

REPORT Meeting Date: 2023-10-12 Regional Council

#### For Information

REPORT TITLE: Poverty Reduction Strategies and Increased Investment Required

to Support Peel Region's Most Vulnerable

FROM: Sean Baird, Commissioner of Human Services

#### **OBJECTIVE**

To provide Council with an overview of the current state of poverty across Brampton, Caledon and Mississauga and the long-term investments required to reduce poverty and enhance well-being and prosperity across communities post transition of Peel Region.

#### **REPORT HIGHLIGHTS**

- Poverty continues to be a complex and multi-dimensional issue across Peel with an increased cost of living disproportionately affecting vulnerable residents.
- The Peel Poverty Reduction Committee (PPRC) applies a systems and collective impact approach to reduce and mitigate the impact of poverty in Peel.
- If a coordinated and collective impact approach does not remain central to poverty reduction in Peel, those living in or at risk of poverty may be negatively impacted.
- Leadership, accountability, better coordination, and increased investment is required to address poverty and mitigate the individual and systems impacts across communities.
- All municipalities must work towards implementing systems-level poverty reduction strategies and sustaining coordination and collaboration across sectors, including strengthening advocacy, and developing inclusive and equitable solutions.

#### DISCUSSION

### 1. Background

Established in 2008, the Peel Poverty Reduction Committee (PPRC) is comprised of more than eighty partners from the public, private and not-for-profit sectors and is co-chaired by United Way Greater Toronto and the Peel Region. In 2018, the PPRC created Peel's first ten-year strategic plan to mitigate the impact of poverty on residents with outcomes related to economic opportunity, income security, and well-being and social inclusion. The 2018-2028 Peel Poverty Reduction Strategy (PPRS) was endorsed by Regional Council in May 2018 (Resolution 2018-458) and continues to be implemented by the PPRC.

The PPRC's governance structure consists of five action tables, including a Lived Experience Roundtable and an Advocacy and Awareness Roundtable, which drive the implementation of the strategy. Since its inception, the PPRC has led many projects and priorities, including the establishment of the Affordable Transit Program (ATP) and Peel Community Benefits Network (PCBN). The PPRC applies a collective impact approach¹ to

<sup>&</sup>lt;sup>1</sup> Collective impact is a network of community members, organizations, and institutions who advance equity by learning together, aligning, and integrating their actions to achieve population and systems level change (Stanford Social Innovation Review, 2011).

reduce and mitigate the structural causes and impacts of poverty in Peel. This strategic approach highlights the importance of strong collaborative partnerships with all stakeholders in addressing poverty across communities. Appendix I, Poverty in Peel Facts at a Glance 2023, provides insight into the extent of poverty across municipalities.

#### 2. 2022-2023 Peel Poverty Reduction Committee (PPRC) Priorities

The PPRC's actions and outcomes were adapted in 2022 to ensure responsiveness to emergent issues and data demonstrating exacerbated and intersecting vulnerabilities. The PPRC's 2022-2023 priority actions include:

### a) Peel Poverty Summit

On June 6<sup>th</sup>, 2023, the PPRC hosted the "Will Poverty End with Us? A Call to Collective Action" summit in collaboration with University of Toronto Mississauga. Over 170 community partners, including individuals with lived experience of poverty and youth, came together to discuss urgent poverty related issues in Peel, with a focus on employment, income security, food security, and housing.

### b) Living Wage

Since 2016, the PPRC has worked with the Ontario Living Wage Network to advance living wage initiatives across municipalities and supported certification of 10 living wage employers in Peel. A living wage is the hourly wage a worker needs to earn to cover their basic expenses and participate in their community. The PPRC continues to work with community partners and employers to increase the number of living wage employers across the three municipalities.

### c) Systems Mapping Project

In partnership with the University of Toronto, the PPRC, has been awarded \$197,292 in funding through the Social Sciences and Humanities Research Council's (SSHRC) Partnership Development Grant to conduct a multi-year system mapping research project commencing in the Fall. The project will focus on the changing nature of poverty faced by racialized youth in Peel.

#### d) Advocacy and Awareness

The PPRC continues to advocate on a range of issues to drive essential systems-level and policy change. The 2022-2023 advocacy positions include updating the income threshold for families in receipt of child care subsidies, increasing Ontario Works (OW) and Ontario Disability Support Program (ODSP) rates to keep up with inflation, and mitigating the impact of the *More Homes Built Faster Act* (formerly Bill 23) on deepening poverty.

