



STAFF REPORT ACTION REQUIRED

TO Prosperity: Interim Poverty Reduction Strategy

Date:	June 16, 2015
To:	Executive Committee
From:	City Manager, Deputy City Manager Cluster A, Acting Deputy City Manager Cluster B, Deputy City Manager and Chief Financial Officer
Wards:	All
Reference Number:	AFS # 20364

SUMMARY

Recognized internationally as a vibrant and prosperous city of opportunity, Toronto is consistently ranked as a global leader across a range of indicators from competitiveness to livability. However, not all residents enjoy these benefits. Toronto is also the national capital of working poverty, and the provincial capital of income inequality. Despite a number of City strategies, and a range of programs and services, poverty persists and is worsening for many Toronto residents. This trend threatens the long-term success of the city.

In April 2014, City Council unanimously directed the City Manager to develop a Toronto Poverty Reduction Strategy through broad public consultation. Between November 2014 and April 2015, staff and community partners co-led a full-day multi-sector stakeholder dialogue, 10 Days of Dialogue, 101 Community Conversations, and three roundtable discussions with sector experts, which were complemented with two online questionnaires. Torontonians sent one clear message: the conventional pathway to prosperity is broken. Education increasingly does not lead to good jobs, the growing number of precarious jobs do not guarantee stable lives, social services need to adapt to meet people's needs, and eroded income supports do not cover basic necessities.

This report provides an overview of poverty in Toronto, describes the development of the strategy, and outlines a vision, objectives, recommendations and actions. There are limits to how much the City and its local partners can do to address poverty. Nevertheless, this strategy is an unprecedented opportunity to find new ways to do more to alleviate, reduce, and begin to eradicate poverty in Toronto. With this aim, *TO Prosperity* sets out three complementary objectives: (1) Address Immediate Needs, (2) Create Pathways to Prosperity, and (3) Drive Systemic Change. Actions focus on six areas prioritized by residents in the public consultations: Housing Stability, Access to Services, Food Access, Transportation, Quality Jobs and Living Wages, and Institutional Change.

RECOMMENDATIONS

The City Manager, Deputy City Manager Cluster A, Acting Deputy City Manager Cluster B, Deputy City Manager and Chief Financial Officer recommend that:

1. City Council adopt the vision and objectives for *TO Prosperity: Interim Poverty Reduction Strategy*, as outlined in Attachment A.
2. City Council adopt as an interim strategy, *TO Prosperity: Interim Poverty Reduction Strategy*, as outlined in Attachment A.
3. City Council request the City Manager to:
 - a) consult with communities most affected by poverty and key partners in community agencies, business and labour, and other institutions on *TO Prosperity: Interim Poverty Reduction Strategy*, as outlined in Attachment A;
 - b) refine the Actions in the *Interim Poverty Reduction Strategy* with progress measures, action leads, timeframes and financial implications; and,
 - c) report back to City Council, through the Executive Committee, with a finalized Poverty Reduction Strategy, including implementation details, in the Fall of 2015.
4. City Council forward the *TO Prosperity: Interim Poverty Reduction Strategy*, as outlined in Attachment A, to the Board of Health, Toronto Public Library Board, TTC Board and Toronto Police Services Board, with the request that they consider service implications and roles in driving systemic change at the City to reduce poverty and to report to the City Manager on these issues in time for inclusion into the final Poverty Reduction Strategy in Fall 2015.
5. City Council refer *TO Prosperity: Interim Poverty Reduction Strategy*, as outlined in Attachment A to the Standing Committees and the Budget Committee for additional consideration of service level implications for the 2016 Capital and Operating Budget and for subsequent years' budgets.
6. City Council direct the City Manager to forward the Interim Poverty Reduction Strategy to the Ministry of Children and Youth Services; the Ministry of Community and Social Services; the Ministry of Economic Development, Employment and Infrastructure; the Ministry of Intergovernmental Affairs; the Ministry of Municipal Affairs and Housing; the Ministry of Training, Colleges, and Universities; Citizenship and Immigration Canada; Employment and Social Development Canada; and the Privy Council Office for consideration on program and funding alignments.

