

Submission to the Consultation on Ontario's Poverty Reduction Strategy

Anglican Diocese of Toronto

The Diocese of Toronto extends over 26,000 square kilometres, from Mississauga to Brighton along Lake Ontario and from Collingwood to Haliburton along its northern border. This area includes not only the City of Toronto but 5 of the 10 largest cities in Ontario as well as suburban, small town and rural communities. The Diocese is made up of 230 congregations in 183 parishes, which serve the spiritual and physical needs of hundreds of thousands of Ontarians.

As we live out our Christian convictions, our congregations are regularly engaged in meeting immediate needs in our communities, through food and clothing banks, meal programs, Out of the Cold shelters, drop-in programs and funding of over a dozen non-profit ministry partners who provide food, shelter and supports to people in need from Peel to Peterborough. At the same time, our faith calls us to raise our voices and our influence on behalf of, and in solidarity with, the most vulnerable in our society. It is in that spirit that we make this submission today.

The Government of Ontario has invited public input on the development of the next 5-year phase of the provincial Poverty Reduction Strategy. In particular, your government has asked for input on how it can:

- encourage job creation and connect people to employment;
- provide people with the right supports and services; and
- lower the cost of living and make life more affordable.

Before addressing measures under those headings, we want to make some comments about the overarching principles we would like to see guiding the renewal of the provincial poverty reduction strategy.

We believe that **dignity, opportunity and equity are the hallmarks of any effective poverty reduction strategy**, and that these principles should guide both the development and the implementation of the strategy. A *commitment to dignity* means not only taking steps to ensure that everyone in Ontario is able to meet their basic needs, but also ensuring that people living in poverty are actively included and given priority in development of the next poverty reduction strategy. A *commitment to opportunity* involves creating the conditions for everyone in Ontario, regardless of economic status, to have access to the programs and resources that facilitate their ability to thrive and participate in society. A *commitment to equity* means including measures that address the obstacles faced by different people in our society as they seek to realize their potential. As this government has already acknowledged, Indigenous people, single mothers, people with disabilities, seniors, recent immigrants and racialized communities are at heightened risk of poverty. People who belong to one or more of these groups may need targeted supports to help lift, and keep, them out of poverty.

Encourage job creation and connect people to employment.

We agree that for most, if not all people, the pathway out of poverty involves employment. However, this is only true if people are connected to good jobs. Over the past three years, there has been a 27% increase in the number of employed people relying on food banks in Ontario, belying the notion that “the best social program is a job.” The trend away from full-time, permanent employment with a full range of benefits, toward precarious part-time, temporary and freelance/contract work results in less

steady income, fewer employment protections, and fewer benefits¹. If employment is to be a reliable pathway out of poverty, the government should take measures to make every job a good job. This would mean

- establishing pay equity between different classes of workers doing the same work;
- shifting the onus onto employers to establish that a worker is an independent contractor and not an employee;
- reinstating paid personal leave days to allow workers to take needed days off for illness or other emergencies without losing the income – or the jobs – on which they depend; and
- providing for effective enforcement of labour standards.

In this vein, it is with grave concern that we note the introduction of a pilot project to turn employment services for social assistance recipients over to private corporations such as FedCap in Hamilton/Niagara and WCG in Peel Region. Similar projects in the UK and Australia (where WCG's parent corporation APM is based) have resulted in churning social assistance recipients through a revolving door of short-term, low-income jobs that provide financial bonuses for the private employment services providers but keep those on social assistance trapped in a cycle of poverty. A report to the Australian Senate found the Jobactive program “not delivering on stated objectives,” “overburdened with red-tape,” “punitive and unfair,” and “not fit for purpose.”² In the UK, the Work Programme, established in 2011 failed to achieve its targets in moving people into employment, despite enormous cost to the public, and was replaced within six years by a smaller and more targeted program focused on providing personalized, integrated supports for clients.³ As we renew our provincial poverty reduction strategy, Ontario must take care to ensure that employment services for people on social assistance avoid the pitfalls of the Australian and earlier UK models that funnel huge sums of public money to private service providers while leaving vulnerable people in poverty.

In order to stimulate job creation that will create meaningful opportunities for employment, the provincial government should tie tax cuts and other incentives for businesses to the number of full-time, long-term jobs they actually create for Ontarians. Companies that receive public contracts (for example to build or repair public infrastructure) should be encouraged to negotiate community benefits agreements that will connect local people – especially those who are socially and economically disadvantaged – to job opportunities and training. Community benefits agreements can also include local procurement provisions to help stimulate local businesses.

This government is already taking steps to attract young people to the skilled trades, and to encourage employers to offer apprenticeship in the skilled trades. The skilled trades offer good quality and well-paying careers, often with a relatively modest investment of time and money into training programs. We welcome such programs and encourage the province to expand upon them, especially for groups of people who experience higher rates of poverty, including women, Indigenous and racialized people.

