2008-2017) | **-1659** | | | | | | | | |

The regressive nature of a carbon price means that lower and middle income households pay a larger share of their income to a carbon price, even though they have the smallest carbon footprints. An equity lens must be applied and credits should be established to make sure that low and middle income households are not made worse off with a carbon price. These credits should keep pace with any increase of a carbon price and on average the bottom half of households should receive more in credits then they pay in a carbon price.

The public sector's role in a carbon price must be fully publicly funded. This funding will allow the public sector to be leaders in dealing with climate change. This funding should not come at the expense of any future increase in funding levels needed to keep up with the growing need for quality services. The public sector must also not be required to participate in any carbon offset scheme which will only serve to needlessly diminish government coffers. Lastly, Just Transition programs must be developed to apply to any job that may be negatively affected by changes resulting from carbon pricing.[19]

Ultimately, a well crafted progressive carbon price should help the environment while generating revenue and reducing inequality. Ontarians can witness, through a strong environmental policy with a social lens, that the contract they believe they have with their government is being honoured.

[18] Author's calculations from previous BC budget documents: http://bcbudget.gov.bc.ca/2014/bfp/2014_Budget_Fiscal_Plan.pdf
[19] http://www.canadianlabour.ca/sites/default/files/pdfs/justransen.pdf

*Conclusion*

If this government wishes to truly live up to the branding it has sold to the people of Ontario, one which labels itself as an activist government, it must understand that at the centre of this budget is the well being of the people of Ontario – the economy of the province of Ontario is really its people. When we put Ontarians first, it becomes clear that the direction of the budget must change.

Action must follow language and strategic investments in Ontarians must result. The government should be honest with Ontarians about the goal of balancing the budget, but it must not be fixated on an arbitrary date of 2017/18. Instead it must focusing on what really matters to Ontarians such as funding levels to public services, which must be restored and increased based on the added pressure on demands for services. Corporate taxes must increase so that we all pay our fair share to build Ontario. The use of costly and illogical P3's must stop and instead we must revert back to the public financing that has successfully grown Ontario for generations. This includes the privatization laid out in Ed Clark's report through schemes such as asset recycling.

It is time for Ontario to have the courage of its convictions and truly live up to its end of the contract with Ontarians.

*Appendix A*

Post Secondary Education

- Ontario is chronically underfunded with the lowest levels of per-student funding in the country. This needs to be addressed; students, workers and community members are facing accessibility issues with respect to post-secondary education. Ontario is the most expensive place to go to school. We see increased privatization and contracting out, and attrition, all leading to a decline of quality public sector service delivery and good jobs.
- Following the example of many OECD countries, we ask that the government follow the advice of their former Finance Minister and work towards the elimination of post-secondary tuition fees. Even the US is beginning to examine tuition free initiatives for some portions of post-secondary education.
- Increases in funding should not be tied to differentiation, privatization, strategic mandate agreements and performance indicators.
- A fair funding formula for all staff is needed.
- Funding for the deferred maintenance on our campuses.

Municipalities and Municipal Social Services

- Funding for public transit that keeps up with population growth and increased demand.
- Take Social Assistance Management System (SAMS) off-line and return Service Delivery Model Technology (SDMT) until the problems with SAMS are corrected.
- Stop the funding cuts that are forcing the closures of municipal public childcares in Sarnia, Sudbury and so many other communities.

Education

- Additional funding for school libraries.
- Additional funding for special education staff to counteract the adverse effects such as special education students being sent home due to a lack of staff.
- A school facility funding formula that recognizes all the educational activities that takes place in schools, and which foster better community use of schools, instead of one that penalizes boards that offer adult education, child care services and other community programs.
- Increased funding is needed to support the full implementation of full-day kindergarten and to address the $740 million shortfall in the core operating grant to schools since 2011-12.
- Support staff for students with special needs.
- Stop the continuing shortfall in the core operating grants to schools.

Health Care

- Long-term care: Increased funding is needed to meet greater demand and to provide four minimum hours of care standard based on assessed resident need.
- Support Public health care instead of (the Liberal strategy) of pushing services into private clinics.
- Restore hospital base funding, to avoid further cuts in beds, services and jobs.
- Increase long-term care beds due to the rapid growth of the 85+ plus population.
- The estimated real cost increases of hospitals is 5.8 per cent annually due to increased utilization and higher costs of drugs and medical technologies.
- The Auditor General has estimated that hospitals need funding increases in the 6% range to keep up with cost pressures.
- The government claims they are making up for cuts in hospital and LTC services by increasing home and community care. This is the same justification that was used by Mike Harris to justify hospital closures and mergers. While it is correct that there is increasing capacity in the home care sector over the last few years, the increases do not make up for the increased demand caused by the cuts in hospital and LTC (never mind population growth and aging) and as a result, individual patients, overall are receiving less care.
- In fact, increases in Home care funding are still needed to accommodate the over 10,000 people waiting for care and to provide decent wages and working conditions for personal support workers. Home care services have failed to keep up with the 33 percent increase in demand.

Child care

- $300 million additional childcare fund (annualized) is needed now to address immediate crises such as cuts to 18 municipalities through changes to the funding formula, centre viability, municipal subsidy waiting lists, family child care agency funding. Overall funding should be index to inflation.
- Increased funding is needed to avoid further closures, increase the number of child care subsidies and further integrate child care with the education system.
- Implement the childcare wage increases that were promised in the last budget and have yet to be seen.
- Fund a Children's Mental Health strategy that sees community agencies assisting youth supported to do the work that is needed in communities.

Developmental services

- Despite increases announced in 2014, additional funding is required for an end to waitlists for persons with developmental disabilities, including providing residential care for which waitlists have risen dramatically.
- Developmental Services: The cost of eliminating the waitlist of 12,000 individuals for residential support is estimated at up to $1.2 billion per year.

- Redirect resources in Developmental Services to agencies and workers who can provide quality individualized care rather than pouring resources into individualized funding.

Community agencies

- Additional funding support for safety for women and children fleeing violence.
- 5% increase to the operational funding of The Ontario Association of Interval and Transition Houses.

Child welfare services

- The estimated funding gap is now over $50 million per year to make it possible for Children's Aid Society agencies to meet their legislative mandate to protect children. Ontario families need an end to the layoffs, case load increases and cuts to the very programs designed to keep families together.
- Reinvest in Child Welfare with a particular view to prevention as well as protection services, to reverse cuts and temporary closures.

Social assistance rates

- A 55 per cent increase in social assistance rates is required to provide adequate support to the province's most vulnerable people and finally reverse the Mike Harris / PC cuts from the mid-1990s.

Wages and WSIB

- The Ontario minimum wage freeze should be increased to $14 per hour for everyone in Ontario.
- Ontario should end its misguided wage freeze policy and heed the advice of former Finance Minister Sorbara who said increasing real wages for Ontarians should be a priority in 2015.
- Bring in universal coverage for all workplaces in the Workplace Safety and Insurance system to assist in sustaining support, to modernize coverage as other provinces have done, and to enhance fairness for all workers.

Gender wage gap

- The gender wage gap in Ontario is 26% for full–time, full–year workers. This means that for every $1.00 earned by a male worker, a female worker earns 74 cents. The province needs to dedicate a significant sum of money to close the gender wage gap.

Accessibility

- Fully accessible buildings, workplaces and communities so everyone can participate equally.