FINANCIAL IMPACT

There are no financial implications arising from this report beyond what is included in the 2015 Approved Operating Budget for City Divisions. Any additional resources required beyond 2015 will be addressed through subsequent budget processes.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

EQUITY IMPACT

Torontonians do not choose to be poor. Deep-rooted economic and social transformations, coupled with important policy shifts, have led to the racialization, feminization and geographic concentration of poverty. Female lone parent families and members of racialized groups are almost twice as likely to be poor as other Torontonians. Half of the city's neighbourhoods are low-income. Almost half of recent immigrants are poor, the majority of whom are members of racialized groups living in low-income neighbourhoods. People with disabilities and Aboriginal people are overrepresented among the city's poor. Moving out of poverty is increasingly difficult for individuals who belong to two, or more, of these groups.

TO Prosperity sets out a number of actions to begin to address and prevent these disparities. For these actions to be effective, people with lived experience in poverty must be at the heart of this Strategy. In the first two rounds of public engagement, people with lived experience told staff *what* to focus on. In the next round of engagement, they will be asked for their ideas on *how* to implement the actions contained in this report.

DECISION HISTORY

At its meeting on April 1, 2014, City Council requested that the City Manager develop a City of Toronto Poverty Reduction Strategy based on broad public and City consultation. City Council directed that the Strategy be primarily focused on actions and ideas for City Divisions, Agencies and Boards to implement, as well as areas where inter-governmental advocacy is required, and where leadership from the community sector and other partners is needed.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.CD27.9>

In his inaugural speech on December 2, 2014, Mayor Tory announced Councillor Pam McConnell as the Deputy Mayor responsible for poverty reduction.

At its meeting on February 4, 2015, when adopting the 2015 Operating Budget, City Council approved \$24.5M in new and enhanced services as an early commitment to poverty reduction efforts. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.BU4.4>

ISSUE BACKGROUND

Poverty in Toronto – An Overview

Recognised internationally as a vibrant and prosperous city of opportunity, Toronto is consistently ranked as a global leader across a range of indicators, including economic diversity and business competitiveness, innovation, human capital and livability. Fuelled by its diverse sectors and clusters, Toronto is a major economic engine accounting for 25% of Ontario's and 10% of Canada's Gross Domestic Product, and employing more than one sixth of Canada's workforce. It is Canada's financial and business capital.

By many measures, Toronto is a prosperous and successful city. However, these benefits are not shared by all Torontonians. Strikingly, Toronto also holds the distinction of being the national

capital of working poverty, and the provincial capital of income inequality.¹ Regardless of the measure used,² the levels of poverty in Toronto are unacceptably high. According to recent statistics, almost 1 in 5 adults and more than 1 in 4 children live with an after-tax income below Statistics Canada's Low Income Measure.³ The prevalence of low-income in Toronto is as follows:

- 42,830 (26%) of children less than 6 years of age;
- 122,135 (25%) of youth less than 18 years of age;
- 332,360 (19%) of adults aged 18 to 64; and
- 42,170 (12%) of seniors aged 65 years and over.

The incidence of low-income in Toronto (19%) is significantly greater than in Canada (14.9%), Ontario (13.9%), and the rest of the Greater Toronto and Hamilton Area (11.5%). Toronto also has the highest rates of poverty and child poverty amongst Canada's 20 largest cities.⁴

Poverty in Toronto - Three Worrying Trends

Beneath these headline figures there are three worrying trends that provide insight into the changing nature of poverty in the city: (1) poverty is systemic - it affects some groups more than others, (2) the traditional pathways out of poverty are broken, and (3) large numbers of residents are struggling to make ends meet.

1) Poverty is Systemic

There are much higher levels of poverty and much greater risks of poverty among certain population groups, employment sectors, and neighbourhoods. These are relatively new, but rapidly worsening trends that threaten to make Toronto a city of sharp contrasts.

