

Clause 20 in Report No. 12 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on September 21, 2017.

20

Federal Poverty Reduction Strategy Consultation

Committee of the Whole recommends adoption of the following recommendations contained in the report dated August 22, 2017 from the Commissioner of Community and Health Services:

- 1. Council endorse the comments provided to the Federal Consultation on Poverty Reduction as set out in Attachment 1 to this report, including:
 - a. Existing government programs seeking to address poverty can be improved by providing more flexibility and long term funding commitments for affordable housing to maintain and protect existing social housing, and to build new affordable housing. In addition, they may be improved by promoting progressive employment, improving employment standards and providing more comprehensive social assistance; and
 - b. Key programs that are missing in addressing poverty include access to oral health care as part of the universal health care system, and a national Early Learning and Child Care Framework.
- 2. Council forward any additional feedback on the Federal Poverty Reduction Strategy directly to the Minister of Families, Children and Social Development.

Report dated August 10, 2017 from the Commissioner of Community and Health Services now follows:

1. Recommendations

It is recommended that:

- 1. Council endorse the comments provided to the Federal Consultation on Poverty Reduction as set out in Attachment 1 to this report, including:
 - (a) Existing government programs seeking to address poverty can be improved by providing more flexibility and long term funding commitments for affordable housing to maintain and protect

existing social housing, and to build new affordable housing. In addition, they may be improved by promoting progressive employment, improving employment standards and providing more comprehensive social assistance; and

- (b) Key programs that are missing in addressing poverty include access to oral health care as part of the universal health care system, and a national Early Learning and Child Care Framework.
- 2. Council forward any additional feedback on the Federal Poverty Reduction Strategy directly to the Minister of Families, Children and Social Development.

2. Purpose

This report requests Council endorsement of staff comments provided to the Canadian Poverty Reduction Strategy Consultation (Attachment 1) conducted by Ministry of Families, Children and Social Development The Ministry has confirmed that any additional comments by Council in September may also be submitted, despite that the consultation deadline has passed.

3. Background

Participating in the Canadian Poverty Reduction Strategy supports the Region's efforts in supporting low to moderate income residents

In York Region, population growth and changing demographics continue to impact Regional programs and services. More residents are living with low to moderate incomes, are facing increased unemployment and/or insecure employment, and are finding it harder to obtain quality affordable housing. Further, low to moderate income residents also have less access to employer-funded health benefits and in addition, tend to find it harder to access quality and affordable child care. York Region has implemented a variety of programs and services to meet the growing needs of our residents, however, a coordinated effort from all levels of government is still needed. Participating in the Canadian Poverty Reduction Strategy helps to address the growing demands of residents in such a coordinated manner.

Region provided a submission to the federal consultation process on poverty reduction in July 2017

In July 2017, staff made a submission to the Government of Canada's online consultation process on poverty reduction. The consultation was open to both individuals and organizations, to help inform the development of a Canadian Poverty Reduction Strategy. The original deadline of July 31 was later amended to August 31, 2017. The Region submitted to the online consultation's original deadline prior to the amended deadline in August.

As a direct result of the timing, there was insufficient time to bring this item forward for Council approval prior to submission. Staff has confirmed with the Ministry of Families, Children and Social Development that any additional feedback arising from consideration of this report by Council in September may also be submitted.

Region's submission was consistent with previous submission to the Provincial Poverty Reduction Strategy

In preparing its submission to the Federal consultation, staff reviewed the Region's submission to the Provincial consultation on poverty reduction made on November 7, 2013. An overview of the Province's final Poverty Reduction Strategy was provided to the Committee of the Whole on January 8, 2015.

4. Analysis and Implications

Community and Health Services Department's submission focuses on the main reasons people struggle, how existing programs can be improved and key programs that are missing

An online survey was provided for institutions and organizations to make submissions to the Federal Consultation on Poverty Reduction. The Region's submission (Attachment 1) included the following key points:

• The main reasons people struggle:

- Low and moderate income residents are challenged by the growing gap between household income and the high cost of living.
- The lack of a multifaceted approach that complements the interrelated components of the social determinants of health.
- How can existing government programs be improved?

- Provide more flexibility and long term funding commitments for affordable housing to support: capital repairs for existing social housing and new supply of affordable housing.
- Support income security strategies by promoting progressive employment, improving employment standards and provide more comprehensive social assistance or expand the Basic Income Guarantee as a national initiative.

What key services or programs are missing?

- A national Early Learning and Child Care Framework; evidence suggests that effective children's services policies boost employment, reduce gender inequality and promote child development, particularly for struggling families.
- Access to oral health care for all Canadians as part of the universal health care system. Poverty is a key social determinant of health, including oral health.

Federation of Canadian Municipalities' submission outlined 12 recommendations that are aligned with the Region's submission

The Federation of Canadian Municipalities (FCM) has made a submission for the Canadian Poverty Reduction Strategy titled, *Ending Poverty Starts Locally* (Attachment 2). In their submission, FCM outlined 12 broad recommendations such as strengthening intergovernmental dialogue, prioritizing social and affordable housing repair and construction, and increasing access to quality child care for low income households — all of which are aligned with the Region's submission.

Federal Government will use information gathered from the online consultation process and roundtable discussions to inform the development of Canada's Poverty Reduction Strategy

As a next step in the process, the Federal Government will be holding roundtable discussions with stakeholders; Indigenous organizations; businesses; community organizations; academic experts; and Canadians who have experience with poverty. The information gathered from the online consultation process, along with the information gathered through in-person roundtables across Canada, will inform the development of Canada's Poverty Reduction Strategy.

5. Financial Considerations

There are no financial considerations for providing a submission to the Canadian Poverty Reduction Strategy Consultation.

6. Local Municipal Impact

The development of Canada's Poverty Reduction Strategy in the future may have impacts on residents, particularly those with low to moderate income.

7. Conclusion

The Region will continue to monitor the Federal Government's progress towards development of a Canadian Poverty Reduction Strategy.

For more information on this report, please contact Lisa Gonsalves, Director of Strategies and Partnerships, at 1-877-464-9675 ext. 72090.

The Senior Management Group has reviewed this report.

