

Child Poverty Rates in Ontario

This snapshot is an update to Ontario Campaign 2000's full April 2020 report on child poverty, and a companion piece to Campaign 2000's National Report Card on Child Poverty, released December 2020.

Based on Ontario data from the last few years, we expected to see a strong continuation of rate reduction, but after looking at the latest comprehensive data (2018), we wonder: *what happened in Ontario to slow the downward trend?* We can also anticipate that the pandemic has had an even more severe effect on child poverty rates over the last year. The Government of Ontario has no time to lose in making policy decisions and funding interventions designed to support all children and families living in poverty.

Decreases in the rate of child poverty have slowed

- The child poverty rate in Ontario has decreased annually since 2013, but recent reductions are marginal - less than a percentage a year since 2015.
- The under-6 child poverty rate is 19.5% (170,730 children), with a rate reduction of 0.7% from 2017-2018; only 5560 young children moved out of poverty in 2018.¹
- Children whose families face marginalization and who are impacted by the ongoing legacy of colonization face higher rates of poverty than the provincial average, ranging from 21% for Métis children, 31% for Inuit children, 32% for non-status FN children, 37% for Status FN children off reserve, and 48% for Status FN children on reserve.²

No matter how you measure it, children in poverty are falling through the cracks

- Using the Market Basket Measure (MBM), instead of the Census Family Low Income Measure (After-Tax) (CFLIM-AT), to measure poverty doesn't show the whole picture.
- In Ontario, 169,760 children live in the poverty gap between the MBM and the CFLIM-AT. If the government isn't recognizing these children, their families may be excluded from poverty reduction solutions.
- Whether rates are measured by MBM or CFLIM-AT, the trend is the same: The rate of reduction has slowed or stopped.

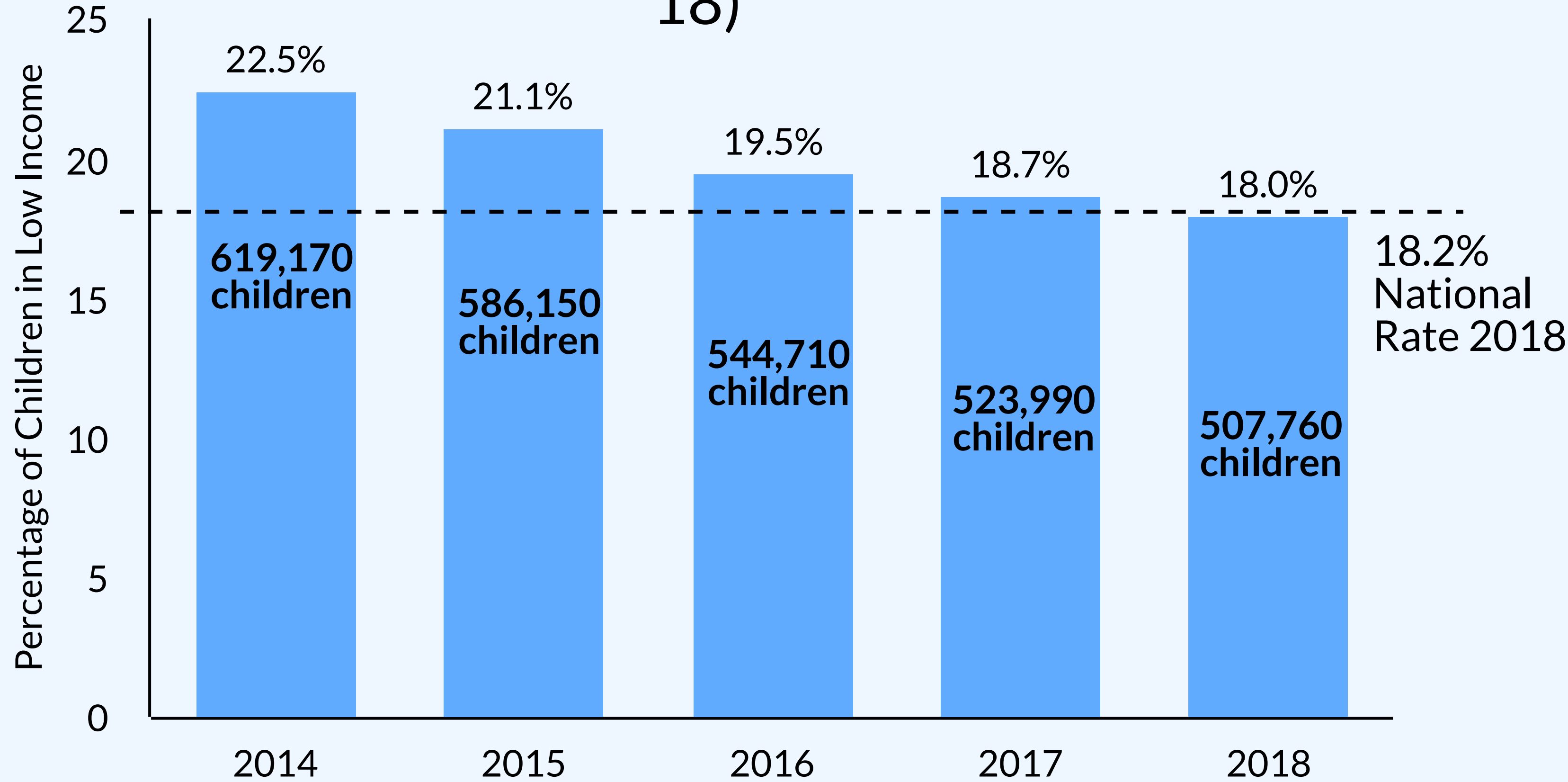
Lone Parents Experience Large Poverty Gaps; and Movement out of Poverty for Many Families is Slowing