- *Poverty is gendered and racialized:* Census data show that recent immigrants (46%), Aboriginal people (37%), female lone parent families (37%), members of racialized groups (33%), people with disabilities (30%), and immigrants (28%) have higher rates of poverty than the general Toronto population.⁵ Racialized individuals and families are 1.5 to 3 times more likely to live in poverty.
- *Working poverty is increasing:* Working poverty in Toronto increased from 7% to 11% between 2000 and 2012. Sixty-three of Toronto's census tracts had an increase in working poverty rates between 2006 and 2012, while only fourteen experienced a decrease. The working poor most commonly work in service industries, the fastest growing employment

¹ Stapleton, J. (2015), *The Working Poor in the Toronto Region: Mapping Working Poverty in Canada's Richest City*, Metcalf Foundation; United Way Toronto (2015), *The Opportunity Equation: Building Opportunity in the Face of Growing Income Inequality*, United Way Toronto.

² While there is no official definition of poverty in Canada there are a number of widely accepted measures, notably the Low Income Cut Off, the Low Income Measure and the Market Basket Measure. The level of low income or poverty differs depending on the measure used and whether it considers income before or after tax for example.

³ City of Toronto (2013), *2011 National Household Survey: Income and Shelter Costs*.

⁴ Children's Aid Society and Social Planning Toronto, Family Service Toronto (2014), *Colour of Poverty*.

⁵ Social Planning Toronto and the Alliance for a Poverty Free Toronto (2013), *Toward a Poverty Elimination Strategy for the City of Toronto*.

sector in the country, and are more likely to live in the inner suburbs. Immigrants, racialized groups, persons with disabilities, and youth are overrepresented among the working poor.⁶

- *Poverty is geographically concentrated:* Poverty is found across Toronto, but it is increasingly concentrated in particular neighbourhoods. Between 1970 and 2005, the percentage of low-income neighbourhoods grew from 19% to 53%, middle income neighbourhoods decreased from 66% to 29% and high-income neighbourhoods grew from 15% to 19%.⁷ During this time, high income neighbourhoods became significantly richer, with average household incomes increasing by 80% compared to an increase of only 2% in low income neighbourhoods. Subsequent research has shown that this shift is continuing with inequality spatially segregated along ethno-cultural lines.⁸

Related to this, recent research by United Way Toronto found that over the past 25 years income inequality in Toronto has grown by 31%. Over this time, the growth of inequality in Toronto has outpaced that in the wider Census Metropolitan Area (CMA), province and country. Toronto also has the sharpest increase in inequality of any Canadian city and by 2000 had become the city with the highest level of inequality in Canada.

Such high levels of poverty and inequality have a range of long lasting negative impacts for individuals, including low educational attainment, limited labour market outcomes, reduced social mobility, and poor physical and mental health relative to the general population. Beyond this, high levels of inequality are also known to negatively impact the health and wellbeing of all members of society. Cities with more equal income distribution are known to perform better economically and socially.⁹

2) The Broken Pathways out of Poverty

For too many Torontonians, the traditional pathways out of poverty are broken. Among previous generations, there was a broad and deeply held consensus that if people invested in their education they would be sure to get ahead, and that finding a job would lift them out of poverty. Toronto attracted immigrants, who saw, through the experience of previous newcomers, that the city's economy would permit them to contribute their skills, and provide opportunities for their children. The polarization of the labour market, coupled with the erosion of income and social supports, means that for large numbers of Torontonians these prospects no longer hold true.

A Very Different Labour Market

Driven by a variety of ongoing transformations, including globalization, demographic shifts, technological advances, and the rise of outsourcing and contracting, Toronto's labour market has been dramatically remade. The result is an increasingly polarized mix of high and low quality jobs, with the disappearance of mid-level jobs and the expansion of knowledge and entry level positions.¹⁰ The CIBC Employment Quality Index shows that job quality is at its lowest level in

⁶ Stapleton, J. (2015), *The Working Poor in the Toronto Region: Mapping Working Poverty in Canada's Richest City*. Metcalf Foundation.

⁷ Hulchanski, J.D. (2010), *The Three Cities within Toronto. Income Polarization Among Toronto's Neighborhood, 1970-2005*. Centre for Urban and Community Studies Research Bulletin 41.

⁸ Hulchanski, D. (2012), *Toronto's growing socio-spatial divide: More inequality = greater disparities*.

⁹ Wilkinson, R. G., & Pickett, K. (2009), *The Spirit Level: Why greater equality makes societies stronger*. New York: Bloomsbury Press; Wellesley Institute (2013), *Quality jobs, living wages and fair wages in Toronto*.