Similarly, employers should be incentivized to provide opportunities for newcomers to receive Canadian experience that would enable them to put their skills and experience to work within the Ontario economy.

Providing people with the right supports and services is essential to reducing poverty in both depth and breadth. Key supports and services include access to childcare, as well as extended healthcare to cover the cost of prescription drugs, dental and vision care, and mental health services. For many people living

¹ As the COVID-19 shutdown demonstrates, many people whose livelihood depends on part-time work as food service workers, ushers, ticket takers, concession-stand employees, etc., are in precarious financial positions.

² https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Education_and_Employment/JobActive2018/Report

³ <https://maytree.com/publications/system-transformation-in-ontario-works-considerations-for-ontario/>

in poverty, the lack of access to these supports and services create and perpetuate barriers to employment.

Increasing access to high-quality, affordable childcare is vital not only for enabling parents to participate in work or training opportunities, but it helps to enrich the social and cognitive development and physical and emotional health of young children, so that they enter school ready and able to learn. Children living in poverty are less able to meet developmental expectations on entering kindergarten than their peers from high-income families⁴, resulting in a disadvantage that can follow them through their school career and beyond. Access to quality childcare redresses this balance.

While there is some coverage for prescription drugs and prescription eyeglasses on social assistance, and this government is committing to extending dental coverage from children in low-income households to seniors as well, dental care for working-age adults on Ontario Works is limited to emergencies. Moreover, as people move off social assistance into employment, they lose coverage for prescriptions, dental care, eyeglasses etc. With fewer jobs, especially low-wage and precarious jobs, offering extended health benefits, people attempting to move into employment can be worse off – financially and health-wise – than they would have been had they remained on social assistance. For this reason, all low-income Ontarians – working-age adults as well as children and seniors, whether employed or on social assistance – should have access to extended health benefits.

Finally, people in poverty often face multiple and intersecting issues – which may go beyond income support to include physical and mental health care needs, childcare needs, victim services, housing supports, education, training and employment services. Navigating all these different programs is complex and time-consuming, especially for people with limited resources, who may recently have experienced trauma or crisis, and may have linguistic and/or health barriers. A wrap-around approach, in which case managers are able to make “warm referrals”⁵ to other needed services, would help connect people more directly with the supports they need to improve their situation.

Lowering the cost of living and making life more affordable. The single biggest cost most people face is the cost of housing. Most low-income households in Ontario live in rental housing, and nearly half of all renters in Ontario pay more than 30% on rent and utilities. Not only in Toronto, but in communities throughout southern Ontario, rental costs are going up faster than the cost of inflation, while vacancy rates are at historic lows.⁶ Rental controls protect tenants living in units first occupied before November 2018, but not in newer buildings, nor when a unit is empty between tenants. Extending rent control to all buildings, and adding vacancy controls to help keep units affordable, would limit the financial incentives for landlords to push out sitting tenants, making life more affordable for the many low-income Ontarians who depend on rental housing to meet their basic need – and right – to shelter. It is much more cost-effective to help people keep the housing they have than attempting to find homes for

⁴ <https://www.wellesleyinstitute.com/healthy-communities/child-care-a-powerful-intervention-for-low-income-children-and-families/>

⁵ A “warm referral” typically involves a referring person, a client and an agency. A warm referral has these attributes:

- The referring person will phone an agency contact in advance and to set an appointment.
- The referring person will give the client the name of the agency contact, the time of the appointment, the background of the organization and the decision process and a list of any documents that will be required.
- The referring person follows up with the client and if necessary, with the agency contact.

⁶ <https://www.theglobeandmail.com/business/economy/article-canadas-vacancy-rate-falls-for-third-year-as-tight-rental-market/>

them once they have been made homeless. It also avoids the financial, social and health-care burden that homelessness exacts both from the individuals affected and from the surrounding society.

In addition, promoting purpose-built rental housing with deep affordability would help to relieve the stress on lower- and middle-income households. The provincial government should tailor incentives to those developers, whether private, non-profit or cooperative, who provide this type of housing.

Another major cost for people is that of transportation. Investing in public transportation helps to connect people to jobs and services, as well as representing an important way to lower carbon emissions. Investing in improving public transportation infrastructure is a welcome start. However, subsidizing transit operations so as to lower fares, especially for people on low incomes, would go a long way to making life more affordable, while ensuring people can still get to work, to school, and to the services they need.

We believe these measures deserve consideration in shaping Ontario's Poverty Reduction Strategy for the next five years and beyond. Thank you for considering our recommendations.

Respectfully submitted,

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and

The Social Justice & Advocacy Committee,

Diocese of Toronto