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## 2019 OPERATING BUDGET BRIEFING NOTE

### Toronto Poverty Reduction Strategy

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#### Issue/Background:

- In 2015, City Council approved the Toronto Poverty Reduction Strategy (PRS), a 20-year strategy focused on Housing Stability, Service Access and Coordination, Transportation Equity, Food Access, Quality Jobs & Livable Incomes, and Systemic Change.
- The PRS has 17 recommendations linked to a set of actions to be carried out over a four-year period. The first 2015-2018 Action Plan is in the concluding phases. Staff are currently developing a 2019-2022 Action Plan to be submitted later in 2019.

#### Key Points:

- Between 2015 and 2019 (including staff recommended new and enhanced initiatives), there has been an increase of approximately \$181M (net) in the operating budget for PRS-related initiatives. This does not include additional capital investments, and programs that are funded through existing or other revenue sources (e.g. funded by other orders of government such as the National Housing Strategy).
- Progression on the major objectives of the 2015-2018 Action Plan has been made. The Action Plan contains over 300 discrete work plan items, the majority of which have been implemented. The Poverty Reduction Strategy Office is in the process of conducting a final status update, which will be reported on as part of the 2019-2022 Action Plan.
- The objectives of the 2015-2018 Action Plan were to stabilize and strengthen programs and services supporting low-income Torontonians, and create a foundation for further systemic change. Key accomplishments include:
  - *Housing Stability:*
    - Stabilized funding for Toronto Community Housing and developed the Tenant's First implementation plan to transform the delivery of social housing in Toronto
    - Established building maintenance standards through the RentSafeTO program to improve the quality of multi-residential buildings
  - *Service Access and Coordination:*
    - Expanded access to child care through the addition of new child care spaces and subsidies
    - Created spaces for youth through the development of new youth lounges and hubs in community centres and libraries
  - *Transportation Equity:*

- Increased transit affordability by implementing Phase 1 of the Fair Pass program providing discounted TTC fares to adults receiving social assistance
  - *Food Access*
    - Improved access to nutritious food for children by expanding funding and adding new participating schools to student nutrition programs
  - *Quality Jobs and Livable Incomes*
    - Embedded inclusive economic development practices by adopting and implementing a social procurement program
    - Established the Woodbine Community Benefits Agreement and began development of a Community Benefits Framework for Toronto
  - *Systemic Change*
    - Embedded lived experience into City planning and decision-making processes through the creation of the Lived Experience Advisory Group
- The 2019 Operating Budget includes an increase of \$30.0M (net) in the base operating budget to sustain poverty reduction-related investments approved in 2017 and 2018. It also contains an additional \$9.6M (net) in new and enhanced initiatives related to poverty reduction as well as complementary strategies, such as the Toronto Youth Equity Strategy (see Table 1).
- The focus of the investments in the 2019 Operating Budget are to sustain the investments made in the previous 3 years of the strategy, as well as investing in the implementation of new initiatives already approved by Council. This includes:
  - Sustained delivery of extended winter respite sites (\$13.7M)
  - Additional child care subsidies (\$3.7M)
  - Expansion of the Fair Pass transit discount program (\$2.4M)
- In 2019, the Fair Pass discount program will be expanded to include more low-income Torontonians. Eligibility will be extended to child care subsidy recipients with incomes below the eligibility threshold defined as 15% above the Low-Income Measure (LIM+15). This will impact approximately 23,000 additional low-income adults in Toronto by providing a 33% discount on the single ride fare and a 21% discount on the monthly pass.
  - While this proposal extends eligibility to those in receipt of a child care subsidy, it does not extend eligibility to those in receipt of housing supports, as originally planned. This is due to the logistical difficulties of identifying and verifying eligible residents in receipt of housing supports.
  - The City of Toronto contracts with more than 200 housing providers that individually manage income verification for all Rent-Geared-To-Income residents. The City does not currently have access to this information.
  - When the Fair Pass Discount Program is fully implemented in 2020, all low-income Torontonians, which includes those receiving housing supports, will be eligible to apply for Fair Pass.
- Actions in the 2019-2022 Action Plan that have a financial impact will be identified in the second half of 2019 as part of the 2020 Budget process.

