



ONTARIO HUNGER REPORT 2008

THE LEADING EDGE OF THE STORM



DECEMBER 2008

About Us

The Ontario Association of Food Banks (OAFB) is a network of food banks across the province including 100 communities across Ontario, from Ottawa to Windsor and Thunder Bay to Niagara Falls. The organization has helped serve its members since 1992 and has four major aims to achieve its vision of reducing hunger in Ontario.

We acquire and distribute food across Ontario. With the help of our dedicated partners, the OAFB obtains and ships perishable and non-perishable food from our donors to food banks in communities across the province. In 2007, we acquired and distributed seven million pounds of food across Ontario.

We ensure member food banks meet certain standards of safety, quality and ethics. Food banks have a responsibility to the communities that they serve. We help member food banks ensure that they can provide safe, high quality and ethical service to their community.

We provide support to our members through grants and professional development. Although food banks across Ontario come in all shapes and sizes, many face the same challenges of raising funds, directing distribution operations and managing staff and volunteers. We help with the sharing of best practices and offer professional development for our members. In addition, we also provide operating and capital grants to improve food distribution activities.

We reduce poverty through policy, programs and projects. It is the responsibility of the OAFB to tell the story of food banks and those served by food banks, and educate the public on the issues of hunger and poverty facing Ontarians. These efforts are supported by diligent research and the development of long-term, credible solutions. Beyond policy, we also work to reduce poverty on the front line through province-wide programs, and poverty reduction projects in selected communities.

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Key Trends

1. Hundreds of thousands of Ontarians are forced to turn to food banks every month. A population roughly the size of Windsor turns to food banks every month in our province.¹ A total of 314,258 Ontarians were served by food banks in March 2008.

2. Working Ontarians, Ontario's children, and Ontarians with disabilities are hit hard by hunger. Working Ontarians, Ontario's children, and Ontarians with disabilities make up a staggering proportion of those served by food banks in Ontario. Approximately 40 per cent of those served by food banks in Ontario are children, over 20 per cent are persons with disabilities, and 19.7 per cent work or have recently lost their job.

3. We have witnessed an alarming increase in the number of Ontarians turning to food banks this fall. There is a significant upward trend in the number of persons turning to food banks in Ontario since last fall. Between September 2007 and September 2008, food banks in Ontario have reported an average increase of 13 per cent in the number of neighbours turning to them for support. Although many major centres have witnessed significant growth in demand, the greatest increases have been seen in mid-sized communities that have been hit hard by job losses.

4. The price of food and energy has risen substantially in the past year and is the likely cause of increased usage coupled with economic decline. The price of many basic household items from groceries to gas, increased tremendously in the past year. The price of key food items including pasta (48.1 per cent), bread (16 per cent), baby food (11.5 per cent), milk (8 per cent) and chicken (7.8 per cent) have all increased at greater than twice the rate of inflation in the past twelve months. The cumulative impact of price increases is tremendous. In the past year, an average single person would have seen their household bills increase by \$433, and a family of three would have seen their bills go up by over \$800. We believe that the rising price of food and energy coupled with changing economic conditions have contributed to the short-term trend of increases.

5. Many food banks are struggling to meet demand. One in five food banks does not have enough food to meet the needs of those they serve. We have also surpassed the threshold by which a community can provide enough food donations to support their local food bank. One quarter of food banks in Ontario receives more than a third of their food from outside their community. Many food banks must also purchase a significant amount of food every year. Twenty one per cent of food banks in Ontario must purchase over 40 per cent of their food supply in order to provide for hungry neighbours in their community.

Key Facts

HUNGER IN ONTARIO

- Food banks in Ontario have reported an average increase of 13 per cent in the number of neighbours turning to them for support this fall.
- Seventy nine per cent of food banks in Ontario reported an increase in the number of persons turning to them for support since last fall.
- Food banks in communities including Orillia, Lindsay, Cornwall, Sudbury, Thunder Bay, St. Thomas, Stratford, Toronto, and London have seen their figures spike in the last twelve months.
- 37.6 per cent of Ontarians forced to turn to food banks are children.

FOOD BANK TRENDS

- Twenty one per cent of food banks in Ontario reported a decline in their ability to meet the needs of those they served in 2008.
- Twenty two per cent of food banks did not have enough food to meet the needs of their clients.
- A majority of food banks (64 per cent) in Ontario purchase over ten per cent of the food they distribute. Twenty one per cent of food banks in Ontario must purchase over 40 per cent of their food supply in order to provide for hungry neighbours in their community.

FACTORS AFFECTING FOOD BANK USAGE

- Two-thirds (64.6 per cent) of all food items tracked by Statistics Canada increased at a rate greater than inflation in the past year. The average rate of increase was 5.6 per cent.
- Important grocery items including pasta (48.1 per cent), bread (16 per cent), baby food (11.5 per cent), milk (8 per cent) and chicken (7.8 per cent) have all increased at greater than twice the rate of inflation in the past twelve months.
- Over the past year, a single person living in Ontario may have seen their annual costs for basics increase by \$433. A family of three may have seen their costs for basics including food, energy, water and rent increase by over \$823.
- In 1990, approximately two thirds of Ontarians who found themselves out of work qualified for employment benefits. Today, less than one third (30 per cent) of persons out of work in Ontario qualified for the program.

Introduction

We are entering turbulent and uncertain times. A great deal has changed in the past year. Even in the past six months, we have watched the front page of our papers and the leading stories on the evening news transition from worry to panic, headlining stock market plunges, a global financial crisis, skyrocketing prices, job losses, and an impending recession. It seems that a gathering storm of factors looms above us.

As food banks, we are worried that this storm will hit us with great force. It is in tough economic times that food banks first emerged. It is also in tough economic times that food banks witnessed their greatest growth. Another period of decline could be very difficult for Ontario's families, and for Ontario's food banks.

In the early summer of this year, we provided an overview of some of the factors that could impact all households in Ontario, particularly those families living on the edge. As we enter the leading edge of the storm, we are now beginning to see the early impacts of these changes. This report provides an early snapshot of these impacts

on the front line at food banks across Ontario.

In 2008, Ontario's Hunger Report provides key trends on hunger in Ontario, a profile of the population served by food banks, and an illustration of how food banks are responding to hunger in our province. In addition, it was particularly important this year to have a full understanding of why so many Ontarians turn to food banks. We have achieved this through a review of factors that are likely to have affected food bank usage in Ontario, from food prices to employment patterns.

We saw last year as the first steps towards coordinated action to reduce hunger and poverty in Ontario. We cannot afford to abandon that resolve. Despite tough economic times, and perhaps because of it, we must ensure our representatives follow through on their commitment for a comprehensive poverty reduction plan. We hope that 2008 represents the year Ontario makes a choice to reduce hunger and poverty in our province.

Data Sources

There are three major data sources that are used for the Ontario Hunger Report in 2008.

The first source is population data collected directly from food banks across the province, which is submitted annually through the HungerCount survey, which is a collaborative project of the Canadian Association of Food Banks (CAFB) and provincial organizations across the country, including the Ontario Association of Food Banks (OAFB). The data collected through this survey of all known food banks in Canada is primarily quantitative, and includes valuable information that helps to build a profile of food banks and those they serve. This survey has been administered on a regular basis since 1997 with a focus on the month of March. Ontario's response rate for this survey was 84 per cent of all food banks in 2008.

In 2008, this survey was complemented with collection of population data for the month of September in order to determine trends that may have occurred during the past year. This survey was administered by the OAFB to its member food banks. The

response rate for this fall survey was 53.4 per cent.

The second major data source is the annual member survey for the Ontario Association of Food Banks (OAFB). This is a phone survey of member food banks conducted over a two week period in July in order to get a better understanding of the challenges that food banks face in their operations. The response rate for this survey was 60 per cent in 2008.

The third major data source includes datasets from Statistics Canada and the Canada Mortgage and Housing Corporation. Datasets were obtained from Canada Food Statistics, the Canadian Housing Observer, and CANSIM data.

In addition to these general datasets, data was also obtained through regular reports and research studies produced by Statistics Canada and other non-profit organizations. A full accounting of each of the datasets can be found in the reference section of this report.

We saw last year as the first steps towards coordinated action to reduce hunger and poverty in Ontario. We cannot afford to abandon that resolve. Despite tough economic times, and perhaps because of it, we must ensure our representatives follow through on their commitment for a comprehensive poverty reduction plan.

Hunger in Ontario: An Overview

FACT

FOOD BANK USE SPIKES THIS FALL

Since last fall, food banks in Ontario have reported an average increase of 13 per cent in the number of neighbours turning to them for support.