#### e) Centering Lived Experience

The voices of the members of the PPRC's Lived Experience Roundtable remain central to achieving strategic outcomes of the PPRS. Members of the lived experience roundtable provide critical insights and feedback to Peel Region divisions such as Housing Services, Early Years and Child Care Services, Health Services and Public Works to inform the design and delivery of programs and services that impact poverty.

#### 3. Current State of Poverty Across Brampton, Caledon, and Mississauga

Poverty continues to be a complex issue across municipalities. In Peel, 123,660 or 8.6 per cent of the population live in poverty, including 27,900 or 9.5 per cent of children 0-17 years (Statistics Canada, 2021). The cost of living increased significantly in 2022, however no pandemic-related or additional benefits were available which is anticipated to increase poverty rates. Appendix II shows the prevalence of poverty within each municipality based on the Market Basket Measure (MBM) which is the official measure of poverty in Canada.

Poverty is a multi-dimensional issue caused by structural factors (e.g., systemic discrimination, policies, and programs etc.) that result in low-income, economic deprivation, limited access to resources and opportunities, lack of safe and affordable housing, health inequities, and discrimination. Poverty impacts differently across diverse and intersecting social identities. For example, single income households, Black households and those that immigrated to Canada within the last 5 years are more likely to be in core housing need (2021 Census). Intersectionality intensifies poverty's impact on marginalized communities, enabling cycles of disadvantage and inequality. Appendix III shows the total racialized population and prevalence of poverty in Peel region.

#### a) Unaffordability Risks

High interest rates and rising inflation have created heightened challenges for Peel residents due to an increased cost of living. In 2022, average inflation rose 6.8 per cent with the average Canadian hourly wage rate rising only 4.5 per cent (Statistics Canada, 2022). As a result, individuals are spending more to buy the same basket of goods and services with the average price of necessities rising faster than wages. A lack of livable wages continues to perpetuate poverty and inequity within our communities. The 2022 living wage rate for Peel is \$23.15, which is six dollars and sixty cents higher than Ontario's current minimum wage of \$16.55. As a result, many residents rely on crucial supports provided by Peel Region and the not-for-profit sector such as food banks, child care subsidy, and housing assistance to make ends meet.

b) Precarious Employment and the Increasing Need for Sufficient Income Supports In 2022, across all municipalities, total employment fell to below pre-pandemic levels. The high cost of living has contributed to higher unemployment risks with full-time employment declining and 48 per cent of those employed working a portion of the year or part-time. Youth (15-24 years) face significant barriers. Peel's youth unemployment rate is currently 14.4 per cent which is 2.9 per cent higher than Ontario's rate of 11.5 per cent (Statistics Canada, 2022). As a result, the need for income and social supports has become increasingly important. In 2022, the maximum Ontario Works benefit for basic needs and shelter for a single person was \$733 per month, which is less than a third of Peel's living wage (\$3,858 per month) and well below the poverty line of \$2,208 per month. The Ontario Works benefit rate, which was last updated in 2018, has been eroded by inflation and an increased cost of living to about \$636 in December 2022.

#### c) The Rise in Food Insecurity

Steep increases in the cost of living have also led to elevated food insecurity. Food banks across Peel have seen a significant increase in the number of people accessing services. Food prices rose by 15.8 per cent between December 2020 and December 2022 (Statistics Canada, 2023). This exposed many, particularly racialized and low-income residents, to elevated food insecurity. Feed Ontario's 2022 Hunger Report found that the number of food bank visits increased by 42 per cent since 2019 and 1 in 3 were first-time visitors, a 64 per cent increase since 2019. Approximately 2 out of 3 people who access food banks are also social assistance recipients (e.g., OW and ODSP), pointing to a growing gap between available supports and basic needs.

#### d) The Housing Crisis

The housing crisis in Peel is deep, unprecedented, and inequitable. It is estimated that 91,000 households across Peel are in core housing need, which means they lack adequate, affordable, and suitable housing. Approximately 77,000 of these households have annual incomes of \$57,000 or less and most are renters. As Peel's population continues to grow, the number of households in need of core housing will continue to

rise and will require additional supports to remain stably housed. Given the affordability crisis and growing gap between need and available resources, the housing system urgently requires more resources and funding to keep up with demand.

Low-income, precarious employment, food insecurity and housing unaffordability risks remain elevated across Peel, causing the demand for social services to increase. A coordinated and collective impact approach to systems change and service delivery is essential to building equitable, healthy, safe, and prosperous communities. Appendix IV illustrates the current state of poverty in Peel.

