



ONTARIO HUNGER REPORT 2009: LIVING WITH HUNGER



ONTARIO
ASSOCIATION OF
FOOD BANKS

DECEMBER 2009

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 working towards a hunger-free 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 2008, 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.

Publication Information

Author: Adam Spence

Research Support: Kathryn Kram

Design: Adam Spence

Photography: Photography supplied by food bank clients in communities across the province as a part of a photo-sound project. Individuals were provided with disposable cameras and asked to take pictures of their daily lives, experiences, and aspirations. For more photos from the project, please visit our website at www.oafb.ca.

Edited by: Nicola Cernik

© Ontario Association of Food Banks (OAFB), December 2009

All inquiries regarding this publication should be directed to:

Ontario Association of Food Banks (OAFB)

555 Bloor Street West, 2nd Floor

Toronto, ON M5S 1Y6

Tel: 416.656.4100 Fax: 416.656.4104

Email: info@oafb.ca Web: www.oafb.ca

Key Trends

1. Food bank usage continues to rise across Ontario. Rising unemployment, increased costs of basics, and inadequate government supports have forced many more Ontarians to turn to food banks. The number of neighbours turning to food banks each month has risen by 19 per cent since last fall; over 375,000 Ontarians now turn to food banks each month.

2. A large proportion of persons turning to food banks in Ontario are working or are recently unemployed. Many families have felt the impact of the downturn with lower wages, fewer hours and job losses. One third (32 per cent) of persons heading households using food banks in Ontario are employed part-time or full-time or were recently employed in the last six months. In addition, another third (32 per cent) were unemployed due to disability, retired, or attending school full-time as a student.

3. Ontarians turning to food banks live well below the poverty line, are much younger than average, and utilize the service on a temporary basis. It may seem obvious to most, but the point is now crystal clear: the incomes of households turning to food banks are particularly low. The average income for households of all sizes turning to food banks is below Statistics Canada's low-income cut-off. They must also spend a very high proportion of their income on shelter and utilities (65 per cent). In addition, the household population is particularly young, with the median age much lower than the provincial average (28.7 years vs. 38.2 years). Finally, it is clear that food banks are a temporary support for the majority of persons seeking support: 70 per cent of food bank clients have accessed the service for two years or less.

4. A significant proportion of persons turning to food banks are New Canadians with high levels of education. One third of all persons turning to food banks in Ontario are new Canadians, living in Canada for four years or less. Unfortunately, they live in poverty despite above average levels of education. Fifty four (54) per cent of new Canadians (living in Canada four years or less) turning to food banks have a post-secondary degree or diploma (trades certificate, college degree/diploma, or university degree). When new Canadians are removed from the food bank population total, the proportion of Ontarians turning to food banks with a postsecondary education drops to 27.3 per cent.

5. Many individuals in households turning to food banks consume an inadequate amount of food and the nutritional quality of food that is consumed is very low. In one in four households turning to food banks (25.1 per cent), children regularly do not eat breakfast once or more per week. In a larger number of households (33.4 per cent), at least one member regularly misses three or more meals per week, or one day worth of food, due to lack of money. Unfortunately, the food that is consumed does not meet basic nutritional needs. In 63 per cent of households turning to food banks, members do not consume the recommended daily servings of milk and milk alternatives. An even higher proportion of members of households turning to food banks (72.4 per cent) do not consume the required servings of fruits and vegetables.

6. Ontarians turning to food banks have poor health outcomes and inadequate supports to manage health concerns. In 44.5 per cent of households turning to food banks, at least one member has a chronic health condition, including diabetes, asthma or severe allergies, heart condition or disease, kidney condition or disease, cancer, epilepsy, cerebral palsy, cystic fibrosis, muscular dystrophy, HIV/AIDS, or Fetal Alcohol Syndrome. Over 55 per cent of households have some form of supplementary health or dental benefits provided by their employer or the provincial government. In more than half (51.1 per cent) of households turning to food banks, at least one member has gone without necessary health care (vision care, dental care, medical care, or pharma-care) because of the cost.

Key Facts

FOOD BANK USAGE

- Over 375,000 Ontarians turn to food banks every month.
- The number of Ontarians turning to food banks has increased by 19 per cent in the past year alone.

HOUSEHOLD PROFILE

- 35.9 per cent of the household population served by food banks is 16 years of age or younger
- One third (30 per cent) of persons heading households using food banks in Ontario are employed part-time or full-time or were recently employed in the last six months
- 33 per cent of Ontarians turning to food banks are recent immigrants, living in Canada for four years or less.
- Fifty four (54) per cent of new Canadians (living in Canada four years or less) turning to food banks have a post-secondary degree or diploma (trades certificate, college degree/diploma, or university degree). When new Canadians are removed from the food bank population total, the proportion of Ontarians turning to food banks who are non-newcomers with a postsecondary education drops to 27.3 per cent.
- 48 per cent of persons forced to turn to food banks in the province have accessed the food bank for twelve months or less.
- The average monthly household income is \$1,321.
- Almost two thirds (65 per cent) of all income is spent on shelter and utilities.
- The average weekly expenditure per person on food is \$26.86.

LIVING CONDITIONS

- A significant proportion (33.4 per cent) of individuals and families live in residences require major repair
- One in four households (25.1 per cent) are unable to adequately heat their home.
- In 33.4 per cent of households turning to food banks, at least one member regularly misses three or more meals per week, or one day worth of food, due to lack of money.
- In 63 per cent of households turning to food banks, members do not consume the recommended daily servings of milk and milk alternatives. An even higher proportion of members of households turning to food banks (72.4 per cent) do not consume the required servings of fruits and vegetables.
- In 53.4 per cent of households with children turning to food banks, at least one member does not have a warm winter coat.
- In more than half (51.1 per cent) of households turning to food banks, at least one member has gone without necessary health care (vision care, dental care, medical care, or pharma-care) because of the cost.
- Only five (5) per cent of households have \$500 or more available in a savings or chequing account.
- Only one in ten households is able to save money to improve skills through education and training.
- 36.2 per cent of households accessed a high interest loan in the past year through a payday loan institution, pawn shop, unlicensed individual (ie. a loan shark) or another source.

Introduction

There is little doubt that it has been our most difficult year in a generation. A great deal of ink, bandwidth, and air time has been devoted to the circumstances faced by food banks across the country, from shortages of food to unprecedented increases in demand. The shocking numbers offer a front line reality that is a counterpoint to the green shoots and leading economic indicators that point to a 'technical' end to the recession.

These universal figures are a necessary part of the narrative about hunger. It is vital that we understand the terrible impact of the economic downturn. But something is missing when we examine hunger almost solely through a singular lens that is a reflection of hunger in Ontario. We can never connect with the true nature of the challenge if it is distilled to a simple image of emptier shelves and longer line-ups. Although difficult, it is vital to ensure the story about hunger is not reduced to pounds of food, percentage points, and figures in the hundreds of thousands. There can be certain numbness in these statistics.

We need to ensure that our story truly reflects the unvarnished reality of individuals and families living with hunger in Ontario. This means that we

must take some time to shift our focus away from telling the story of food banks to establish a greater understanding of the lives of people turning to food banks.

Undoubtedly, it is more complex and sometimes confusing when we add a human dimension. However, it is hoped that a stronger narrative about food bank clients will add depth to the story of hunger and build a bridge that generates a direct connection between the general public and persons living in poverty. In this way, we can build upon our role as intermediaries for simple acts of kindness. This is a great opportunity given the significant public attention that has been focused on poverty. Accordingly, we have placed a deliberate focus this year on the story of individuals and families turning to food banks in Ontario.

