



2021

UNDERSTANDING SYSTEMS

The 2021 Report of the
National Advisory Council on Poverty



Employment and
Social Development Canada

Emploi et
Développement social Canada

Canada

Understanding Systems: The 2021 report of the National Advisory Council on Poverty

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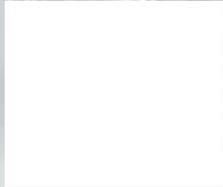
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MESSAGE FROM THE CHAIR

It is my honour and pleasure to present, on behalf of the National Advisory Council on Poverty, our 2021 report on the progress of *Opportunity for All – Canada’s First Poverty Reduction Strategy*. This year has been an interesting one in Canada as we all figure out how to go about our ordinary lives in these unusual times. The pandemic has torn and pulled our social safety net out from under many groups that were previously just barely hanging on.

As a council, we wanted to connect with these groups and individuals for whom this safety system never really seemed to work. Thankfully, we were able to engage and connect with more than 600 people in more than 20 conversations. Those conversations and the insights that the participants shared make up the beating heart of our report.

We collectively talked about racism, opportunity, student debt, basic income, affordable housing, health equity, the underground economy, social isolation, mental health, the power of community, tenuous transitions in and out of care, underemployment, discrimination, system navigation, food security, child care, pharmacare, social innovation, gender, structural violence and hope for our future.

We heard about the constant struggle within these failing systems of support, the rigid conditions that are demanded of all who seek help and ultimately the heavy weight that the failure of these systems forces individuals, families and communities to carry.



Fortunately or unfortunately, all these systems are complex, interconnected and woven deeply into our culture, so if we want to change one system, we will have to change them all. We will need to start by putting the furthest behind first and recognizing that hate, racism and discrimination are society's enablers of poverty.

A Canada without poverty will require a whole-of-society approach. We will all have to reconnect and recommit to our shared humanity as we create equity-enabling systems that prioritize dignity over everything else.

Thank you,

Scott MacAfee

EXECUTIVE SUMMARY

In our first annual report, the National Advisory Council on Poverty provided a broad understanding of poverty in Canada. We also reported on progress made toward the Government's poverty reduction targets and made a number of recommendations to the Government of Canada. This year, in addition to reporting on the Government's progress, we have also sought a deeper understanding of the systems, programs and supports that exist and the role they may play in creating, sustaining and perpetuating poverty.

According to Canada's Official Poverty Line, the poverty rate in Canada fell from 14.5% in 2015 to 10.1% in 2019. This represents a 30% reduction since 2015. While this continued progress is positive, a closer look reveals a number of concerns. First, the most recently available data comes from the 2019 Canadian Income Survey (CIS). This means that the data does not reflect the impacts of COVID-19. In addition, the overall number conceals some of the deep inequities that exist for low-income Canadians. Certain populations, including Black Canadians, racialized Canadians, immigrants, refugees, Indigenous people, persons with disabilities, and 2SLGBTQ individuals, all face higher rates of poverty.

The CIS data does not yet capture the full impact of COVID-19. We drew on available data sources to understand the impact that it has had on the most marginalized people. The virus itself and the public health measures put in place to stop it have disproportionately affected the most marginalized. They have higher infection rates and have been most impacted by job losses. The move to the digital delivery of education, health care, supports and programs has left many people behind. The closure of important programs and supports, as well as public health measures and stay-at-home orders, have led to increased isolation and mental health challenges. COVID-19 exposed and exacerbated many challenges in our existing systems and created new ones.



Despite all the negative repercussions, COVID-19 also presents a silver lining. It has caused people, governments and organizations to re-examine existing structures, assumptions and programs. It has demonstrated that many of our systems do not work for everyone. It has created a great deal of empathy and an opportunity to do things differently. As we transition from pandemic life, it is essential that we equitably include those who have been the most impacted in recovery efforts.

Throughout our engagement sessions, we heard about the dehumanizing effect of living in poverty. We heard about supports and services that strip people of their dignity and humanity. We heard about programs and benefits, designed to help people, that instead cause trauma. We also heard about colonialism, racism and discrimination that are driving high poverty rates, challenges in the labour market and ongoing trauma.

We also heard how poverty is created by the systems, programs and inadequate benefits we have in place, as well as by labour market conditions. We heard that we have allowed the systems that create inequity to perpetuate.

We have made a number of recommendations in our report. First and foremost, our recommendations aim to reduce inequity. They also aim at addressing issues of systemic racism, discrimination and colonialism, to ensure that everyone has equal access to benefits, resources and opportunities. They aim at ensuring that people are treated equitably and with dignity when accessing important benefits and services.

Finally, they aim at ensuring that everyone has the resources they need to thrive.

1. Indigenous prosperity through truth, reconciliation and renewed relationships

All signatories of the Indian Residential Schools Settlement agreement immediately implement the recommendations from the Truth and Reconciliation Commission of Canada.

The Government of Canada implement the recommendations from *Reclaiming Power and Place: The Final Report of the National Inquiry into Missing and Murdered Indigenous Women and Girls*.

2. Building Equity through programs, supports and benefits

All Statistics Canada and federal population-based surveys should ask inclusive questions and provide inclusive response options on women and gender equity, Indigenous heritage, immigration/refugee status, race/ethnicity, disability, prior or current institutionalization, and sexual orientation and gender identity, to allow for routine disaggregation of data to support better decision making and reporting of disparities.

While working towards its overall poverty reduction goals, the Government of Canada should endeavor to reach those furthest behind first. To this end, the Government of Canada should commit to reducing poverty by 50% in 2030 for marginalized populations, including Black populations, 2SLGBTQ people, Indigenous people, and persons with a disability. The Government of Canada should also specifically name and focus on Black populations, 2SLGBTQ people, Indigenous people, and persons with a disability within existing and new Government of Canada strategies, initiatives, and supports.

3. Dignity through enhanced access and improved service design and provision

Governments work to simplify the delivery of programs and supports for all people through enhanced coordination, improved low barrier access, and better coverage based on need. Specifically, we recommend that governments implement community feedback mechanisms that involve people with lived expertise in poverty in the development, implementation, evaluation and on-going evolution of policy, programs and services. Governments should collect disaggregated program data to demonstrate and improve equitable access and uptake of programs and services.

That the Government of Canada implement automatic enrollment for federal benefits to ensure that people are accessing the supports and services that could keep them out of poverty. Automatic tax-filing is one mechanism that can help with this.