August 10, 2017

Attachments (2)

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Accessible formats or communication supports are available upon request

Online Survey: Questions/Answers The Federal Poverty Reduction Strategy Consultation

1. What poverty-related <u>programs or services does York Region</u> provide?

The Region provides a number of programs and services that are targeted to low-income residents, including:

- The <u>Access York contact centre</u> which provides information, referrals and application services for York Region programs and services. It provides efficient service navigation for residents experiencing multiple barriers
- Social Services that focus on helping clients become economically stable by helping them to gain or maintain employment, and/or obtain financial support to afford basic living needs. Examples of some of the initiatives include:
 - Positive Leisure Activities for Youth (PLAY) provides free access to sports and recreational programs to children and youth ages 4 to 18 years old and single parents receiving Ontario Works;
 - O Housing Stability Program (HSP) York Region residents who are receiving Ontario Works (OW) or Ontario Disability Support Program (ODSP) benefits may be eligible for financial assistance for rental or, mortgage arrears, utility arrears and/or reconnection, last month's rent and other housing stability supports to help residents obtain and/or retain their housing;
 - The <u>Transit Fare Subsidy Program (TFSP)</u> assists eligible OW and ODSP clients between the ages of 18 and 64 with their transportation needs for finding or maintaining employment. Eligible OW clients currently receive a discount of 75% off the full price of an adult monthly YRT/Viva pass. Eligible ODSP clients receive a 50% discount. The Region is also working to implement a low-income transit pass.
- The <u>Home Repair Program</u>, developed for homeowners with low to moderate income, provides financial support for daily living or for critical repair expenses. There is no user fee for this service, and the Region pays the contractor directly.
- Healthy Smiles Ontario (part of the Ontario Poverty Reduction Strategy), aims to improve oral health and overall health outcomes for children and youth to decrease the economic burden on families.
- Housing strategies such as <u>York Region's 10-Year Housing Plan</u>, to enhance housing supports for people receiving social assistance.
- Regional strategies such as:
 - York Region's Seniors Strategy, and
 - low-cost or free public health programs such as <u>Healthy Babies</u>, <u>Healthy Children</u>.

- The <u>Human Services Planning Board (HSPB)</u> which focuses on housing supports for low and moderate income residents, as well as progressive employment.
- Homelessness Prevention Program (HPP) which provides financial assistance to York Region residents who are homeless, living in emergency housing/temporary shelter or at risk of losing their housing, in order to prevent households from experiencing homelessness and to keep households at risk of homelessness to remain housed.
- The <u>Community Investment Strategy (CIS)</u> which provides annual funding for community/agency programs that are focused on low-to-moderate income residents that are often very hard to reach.
- In 2017 CIS funded a number of community/agency programs that are directly related to addressing poverty in York Region, including:
 - Two <u>Seasonal Shelter Programs</u> for residents experiencing homelessness offered by Inn From the Cold and Mosaic Interfaith Out of the Cold;
 - The <u>Jewish Russian Furniture Depot</u> offered by the Jewish Russian Community Centre of Ontario;
 - Information and Case Management services offered by The Housing Help Centre;
 - The <u>Peer Support Outreach Worker Program</u> offered by Lance Krasman Memorial Centre;
 - The <u>LOFT Crosslinks Street Outreach</u> offered by LOFT Community Services;
 - The <u>Eviction Prevention Program</u> offered by the Community Legal Clinic of York Region; and
 - o The development of a Three Year Strategic Plan for <u>Inn From the</u> Cold seasonal homeless shelter.
- The <u>Property Tax Relief for Seniors and Low-income Disabled Persons program</u> provides qualified persons with a deferral of their property tax increment (year-over-year increase). Recipients do not pay, and the tax amount owing remains on their account and is repaid once the house is sold.
- The <u>Newcomer Strategy</u> which supports the Region's ongoing vision for settlement and integration of newcomers with a focus on setting newcomers and their families up for success. This includes:
 - The Local Immigration Partnership initiative to establish multisectoral community partnership councils to develop and implement local settlement strategies to improve access to and coordination of immigration services, and to improve labour market outcomes for newcomers.
 - Assisting economic and social integration through improved language, and accreditation supports, strengthening newcomer employability (i.e. the Region's Internationally Educated Professionals Conference), promotion of inclusive workplaces, addressing information needs, increasing local service planning, and strengthening social cohesion.
- The <u>Local Immigration Partnership</u>, through the Community Partnership Council, has developed the 2017 2021 Newcomer Strategy that focuses

on Economic and Social Integration for newcomers. A key action includes a pilot to strengthen employability for newcomers.

2. What do you think are the <u>main reasons people struggle</u> to make ends meet in York Region?

There are a number of reasons that people may struggle to make ends meet in York Region. From a Community and Health Services perspective, the main reasons poverty persists in our municipalities may be attributed to:

- The lack of a multifaceted approach that complements the interconnectedness of social determinants of health, i.e., housing and homelessness, employment and training, education, etc. Evidence has shown that people with low income fare poorly in the social determinants of health and, as a result, face a lifetime of poor health. However, these negative health outcomes can be mitigated and avoided by investing in poverty reduction.
- Hard working, low and moderate income residents (households earning \$78,000 or less annually) are challenged by the <u>growing gap between</u> <u>household income and the high cost of living</u>, specifically the expensive housing market in York Region.
- High mortgage debt and increasing costs of living is putting low and moderate income households at financial risk. Housing affordability is an increasing concern for residents in the Region, with their wealth increasingly tied up in their homes. In 2016, the average household in York Region had \$420,071 in mortgage debt. Consumer debt, which includes credit cards, car loans and lines of credit, accounted for another 13 per cent and averaged \$62,283 per household in 2016.
- The <u>lack of sustainable social infrastructure for affordable housing and seniors facilities</u>, early learning and child care, and cultural or recreational infrastructure.
- The <u>need for sustainable growth planning with more accessible services</u> in <u>urban/rural areas</u> such as improved transportation networks to access a variety of services (i.e. health care services, education, etc.)
- Between 2011 and 2015, 56% of York Region's population growth was due to immigration. However, the <u>unemployment rate of newcomers is</u> <u>about twice as high as the general population</u>. (StatsCan Labour Force Survey 2006 – 2016) Low-income rates are almost three times as high. (StatsCan Census data 2001, 2006 and NHS 2011). Reasons for under and unemployment varies, but includes:
 - Language skills lacking to practice their profession
 - Accreditation of previous education may not be recognized
 - Discrimination
 - Learning new systems, finding adequate housing and childcare can make it more difficult to obtain suitable employment.

