

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

February 9, 2018

Contact

Jessica Mustachi
Coordinator, Ontario Campaign 2000
Family Service Toronto
128A Sterling Rd. Unit 202, Toronto ON M6R 2B7
416-595-9230 x.241
JessicaMu@familyservicetoronto.org

Campaign 2000

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 over 70 partner organizations committed to eradicating child and family poverty in Canada. Our membership is broad and diverse. It includes faith groups; educators who belong to ETFO, OSSTF and OECTA; the health and community sectors serving children and families; the labour movement; academics; researchers; and low income and working families from Thunder Bay to Peel Region to Windsor. For over 25 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.

Ending Child and Family Poverty Is Not Negotiable

Child and family poverty continues to be a serious problem in Ontario and it is imperative that the 2018 Ontario budget provide sufficient and sustainable funding in a variety of key areas to end poverty. The most recent Taxfiler data show 17.2% of children under the age of 18, and 18.8% of children under the age of 6 live in poverty in Ontario (LIM-AT).¹ This equates to one in six children and youth in the province. This rate increases exponentially for children who are Indigenous, racialized or are recent immigrants. The 2016 census data shows 26.3% of racialized children and 49.1% of recent immigrant (2011-2016) children under the age of 18 live in poverty in Ontario.² This means that almost one in two children who are recent immigrants are living in poverty. This is simply unacceptable.

Families across the province face increasing costs to provide for their children. Families struggle with incomes far below the low-income threshold, and the median depth of low income for a couple with 1 child is more than \$11,000 below the LIM-AT.³ Further, lone parent families with children, which are primarily led by women, continue to experience higher rates of poverty with one in four living in poverty. With the lack of availability of affordable, accessible and safe housing, the increasing precarity of employment in Ontario (with the growth of contract, temporary, and part-time work, with low wages and few or no benefits) and the increasing costs of necessities such as child care, health costs and food, effective policy changes coupled with sufficient and sustainable funding are needed to ensure no child and family in Ontario live in poverty.

The 2018 budget also marks the second last year of the Ontario government's second Poverty Reduction Strategy (PRS). Evidence has shown that targeted social policies accompanied by sustainable investments are effective. The government has recently taken positive steps by increasing the minimum wage to \$14/hour and

¹ <https://ontariocampaign2000.ca/wp-content/uploads/2017/11/ReportCardOntarioNov212017.pdf>

² <https://ontariocampaign2000.ca/wp-content/uploads/2017/11/ReportCardOntarioNov212017.pdf>

³ <https://ontariocampaign2000.ca/wp-content/uploads/2017/11/ReportCardOntarioNov212017.pdf>

Campaign 2000, c/o Family Service Toronto
128A Sterling Rd. Unit 202, Toronto M6R 2B7
Phone: 416-595-9230, ext. 241

Email: jessicamu@familyserVICetoronto.org

www.campaign2000.ca & www.familyserVICetoronto.org



FAMILY SERVICE TORONTO
For People. For Change.

committing to an increase to \$15/hour by 2019, committing to 100,000 new child care spaces, implementing OHIP+, changing OSAP, creating the Anti-Racism Directorate and releasing the Income Security Roadmap report. However, more action is needed. The province must address income inequality through progressive taxation and provide new and increased investments in public services. It must create a gender responsive budget that addresses how the budget affects people of all genders from an intersectional lens. This will assist in implementing and funding initiatives to address poverty among marginalized groups. With bold targets, timelines, and a strong commitment from all provincial parties, Ontario can eliminate child and family poverty. Ending child and family poverty is not negotiable. Every child and family in Ontario deserves not only to live free from poverty but also to thrive and we call for immediate action!