The ground beneath us has shifted greatly over the past year. Only a year ago, we were confident in our province's prosperity, our record low unemployment rate, the fiscal prudence of our federal and provincial governments, and our ability to make great gains in reducing poverty. It was a great tragedy that so many Ontarians were forced to turn to food banks while many others had so much success, so much wealth, and so much opportunity.

It remains a daily tragedy that hundreds of thousands of Ontarians are forced to turn to food banks every month. In March 2008, 314,258 Ontarians turned to food banks in order to put food on their tables.² This figure is relatively unchanged from the same time the previous year. However, our figures have shifted significantly over the past six months. As prices for basics continue to rise and our economy spirals headlong into a recession, we have already begun to feel the impact of the leading edge of a very turbulent storm this fall.

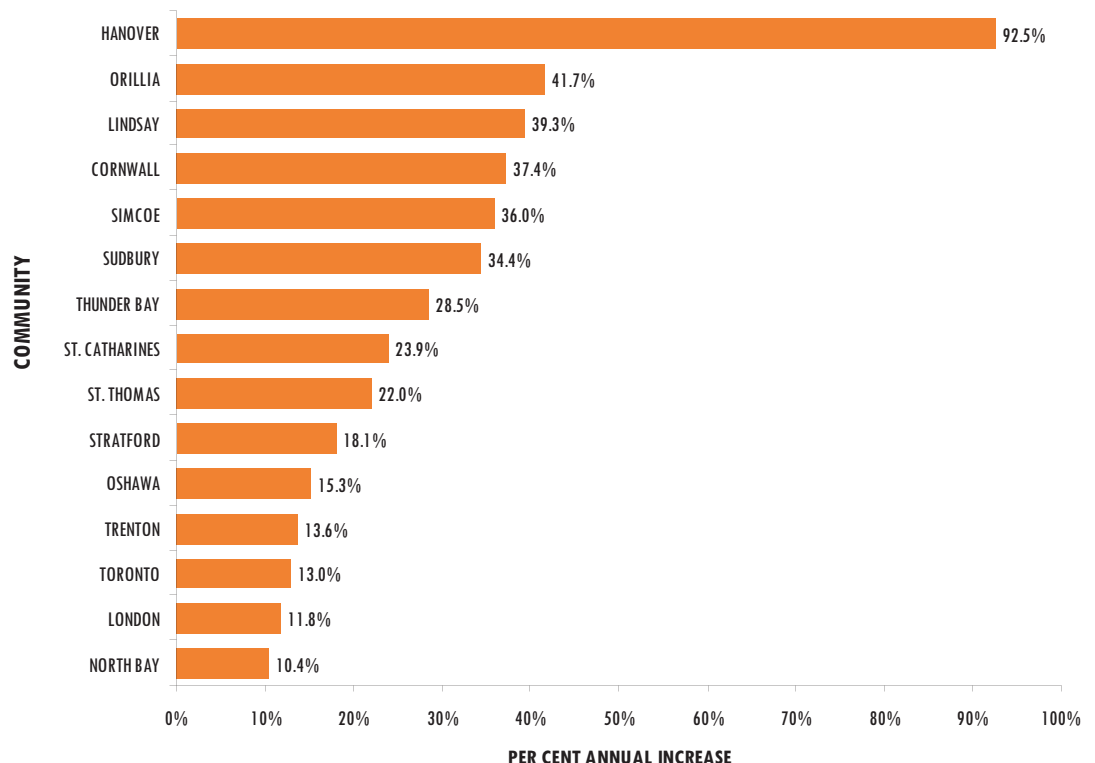
The leading edge of the storm: food bank usage rises significantly this fall. Food bank usage has risen greatly over the past year. Since last fall, food banks in Ontario have reported an average increase of 13 per cent in the number of neighbours turning to them

for support.³ This growth is almost equal to the cumulative rate of increase since 2001. If the trend holds, almost 350,000 Ontarians will be turning to food banks every month in 2009; an all time high for food bank usage.

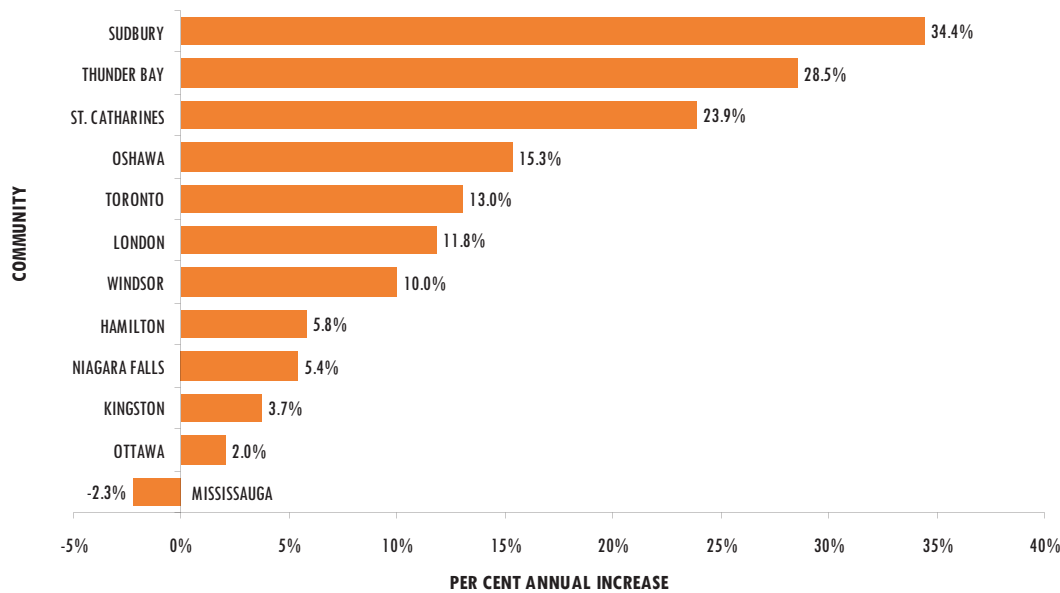
These increases are not concentrated in a few small towns or cities grabbing headlines for job losses. The vast majority of food banks have reported increases since last fall. Seventy nine per cent of food banks in Ontario reported an annual increase between September 2007 and September 2008.

The geography of hunger. The incidence of increases is relatively uniform. However, the greatest increases in food bank usage seem to be concentrated in mid-sized communities that have been hit with manufacturing job losses including Cornwall, Thunder Bay, St. Catharines, St. Thomas, and London.⁴ Although most witnessed increases since last fall, the picture in Ontario's major centres is more mixed. There are many more neighbours visiting food banks in Toronto as food banks struggle to keep up with demand, but figures in Mississauga and Ottawa have not yet risen at the same rate. These communities are bracing for what may come if they follow provincial trends.

GRAPH: SELECTED COMMUNITIES IN ONTARIO WITH GREATEST INCREASE IN PERSONS SERVED BY FOOD BANKS, SEPTEMBER 2007 TO SEPTEMBER 2008



GRAPH: TREND IN FOOD BANK USAGE IN MAJOR REGIONAL CENTRES IN ONTARIO, SEPTEMBER 2007 TO SEPTEMBER 2008



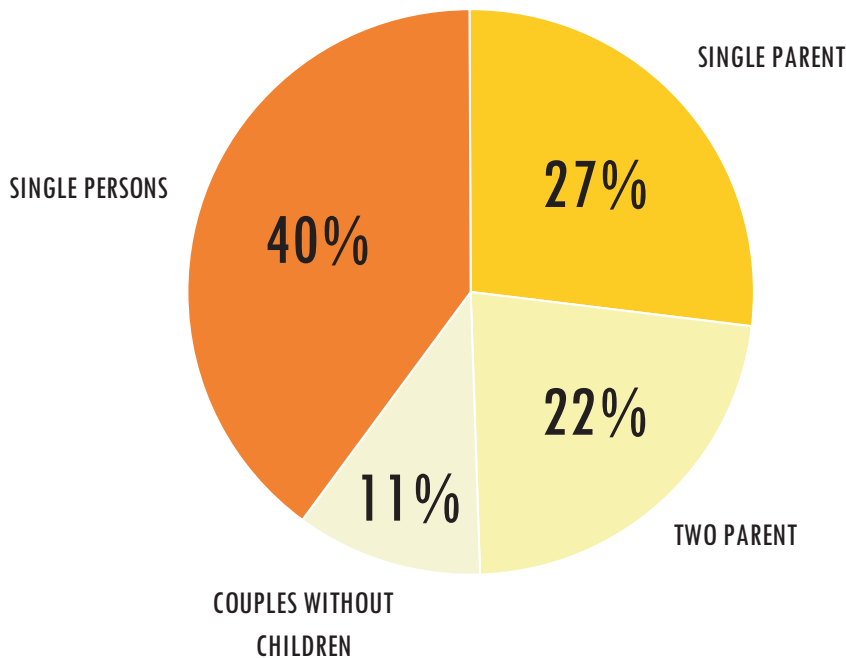
Who is Hungry in Ontario?