4. Develop robust systems and structures focused on early intervention and poverty prevention

The Government of Canada move to quickly implement all announced supports and benefits that have been publicly committed to. These significant investments (Canada-Wide Early Learning and Child Care System, Canada Disability Benefit, Canada Workers Benefit and the National Housing Strategy including Reaching Home) will both lift people out of poverty, and help prevent future generations from falling into poverty.

The Government of Canada increase investments in the important social programs and benefits that allow people to meet their needs and keep them from falling into poverty. This includes investments in transportation, health, mental health, food security, educational attainment, skills development, support for families, and for people going through transition periods.

5. Employment income and income support

The Government of Canada should collaborate with provinces and territories to build on its COVID-19 response and strengthen existing strategies, programs and policies. This would ensure a coordinated and robust social safety net in Canada by collectively providing income support that is at least at the level of Canada's Official Poverty Line.

That the Government of Canada take a leadership role in both providing and incentivizing better employment opportunities for marginalized groups, including Indigenous people, racialized individuals, immigrants, refugees, youth, persons recently institutionalized and persons with a disability.

The Government should continue to lead by example by implementing its existing commitments and pursue providing a minimum wage that is above Canada's Official Poverty Line (for full-time work) while consistently pursuing equitable employment practices. It should also use its influence including contract, grants and contributions and employment supports to encourage all employers to implement equitable employment and wage policies.

That the Government of Canada should increase access to employment benefits (e.g. employment insurance and paid sick leave) for self-employed workers, workers in the gig economy and part-time workers.





CHAPTER

1

INTRODUCTION

Understanding Systems: The 2021 Report of the National Advisory Council on Poverty looks to build on our first report, *Building Understanding: The First Report of the National Advisory Council on Poverty*. We will use *Understanding Systems* to:

- provide an update on government progress—both progress toward meeting the overall poverty reduction targets and progress toward implementing the recommendations from *Building Understanding*;
- describe and highlight the systemic nature of poverty, using both data and the input we received from our national engagement sessions;
- examine the impact of COVID-19 on the most marginalized populations; and
- provide recommendations to develop a societal reset—to develop a more equal, healthy, purposeful, just, dignified, caring and resilient society post-COVID-19.

Looking back on the first annual report of the National Advisory Council on Poverty

Progress on poverty reduction

Building Understanding was tabled in Parliament on February 23, 2021. Using data up to 2018, we reported that if progress were continued and maintained, Canada would meet its legislated target to reduce poverty by 20% by 2020.

However, the full story was a little more nuanced. While we found that, overall, the poverty rate went from 14.5% to 11%, we also found that marginalized groups experienced disproportionately higher levels of poverty. These include unattached individuals, people in sole-caregiver families, recent immigrants, persons with disabilities, children, and First Nations people living on-reserve.

Despite improvements in the overall poverty rates, some of the other indicators of poverty stayed the same or worsened. These included food insecurity, unmet housing needs and the average poverty gap ratio. Additionally, given data lag, the full impact of COVID-19 on poverty and its multiple dimensions was unknown. However, we do know that COVID-19 has disproportionately affected the most marginalized populations. These groups include Black and other racialized individuals, Indigenous people, homeless populations, the elderly, non-status asylum-seekers, people who are institutionalized, persons with disabilities and people living in low income.

Recommendations from *Building Understanding: The First Report of the National Advisory Council on Poverty*

1. Continued poverty reduction efforts and investments, as well as increased funding in four key areas (food insecurity, housing and homelessness, literacy and numeracy, and the poverty gap)

- The Government of Canada should continue with the implementation of the Poverty Reduction Strategy and with its current government-wide investments.
- The Government of Canada should focus additional investments in four areas where progress is falling behind: food security, housing and homelessness, literacy and numeracy, and the poverty gap.

2. Urgent action to tackle Indigenous poverty with more specific measures

- The Government of Canada should take urgent action to support Indigenous leaders to reduce poverty in their communities and to ensure that they have all the resources available to support their own people in their own way. We specifically recommend the co-development of Indigenous indicators of poverty and well-being, as committed to in the Poverty Reduction Strategy; the co-development of a range of Indigenous poverty reduction strategies such as distinctions-based housing strategies, as committed to in the National Housing Strategy; and commitments made through the Indigenous early learning and child care agreements.
- The data necessary to be able to report on Indigenous people should be made available to report on by our next progress report in 2021.

3. Increased data disaggregation to give better account for and give a voice to marginalized populations

- All Statistics Canada and federal population-based surveys should ask inclusive questions and provide inclusive response options on women and gender equity, Indigenous heritage, immigration/refugee status, race/ethnicity, disability, prior or current institutionalization, and sexual orientation and gender identity, to allow for routine disaggregation of data to support better decision-making and reporting of poverty disparities.
- The Government of Canada should work with stakeholders and communities to ensure that any new survey questions and response options regarding race, gender identity and sexual orientation are inclusive and that the questions reach the populations that are currently not captured.

4. Applying an equity lens in policy-making

- The Government of Canada should incorporate an equity lens when it reviews, develops and implements strategies, policies and programs. It should ensure that Canada's poverty reduction efforts work as well for those at the highest risk as for everyone else and meet the unique needs of marginalized populations, including immigrants, refugees, ethno-cultural and racialized groups, persons with disabilities, 2SLGBTQ individuals and people experiencing homelessness. The Government should also use available data to transparently report on the use of the equity lens and the outcomes.

5. Streamlining and coordination of benefits and bringing a level of support that is at least at Canada's Official Poverty Line

- The Government of Canada should collaborate with provinces and territories to build on its COVID-19 response and strengthen existing strategies, programs and policies to ensure a coordinated robust social safety net in Canada by collectively providing income support that is at least at the level of Canada's Official Poverty Line.
- We recommend that benefits be streamlined and simplified to make them low-barrier, easier to access and easy to tailor to individual needs.

Progress on recommendations

Progress on Government commitments and investments

Since the release of *Building Understanding*, the Government of Canada made a number of commitments and investments that will help to address the recommendations above. We expect that some of these will have an impact on poverty reduction, including:

- increased funding for housing through the Canada Housing Benefit and Reaching Home;
- creating a national early learning and child care system;
- expanding the Canada Workers Benefit, beginning in the 2021 tax year;
- topping up the Emergency Food Security Fund and the Local Food Infrastructure Fund;
- developing the Philanthropic Endowment Fund for Black youth and social purpose organizations to help combat anti-Black racism and improve social and economic outcomes in Black communities;
- increasing Old Age Security benefits for seniors aged 75 and older; and
- developing a new disability benefit.