2018 Budget Recommendations

In Budget 2018, Ontario Campaign 2000 urges the province to continue to invest in and implement programs associated with the current Poverty Reduction Strategy and in other key policies to eliminate child and family poverty. Ontario Campaign 2000 recommends that the Ontario government:

- 1. End child and family poverty**
- 2. Make paid work a path out of poverty**
- 3. Lift people out of poverty by creating a strong social safety net**
- 4. Provide comprehensive health care for all Ontarians**
- 5. Ensure access to early learning and child care for all**
- 6. Ensure affordable and appropriate housing for all**
- 7. Support opportunities for youth**
- 8. Address inequalities faced by marginalized groups.**

1. End child and family poverty

No child or family should be living in poverty in Ontario. The government must make a stronger commitment to ending child and family poverty in the province. This includes reducing child poverty by committing sufficient and sustainable funding to effective programs, projects and initiatives. The government must also commit to collecting data that will provide information about who is most affected by poverty and how it affects them. This includes allocating funds to ensure that household food insecurity data is collected yearly.

Campaign 2000, c/o Family Service Toronto
128A Sterling Rd. Unit 202, Toronto M6R 2B7
Phone: 416-595-9230, ext. 241

Email: jessicamu@familyservicetoronto.org
www.campaign2000.ca & www.familyservicetoronto.org



FAMILY SERVICE TORONTO
For People. For Change.

Recommendations for Budget 2018:

- Commit funding to eradicate child and family poverty. Start by reducing child poverty rates by 50% by 2019.
- Ensure household food insecurity data is collected every year.

2. Make paid work a path out of poverty

Ensuring access to secure, well-paying and permanent jobs with stable and sufficient hours and benefits is important to ensure that no family in Ontario lives in poverty. The Ontario government has made important strides forward in addressing precarious and low-wage work, such as the passage of Bill 148 which included increasing the minimum hourly wage to \$14 on January 2018 and the commitment to increase the minimum hourly wage to \$15 on January 1, 2019.

Further updates, recommended below, are needed within the Employment Standards Act (ESA) and the Labour Relations Act (LRA) to ensure that all workers rights are protected and especially the rights of workers who are most marginalized, who also experience greater rates of poverty, including women, racialized workers, workers who are disabled, single parents, recent immigrants and temporary foreign workers. Families need good jobs to be able to provide for their children and live free from poverty.

Recommendations for Budget 2018:

- Increase the minimum wage to \$15/hour for all Ontario workers with no exemptions regarding sector or age
Further strengthen the LRA and ESA to ensure principles of decent work. Commit to protections at work for all Ontarians, 12 paid PEL days, sufficient hours of work, stable scheduling, protection for temp agency workers, and respect at work.
- Ensure workers are protected from contract flipping, harassment during the process of unionization and expand access to unionization for workers in precarious work.
- Advocate to the federal government for reforms to Employment Insurance to improve access to and duration of benefits
- Implement employment equity legislation.
- Create, fair, equitable employment opportunities including community benefit agreements or similar mechanisms.

Campaign 2000, c/o Family Service Toronto
128A Sterling Rd. Unit 202, Toronto M6R 2B7
Phone: 416-595-9230, ext. 241



FAMILY SERVICE TORONTO
For People. For Change.

Email: jessicamu@familyservicetoronto.org
www.campaign2000.ca & www.familyservicetoronto.org

3. Lift people out of poverty

Ontario families living in poverty need a strong social safety net that will not only lift them out of poverty but also treat them with dignity and respect while they are enduring financial insecurity. Current social assistance rates are grossly insufficient and leave families unable to pay for basic necessities including safe, accessible and good quality housing, health care services and food. As a result, parents make difficult choices between paying for rent or medical expenses and going hungry so that their children don't have to. The government must increase OW and ODSP rates to address gross inadequacies.

The Ontario Child Benefit (OCB) must also be increased to reflect the rising costs of raising children and to ensure low income families are able to provide necessities for their children. Ontario Campaign 2000 also supports the recommendations made in the report, *Income Security: A Roadmap for Change* and urges the government to invest immediately to ensure that the ten-year plan starts to be quickly and fully implemented.