HOUSEHOLD CHARACTERISTICS

Family Types. The majority of households served by food banks in Ontario are families. 60 per cent of all households served are single parent or two parent households.

However, this also means that a very significant number of single Ontarians are served by food banks. Single persons represent 40 per cent of those served by food banks in the province.

GRAPH: HOUSEHOLD COMPOSITION OF ONTARIANS SERVED BY FOOD BANKS, 2008



Housing Types. The vast majority of households are renters: 65.7 per cent are in the common rental market, and 25.9 per cent live in social housing.

The remaining households live on opposite ends of the housing market: 3.8 per

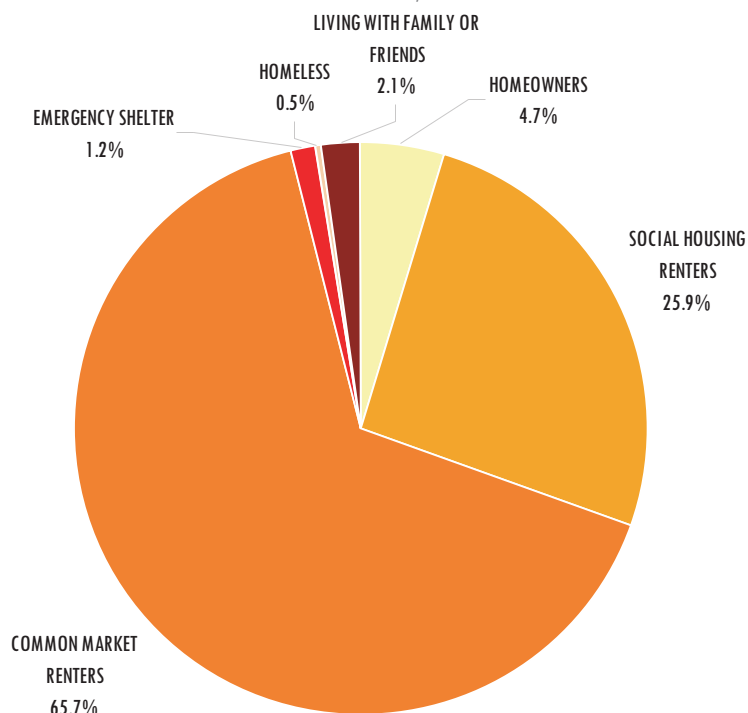
cent of households do not have a home or live in transitional housing (homeless, shelter, or with friends and family), and 4.7 per cent live in their own home.

FACT

HOUSING STATUS

The vast majority of households turning to food banks are renters: 66 per cent are in the common rental market, and 26 per cent live in social housing.

GRAPH: HOUSING STATUS OF ONTARIANS SERVED BY FOOD BANKS, 2008

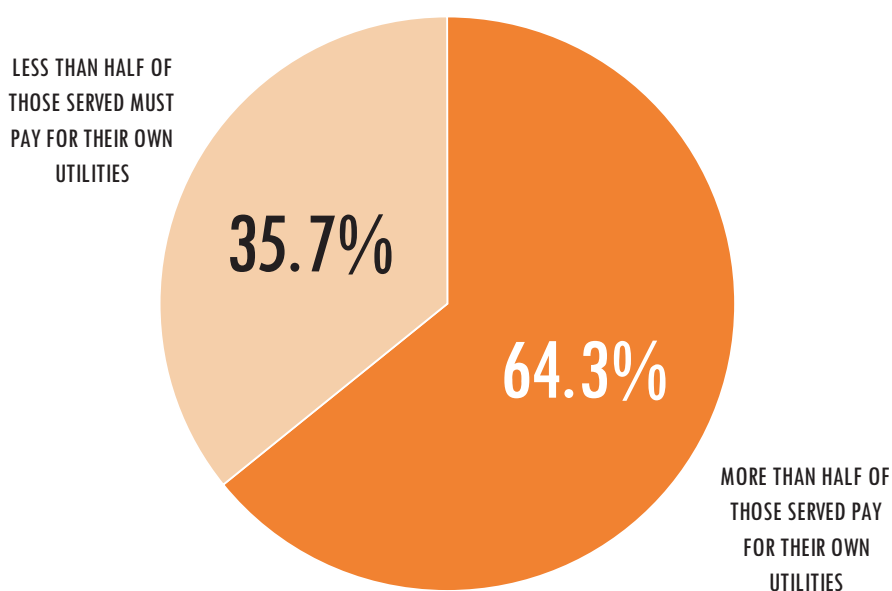


Paying the monthly utility bill is a worry for many families living on the edge, alongside the grocery bill and paying the rent. A significant majority of those served by food banks must pay for their own utilities.

Energy. Paying the monthly utility bill is a worry for many families living on the edge, alongside the grocery bill and paying the rent. A significant majority of those served by food banks must pay for their own utilities.

In 2008, 64.3 per cent of those food banks collecting detailed client data report that the over half of their clients must pay for their own utilities.

GRAPH: BREAKDOWN OF FOOD BANKS IN ONTARIO BY SHARE OF CLIENTS WHO PAY FOR THEIR OWN UTILITIES, 2008



INDIVIDUAL CHARACTERISTICS

Age. Hunger is a part of the daily lives of our neighbours from our youngest children to our eldest citizens. Every month, over one hundred thousand children in Ontario receive food through our emergency food programs. Children represent a significant proportion of Ontarians forced to turn to food banks: 37.6 per cent of those served are under the age of 18.

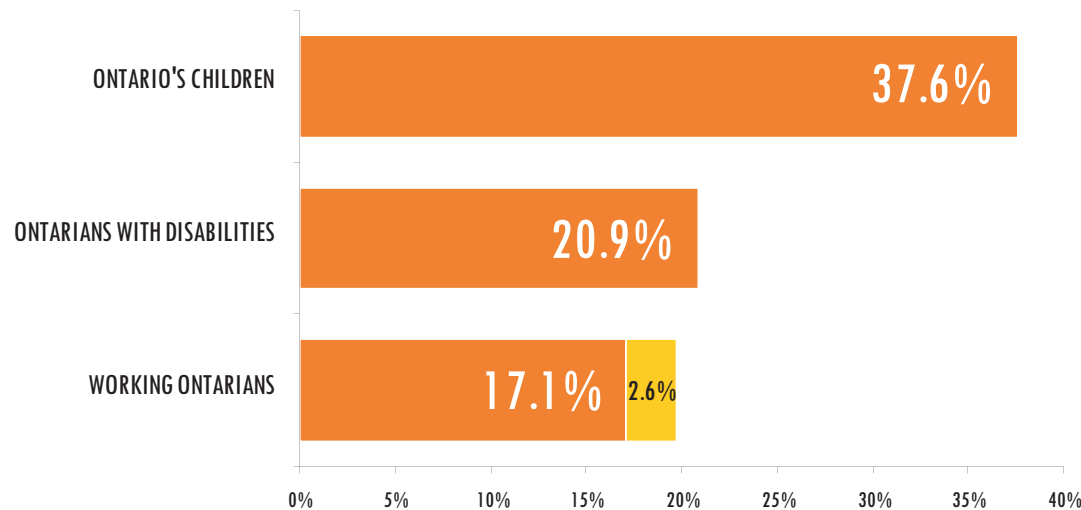
Employment. A large proportion of individuals served by food banks are working Ontarians. Over 17 per cent of those served by food banks in Ontario report that employment earnings are their major source of income. When children are removed from the equation, we can see that over one in four Ontarians served by food banks are working.⁵

In addition to these figures, there are

also many Ontarians turning to food banks that have recently lost their jobs, and are receiving Employment Insurance. When taking these figures into account, 19.7 per cent of those served by food banks in Ontario are employed or have recently lost their job. There are also many Ontarians served by food banks that are not currently employed. 43.1 per cent of all Ontarians, including children, report general social assistance (Ontario Works) as their major source of income.

Disabilities. Almost 70,000 Ontarians living with disabilities are faced with hunger every month. Over 20 per cent of all persons served by food banks in this province are persons with disabilities. This figure is well beyond the population average which is reports that 13.5 per cent of Ontarians are living with disabilities.⁶

GRAPH: BREAKDOWN OF FOOD BANKS IN ONTARIO BY SHARE OF CLIENTS WHO PAY FOR THEIR OWN UTILITIES, 2008



Food Bank Trends

Faced with many of the same challenges, food banks often reflect the circumstances of the very families they serve. As our economy slows, they struggle to feed families and struggle to maintain the amount of food that is provided every month. As donations decline and grocery bills rise, they must spend a great deal more on food and reach out to others for support, even beyond their own community.