A more complete list of Government of Canada investments can be found in Appendix C.

Progress made on data collection and surveys

Since the release of *Building Understanding*, the Government of Canada has taken action in regards to our recommendations to increase data collection. In January 2021, Statistics Canada proposed a Northern Market Basket Measure for the Northwest Territories and Yukon. The proposed methodology adjusts the contents of the measure to reflect life in the North. In Nunavut, the process is ongoing and on a separate track. Poverty rates for the Northwest Territories and Yukon are expected to be available in late 2021. The Government of Canada also continues to work toward the development and implementation of a First Nations Data Governance Strategy.

The majority of national population-based surveys do not include questions on sexual orientation or gender identity, making it difficult to identify 2SLGBTQ individuals and their needs and challenges. Prior to the release of our first annual report, Statistics Canada announced that more inclusive questions focused on gender identity would be added to the 2021 Census.

Budget 2021 provides \$172 million over five years (with \$36.3 million ongoing) to Statistics Canada to implement a Disaggregated Data Action Plan. This investment will fill data and knowledge gaps. This funding is intended to support more representative data collection and to enhance statistics on diverse populations.

Statistics Canada has started to collect race-based data in its Labour Force Survey to better understand the impacts of COVID-19 on racialized individuals. The data so far shows that racialized individuals are more impacted by COVID-19. Although this marks extensive progress on analyzing the challenges that racialized individuals face on certain issues, barriers remain. In most of Statistics Canada's surveys, such as the Canadian Community Health Survey, race identification is not included. In the 2020 Speech from the Throne, the Government of Canada committed to redoubling its effort by building a whole-of-federal-government approach to better collect disaggregated data.

The Government of Canada is working to better incorporate quality of life measurements into decision-making and budgeting. Guided by conversations with experts, provinces and territories, Indigenous partners, and feedback from Canadians, a proposed Quality of Life Framework has been drafted. The framework is based on factors that matter the most to individuals and families. These factors, including income, employment, health and social cohesion, are looked at using disaggregated data through equity and sustainability lenses. This framework is already beginning to inform decisions, and dialogue will continue on its evolving set of indicators.

“People are more comfortable sharing their sexual orientation than their income.”

– Participant, 2SLGBTQ engagement session

Addressing the systemic nature of poverty

Systemic and preventable nature of poverty

Throughout our engagement sessions, we heard again and again that poverty is systemic. Colonialism, racism, existing programs, policies and assumptions put people at risk of falling into poverty or keep people in poverty. Many of the current systems are not working for everyone. They create and perpetuate inequity and injustice. We heard that there are people who benefit from these systems and from the poverty that they create. For example, there are people who benefit from racism, from low-wage workers without protections, and from unaffordable housing. Those that benefit have a vested interest in keeping people in poverty. We need collective action to enable everyone to have adequate supports and opportunity, so that we can ultimately realize our full potential as a country.

COVID-19 has stressed existing systems and has highlighted many of their shortcomings. It has also added new strains and challenges. Nevertheless, it has created an opportunity to remake and reshape our systems. It is for this reason that we decided to focus on systems in this report. Poverty is not an individual failure. No one chooses poverty. The burden of poverty is put on people by systemic and other barriers that leave people without choice, opportunity or dignity. This report seeks to examine those systems and structures and to make recommendations that will improve or replace them with a more equitable, just and humane Canada.

Marginalized groups

Throughout this report, we refer to a number of populations that are underserved, marginalized and overlooked and that face high levels of discrimination, racism and stigma. These include Indigenous people; immigrants; refugees; individuals who identify as members of ethno-cultural, Black and other racialized communities; 2SLGBTQ people; persons with disabilities; people experiencing homelessness; children and youth in care; people living in institutions; and people living in remote areas. When we refer to marginalized groups, these are the people to whom we are referring.

Giving voice to those who are often not heard

As we noted in *Building Understanding*, some of the most marginalized individuals are also those whose voices are missing from the data. They are also the voices that are missing from program development, policy design and solution creation with levels of government. Unfortunately, these are some of the same voices that were missing from *Building Understanding*. In 2020, because of COVID-19, we had to cancel engagement sessions that focused on 2SLGBTQ individuals, persons with disabilities, the Black population of Canada, immigrants, refugees and racialized communities. We made a concerted effort to focus on these individuals and groups in our 2021 engagement sessions and to give them voice here. We are committed to making visible those who have been invisible and making sure their voices and experiences are at the centre of our second report.



CHAPTER

2

POVERTY IN CANADA AND UPDATE ON PROGRESS

Poverty rates in Canada

A note on data

Poverty rates based on Canada's Official Poverty Line are estimated using results from the Canadian Income Survey (CIS). The CIS is an annual survey and is Canada's official source of poverty statistics. It has a standard two-year lag between the end of a reference year and when the results become available. The following section of the report is based on the most current statistics available. Those statistics come from the 2019 CIS, which was published on March 23, 2021. The 2020 CIS and beyond will reflect the economic impact of COVID-19 on poverty rates. These will not be available until early 2022.

As noted in last year's report, we do not have data on some populations. We have noted throughout the report where data is either missing or cannot be disaggregated for certain groups. These groups are either under-represented or not represented at all. Among them, we can include racialized individuals, immigrants with precarious status, refugees, 2SLGBTQ populations, children by age group, children in foster care and people living in an institution.

Because of this, we looked for additional data sources that can provide insight on the impacts of COVID-19 outside of the CIS. This includes the annual and monthly Labour Force Survey, targeted studies, crowdsourcing surveys and public health data.

How poverty is measured

Income level is often used as a proxy measure for individual poverty; however, this does not fully quantify the entire experience of living in poverty. Recognizing that poverty has many dimensions, in addition to Canada's Official Poverty Line, *Opportunity for All* established a dashboard of indicators. It allows individuals to track progress made across the many dimensions of poverty.

“You have to humanize poverty. These are people who are often ignored, especially by people in power.”