- 1 in 7 families in Ontario live in poverty. This number increases to 1 in 3 for lone parent families.
- Lone parent families living in low income face larger wealth gaps than couple families with children living in low income.
- Lone parent families are predominantly headed by women. In 2018, median total income for female-led families was \$20,000 lower than those headed by males.³ While this gap showed slight improvement from 2015-16, it has since remained static, as female-led family income continues to lag by nearly 30%.
- Regardless of family type, social assistance rates in Ontario have been fairly flat since the mid-1990s, and do not bring income rates up to the CFLIM-AT.

Without Government Benefits, Many More Children would live in Poverty

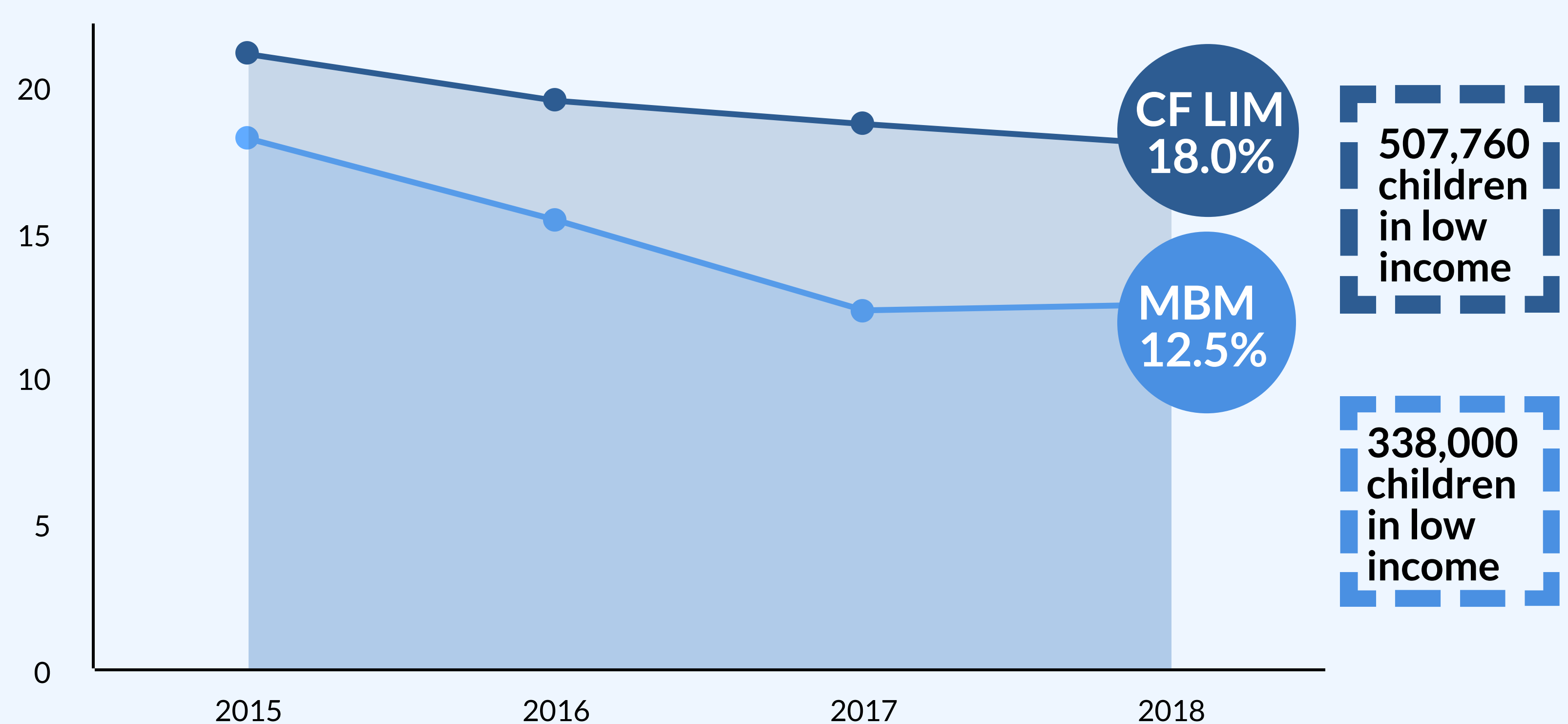
- Government transfers like the Canada Child Benefit and the Ontario Child Benefit have a massive impact on driving down the child poverty rate.
- The Ontario Child Benefit is indexed to the rate of inflation, but has not been significantly increased in years.
- Barriers to access can contribute to higher rates of poverty among children in vulnerable families, including First Nations children living on reserve, children in women-led households who have fled violence, children of migrant workers, and undocumented children.
- Even well-designed government transfers are not enough to end child poverty.

