

FACT SHEET

Housing and Homelessness

The Harris/Eves Conservative Government Record

In 1995, the new Conservative government promised shelter subsidies for “all Ontarians who need help in affording a decent level of shelter.”

- Total social housing losses in Ontario since 1995: 82,900 homes – enough housing for 224,000 women, men, and children. Government funded social housing programs were cancelled.
- Total private rental losses in Ontario since 1995: 44,780 units – enough housing for 121,000 women, men, and children. In 1998, Ontario cancelled the *Rental Housing Protection Act*. CMHC estimated that Ontario required 120,000 new rental units from 1996 to 2003 to meet growing demands.
- The government announced on November 19, 1999 that its share of federal money would be used to fund 10,000 new rent supplement units. The same units were re-announced January 2000, November 2000, May 2002, and August 2002.
- Since 1995, the Ontario government has cut \$879.1 million from its housing programs.
- More than two-thirds of renter households cannot afford current average market rents.

The Ontario Alternative Budget Proposal

We know there is a better way. We would invest:

- \$630 million annually for 12,600 new provincially-funded affordable units;
- \$72 million annually for 2,400 new units as Ontario’s share of the federal-provincial Affordable Housing Program;
- \$196 million annually for 40,000 new rent supplement units.

Over five years, this sustained investment will generate 75,000 new affordable housing units and rent supplements for 200,000 low and moderate-income households.



What does the Ontario Alternative Budget do?

The Ontario Alternative Budget Working Group is made up of economists and researchers from labour, social, and faith groups. We have first hand experience with the impact of eight years of Harris/Eves policies. We know there is a better way.

Our budget does three things:

- One: It discredits the Harris/Eves government's claim that its tax cuts and fiscal policies have produced substantial gains for middle-income earners;
- Two: It documents the devastating impact of the Harris/Eves government policies on Ontarians; and
- Three: It proposes an alternative budget that would restore public services to their real per-capita 1995-96 level with a balanced budget.

Problems

- Social assistance cuts of 21.6 percent have meant a reduction in purchasing power for the poorest families in the province of 35 percent by August 2003. We see record participation in food banks, record number of homeless too many of them families.
- The sum effect is a huge change in the public economy of this province. The relative size of Ontario's public economy has been cut by almost 20 percent.
- The sum total impact of all Ontario's tax cuts, including personal income tax cuts, corporate tax cuts, and employer health tax cuts, is over \$15 billion. That is the impact in 2003-04 alone.
- Sixty percent of the benefit from the Harris/Eves tax cuts has gone to the highest 20 percent of income earners.
- Independent reports on health and on education confirm that massive reinvestment is needed in these key areas. The Walkerton inquiry showed the devastating impact of a government more concerned with the bottom line than with people's lives.

Solutions

The Ontario Alternative Budget proposes to

- Increase revenues in order to restore public services and balance the budget. We can do this by minimally raising all personal income taxes (0.25%), introducing new tax brackets for those earning over \$100,000, cancelling future corporate tax rate cuts, and eliminating the graduated rate structure for the Employer Health Tax.

The Choice

The Ontario Alternative Budget shows that

- Ontario's public services deficit is not inevitable but the result of political choices made by a government that is not interested in the greater public good.
- It is possible to reverse the damage caused by the Harris/Eves government and repair our public services within a responsible taxation and fiscal framework.

Need more information? Contact us:

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