

2016 Ontario Budget

The Ontario Non-profit Network (ONN) released recently a concise analysis entitled *2016 Ontario Budget: What We Like, What We Knew, The Work Ahead*. In addition to providing a summary on the budget's key features, the impact on the non-profit sector is discussed as well as the areas where increased focus and investments were expected.

Budget key points:

- A cap-and-trade program that covers 82% of the province's total greenhouse gas emissions
- A new and increased commitment of billions of dollars in infrastructure spending over the next ten years
- A new single upfront grant for post-secondary students called the Ontario Student Grant, which replaces a variety of grants and tax credit programs, making average tuition essentially free for students from families with less than \$50,000 in household income
- Confirmed rollout of the Ontario Retirement Pension Plan in 2018 (for both large and medium-sized workplaces)
- Pilot projects both for a Basic Income (Guaranteed Annual Income) and for a portable housing benefit (rent supplement)
- New investments in programs to end violence against Indigenous women and in hospice care.

Budget key numbers:

- Tax revenues are projected to grow 4.3% in 2016-17 from current levels
- Average program spending growth held at less than 2% until 2018-19
- For 2015–16, the deficit is forecasted to be \$5.7 billion, i.e. \$2.8 billion lower than projected in the 2015
- \$160 billion committed in public infrastructure investments over 12 years
- \$2.7 billion committed in the Jobs and Prosperity Fund over 10 years
- \$333 million to improve services for children and youth with autism over five years
- \$178 million investment as part of the Long-Term Affordable Housing Strategy over three years
- \$160 million for support and training to young people with multiple barriers to employment over two years
- 1.5 % increase of social assistance rates for people on OW and ODSP

What does it mean for the non-profit sector?

According to ONN the budget defines many infrastructure opportunities where the non-profit sector could advocate for community benefit agreements. Undoubtedly the onus remains on the sector organisation to invite themselves to the table and create opportunities.

Positive developments:

- Improving access to post secondary education (see also ISAC's budget analysis)
- \$178 million investment over three years for Affordable Housing
- \$160 million to youth employment over two years
- \$45 million over three years for the Community Homelessness Prevention Initiative
- Development of a housing strategy specific to Indigenous peoples
- Evaluation of a Basic Income Pilot

However, ONN noticed that there was little detail, or new programs or investments announced related to many of the subsectors.

More was expected on:

- Community Hubs: The Budget announcement of a resource network (with no dollars attached) and ongoing work to look at surplus school properties does not reflect the priority placed on community hubs since the spring 2015 announcement of a Community Hubs strategy.
- Social procurement and community benefit agreements: While Ontario will invest \$160 billion over 12 years in infrastructure, there were no explicit references to the opportunity presented by the use of Community Benefit Agreements to see more of this investment stay in these communities. Neither was there a commitment to introduce a Social Procurement Strategy to encourage government procurement from Ontario's social enterprises, cooperatives, and other nonprofits.
- Paying the full cost of service delivery: There are clear indications that Budget allocations to support the nonprofits that deliver services on behalf of government are not keeping up with inflation, let alone population growth and increasing community needs, at a time when accountability demands continue to rise.

Highlights of the work ahead include:

- A renewed Social Enterprise Strategy
- Employment and Labour Market Development
 - Implementation of a Labour Market Information (LMI) Strategy
 - The newly-created Partnership Council on Employment Opportunities for People with Disabilities
 - The Premier's Highly Skilled Workforce Strategy Expert Panel
 - Continued consultations on the Gender Wage Gap Strategy and the Changing Workplaces Review
- Digital Government & Open data - let's work with government to support the open-by-default approach to help all sectors use data more effectively
- Anti-Racism Directorate - launched, but no funding announced
- Surplus school space - \$11 billion over ten years in capital funding for schools, including "projects to reduce surplus space through school consolidations" (77) – will this create more community space?

- Updating the 2010 Long-Term Affordable Housing Strategy, including a framework for a system of portable benefits and legislative and regulatory changes to increase the supply of affordable housing

Sources:

<http://theonnc.ca/provincial-budget/2016-ontario-budget-analysis/>

<http://www.fin.gov.on.ca/en/budget/ontariobudgets/2016/budhi.html>

<http://incomesecurity.org/policy-advocacy/bold-steps-on-social-assistance-reform-in-ontario-budget-2016-but-incomes-still-grossly-inadequate/>