3. Which groups in York Region do you think need the most urgent help?

Poverty reduction efforts in York Region are in critical need for:

- <u>Low income residents</u> (e.g., unemployed, underemployed, etc.), including working age adults which account for 15% of the population in York Region, as well as children (15.1%);
- <u>Seniors</u> who make up 21,070 of low income residents in York Region, representing a total low income rate of 14.6% for seniors.
- <u>People experiencing homelessness</u>, especially those experiencing chronic homelessness (over 1,100 York Region residents experienced homelessness in 2015).
- <u>People living with disabilities</u> (e.g., physical, intellectual/developmental, learning, mental illness, and addictions/substance use);
- <u>People experiencing intimate partner violence</u> (so they can gain financial independence to leave unstable relationships);
- Indigenous people;
- <u>Ethno-racial communities</u> (e.g., racial/racialized or cultural minorities, immigrants and refugees, etc.).

4. How can existing government programs be <u>improved</u> to reduce poverty in York Region?

Housing

- The rising costs of home ownership and low supply of affordable rental units continue to contribute to the rising demand for the Region's subsidized housing units. There continues to be a growing need more for housing supply in the Region.
- More flexibility and continuity of funding for affordable housing to support capital repairs for existing social housing, new supply of affordable housing, rent subsidies, and home renovations for low to moderate income households.
 - Additionally, improve social housing program rules that are poorly integrated with other income support programs so that lower income residents can improve their circumstances.
- Eliminate indemnification restrictions in the Canada-Ontario Social Housing Agreement to allow social housing providers to leverage funding for renovation and redevelopment.
- One community result area under the Human Services Planning Board of York Region is to create housing options that are affordable for everyone in its community. More housing options will help make the Region more attractive to all demographics including the younger skilled workers needed to replace retirees. When housing costs are more affordable and families have more disposable income, local businesses gain from the increased buying power made possible by the availability of different types of housing (i.e. rental and ownership).

Income-Related Benefits

- As a non-taxable benefit that increases as income rises, the Canada Child Benefit effectively increases income. The decision by the Government of Ontario not to claw back funds from Ontario Works (OW) recipients ensures that families with the lowest incomes receive the full benefit. The federal government should encourage all provinces to agree to similar coordination for future income support programs.
- Employment Insurance (EI) OW issues full assistance until an EI claim
 is finalized. The EI and OW offices may pay benefits during the same
 time period. Ontario law states you must pay back any social assistance
 (OW) that covers the same period as your EI benefits. EI services need to
 improve their service delivery model to provide better access, streamline
 services and link to provincial government programs.
- With the decline of manufacturing secure jobs, and growth in higher-pay knowledge sector jobs and lower-pay service sector jobs, there has been a hollowing out of middle-level jobs in the goods and services sector, and resulting in increased job precarity. Key policy areas to respond to these changes include improving federal child benefits and access to Employment Insurance for people entering or re-entering the labour force. As well as continued workforce development, by exploring community benefits agreements, and encouraging development strategies to target the range of age groups within the working poor.
- York Region's Senior's Strategy focuses on four focus areas that would help seniors, including:
 - Balancing the needs of seniors with all residents through increased income supports, dental benefits, and a holistic approach to healthcare;
 - Keeping seniors healthier through expanded government funding for prevention programs including community paramedicine, longterm care facilities/beds, homecare, respite care, and adult day programs;
 - Support for age-friendly, complete communities through expanded government funding for infrastructure for a variety of housing options, including rental, affordable retirement homes, secondary suites and congregate living options; and
 - Connecting seniors and caregivers to the right programs and services at the right times by improving coordination and integrated service delivery to assist seniors with system navigation.

Partnering

There are a number of opportunities for the federal, provincial and municipal levels of government to establish stronger partnerships on current initiatives to address poverty together, such as:

 Obtaining federal support for Ontario's Long Term Affordable Housing Strategy that aims to increase the supply of affordable housing and end homelessness by 2025.

- Developing long-term, sustainable funding programs to allow Service Managers to do long-term planning to meet their Housing and Homelessness Plan commitments.
- Ensuring that federal objectives and mandates connect seamlessly with provincial, territorial, and local strategies and approaches.
- Supporting coordinated actions across the human services sector (including health and mental health, income assistance, affordable housing, child care, education and training).
- Continuing to prioritize federal investment in social infrastructure, particularly affordable housing.
- Partnering with municipal governments/programs to support subsidy for children to participate in social and physical activities.
- Supporting income security strategies by promoting progressive employment (precarious employment, 'working poor'), improving employment standards, providing more comprehensive social assistance, or expanding the Basic Income Guarantee as a national initiative.
- Providing sustainable funding for local initiatives and pathways to address mental health issues. Depending on the region/municipality, access to service is not equal and referral options are often limited.
- Exploring opportunities for partnerships that focus on addressing underemployment and job precarity in the community. These could include advocacy on re-designing federal and provincial supports that help workers better manage the risk of job precarity, and support for progressive employment opportunities.
- Continued support for the Local Immigration Partnership, to drive local solutions and work with community partners to address poverty and economic integration in newcomer communities. This includes partnerships that help newcomers find employment that reflects their skills and education, such as the Internationally Educated Professional conference that also intends to help employers to understand the value of a diverse workforce.
- The federal and provincial governments are working towards reestablishing the Canada Ontario Immigration Agreement that previously established the Municipal Immigration Committee as a valuable forum to ensure adequate planning and supports for immigrant settlement and integration.
- Supporting efforts for a national seniors strategy, which includes: improved access for seniors and their caregivers to services and supports; acknowledging equity and sociocultural differences; providing seniors and their families with the best information to make informed choices; making the best use of resources when planning and delivering services; and providing better quality of care.

Data improvements

- There are also a number of potential improvements to the availability and collection of poverty-related data that may help to address knowledge gaps. These include:
 - Clarifying the existing poverty measure.

- Tracking household income, including the number of children per household.
- Improved data collection on homelessness to mitigate existing data gaps.
- Considering the characteristics of geographic location that influence the experience of poverty in data collection.
- Provide support for Public Health Ontario which requires additional support in data sharing to update the Ontario Marginalization (ON-Marg) index with current data. The ON-Marg index helps to explore how factors like residential instability and material deprivation are concentrated at local level and how this is affecting health outcomes.
- Use of the Urban Health Equity Assessment and Response Tool (Urban HEART) to assess urban equity in relation to 1) Physical Environment & Infrastructure; 2) Social & Human Development; 3) Economic Opportunity; 4) Governance; and 5) General Population Health.
- Use of the Early Development Instrument to measure a child's ability to meet age appropriate developmental expectations.
- Use consistent methodology for data gathering and evaluation so data is reliable and can be compared over time and across geographies.
- The need for more predictive analytics for human services planning to meet future growth and service needs.
- Any proposed indicators/measurements should be stratified with the social determinants of health to highlight inequities. These include:1) Stress, Bodies, and Illness; 2) Income and Income Distribution; 3) Education; 4) Unemployment and Job Security; 5) Employment and Working Conditions; 6) Early Childhood Development; 7) Food Insecurity; 8) Housing; 9) Social Exclusion; 10) Social Safety Net; 11) Health Services; 12) Aboriginal Status; 13) Gender; 14) Race; and 15) Disability.

