

POVERTY



At a fundamental level, everyone living in poverty has one thing in common: they do not have enough money. The key ingredients for tackling the problems of poverty in Ontario reside in policy interventions from the government that are strategic and ongoing and provide more money to those living in poverty.

When the federal government introduced the [Canada Child Benefit \(CCB\)](#) in 2016, providing a maximum of \$6,400 per year for children under age 6, and \$5,400 for those aged 6-12, it was [the single most effective policy measure for reducing poverty](#). By 2019 those benefits, indexed to inflation, lifted 159,000 Ontario families out of poverty.

What are the issues?

Social Assistance

- Social assistance rates peaked in Ontario in 1994. In 1995 these were [reduced by 21.6% and frozen for 10 years](#). During that time inflation also eroded their actual value. Despite nominal increases since then, rates have never returned to the 1994 levels.
- Individuals on Ontario Works (OW) are now receiving just \$733 a month to cover the cost of food and shelter. Ontario Disability Support Program (ODSP) provides only \$1,169 a month to persons with disabilities for those same basic needs, below the [Market Basket Measure](#) poverty line.
- One in 8 households in 2017 was “food insecure”. That means less food, or food that is not as nutritious, or people missing meals. [With 59% of food bank visitors citing social assistance as their primary source of income](#), it is essential that these programs be improved so that people with disabilities or meagre incomes have a basic standard of living.

Quality Employment, Labour Laws and Child Care

- In the 4 years leading up to the pandemic, the [proportion of employed adults accessing food banks grew by 44%](#), largely due to the rise in precarious employment making it more difficult for Ontarians to earn enough for necessities like food. Ontario workers need quality employment opportunities that pay a stable living wage. CFUW has advocated for an income level “adequate for the necessities of life as a means of moving people out of poverty”.
- Labour laws need to be updated and implemented in order to benefit and protect all workers in Ontario. For example, “equal pay for equal work” for part-time and temporary employees, elimination of misclassification of employees as independent contractors, provincially legislated paid sick days, and full, equal access to benefits such as EI, CPP, WSIB are examples of essential benefits that would decrease poverty levels.

POVERTY Key Message

Ontario’s inadequate social assistance income allowances are keeping people in deep poverty. Solving the problems of poverty will require ongoing policy interventions from government that focus on:

- Building a strong social safety net
- Connecting people to quality employment by improving labour laws and supports for workers
- Investing in affordable and supportive housing.
- Affordable high quality child care and early learning programs.

Questions for Candidates

1. Will you immediately raise social assistance incomes to match the federal government determination that an adult needs \$2,000. per month to survive?
2. What will your party act on creating an income level “adequate for the necessities of life as a means of moving people out of poverty”. How will you do this?
3. Will your party support Basic Income?
4. What will you and your party do to assist with affordable housing, especially for those with ‘core housing needs’.

- [Women's income \(full-time, full year\) is 88 cents that of men](#) Racialized men earn 78 cents on the dollar compared to white men, and [racialized women earn 66 cents](#) (2016 census). Single parents (usually women) and racialized communities are a large part of those whose wages are comparatively disparate.
- Ontarians need access to quality and affordable child care that helps to support working parents entering or re-entering the workforce. Right now, full-time fees for licensed child care are out of reach for any parent living in poverty in Ontario. It is evident that child care fees are lowest in Canada when fees are set as a matter of public policy and child care centres receive substantial operational funding from the government which also allows operators to pay higher salaries to staff.

Affordable Housing

- The greatest barrier to financial stability is the rising cost of housing. Since 2011, the number of Ontario households in ["core housing need" has increased](#) while the number of households receiving housing support has decreased, leading to an increase in the wait list for social housing.
 - [Core housing need](#) means the unit is either (1) not large enough for the number of people living in it; (2) not in good repair; (3) not affordable or perhaps all three.
- Over the last few years, the Ontario government has allocated only [0.3% of its annual budget to affordable housing issues](#). Significantly more funding needs to be invested. In some areas of Ontario, [the subsidized housing wait list time is 7 to 10 years](#).
- Unless the government takes steps to increase adequate, safe and affordable housing, and puts in place stricter rent controls, any increases in the income of individuals and families experiencing poverty will be eaten up by rent.

Cost of poverty

- Often, governments view poverty reduction as a "cost". A [2019 study published by Feed Ontario](#) estimated that the cost of poverty itself in Ontario to be between \$27 and \$33 billion annually. Reducing poverty would CUT health care costs (\$3.9 billion), CUT justice system costs (\$1.1 billion), INCREASE tax revenues (\$2.7 to 3 billion), and BOOST employment income (\$19 - \$25 billion), putting money directly back into the economy.

Why now?

- The use of [food banks has increased in 2021](#). Before the pandemic the child poverty rate had decreased but still [half a million children live in poverty](#). With recent changes in employment, [lost employment](#), the affordable housing crisis, and lack of affordable child care, the poverty rate will increase.
- Poverty, coupled with the learning losses of these past two pandemic years, will not only affect the wellbeing of the current generation but also the upcoming one.