



POVERTY IN ONTARIO

January 2020

January 2020 – the Ontario Government is currently consulting on “innovative ideas on how to reduce poverty” as part of the five year review of the next Poverty Reduction Strategy. Organizations and individuals can provide written submissions by email to prso@ontario.ca

An online survey will be posted on Ontario.ca @ <https://www.ontario.ca/page/consultations-directory> in early 2020 for approximately 60 days where organizations and individuals are encouraged to submit feedback.

What to do:

Send in comments to the survey.

Write letters to your MPPs asking them about the poverty reduction strategy.

When you receive the answers, make suggestions and comments. Don't forget child care.

Always think of public awareness. Speakers, forums, articles.

And always, social action. Fundraise and volunteer where and when you can.

Listen to lived experiences.

CFUW POLICIES SUPPORT:

- “implement(ing) a basic income program to ensure that all adult residents of Canada ... receive an income adequate for the necessities of life as a means of moving people out of poverty.” (**Moving Canadians Out Of Debt 2013**)
- “implement(ing) measures intended to reduce and prevent poverty, especially child poverty” (**Poverty 2000**)
- “exempt(ing) from taxation, incomes below the minimum poverty level” (**Taxation and Poverty 1969**)
- “ensuring access to an adequate standard of living for all Canadians to maintain health and well-being; ...a full range of short-term social support and health-related services, with ease of access by homeless...low-cost innovative housing ...new employment opportunities to eliminate homelessness, alleviate poverty and foster independent living;... community-based mental health outreach programs ... support strategies for families; adequate, comprehensive, supportive housing for those with mental illness...” (**Homeless and Poverty 1999**)
- “United Nations Sustainable Development Goals (SDGs) (Goal) 1. End poverty in all its forms everywhere.” (**Sustainable Development Goals 2016**)
- “ensure that a full range of mixed income housing be integrated in urban communities” (**Housing for all through sustainable and mixed urban development in Ontario 2018**)
- “establishing comprehensive plans for land use, which will guarantee affordable housing within community developments.” (**Affordable Housing 1992**)

STATISTICS AND RECENT REPORTS:

Due to different measurements, numbers can be different – MBM (Market Basket Measure), LIM (Low Incomes Measures) and LICO (Low Income Cut-Offs) .

- 2019 - 1.57 million people in Ontario live in poverty, including 382,000 children (LIM)¹
- Ontario percentage of residents who live in poverty²

1996	17.7%
2006	14.7%;
2016	13.7%
- 2016 Child poverty³:
410,000 or 15.4% live in poverty;
183,000 or 6.9% live in deep poverty

Children growing up in poverty carry long term challenges – health, mental health, education, brain development, nutrition, learning disabilities, etc.⁴

Feed Ontario, *The Cost of Poverty in Ontario 2019, 10 Years Later*⁵

- 2019 poverty costs the province between \$27.1 billion and \$33 billion a year,
 - "Opportunity income" (Loss of tax revenue & lost income when unemployed or underemployed) \$19.4 to \$25 billion
 - Health care \$3.9 billion and justice system \$5 billion.
- 2012-2015, **the Ontario Child Benefit (OCB)** – 24% reduction in child poverty and 37% reduction in children living in deep poverty.
- The **Canada Child Benefit (CCB)**, which topped up the OCB, played a significant role.
- Poverty rates increased overall for unattached adults and families without children by 24%.
- **Key recommendations**
 - build on the success of the Ontario Child Benefit by expanding similar support to unattached adults,
 - basic income, which has demonstrated significant cost savings and increased opportunity for economic growth.

Government assistance currently available:

- Ontario Works (OW) and Ontario Disability Support Program (ODSP) (1.5% increase in rates in 2018)

¹ Lee, C.R. and A. Briggs. 2019. *The Cost of Poverty in Ontario: 10 Years Later*. Feed Ontario: Toronto, Ontario. <https://feedontario.ca/wp-content/uploads/2019/09/Feed-Ontario-Cost-of-Poverty-2019.pdf>

² As quoted in *Don't Stop Now! Progress in Poverty Reduction, Analysis from Hamilton and Ontario 1996-2016* http://www.sprc.hamilton.on.ca/wp-content/uploads/2019/06/SPRC_Poverty_Reduction_1996-2016_report.pdf?fbclid=IwAR3BJbFBt9zSos9yLeDcdAVOQZJb06mNvzQFC7SBm88uwzSgwUwMpef9U

³ Government of Ontario, *Poverty Reduction Strategy Annual Report 2018* https://www.ontario.ca/page/poverty-reduction-strategy-annual-report-2018?_ga=2.34939044.402437011.1579402436-540554466.1499375729

⁴ Alexandra Chang, *Damaging Effects of Poverty on Children* <https://research.cornell.edu/news-features/damaging-effects-poverty-children>; Gary Evans, *The Environment of Childhood Poverty*, *American Psychologist*, February/March 2004 <http://people.auc.ca/brodbeck/4007/article9.pdf> Plus others.

⁵ Lee, C.R. and A. Briggs. 2019. *The Cost of Poverty in Ontario: 10 Years Later*. Feed Ontario: Toronto, Ontario. <https://feedontario.ca/wp-content/uploads/2019/09/Feed-Ontario-Cost-of-Poverty-2019.pdf>

- Ontario Child Benefit
- Transition Child Benefits – for those who have not/could not file federal taxes (not cancelled as announced/Oct.3, 2019);
- Child care subsidies plus many other smaller services and supports such as Low-income Individuals and Families Tax Credit, (\$850/single and \$1700/couple). Community groups offer free tax clinics to help people access these credits.
- Plus the Canada Child Benefit.