Recommendations for Budget 2018:

- Commit to income adequacy to ensure all people live free from poverty, with good health, dignity and respect.
- Increase OCB by \$200/year.
- Engage community on the report *Income Security: A Roadmap for Change* and take immediate action on consensus recommendations.
- Implement immediate and significant increases to OW and ODSP rates
- Change definition of 'spouse' to align with the definition in the Family Law Act, where one is defined as a 'spouse' after three years of cohabitation.
- Work with federal government to ensure all children have access to CCB and OCB, including Indigenous Peoples, people with precarious immigration status, and those who do not file tax returns.



4. Provide comprehensive health care for all Ontarians

Having access to a broad range of health services is important to ensure low income children and families can live free from poverty. Living in poverty has a direct impact on children's and families' health, and their ability to access quality health care. Many low income families are engaged in precarious work (including part-time and contract positions) and do not have access to employer provided extended health benefits. This prevents families from accessing health services such as eye care, dental care, mental health care and other health services that are not covered under OHIP. While the government introduced OHIP+, providing free prescription drugs to youth under 25 in January 2018, families and children need access to a much broader range of health services. In Budget 2014, the province committed to creating a low income health benefit for children and youth that would include assistive devices, prescription drugs, vision care and mental health services. The province must create this benefit for not only children but for all low income adults to ensure everyone has access to the health services they need.

Recommendations for Budget 2018:

- Follow through on 2014 commitment to create a Low Income Health Benefit for all low-income people (children, adults, seniors) in Ontario, providing coverage for dental, prescription drugs, eye care, assistive devices and mental health services.

5. Ensure access to early learning and child care for all

Access to a universal, high quality, accessible, inclusive and affordable, non-profit and publicly delivered child care system is a key component in ending child and family poverty. Ontario families continue to spend unfathomable amounts for regulated child care in addition to enduring long waiting lists to obtain a space. This results in low income families having to make difficult decisions about going into debt, reducing working hours and even having to choose not to return to the workforce. Women's lives are often disproportionately affected by these decisions which not only reduce the lifetime earnings of these parents, but also the overall potential of the Ontario economy. Research from Quebec⁴ and the OECD demonstrates that a child care system can provide significant positive economic impacts and create a healthier economy.⁵

⁴ http://childcarecanada.org/sites/default/files/12_Flawed_Statements_Fraser_Institute_QC_Childcare.pdf

⁵ <https://www.imf.org/en/Publications/WP/Issues/2017/07/19/Women-Are-Key-for-Future-Growth-Evidence-from-Canada-45047>

Recommendations for Budget 2018:

- Ensure access to early learning and child care by creating a universal, high quality, accessible, inclusive, and affordable, non-profit, and publicly delivered child care system, staffed by a well-trained and well-paid workforce.

6. Ensure affordable and appropriate housing for all

Safe, stable, affordable, good quality and accessible housing is an essential component in ending child and family poverty. However, many families across the province struggle to pay for increasing housing costs and are in core housing need, living in housing which is unaffordable, overcrowded or requires major repair. This, along with eight years of vacancy rates below 3% in the province, lengthy waiting lists for subsidized housing and insufficient emergency shelters, has created a housing crisis in the province. While the government recently passed the *Promoting Affordable Housing Act* and the *Rental Fairness Act*, and is committed to ending homelessness by 2025, much more action and direct and sustainable funding is needed to address Ontario's housing crisis. Without good quality housing that is safe, stable, affordable and accessible, families will continue to face an uphill struggle to get out of poverty.

Recommendations for Budget 2018:

- Create new affordable housing and improve access to safe, accessible, good quality housing (including supportive housing) and prioritize new affordable housing for those in greatest need. Develop guidelines to assess what constitutes greatest need.
- Release provincial lands to create affordable rental housing
- Define affordable housing for programs and initiatives based on 30% of household income
- Work with municipalities and housing organizations to update regulations for inclusionary zoning to ensure more affordable units are created
- End unlimited rent increases when units become vacant. Ensure rent increase guidelines apply to all rental units to maintain affordability when tenants change.
- Increase funding for the repair and maintenance of social housing units.
- Exclude child support payments from Rent Geared to Income (RGI) calculations.