¹⁰ Zizys, T. (2011), *Working Better: Creating a High-Performing Labour Market in Ontario*, Metcalf Foundation.

more than two decades.¹¹ Women, newcomers, and racialized groups are significantly over-represented in lower quality jobs, most notably in the service sector, and the absence of mid-level jobs and career ladders means that there are fewer clear and stable pathways to labour market success.¹²

Perhaps the most obvious marker of these changes is the shift from full-time continuous employment relationships to precarious employment with limited job security and few, if any, benefits. In 1984, only 11% of Toronto's jobs were part-time while in 2014, the number had more than doubled to 23%.¹³ Precarious employment in the GTA-Hamilton region has increased by nearly 50% in the last 20 years. As a result, 40% of workers are in jobs with some degree of precariousness (e.g., a permanent position with no benefits, variable work hours, multiple jobs).¹⁴

Closely related to the rise of precarious employment is the spread of working poverty. Toronto's working poor live in a region with the highest cost of living in Canada and the second-most expensive housing market in Canada. In this high-cost environment, earnings from full-time employment, or even from multiple jobs, are often not enough to escape poverty.

The Erosion of Income Supports

For some, these labour market changes mean that it is harder to keep a job, for others it is increasingly difficult to find one. Although unemployment in Toronto dropped unexpectedly to a five year low of 7% in August 2013, it has more typically fluctuated between 9 and 10% over recent years, reaching as high as 10.5% in July 2014.¹⁵ Toronto's overall unemployment rate has been consistently higher than that of the CMA, Ontario and Canada since 2001. Unemployment rates among youth and newcomers are at least twice the general rate and are higher in the city's poorest neighbourhoods. Meanwhile, Toronto's participation rate has fallen from 70% in 2003 to 64% in 2014, suggesting that more residents feel they have limited prospects of employment.

Such a challenging labour market means that large numbers of Toronto residents require support. Collectively, Employment Insurance, Ontario Works and Ontario Disability Support Program provide essential income supports for approximately 300,000 Toronto residents annually. While such programs provide a vital safety net, changes in eligibility mean that fewer residents can access them and, in the case of social assistance, for those that can benefit, rates no longer reflect even the most basic costs of living.

Changes made to the number of hours needed to qualify for EI, combined with the labour market changes described above, have severely restricted access to EI. Indeed, while most unemployed Toronto residents qualified for EI in the 1990s, more recently the figure has hovered around 20%. This reflects the fact that Toronto has larger populations of people who work part-time or in short-term contract jobs than most other cities. As well as restricting access to relatively generous benefits, the current EI limitations mean that fewer residents can access training

¹¹ CIBC Employment Quality Index, March 2015.

¹² Noack, A. and Vosko, L. (2010). *Precarious Jobs in Ontario: Mapping Dimensions of Labour Market Insecurity by Workers' Social Location and Context*. Toronto: Law Commission of Ontario.

¹³ City of Toronto (2014), Profile Toronto: Toronto Employment Survey 2014.

¹⁴ Poverty and Employment Precarity in Southern Ontario, United Way Toronto and McMaster University (2013), *It's More than Poverty: Employment Precarity and Household Well-being*. Toronto.

¹⁵ Economic Development Committee (2014), Economic Indicators July 2014.

opportunities tied to EI eligibility.¹⁶ Despite a series of small increases in recent years and the provision of additional amounts to singles, social assistance rates remain far below any measure of adequacy, especially in an expensive city like Toronto. Indeed, OW rates have lost more than half of their value since the mid-1990s, when they were cut by 21%.

For previous generations, work provided a stable and secure income that lifted people away from poverty and, for many, offered opportunities for progression. While good jobs continue to provide the best route out of poverty, changes in the structure of the labour market and the nature of work mean that, for many Torontonians, work is no longer working. Meanwhile, those who were unable to find employment, or for whom employment is not a possibility, were able to access short and longer-term supports through unemployment insurance and social assistance. However, the erosion of these pathways has left large numbers of Torontonians struggling to make ends meet.