In 2009, the Ontario Hunger Report provides a snapshot the breadth of hunger across the province by looking at overall community food bank usage. In addition, the report will provide a detailed profile of households turning to food banks as well as their daily living conditions. We hope that this report will continue to advance the collective effort to reduce hunger and poverty in Ontario.

Data Sources & Methodology

In order to improve the currency, accuracy, and detail of information we report, we have devised new data collection methods for the Ontario Hunger Report in 2009. Unlike previous years, these data sources focus almost solely on the circumstances of individuals turning to food banks in Ontario.

The first major data source is a statistically representative sample of food banks in Ontario that reflects the vast diversity of the province in terms of community size and geography. The thirty (30) community sample represents over half of the total persons served by food banks in the province on an annual basis. These communities were asked to report the total number of persons, families, and children served in the month of September in comparison to last year. This data source provides a universal look at the breadth of hunger in Ontario.

The second major data source is derived from a client survey administered by the OAFB that focused on detailed questions related to household composition and characteristics, expenditure patterns, and living conditions.

This survey was distributed to food bank clients in six target communities via hamper programs during a two-week period in October 2009.¹ Clients were then able to complete the two page survey and mail it back postage paid to the OAFB home office.²

In total, 372 households responded to the sample survey, representing a total population size of 985 persons. This data source provides a more accurate picture of the depth of hunger in Ontario.

The third major data source includes datasets from Statistics Canada and the Canada Mortgage and Housing Corporation. Datasets were obtained from Census records, 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. This data source provides an opportunity to compare our data to existing data on low-income households, as well as data on the general population in Ontario.



It is very embarrassing to go in food bank lines...
I have had so many operations that I cannot even
stand for five minutes.

Harriet, 43

Thunder Bay

Food Bank Usage Across Ontario

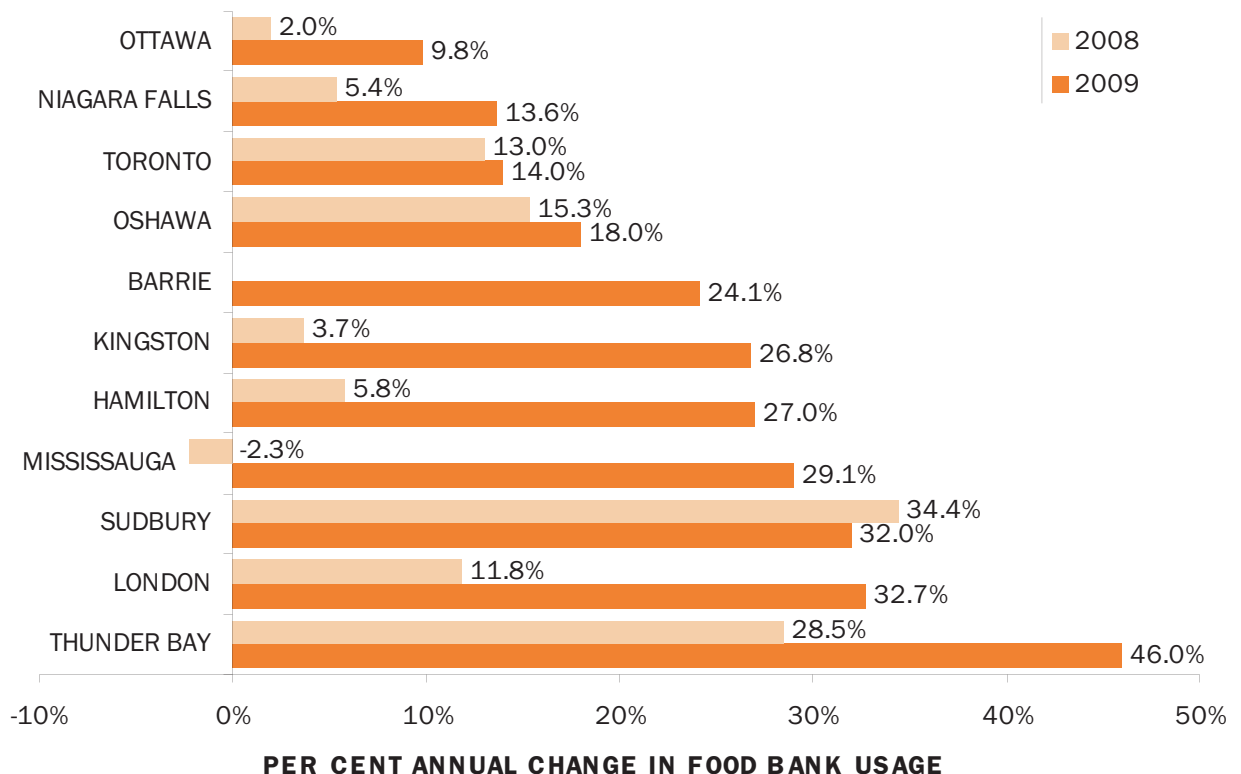
It has been the toughest year on record for food banks and families in Ontario since we began serving our neighbours over a generation ago.

Although the severity differs by community, the impact has been quite uniform. Very few communities have avoided the effects of the economic downturn. On average, food banks in Ontario reported an annual increase in usage of 29.4 per cent. In some communities, the rate of increase was particularly severe. In Trenton, Newcastle, Chatham, Welland, London, Listowel, Bracebridge, Sudbury, Beamsville, and Thunder

Bay, food bank usage increased by over 30 per cent between September 2008 and September 2009.

The total population served by food banks has increased by 19 per cent since last fall. As a result, over 375,000 Ontarians are turning to food banks every month; a population greater than the City of London.³ Fortunately, although the rate of increase has jumped since last year, it seems to have stabilized over the past few months. Hopefully, this stable rate of increase means that conditions will not worsen over the coming year.

GRAPH: ANNUAL CHANGE IN FOOD BANK USAGE IN MAJOR REGIONAL CENTRES IN ONTARIO, SEPTEMBER 2007 TO SEPTEMBER 2009



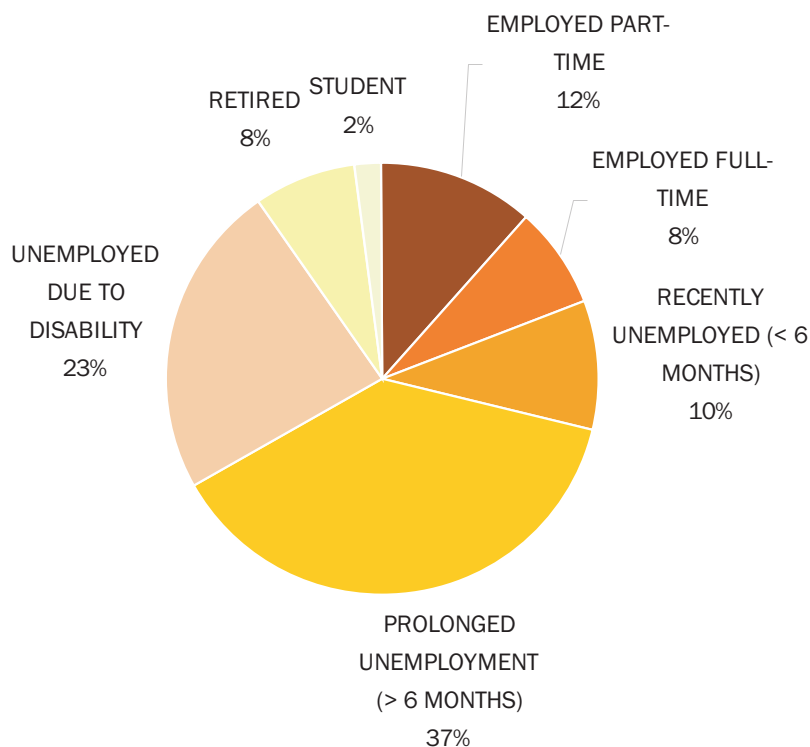
Who is Hungry? A Basic Profile of Households Turning to Food Banks

In order to effectively respond to the challenge of poverty in Ontario, it is vital that we have an accurate and detailed profile of households turning to food banks. We have built a basic profile including age, housing type, employment status, persistence of food bank usage, length of time living in Canada, education, and income and expenditures.

