



WE'VE MADE SOME PROGRESS IN REDUCING POVERTY: WE CAN'T STOP NOW

The evidence is in and it's overwhelming. The cost of allowing poverty and social exclusion to continue far outweighs the costs of reducing or eliminating it. But ending poverty not only makes good economic sense, it is essential to meeting basic human rights.

Poverty makes it nearly impossible for people to meet their most basic needs, resulting in a combination of:

- unsafe and insecure housing, inadequate nutrition, and diminished health outcomes
- higher costs for hospital care, mental health and addictions, child welfare, criminal justice
- lower high school and college graduation rates and less success in the labour market

Many studies project the cost of perpetuating poverty at between 150% and 250% of the cost of eliminating it, particularly when you include both income related programs and the added cost of existing services and supports generated by poverty.

Since 1996, there has been some progress in reducing the proportion of Ontarians living in poverty. But 1.8 million people remain poor.

If the poverty rate had remained at 1996 levels, there would be an additional 530,000 Ontarians living on incomes below the poverty line today. This is the equivalent of filling the Rogers's Centre more than ten times over with Ontarians who have been either lifted out of poverty or prevented from becoming poor due to progress in reducing poverty. See the infographic, "*Progress in Reducing Poverty in Ontario*", for additional details.

Many different policy and tax changes helped to improve the lives of some low income Ontarians. Efforts focused on families and children, and to a lesser extent, seniors. Little attention focused on single adults. Families with children benefitted from income security programs, both provincial and national child benefits, and from changes to education funding and programs. In recent years, Ontario has made measurable progress in increasing the minimum wage and reducing child poverty. Again, see the infographic, "*Progress in Reducing Poverty in Ontario*", for additional details.

In 2018, Ontario took steps to improve the working conditions of those in precarious employment. Sadly, the new government has chosen to strip Ontario's most vulnerable workers of some of these basic human rights.

Despite some progress, many serious challenges remain for Ontario's 1.8 million poor – the persistence of deep poverty, a lack of affordable housing, precarious work, and predatory lending.

Deep Poverty – Many people on Ontario Works and the Ontario Disability Support Program continue to live in deep poverty, living from week to week on incomes incapable of providing both safe and secure housing and enough food to eat. Their lives are a constant struggle to keep body and soul together, and where any emergency can destabilize their lives and result in adverse health effects on them and their families.

Lack of Affordable Housing – In most Ontario cities and towns, 30% to 40% of all renters are paying more for housing than they can afford. Many in

deep poverty are paying over 50% of their incomes on housing. Waiting lists for affordable housing often extend into years. For nearly two decades, governments have failed to build new affordable housing and have under-invested in maintaining the existing supply.

Precarious Work – Both the types of jobs and the quality of jobs has changed, with precarious employment¹ becoming more common, and lack of basic protections for low income workers becoming a widespread problem. Recent policies designed to address this critical human right by ensuring basic workplace protections are under attack from powerful business groups.

Predatory Lending – People on social assistance, as well as the working poor and those precariously employed, have become increasingly dependent on payday loan services, a form of legalized loan sharking, which has grown dramatically in the last twenty years. Lack of access to loans from banks and credit unions leaves Ontario's poor victim to annualized borrowing costs of up to 400%.

While some progress has been made, there is still much to do in improving the lives of the 1.8 million people in Ontario who continue to live in poverty. Even the limited progress made in recent years will be put at risk without further investments in the critical areas outlined below.

While we have made measurable progress in reducing poverty for some Ontarians due to public policy initiatives, much more needs to be done. Overcoming the remaining challenges calls for concerted action in three key areas:

1. **Make social assistance adequate and fair.** Ending a generation of neglect that has justified the continuation of punitive, coercive, and inadequate social assistance programs that consign our most vulnerable to live lives of desperation on the margins by:
 - Committing to immediate implementation of a three year plan to raise the Standard Flat Rate for Ontario Works to \$893/month and ODSP to \$1,334/month by Fall 2020 as

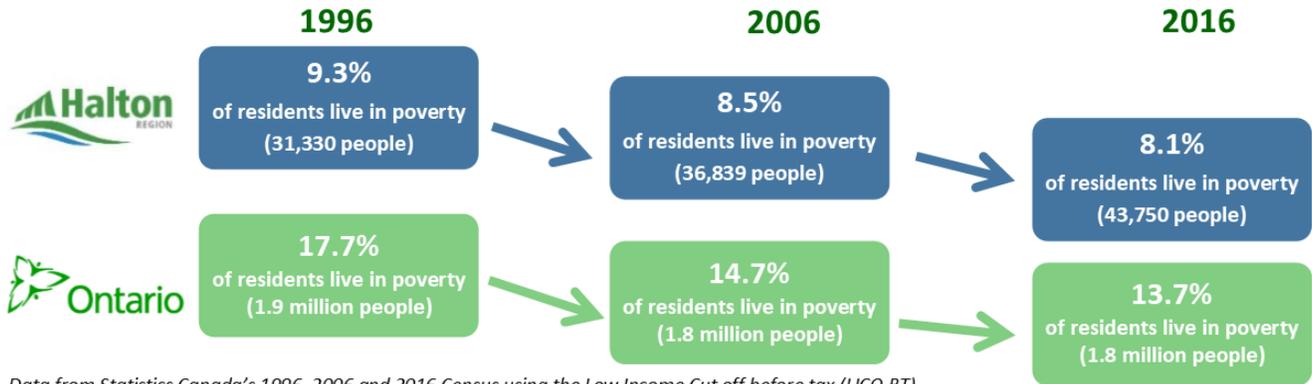
recommended in Income Security: A Roadmap For Change