– Participant, health and well-being engagement session

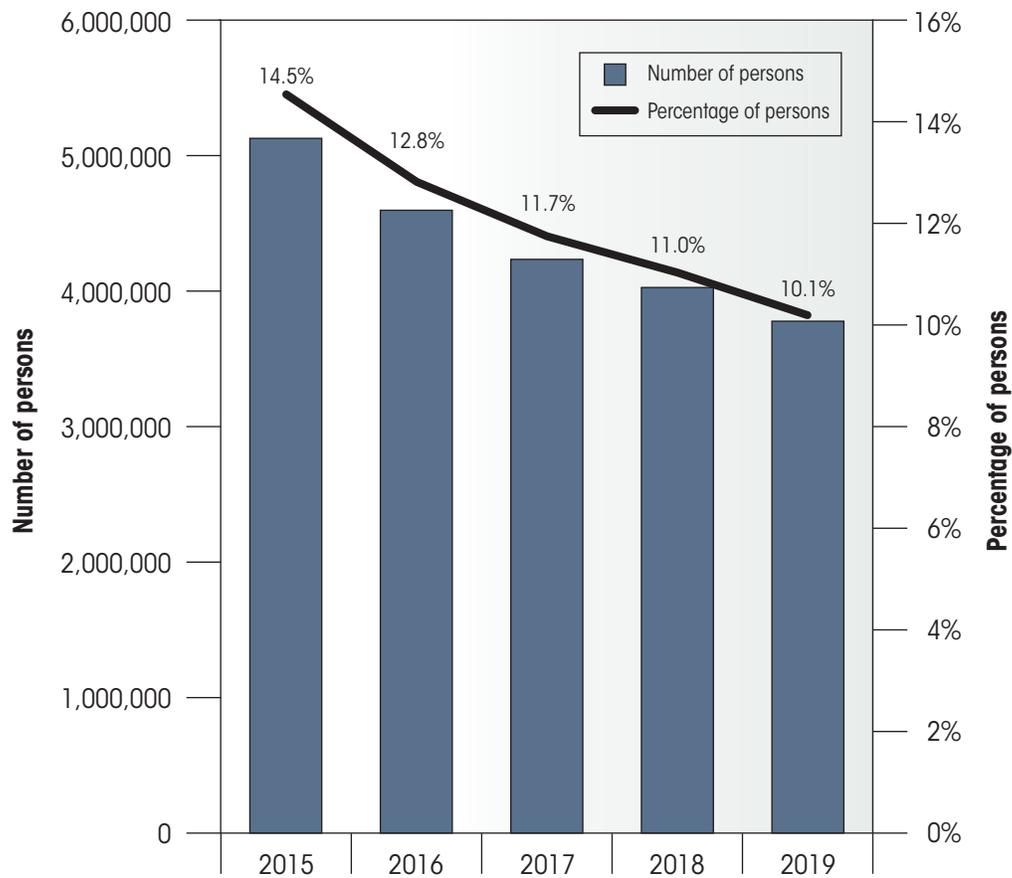
The *Poverty Reduction Act* passed in June 2019. It entrenched Canada's Official Poverty Line, based on the Market Basket Measure (MBM), into law. The MBM is the cost of a basket of goods and services that individuals and families require to meet their basic needs and achieve a modest standard of living across 53 communities. It currently excludes First Nations on-reserve and the territories.

In January 2021, Statistics Canada proposed a methodology for a Northern Market Basket Measure (MBM-N) to include the Northwest Territories and Yukon. The release of the final methodology is expected in late 2021. But poverty is as much about social inclusion, power, autonomy and respect as it is about material things. While measures based on resources are useful, we should remember that they miss important aspects of poverty.

Progress under Canada's Official Poverty Line

Opportunity for All – Canada's First Poverty Reduction Strategy set two key poverty reduction targets: a 20% reduction in poverty by 2020 and a 50% reduction in poverty by 2030, relative to 2015 levels.