The same question is asked around meeting tables of Ontario's food banks as those that go on around kitchen tables for hundreds of thousands of Ontarians: how can we provide enough food for our families?

It is an almost impossible and unreason-

able task. Hundreds of food banks across the province must feed hundreds of thousands of their neighbours through almost solely private support. The dedicated staff and volunteers of food banks across Ontario have assumed a citizen's responsibility to respond to the crisis of hunger. But they have not accepted the full responsibility for the health and well-being of their neighbours.

Our federal and provincial governments must accept that responsibility. Their commitment to this task is more important as we face challenges in meeting local need, provide emergency services, and garnering sufficient food supplies.

FACT

WHO TURNS TO FOOD BANKS?

Children

38 per cent of Ontarians forced to turn to food banks are children.

Ontarians with Disabilities

Over 20 per cent of persons served by food banks in Ontario are persons with disabilities.

Working Ontarians

Over 17 per cent of those served by food banks in Ontario report that employment earnings are their major source of income.

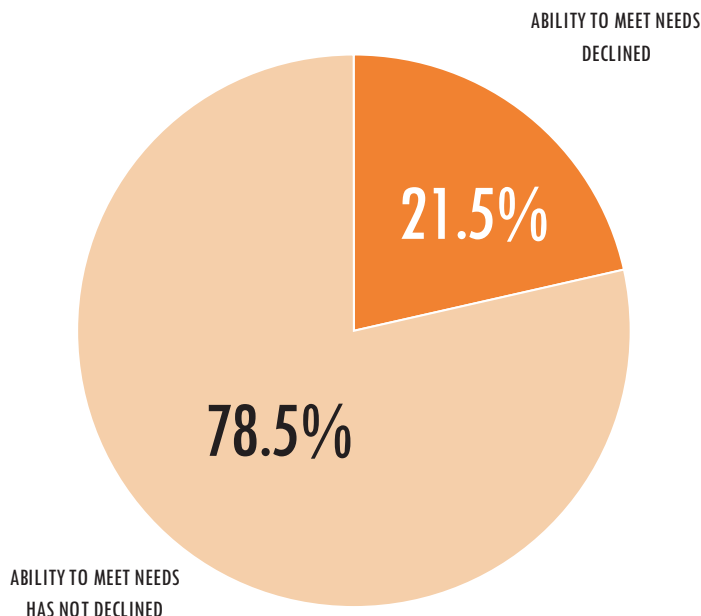
It is often forgotten that food banks are an emergency service. They were originally intended to respond to a temporary emergency of poverty and hunger which was the result of an economic downturn in the economy and a tightening of social services budgets in the early and mid-eighties.

CHANGE IN ABILITY TO MEET NEED

Many food banks continue to struggle to provide emergency support to their neighbours. Twenty one per cent of food banks

in Ontario reported a decline in their ability to meet the needs of those they served in 2008.

GRAPH: CHANGE IN THE ABILITY OF ONTARIO'S FOOD BANKS TO MEET THE NEEDS OF THEIR CLIENTS OVER THE PAST YEAR, 2008



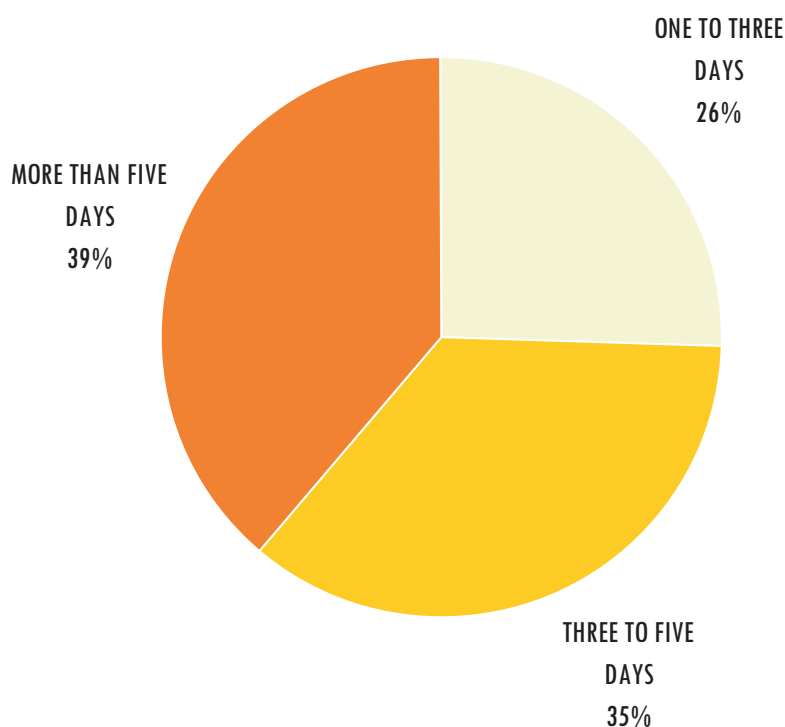
FOOD HAMPER SIZE

It is often forgotten that food banks are an emergency service. They were originally intended to respond to a temporary emergency of poverty and hunger which was the result of an economic downturn in the economy and a tightening of social services budgets in the early and mid-eighties. Fortunately and unfortunately, most continue

to play that role by providing an emergency supply of food to attempt to fill a gap during a particularly difficult time of the month for those they serve.

They do not, and cannot, provide for the full nutritional needs of their clients. Two-thirds of food banks in Ontario provide between one and five days worth of food in a hamper.

GRAPH: AMOUNT OF FOOD PROVIDED PER HAMPER BY FOOD BANKS IN ONTARIO, 2008

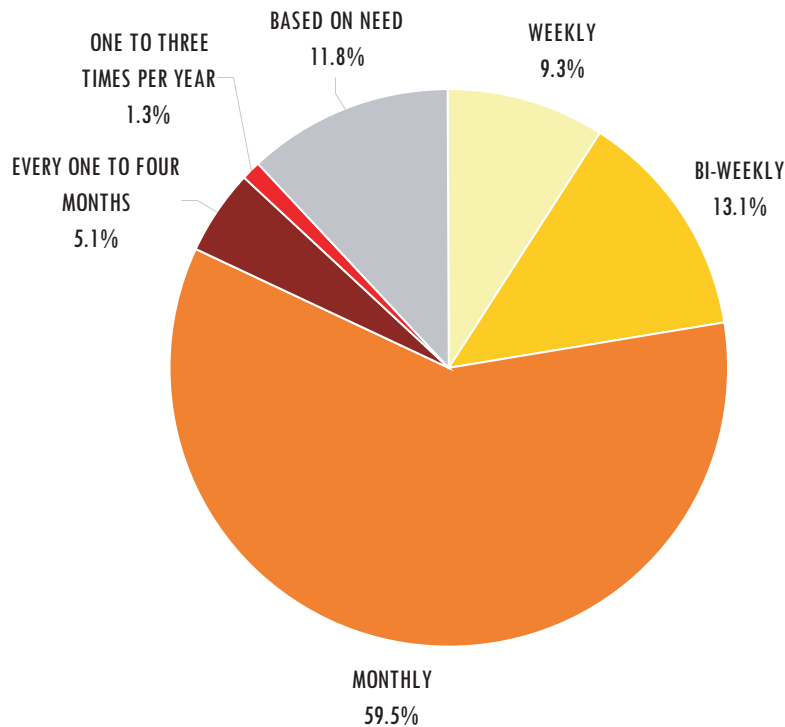


FREQUENCY OF SERVICE

The majority of food banks provide their services, such as hamper programs, on a monthly basis. 59.5 per cent of all food banks in Ontario are able to serve their cli-

ents every month. However, the need is so great in many communities that service is offered more frequently. Over 20 per cent of food banks provide service on a weekly or bi-weekly basis.

GRAPH: FREQUENCY OF SERVICE PROVIDED BY FOOD BANKS IN ONTARIO, 2008



FOOD SUPPLY

An immense amount of food is required to meet the emergency needs of our neighbours. Tens of millions of pounds of food are distributed through local hamper, shelter, and kitchen programs in Ontario every year.

Despite this tremendous achievement, there are still communities that cannot meet the needs of their clients. Ontario's food banks are struggling to respond to consistent and growing demand by reaching beyond their community and purchasing more food than ever before.

Total supply compared to need. Many food banks do not have enough food to meet the needs of those they serve. In 2008, 22 per cent of food banks did not have enough food to meet the needs of their clients. This represents consistent unmet need, as the same proportion of food banks were in this position in 2007.