- Publicly commit to the Low Income Measure (LIM) as a Minimum Income Standard (MIS), and to begin work on a made-in-Ontario Market Basket Measure (MBM) to measure progress toward the achievement of the MIS
2. **Alleviate the affordable housing crisis.** Giving relief to people across Ontario who are living in precarious and unaffordable housing and address Ontario's growing housing crisis by:
 - Committing to implement the Canada Housing Benefit as announced in the National Housing Strategy
 - Making a bold investment to both increase the supply of new community housing and renovate older stock
 3. **Address discrimination and inequality** that differentially impacts some groups, including women, racialized groups, newcomers, and youth, in terms of higher rates of labour market exclusion, unfair workplace practices, the inability to secure rental accommodation and low-cost loans in times of emergency by:
 - Improvements to the Residential Tenancies Act to protect affordable private market units and ensure equal access for all groups protected under the Ontario Human Rights Act
 - Improvements to basic workplace standards that will apply to all workers, and
 - Access to low cost emergency loans through banks and credit unions, coupled with the phasing out of predatory lending practices that add additional expenses to those living in deep poverty.

¹ precarious employment includes work that is generally insecure, part-time, with limited or no benefits, and without

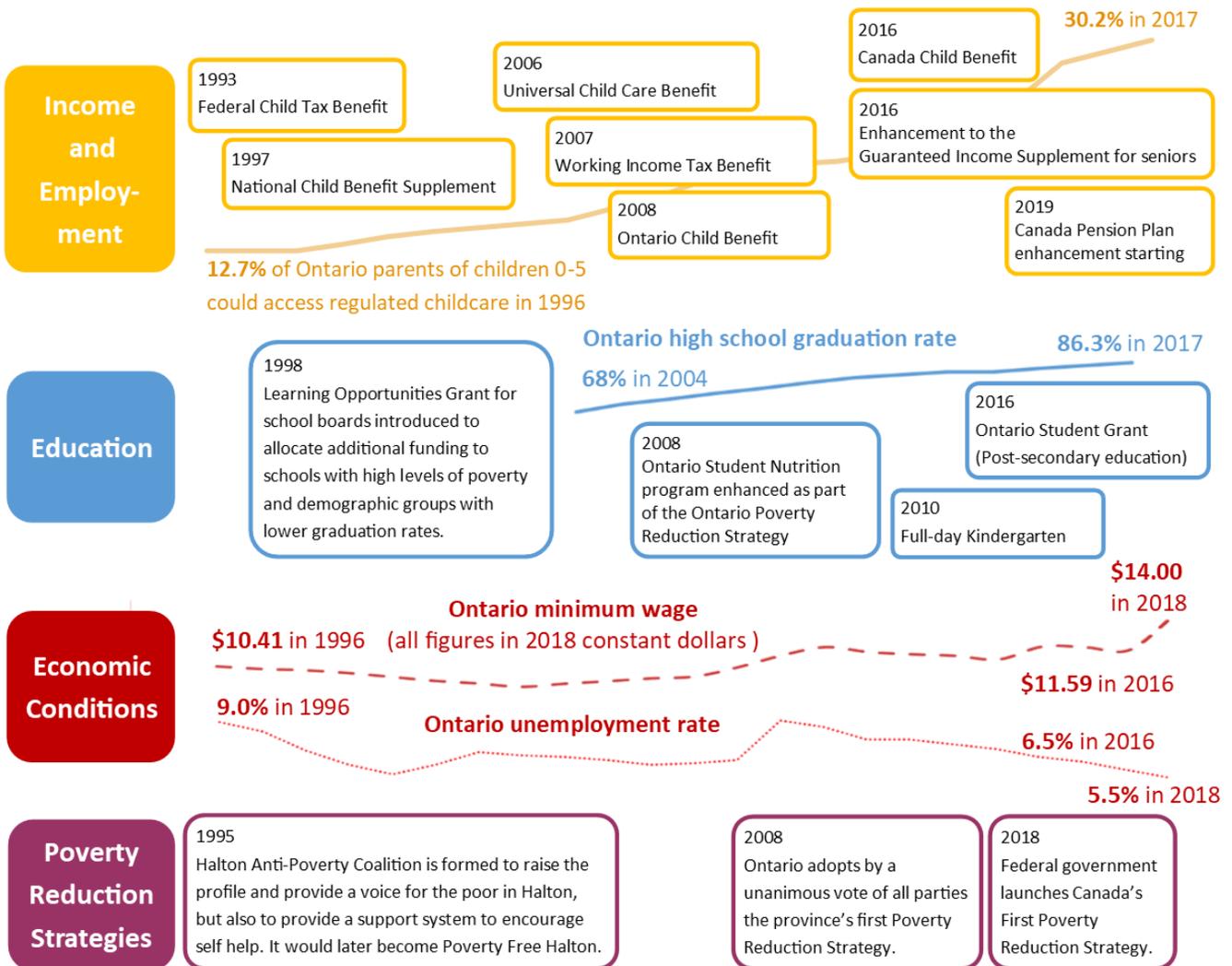
many workplace protections common to most full and part-time workers.

Don't Stop Now! Progress in Poverty Reduction



Data from Statistics Canada's 1996, 2006 and 2016 Census using the Low Income Cut off before tax (LICO-BT).

Contributing factors to progress in reducing poverty in Ontario



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