Campaign 2000, c/o Family Service Toronto
128A Sterling Rd. Unit 202, Toronto M6R 2B7
Phone: 416-595-9230, ext. 241



FAMILY SERVICE TORONTO
For People. For Change.

Email: jessicamu@familyservicetoronto.org
www.campaign2000.ca & www.familyservicetoronto.org

7. Support opportunities for youth

Supporting youth is key to building a stronger and more prosperous province in the future. Creating strong programs and services for youth prevents them from living in poverty now and in the future. Investments are needed to address youth homelessness, food insecurity, employment programs and education so that Ontario's youth can thrive.

The province has made important changes to OSAP to provide students from low income families the ability to have access to post-secondary education. This is an important step forward and the government must continue to address the disparities low and middle-income students face in accessing post-secondary education. The government must address the large debt loads that students have after they graduate to ensure students are not living in poverty both during and after they finish their post-secondary education.

Recommendations for Budget 2018:

- Guarantee access to post-secondary education for all students by eliminating tuition fees
- Eliminate interest on student loans coupled with debt-relief programs for low and middle income students
- Simplify application and intake processes for children and youth with special needs to obtain respite, direct funding and other required Ontario services
- Create a continuity of care plan for young people with special needs moving from children to adult systems to ensure there are no support gaps after people turn 18.

8. Address inequities faced by marginalized groups

Systemic and structural inequities have resulted in people with different identities experiencing higher rates of poverty throughout the province. This includes Indigenous Peoples, recent immigrants, people living with disabilities, racialized people, and women. These groups face increased rates of poverty due to the discrimination they experience in finding employment, housing, or accessing services. Due to these discrepancies it is imperative for the province to collect and report disaggregated data to create policies and programs that will improve the lives of people most affected by poverty. It is also important for the province to implement a gender responsive analysis of the budget to analyze the impact of budgetary decisions on marginalized groups. Further, the government must allocate funds to implement the recommendations from reports it has commissioned and are focused on addressing

Campaign 2000, c/o Family Service Toronto
128A Sterling Rd. Unit 202, Toronto M6R 2B7
Phone: 416-595-9230, ext. 241



FAMILY SERVICE TORONTO
For People. For Change.

Email: jessicamu@familyserVICEToronto.org
www.campaign2000.ca & www.familyserVICEToronto.org

equity issues, including the Gender Equity report.

Recommendations for Budget 2018:

- Implement the Calls to Action from the Truth and Reconciliation Commission report
- Implement a gender responsive analysis of the provincial budget
- Implement Equal Pay Coalition’s 12 Steps to Close the Gender Pay Gap and the recommendations in the Gender Equity Report
- Implement targets and policy priorities identified by Colour of Poverty-Colour of Change
- Collect and report disaggregated data for all equity seeking groups
- Expand human rights protections to people in low income and those who have precarious immigration status, have police records, or are discriminated against based on genetic characteristics by passing Bill 163.

Conclusion

In a province as wealthy as Ontario, no child or family should be living in poverty. Ontario Campaign 2000 urges the province to commit to eradicating child and family poverty by investing in programs and policies which will build a strong foundation for all Ontarians not only to live free from poverty but also to thrive and live with dignity and respect. The province has committed to reducing poverty through its Poverty Reduction Strategy. Ontario Campaign 2000 urges the government to follow through with this commitment by providing sustainable and sufficient funding to programs and initiatives to end child and family poverty including: making paid work a path out of poverty by increasing the minimum wage to \$15/hour for workers irrespective of sector and age; lifting people out of poverty by increasing social assistance rates; ensuring health equity by implementing a low income health benefit; creating a universal, good quality and affordable child care system; ensuring appropriate housing for all by creating more affordable housing; supporting opportunities for youth; and addressing inequalities faced by marginalized groups.

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



FAMILY SERVICE TORONTO
For People. For Change.

Campaign 2000, c/o Family Service Toronto
128A Sterling Rd. Unit 202, Toronto M6R 2B7
Phone: 416-595-9230, ext. 241

Email: jessicamu@familyserVICEToronto.org
www.campaign2000.ca & www.familyserVICEToronto.org