



2019 Ontario Pre-Budget Submission

**Prepared for the Standing Committee on Finance
February 2019**

*“A new day has dawned in Ontario.
A day of prosperity and opportunity.
For everyone.”*

-Lieutenant Governor of Ontario,
Speech from the Throne, July 12, 2018

About North York Harvest Food Bank

Founded in 1986, North York Harvest Food Bank (NYH) is the primary food bank for all of northern Toronto. We provide direct support to a network of 37 member agencies offering 77 community programs across our large catchment. NYH is committed to providing dignified food assistance, education and building long term solutions to hunger and poverty.

Every day we see people who cannot meet their basic needs because they simply do not have enough money. We see how poverty impacts individuals in the immediate, and we see how poverty costs the province and the taxpayer in the long run.

Overview

The Government of Ontario has clearly stated their commitment to keeping money in the pockets of the taxpayer, increasing efficiencies, cutting costs and returning Ontario to a balanced budget. While most people see the high costs of healthcare and education, the cost of poverty, one of the largest burdens put on the taxpayers of Ontario, often goes unrecognized.

By making a significant investment in poverty reduction, the Government of Ontario could create a day of prosperity and opportunity for all Ontarians; cutting costs to healthcare, the justice system and more, saving taxpayers billions and lifting thousands out of poverty.

It is not necessary to choose between supporting our most vulnerable citizens and balancing our budget; we can do both.

In 2008, the Ontario Association of Food Banks released a report entitled, *“The Cost of Poverty: An Analysis of the Economic Cost of Poverty in Ontario.”* At that time the report found that “poverty” was costing the federal and provincial government up to \$13 billion each year¹. Indexed to inflation, that would increase to \$15.1 billion by 2019 standards.

By improving supports to low-income Ontarians, the Government of Ontario will directly impact the ability of thousands of Ontarians to meet their most basic needs, creating the foundations necessary for people to lift themselves out of poverty and allowing them to invest in their local economies and support local businesses.

And by increasing the health and prosperity of some of the most at risk Ontarians, including the more than 14% children in the province who live in povertyⁱⁱ, the government could drastically reduce the growing cost of poverty and reduce the financial burden placed on the taxpayer for generations to come.

North York Harvest Food Bank would like to put forward the following recommendations:

1. Invest in income security in Ontario by raising social assistance rates to reflect today's cost of living
2. Maintain the current definition of disability as related to ODSP
3. Implement a Portable Housing Benefit
4. Reinststate funding for the Ontario Trillium Foundation at the 2018 Budget Level

1. Invest in income security in Ontario by raising social assistance rates to reflect today's cost of living

The drastic cuts of the 1990's, and the subsequent failure to keep pace with the rate of inflation since then, have made it impossible for social assistance recipients to meet their most basic needs.

Nearly 70% of our food bank clients cite social assistance as their main source of income. From the front lines of our food banks, we see that Ontarians on OW/ODSP are accessing emergency food programs at alarming rates because the benefits they receive are not enough to pay their rent and put food on the table.

Although food banks provide an undeniably important support to thousands of people, they cannot replace an adequate social safety net. Food bank clients will never be able to afford the food they need to feed themselves and their families without sufficient incomes.

The 1.5% increase put in place by Minister MacLeod works out to an increase of just \$12/month for a single person on OW and \$18/month for a single person on ODSP, keeping recipients far below the poverty line and still unable to access the food they need.

This government has the opportunity do what the last government did not; fix a system that has been broken for far too long.

By raising social assistance rates to reflect the cost of living, the Government of Ontario would immediately, and significantly, reduce the number of people going hungry in this province and save the taxpayers billions.

2. Maintain the current definition of disability as related to ODSP

According to the 2018 *Who's Hungry Report*, 62% of food bank clients in Toronto report having a long term disability or illness, but only 39% are receiving ODSPⁱⁱⁱ. Qualifying for ODSP is already a difficult process and many people struggling with disability or long-term illness are unable to access those supports.