Ontario Child Poverty Rate, 2014-2018 (Under 18)



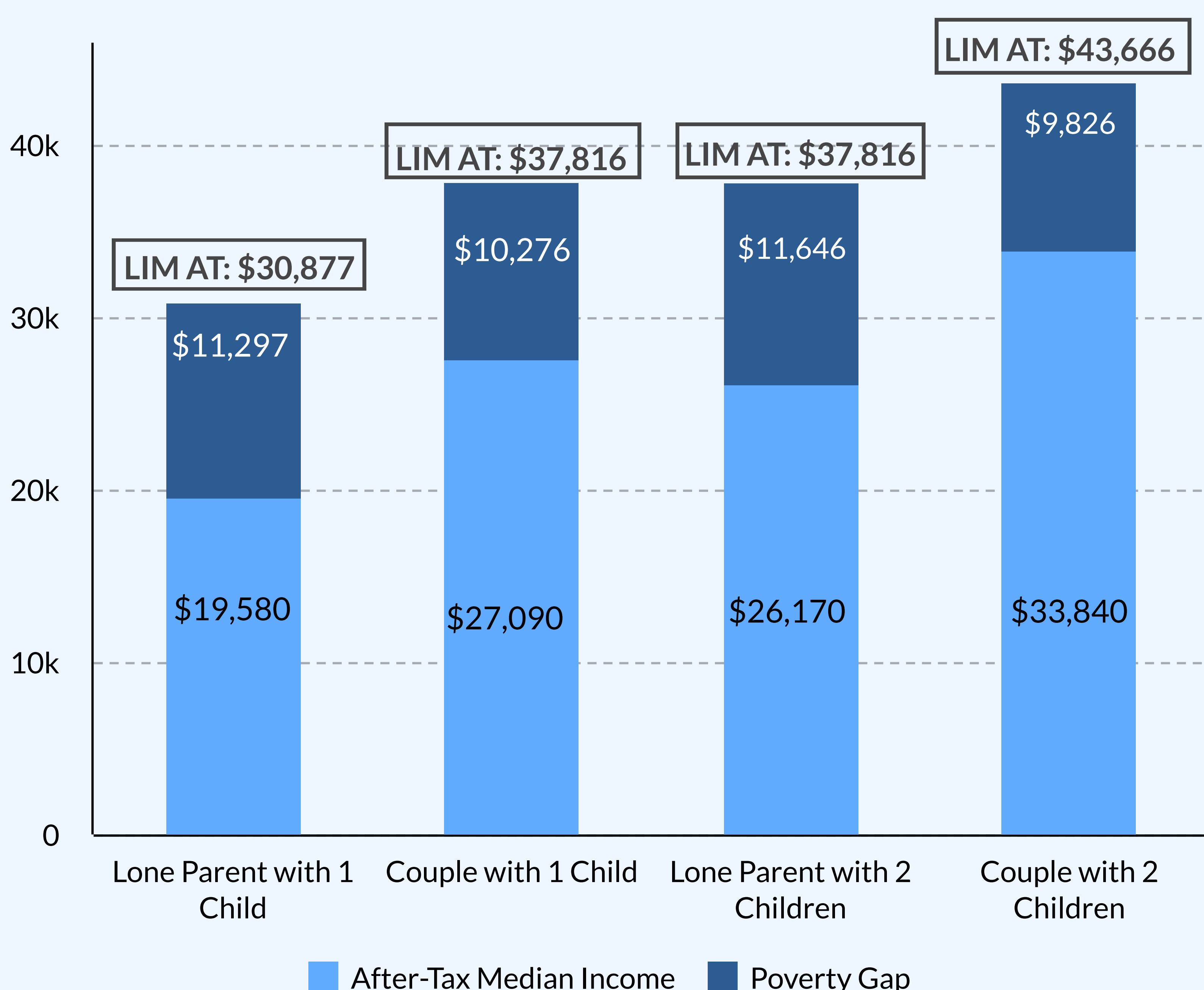
Source: Statistics Canada, T1 Family Files. After-tax low income status of tax filers and dependants based on Census Family Low Income Measure (CFLIM-AT), by family type and family type composition, 2014-2018. Table: 11-10-0018-01 (formerly CANSIM 111-0046).