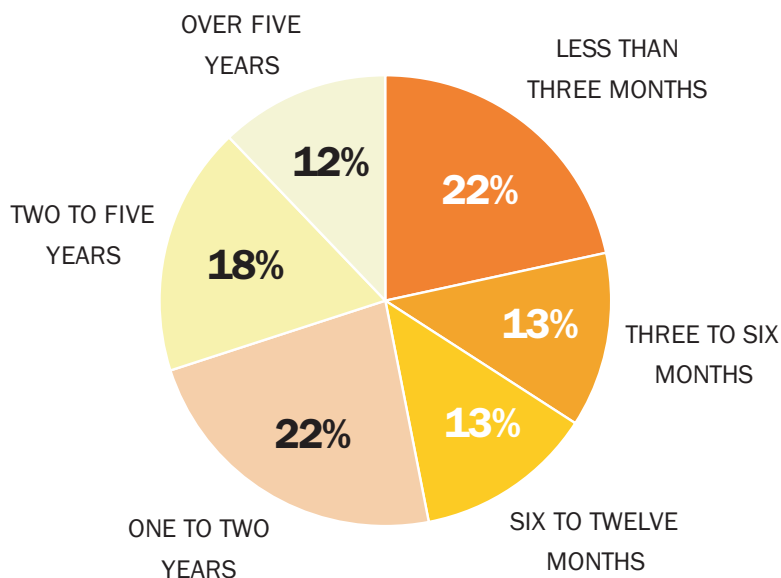
AGE

The population of individuals turning to food banks in Ontario is very young. The median age for persons turning to food banks was 28.7 years old, compared to the provincial average of 38.2 years.⁴ A very large share (35.9 per cent) of the household population served is 16 years or younger.

GRAPH: EMPLOYMENT STATUS OF HEAD OF HOUSEHOLD FOR FAMILY UNITS TURNING TO FOOD BANKS IN ONTARIO, 2009



GRAPH: PERSISTENCE OF USAGE BY INDIVIDUALS VISITING FOOD BANKS IN ONTARIO, 2009



HOUSING TYPE

Almost all Ontarians turning to food banks live in rental housing. Only a small proportion of food bank clients (1.7 per cent) live in temporary or transitional residences such as shelters. The greatest proportion (65 per cent) of individuals live in market rental housing, and the remainder live in public housing (34 per cent) where rent is geared to income.

These facts lend credence to the argument that an affordable housing strategy must focus both on building new units as well as ensuring

that individuals are able to afford market housing costs.

EMPLOYMENT STATUS

It would appear that many families have felt the impact of the downturn with lower wages, fewer hours, and job losses. One third (30 per cent) of persons heading households using food banks in Ontario are employed part-time or full-time or were recently employed in the last six months. Another third (33 per cent) were unemployed due to disability, retired, or attending school full-time

as a student. In only 37 per cent of households turning to food banks was the head of household unable to work due to prolonged unemployment.

PERSISTENCE OF FOOD BANK USAGE

Hunger is certainly a persistent problem in Ontario, with hundreds of thousands of Ontarians turning to food banks every month. However, the vast majority of persons turning to food banks in Ontario utilize the service as a temporary measure. In fact, 48 per cent of persons forced to turn to food banks in the province have accessed the food bank for twelve months or less. On average, these individuals are able to access the food bank once a month in order to receive approximately three days worth of food.

LENGTH OF TIME LIVING IN CANADA

It has been well-known for over a decade that the transitional experience for individuals and families coming to Canada has steadily declined. Many come to Canada with outstanding qualifications and expectations, and a historical view of the success story of many other newcomers to Canada. However, the stark reality of poverty for new Canadians is reflected in the population of persons forced to turn to food banks in Ontario. A total of 33 per cent of Ontarians turning to food banks are recent immigrants, living in Canada for four years or less.

EDUCATION

The educational profile of households turning to food banks in Ontario is complex. In general, the educational attainment of persons turning to food banks is lower than the provincial average. The proportion of individuals over the age of 18 turning to food banks who do not have a high school diploma (29.6 per cent) is much greater

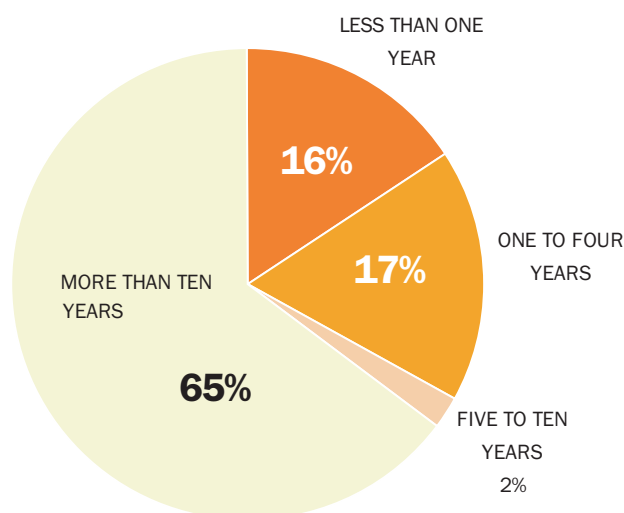
than the provincial average (20.6 per cent).⁵ The proportion of the population who have completed a postsecondary education is also much lower among individuals turning to food banks (34.3 per cent for food bank clients vs. 51 per cent for the general Ontario population). But what is perhaps most startling is the educational profile of new Canadians turning to food banks. Fifty four (54) per cent of new Canadians (living in Canada four years or less) turning to food banks have a post-secondary degree or diploma (trades certificate, college degree/diploma, or university degree). When new Canadians are removed from the food bank population total, the proportion of Ontarians turning to food banks with a post-secondary education drops to 27.3 per cent.

These figures seem to prove two key points about poverty in Ontario. First, a post-secondary education is a vital tool for individuals and states to reduce poverty. It is a means of increasing opportunity, employability, income, and quality of life. Second, the quality of life and potential for new Canadians is severely constrained by the lack of appropriate recognition by educational institutions and potential employers, and inadequate remedial training programs.

INCOME & EXPENDITURES

It is well understood by most Ontarians that persons who are forced to turn to food banks live in terrible poverty. It is a struggle to take up the courage to ask someone for something as simple as bread or milk or a can of soup. Individuals turn to food banks when they have an emergency need for support. The data collected in the survey punctuates this point: the incomes of households turning to food banks are particularly low. The average monthly household income is \$1,321. When compared to the after tax Low-Income Cut-

GRAPH: PERIOD OF RESIDENCY IN CANADA FOR ONTARIANS TURNING TO FOOD BANKS IN ONTARIO, 2009





Both my husband and I lost our jobs and our funds are low. The food bank has been a tremendous help. I really don't know where we would be without the food bank. We will be receiving Ontario Works starting November 2009. Due to cognitive impairment he will apply to ODSP. I suffer from obstructive chronic pulmonary disease. I have arthritis in my right and left hips and my knees. My husband is in need to see dentist and we both need to see an eye doctor.