GRAPH 1 Number and percentage of persons under Canada's Official Poverty Line

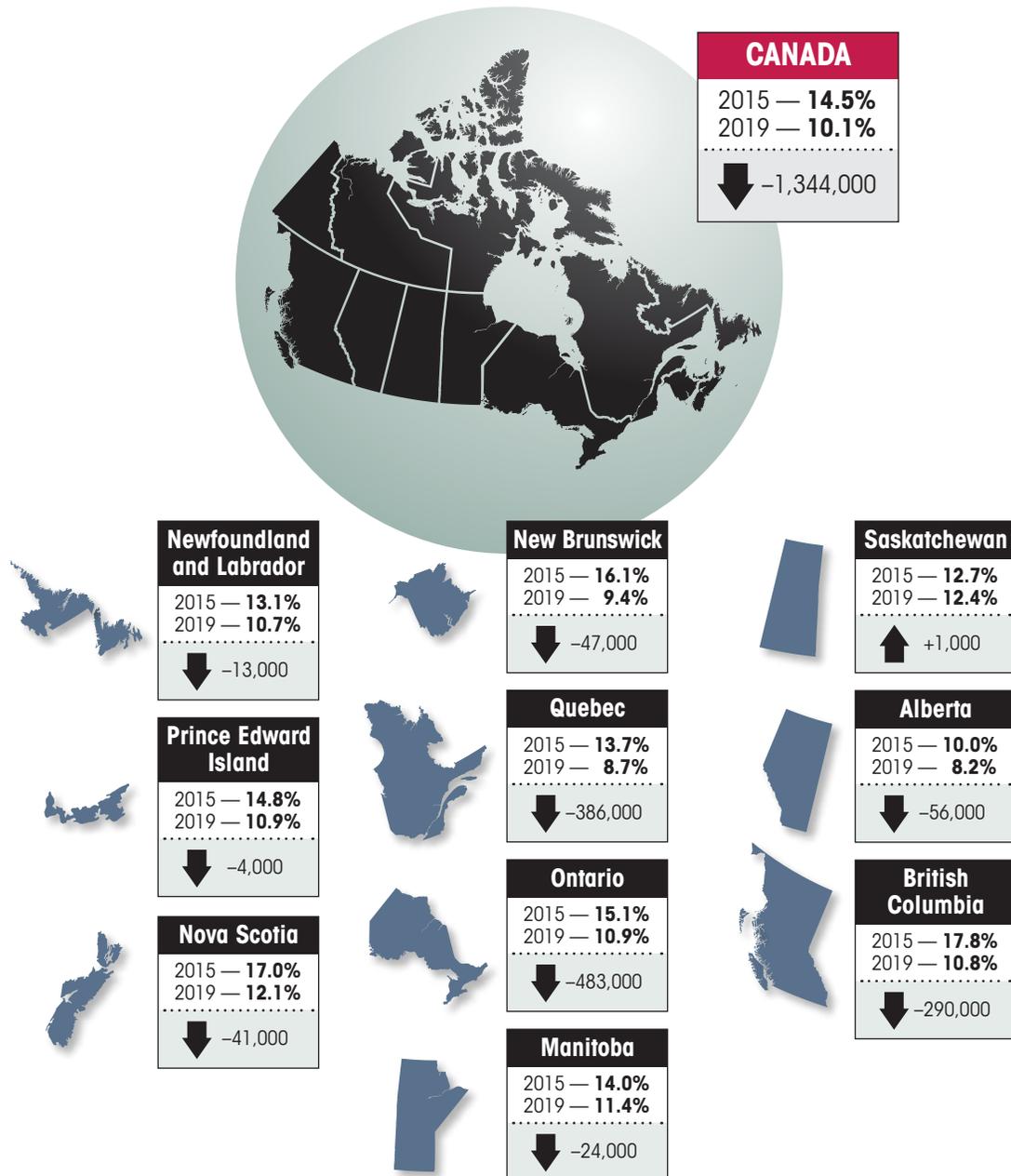


Source: Statistics Canada, Canadian Income Survey

According to Canada's Official Poverty Line, the poverty rate in Canada fell from 14.5% in 2015 to 10.1% in 2019. This represents a 30% reduction since 2015. About 3,730,000 people were living in poverty in 2019, which is 1,344,000 fewer people living in poverty than in 2015.

Regional trends

Poverty rate reduction by province, 2015 and 2019



Source: Statistics Canada, Canadian Income Survey

Because the country is very diverse, people across Canada experience poverty differently. Provinces and territories exist in very different contexts; they have different economic and demographic realities. They also take different approaches to their social programs and use a variety of social policies to achieve their policy objectives.

According to the CIS, in 2019, poverty was highest in Saskatchewan (12.4%) and lowest in Alberta (8.2%). Between 2015 and 2019, the poverty rate in each province was on a downward trend. Over this period, the largest decreases among provinces were in New Brunswick (41.6%) and British Columbia (39.3%). The smallest decreases were in Alberta (18%) and Saskatchewan (2.4%). Provinces such as Alberta and Quebec, where poverty rates were already below the national average, continued to trend downward.

What we know about poverty in Canada

The poverty rate in 2019 was 10.1% based on Canada's Official Poverty Line. This means that 3.7 million Canadians, or 1 in 10, were living in poverty in 2019. It is important to understand who the 3.7 million people living in poverty are. This will ensure that we meet the targets set out in *Opportunity for All – Canada's First Poverty Reduction Strategy* and that poverty reductions measures are equitable and reach the most underserved and marginalized populations.

Poverty is more likely to affect some groups than others. Factors such as sex, age, gender identity, family composition, immigration status, disabilities, institutionalization, exposure to violence, racism, anti-Black racism, ableism, discrimination, homophobia, transphobia and location all play a role. Because of colonialism (past and present), trauma, racism and discrimination, Indigenous people are at high risk of living in poverty. Marginalized groups face economic barriers, racism and discrimination and are more likely to live in poverty. Unfortunately, as shown in the table below, the CIS does not yet capture the experience of many of these subpopulations.



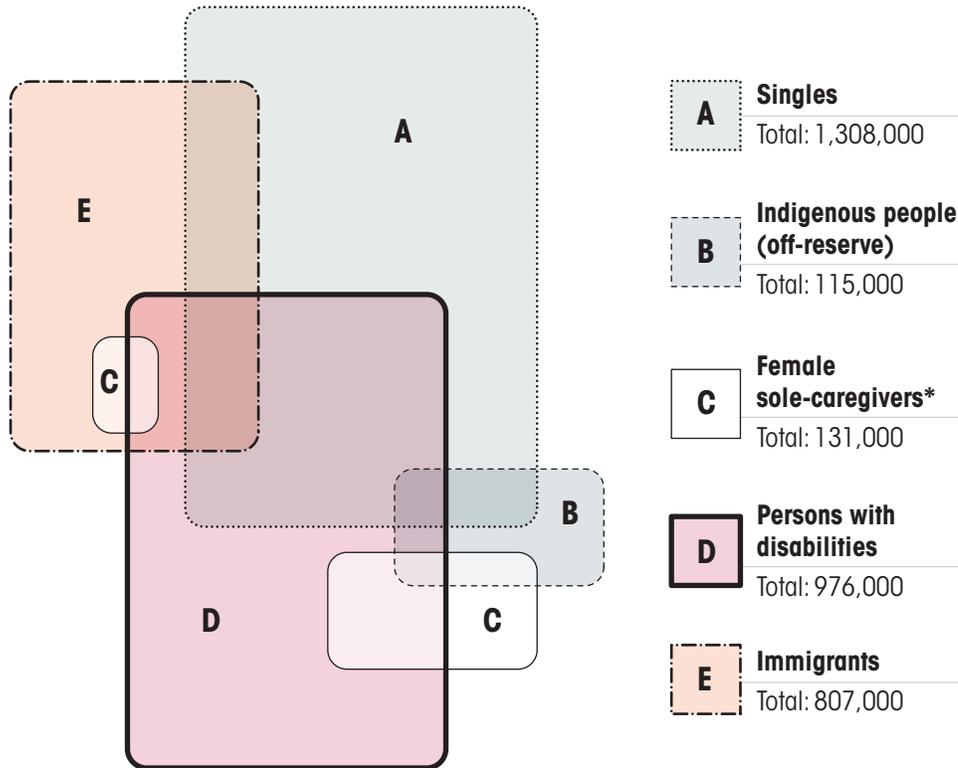
TABLE 1 Number of people in poverty and poverty rate by demographic group, 2018 and 2019

Group	2018	2019
Overall	3,983,000 (11.0%)	3,730,000 (10.1%)
Males	1,996,000 (11.1%)	1,791,000 (9.8%)
Females	1,987,000 (10.9%)	1,939,000 (10.4%)
Singles (non-elderly)	1,438,000 (35.7%)	1,317,000 (32.9%)
Males	805,000 (34.8%)	673,000 (30.7%)
Females	633,000 (37.0%)	644,000 (35.5%)
People in sole-caregiver families	417,000 (26.3%)	385,000 (23.1%)
Male-led	35,000 (14.1%)	41,000 (12.0%)
Female-led	382,000 (28.6%)	344,000 (26.0%)
Indigenous people living off-reserve	153,000 (19.5%)	129,000 (18.1%)
Persons with disabilities	1,364,000 (16.6%)	1,142,000 (13.5%)
Immigrants	990,000 (12.3%)	946,000 (11.6%)
Newcomers (0 to 4 years since landed)	297,000 (26.0%)	267,000 (22.8%)
Recent immigrants (5 to 9 years since landed)	148,000 (14.4%)	135,000 (13.2%)
Children aged 0 to 17	748,000 (10.8%)	680,000 (9.7%)
Indigenous people living on-reserve	Data not available	Data not available
2SLGBTQ individuals	Data not available	Data not available
Racialized individuals	Data not available	Data not available
People living in institutions	Data not available	Data not available
Asylum-seekers	Data not available	Data not available

Source: Statistics Canada, Canadian Income Survey

Intersectionality

GRAPH 2 Composition of working age (18 to 64) persons belonging to selected vulnerable groups living in poverty, 2019



* Female sole-caregivers identified by head of Female sole-caregiver economic families. Counts do not include children or other members of female sole-caregiver economic families.

