



FAMILY SERVICE TORONTO
For People. For Change.



2024 Ontario Pre-Budget Submission

Ontario Campaign 2000

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About Ontario Campaign 2000

Ontario Campaign 2000 is a provincial coalition of over 70 active partner organizations committed to eradicating child and family poverty in Ontario. Our membership is broad and diverse. It includes faith groups, members of the healthcare and community sectors serving children and families, educators, academics, racialized communities, and low-income and working families from Thunder Bay to Peel Region to Windsor. For nearly 30 years, Campaign 2000 has carefully monitored child poverty rates and related social policies at the federal and provincial levels through our annual report cards on child and family poverty. For more information, visit www.ontariocampaign2000.ca.

Ontario Campaign 2000 Recommendations for Ontario Budget 2024:

1. **Prioritize Decent Work and Equity in the Workplace**
2. **Reinforce and Invest in an Adequate Childcare System**
3. **Invest in Affordable and Accessible Housing**
4. **Solidify Safety Nets & Remove Barriers**

As a coalition of frontline service agencies, we have seen the ongoing effects of poverty on children and families. The 2024 Ontario Budget must prioritize the needs of the most vulnerable within the province. Data shows that poverty among children dropped during the pandemic, but this was temporary. Most recent tax-filer data from 2021 shows that child poverty has increased and almost returned to pre-pandemic levels.¹ In 2021, 449,380 children lived in poverty in Ontario, which is 16% of all children under 18.² This is an increase of 72,340 children from one year prior.³

Children live in poverty because their families live in poverty. High increases in inflation coupled with a lack of employment and inadequate wages, are making a bad situation worse for many families. As of October 1, 2023, the Ontario minimum wage for adults went up from \$15.50 to \$16.55 per hour. This was a welcomed and much-needed increase but falls well short of a living wage. Raising the minimum wage to a fair, equitable and living wage not only addresses the inequality facing the working poor but would also help to address the systemic realities of the racial, Indigenous, ableist and gendered wage divide. Workers of colour, women and gender-diverse workers were more likely to work in involuntary part-time, temporary and contract employment, often receiving lower wages and few if any benefits.⁴

An accessible supply of quality childcare also plays a role in assisting families out of poverty. A sufficient childcare system must encompass a framework that includes affordable fees for parents, a workforce strategy for Early Childhood Educators (ECEs), and an expansion strategy that includes quality public and nonprofit spaces. While federal transfers to Ontario for early learning and child care have almost doubled since 2021-22, reducing child care costs for some families, Ontario's provincial child care allocations have declined, even before adjusting for inflation.⁵ Without affordable childcare options, too many families face the challenges of balancing work and family responsibility, where they have to choose between earning an income and caring for their children.

Inadequate rates of both Ontario Works (OW) and Ontario Disability Support Program (ODSP) maintain poverty. Current ODSP rates are not sufficient to cover the needs of individuals living with disabilities. Last year, the Ontario budget included a \$1.4 billion commitment to index ODSP to inflationary increases over the next three years.⁶ While this was a step in the right direction, the base amount was already insufficient and far below the poverty line. It will be crucial as the new Canada Disability Benefit is administered, that it is not clawed back from ODSP. Similarly, OW saw no increases in its rates for the sixth year in a row. OW rates continue to be \$733

¹ Statistics Canada. Table 11-10-0018-01 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
<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110001801>.

² Ibid.

³ Ibid.

⁴ Workers Action Centre. (2022). *From the Frontlines: An Urgent Agenda for Decent Work*.
From the Frontlines: An Urgent Agenda for Decent Work (workersactioncentre.org)

⁵ Ontario Coalition for Better Child Care. (2023). *2024 Ontario Child Care Funding: Highlights of changes*. Retrieved from
https://www.childcareontario.org/2024_ontario_child_care_funding_highlights_of_changes

⁶ Government of Ontario. (2023). *Building a Strong Ontario: 2023 Ontario Budget*. Retrieved from
Building a Strong Ontario

a month for individuals despite inflation increasing an average of 6.5% over the last 12 months.⁷ At a time when families are struggling with increased inflation and living costs, social assistance rates are 40-60% below the poverty line.⁸

The Government of Ontario must support children and families living on low incomes to do better. Budget 2024 must focus on supporting families who continue to struggle to make ends meet. Poverty is a complex issue requiring long-term, multi-faceted interventions. Ontario can increase its impact by including focused investments in decent work, childcare, income security, housing and public health.