We have surpassed a threshold where many communities no longer have the capacity to meet the needs of their local food bank. The continued and unbelievable generosity of community partners and neighbours has been outflanked by the sheer numbers of persons forced to turn to food banks.

Support from outside the community. In order to respond to this challenge, our network of food banks is working to improve coordination of food acquisition and distribution so that we can increase the overall supply of food donations at a regional and local level. This means that a greater volume of food is received from outside of the community.

In 2008, 26 per cent of food banks in Ontario received greater than one-third of their food supply from outside of their community. This represents a continued increase from 2005, when 15 per cent of food banks received greater than one-third of their food from beyond their municipal boundaries.

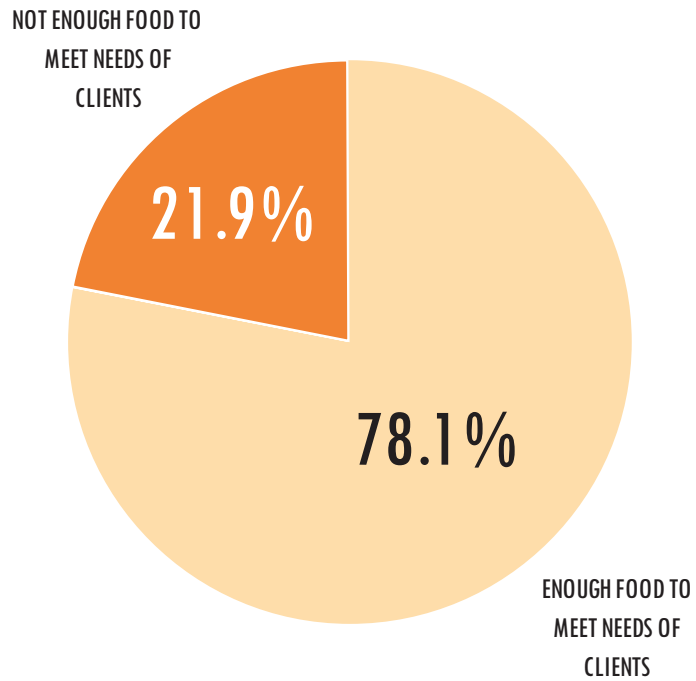
FACT

FOOD SUPPLY

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GRAPH: FOOD SUPPLY AT FOOD BANKS IN ONTARIO IN RELATION TO NEED, 2008

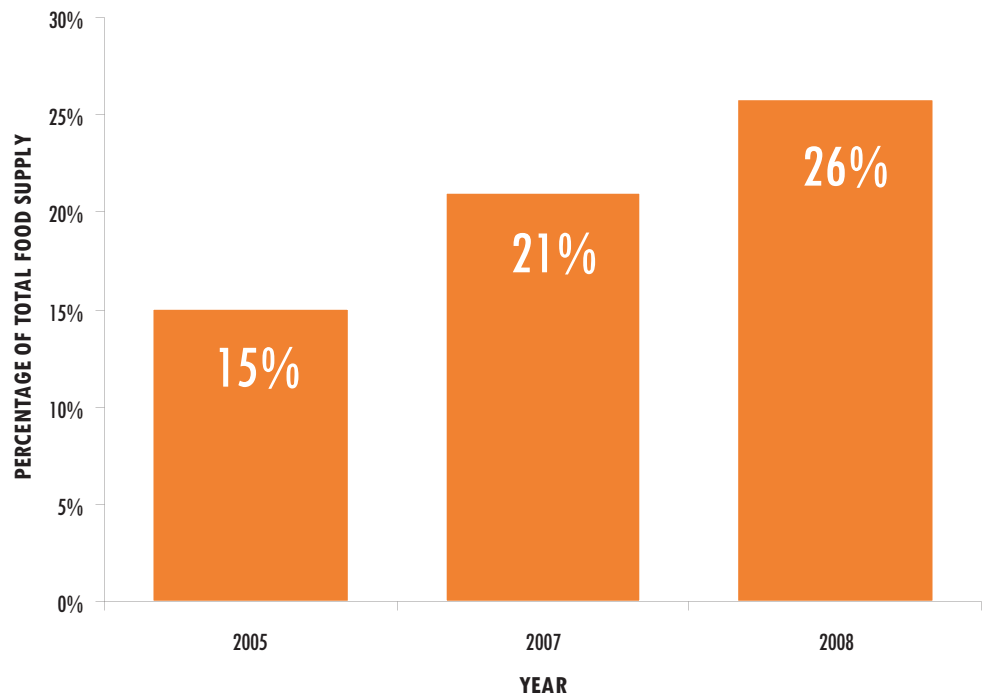


FACT

FOOD PURCHASES

A majority of food banks (64 per cent) in Ontario purchase over ten per cent of the food they distribute.

GRAPH: PROPORTION OF FOOD BANKS IN ONTARIO RECEIVING GREATER THAN ONE THIRD OF THEIR FOOD SUPPLY FROM OUTSIDE THE COMMUNITY, 2005 TO 2008



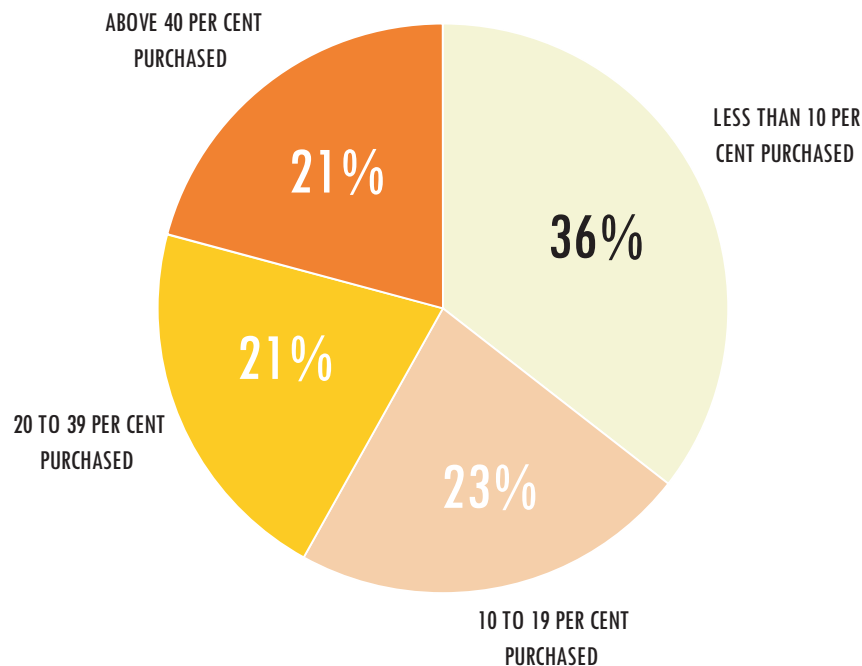
Food purchases. Many food banks must also purchase a significant amount of food in order to attempt to ensure their supply of food can meet local demand. A majority of food banks (64 per cent) in Ontario purchase over ten per cent of the food they distribute.

A very significant number of food banks purchase a large quantity of food. Twenty one per cent of food banks in Ontario must purchase over 40 per cent of their food sup-

ply in order to provide for hungry neighbours in their community. This has a very significant impact on the bottom line at local food banks.

The average food bank in Ontario needs to spend \$1,449.89 per month on food, or almost \$17,500 per year.⁷ In total, this represents the equivalent of a staggering \$5.25 million spent by food banks across the province every year.

GRAPH: PROPORTION OF TOTAL FOOD SUPPLY PURCHASED BY FOOD BANKS IN ONTARIO, 2008



Factors Affecting Food Bank Usage

There are many reasons that tens of thousands of our neighbours, our children, our parents, and our fellow workers must turn to food banks in Ontario. The cost and affordability of basic household expenses like rent, energy, and food have a direct impact on a household budget and general standard of living. In turn, the affordability of these items is clearly impacted by one's income and employment.

We do not poverty does not fit solely into that frame. Hunger and poverty are not merely a bi-weekly battle between the pay stub and the grocery bill. A person's level of income and ability to afford the basics or an emergency circumstance are affected by one's level of human and financial capital.

For example, one's level of education directly affects their income, and their ability to advance their quality of life. However, for the purposes of this report, we have chosen to examine items that have the most significant and immediate impact that can be tracked on an annual basis including housing, food, energy and utilities, and employment.