#### 4. Key Considerations

Communities cannot achieve prosperity and economic growth without long-term, coordinated strategies to support the most vulnerable. Although short-term program-specific interventions can mitigate some urgent poverty-related challenges, sustainable poverty reduction requires strategies for stable and adaptive services to tackle the root causes of the problem and identify the shifts in systems that are responsible.

As the Peel Region looks to transition, it is crucial that poverty reduction strategies through collective impact continue with municipalities and community partners leading a coordinated effort across sectors and influencing systems and policy change. Leadership, accountability, and investment is crucial to address issues and mitigate poverty within communities.

#### a) Sustain the Collective Impact Approach and Accountability

Strategic partnerships and a systems approach across sectors are essential to effectively reduce poverty within communities. Since 2008, the PPRC has established strong partnerships and collaborative approaches to address poverty issues across Peel. All three municipalities must continue to maintain partnerships that cross geographical boundaries and bring together diverse perspectives, expertise and lived experiences who operate within, across and beyond Peel. Shared accountability, decision-making and data should also remain central to achieving desired outcomes.

#### b) Increase Investment in Poverty Reduction

Poverty reduction requires a sustained commitment and approach to long-term funding including raising the social assistance rates so that they sufficiently cover basic necessities. For poverty reduction to succeed, municipalities must ensure that a strategic approach is supported by an appropriate level of resources. These investments in lifting people out of poverty will pay for themselves as the return on the investment will be a reduction in the reliance on housing/homeless supports, child care subsidies, income supports, food banks and other services. More importantly it will facilitate residents having the stability required to join and stay in the workforce – something that is critical as Ontario faces an unprecedented labour shortage. Deliberate and coordinated investment is required to develop long-term strategic approaches focused on transformative systems change. Investing in the expertise of community partners and service providers across sectors enhances coordination, shared measurement opportunities, and works to address gaps in both front-line services and structural and systems-level factors impacting poverty, including discrimination and inequity.

#### c) Strengthen Long-Term Advocacy and Awareness

Community-based poverty reduction strategies enable strong advocacy efforts for increased resources, program-specific interventions, and systems change through an evidence-informed and collaborative approach. Advocacy and awareness should

continue around critical issues such as living wage, affordable housing, food security and income support. The PPRC continues to advance crucial advocacy positions through collaborative efforts with Peel Region staff and community partners.

#### d) Develop and Sustain Inclusive and Equitable Solutions

Poverty reduction strategies must recognize the intersectional nature of poverty resulting in varying experiences for different groups and identities. Municipalities must address structural inequalities and systemic discrimination to ensure equitable access to resources and opportunities. Voices of individuals from diverse backgrounds and experiences must remain central to the development of inclusive, equitable and sustainable solutions. Through the lived experience table, the PPRC leads the region in ensuring the input of residents with lived experience are central to decision-making.

#### **BILL 112 RISKS AND IMPLICATIONS**

A strategic and coordinated approach to poverty reduction across all municipalities is critical to the health of residents, a vibrant economy and well-being and social cohesion within and across communities. The dissolution of Peel Region without a clear transition plan for the Peel Poverty Reduction Strategy will result in a loss of capacity, knowledge, and resources to continue to push for poverty reduction across municipalities and holds significant reputational risk with community stakeholders invested in reducing poverty within their communities. The absence of a collective impact approach in Peel to mitigate poverty may also work to exacerbate the impact of poverty within Peel and result in decreased economic growth and prosperity for all.

#### CONCLUSION

The Peel Poverty Reduction Committee (PPRC) continues to work with community partners, academic experts, and those with lived experience of poverty to advance critical strategic outcomes related to economic opportunity, income security, and well-being and social inclusion. Advocacy and awareness around systems-level policy change and service delivery will remain the focus as the Peel Region moves towards transition. As Peel Region transitions, municipalities and partners must consider the critical nature of the work and continuance of a focused, collective, and data driven approach to poverty reduction. Leadership, accountability, and increased investments are crucial. The PPRC will continue to work with community partners within all three municipalities to ensure high-quality partnerships are sustained. Poverty reduction is crucial in addressing the immediate and long-term impacts that a rapidly changing macroeconomic environment has on the most vulnerable and ensuring prosperous and livable communities for all residents.

#### **APPENDICES**

Appendix I – Poverty in Peel Facts at a Glance 2023

Appendix II – Market Basket Measure (MBM) Maps for Brampton, Caledon, and Mississauga

Appendix III – Peel Region Racialized Population and Poverty Map

Appendix IV – 2023 Poverty Summit Current State Findings

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