



POVERTY

RNAO's Policy Platform Backgrounder **January 2013**

It's hard to imagine that a low-income neighbourhood in Ontario has something in common with Nepal. And yet both share an unsettling statistic. In a part of Hamilton, the average age at death is 65.5 years, tied with Nepal. Perhaps even more surprising is that a few kilometers away in a more affluent neighbourhood within that same Ontario community, the average life expectancy is 86.3 years, which is five years higher than Canada's average life expectancy. This 21 year difference in life expectancy is not due to random chance, but because of the growing gulf between rich and poor. This avoidable and early loss of life is not imaginary, but the day-to-day reality of living in parts of Hamilton.¹

Ontarians who live in poverty because of precarious low-wage employment and those who struggle because of dangerously low social assistance rates are the very Ontarians who are dying years and decades too soon. The evidence is clear that those who live in poverty and are socially excluded experience a greater burden of disease and die earlier than those with better access to economic, social, and political resources.² Poverty is not restricted to certain areas of particular cities, but is pervasive across the province with one in 10 Ontarians (1.3 million) living in poverty every day. Good quality jobs are often a pathway out of poverty, yet the provincial minimum wage has not been increased since March 2010,³ and has not kept up with the cost of living. The current minimum wage of \$10.25 per hour still leaves workers 10 per cent below the poverty line.⁴ A one-person household receiving Ontario Works has a monthly income of \$642 including tax credits. The average monthly rent for a bachelor apartment in Hamilton is \$536 and \$250.45 is needed for food each month. As these figures do not include other basic needs, a one-person household receiving Ontario Works in Hamilton is going at least \$144.45 in debt month after month.⁵ Lack of affordable housing, in Hamilton as in other communities, is a key driver of poverty and resulting ill-health.⁶ To continue using Hamilton as our example, there are 6,062 households that wait an average of two-and-a-half years for rent-geared-to-income housing.⁷ Across the province, there are 156,358 households that wait an average of two to four years for affordable housing, with some waiting 10 years or more.⁸

The good news is that we know public policy can make a difference in people's day-to-day lives and improve health outcomes. Ontario's first *Poverty Reduction Strategy* was released in December 2008. Early investments in increasing the Ontario Child Benefit helped reduce the number of children living in poverty by 29,000 in 2010 compared with 2008 despite the global economic recession.⁹ In May 2009, all three parties voted unanimously to pass Ontario's *Poverty Reduction Act*, which commits successive governments to remain focused on the fight against poverty.¹⁰ It is crucial that we all work together to eliminate poverty so that all Ontarians can live in health and dignity.

Recommendations:

1. **Increase the minimum wage.**^{11 12 13}
2. **Improve access to affordable housing.**^{14 15 16}
3. **Transform the social assistance system to reflect the actual cost of living.**^{17 18 19}

Questions for candidates:

1. **Will you commit to increasing the minimum wage to \$11.50 in 2013, \$12.75 in 2014, and \$14.50 in 2015, with additional increases each year to compensate for inflation?**
2. **Will you commit to investing in new affordable housing stock and repair of aging affordable housing stock that is substandard?**
3. **Will you commit to a transformed social assistance system that ensures adequate income that reflects the actual cost of living?**

