



Your government is supporting Ontarians in their choice to go back to school so they can get a good job - not just any job.

Ontarians are some of the most highly skilled and educated workers in the world. And that gives us a competitive edge. It is an edge we must sharpen even further.

Speech from the Throne, March 8, 2010

Overview of 2010 Ontario Budget

Ontario's 2010 budget, Open Ontario, closely parallels the themes of the recent Speech from the Throne. It focuses on demonstrating responsible fiscal management, with limited investments in areas such as post-secondary education and northern resources. There is much discussion about skills training and job growth, themes that have relevance for literacy.

The commitment from the previous 2009 Ontario Budget of \$90 million for Literacy and Basic Skills programming over two years has not changed. Our understanding from Ministry officials is that the funding allocation process employed last year will be similar this year. Announcements of this spending will be forthcoming.

In the budget speech and accompanying documents, the Ontario government expresses concern about the expiration of the recent funding

enhancements to the Labour Market Development Agreement and the Labour Market Agreement between the federal and provincial governments. In a recent meeting with Minister John Milloy, the OLC stressed its interest and desire to work with the Minister on securing the renewal of these funds.

The Economy

The Ontario budget deficit for the year just ending will be somewhat lower than originally anticipated; it is now projected to be \$21.3 billion, with a projected drop to \$19.7 billion in 2010-11. The plan is to eliminate it by 2017-18 through increased revenues and tightly controlled spending that will allow the Province to maintain its support of existing programs. There is no wide spread cost-cutting.

Education and Skills Training

The 2010 Ontario Budget reinforces its commitment to education as a key priority. It builds upon the Open Ontario pledges to increase funding to post-secondary education, specifically colleges and universities. It states that more than 1 million Ontarians are getting skills training and employment assistance. It also cites over 101,000 LBS clients have been served since 2008.

The budget speaks to the need for highly skilled workers, stating "Ontario has some of the most highly-skilled and educated workers in the world... It is an edge we must sharpen even further." The only specific initiative it introduces to do this is a \$45 million skills training program for Aboriginal and northern Ontarians over 3 years.

The budget indicates the continuation of the workplace-based literacy pilots. The Ministry of Training, Colleges and Universities official have confirmed the next request for proposals will focus solely on Workplace Literacy projects.

The government will implement the federal-provincial Targeted Initiative for Older Workers agreement to support skills training projects in hard-hit communities. These projects will help unemployed older workers in vulnerable communities to develop the skills required to find a good job in today's labour market.

The government will also continue to deliver the Second Career Strategy by helping an additional 30,000 unemployed workers get training. This will bring the total number of participants to nearly 60,000 since the program began in June 2008.

The budget plan reinforces the Ontario government's commitment to responsible and efficient spending. It is clear that it is undertaking measures to "transform the delivery of government programs to improve client service and enhance efficiency". As we know, this has already happened with Employment Ontario agencies, and we expect a similar process to begin with the LBS program. The government plans to improve customer service by creating one-stop access for all Ontarians to Employment Ontario across the province which will be in place by August 2010.

Conclusion

Yesterday's Ontario budget is largely as we expected: It reinforces the need to focus on the renewal of the funding enhancements to the Labour Market Agreements, maintain messaging that is tied to jobs and economic

growth - particularly from a local perspective - and prepare for a 'transformation' of the EO system.

To build a strong case for sustained literacy funding in the 2010 Ontario Budget, the Ontario Literacy Coalition presented at the Standing Committee on Finance and Economic Affairs, along with Barb Glass, Chair of the College Sector Council, and Maurice Labrecque, a student from Conestoga College.

On March 25, 2010, the Ontario Literacy Coalition was invited to the Budget Lock-up and presented this analysis.