Choosing indicators for tracking groups

Consider indicators to track progress including income, employment, health care usage, housing education, the percent of residents dependent on financial benefits and the percent of residents returning to OW.

5. What are some key services or types of programs that are missing in York Region that would really make a difference?

- Create <u>Federal tax incentives</u> aimed at removing barriers to new affordable and market-rental housing and incentivizing new rental housing construction.
- Create <u>investment vehicles for long-term and social impact investors</u> to help finance affordable housing or rental housing developments.
- Development of an <u>Early Learning and Child Care Framework</u>; evidence suggests that effective children's services policies boost employment,

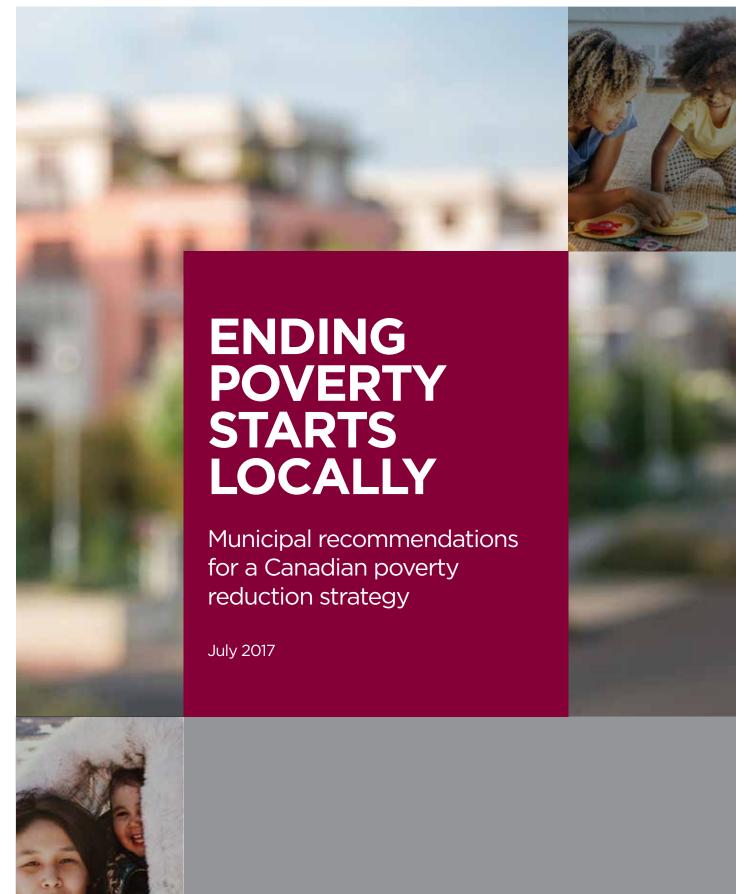
- reduce gender inequality and promote child development, particularly for struggling families.
- Provide access to oral health care for all Canadians. For example, the Government of Canada could align with the provinces by imbedding dental treatment into publicly funded health care (i.e. OHIP in Ontario).
- Develop a <u>coordinated approach between health promotion/prevention</u> initiatives and health care services.
- Strengthening social assistance systems financially and to become more client focused.
- Access to <u>adequate nutrition</u>.
- <u>Improved settlement services for newcomers</u> built around the model of service integration, including employment supports, language training, and accreditation.
- Support for <u>local planning that addresses community needs</u> by bringing together diverse stakeholders to increase capacity. The Local Immigration Partnership, through its Community Partnership Council, which represents various sectors (police, education, settlement, health, social services etc.), provides the model to do this. This approach to collaborative planning would be beneficial in other areas, but resources and supports are needed to do this.
- As York Region's role as a service system manager increases, the federal government should consider <u>funding allocation based on evidence</u> and established need within the communities that are being served.
- To address homelessness and York Region's residents at risk of becoming homeless, <u>increased funding and supports</u> for the Region's Housing Stability Program are needed to keep pace with demand.

Data improvements

- Exploring gaps in employment measurements such as determining what work is voluntarily or involuntarily precarious.
- Expanding data collection to focus on populations that are hard to reach and remunerate to allow a fuller picture of populations in need.

Reporting progress

- Provide regular progress reports on federal activity to address poverty, as well as flexibility to modify or adjust the proposed plan.
- Any plan put forward should include input from Canadians, especially vulnerable population groups and those with lived experience, as well as incorporate accountability measures and ensure sustainability.
- Provide a forum for ongoing engagement with stakeholders. For example, through a legislative committee on Poverty Reduction Strategy, the federal government can communicate regularly with all stakeholders through annual program reports, e-newsletters, annual conferences and webinars.
- Use social media platforms to reach a larger audience.



July 4, 2017

The Honourable Jean-Yves Duclos, P.C., M.P. Minister of Families, Children and Social Development House of Commons Ottawa, ON K1A 0A6

ENDING POVERTY STARTS LOCALLY: RECOMMENDATIONS FOR A CANADIAN POVERTY REDUCTION STRATEGY

Dear Minister:

Canadians want to build a country less encumbered by poverty, where each one of us can find genuine opportunities to thrive. We hold this vision for ourselves, for our neighbours and for Canadians from coast to coast to coast.

This vision is part of what it means to be Canadian, and achieving it is challenge shared by every order of government. Aligning our efforts is vital, and so we welcome your commitment to move forward with a Canadian poverty reduction strategy.

Municipalities form the order of government closest to people's lived experience of poverty. We are making the most of tools available to build local solutions. And we are pleased to present our broad recommendations—from the front lines—for your national strategy.

Earlier this month, you engaged local leaders directly at FCM's annual conference, on poverty reduction and in particular on housing affordability. Today's recommendations are a follow-up—another checkpoint in FCM's continuing conversation with your government.

We look forward to deepening our joint efforts to build a more equally prosperous Canada.