HOUSING

Smaller increases to household rent this year. Shelter represents the lion's share of a monthly household budget. Fortunately for many families living on the edge, the short term rate of increase has been relatively

low. In Ontario, the cost of rent only increased by 1.4 per cent between April 2007 and April 2008.⁸ This slow rate of change continues a long-term trend of increases that saw rent and the market price of home ownership rise at a much greater rate than inflation.⁹ In between 1995 and 2007, the rate of inflation was 27.4 per cent, and the cost of a bachelor apartment rose by 36.3 per cent and the market price to own a home increased by 93.1 per cent.¹⁰

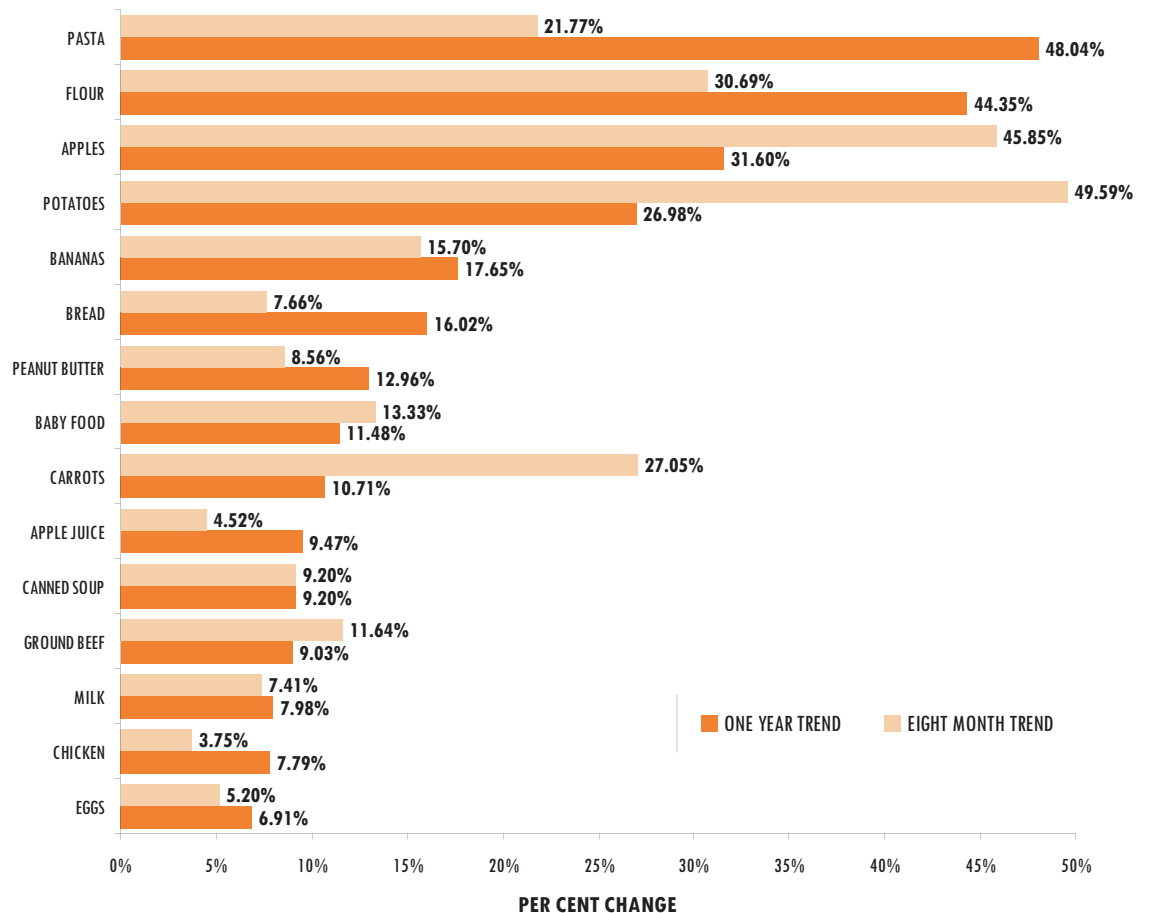
There is significant and persistent demand for affordable housing. Despite some stability in the rental market, there remains significant and persistent demand for affordable housing in Ontario. There are 124,032 households on the waiting list for social housing in the province.¹¹ Unfortunately, many families are giving up on their quest for a decent place to live as 70 per cent of social housing managers have stated that consistently long waiting times for social housing has discouraged many potential applicants from registering on the waiting list.¹²

FOOD

Food prices have skyrocketed. Despite ongoing battles in Ontario's grocery industry, the price of food has risen substantially over the past twelve months. Between September 2007 and September 2008, the average retail price of food items increased by 5.6 per cent.¹³ This reflects a significant his-

There are many reasons that tens of thousands of our neighbours, our children, our parents, and our fellow workers must turn to food banks in Ontario.

GRAPH: CHANGE IN THE PRICE OF SELECTED FOOD ITEMS IN CANADA, SEPTEMBER 2007 TO SEPTEMBER 2008



FACT

THE PRICE OF FOOD

Two-thirds (64.6 per cent) of all food items tracked by Statistics Canada increased at a rate greater than inflation in the past year.

Important grocery items including pasta (48.1 per cent), bread (16 per cent), baby food (11.5 per cent), milk (8 per cent) and chicken (7.8 per cent) have all increased at greater than twice the rate of inflation in the past twelve months.

torical trend, as the cost of food purchased from stores in August 2008 increased at its greatest rate since June 2001.¹⁴

Price increases have hit all food groups and every aisle of the grocery store, as food continues to rise at a rate greater than inflation. Two-thirds (64.6 per cent) of all food items tracked by Statistics Canada increased at a rate greater than inflation in the past year.¹⁵ Important grocery items including pasta (48.1 per cent), bread (16 per cent), baby food (11.5 per cent), milk (8 per cent) and chicken (7.8 per cent) have all increased at greater than twice the rate of inflation in the past twelve months.

Many families have seen large increase in their grocery bill. Although the statistics are staggering, most families do not measure the contents of their refrigerator in percentage points. The increase in food prices real measure is on the weekly grocery bill. This change can be easily seen in the grocery bill for a single person and a family of three. These sample households have been assigned a grocery list that would ensure a balanced diet in line with the Canada Food Guide with a comparison in cost between September 2007 and September 2008.¹⁶

A single person would spend just \$40.30

per week on food items from a grocery store in September 2008 to maintain a healthy diet. On an annualized basis, this would cost the household \$2,095, or an increased expenditure of \$214.89 per year compared to 2007. This increase represents the equivalent of over five weeks worth of groceries.

A family of three would spend \$85.52 per week to purchase healthy food at a typical grocery store in September 2008. This would cost the household \$4,446.78 on an annualized basis, representing an increased expenditure of \$430.30 per year compared to 2007. This increase also represents the equivalent of slightly more than five weeks worth of groceries for this family.

ENERGY & OTHER UTILITIES

As food prices continue to rise, the temperature in many homes may fall as families struggle to heat their homes this winter. We already know that energy represents a disproportionate share of household expenditures for low-income families. Low-income Ontarians spend 13.7 per cent of their household income on energy, compared with the Canadian average of four per cent.¹⁷ We have a regulatory environment for energy that is meant to protect us from

significant price shocks. However, many low-income families have experienced and will continue to experience significant increases in their household energy bills.

Home heating and water bills have risen dramatically. The cost for home heating has risen dramatically in the past year. The average cost for natural gas increased by 31.4 per cent between September 2007 and Sep-

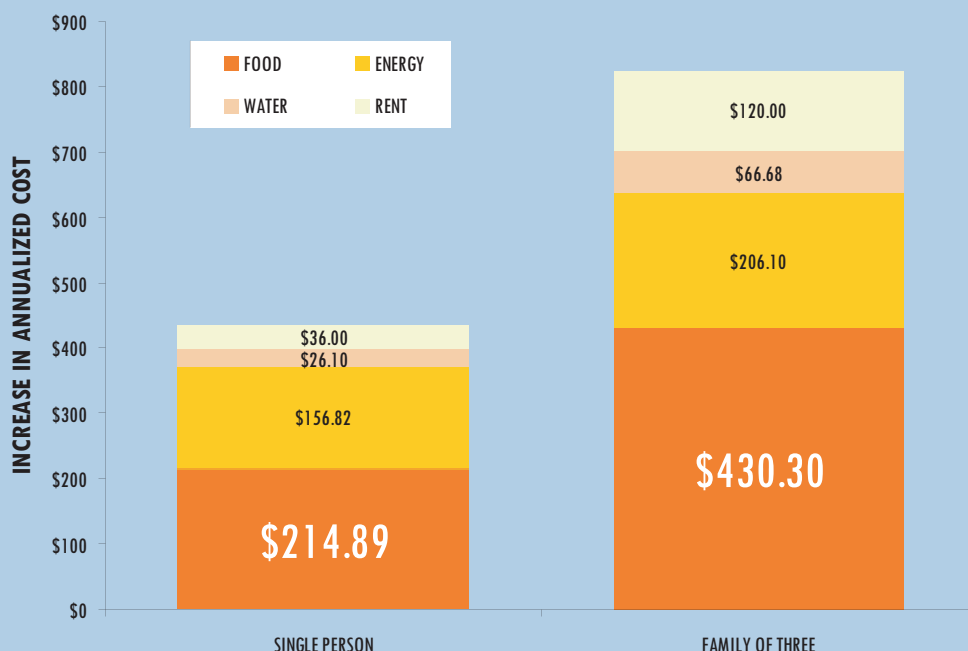
tember 2008. Those families that must heat their homes with fuel oil will be hit the hardest. The price of fuel oil and other household fuels rose by an incredible 61.4 per cent over the last year. The price of electricity did decline over the last twelve months. However, these electricity prices are scheduled to increase by more than 10 per cent in November.¹⁸

