



Strengthening Canada's Communities / Des communautés plus fortes au Canada

Submission to the Ontario 2009 Pre-Budget Consultations

Toronto, November 21, 2008

CED is an increasingly useful solution to the economic, social, and environmental challenges facing Ontarians today. CED is an effective alternative economic development model that creates fairer, stronger, and more sustainable communities through comprehensive, integrated, participatory development. It is proven to build wealth, create jobs, foster innovation and productivity, and improve social well-being. It also offers tremendous potential to increase local energy and food production and improve community sustainability.

CCEDNet's members call for public policies that create an enabling environment for communities to create their own futures, building on the innovation and commitment of thousands of active citizens and their community organizations. Our written submission outlines specific recommendations for the Ministry of Finance's 2009 Budget related to significant policy issues but today I will highlight only a few.

Premier McGuinty has been consistent in his message that "(Ontario's) poverty reduction strategy is not only the right thing to do, it is critical for our future economic success" and that "Ontario needs all of its citizens to be strong if we want to compete in the global economy. We cannot afford to let anyone fall behind." (Reducing poverty Contributes to the Economic Health of Ontario: "-- Letter to 25 in 5, Oct. 1, 2008.) This

is even more true today. This is not a strategy to be delayed, phased in more slowly or eliminated.

Noted economists have described how poverty reduction will stimulate demand in local economies across Ontario and have said that, “The best and cheapest poverty reduction strategy is to move swiftly with investments on affordable housing, education and training, early learning and child care, public transit, income supports and jobs that pay living wages. (Arthur Donner, Mike McCracken, Armine Yalnizyan Oct 21 Star) As part of the 25 in 5 Network, CCEDNet urges the Ontario government to strengthen the provincial economy by investing in a poverty reduction strategy now.

To promote economic growth and job creation Ontario needs to invest in local communities. Economic stimulus spending on infrastructure must respond to locally identified priorities, promote local employment and training – particularly for those most marginalized – and promote small business development, including co-operatives and social enterprises.

Co-operatives and social enterprises provide returns on investment that are financial, social and, increasingly, environmental. Social enterprise has proven itself as an important tool in poverty reduction, training, employment and the integration and settlement of new immigrants. Former prime minister, Paul Martin, has said that,

“Financial experts ought to be developing cutting-edge instruments to make funding available to social entrepreneurs. Tax experts ought to be thinking about mechanisms that can support social enterprise in a meaningful way. Legislators should encourage an environment that allows foundations to become more imaginative in support of social enterprise... The business entrepreneur improves our quality of life by creating wealth and economic growth. The social entrepreneur improves our quality of life by confronting the inequality that can often be the collateral occurrence of free markets. Both kinds of entrepreneurs are necessary. Let us give them both the chance to succeed.”

In Quebec, investment funds supporting social enterprise are currently providing better returns than most other market investments. Ontario needs to support such financial instruments and, like Nova Scotia, needs to provide tax incentives to promote investment in social enterprise.

To work more effectively with other levels of government and other key partners, the Ontario government needs to move beyond silo-ed thinking and funding. It must use integrated and comprehensive approaches across ministries and levels of government and must facilitate and support integrated and comprehensive approaches that are inclusive of all sectors in communities.

Investing in local communities to stimulate the economy and protect priority programs and services may well require deficit budgets in the short term. Not making this investment will lead to far larger financial and social deficits in the future. Your government should continue to press its case for “fairness for Ontario”

All of our recommendations stem from the collective voice of hundreds of community-based CED organizations, practitioners, researchers and academics from every region of Ontario. We urge you to work with us to enhance the social and economic conditions of Ontario’s communities by building fairer and stronger local economies, tackling poverty, and investing in sustainable local communities.