Changing the definition of disability will further restrict access to ODSP, resulting in many people who would qualify today, becoming ineligible. These individuals would then have to rely on Ontario Works, or, if their disability prevents them from participating in work or training requirements, may see their benefits further reduced or even withdrawn.

Restricting the ability of low-income people with disabilities or long-term illness to access adequate benefits will negatively impact their ability to meet their basic needs and maintain their health, increasing health care costs to the government and to taxpayers.

3. Implement a Portable Housing Benefit

Housing is considered to be affordable when it does not exceed 30% of a household's before tax income^{iv}. Food bank clients in Toronto report spending 68% of their monthly income on rent and utilities^v, leaving very little for other essentials, and putting them at an increased risk of homelessness.

In 2018, after paying for housing and utilities, the average North York Harvest Food Bank client was left with less than \$5/day to pay for food, clothing and all other expenses. The

introduction of a Portable Housing Benefit would directly and significantly impact the ability our clients, and all low-income Ontarians, to access housing and meet their basic needs.

This benefit would immediately remove pressure from a crumbling social housing stock and the decade long waiting list to access it, while increasing investment in the local housing economy. Red tape and wait times for housing supports would be reduced, and recipients would be able to move freely throughout the province to pursue new employment and other opportunities.

4. Reinstate funding for the Ontario Trillium Foundation at the 2018 Budget Level

Like food banks across Ontario, North York Harvest is not government funded and depends on the generosity of our community members, local businesses, faith groups and foundations to support our critical work. This funding is vital. It allows us to meet the immediate needs of our communities and to keep the lights on in our programs.

However, if social service organizations are to continue to meet the growing demand from our communities, and if we are to develop real solutions to the issues our communities face, we need more investment to innovate and grow.

Funding from the Ontario Trillium Foundation not only ensures organizations like ours have the capacity, resources and programming to meet the rising need, it allows us to innovate and build long term solutions in our highest need communities.

Funding from the OTF has enabled North York Harvest to build our most in demand food banks in communities that were dramatically underserved and to build refrigeration units that allow us to provide our clients with fresh produce, dairy and meat. And when our long term lease ended and we could not find an adequate and affordable new home, they gave us the capital support we needed to ensure we would not have to cease service altogether.

The Ontario Trillium Foundation allows food banks, and other non-profits and charities, to innovate and grow, to build foundations for the future, while continuing to meet the growing needs of their communities.

Conclusion

Last year 181,643 visits were made to North York Harvest Food Bank agencies. Nearly one third of our clients were children. A rapidly growing number were seniors.

The work we, and other charities and social service agencies across this province do, directly impacts the ability of many of our most vulnerable citizens to meet their most basic needs. But to properly address hunger and poverty in this province we need long-term solutions that can only be achieved when the charitable sector and the government work together.

This government has stated that it is committed to prosperity and opportunity for everyone. An investment in poverty reduction would help all Ontarians, improving the economy, health, education and employment opportunities, **and** put money back into taxpayer's pockets.

End Notes

ⁱ Ontario Association of Food Banks. (2008). The Cost of Poverty: An analysis of the economic cost of poverty in Ontario. Retrieved from: <https://oafb.ca/wp-content/uploads/2016/08/CostofPoverty.pdf>

ⁱⁱ Government of Ontario. (2018). Poverty Reduction Strategy (Annual Report 2017). Retrieved from <https://www.ontario.ca/page/poverty-reduction-strategy-annual-report-2017#section-6>

ⁱⁱⁱ North York Harvest Food Bank and Daily Bread Food Bank. (2018). Who's Hungry: A Profile of Hunger in Toronto. Retrieved from <https://northyorkharvest.com/wp-content/uploads/2018/10/Whos-Hungry-2018.pdf>

^{iv} Canada Mortgage and Housing Corporation. (2017). About Affordable Housing in Canada. Retrieved from: https://www.cmhc-schl.gc.ca/en/inpr/afhoce/afhoce_021.cfm

^v North York Harvest Food Bank and Daily Bread Food Bank. (2018). Who's Hungry: A Profile of Hunger in Toronto. Retrieved from <https://northyorkharvest.com/wp-content/uploads/2018/10/Whos-Hungry-2018.pdf>