Ontario Campaign 2000 recommends that the Ontario government:

1. Prioritize Decent Work and Equity in the Workplace

- a) **Increase the minimum wage to at least \$20/hour** and consider the implementation of living wages across Ontario. The difference between \$20 and the current wage would lift many families out of poverty.
- b) **Close the gender pay gap** to reduce the level of poverty experienced by women. Women-led lone-parent households, racialized, Indigenous and transgender women and women with disabilities are disproportionately affected by poverty. **Pay equity** legislation is needed so all workers have equitable access to the labour market and are paid accordingly.
- c) **Implement 10 permanent paid sick days** for all workers across the province. This prevents a loss of wages due to illness-related absences, helping individuals and families maintain their financial well-being.

2. Invest in an Adequate Childcare System

- a) **Prioritize a childcare workforce strategy** that allows childcare centres to operate at capacity and gives childcare workers adequate training, wages and benefits. Ontario's childcare programs cannot operate at capacity due to recruitment and retention shortages.
- b) **Implement affordable childcare fees** for families that are capped at \$10/day and a \$0-10/day sliding scale system per family for lower-income families. While this is being developed, immediately increase access to the current subsidy system by removing barriers like work and study criteria and subsidy wait times.
- c) **Implement a needs-based funding formula** that provides full and sufficient public funding for licensed childcare programs.
- a) **Investment into quality public and non-profit childcare** spaces that strengthens the nonprofit sector's capacity to scale up. This strategy must prioritize the expansion in underserved and low-income communities and be done in consultation and collaboration with the childcare community.

⁷ Income Security Advocacy Centre. (2023). *Ontario Budget 2023: Designed to Balance the Books on the Backs of Ontario's Poorest During a Worsening Affordability Crisis*. Ontario Budget 2023: Designed to Balance the Books on the Backs of Ontario's Poorest During a Worsening Affordability Crisis - Income Security Advocacy Centre

⁸ Ibid.

3. Invest in Affordable and Accessible Housing

- a) **Increase housing supply and access to housing** by creating local housing for local households. Create new affordable housing of all types and access to safe, deeply affordable, supportive housing while prioritizing new affordable housing for those in greatest need.
- b) **Prioritize and support the nonprofit and co-op housing sector** to invest in the construction and development of community housing that would remain affordable long-term.
- c) **Collaborate with the federal government to ensure that unfair evictions, rent increases and service decreases are proscribed by provincial statutes and that accessible enforcement mechanisms are available to tenants.** All levels of government must recognize the human rights violations resulting from the financialization of purpose-built rental housing in Canada.
- d) **Support tenants** by preventing unlawful evictions, eliminating vacancy decontrol and making meaningful reforms to the Landlord and Tenant Board (LTB).
- e) **Build an adequate data system for housing indicators** in Ontario that captures the underlying trends and realities of tenants and individuals/households with unmet housing needs.

4. Solidify Safety Nets & Remove Barriers

- a) **Double Ontario Works (OW) and Ontario Disability Support Program (ODSP) rates** and ensure all income supports work together to bring incomes to at least the Census Family Low Income Measure, After Tax (CFLIM-AT).
- b) **Invest in making access to social assistance equitable and barrier-free** as the modernization process is ongoing and will require significant consultation with stakeholders, including current service recipients.
- c) **Work with the federal government and provincial governments to ensure that all children have adequate and barrier-free access to the Canada Child Benefit (CCB) and Ontario Child Benefit (OCB).** Those who do not file taxes do not have access to either the CCB or OCB, disproportionately affecting Indigenous communities and those with precarious immigration status, among others.
- d) **Reinvest all clawed-back federal transfers including Canada Emergency Response Benefit (CERB) and Canada Recovery Benefit (CRB) funds into social assistance programs.** The federal government designed the CERB and CRB for individuals, but the provincial government chose to claw back a significant percentage of CERB and CRB from social and disability assistance recipients, despite urging from the federal Minister of Employment and Workforce Development and community advocates.
- e) **Ensure immigration status is not a barrier to eligibility for income supports or public health initiatives** so that all people in Ontario can access healthcare and income supports. Immigrants and refugees face a multitude of barriers when trying to attain the bare minimum of health care in Ontario.