Samantha, 47
Kawartha Lakes

Off (LICO-AT), households of all sizes would fall below this poverty threshold. It is also particularly low when compared to the provincial average. Median market income for households in Ontario with two or more persons was \$67,500 per year in 2007.⁶

Accordingly, there are significant pressures on expenditures for families turning to food banks in Ontario. Survey results show that a significant proportion of household income must be spent on housing and utilities. Almost two thirds (65 per cent) of all income is spent on shelter and utilities. Although many households have utilities included

in rent, a significant proportion (44 per cent) must pay for some or all of their utilities, including water, heat and hydro.

As a result, there are insufficient funds to individuals and families turning to food banks to pay for food. For households turning to food banks, the average weekly expenditure on food would be \$70.99 per household. In comparison, the average Canadian household spent \$140.48 per week on food in 2007.⁷ If one were to put these into further context, the average weekly expenditure per person on food for households turning to food banks would be \$26.86.

GRAPH: PROPORTION OF ADULT GENERAL POPULATION & POPULATION SERVED BY FOOD BANKS WITH A POST-SECONDARY EDUCATION, 2009

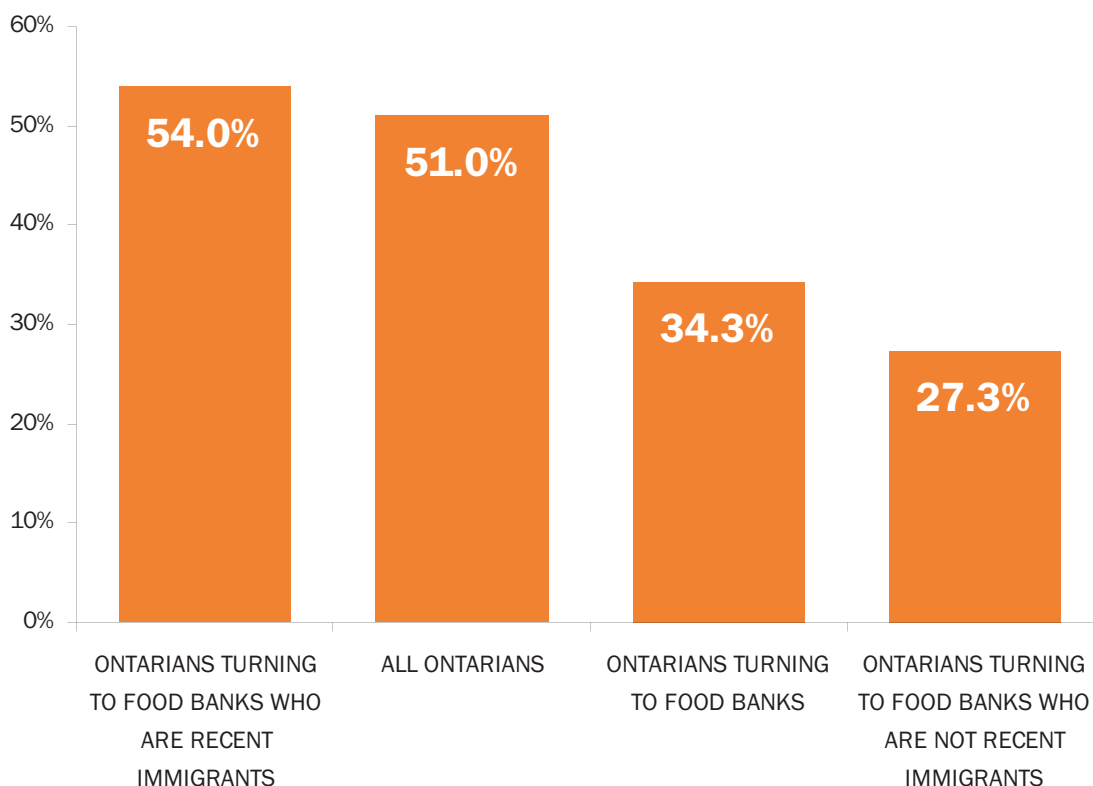


TABLE: AVERAGE INCOME OF HOUSEHOLDS TURNING TO FOOD BANKS IN ONTARIO COMPARED TO LOW-INCOME CUT-OFF (COMMUNITY < 300,000)

HOUSEHOLD SIZE	AVERAGE	ONE	TWO	THREE	FOUR
AVERAGE MONTHLY INCOME	\$1,321	\$907	\$1,254	\$1,467	\$1,601
AVERAGE ANNUAL INCOME	\$15,852	\$10,884	\$15,048	\$17,604	\$19,212
LOW-INCOME CUT-OFF - AT 2007	X	\$13,441	\$16,360	\$20,370	\$25,414

TABLE: AVERAGE EXPENDITURES IN MAJOR CATEGORIES FOR HOUSEHOLDS TURNING TO FOOD BANKS IN ONTARIO, 2009

EXPENDITURE CATEGORY	AMOUNT
AVERAGE MONTHLY EXPENDITURE ON FOOD	\$307.46
AVERAGE MONTHLY EXPENDITURE ON HOUSING	\$779
AVERAGE MONTHLY EXPENDITURE ON ENERGY	\$88.20

Living with Hunger: Living Conditions for Households Turning to Food Banks

Beyond the basic household profile, it is also important that we are able to understand living conditions for households turning to food banks in Ontario. This will provide important information related to what specific policy responses could be required to further reduce poverty in Ontario. The data we have collected allows us to understand living conditions related to housing, food, consumer durables and services, health, and household finances.

HOUSING

Many households that are forced to turn to food banks must also struggle with dilapidated and uncomfortable housing conditions. A significant proportion (33.4 per cent) of individuals and families live in residences requiring major repair, from a leaking roof, mold, damp walls/ceilings/floors foundations or rot in door frames/windows/floor. This figure is much greater than the provincial average, as only 6.6 per cent of all Ontario households require major repair.⁸

Conditions in public housing are much better than market housing. Only 12 per cent of renters living in public housing reported their accommodations required major repair, compared to 35 per cent of respondents living in market housing. In addition, one in four households (25.1 per cent) are unable to adequately heat their home. It is painfully true for tens of thousands of Ontario households that they must make a choice between buying groceries and heating their homes; in some cases, they may not even have a choice.

FOOD

It is unsurprising that households turning to food banks would struggle to obtain enough food to meet their basic nutritional needs. However, the depth of hunger is staggering when examining the inadequacy of overall food consumption and the nutritional quality of food that is consumed.

In a significant proportion of households, one or more members have a severely restricted diet. In one in four households turning to food banks (25.1 per cent), children regularly do not eat breakfast once or more per week. In a larger number of households (33.4 per cent), at least one member regularly misses three or more meals per week, or one day worth of food, due to lack of money.

The vast majority of households turning to food

banks do not consume the required daily intake of important foods. In 63 per cent of households turning to food banks, members do not consume the recommended daily servings of milk and milk alternatives. An even higher proportion of members of households turning to food banks (72.4 per cent) do not consume the required servings of fruits and vegetables. Although a large number of Ontarians do not eat their daily intake of fruits and vegetables, this figure is considerably higher than the provincial average. A total of 53.4 per cent of all Ontarians do not consume their recommended daily servings of fruits and vegetables.⁹

Without access to an adequate and nutritious quantity of food, households turning to food banks will experience negative impacts on their health, ability to concentrate, and ability to engage in physical activity.

KEY CONSUMER DURABLES & SERVICES

Beyond food and housing, there are many key consumer durables and services that are necessary for one's quality of life, ability to find and maintain employment, and communicate with the outside world.

It is particularly distressing that members of so many households lack an item that is necessary for our chilly Canadian climate: a warm winter coat. In nearly half of all households turning to food banks (47.8 per cent), all members do not have a warm winter coat. Unfortunately, this trend is more pronounced for households with children: in 53.4 per cent of households with children turning to food banks, at least one member does not have a warm winter coat.