**Table 1. New and Enhanced Staff Recommended Priorities Related to Poverty Reduction in the 2019 Operating Budget**

Service	In \$ Thousands	
	Gross	Net
<b>Children's Services</b>		
Saturday Opening of the North District Office	492.1	
Additional City Contribution – 20% of Provincial Expansion	3,738.4	3,738.4
<b>Shelter, Support &amp; Housing Administration</b>		
Case Mgt costs for the Enhanced Case Mgt Pilot	1,691.5	
<b>Social Development, Finance &amp; Administration</b>		
TYES – Identify \$ Impact (INI) Grants	45.0	45.0
TYES – Youth Violence Intervention	444.4	444.4
TYES – TCHC Youth Development Programs	192.4	192.4
TYES – Toronto Youth Partnership & Employment Expansion	467.0	467.0
TYES – Alternatives to Criminalization	1,229.7	1,229.7
TYES – Support for Parents & Caregivers of Vulnerable Youth	200.0	200.0
Transit Fare Equity Program – Phase 2 (Child Care Only)	2,377.0	2,377.0
<b>Toronto Public Health</b>		
Collection of Health Data in Homeless Population	260.0	65.0
SNP Maintain Municipal Contribution @20% Total Pgm Cost	300.0	300.0
<b>Toronto Public Library</b>		
2019 Sunday Service Enhancement – additional locations	208.0	208.0
2019 Additional Youth Hubs	260.0	260.0
<b>Investing in Poverty Reduction Total</b>	<b>11,905.5</b>	<b>9,526.9</b>

## Questions & Answers:

- **How many people live in poverty in Toronto?**
  - According to the 2016 Census, 20.2% of the population (543,390 people) living in Toronto were low-income. Toronto continues to have a higher prevalence of low-income residents than the rest of Canada, Ontario and in the region. Poverty is particularly concentrated among equity-seeking communities and Indigenous residents.
  
- **What impact has the Poverty Reduction Strategy made so far?**
  - 3,460 new affordable rental homes and 965 new affordable ownership homes approved by the end of 2018.
  - 5,100 housing allowances were provided in 2018 to support individuals and families.
  - 839 people transitioned from homelessness to housing and 787 individuals received increased housing supports through the City's Home for Good Program, with 95.3% remaining housed after 12 months.
  - 5,374 new child care fee subsidies made available to residents added through provincial and City funding.
  - 11,881 new licensed child care spaces were created between 2016 and 2018.
  - Created 11 new Youth Hubs at Toronto Public Library branches.
  - Increased transit affordability for 36,774 adults on social assistance, saving residents over \$900,000 between April and December, 2018, with 72% of user survey respondents reporting increased usage of the TTC and 63% saying it has positively impacted their life.
  - Introduced free access to the TTC for children 12 and under, and a 2-hour transfer for all rides on a single fare, reducing the overall cost of transit and providing flexibility for families and individuals.
  - Supported 5,302 youth in making connections to the job market through various youth employment programs in 2018. For youth participating in the Toronto Youth Partnership and Employment program, 42% of participants attained employment.
  - \$1.5M of City contracts for goods and services awarded to diverse suppliers, including social enterprises, through the City's social procurement program.
  - Expanded funding for student nutrition programs that reach more than 200,000 children and youth across 621 program sites.
  - Provided a voice for residents living in poverty through the establishment of the Lived Experience Advisory Group, which has participated in approximately 50 internal and external advocacy opportunities.

- **What will the City of Toronto be doing to reduce poverty in the future?**
  - The City is currently developing the 2019-2022 Action Plan, with a focus on refining the goals of the previous action plan and developing clear and measurable outcomes and targets to be achieved by 2022.
  - Key priorities under consideration in the next action plan will include:
    - Supporting the design and implementation of the City's next 10-year housing strategy, including a full spectrum of affordable housing options
    - Completing full implementation of the Fair Pass transit discount program
    - Scaling up inclusive economic development initiatives to build local prosperity
    - Improving communication and systems coordination between City divisions and community partners working to reduce poverty.
    - Implementing a PRS Monitoring and Evaluation Framework to report on progress and outcomes.
    - Aligning efforts between the Federal and Provincial poverty reduction strategies.
    - Ensuring that the strategy fully embeds the needs of equity-seeking and Indigenous communities in planning and design
    - Application of a gender-based analysis to address the specific needs of women and girls with low-income

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