3) The Struggle to Make Ends Meet

As housing, food, energy and other costs have risen steadily over the past decade, it has become even more difficult for low income residents to make ends meet. Over the past 6 years, for example, the cost of child care has risen by 30%, rent has increased by 13%, and the cost of public transit has grown by 36%.¹⁷ At the same time, while employment income levels have risen across much of the country, they have fallen in Toronto and across Ontario. Between 2006 and 2012, the median income in Toronto decreased by 2.8% from \$33,601 to \$32,670.¹⁸ In this context, the median family income of low-income families (\$14,630 before taxes in 2012) does not come close to meeting even basic needs.¹⁹ According to some calculations, a Toronto couple raising two children both need to work full-time and earn more than \$18 an hour to afford essentials such as rent, food, child care, transportation and clothing.

In terms of housing, for example, rental affordability continues to be an ongoing challenge. In 2013, at \$1,134, Toronto had the second highest average monthly rent (across all apartment sizes) in the GTA.²⁰ Approximately 78,000 households were waiting for affordable housing at the end of 2013 and only 3,700 households were housed in 2013, the lowest total in the past five years.²¹ In addition, an average of 3,000 single people and 950 members of families occupied shelter beds in Toronto every night in 2013.²² The lack of affordable housing means that too many residents have nowhere to go: waiting lists grow because people in social housing cannot afford market rents, and shelter use stays high because people cannot progress from waiting lists to social housing.

In 2014, the cost of a Nutritious Food Basket for a family of four in Toronto was \$835.91 per month, an increase of more than 5% from 2013. In the same year, for the sixth consecutive year, GTA food banks had over one million visits, with an increase of nearly 40% in Toronto's inner suburbs since 2008. Although the total number of visits saw a welcome decline, food bank visits

¹⁶ Granofsy, T., Corak, M., Johal, S. and Zon, N. (2015), *Renewing Canada's Social Architecture*. Mowat Centre; Davis, M., Hjartarson, J. and Medow, J. (2011), *Making it Work: The Final Recommendations of the Mowat Centre EI Task Force*. Mowat.

¹⁷ Canadian Centre for Policy Alternatives (2015), *Making Ends Meet: Toronto's 2015 Living Wage*, CCPA.

¹⁸ Toronto Star (15 January 2015), *Toronto workers' wages shrinking in contrast to other provinces, think tank says*.

¹⁹ Toronto Foundation (2014), *Toronto's Vital Signs Report 2014*.

²⁰ CMHC Housing Market Information (2013), *Rental Market Report: Greater Toronto Area*.

²¹ City of Toronto (2014), *Housing Connections: Annual Statistical Report 2013*.

²² City of Toronto (2013, Q4), *Toronto's Management Information Dashboard*.

are still nearly 10% higher compared to before the recession.²³ In addition, in a worrying new trend, more people with disabilities are seeking help, with approximately 30% of food bank clients in receipt of Ontario Disability Support Program compared to 17% in 2005.

Access to quality, affordable childcare is an ongoing struggle for too many low income residents. The current supply of 64,700 licensed child care spaces only accommodates 19% of the child population from newborn to age 12²⁴ and more than 16,800 children are on the waiting list for subsidized care. It is widely recognized that the inability to access reliable and affordable child care is a significant barrier to preparing for and searching for work. Similarly, access to reliable and affordable public transit is vital for Toronto residents, particularly those with low incomes who rely on it more than other groups. Toronto has one of the least affordable transit passes for low income earners among Canadian cities.²⁵ In addition, the growing concentration of poverty in specific neighbourhoods means that low income families often find themselves living in areas of the city with limited access to transit.

COMMENTS

The Role of Cities in Addressing Poverty and Building Opportunity

In the global, knowledge-based economy, cities have become the engines of economic growth, drivers of innovation and entrepreneurship, and sites of tremendous opportunity for many. In Canada, cities are home to almost 80% of the population, and the six largest metropolitan areas (Toronto, Vancouver, Montréal, Calgary, Edmonton and Ottawa) generate close to half the national GDP. Increasingly, Canada's prosperity depends on the success of its cities.

However, while cities are key to growth, they are also home to growing concentrations of poverty and inequality, with widening gaps between higher and lower income individuals and neighbourhoods. There has been a broad consensus that too many individuals and communities are disconnected from the benefits of economic growth and denied the opportunities enjoyed by others.²⁶ But it is now increasingly understood that such poverty and inequality also threaten the long term health and prosperity of cities themselves.