There is also a significant digital divide between households turning to food banks and other Ontario households. Less than half of households (48.6 per cent) have a functioning personal computer. This figure may help to demonstrate the accuracy of the data collected in the survey. According to Statistics Canada, 45 per cent of all low-income households had a functioning personal computer in 2007, compared to 97 per cent of the highest income households.¹⁰

Slightly more households (51.9 per cent) have access to the internet at home, through family or friends. This is in stark contrast to almost all Canadian households in the highest income quintile (91 per cent) with Internet use at home.¹¹

Without regular access to these vital resources, it is extremely difficult for children to complete their homework effectively, for adults to find and secure employment, and for all individuals to connect to networks in an increasingly wired world.

Almost all households have a telephone. Nine in ten households have their own mobile or home phone. However, a small but significant number of households have an extremely limited ability to communicate with the outside world: 6.7 per cent of households do not have a phone or access to the Internet.

HEALTH

The health status and available supports of households turning to food banks are very poor. Alongside the daily struggle to put food on their table, many households must manage complex health conditions.

One in four (24.6 per cent) households has a child with a diagnosed disability. In 44.5 per cent of households turning to food banks, at least one member has a chronic health condition, including diabetes, asthma or severe allergies, heart condition or disease, kidney condition or disease, cancer, epilepsy, cerebral palsy, cystic fibrosis, muscular dystrophy, HIV/AIDS, or Fetal Alcohol Syndrome. The incidence of chronic health conditions seems

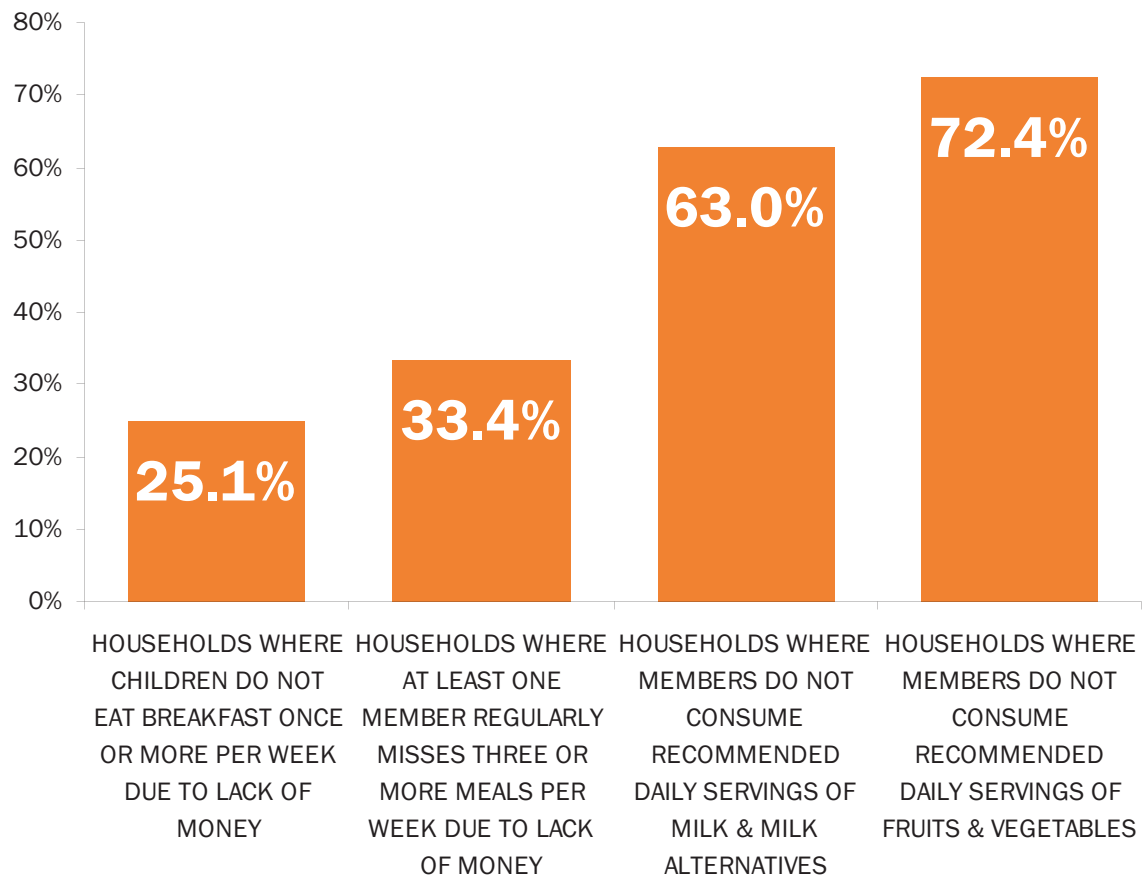
to rise with length of food bank usage. Households using food banks for one year or less have a lower rate of chronic conditions when compared to households using food banks for two or more years (39 per cent versus 55 per cent). This is not to say that food bank usage causes poor health conditions, but as a proxy for poverty, it could be said that increased persistence of poverty leads to higher rates of chronic health conditions.

Unfortunately, the ability of households turning to food banks to manage these complex health conditions, as well as any emergencies or typical health matters that may arise, is also limited.

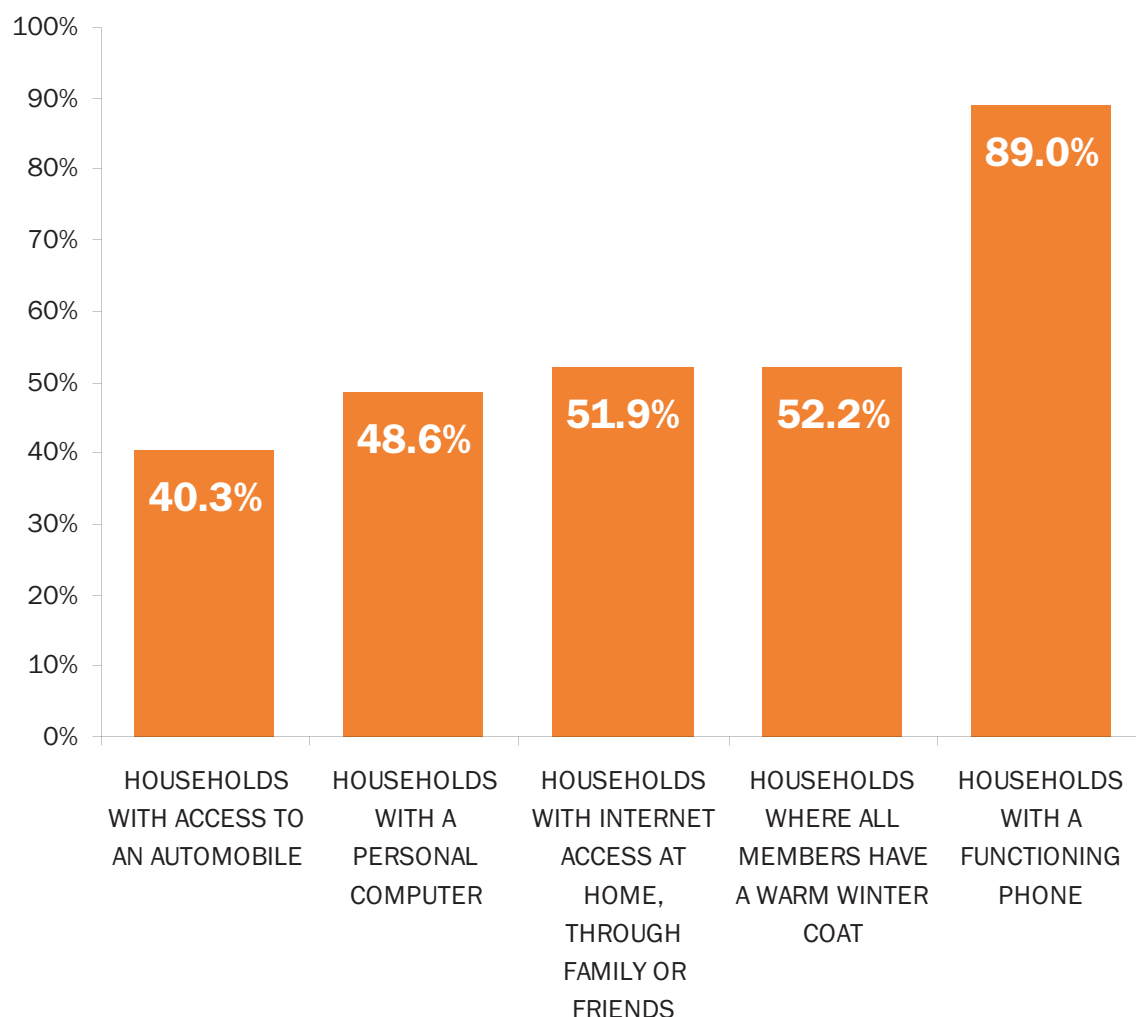
Over 55 per cent of households have some form of supplementary health or dental benefits provided by their employer or the provincial government. In more than half (51.1 per cent) of households turning to food banks, at least one member has gone without necessary health care (vision care, dental care, medical care, or pharma-care) because of the cost.

