



RNAO

Registered Nurses' Association of Ontario
L'Association des infirmières et infirmiers
autorisés de l'Ontario

Hon. Deb Matthews
Minister Responsible for the Poverty Reduction Strategy
Deputy Premier
President of Treasury Board
Room 4320, 4th Floor, Whitney Block
99 Wellesley Street West
Toronto, Ontario M7A 1W3

January 29, 2015

Choose Investment over Austerity to Address Poverty in Ontario

Dear Minister Matthews,

As we settle into a new year, reflect on promises made in 2014, and look ahead to a new provincial budget, the Registered Nurses' Association of Ontario (RNAO) urges you and all of our elected representatives to work together to build a "fairer and healthier Ontario."¹

We are among those who believe that a government can indeed "be a force for good."² There is overwhelming evidence that poverty and income inequality are preventable dangers that erode the health of individuals and communities. That's why it is imperative that you take bold action so that all Ontarians can live with dignity and enjoy good health.

On September 3, 2014, you released "our government's renewed, focused effort to reduce poverty" with *Realizing Our Potential: Ontario's Poverty Reduction Strategy 2014-2019*.³ An important lesson learned from the government's first Poverty Reduction Plan is that investments such as the Ontario Child Benefit are effective in reducing child poverty rates and preventing additional families from falling into poverty.⁴ While a good start, the 1.57 million Ontarians⁵ are still living in poverty and need help. We believe help can be achieved with a detailed implementation plan, complete with targets and timelines, and substantive public investment.

Minister Matthews, your mandate letter includes the charge to achieve fiscal targets by eliminating the deficit by 2017-2018.⁶ You were also given the responsibility to lead the Poverty Reduction Strategy, using evidence-based social policy and measuring success, in order to protect the most vulnerable in our province.⁷ RNAO's submissions have consistently argued that a precipitous drive to reduce the provincial deficit must not come at the cost of human health and fractured communities.^{8 9 10} Evidence from the recent Great Recession, Asian financial crisis, end of the Soviet Union, and Great Depression illustrate the deadly impacts of fiscal policies that prioritize austerity over stimulus and maintaining social safety nets.^{11 12}

RNAO's upcoming 2015 pre-budget submission will continue to oppose austerity in favour of investments that will improve health and decrease health inequities. We remain steadfast in urging governments to increase

fiscal capacity through a more progressive tax system with effective enforcement and levies that encourage environmental and societal responsibility. Such measures will serve to decrease income inequality and generate revenue for valued health, social, and economic investments, including spending on affordable housing, raising the minimum wage to \$14/hour, safeguarding deteriorating social housing stock, and ensuring that social assistance rates are increased to reflect the actual cost of living.

We look forward to your response.

Warm regards,



Doris Grinspun, RN, MSN, PhD, LLD(hon), O.ONT
Chief Executive Officer, RNAO



Vanessa Burkoski, RN, BScN, MScN, DHA
President, RNAO

C: Hon. Kathleen Wynne, Premier of Ontario
Hon. Charles Sousa, Minister of Finance
Hon. Eric Hoskins, Minister of Health and Long-Term Care
Jim Wilson, Interim Leader of the Progressive Conservative Party of Ontario
Andrea Horwath, Leader of the New Democratic Party of Ontario

¹ Government of Ontario (2014). Building Ontario Up. Speech from the Throne to open the 41st Parliament of Ontario. July 3, 2014, 9.

² Ibid., 2.

³ Government of Ontario (2014). *Realizing Our Potential: Ontario's Poverty Reduction Strategy 2014-2019*. Toronto: Author, 1.

⁴ Ibid, 9-12.

⁵ Ibid, 9.

⁶ Government of Ontario (2014). 2014 Mandate Letter: Treasury Board Secretariat. Toronto: Author, 2.

<https://www.ontario.ca/government/2014-mandate-letter-treasury-board-secretariat>

⁷ Ibid, 4.

⁸ Registered Nurses' Association of Ontario (2014). *Ontario Pre-Budget 2014: Finding the Right Balance*. Submission to the Standing Committee on Finance and Economic Affairs. Toronto: Author, 5-8.

<http://rnao.ca/policy/submissions/ontario-pre-budget-2014-finding-right-balance>

⁹ Registered Nurses' Association of Ontario (2013). *Ontario Pre-Budget 2013: Finding the Right Balance*. Submission to the Standing Committee on Finance and Economic Affairs. Toronto: Author, 4-7.

<http://rnao.ca/policy/speaking-notes/rnaos-ontario-pre-budget-speaking-notes-and-submission-standing-committee-fina>

¹⁰ Registered Nurses' Association of Ontario (2012). *Bill 55: Taking Deficits Seriously*. Submission to the Standing Committee on Finance and Economic Affairs. Toronto: Author,

http://rnao.ca/sites/rnao-ca/files/RNAOs_Bill_55_Written_Submission.pdf

¹¹ Stuckler, D. & Basu, S. (2013). How Austerity Kills. *New York Times*, May 12, 2013.

¹² Stuckler, D. & Basu, S. (2013). *The Body Economic: Why Austerity Kills*. New York: Basic Books.