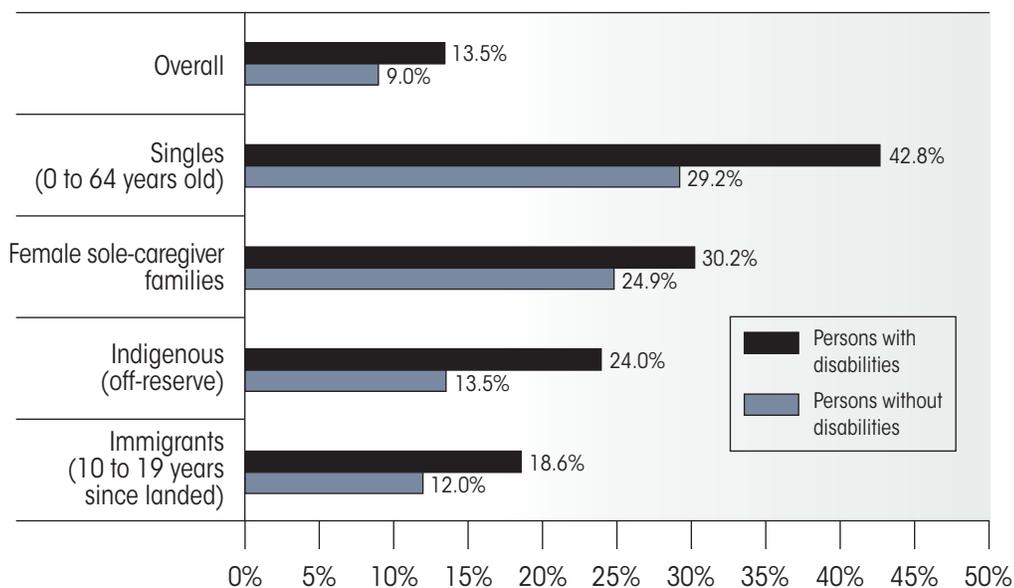
The Venn diagram is for illustration purpose only; the size and area of ellipses as well as the overlapping intersections are meant to provide a sense of magnitude but is not done to accurate scale.

Source: Statistics Canada, Canadian Income Survey

People have multiple identities and some of them are marginalized. Having more marginalized identities increases the risk of living in poverty. The figure above, containing information available through the CIS data, intends to illustrate the impacts of intersectionality. Intersectionality refers to the complex ways in which the effects of multiple forms of discrimination combine, overlap, or intersect, especially in the experiences of marginalized individuals or groups. For example, a female sole-caregiver has a caregiver role, which may affect their ability to work. If that female sole-caregiver has a disability, is an immigrant or is Indigenous, their rates of poverty increase as they may experience increased racism and discrimination and face additional barriers to labour market participation and to accessing supports.

The figure below demonstrates another concrete example of the impact of intersectionality by looking at persons with disabilities with multiple marginalized identities.

GRAPH 3 Poverty rates among persons with disabilities with marginalized identities in 2019



Source: Statistics Canada, Canadian Income Survey

Poverty rates by demographic group

In 2019, the poverty rate decreased for most demographic groups included in the CIS (see table 1 in Appendix D). Certain groups remain over-represented in poverty or face specific challenges, including:

- children;
- youth;
- females;
- First Nations on-reserve and people living in the territories;
- Indigenous people (off-reserve);
- immigrants, refugees and asylum-seekers;
- people receiving benefits;
- persons with disabilities;
- racialized individuals;
- seniors;
- 2SLGBTQ populations; and
- unattached individuals.

Children

Children (aged 0 to 17) have an overall low poverty rate (9.7%) compared to other groups. However, child poverty has lasting impacts throughout a person's life. The head of the economic family in which children live influences their poverty rate. For example,



economic families whose head self-identified as Indigenous (15.7%) or as a recent immigrant (17.0%) had disproportionately higher rates of poverty. The CIS under-represents children with marginalized identities such as:

- racialized children;
- children of asylum-seekers;
- on-reserve Indigenous children;
- children needing family support and violence prevention;
- children with severe illness or disability; and
- children in foster care.

It is not possible to assess the poverty rates of racialized and on-reserve children using Canada's Official Poverty Line. However, the Low-Income Measure After Tax in the 2016 Census reports on racialized and on-reserve children. Children from racialized families are more at risk of being low-income (24.6%) than the average (17.0%).¹ The rate is disproportionately higher among children in Arab families (43.3%) and West Asian families (greater Middle East). Data from 2015 shows that First Nations children living on-reserve also have a disproportionate rate of 53.0% (Beedie et al., 2019).

Children in sole-caregiver families

Children in female-led sole-caregiver families continued to be at significantly higher risk of poverty. In 2019, female-led sole-caregiver families had a poverty rate of 26.0%. The marginalized identity of the parent and economic family composition greatly impact the poverty rate. For example, individuals with a disability living in female sole-caregiver families are at greater risk of poverty (30.2%).

¹ Statistics Canada, 2016 Census of Population, Statistics Canada Catalogue no. 98-400-X2016211.

Children in foster care

There is limited national data on people who have aged out of the foster care system. However, some marginalized groups are over-represented in foster care, such as Indigenous children and youth. According to the 2016 Census, 52.2% of children under 14 in foster care were Indigenous.

“Poverty is an intergenerational cycle. We need to make it stop.”