Jenny Gerbasi

Deputy Mayor, City of Winnipeg

FCM President

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INTRODUCTION

From coast to coast, municipal leaders are on front lines of poverty. Every day, we see how poverty prevents individuals, families and communities from seizing their full potential. So on behalf of our 2,000 member municipalities—representing 90 per cent of Canadians—the Federation of Canadian Municipalities (FCM) welcomes this opportunity to contribute to the federal government's upcoming Canadian Poverty Reduction Strategy.

New commitments in Budgets 2016 and 2017 underline the federal commitment to tackling poverty in our cities and communities. Low-income households will benefit from the new Canada Child Benefit, increases to the Guaranteed Income Supplement and Old Age Security, funding through a new National Housing Strategy, expanded transit infrastructure and the commitment to develop a National Framework on Early Learning and Child Care.

A Canadian Poverty Reduction Strategy is an opportunity to build on these steps, on the challenging road to a more inclusively prosperous and livable Canada.

Nation-building starts in communities, and that certainly applies here. Poverty manifests differently across the country, and effective solutions vary locally as well. All actors—the federal government, provinces, territories, municipalities, community groups and businesses—will need to work together to develop locally anchored solutions.

Among orders of government, municipalities are Canada's eyes and ears on the ground. They are catalysts for change, convening diverse actors and tailoring initiatives to local realities. They are also driving action on cross-sectoral issues. For instance, energy-saving grant and loan initiatives are lowering utility costs for renters—while increasing asset values for housing providers/owners and reducing climate-changing emissions.

However, while the face of poverty is profoundly local, other orders of government control investment and policy levers that are vital to an effective response. Federal, provincial and territorial actions should complement, enable and help scale up innovative local efforts to reduce poverty across the country.

That is the focus of FCM's submission.

We have not set out to encompass all the intersecting issues that underlay poverty. Rather, from our frontline perspective, we are recommending the most essential federal action to prioritize through a Canadian Poverty Reduction Strategy. These recommendations focus on issues primarily within federal jurisdiction, while recognizing that all governments and actors must be aligned to achieve lasting results.

In short, we are all in this together, with distinct roles to play. And with clear and decisive federal leadership, remarkable progress is possible, right across Canada.



DIMENSIONS OF POVERTY IN CANADA

Defining poverty

While the Government of Canada has no official definition of poverty, there are several common indices, including the Basic Needs poverty line, the Market Basket Measure, the Human Poverty Index and Statistics Canada's Low Income Cut-off (LICO).

Poverty is more complex than income level, however. Economic, social and cultural realities deeply shape the experiences of people living in poverty in Canada. Some provinces and municipalities have adopted their own definitions of poverty to more consistently evaluate local efforts to improve the economic, social and cultural vitality of their communities.

The federal government should engage all stakeholders in a process to establish a common definition to frame the Canadian poverty reduction strategy. Rather than exclusively tracking income, this definition should specifically incorporate a social-inclusion lens.

Vulnerable population groups

On any definition, poverty is both pervasive and compounding across Canada. From 1976 to 2010, the top 20 per cent of Canadian income earners saw their average market income rise by 28.9%, while the bottom 20 per cent saw theirs fall by 22.5%.¹

Between 3 and 4.5 million Canadians live in poverty, representing between 8.8 and 13 per cent of Canadians.

Using international measures, in 2013, Canada's ranked 20th out of 31 industrialized countries in terms of lowest overall poverty rate.²

Even on the most conservative measure (LICO: 8.8 per cent of Canadians living in poverty), poverty disproportionately impacts certain population groups, as shown in Figure 1.

Figure 1:

Poverty by population group (2014)³		
Unattached individuals aged 45-64	30.2%	
Lone-parent families (majority female-led)	23.7%	
People with disabilities	22.5%	
Recent immigrants	20.3%	
Indigenous people living off-reserve ⁴	18.7%	
Single seniors	11.3%	
Children	8.5%	

Poverty has a significant gender dimension. Women's employment rate is 57 per cent—compared to 65 per cent for men. Meanwhile, women working full time earn 73.5 cents for every dollar men make, ranking Canada's gender pay gap the eighth-largest among Organization of Economic Co-operation and Development (OECD) countries.⁵

Canadians living with disabilities are at higher risk of living in poverty. The employment rate for Canadians with a severe disability was 26 per cent in 2011, compared to 68 per cent for those with a mild disability, and 79 per cent for the non-disabled population.⁶

- Parliament of Canada (2013). Income Inequality in Canada: An Overview. Report of the Standing Committee on Finance.
- ² Government of Canada (2016). A Background on Poverty in Canada.
- Statistics Canada (2014).
 Canadian Income Survey.
- Statistics Canada does not publish annual data on income rates for those living on-reserve.
- Statistics Canada (2010). Women in Canada: A Gender-based Statistical Report.
- Statistics Canada (2014). Insights on Canadian Society: Persons with Disabilities and Employment.



Indigenous people in Canada are at special risk. More than 60 per cent live in municipalities, and while the data is not always readily available or current, it does reveal disproportionately high poverty rates. In communities of all sizes, the modern legacy of Canada's Indian Residential Schools continues to affect the economic, social and cultural well-being of First Nations, Inuit and Métis peoples. Acknowledging past injustices and moving forward in the spirit of reconciliation is part of poverty reduction. Establishing new and respectful relationships between Indigenous and non-Indigenous people in Canada will result in stronger communities and a more equal society.

Underemployment and poverty are strongly linked, in ways that topline employment rates cannot capture. A recent McMaster University study showed that precarious employment has increased by nearly 50 per cent over the past two decades in the Greater Toronto and Hamilton Region, at the expense of full-time, permanent work. Partly as a result, between 1980 and 2005, average earnings among the bottom 20 per cent of income earners fell by 20%. Today, approximately 746,000 Canadians live in a poor household where the main income earner is in fact working.

Beyond income in cities and communities

Income levels paint only a partial picture of poverty in Canada. Other factors affecting the lives of Canadians living in poverty include rising housing costs, food insecurity and poor access to vital services. Moreover, for those living in poverty, the necessities that fall out of reach first tend to vary by region and by community size.

In large cities, households may face expensive housing and inadequate access to quality, affordable child care. In rural, remote and northern communities, households may have few transportation options beyond privately-owned vehicles, impeding access to employment or public services. Affordable, high-speed Internet is unavailable in many communities, even where people are expected to have it to access income supports or employment.