An increasing recognition of the need to balance competitiveness and prosperity with inclusion and opportunity has informed two notable developments. First, it has shaped new thinking about the importance of local economies in advancing economic growth in ways that reduce poverty. Second, it has galvanized cities to demonstrate leadership in poverty reduction. In some cases, devolution and decentralization have increased cities' legislative autonomy and revenues. In others, cities have simply begun to experiment with new approaches to drive change from the bottom up.

Cities are experimenting with strategies that harness their economic power both more creatively and more equitably to reduce poverty and benefit low income individuals and neighbourhoods. They are incubating new models and approaches that advance inclusive growth and wealth creation. And they are taking these steps to ensure that the benefits of growth and jobs are widely shared so that people experiencing poverty can live in dignity and take an active part in society.

²³ Daily Bread Food Bank (2014), Who's Hungry?

²⁴ City of Toronto (2015), Toronto Children's Services 2015-2019 Service Plan.

²⁵ City of Toronto (2013), Next Stop Health: Transit Access and Health Inequities in Toronto.

²⁶ United Way (2015), The Opportunity Equation: Building opportunity in the face of growing income inequality.

The City's Role in Addressing Poverty and Building Opportunity

The City of Toronto is no different. Working closely with community and private sector partners, the City has a long track record of taking a lead role in developing strategies and providing programs and services that advance economic growth and ensure that economic and social opportunities are shared across Toronto's communities.

The City is on the front lines of poverty reduction through the work it does to manage and deliver a range of human services, including income security, employment services, social housing, homelessness prevention, and child care. It takes actions to integrate and coordinate service delivery, ensures residents receive efficient and effective services and is best placed to lead place-based strategies and better integrate economic, social, and workforce development activities.

The City has adopted a range of strategies that are addressing the inequities that its residents face, including the Toronto Strong Neighbourhoods Strategy 2020, the Workforce Development Strategy, the Economic Growth Plan (*Collaboration for Competiveness*), the Toronto Youth Equity Strategy, the Housing Stability Service Plan, and the Newcomers Strategy. (Attachment B provides a list of key City strategies, programs, plans, and initiatives.)

Rooted in best practice, these strategies are replacing traditional, siloed streams of service delivery with more integrated, comprehensive and place-based approaches. Working closely with its community business and government partners, the City has been leading by example in this regard. And through its ongoing work on social procurement, community benefits, living wages and quality jobs, it continues to lead.

Moving forward, Council's direction to develop a Poverty Reduction Strategy provides an unprecedented opportunity to both do more to address and prevent poverty and also to be bold and creative and to do things differently. It provides an opportunity to build on current City strategies by bringing all the pieces together in a comprehensive, integrated, long-term overarching approach to reduce poverty in Toronto and drive systemic change. It reflects the maturing and evolution of the City's work and solidifies the direction it must take and roles it must play to ensure a prosperous and inclusive Toronto.

Alignment with Other Orders of Government

The drivers of poverty are hugely complex and there are obvious limitations as to what a city, even one as large as Toronto, can do. Outside of the challenges created by extensive changes in the labour market, addressing issues such as the inadequacy of income supports, the lack of affordable housing, and the undersupply of child care requires consistent resources and commitment from the federal and provincial governments. The City will therefore continue to work proactively with other orders of government to make the case that an inclusive Toronto is an essential ingredient for a prosperous Ontario and Canada – and that funding and actions that directly address poverty reduction are vital to make that happen.

Specifically, the Ontario Poverty Reduction Strategy (2014) offers valuable opportunities to partner with the provincial government. Toronto's Poverty Reduction Strategy and the provincial strategy can support and enhance what each seeks to accomplish in the following five ways:

- (1) The City and Province should undertake actions identified in both strategies collaboratively, for example, expanding student nutrition programs for school-aged children and youth.
- (2) Existing City strategies -- such as those focusing on reducing youth unemployment and increasing housing stability -- support provincial efforts and should be promoted as such.
- (3) City and Provincial governments have many common interests and will benefit from working closely together in approaches to the federal government; examples include a national child care program and enhancements to the Working Income Tax Benefit.
- (4) The City will support its community partners in making good use of the opportunities and benefits offered by the provincial Local Poverty Reduction Fund.
- (5) The City and Province are both committed to evidence-based policy and can work together to develop key indicators, measure progress and build on "what works".