– Participant, Newfoundland and Labrador engagement session

Youth

Youth (aged 18 to 24) experience the highest poverty rate (16.4%) among all age groups. This is especially the case for those that are unattached (68.3%), regardless of any parental support. In addition, youth aged 16 to 18 are in a transition period into adulthood. This is a critical moment for being at risk of falling into poverty, with some leaving their family home or leaving the care system to start a life on their own. There is an increased risk for racialized youth and for those who become young parents. It can lead to significant challenges, such as finding a first apartment, securing employment or pursuing education.

Females

Sex and gender identity

“Sex” refers to biological attributes. It is typically associated with chromosomes, hormone levels, and reproductive/sexual anatomy. Female, male and intersex are categories of sex. “Gender” refers to socially constructed roles, behaviours, expressions and identities of girls, women, boys, men and gender-diverse individuals. Gender identity is a person’s subjective experience of their own gender. A person’s gender identity may be the same as or different from the sex assigned to them at birth.

The majority of Statistics Canada surveys include a question regarding sex, which refers to sex designation (what is listed on a person’s government identification) rather than gender identity. The exclusion of gender identity questions makes it difficult to accurately measure the size of the transgender and gender-diverse population in Canada. Throughout this report, we use the terms “female” and “male” when referring to data due to limitations in data collection. “Men” and “women” are used when we refer to specific gender challenges. We recognize that the two designations are not equivalent.

In 2019, the poverty rate for females (10.4%) was higher than for males (9.8%). This is consistent with the historical trend.

TABLE 2 Poverty rates by economic family type and sex, 2019

Economic family type	Females	Males	Gender-diverse identities
In economic families	7.4%	6.8%	Not available
Unattached individuals (aged 65 and up)	12.0%	11.2%	Not available
Unattached individuals (aged 0 to 64)	35.6%	30.7%	Not available
Sole-caregiver families	26.0%	12.0%	Not available

Source: Statistics Canada, Canadian Income Survey

“Nobody is coming to save us.”

– Participant, racialized communities engagement session

According to the Labour Force Survey, working females continue to face challenges with unequal pay. In 2020, there was a gap of \$3.69 less per hour between females and males. In addition to this wage gap, females tend to work fewer hours on average, resulting in significantly lower annual incomes.

Considerations for females in poverty

Several additional factors obscure the poverty situation of females. Because the poverty rate is based on one's household income, it omits the incidence of poverty at the individual level for females. In a household, women's poverty can be hidden, such as those living with abusive partners who would be without access to basic amenities (food, shelter, etc.) if they ended these relationships. The impact of COVID-19 on women remains to be seen in the CIS data. However, we know that they have been disproportionately affected by COVID-19 in the labour market. Females frequently take on the caregiving role, which leads to fewer paid hours. Further information is provided in chapter 3.

First Nations on-reserve and people living in the territories

The CIS and other surveys by Statistics Canada frequently exclude First Nations living on-reserve and people living in the territories. This leaves a significant gap in understanding poverty rates in these communities. In 2015, about 4 out of 5 reserves had a median income that fell below the Low-Income Measure.² The territories and reserves also have higher costs of living, depending on their remoteness.

Indigenous people (off-reserve)

In 2019, about 127,000 or 18.0% of Indigenous people living off-reserve were below the poverty line. Among Indigenous people, 38.9% of Inuit, 22.1% of First Nations people and 13.1% of Métis lived in poverty in 2019. Some Indigenous people may be reluctant to respond to surveys or to divulge information on their income or identity. As a result, this number may be underestimated.

² Canadian Press review of census figures.

Immigrants, refugees and asylum-seekers

Most surveys include questions on immigration status and identify the over-representation of immigrants in poverty. For example, in 2019, 11.6% of immigrants were living under the poverty line, and this number is even higher for newcomers (0 to 4 years since landed) at 22.8%. While surveys track this data, some immigrants, refugees or asylum-seekers may feel reluctant to share their information. They may have an irregular status or not be able to express themselves in an official language. These populations have limited or no access to health care and social services. It limits our ability to report adequately on immigrants and newcomers.

People receiving benefits

Government transfers (including benefits like provincial and territorial social assistance programs, Employment Insurance, the Canada Emergency Response Benefit, the Canada Child Benefit, the Guaranteed Income Supplement and Old Age Security) play a crucial role in lifting people out of poverty. Approximately 40% of people living in poverty mostly rely on government transfers as their main source of income. However, social assistance rates remain under Canada's Official Poverty Line as outlined in the Maytree report [*Welfare in Canada, 2019*](#) (Laidley & Aldridge, 2020). In fact, social assistance rates in most jurisdictions leave some people living in deep poverty. This raises questions about the adequacy of Canada's social safety net and benefits. The table below highlights the findings of the report in the largest cities of the country.

TABLE 3 Annual welfare income as share of the Market Basket Measure (MBM), 2019

Scenario	Annual welfare income*	Poverty gaps (MBM)	% of MBM
Single person considered employable	\$7,442 to \$11,245	-\$15,494 to -\$10,596	32% to 51%
Single person with a disability	\$10,837 to \$14,804	-\$13,680 to -\$5,726	44% to 72%
Single parent, one child	\$18,732 to \$25,409	-\$14,064 to -\$3,624	57% to 88%
Couple, two children	\$28,162 to \$37,636	-\$21,667 to -\$3,423	57% to 92%

Source: Laidley & Aldridge, 2020

*The annual welfare income includes government transfers. Persons with disabilities face higher cost of living but the poverty threshold does not account for it.

Persons with disabilities

Persons with disabilities continue to face high rates of poverty, especially those under the age of 65. In 2019, 19.0% of persons with disabilities under the age of 65 lived below the poverty line. In comparison, 5.9% of seniors with disabilities lived below the poverty line. Seniors with disabilities have access to the Guaranteed Income Supplement and Old Age Security, which provide higher levels of support than most disability benefits. Overall, there are an estimated 1,142,000 persons with disabilities living in poverty. According to the 2019 CIS, the rate was higher among those with a cognitive disability (23.1%) and those with a mental/psychological disability (20.0%) under the age of 65. Those under the age of 65 are also over-represented in deep income poverty. This excludes persons who have an undiagnosed disability or who may have a disability but do not report it.

Racialized individuals

There continues to be limited data on poverty for racialized individuals within Canada. Currently, only the Census tracks poverty for racialized individuals. We remain committed to the recommendations of our first report to have racialized individuals, as well as other marginalized groups, represented in data. The most recent data available from the Census is based on 2015 and showed that the poverty rate for racialized individuals was 20.6% or 1.58 million people, as compared to 10.0% for white individuals. While 36.2% of those living under the poverty line were racialized, they accounted for 22.3% of the total population. It varies greatly from one race to another as shown below. A large majority of racialized groups were over-represented in poverty. The racialized groups with the highest poverty rates are West Asian (greater Middle East), Arab and Korean.