THE CUMULATIVE IMPACT OF RISING PRICES

Price increases for each household necessity are quite dramatic. However, the cumulative effect of all of the rising prices for these basics is alarming. It is likely that the large cumulative cost of these price increases is a strong factor driving an increase in the number of Ontarians turning to food banks this fall.

This case is most clear when looking at increases for food, energy, water, and rent for two sample households: a single person and a family of three. Over the past year, a single person living in Ontario may have seen their annual costs for basics increase by \$433. This total increase is roughly two thirds of the cost of the average monthly rent for bachelor apartment in Ontario (\$668 per month). A family of three may have seen their costs increase by over \$823. This total increase is approximately the same as the average monthly rent for a two bedroom apartment in Ontario (\$924 per month).

GRAPH: ANNUALIZED EFFECT OF PRICE INCREASES ON SAMPLE HOUSEHOLD TYPES IN ONTARIO, SEPTEMBER 2007 TO SEPTEMBER 2008



FACT

CUMULATIVE IMPACT OF RISING PRICES

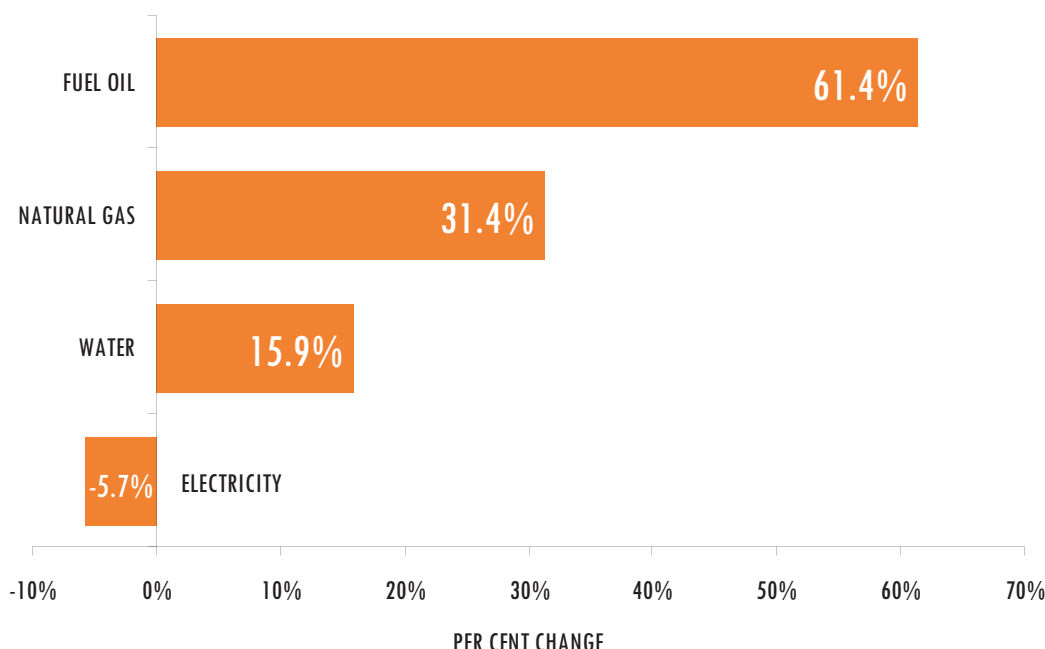
Single Person

Over the past year, a single person living in Ontario may have seen their annual costs for basics increase by \$433.

Family of Three

A family of three may have seen their costs for basics including food, energy, water and rent increase by over \$823.

GRAPH: CHANGE IN THE PRICE OF HOUSEHOLD UTILITIES IN ONTARIO, SEPTEMBER 2007 TO SEPTEMBER 2008¹⁹



We know that food banks emerged in Canada in the early eighties during a period of economic decline and significant job losses, and saw their most dramatic growth during the recession of the mid-nineties.

EMPLOYMENT

Beyond expenditures, it is believed that employment patterns and economic growth are two of the greatest predictors of change in food bank usage.²⁰ We know that food banks emerged in Canada in the early eighties during a period of economic decline and significant job losses, and saw their most dramatic growth during the recession of the mid-nineties.

A mixed employment picture. The employment picture over the past year is mixed. Between September 2007 and September 2008, Ontario did gain 52,200 net new jobs.²¹ The relative strength in certain employment sectors such as finance and management occupations may explain slight decreases or moderate growth in larger communities with stable or below average unemployment rates such as Mississauga.

However, over 75 per cent of all new jobs created in the past year were part-time positions, and the unemployment rate actually rose by 0.1 per cent.²² There were also significant job losses in sales and service occupations (-51,200) and manufacturing occupations (-37,900). Manufacturing job losses represent a medium term trend - since October 2005, 132,500 jobs have been lost in the manufacturing sector in Ontario.²³

These manufacturing job losses were often concentrated in small or mid-sized communities relying on a small number of employers. Communities that have made headlines for job losses over the past year, from St. Catharines to St. Thomas, and Lon-

don to Thunder Bay.^{24,25,26,27}

The significant jump in sales and service jobs may have also contributed to increases in Ontarians turning to food banks, as persons employed in this sector are less likely to have sizable severance packages, savings, and supplementary benefits. If they are fortunate enough to receive Employment Insurance, it will be set at a much lower amount than average, as the income in these positions is 35 per cent lower than the average.

A dim employment outlook. The future employment outlook for Ontario is not positive. Recent job gains were reported in public service and broader public service positions, such as health, education and social services. These sectors are likely to witness smaller gains, as the provincial government reduces or "slows" projected spending commitments in the face of an economic slowdown and a projected deficit.²⁸ It is also increasingly likely that other sectors with gains, including construction and accommodation/food services will witness declines as the housing market cools and consumer spending is reduced.²⁹

These unemployment trends will be compounded by the challenge of very low coverage levels provided by our national Employment Insurance (EI) program.³⁰ Less than one third (30 per cent) of persons out of work in Ontario qualify for the program.³¹

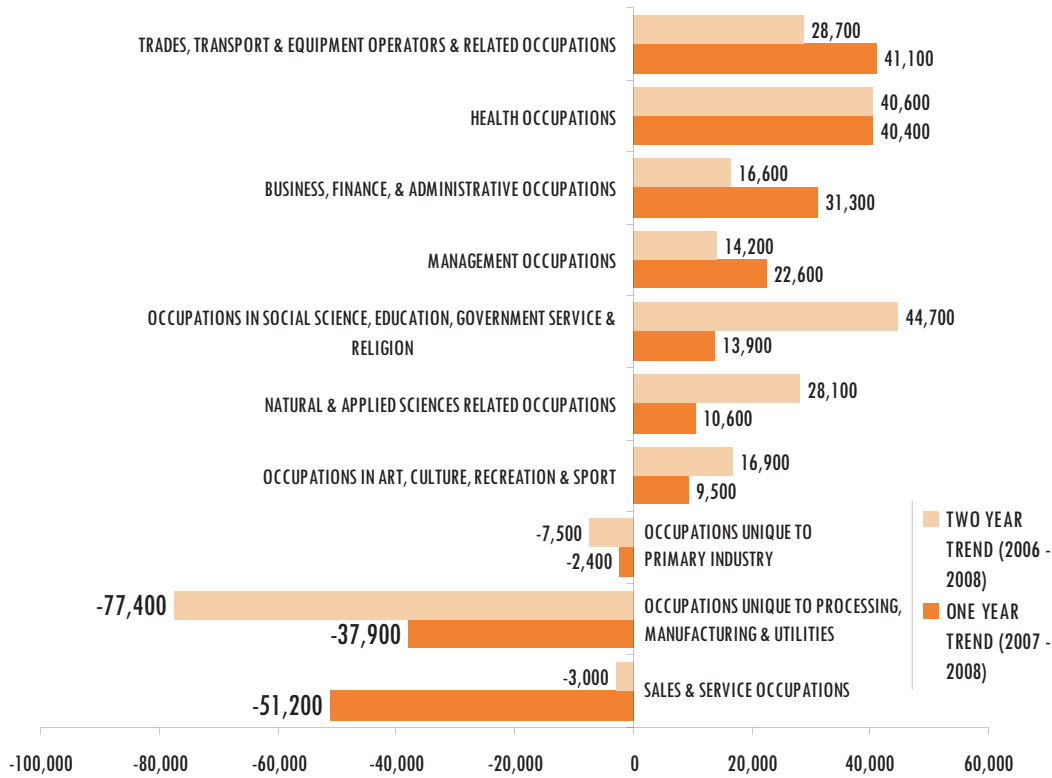
In 1990, approximately two thirds of Ontarians who found themselves out of work qualified for the program. Without

adequate employment supports, the thousands of Ontarians who do not qualify will be forced to access relatively restrictive social assistance programs or find other tenuous means of support from friends, family or charitable organizations.