These poor health conditions may worsen due to the inadequate diet and insufficient health coverage of households turning to food banks, resulting in higher cost emergency care, a greater burden of health costs for the household itself, and lost potential productivity amongst members of the household who are managing the health

GRAPH: PATTERNS OF FOOD CONSUMPTION FOR HOUSEHOLDS TURNING TO FOOD BANKS, 2009



GRAPH: ACCESS & OWNERSHIP OF KEY CONSUMER DURABLES AND SERVICES AMONGST ONTARIO HOUSEHOLDS TURNING TO FOOD BANKS, 2009



condition(s). In turn, this can only drive up the health related costs of poverty for the public purse, which are already estimated at \$2.9 billion per year in Ontario alone.¹²

FINANCES

The financial situation for households turning to food banks is severely constrained by inadequate savings, use of high cost financial services, and difficulty in paying for monthly bills.

Given the inadequacy of income, arcane government policies, and the cost of living, almost all households lack any form of savings. Only five (5) per cent of households have \$500 or more available in a savings or chequing account, and only one in ten households is able to save money to improve skills through education and training.

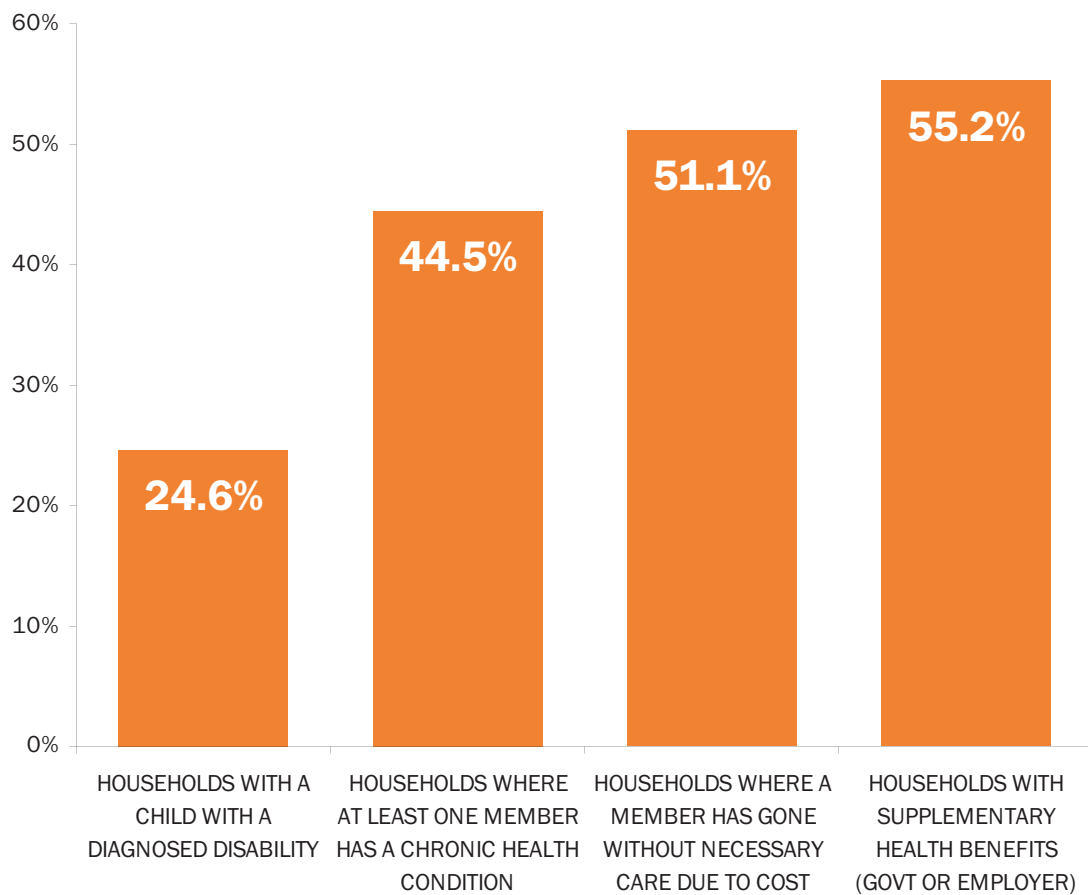
The ability of an individual or family to move out of poverty is very limited without any savings. In fact, without financial resources, an unexpected bill that would be considered an inconvenience by most Ontarians would result in a financial emergency for households turning to food banks.

On the other side of the ledger, many households have significant levels of debt. Average household debt for households turning to food banks is \$7,981. Fortunately, the debt to income ratio is relatively low compared to the national average. The Canadian household debt to disposable income ratio was 127 per cent in 2007.¹³ The food bank household debt to income ratio is closer to 50 per cent.