Some 12.5 per cent of Canadian households—representing 3.9 million individuals—live in "core housing need." This means their housing is unaffordable to them, needs major repairs, and/or has too few bedrooms for the household's composition—and they cannot access other local housing that resolves the need. That 12.5 per cent figure is a cross-Canada average. Housing challenges are far more severe in some jurisdictions, for instance in Nunavut, where 39 per cent of households are experiencing core housing need.

As many as 235,000 Canadians are expected to experience homelessness this year, with 35,000 homeless on any given night.9 In 2004, 80 per cent of available emergency shelter beds were used on an average night across Canada. By 2015, that average occupancy had risen to 90 per cent—too often reaching full capacity. 10 And these statistics do not capture "hidden homelessness" at the local level. For example, in many northern and remote communities, growing numbers of vulnerable people resort to "couch surfing" or sleeping in cars in the absence of emergency shelters and other support services.

- Statistics Canada (2012). Income in Canada, 2011. CANSIM Table 202-0804; as cited in Citizens for Public Justice (2013). Poverty Trends Scorecard: Canada 2012.
- B Heisz, Andrew (2015). Trends in Income Inequality in Canada and Elsewhere. Institute for Research on Public Policy.
- Gaetz, Gulliver and Richter (2014). The State of Homelessness in Canada: 2014.
- ¹⁰ Employment and Social Development Canada (2016). Homelessness Partnering Strategy: 2005-2014 – Highlights of the National Shelter Study.



High-quality, affordable early childhood education and care (ECEC) supports the economic prosperity and social sustainability of communities. However, Canada lags well behind its OECD counterparts—on both the proportion of GDP spent on public funding for ECEC and on enrolment of children in preschool education, albeit with differences across the country, notably in Quebec which has a universal system with capped fees.

High-quality, affordable child care addresses multiple dimensions of poverty—empowering parents to seek employment, and offering children the strong foundation that is widely understood to improve their lifelong development. At present, there is a patchwork of services across provinces and territories. Low wages and insecure working conditions are the norm for child care workers, and there is no reliable financial foundation to build affordable child care systems across the country.

Lower-quality, less reliable care limits families' options—especially single parents—as they seek to reconcile work and family responsibilities without compromising their children's early development.

Between 2011 and 2012, 1.1 million Canadian households experienced **food insecurity**. This is defined as households who experienced at least some level of uncertainty over their access to food in the past 12 months. Figure 2 shows the prevalence of food insecurity by select census metropolitan areas in 2014. Meanwhile, food bank use in Canada has increased by 27.8 per cent since 2008.

Research suggests that individuals living in low income have lower life expectancies, have higher rates of suicide, and are more likely to suffer from heart diseases, chronic conditions and mental health issues.

Figure 2:

Households experiencing food insecurity (2014) ¹³		
Halifax, Nova Scotia	15.1%	
Moncton, New Brunswick	16.3%	
Saguenay, Quebec	14.2%	
Trois Rivières, Quebec	12.4%	
Peterborough, Ontario	17.6%	
Windsor, Ontario	15.2%	
Regina, Saskatchewan	13.6%	

Tarasuk, Mitchell, Dachner (2016). Household Food Insecurity in Canada, 2014.

¹² Food Banks Canada (2016). Hunger Count: 2016.

¹³ Statistics Canada. Household Food Insecurity: 2011-2012.



- ¹¹ CMHC (2011). Canadian Housing Observer: Characteristics of Households in Core Housing Need. Figures rounded to nearest full percentage.
- ¹² Canadian Housing and Renewal Association (2013). Affordable Housing Challenges and Innovations in the North: A CHRA Congress Session Summary. Accessed at http://chra-achru.ca/en/ research-papers#2015
- As cited in Walker, Ryan (2008). "Social Housing and the Role of Aboriginal Organizations in Canadian Cities" in IRPP Choices, Vol. 14, no. 4, May 2008

FEDERAL ROLE IN POVERTY REDUCTION

Poverty is a national phenomenon experienced most acutely in the communities where Canadians live, work and raise their families. Despite its localized nature, the federal government has a powerful role to play in poverty reduction—by investing in critical areas and bringing all orders of government together to align efforts and maximize impact.

This federal government has already made new commitments to poverty reduction that respond to FCM recommendations. We especially commend the long-overdue commitment to develop a National Housing Strategy (NHS). As its fiscal framework, Budget 2017 commits \$11.2 billion over 11 years—including \$2.1 billion to expand and renew the Homelessness Partnering Strategy. On top of this, the budget commits \$4-5 billion through the preservation of baseline funding of expiring social housing operating agreements.

Budget 2017 also launched a \$20.1 billion long-term, allocation-based investment plan for public transit expansions in cities across Canada. In addition to cutting commute times and GHG emissions, better transit helps low-income Canadians access jobs, services and daily essentials. Additionally, an expanded Enabling Accessibility Fund will help municipalities and local organizations improve local levels of physical accessibility and safety.

This budget's welcome commitment to fund affordable child care spaces builds on the Canada Child Benefit launched a year prior. The recently announced Federal/Provincial/Territorial Multilateral Early Learning and Child Care Framework may serve as pathway towards an ECEC system which is affordable, accessible and high-quality for all families, but especially those who are living in poverty.

Enhancements to Old Age Security and the Guaranteed Income Supplement will benefit low-income seniors. Renewed funding for the former Urban Aboriginal Strategy, now the Urban Programming for Indigenous Peoples initiative, will support local Indigenous organizations and service providers as they deliver services to low-income Indigenous individuals and families in our cities and communities.

These federal initiatives underscore the federal government's readiness to tackle poverty, and to honour the guidance of FCM and the local order of government. These are first steps toward eliminating poverty in Canada—on a longer road that now requires clear federal leadership through a national strategy.

Significantly, in addition to working with FCM at a nation-wide level, local governments regularly identify where federal action can deepen the impact of local poverty reduction strategies. For example:

 Edmonton's poverty reduction strategy calls for a dialogue among municipal, provincial and federal governments to improve how housing, food bank and child care services are funded and delivered. Something as simple as being unable to produce proof of residence can block someone's access to federal services.

