

Pre-Budget Submission Standing Committee on Finance and Economic Affairs February 2nd, 2016

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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



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 workers serving children and families, labour councils, academics and low income families from across the province. For 18 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 marking 100 years of service in 2014.

Child and Family Poverty Must Remain a Provincial Priority

The realities of child and family poverty in Ontario are grim. Ontario is a wealthy province, yet 1 in 5 children and families live in poverty (Low Income Measure-After Tax). Child poverty rates are even higher among marginalized communities: 1 in 2 children of immigrants, 1 in 3 racialized children 2 and roughly 1 in 4 First Nations children on reserve and 1 in 4 children with disabilities live in poverty. 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. In each case, children live in poverty because their families do. Shamefully, November 2015 marked 26 years since the House of Commons unanimously passed a resolution to end child poverty in Canada by the year 2000.

The Ontario government has committed to reducing the number of children living in poverty in the province. Prioritizing children and youth has led to many important policies and programs in Ontario, including the Ontario Child Benefit. But there is much more to do for the children and families of our province. With a willing partner at the federal level, Ontario must seize the opportunity to do its part to close the book on child poverty.

In order to be effective in dialing down child and family poverty, the current poverty reduction strategy requires further strategic investments through Budget 2016. 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 because the OCB caused a 9% decrease in the child poverty rate in the strategy's first 3 years. We must build on its progress to date and work to eradicate poverty among all Ontarians.

Ontario's Current 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 2016 must invest in these goals in order to prioritize poverty eradication in Ontario. To do so requires concrete steps to reduce income inequality through progressive taxation and investments in public services. Budget 2016 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 incomes are adequate and that no one on social assistance is worse off as a result of reforms. Finally, all stakeholders must work with the federal government in developing the promised Canadian Poverty Reduction Strategy.

In Budget 2016, Ontario Campaign 2000 urges the province to invest in and implement programs associated with the current Poverty Reduction Strategy without delay. We recommend that Government:

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

1. 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. The economic reality is that precarious forms of employment have grown faster and have now surpassed full-time employment. Since 2000 full-time work has increased merely 16%, while temporary employment has grown by 40% and part-time by 25%¹.

Exemptions found within the Employment Standards Act have led to the depletion of employment standards. Employers are able to avoid labour laws, reduce labour cost, and increase profits through the use of contracting². Meanwhile workers are subjected to more part-time and temporary employment, lower wages, fewer benefits, and further distance between employer and employee³. Approximately 1 in 3 workers is without sick leave protection,⁴ which forces parents to make difficult decisions around caring for sick children. In 2014 over one million employees in Ontario worked over time with 59% of those workers without overtime payment.⁵ Income insecurity creates immense

struggle for parents and other caregivers in providing a decent standard of living for their children.

Recommendations for Budget 2016:

- Increase minimum wage to \$15 per hour to bring workers 10% above the Low Income Measure
- Enforce the Employment Standards Act and ensure that employment standards cover all workers
- Update the Labour Relations Act to ensure workers can assert their rights and provide protections against discrimination, workplace harassment, bullying, and unjust dismissal to all workers.
- Ensure a minimum of 7 paid sick days for full-time workers, pro-rated for those who are working part time
- Address workplace discrimination: implement Employment Equity programs and ensure pay equity
- Develop employment equity programs that address the inequitable barriers to employment for marginalized families, including those who are Indigenous, racialized, immigrant, newcomers or lead by female lone parents.

2. Provide a Strong Social Safety Net

Ontario has made small increases to social assistance rates in recent years, but rates are still set too low, leaving many recipients in deep poverty. Families often find themselves choosing between paying the rent and feeding their children. This is unacceptable - all Ontarians should be able to live with financial security and dignity.

Recommendations for Budget 2016:

- Increase the Ontario Child Benefit (OCB) by \$100 per child annually and fully index to inflation
- Increase social assistance rates for all recipients so they lift people out of poverty
- Develop an expert panel that encompasses people with lived experience of poverty to advise on levels of income support that are required for families to live with dignity and good health on social assistance
- Stop clawing back OCB increases from basic needs rates and allow recipients to retain child support
- Ensure that all Ontario children, regardless of the source of their parents' incomes, get the full benefit of the planned new Canada Child Benefit (CCB), by continuing to specifically exempt federal child benefits from social assistance incomes and by ensuring that Ontario Works and Ontario Disability Support Program benefits are not restructured in any way.
- Improve access to ODSP with special consideration for people with mental health disabilities and provide the same rate increase to family members as to others receiving benefits
- Give parents on assistance the right to choose whether it is 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 the full payment

- 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 by 2018 and continue the call for a universal PharmaCare plan.

3. Ensure Access to Early Learning and Child Care

The province has recently taken several steps that recognize the immense value of investing in childcare. The wage increases for child care workers as of January 2016, as well as the additional \$10 per day increase for home child care providers are important initiatives that need to be situated in a larger planning and implementation context⁶. There continues to be a need for over-arching provincial policy that would serve as a foundation for a province-wide planned system of early childhood education and care services. 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. The new federal government's willingness to work with its provincial partners provides a unique opportunity for the Ontario government to create immense change for children and families across Ontario.

Recommendations for Budget 2016:

- 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
- In collaboration with the new federal government, begin to develop policies and a new funding model to support a universal system of high quality, affordable childcare in Ontario.
- Immediately utilize principles of the <u>Shared Framework for Building an Early Childhood Education and Care System for All</u>
- Create a \$300 million annualized fund to address the challenges related to municipal subsidy waiting lists and family childcare agency funding

4. 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.

Recommendations for Budget 2016:

 In Budget 2016, outline a timeline to expand investments in supportive housing for those living in low income with special consideration for people with mental health and addiction issues

- Legislate principles of community benefits which provincially fund infrastructure projects to promote inclusive and equitable economic development
- Support recommendations made in the October 2015 report by the Expert
 Advisory Panel on Homelessness and end chronic homelessness in 10 years
 Provide a monthly Housing Benefit to low-income tenants to reduce high rent
 costs
- Support inclusionary zoning Bill 39 and bring aging social housing stock up to standard by investing in critical capital repairs.

5. Prioritize Opportunities for Youth

Youth are not immune to the harsh realities of poverty. Instead they 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. The pressing needs of the most marginalized youth, those who are Indigenous, immigrant, racialized, LGBTQ and young women, need immediate attention to spare another generation from poverty and inequality. Ontario has previously taken several steps to lift youth out of poverty including Youth Apprenticeship Program and the Youth Jobs Strategy, however further action is needed to address systematic barriers that inhibit youth from reaching their full potential.

Recommendations for Budget 2016:

- Reduce university tuition rates by 30%; increase grants for all students from lowincome 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

¹ Workers' Action Centre.(2015). Still working on the edge, building decent jobs from the ground up. Retrieved from: http://www.workersactioncentre.org/wp-content/uploads/dlm_uploads/2015/03/StillWorkingOnTheEdge-WorkersActionCentre.pdf

² Ibid.

³ Ibid.

⁴ Ibid

⁵ Ibid

⁶ https://news.ontario.ca/edu/en/2016/01/ontario-increasing-wages-for-early-childhood-educators.html