Auditor General 2019 comments concerning the Ontario Disability Support Program (ODSP)⁶

- Ontario not doing enough to verify that people receiving disability benefits are actually eligible; most approved applications marked "disabled for life"; few ever reviewed. Critics also say that there are not enough caseworkers to help recipients.

The Economic Well-Being of Women in Canada, 2018⁷

- The proportion of women in low income has been consistent for four decades:
 - Women are paid less than men. For Ontario this is 12.2%.⁸
 - Female occupations have lower average hourly wages
 - Overrepresented in low-paying occupations.
 - Women are more likely than men to be caregivers, then reduce their work hours or take time out of the workforce to care for family.
- Proportion of lone mothers in low income in 2015 (34.5%) decreased 17.7% from 1976 (52.2%): - having fewer children; better educated; labour force participation of women has increased.
- Women aged 65 and over are more likely to live in low-income households than men.
- Government transfers - Child and senior benefits, and job-training initiatives have helped.

Basic Income Pilot, based on work by Hugh Segal, established by the government in 2018, cancelled as of March 2019: **\$16,989** per year for a single person, less 50% of any earned income. \$24,027 per year for a couple, less 50% of any earned income in four cities

Analysis of Pilot:

- Many dealt with trauma, struggled with mental illness; Basic Income helped; also with food security.⁹
- Guaranteed Annual Income is a mistaken policy.¹⁰
- From the **Basic Income Canada Network** (BICN) some policy options:¹¹

⁶ Auditor General of Ontario, Annual Report 2019

http://www.auditor.on.ca/en/content/annualreports/arreports/en19/2019AR_v1_en_web.pdf

⁷ Dan Fox and Melissa Moyser, PhD, Women in Canada: A Gender-based Statistical Report; The Economic Well-Being of Women in Canada, May 16, 2018 <https://www150.statcan.gc.ca/n1/pub/89-503-x/2015001/article/54930-eng.htm>

⁸ The gender wage gap in Canada: 1998-2018 Rachele Pelletier, Martha Patterson, Centre for Labour Market Information, Statistics Canada and Melissa Moyser, Centre for Gender, Diversity and Inclusion, Statistics Canada <https://www150.statcan.gc.ca/n1/pub/75-004-m/75-004-m2019004-eng.htm>

⁹ CBC News, Cancellation of basic income pilot, Jan 8, 2020 <https://www.cbc.ca/news/canada/thunder-bay/basic-income-research-1.5418728>

¹⁰ Brian Lee Crowley and Sean Speer, A Work and Opportunity Agenda for Canada https://macdonaldlaurier.ca/files/pdf/MLI_GAI_Labour_FinalWeb.pdf

¹¹ Basic Income Canada Network. *Basic Income: Some Policy Options for Canada*, Jan.23, 2020 https://www.basicincomecanada.org/policy_options

- Goal: to reduce inequality and prevent poverty; to provide greater income security, including for middle-income earners; and to ensure the wealthiest contribute:
 - Option 1 is for 18-64 year olds based on household income, operating much like child benefits, with the \$22,000/year (\$31,113 for a couple) benefit amount gradually reducing as other income increases; seniors benefits remain in place.
 - Option 2 is similarly income-tested and is for all adults, including seniors.
 - Option 3 is a universal model, sometimes called a demogrant, that provides the same benefit amount to every individual adult.
 - For more information please see their report at https://www.basicincomecanada.org/policy_options

Ontario Non-Profit Housing Association, in its 2016 Waiting Lists Survey Report¹²:

- More than 171,360 Ontario households are waiting for a home that they can afford.
- Waiting lists have grown by more than 45,000 households in 12 years, and applicants face an average wait of nearly four years. In many communities, the wait is much longer.

Canada-Ontario Housing Benefit – \$1.4 Billion rental housing to assist low-income renters that are on, or eligible to be on, a social housing waiting list and/or community housing

- Investment in Affordable Housing for Ontario program ends in March 2020; partly replaced by Canada-Ontario Housing Benefit.

Rent control ended for newly built or newly converted units, November 2018.

OTHER RESOURCES:

- Campaign 2000 <https://campaign2000.ca/>
- Income Security Advocacy Centre <http://incomesecurity.org/>
- Maytree Foundation <https://maytree.com/>
- Ontario Coalition Against Poverty <https://ocap.ca/>
- Social Planning Network of Ontario <https://www.spno.ca/> This will lead you to other Social Planning Councils.
- Tamarack Institute <http://www.tamarackcommunity.ca/>

Also consult the documents found in the footnotes.

Housing a Generation of Workers: Defining the Problem, 2020, Toronto Region Board of Trade and WoodGreen <https://workforcehousing.trbot.ca/>

Zon, Noah & Thomas Granofsky, *Resetting Social Assistance Reform*. Ontario 360, Munk School of Global Affairs and Public Policy <https://on360.ca/policy-papers/resetting-social-assistance-reform/>

Michael Mendelson, *Lessons from Ontario's Basic Income Pilot*, October 2019, [Maytree Foundation https://maytree.com/wp-content/uploads/Lessons-from-Ontario%E2%80%99s-Basic-Income-Pilot.pdf](https://maytree.com/wp-content/uploads/Lessons-from-Ontario%E2%80%99s-Basic-Income-Pilot.pdf)

¹² Ontario Non-Profit Housing Association, in its 2016 Waiting Lists Survey report <http://qc.onpha.on.ca/flipbooks/WaitingListReport/files/assets/basic-html/page-1.html#>