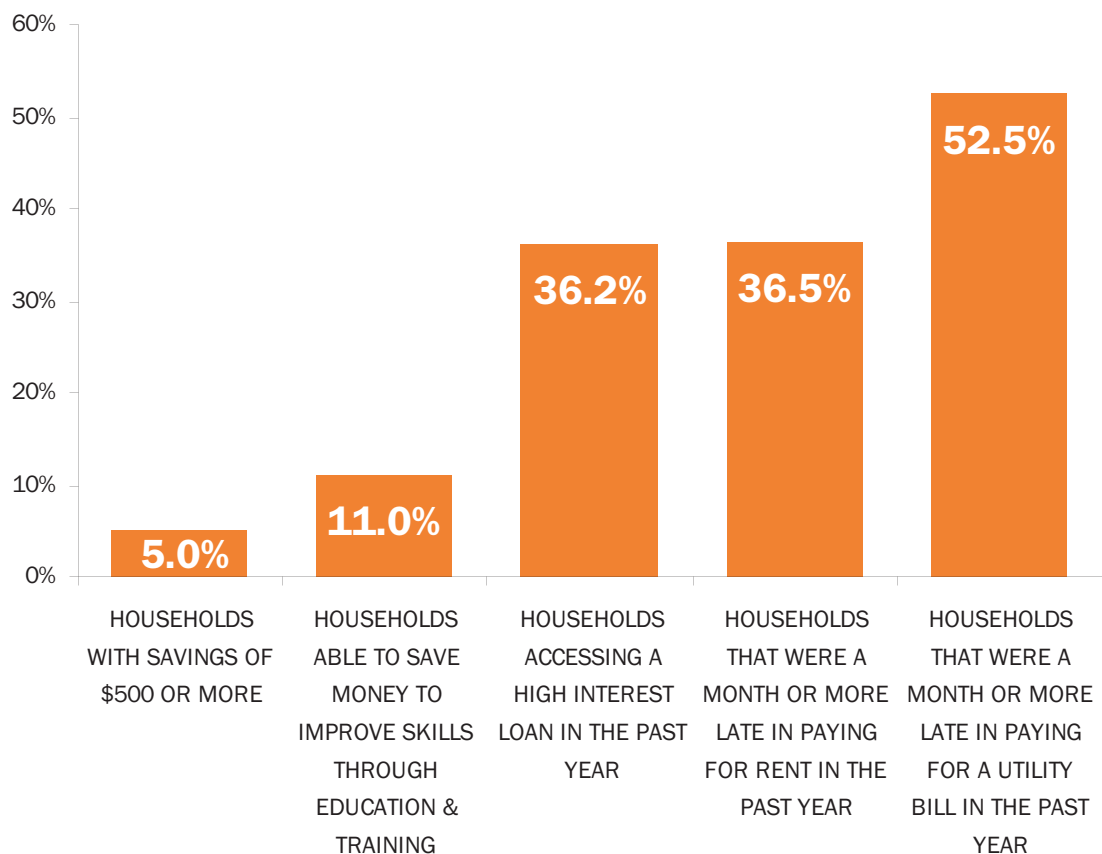
Many households are forced to access alternative financial services and struggle to pay monthly bills. A remarkably high proportion of households (36.2 per cent) accessed a high interest loan in the past year through a payday loan institution, pawn shop, unlicensed individual (ie. a loan shark) or another source.

Over half of all households were more than a month late in paying for a utility bill in the past year. These circumstances have added costs for households that reduce the already limited amount of monthly income available for expenditure on food and other basics.

GRAPH: HEALTH STATUS OF ONTARIO HOUSEHOLDS TURNING TO FOOD BANKS, 2009



GRAPH: FINANCIAL CHARACTERISTICS OF ONTARIO HOUSEHOLDS TURNING TO FOOD BANKS, 2009



Progress on Poverty Reduction

It has been a very difficult year. But we have made significant public policy progress in the poverty reduction agenda despite the economic downturn.

Over the past twelve months, the provincial government introduced a poverty reduction strategy and provided that strategy with a specific legislative mandate. In its plan, the province made an important commitment to reduce child poverty by 25 per cent over five years.

The provincial government also made targeted investments including:

- accelerating the implementation of the Ontario Child Benefit (OCB) to a maximum of \$1,100 per child per year;
- providing \$1.2 billion to renovate 50,000 social housing units and build 4,500 new affordable housing units for low-income seniors and people with disabilities.
- supporting additional skills training programs targeting basic literacy and skills;
- creating community hubs in low-income neighbourhoods; and
- hiring new employment standards officers for proactive enforcement.

The provincial government has recognized that poverty reduction requires a multi-faceted approach including targeted investments, policy changes, and a commitment from leaders within government. In addition, the government has also recognized that investments in poverty reduction is good economic stimulus, from putting money in the pocket's of low-income individuals and families to making capital investments in affordable housing.

However, many wide gaps and challenges remain. Progress in poverty reduction has been slowed significantly by unfavourable economic conditions and current government policies.

The provincial government has not yet followed through on important commitments to provide enhanced supplementary health benefits and review social assistance. In its Poverty Reduction Strategy and the 2009 budget, the provincial government made commitments to review social assistance and implement a new dental benefit program for low-income Ontarians.

In addition, rules around social assistance remain punitive and do not encourage self reliance. Financial support programs for low-income families do not provide adequate income to make ends meet and pursue postsecondary education. Due to restrictions around financial assistance, single parents living in poverty will have great difficulty increasing their employability and income potential. Even with conservative estimates, the

current gap between income received through the combination of OSAP and child benefits and basic expenses over eight months of study would be \$3,750 for a sole support parent with one child due to current restrictions limiting access to Ontario Works and OSAP at the same time.

Moreover, individuals and families are forced into destitution in order to receive temporary income supports. Asset ceilings for individuals requiring income supports are dangerously low. Single applicants who have a net worth of more than \$572 in liquid assets are not eligible. A sole support parent would only be permitted \$1,550.

This report also demonstrates the tremendous gaps that exist for families living in poverty that require action beyond current investments and proposed policy instruments.

The depth and complexity of poverty requires a more comprehensive response by governments, individuals, and other actors involved. Many households struggle with poor health and housing, go without basics like nutritious food and warm winter coats, and lack key items for their advancement such as savings, vital services, and recognition of credentials.

The federal government has also not shown the leadership and commitment that is necessary to fight poverty and provide supports as many families struggle during the economic downturn.

The federal government has extended benefits for self-employed workers to access Employment Insurance (EI) for maternity and parental benefits, and long-tenured workers are able to receive benefits for an additional five (5) to 20 weeks. However, structural problems with EI remain as many Ontarians cannot access the program and benefit levels are quite low. Coverage levels remain well below the past recession, and there is lower coverage in Ontario compared to the rest of the country.¹⁴

As Ontario was previously considered a low unemployment jurisdiction, Ontarians have to work much longer to qualify for EI compared to counterparts in other provinces. As a result, fewer Ontarians qualify for support. Less than one third (31.7 per cent) of persons out of work in Ontario qualify for the program.¹⁵ Across the country, 43.1 per cent of unemployed Canadians qualified for EI. In 1990, over two thirds of Canadians who found themselves out of work qualified for the program. This is particularly troubling as Ontario continues to experience severe job losses. Since last October, 190,500 jobs have been lost in the province.¹⁶ Without adequate employment supports, the thousands of Ontarians who do not qualify will be forced to access relatively restrictive



I want to thank you for the help and support you have provided for me and others. I don't know what I would have done to survive. Eight years ago I was the House Supervisor of a local shelter. I helped a lot of people to get back on their feet again and now I need their support too. I have nothing right now, but I'm going forward and I know I will do it, but I do need some help.

Peter, 44

Hamilton

social assistance programs or find other tenuous means of support from friends, family, or charitable organizations.

Moreover, unlike most provinces, the federal government has not developed or implemented a comprehensive poverty reduction strategy. We

believe this is a fundamental building block for the federal government to accept its responsibility for reducing poverty across the country.

Although we have taken important steps in the past year, there is a lot of work to do.

What Needs to be Done?

We are at a turning point in our province's history. Governments will soon wind down new economic stimulus measures and turn their attention to deficit reduction. Many leaders have begun to grapple with a new post-recession, post-stimulus reality where both government revenues and economic growth are constrained, our overall standard of living may stagnate, and more will be faced with the prospect of poverty.

We made short-sighted decisions in past recessions that were almost solely centred on living within our means and slaying the great deficit that threatened our federal and provincial government. Although it is important that we make progress in this respect, we cannot afford to lose sight of our long-standing motivation for reducing poverty.

The moral and economic imperative to act becomes even more necessary in tough economic times.

We cannot forget the powerful arguments that compel us to collective action: it is wrong that anyone goes without food, and it makes good economic sense to reduce poverty.

Poverty has a staggering price tag that threatens to rise without an ongoing and effective response. We know that the total private and public cost of poverty in Ontario is over \$32 billion annually due to lost productivity, intergenerational, health care, and other remedial costs.¹⁷ The public cost alone in terms of lost government revenues would equal half of the provincial government's projected deficit in 2009.¹⁸

We also know that poverty reduction measures are excellent means of driving economic growth; poverty reduction is vital to our prosperity agenda. By putting money in the pockets of low-income Ontarians, investing in poverty reduction measures such as affordable housing, and providing tools and supports that allow adults and children to succeed, we lay a foundation for a better quality of life for all Ontarians.

