

A Legacy for the Future: An Ontario Poverty Reduction Strategy

Community Conversation: Halton Speaks

June 27, 2008



*Community
Development
Halton*

Speaking Out Against Poverty

“Like slavery and apartheid, poverty is not natural. It is man made and it can be overcome and eradicated by the actions of human beings. And overcoming poverty is not a gesture of charity. It is an act of justice. It is the protection of a fundamental right, the right to dignity and a decent life.”

Nelson Mandela



Poverty Reduction: Seizing an Historic Moment

- ❖ The Ontario Government has committed to pursue a poverty reduction strategy with targets and indicators within its current mandate.
- ❖ Development & implementation of poverty reduction strategies in other provincial jurisdictions (Newfoundland & Labrador, Quebec).
- ❖ At the federal level poverty and inequality is on the radar screen: a Parliamentary Committee is holding hearings on poverty reduction; the Senate has just released a report on rural poverty and is now focusing on urban poverty, another Senate Committee is investigating the social determinants of health, the primary determinant of health being poverty and inequality of income.
- ❖ Strong election commitments by federal Liberals and NDP to pursue bold poverty reduction initiatives in the next Parliament.
- ❖ The UK is implementing successful poverty reduction strategies. The UK Poverty Reduction plan based on targets and timetables moved 600,000 children out of poverty in the first five years.
- ❖ Emergence of the acclaimed Nordic model – lowest levels of child poverty, high public investments, while building the most competitive and productive economies in the OECD.



Poverty Is A Persistent Issue – Nationally

- The rate of child poverty in 2007 was similar to the rate in 1989 when the House of Commons voted to end child poverty by the year 2000 (Campaign 2000)
- In 2004, the richest 10% of families raising children earned 82 times more than the poorest 10% - almost triple the ratio of 1976, when they earned 31 times more. (Growing Gap)



Poverty Is A Persistent Issue – Provincially

- Continues to be high rates of poverty (14.7%) in Ontario despite strong economic growth
- Ontario is the child poverty centre of Canada with 44% of all poor children
- 1 in 8 children (348,000) grow up in poverty
- Growing gap between rich and poor families
- 127,000 children/month rely on food banks (OAFB)
- Someone working full time full year at minimum wage is not able to afford basic expenses (poor, working poor)



Poverty Is A Persistent Issue – Locally

- In 2005, 8.5% (37,336) of Halton residents live below the poverty line.
- In 2007, there are 9 food banks in Halton and an estimated 31,000 people needing access to healthy food.
- In 2007, 1,506 households on the Community Housing waiting list in Halton.
- In 2006, 43% households renting spent more than 30% of their income on housing



Poverty Trends

- Poverty rate is relatively constant
- Poverty is deepening
- Feminization of poverty
- Racialization of poverty



Core Foundations of a Poverty Reduction Strategy

Upgrade Living Conditions ...

... Through the Assurance of Decent Household Incomes and Basic Life Opportunities

Strengthen Local Supports ...

... Through Building Stable Community Agencies & Infrastructures that Include & Engage Vulnerable Populations.



Proposed Common Priorities

Upgrade Living Conditions

Assurance of
Decent Household Incomes
and Basic Life Opportunities

Sustaining Employment

- ***Any parent or adult working full-time, full-year for 30 or more hours a week (1500 hrs/yr) can have a decent standard of living above poverty.***

Livable Incomes

- ***Support for a life of dignity and adequacy out of poverty for parents & adults in partial employment, or unavailable for employment due to temporary or extended difficulties or disabilities.***

Essential Goods & Social Resources

- ***Access to enabling social resources such as affordable and supportive housing, transit mobility, early learning & child care, inclusive schools, continuing education, credential certification, unemployment and health benefits***



Lead Policy Initiatives

Sustaining Employment:

Ontario

- ❖ A *poverty proof* minimum wage indexed to \$10/hr in 2007 and reaching \$11/hr in 2011.
- ❖ Enhance & enforce strong employment standards.
- ❖ Restore card certification to strengthen the collective voice of workers.
- ❖ Create strong employment and pay equity programs.

Federal

- ❖ Work Tax Credit of \$2,400 to protect take-home pay of working poor.

Livable Incomes:

Ontario

- ❖ *Close the gap* – adopt a provincial timetable to ensure that people on social assistance can live out of poverty.
- ❖ Harmonize benefit reduction schedules on income-tested programs for the working poor.

Federal

- ❖ An indexed Child Benefit of \$5,100 (2007\$) for each child in lowest income families.
- ❖ Introduce a basic income system for people with disabilities similar to that afforded seniors.



Lead Policy Initiatives

Essential Goods & Social Resources:

Federal and Ontario

- ❖ Make major investments in:
 - the construction & maintenance of affordable housing units;
 - regional and community transit systems that support daily living and working needs;
 - public systems of early learning and child care.

- ❖ Introduce:
 - a housing allowance outside of social assistance to benefit all people on lower incomes;
 - drug, dental and vision coverage for all Ontarians.

Ontario

- ❖ Fund joint school board and community strategies to reduce youth drop-out rates.
- ❖ Introduce living allowances for special periods of training and education as required.
- ❖ Promote full access to trades and professions for all workers.

Federal

- ❖ Restore and improve Employment Insurance coverage for all adults in Ontario.



Second Core Foundation: *Strengthen Local Supports*

Improve the capacity of excluded populations for equitable access to employment, income, and opportunity resources.