Ontario Child Poverty Rate Comparison: MBM vs CFLIM



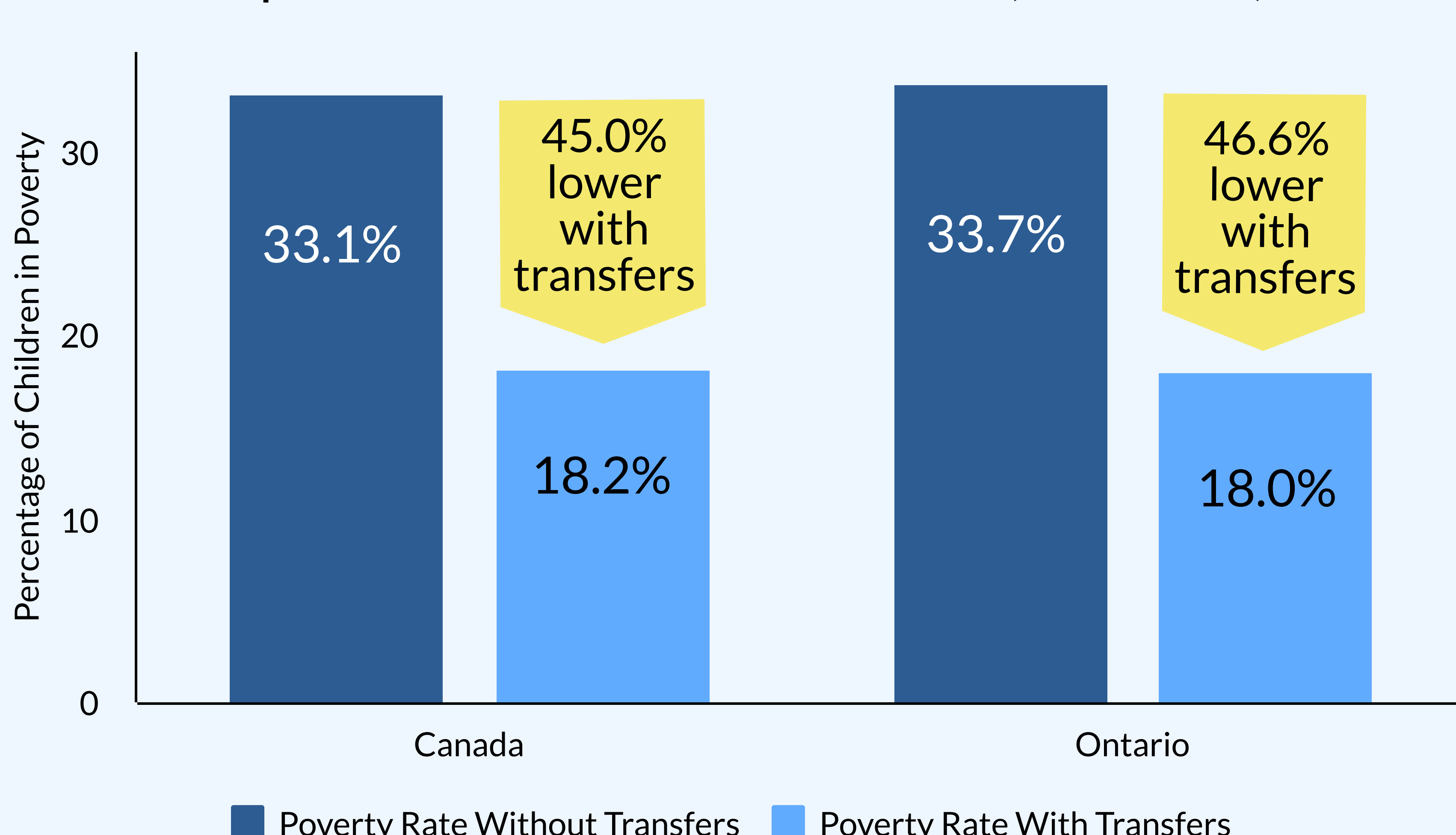
Source for CFLIM data: Statistics Canada, T1 Family Files. After-tax low income status of tax filers and dependants based on Census Family Low Income Measure (CFLIM-AT), by family type and family type composition, 2018. Table: 11-10-0018-01 (formerly CANSIM 111-0046)
Source for MBM data: Statistics Canada, Market Basket Measure Low income statistics by age, sex and economic family type. Table: 11-10-0135-01 (formerly CANSIM 206-0041)