By aligning our efforts, and engaging community and business partners, the City and other orders of government can more effectively advance evidence-based strategies to reduce poverty in Toronto.

Building an Inclusive Strategy

Broad community engagement and strong and inclusive partnerships have driven the development of *TO Prosperity*. Social Development, Finance and Administration (SDFA), acting as Secretariat, with support from Toronto Employment and Social Services (TESS), created the following structures to advance the development of the strategy:

- An Advisory Committee to provide strategic advice on the Strategy, and to help drive a process of community engagement. The committee is comprised of 26 representatives from key anti-poverty coalitions, strategic funders, private sector organizations, labour, equity and faith leaders, and residents with lived experience.
- A Senior Staff Steering Committee of 19 City programs across the three clusters and key City agencies to guide City engagement in the development process. Internally, City divisions and agencies conducted program-specific drill down discussions to generate ideas, obstacles and innovations.
- A broad resident engagement process co-led with community organizations and people with lived experience of poverty, encompassing a full-day, multi-sector stakeholder dialogue, 10 Days of Dialogue, 101 Community Conversations, three roundtable discussions with sector experts, and two online questionnaires. Phase One (November 2014 to January 2015) helped to identify the main issues of concern to Torontonians. Frequently heard recommendations were grouped in six areas: (1) housing, (2) access to services, (3) food access, (4) transportation, (5) employment and income, which focuses mainly on quality jobs and living wages, and (6) decision-making principles that could drive systemic change. Phase Two (February to April 2015) allowed residents to elaborate on solutions for issues in these six areas.²⁷

TO Prosperity sets a vision for Toronto and ambitious objectives for poverty reduction. While the City cannot reach this goal alone, it can, and should, lead the way. Moving forward, all City

²⁷ Detailed reports of Phase I Engagement (November 2014 to January 2015) and Phase II Engagement (February 2015 to April 2015) are available at www.toronto.ca/toprosperity. The raw data are accessible at the City of Toronto Open Data website.

Divisions, Agencies and Corporations need to prioritize poverty reduction. The City's partners must continue to offer invaluable services, programs, and economic opportunities. And residents need to remain engaged so that actions are effective. This initial engagement process set the stage for an ongoing, city-wide collaborative effort to address poverty in Toronto.

TO Prosperity: Interim Poverty Reduction Strategy

Toronto's Poverty Reduction Strategy sets out three overarching objectives for six issue-areas. This 3 x 6 matrix will allow the City to address the three poverty trends discussed above – systemic poverty, broken pathways, making ends meet - in the six areas residents prioritized, namely, Housing Stability, Access to Services, Food Access, Transportation, Quality Jobs and Living Wages, and Institutional Change.

The Strategy's **vision** puts it succinctly:

Toronto will *address* the issues, *create* solutions and *drive* systemic change. By 2035, Toronto is a city with opportunities for all. A leader in the collective pursuit of justice, fairness and equity. We want to be renowned as a city where everyone has access to good jobs, adequate income, stable housing, affordable transportation, nutritious food, and supportive services.

Objectives and Recommendations

1. Address Immediate Needs

Growing numbers of Torontonians are living in poverty, and the current social support system does not address many of their basic needs for housing, food, childcare, extended healthcare, and transportation.

Recommendations and actions that address immediate needs will focus on ensuring that essential services are effective, well funded, coordinated, and meet the needs of those living in poverty.

Examples include improving the quality of rental housing, better integrating city services to offer residents the comprehensive supports they need, increasing the availability of nutritious foods in low-income areas, and making transit affordable to low-income users.

2. Create Pathways to Prosperity

The increasingly high cost of living in Toronto, coupled with the scarcity of quality jobs, means that many Torontonians are persistently vulnerable to poverty, with limited prospects of achieving a more stable life.

Recommendations and actions that create pathways to prosperity will focus on improving the quality of jobs in the city, attracting investments to low income areas, and ensuring that City programs and services are integrated, client-centered, and focused on early intervention.

