



Pre-Budget Submission to the Standing Committee on Finance and Economic Affairs

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Campaign 2000 is a national, non-partisan network of 120 national, provincial and community partner organizations committed to working together to end child and family poverty in Canada. Ontario Campaign 2000 is a provincial partner with over 70 member organizations across the province. www.campaign2000.ca



FAMILY SERVICE TORONTO
For People. For Change.

Ontario Campaign 2000

Ontario Campaign 2000 is a provincial coalition of 70 active partner organizations committed to eradicating child and family poverty in Canada. Our membership is broad and diverse. It includes faith groups, educators, health and community sectors serving children and families, labour and academics and low income and working families from Thunder Bay to Peel Region to Windsor. For over 15 years, Campaign 2000 has carefully monitored poverty and related social policies at the federal and provincial levels through our annual report cards on child and family poverty. Campaign 2000 is hosted by Family Service Toronto, a proud United Way member agency that celebrated 100 years of service in 2014.

Marking 25 Years of the Federal All-Party Resolution to End Child Poverty

November 2014 marked 25 years since the House of Commons unanimously passed a resolution to end child poverty in Canada by the year 2000. Yet, the most recent tax-filer data shows that 19.9% of Ontario children—almost one in five—live in poverty.¹ In sheer numbers, this means as many as 551,130 children under 18 live in poverty in Ontario. Child poverty rates are even higher among marginalized communities: 1 in 2 children of immigrants, 1 in 3 racialized children² and roughly 1 in 4 First Nations children on reserve³ and children with disabilities live in poverty.⁴ Among lone-parent families with one child, 44% of children live in poverty, compared with 13.2% in households where a child lives with two parents.⁵ In each case, children live in poverty because their families do.

The past year was also an important year for poverty reduction in Ontario, with the announcement of the second Poverty Reduction Strategy that firmly establishes poverty as a priority for the province until 2019.

In order to be effective in dialing down child and family poverty, the second poverty reduction strategy requires strategic investments through Budget 2015. Ontario can resolve the problem of poverty because evidence shows that targeted social policies accompanied by investments are effective. Ontario's 2008 Poverty Reduction Strategy (PRS) has further proven that targeted policies do make a difference. We must build on its progress to date and work to eradicate poverty among all Ontarians.

Ontario's New Poverty Reduction Strategy

In September 2014, the Ontario government introduced the second 5-year poverty reduction strategy. The new strategy recommits to reducing child poverty by 25% from the 2008 rate of 15.2% (LIM AT). It also sets the ambitious, long-term goal of ending homelessness in Ontario. Budget 2015 must prioritize the poverty reduction. To do so requires concrete steps to reduce income inequality through progressive taxation and investments in public services. Budget 2015 must also provide adequate funding for programs affiliated with the new Poverty Reduction Strategy, including homelessness prevention. Ontario must also implement initiatives to reduce poverty among marginalized groups, outline a clear path forward to positively reform social assistance with stakeholders while ensuring that

¹ Statistics Canada custom tabulation. T1 Family File, 2012, using Low Income Measure-After Tax. Please note all the latest statistics cited in this submission are taken from **Ontario Campaign 2000 2014 Report Card on Child and Family Poverty** entitled *Child Poverty, 25 Years Later: We Can Fix This*. Visit www.campaign2000.ca for full details.

² Patychuk, D. (2010 February). Data from 2006 Census, Community Social Data Strategy. Prepared for Colour of Poverty—Colour of Change Network.

³ Fontaine, P. (2007) Protecting our gifts and securing our future: Eliminating poverty among First Nations children. *Paediatrics & Child Health*, 12(8), 653-655. Retrieved from: <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2528807/>

⁴ As measured in Low Income Cut-Off-Before Tax.

⁵ Statistics Canada. (22 July 2014). CANSIM Table 111-0015 Family characteristics, Low Income Measures (LIM), by family type and family type composition annual.

incomes are adequate and that no one on social assistance is worse off as a result of reforms. Finally, all stakeholders must call on the federal government to introduce a national poverty eradication plan.