- Toronto recognizes that federal investment is critical to addressing local poverty through social and affordable housing. With a \$2.7 billion repair backlog due to chronic underfunding, Toronto Community Housing (TCHC) expects in 2017 to close 425 units that are no longer safely habitable. More will close without long-term investment from other orders of government. Through its commitment of more than \$1.3 billion over 10 years (2013-2022) for capital repairs to TCHC and efforts to transform its social housing system, the city is showing why the National Housing Strategy must prioritize repairs for existing social housing while building new social and affordable housing. Under Victoria's new Social Procurement Framework, vendors strengthen their bids for city contracts by connecting into federal employment programs that support youth, Indigenous peoples and people with disabilities.
- London, Ontario's strategy outlines roles for federal and provincial governments in creating more employment training programs using an equity lens to target demographics facing special barriers to employment, such as persons living with disabilities or mental illness.
- Thunder Bay's strategy emphasizes federal investment in local public transit—to improve people's access to necessities, as well as provincial and federal services such as employment training, income support and mental health and addiction services.

Tackling poverty will require sustained collaboration with all orders of government, Indigenous organizations, Canadians with lived experience of poverty, community organizations and businesses. This is truly an historic opportunity to harness the expertise of local, regional and national actors to transform Canada's future.



- Steele, Marion (2006). "A Tax-Based Affordable Housing Program for Canada" in Canadian Housing Magazine, fall 2006 edition.
- Housing Supply Working Group (2001). Affordable Rental Housing Supply: The Dynamics of the Market and Recommendations for Encouraging New Supply.



MUNICIPAL ROLE IN POVERTY REDUCTION

Beyond identifying key federal investments needed locally, local governments are direct actors in poverty reduction. Among orders of government, municipalities are most deeply and routinely connected to their residents' daily lives. They want to ensure their residents can meet their basic needs and contribute to their community.

Across Canada, municipalities of all sizes are developing and investing in poverty reduction initiatives, plans and strategies. They are also filling gaps left by other support systems, and complementing essential federal, provincial and territorial leadership on income support, housing, mental health, education and skills training.

Some local poverty reduction plans are long-standing, such as those from 13 municipalities that joined forces more than a decade ago with three organizations—Tamarack, the J.W. McConnell Family Foundation and Caledon Institute of Social Policy—

to work on place-based poverty reduction. Some participating municipalities reported a 10 per cent reduction in poverty between 2002 and 2012, impacting the lives of 202,931 low-income Canadians. An additional 50 municipalities have since joined this network.

Among more recent municipal strategies, the most comprehensive build lasting connections among local actors. For example, Living SJ brings the City of Saint John together with more than 100 partners, including the United Way, the Community Foundation, the Business Community Anti-Poverty Initiative, and Vibrant Communities SJ—to coordinate resources and goals to reduce barriers to health, education and employment in low-income areas. Similarly, the Hamilton Roundtable for Poverty Reduction, established in 2005, was driven by community members and non-governmental organizations, but is actively supported by the City of Hamilton at both staff and political levels.

Local governments are also directly identifying and implementing local actions aimed at poverty reduction.



For instance, in April 2017, the City of Calgary introduced an innovative sliding-scale fare structure for transit passes. Monthly passes cost as little as \$5.05 for those earning less than \$12,474, rising with an individual's income up to the Low Income Cut Off—easing barriers for Calgarians seeking to participate more fully in their community.

Municipalities across Canada are reducing barriers to participating in city-run programs that support healthy living, learning and social inclusion. Edmonton's Leisure Access Program supports low-income residents and new refugees by offering, to those that qualify, free annual memberships to city recreation and attraction facilities. Yellowknife's Recreation for All program offers low-income residents free access to public transit, all drop-in recreational activities, including family swims, skating and special events. Kamloops' Affordable Recreation for Community Health program provides \$300 in credit toward city-run activities, pools or museum memberships.

While affordable housing is not an explicit municipal responsibility outside Ontario, local governments recognize their central role in reducing poverty and strengthening communities. This is why so many are working to improve housing options for those in need. Recent examples include Ottawa's \$16 million capital contribution toward 314 new affordable supportive housing homes, Saskatoon's rental incentive grants, and Vancouver's \$24 million land contribution to a new 358 unit mixed-income affordable housing initiative.

Some 315,000 Canadian adults (aged 15-64) with a mobility disability could be working but are not—representing lost earnings potential of \$3.6 billion per year. Communities of all sizes are offering ranges of services to help facilitate social inclusion for many of their most vulnerable populations. For example, the City of Montreal's transportation authority guarantees accessible transportation availability by contracting to 14 taxi companies that in 2011 provided 86 per cent of Montreal's specialized transit services.



Tamarack Institute. Vibrant Communities: Cities Reducing Poverty. Accessed at https:// www.tamarackcommunity.ca/ vibrantcommunities



Municipalities are exploring social procurement models for goods and services, leveraging tax dollars and local investments to achieve poverty reduction goals. In Alberta's Regional Municipality of Wood Buffalo, a first Social Request for Quotes—for snow clearing services rewarded vendors whose bids created iobs for formerly-homeless community members. The City of Toronto's social procurement program focuses on attracting diverse suppliers for city contracts, creating workforce development opportunities for vulnerable groups, and assisting Toronto-based public institutions to develop social procurement initiatives.

The living wage movement is also building momentum. This is an opportunity to support city employees in a decent quality of life, but also to create ripple effects of fairly paid jobs throughout communities. New Westminster, British Columbia, became Canada's first living wage employer in 2011, setting this standard not just for its own employees but for all firms that it contracts or subcontracts. Today, more than 60 Canadian municipalities have already adopted or are in the process of adopting living wage policies.¹⁴

Local governments can also take leadership in collecting and disseminating valuable data. The City of Gatineau—in partnership with community organizations, Université du Québec en Outaouais and the provincial health ministry—developed extensive portraits for 71 neighbourhoods with demographic, sociocultural, economic and health data from federal and provincial sources. The city and other actors used these portraits to inform evidence-based poli-

cy decisions on poverty relatedactivities—such as prioritizing transit route upgrades in low-income, transit-dependent neighbourhoods. This micro-scale dissemination, driven by municipalities and supported by local stakeholders, lends legitimacy and accuracy to local policy and program decisions.

In Ontario, a new place-based pilot project will test the effectiveness of a basic guaranteed income in reducing poverty and improving health, housing and employment. Study participants will be ensured a minimum income, using a tax credit model, at a level sufficient to meet basic household costs. A single person will receive up to \$16,989 per year—\$24,027 for a couple—less 50 per cent of any earned income. While the study is being led by the province, the municipalities of Hamilton, Brantford and Brant County, Thunder Bay and Lindsay, Ontario where the pilots are being implemented will play an important role.

Finally, from our position on the front lines of poverty, municipalities play a crucial role in guiding other orders of government—offering informed recommendations for transformational policy, action and investment. They do this work provincially through their provincialterritorial municipal associations. Nationally, local governments engage the federal government as the Federation of Municipalities, and this document forms part of that continuing dialogue.