Accordingly, we believe that both levels of government can reduce poverty and provide support in tough economic times by:

- ensuring individual economic security;
- increasing the affordability and availability of housing; and
- improving access to fresh, healthy local food.

ENSURE INDIVIDUAL ECONOMIC SECURITY

The provincial government must:

- implement rule changes to social assistance so that it is less punitive and encourages self-reliance including:
 - a. increasing asset limits to \$5,000 for single persons and \$10,000 for persons with disabilities (plus \$1,000/dependent) for a two (2) year trial period.
 - b. allowing sole support parents to concurrently receive social assistance and OSAP without restriction or reduction in benefits to get closer to the full cost of living and their education.
 - c. introducing a new flat rate earnings exemption of \$250 per month to allow recipients to keep more of what they earn. Beyond this exemption, the current policy of retaining 50 per cent of earnings would apply.
- ensure a basic standard of living by maintaining a policy of modest increases to social assistance through a five (5) per cent increase to the maximum allowance for Ontario Works and the Ontario Disability Support Program in 2010.
- follow through on its commitment to a comprehensive review of social assistance with a two-track process focusing first on simplifying complex regulations, then broadening its focus to tackle individual economic security, including EI, re-training and skills programs, basic education and literacy programs for adults, and necessary income support programs.
- follow through on its commitment to provide better dental care for low-income families. This new program should include prevention and treatment services.

The federal government must:

- reform Employment Insurance (EI) by reducing eligibility requirements so that Ontario is in line with other provinces and increasing the adequacy of benefits provided through the program; and
- develop and implement a comprehensive national poverty reduction strategy that commits to a 50 per cent reduction in poverty by 2020.

INCREASE THE AFFORDABILITY & AVAILABILITY OF HOUSING

The provincial government must:

- increase the affordability of market housing by introducing a new Ontario Housing Benefit for all low-income Ontarians (those who work and those on social assistance) to fill the gap between income and cost of living.
- increase the availability of public and affordable housing by:
 - a. Doubling the number of new public housing units built annually through renewed federal and provincial government investments;
 - b. Offering public housing providers financial supports to issue public housing

bonds in order to obtain the necessary capital for new building projects; and
c. Mandating an affordable housing quota for all multi-dwelling developments at five per cent of all units constructed.

IMPROVE ACCESS TO FRESH, HEALTHY LOCAL FOOD

The provincial government must:

- create a farm donation tax credit for Ontario processors and producers that donate local livestock and produce to Ontario's food banks. This non-refundable tax credit would provide farmers with 25 per cent of the wholesale value of their donation.

Conclusion

We have struggled to cope with the downturn as an unprecedented number of Ontarians turn to food banks for support. Our figures have hit historic highs in terms of rates of increase and total numbers served. It has been our most difficult year in a generation.

Although crushing in its magnitude and an important part of the narrative, this is a simple reflection of the breadth of hunger. We have a responsibility to ensure that the story we tell about hunger is not merely the story about food banks and basic numbers. We must dig deeper to also gain an understanding of the human struggle of the daily lives of people turning to food banks in Ontario. This will allow us to structure a different kind of conversation about hunger when public attention turns from headlines about the raw effects of the economic downturn.

It is an uncomfortable and distressing picture. Tens of thousands of Ontarians live on meagre incomes, with poor housing and chronic health conditions. Tens of thousands of Ontarians live without fruits and vegetables, without winter coats, and without necessary health care. Tens of thousands of Ontarians lack key items for their

advancement such as savings, vital support services, and recognition of credentials. The pathway out of poverty seems long and uncertain for many. This is particularly troubling as many more join these ranks.

Despite important progress in poverty reduction, we have a long way to go. But we cannot lose our collective nerve.

In the face of an increase in hunger and significant deprivation amongst families living in poverty, we believe that the provincial government cannot abandon its resolve in the fight against poverty, and the federal government must join the cause. We cannot forget the terrible price poverty exacts on individuals, families, and society as a whole. It drains billions from the public purse and the strains the individual wills of those faced with the daily struggle of poverty.

Food banks can continue to provide the necessary relief that is required, but only if that is matched with the required political will to reduce hunger and poverty. The public responsibility to act is necessary now more than ever before. Food banks and the hundreds of thousands of neighbours we serve anxiously await our government's response.



When your rent is \$1,200 per month and hydro is \$459 per month, food is scarce. Everything in fridge and freezer is lost when you have no hydro. Hydro was cut four weeks ago. You tell me what the government is doing to help us. Thank God for food banks or we would starve.

Jennifer, 55

Kawartha Lakes

Sources

1. The target communities for the client survey included: Niagara Falls, Thunder Bay, Lindsay, Hamilton, Cochrane, Mississauga, and Kingston.
2. The response rate for the survey was 11.4 per cent in its first year. This was determined to be an accurate sample size, given expected response rates for mail surveys of between 10 to 30 per cent.
3. The City of London has a population of 352,395 according to the 2006 Census.
4. Statistics Canada. Median age by province and territory, 2001 and 2006. As found on: <http://www.statcan.gc.ca/daily-quotidien/061026/t061026b-eng.htm>.
5. HRSDC calculations based on Statistics Canada. Labour Force Historical Review. Ottawa: Statistics Canada, 2007 (Cat. No.71F0004XCB).
6. Statistics Canada. "Table 1-7: Median market income by selected family types — Ontario." Income in Canada. Ottawa: Statistics Canada, June 2009. As found on: <http://www.statcan.gc.ca/pub/75-202-x/2007000/t163-eng.htm>.
7. Statistics Canada. Spending Patterns in Canada. Ottawa: Income Statistics Division, December 2008, 10.
8. Statistics Canada. Occupied private dwellings by period of construction and condition of dwelling, by province and territory (2006 Census). Ottawa: Statistics Canada, October 2007. As found on: <http://www40.statcan.gc.ca/l01/cst01/famil63b-eng.htm>.
9. Fruit and vegetable consumption, by sex, household population aged 12 and over, Canada, provinces, territories and selected health regions, 2005. As found on: <http://www.statcan.gc.ca/pub/82-221-x/2007001/m/dt-td/4063816-eng.htm>
10. Statistics Canada. Survey of Household Spending 2007. February 2008.
11. Statistics Canada. The Daily. Canadian Internet Use Survey. June 12, 2008.
12. Laurie, Nate. The Cost of Poverty: An Economic Analysis of the Cost of Poverty in Ontario. Toronto: Ontario Association of Food Banks, November 2008.
13. Faruqi, Umar. Indebtedness and the Household Financial Health: An Examination of the Canadian Debt Service Ratio Distribution. Ottawa: Bank of Canada, December 2008.
14. The real value of weekly EI benefits has shrunk by \$123 – or more than 20 percent since the last recession. The Caledon Institute. How to Fix EI. April 2009.
15. Canadian Chamber of Commerce. Reforming Canada's Employment Insurance (EI) System. May 2009.
16. Statistics Canada. Latest release from the Labour Force Survey. "Labour Force Characteristics by province." November 6, 2009. As found on: <http://www.statcan.gc.ca/subjects-sujets/labour-travail/lfs-epa/t091106a4-eng.htm>
17. Laurie, Nate. The Cost of Poverty: An Economic Analysis of the Cost of Poverty in Ontario. Toronto: Ontario Association of Food Banks, November 2008.
18. The projected public cost of poverty is \$10 - \$13 billion annually; approximately half of the provincial government's projected \$24.7 billion deficit for 2009/10.

Working towards a hunger-free Ontario.

www.endhunger.ca