In Budget 2015, Ontario Campaign 2000 urges the province to invest in and implement programs associated with the new Poverty Reduction Strategy without delay. We recommend that Government:

- **Make paid work a pathway out of poverty**
- **Provide a strong social safety net**
- **Ensure access to early learning and child care**
- **Improve access to affordable housing and end homelessness**
- **Prioritize opportunities for youth**

Make Paid Work a Pathway out of Poverty

Ontario's labour market is not providing the type of jobs required to lift working families out of poverty. Since 1989, the quality of employment in Ontario has declined and the growth of precarious work arrangements that are contract, short-term, shift based, part-time or even full-time at minimum wage leave many children and families in poverty. The number of children from working poor families has increased since 1989 and in 2011, 40% of children in poverty lived in families with full-time, full year work.

Recommendations for Budget 2015:

- Increase minimum wage to \$15 per hour to bring workers 10% above the Low Income Measure
- Enforce the Employment Standards Act and update the Labour Relations Act to provide protections to all workers
- Address workplace discrimination: Implement Employment Equity programs and ensure pay equity

Provide a Strong Social Safety Net

There have been increases to social assistance rates, but rates are still set too low, leaving many recipients in deep poverty. Families often find themselves choosing between paying the rent or feeding their children. It shouldn't be this way. All Ontarians should be able to live with financial security and dignity.

Recommendations for Budget 2015:

- Increase the Ontario Child Benefit (OCB) by \$100 per child annually until 2018 and fully index to inflation
- Transform social assistance so it lifts people out of poverty
- Stop clawing back OCB increases from basic needs rates and allow recipients to retain child support
- Keep the work-related benefit for ODSP recipients. Set up a panel to advise on adequate income support levels so people can live in good health and dignity while receiving social assistance
- Give parents on assistance the right to choose whether it's in the best interests of their child(ren) to seek child support. If parents do choose to pursue child support, they must be allowed to keep at least 50% of payments

- Ensure high quality training programs to support the move from welfare to work
- Accelerate the implementation of drug, vision and dental benefits for all low income people.

Ensure Access to Early Learning and Child Care

While the province has recently taken steps that recognize the immense value of investing in childcare, there is not as yet a commitment to develop an over-arching policy that would be a foundation for a province-wide planned system of early childhood education and care services. There have been other welcome measures. For instance, recent wage increases for staff and full implementation of full-day kindergarten for 4 and 5-year-olds as of September 2014 are important initiatives which need to be situated in a larger planning and implementation context. Along with these steps, greater investments in childcare are required to allow children from families in all income brackets the opportunity to meet their potential.

Recommendations for Budget 2015:

- In the immediate future, the childcare sector requires more direct funding to stabilize programs, keep fees down and pay adequate wages
- Ensure adequate subsidies to meet parent demand
- Begin to develop policies and a new funding model to support a universal system of high quality, affordable childcare in Ontario.

Improve Access to Affordable Housing and End Homelessness

A lack of affordable, safe housing is a major obstacle to ending child and family poverty. Housing is often a household's single largest monthly expense and is consistently linked to food insecurity. It is alarming to note that 1 in 7 users of shelters across Canada is a child, and 235,000 Canadians experience homelessness annually, costing the economy \$7 billion.⁶

Recommendations for Budget 2015:

- In Budget 2015, outline a timeline and resourced plan to end homelessness. Ensure adequate housing is available to meet community needs
- Provide a monthly Housing Benefit to low-income tenants to reduce high rent costs
- Bring aging social housing stock up to standard, build more affordable and supportive housing
- Strengthen tenant protection legislation
- Incorporate inclusionary zoning into the Planning Act
- Reconsider the cap on funding for homelessness shelters.

⁶ Gaetz, S., Gulliver, T. & Richter, T. (2014). The State of Homelessness in Canada: 2014. Toronto: The Homeless Hub Press. Retrieved from: <http://www.homelesshub.ca/SOHC2014>.