FCM RECOMMENDATIONS

On behalf of our 2,000 member municipalities, representing 90 per cent of Canadians, FCM submits the following broad recommendations for the upcoming Canadian Poverty Reduction Strategy. These recommendations are intended to frame and support FCM's continuing dialogue with the federal government.

Recommendation #1: Strengthen intergovernmental dialogue

All orders of government have a role to play in poverty alleviation and reduction. Education, health and parts of social assistance are key levers held at the provincial/territorial level. Any effective federal strategy must support and align with these roles, and with their complex intersections with municipal responsibilities and initiatives. Formally engaging the municipal sector through FCM, alongside provincial/territorial governments, is critical to achieving significant and lasting outcomes through a national strategy.

Recommendation #2: Systematically incorporate a gender lens

Gender inequality is connected to persisting poverty in Canada—starting from the population-level realities that women have less stable work, earn less income, assume more caregiving responsibilities, and are more likely to head single-parent families. Recognizing this, the federal government should continue its gender-based approach to policy development, as highlighted in Budget 2017. This should specifically include applying a gender lens in developing, implementing and measuring the poverty reduction strategy.



Clark Somerville (FCM Past President), Jean-Yves Duclos (Minister of Families, Children and Social Development), Jenny Gerbasi (FCM President)



Recommendation #3: Prioritize social and affordable housing repair and construction

Safe, affordable housing is the bedrock of livable communities, and chronic shortages are deepening poverty in Canada. With new funding announced in Budget 2017, the upcoming National Housing Strategy has the potential to significantly improve housing affordability for those in greatest need. To achieve this, the NHS must prioritize the repair of social housing, alongside the construction of new social and affordable housing—at funding levels reflective of the need. This is the heart of the comprehensive recommendations FCM put forward in October 2016 to tackle the housing crisis. Through FCM, local leaders look forward to contributing to the design and implementation of an effective NHS.

Recommendation #4: Distinctly support newcomers' housing needs

Newcomers to Canada are more likely to struggle to access housing that is affordable and adequate to their family size. Government-assisted refugees, in particular, can face special challenges as the year-long period of financial assistance ends—including many of the Syrian refugees who arrived in 2015-2016. Recognizing these realities, the Canadian Poverty Reduction Strategy, and the related National Housing Strategy, should distinctly address the housing needs of newcomers.

Recommendation #5: Expand and renew the Homelessness Partnering Strategy

The Homelessness Partnering Strategy (HPS) is a model of federal investment enabling local innovation to address a complex issue. Budget 2017 both reinvests in HPS and kickstarts a process to renew it, including creating an advisory committee. FCM recommends expanding the number of communities designated for funding to reflect growing homelessness, while also boosting allocations for eligible communities with the greatest need. The renewed HPS should flexibly empower communities to fund initiatives that best reflect local realities—including by eliminating rules requiring them to dedicate a certain portion of funding to Housing First approaches.



Recommendation #6: Ensure low-income households can access quality child care

It remains unclear how much of the funding announced in Budget 2017 will support subsidized child care spaces for low and moderate-income families. FCM recommends that investment and the forthcoming Early Learning and Child Care Framework (ELCF) be designed to ensure Canadians living in poverty can access quality pre and post-natal care, early learning and child care services, and parenting support. The ELCF should be flexible enough to connect with municipal priorities. Federal leadership and investment should help ensure high standards across the country and foster new and expanded services, across all provinces and territories, which are accessible in all neighbourhoods and affordable for single parents and families in every income bracket.

Recommendation #7: Explore basic-income-guarantee models

The federal government should undertake a rigorous process to determine the most effective ways to strengthen Canadians' income security. FCM specifically recommends investigating and developing options for how a basic income guarantee could be delivered in Canada. This robust research process should directly engage local and provincial/territorial governments. It should also clearly outline next steps on implementation once the outcomes of this comprehensive research and engagement process are determined.

Recommendation #8: Distinctly support Indigenous peoples in municipalities

As the federal government renews its approach to supporting Indigenous people in cities and communities through the Urban Programming for Indigenous Peoples (UPIP) initiative over the next five years, FCM recommends emphasizing support for low-income Indigenous individuals and families in communities of all sizes. UPIP should provide long-term, flexible funding to Indigenous organizations. Specifically, UPIP should support the renovation and construction of community and cultural spaces; the reinstatement of urban Indigenous coalitions to strengthen service linkages among municipal governments; and culturally appropriate programs and services. UPIP should also seek to align with programs and services delivered by municipalities, as deemed appropriate by funded Indigenous organizations.



Recommendation #9: Boost access to quality public transit

The accessibility and affordability of public transit is closely connected to poverty reduction and social inclusion. The allocation-based transit investment plan announced in Budget 2017 can drive the next generation of efficient transit across Canada. However, to ensure transit expansions move forward, upcoming federal-provincial/territorial bilateral negotiations on infrastructure will need to secure full and fair cost-sharing. Furthermore, cities can face special challenges in making transit affordable for their lowest-income residents. Options to improve access should be considered through federal-municipal dialogue.

Recommendation #10: Align with legislation for people living with disabilities

We know that Canadians living with disabilities are at a significantly higher risk of living in poverty. We also know that the federal government is preparing to develop accessibility legislation, including components that particularly impact services and supports for low-income Canadians living with a disability. For maximum impact, the Canadian Poverty Reduction Strategy should directly align with this legislation as it is developed.

Recommendation #11: Evaluate investments supporting low-income seniors

Older Canadians are at higher risk of living in poverty, and seniors on fixed incomes are especially vulnerable. The federal government has increased benefits for seniors through Old Age Security and the Guaranteed Income Supplement. These measures should be evaluated to assess their effectiveness at reducing poverty, as a basis for considering and developing further enhancements. Getting this right becomes more critical as our population ages—with Statistics Canada forecasting that, by 2031, nearly one in four Canadians will be over 65.

Recommendation #12: Boost access to essential telecommunications services

Many Canadians in rural, northern and remote communities lack reliable, affordable access to the high-speed Internet that is so essential to full participation in our modern Canadian society and economy. Poor broadband access can be a direct barrier to accessing local, regional or national services and supports to help individuals and families overcome poverty. FCM recommends that current and future federal broadband investments be substantive and designed to ensure that high-speed internet is affordable to low-income households in northern, rural and remote communities.