Examples include helping families to secure stable housing, ensuring all programming for children and youth is integrated, improving transportation services in the inner suburbs, improving social supports to individuals looking for jobs and transitioning into secure employment, and leading the way on the adoption of a universal living wage.

3. Drive Systemic Change

Torontonians do not choose to be poor: social, economic, and financial policies have led to the racialization, feminization and geographic concentration of poverty. People with disabilities, Aboriginal people, and newcomers are also overrepresented among the city's poor. Over time, policy choices have made Toronto the most unequal city in Canada. The City and its partners can do things differently. Governments can make ongoing choices that reduce poverty.

Recommendations and actions that build systemic change will focus on creating an accountable and participatory government where reducing poverty and inequality is an integral part of day-to-day business.

Examples include ensuring that measurements consider neighbourhood-level outcomes, adopting a social-determinants-of-health approach to service delivery, removing barriers that limit local food production, developing an equity-based approach to transit, and spurring local wealth creation and the economic resilience of communities and families.

Driving systemic change also requires mechanisms for implementing and evaluating poverty reduction across the city, and coordinating new efforts with existing City strategies, Regional agendas, and Provincial priorities.

Finalizing the Strategy

The engagement process the City established was integral to the development of this *Interim Strategy*. Following Council's consideration of this report, staff will once again reach out to residents, as well as community, labour, and business partners, and ask for input on the next step of the process. Moving forward, it will be crucial to prioritize proposed actions, detail their implementation, and develop innovative measures of progress and accountability.

Most importantly, people with lived experience of poverty will continue to be at the heart of this process to ensure that City actions are effective.

At the same time, staff will work with City Divisions and Agencies to classify actions into three categories: support or enhance existing programs and services, revamp existing programs and services, and design new programs and services. Then, staff will develop: a work plan with timelines and leads for all actions, measurements for the overall strategy and for specific actions, a financial strategy that identifies ongoing and dedicated resources, and engagement plans for actions that require targeted community consultation. Staff will also cost all proposed actions.

Business partners will be asked to contribute to the operationalization of actions geared towards economic development, employment, and housing.

In addition, Staff will ensure that there is ongoing alignment and coordination among the various City strategies, frameworks and plans detailed in Attachment B and the Poverty Reduction Strategy's objectives and actions.

City Staff will submit the Final Strategy Report to the October 20th Executive Committee and November 3rd Council meeting.

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ATTACHMENTS

Attachment A: TO Prosperity: Interim Poverty Reduction Strategy
Attachment B: Key City Strategies, Plans, Programs, and Initiatives

Attachment B: Key City Strategies, Plans, Programs, and Initiatives

Strategies & Plans

- Affordable Housing "Open Door" Program
- City of Toronto 10 year Capital Plan
- 2014-2019 Housing Stability Service Planning Framework
- City of Toronto Strategic Actions 2013 - 2018
- Collaborating for Competitiveness
- Creative Capital Gains: An Action Plan for Toronto
- Homeward 2016 (Toronto Community Housing Strategic Plan)
- HOT Plan (Housing Opportunity Toronto)
- Next 10 Years of Tower Renewal: Achieving City-wide Improvement
- Our Vision - A transit system that makes Toronto proud Five-Year TTC Corporate Plan 2013-2017
- Parks Plan 2013-2017
- Recreation Service Plan 2013-2017
- Social Procurement / Community Benefits Agreement Protocol (Forthcoming)
- Toronto Child and Family network
- Toronto Child Care Service Plan 2010-2014
- Toronto Middle Childhood Strategy
- Toronto Newcomers Strategy
- Toronto Official Plan
- Toronto Public Library's Strategic Plan 2016-2019 (forthcoming)
- Toronto Seniors Strategy
- Toronto Strong Neighbourhoods Strategy 2020
- Toronto Youth Equity Strategy
- Transit Fare Equity Strategy (Forthcoming)
- TTC Customer Experience Strategy (Forthcoming)
- Working as One: A Workforce Development Strategy for the City of Toronto
- Zoning By-laws Reviews

Programs & Initiatives

- Employment Standards Act Review
- Human Service Integration
- Justice Reform
- Living Wage
- Quality Jobs
- TCHC Revitalization