❖ **Vulnerable populations with high levels of poverty:**

- *women alone with children*
- *Aboriginal peoples*
- *racialized minorities*
- *people with disabilities*
- *recent immigrants & refugees*
- *victims of domestic violence*
- *psychiatric survivors*
- *homeless adults & families*
- *adults with limited literacy*

❖ **Build stable community agencies and infrastructures:**

- **Core funding for networks of neighbourhood, ethno-racial, & voluntary agencies to develop and sustain engagement & advocacy.**
- **An urban agenda to create responsive public services in priority areas such as transit, food security, settlement programs, recreation.**



Perspectives on Poverty Indicators

- ❑ There must be a recognized *benchmark indicator* for an Ontario poverty reduction strategy to ensure transparency and accountability.

- ❑ Canada has two well-established and widely accepted *indicators* of poverty
 - Low Income Cut-Offs (LICO)
 - Low Income Measure (LIM)

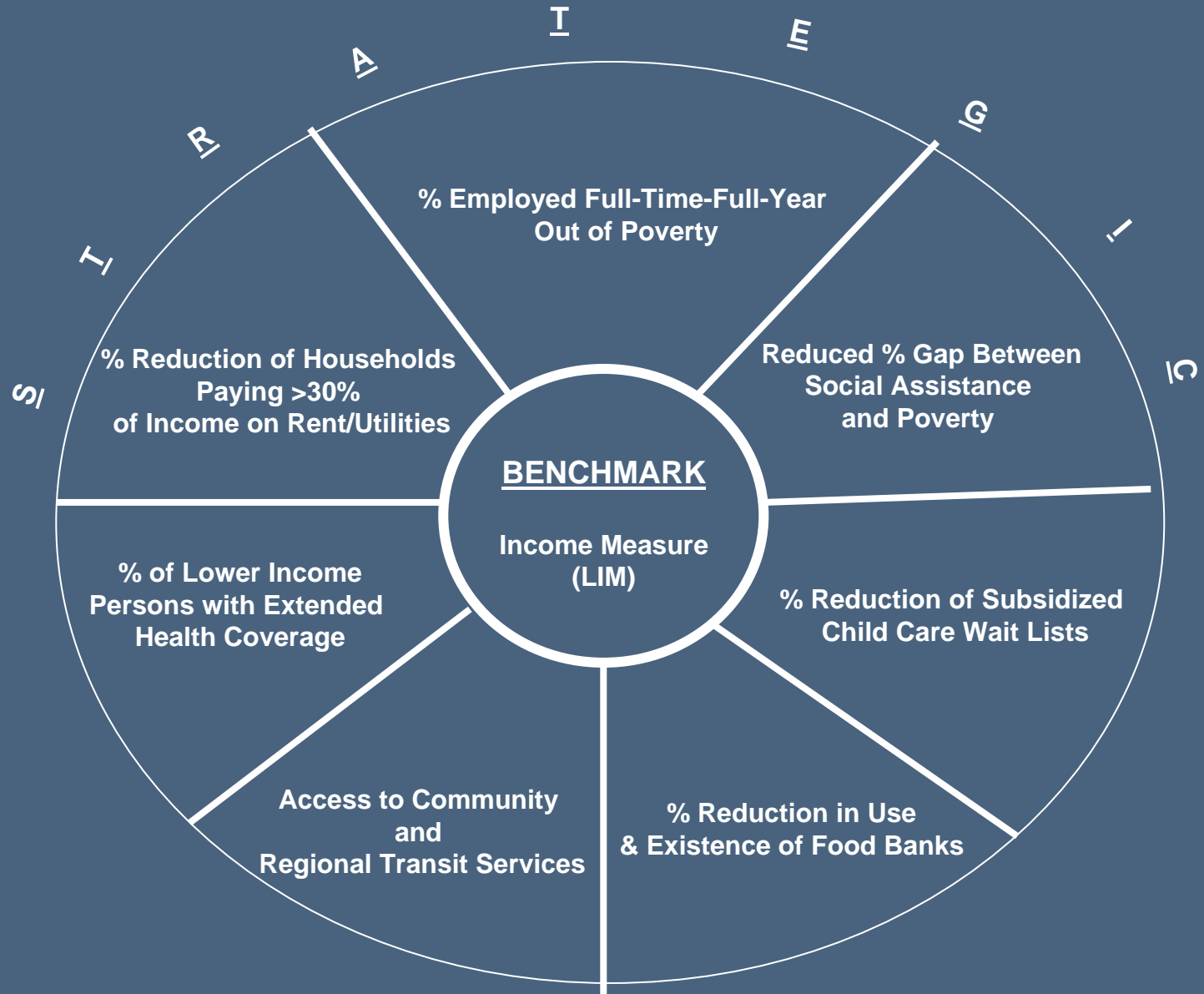
- ❑ LICO is an indicator of relative hardship
 - identifies households with insufficient income for necessities, contingencies and amenities based on average living standards.
 - uniquely Canadian indicator, *allows for historical comparisons.*

- ❑ LIM is an indicator of exclusion
 - identifies percent of adults and children living below 50% of median income for their group.
 - similar to European Union and United Nations definitions of income poverty, *allows for international comparisons.*

- ❑ Strategic indicators can be developed to highlight levels of social progress in areas of structural and developmental significance



Structural Wheel of Benchmark and Strategic Indicators on Poverty Reduction



Poverty Reduction: What do we anticipate?

An Ontario Government commitment to introduce a multi-year Poverty Reduction Plan in the 2009 provincial budget, outlining specific measures to lower Ontario poverty levels by 25% before 2013, and by 50% before 2018.



A Legacy for the Future: An Ontario Poverty Reduction Strategy

www.povertywatchontario.ca

www.25in5.ca



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