Prioritize Opportunities for Youth

The generation born and raised in the shadow of the all-party resolution to end child poverty face significant challenges at age 25. Youth are impacted by high unemployment and the rising costs of housing, food, tuition and resulting debt burdens while Canada's social safety net is fraying.

Recommendations for Budget 2015:

- Reduce university tuition rates by 30%; increase grants for all students from low-income families (including part-time and mature students)
- For youth from care, raise the age limit for extended care and maintenance agreements to 25
- Work with business, labour, non-profit sector, academic institutions and community groups to connect youth to meaningful career opportunities.

Conclusion

Ontario Campaign 2000 urges government to invest in and implement poverty eradication programs to improve the lives of all Ontarians. Increasing the Ontario Child Benefit, continuing to raise minimum wage, increasing social assistance rates, investing in affordable housing and implementing accessible, high-quality, affordable childcare can help us build a more equitable and more prosperous province.

We thank the Standing Committee on Finance and Economic Affairs for considering our submission.

Appendix 1 – Ontario Campaign 2000 Partners:

Ontario Social Development Council (Toronto), Interfaith Social Assistance Review Coalition (Waterloo), Registered Nurses' Association of Ontario (Toronto), Ontario Coalition for Better Child Care (Toronto), Ontario Association of Social Workers (Toronto), Ontario Association of Children's Rehabilitation Services (Toronto), Children's Mental Health Ontario (Toronto), Ontario Public Health Association (Toronto), Ontario Federation of Labour (Toronto), Ontario Public Service Employees Union (Toronto), Elementary Teachers Federation of Ontario (Toronto), Ontario Secondary School Teachers' Federation (Toronto), Ontario English Catholic Teachers' Association (Toronto), United Steelworkers of America, District 6 (Toronto), Ontario Association of Family Resource Programs (Toronto), Ontario Association of Food Banks (Toronto), Provincial Council of Women of Ontario (Niagara-on-the-Lake), The Community Social Planning Council (Toronto), Children's Aid Society of Toronto/Metro Campaign 2000 (Toronto), Family Service Toronto (Toronto), Our Kids Our Future (Toronto), South Asian Family Support Services (Toronto), Community Development Halton (Burlington), Social Planning Council of Peel (Mississauga), Peel Poverty Action Group (Mississauga), Peterborough Social Planning Council (Peterborough), Durham Child Poverty Task Force (Ajax), 905-Area Faith Community Leaders; Social Planning and Research Council of Hamilton-Wentworth (Hamilton), Social Planning Council of Ottawa-Carleton (Ottawa), Children's Aid Society of Ottawa-Carleton (Ottawa), Hastings & Prince Edward Legal Services (Belleville); Southwestern Ontario CPAG (London), Sisters of St. Joseph of the Diocese of London, Ontario (London), CAPC Niagara Brighter Futures (Niagara), Lakehead Social Planning Council (Thunder Bay), North Bay Labour Council; Income Security Advocacy Centre (Toronto), Elgin St. Thomas Health Unit (Sudbury), Ontario Association of Interval Transition Housing, Canadian Tamil Women's Community, Children's Aid Society of Peel, Legal Assistance of Windsor, Nellies, Ontario Federation of Indian Friendship Centres, Toronto Coalition for Better Child Care, Workers Action Centre (Toronto), Ontario Council of Agencies Serving Immigrants, African Canadian Social Development Council, Social Planning Council of Sudbury, Social Planning Council of Cambridge & North Dumfries, Kingston Lennox, Frontenac & Addington Children's Services Steering Committee, Ontario Public School Boards Association, Community Development Council Durham, Early Childhood Community Development Centre (St. Catharines), The STOP Community Food Centre, Northumberland Coalition Against Poverty, the Help Centre of Northumberland, Northumberland Community Legal Clinic, Family Service Ontario, Interim Place (Mississauga), Sistering, Toronto & York Region Labour Council, Association of Ontario Health Centres.