Depth of Family Poverty in Ontario



Source: Statistics Canada, T1 Family Files. Table F-20 After-tax low income status of census families (census family low income measures, CFLIM-AT) by family type and family composition, adjusted methodology, 2018.

Impact of Government Transfers (Under 18)



Source: Statistics Canada, Center for income and socioeconomic well-being statistics, Annual Income Estimates for Census Families and Individuals (T1 Family File), Custom Tabulation, 2018.

Systemic inequities have deepened during the pandemic, and the Ontario Government has been Missing in Action on meaningful reform. Treading water on ending child poverty is unacceptable at any time; avoiding policy changes that would help to stem pandemic-related impacts on children and families living in poverty is inexcusable. Ontario Campaign 2000 provides the following recommendations:

Commit to reducing child poverty by 50% by 2025

Follow this commitment with bold policy choices & significant investments in support of low income children and families.

Ensure Income Supports Work Together to Bring All Incomes up to the Low Income Measure

Reduce barriers to access and increase the OCB, ODSP, and OW benefits. Stop the clawbacks of emergency benefits.

Implement Labour Reforms to Keep Workers and their Families Safe

Raise the minimum wage. Require employers to provide paid sick leave: 7 permanent days and an additional 14 days during public health emergencies. Close wage gaps by legislating equal pay for equal work.

Acknowledge the role of systemic inequities in entrenching poverty

Implement Gender Based Analysis+ for all policies and programs. Collect disaggregated data at the provincial level to better inform targeted, supportive policies. Invest in systems that will reduce inequities in the workplace, including employment equity programs that set clear targets, are monitored, and are tied to community benefits agreements.

Beat the Pandemic in Every Community

Fund site-specific, community-led interventions to ensure improved access to testing and quarantine supports, and ensure vaccine access is provided to the most vulnerable groups first, regardless of status or geographic location.

Ensure Equitable Access to Safe, High Quality, Affordable Childcare & Public Education

Provide adequate base funding for licensed childcare providers. Provide funding for smaller class sizes and capital funding for ventilation improvements. Close the digital divide for virtual learners living in low income.

Reduce Risk of Homelessness through Support for Tenants and Precariously Housed People

Re-instate the eviction moratorium as long as the pandemic lasts, and re-institute effective rent control. Allow appeals for all LTB decisions made after August 1, 2020.

ONTARIO CAMPAIGN 2000

END CHILD & FAMILY POVERTY

www.ontariocampaign2000.ca
campaign2000@familyservicetoronto.org
twitter: @ONCampaign2000

¹ Statistics Canada, Custom Tabulation, T1 Family File, 2018.

² Statistics Canada, Table: 11-10-0011-01 (formerly CANSIM 111-0011), "Census families by age of older partner or parent and number of children", 2018.

To read Ontario Campaign 2000's full set of recommendations as published in the April 2020 Report on Child Poverty please visit www.ontariocampaign2000.ca. National, provincial, and territorial report cards can be found at www.campaign2000.ca.