References

-
- ¹ Buist, S. (2010). Worlds Apart. *Hamilton Spectator*, August 25, 2010. Retrieved January 23 at <http://www.thespec.com/news/article/251417--worlds-apart>
- ² Commission on Social Determinants of Health. (2008). *Closing the gap in a generation: Health equity through action on the social determinants of health. Final report on the Commission on Social Determinants of Health*. Geneva: World Health Organization. Retrieved January 23 at http://apps.who.int/iris/bitstream/10665/43943/1/9789241563703_eng.pdf
- ³ Ministry of Labour. (2012). Minimum Wage. Toronto: Author. Retrieved January 23 at <https://www.labour.gov.on.ca/english/es/pubs/guide/minwage.php>
- ⁴ Workers' Action Centre. (2012). *Why Ontario needs a minimum wage workers can live on*. Toronto: Author. Retrieved January 23 at <http://www.workersactioncentre.org/wp-content/uploads/downloads/2012/10/MinWage-backgrounder-2012.pdf>
- ⁵ Public Health Services, Healthy Living Division. (2012). *Nutritious Food Basket Report*. Hamilton: City of Hamilton, Appendix A. Retrieved January 23 at http://www.hamilton.ca/NR/rdonlyres/022A495D-BB41-4C0D-8218-7497968BB6FE/0/Oct15EDRMS_n364898_v1_BOH12025_Nutritious_Food_Basket.pdf
- ⁶ Wellesley Institute. (2010). *Precarious Housing in Canada*. Toronto: Author. Retrieved January 23 at http://www.wellesleyinstitute.com/wp-content/uploads/2010/08/Precarious_Housing_In_Canada.pdf
- ⁷ Ontario Non-Profit Housing Association. (2012). *Waiting List Survey 2012*. Toronto: Author, 30-35. Retrieved January 23 at http://www.onpha.on.ca/AM/Template.cfm?Section=Waiting_Lists_2012&Template=/CM/ContentDisplay.cfm&ContentID=13281
- ⁸ Ibid, p. 3-4.
- ⁹ 25 in 5 Network for Poverty Reduction. (2012). *Meeting the Poverty Reduction Target: Strong Leadership and Good Policy Required*. Toronto: Author, 3. Retrieved January 23 at <http://25in5.ca/wp-content/uploads/2012/12/Meeting-the-Poverty-Reduction-Target-Dec-4-2012.pdf>
- ¹⁰ Ministry of Children and Youth Services. (2008). News Release: Ontario Passes Historic Poverty Reduction Act. Toronto: Author. May 6, 2009. Retrieved January 23 at <http://news.ontario.ca/mcys/en/2009/05/ontario-passes-historic-poverty-reduction-act.html>
- ¹¹ Registered Nurses' Association of Ontario. (2010). *Creating Vibrant Communities: RNAO's Challenge to Ontario's Political Parties*. Toronto: Author. 8-15. Retrieved January 23 at http://rnao.ca/sites/rnao-ca/files/CVC_Technical_Backgrounder.pdf



¹² Registered Nurses' Association of Ontario. (2012). *Advocating for Vibrant Communities Briefing Notes 2012*. Toronto: Author, 29-32. Retrieved January 23 at

http://rnao.ca/sites/rnao-ca/files/RNAO_Advocating-Vibrant-Communities_April-2012.pdf

¹³ Workers Action Centre. (2013). Minimum Wage. Retrieved January 23 at

<http://www.workersactioncentre.org/issues/minimum-wage/>

¹⁴ Registered Nurses' Association of Ontario. (2009). *RNAO's Submission to Ontario's Long-Term Affordable Housing Strategy: Housing is a Human Right and Determinant of Health*. Toronto: Author. Retrieved January 23 at

http://rnao.ca/sites/rnao-ca/files/storage/related/5885_RNAO_housing_submission_Dec_2009.pdf

¹⁵ Housing Network of Ontario. (2009). *Moving Forward on Ontario's Long-Term Affordable Housing Strategy*. Toronto: Author. Retrieved January 23 at

<http://rnao.ca/policy/submissions/affordable-housing-strategy>

¹⁶ Housing Opens Doors Campaign. Retrieved January 23 at <http://www.housingopensdoors.ca/>

¹⁷ Registered Nurses' Association of Ontario. (2012). *RNAO Response to Second Discussion Paper, Approaches for Reform*. Toronto: Author. Retrieved January 23 at

http://rnao.ca/sites/rnao-ca/files/RNAO_response_SAR_March_2012.pdf

¹⁸ McGregor, H., & Blickstead, R. (2012). It's time to build dignity into Ontario social assistance. *Toronto Star*, October 9, 2012. Retrieved January 23 at

<http://www.thestar.com/opinion/editorialopinion/article/1268704--it-s-time-to-build-dignity-into-ontario-social-assistance>

¹⁹ Coalition of multiple organizations, including the Registered Nurses' Association of Ontario. *Five Tests for the Review of Social Assistance in Ontario*. Toronto: Author. Retrieved January 23 at

<https://www.ywcatoronto.org/upload/advocacy-2012FiveTestsfortheReviewofSocialAssistanceinOntario-FINAL.pdf>