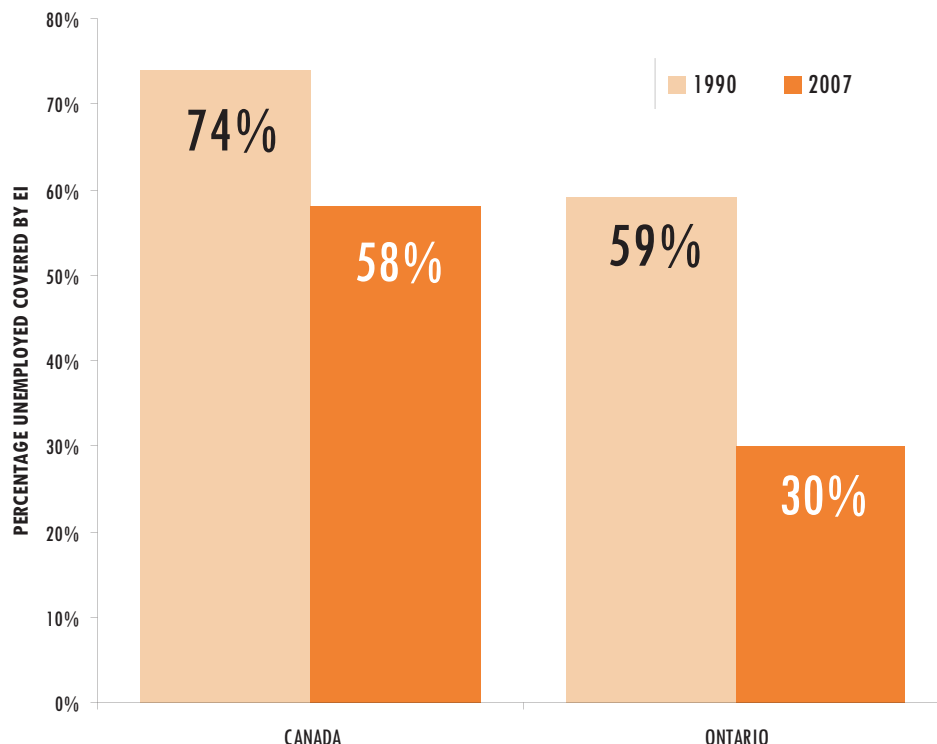
We have unwittingly and unwillingly

become a charitable alternative to Employment Insurance. Therefore, if we do witness an increase in unemployment across sectors over the coming year, we believe that food bank usage will also increase markedly in Ontario's major centres.

GRAPH: CHANGE IN EMPLOYMENT BY SECTOR IN ONTARIO, 2006 TO 2008



GRAPH: EMPLOYMENT INSURANCE COVERAGE IN CANADA AND ONTARIO, 1990 vs. 2007



Without adequate employment supports, the thousands of Ontarians who do not qualify will be forced to access relatively restrictive social assistance programs or find other tenuous means of support from friends, family or charitable organizations. We have unwittingly and unwillingly become a charitable alternative to Employment Insurance.

Conclusion

We believe that now is the time for us to make transformative choices to support Ontarians through this difficult period and to ensure that we can actually reduce poverty... We hope that it was not our collective prosperity that afforded us the will to act to reduce poverty.

We will be judged by the choices that we make during this period of economic difficulty.

We are now at the leading edge of a very ominous storm. Before this global economic storm hit, hundreds of thousands of Ontarians were already forced to turn to food banks every month, with the majority of those served being Ontario's children, Ontarians with disabilities, and those who work or who have recently lost their jobs.

We have now begun to see rapid increase in the number of Ontarians turning to food banks in the past year. Since last fall, food banks reported an average increase of 13 per cent, which is almost equivalent to the rate of increase in the past five years. The greatest increases have been felt in mid-sized communities that have witnessed the earliest impacts of the new economic downturn.

Thousands of hard working Ontarians have struggled to transition from jobs on the line to lining up at their local neighbourhood food bank. Other families barely making ends meet have been pushed over the edge due to rising prices for basics like bread, milk, water, and home heating.

We believe that this demonstrates the necessity for the provincial and federal governments to act during difficult economic times. As prices rise and Ontarians lose their jobs, tens of thousands more of our neighbours are in need of support. Although we have accepted a responsibility to serve our communities through the provision of hunger relief, food banks are certainly not the solution to the current economic crisis, nor can we fill the gap left by inadequate government social support programs.

We believe that now is the time for us to make transformative choices to support Ontarians through this difficult period and to ensure that we can actually reduce poverty. We know that most Ontarians enjoyed good economic times and stability for

many years. We hope that it was not our collective prosperity that afforded us the will to act to reduce poverty.

We will be judged by the choices that we make during this period of economic difficulty. We must make choices as individuals to provide immediate support to our local food banks, and to get engaged in our neighbourhoods and communities in programs and projects that will reduce poverty. This may be an act as simple as organizing a food drive or pooling a few hundred dollars with friends and family to donate money in support of a micro-grant for a struggling small business entrepreneur, or even as ambitious as creating a community farm to grow food and provide employment for neighbours in need of an opportunity.

But the choices of individuals should certainly not dictate the full extent of our response. Responsibility for the collective well-being of all citizens rests with our governments.

Our federal and provincial governments must also make the right choices to provide immediate short-term supports and long-term investments that will reduce poverty in Ontario. Our provincial government releases its poverty reduction strategy this December and our federal government is developing its response to the economic crisis. We have diligently presented our recommendations and research to them over the past year. The moral and economic imperative for them to act is clear. It is wrong that hundreds of thousands of Ontarians are living in hunger and poverty, and these figures are now growing. Furthermore, this poverty has a price tag that amounts to billions every year.

We are now anxiously waiting to see if our governments make the right choices to reduce hunger and poverty in Ontario.

Sources

1. The City of Windsor has a population of 307,877. The number of Ontarians forced to turn to food banks in March 2008 was 314,258.
2. In March 2007, 318,259 Ontarians turned to food banks. This represents a relatively small reduction in use of 1.3 per cent between March 2007 and March 2008.
3. It should be noted that this is the average rate of change for individual communities. When adjusting for community size, the projected total population served by food banks in Ontario would have increased by 11.1 per cent. The rate of increase in food bank usage in Ontario since 2001 was 14.3 per cent.
4. It should be noted that only communities serving over 250 persons per month were selected for analysis, as below this level, a relatively small actual number of persons served could greatly influence the rate of change. For example, if a food bank served 10 people in 2007 and 20 people in 2008, the rate of increase would be 100 per cent, but the absolute increase would have only been ten people.
5. Given that 62.4 per cent of those served by food banks are adults, and 17.1 per cent of those served by food banks cite employment as their major source of income, this would mean that 27.4 per cent of all adults would cite employment as their major source of income.
6. Ministry of Community and Social Services. Statistics on People with Disabilities in Canada and Ontario. Toronto: Ministry of Community and Social Services.
7. Our average figure excluded the largest and smallest food purchasers, as this would unreasonably skew the numbers.
8. Canada Mortgage and Housing Corporation.
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20. It should be noted that employment rates and economic growth predict change in usage. There is a great evidence that other factors such as the adequacy of income supports are also predictors in usage. Given that rates have remained relatively stable over the past five years, the persistence of persons requiring support who receive benefits has also remained stable.
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31. Canadian Labour Congress. Falling Unemployment Insurance Protection for Canada's Unemployed. March 2003, 43.

We can end hunger. **Think about it.**

www.endhunger.ca