TABLE 4 Number and percentage in poverty by race, 2015

Race	Number in poverty	Poverty rate
Racialized (all)	1,583,000	20.6%
West Asian (greater Middle East)	89,000	33.5%
Arab	171,000	32.6%
Korean	61,000	32.2%
Chinese	368,000	23.3%
Black	278,000	23.2%
Latin American	89,000	19.8%
Southeast Asian	55,000	17.5%
Multiple race	39,000	16.6%
South Asian	322,000	16.7%
Japanese	13,000	14.4%
Filipino	75,000	9.7%
White	2,520,000	10.0%

Source: Canadian Income Survey and Census, Market Basket Measure based on 2011 prices

Seniors

Although the poverty rate for seniors remains low, the elderly are more likely to be living near the poverty line (incomes within 10% of the threshold). Further, relative low income for unattached seniors is high and increasing under the Low-Income Measure. This indicates that seniors earn less on average—and increasingly so—than the average Canadian.

2SLGBTQ populations

Data relating to 2SLGBTQ populations is unavailable in the CIS, and so poverty indicators (e.g. poverty rates relative to Canada's Official Poverty Line) are not available for these groups. Studies have confirmed that the poverty rate for 2SLGBTQ populations is higher, especially among individuals who hold multiple marginalized identities. In 2018, 41% of 2SLGBTQ individuals in Canada had a total personal income of less than \$20,000 per year, compared with 26% for non-2SLGBTQ (Prokopenko & Kevins, 2020). Experiences and challenges, including poverty rates and homelessness, vary among 2SLGBTQ individuals, since the 2SLGBTQ population is not a homogenous group. For example, bisexual individuals are over-represented in the bottom income quintiles compared to lesbian, gay, and heterosexual individuals.³ A recent study reported that transgender individuals were more likely to live in lower-income neighbourhoods compared to cisgender individuals (Abramovich et al., 2020). The study used administrative health data focused on the health outcomes among transgender individuals in Ontario.

Unattached individuals

In 2019, unattached individuals had the highest rate of poverty in Canada. For people not in an economic family, 26.2% were living below the poverty line. The poverty rates among unattached males and females (under 65) were even higher at 30.7% and 35.6%, respectively. Most unattached individuals living under the poverty line have employment

³ Statistics Canada, Canadian Community Health Survey, table 13-10-0817-01.

income as their major source of income. This represents 57.6% of unattached individuals between the ages of 25 to 44. It means that despite labour force attachment, they are still living in poverty. Individuals who work yet live under the poverty line can be low-wage earners or part-time/gig economy workers. As unattached individuals age, they become more reliant on government transfers as their major source of income.

Progress on multiple dimensions of poverty

Summary of indicator trends

Recognizing that poverty has many dimensions in addition to Canada's Official Poverty Line, *Opportunity for All* established a [dashboard of indicators](#) to measure and track progress toward poverty reduction (see table 2 A, B and C in appendix D). Despite improvements in the overall poverty rates, some of the listed indicators of poverty stayed the same or have worsened since 2015—even prior to the impacts of COVID-19. This includes the following indicators:

- the average poverty gap ratio;
- food insecurity;
- homelessness;
- unmet housing needs;
- literacy and numeracy; and
- youth not in employment, education or training.

Data limitations make it difficult to assess trends across these indicators for different marginalized groups. As COVID-19 has greatly affected housing and homelessness, as well as youth, we will report on those indicators in the COVID-19 chapter.

Gaps in employment

We know that labour market participation and poverty are correlated to a certain extent. In 2019, among individuals aged 18 to 64, 5.0% of those employed all year were living under the poverty line. This is compared to 39.1% for those who were unemployed all year. While employment plays a significant role in escaping poverty, employment alone is not always enough. Current employment indicators and wage gaps expose the gaps that persist among individuals with marginalized identities. Barriers such as literacy, numeracy, digital literacy, internet access and access to transportation disproportionately affect those individuals.

Labour market indicators

Participation, employment and unemployment rates help in developing an accurate picture of the labour market. The 2020 Labour Force Survey (LFS) reports on sex, immigration status and Indigenous heritage. From this, we are able to see that disparities exist for specific marginalized groups. For example, we can report on immigrants between the ages of 25 to 54 (see table 2 C in appendix D). The unemployment rate goes down the more education a person has, but immigrants to Canada and especially new immigrants have much higher rates of unemployment compared to people who are born in Canada (see tables 3 and 4 in appendix D). For example, a new immigrant with a university degree has a similar rate of unemployment (12.2%) compared to a person born in Canada with a high school diploma (11.4%). They also have double the rate of unemployment as compared to a person born in Canada with a university degree (5.4%).

Similar inequalities also exist for Indigenous people. An Indigenous person with a completed post-secondary education has a higher unemployment rate (9.3%) than a non-Indigenous person (6.8%). Gaps persist regardless of educational attainment (see table 5 in appendix D).



Employment outcomes for persons with disabilities are limited in the LFS. Data on their employment comes from the Canadian Survey on Disability, which follows each Census. Employment among persons with disabilities depends largely on two factors: the type of disability and the severity of disability. In 2017, employment rates ranged from 40.4% for individuals with cognitive disabilities to as high as 75.7% for individuals with an unspecified disability type.

Since July 2020, the monthly LFS has started to gather data on race. Gaps persist between white people and racialized groups. Levels of unemployment have been higher for racialized groups during the pandemic, as racialized individuals were more likely to work in affected industries. It will be interesting to see how those gaps persist. Data shows that racialized mothers face higher levels of non-participation in the labour force if they are raising young children (Statistics Canada, 2021).

Wage gaps

Immigrants and Indigenous people tend to have lower wages than non-immigrant and non-Indigenous people. According to the LFS, immigrants who landed in Canada less than 10 years ago had a median hourly wage of \$21.98 in 2020.⁴ This compares to \$26.00 for non-immigrants. Immigrants who landed in Canada more than 10 years ago have an equal wage to those who were born in Canada.

Indigenous people have overall lower wages. While the median hourly wage is not available in the LFS for Indigenous people, the mean hourly wage is. In 2020, Indigenous people had a mean hourly wage of \$26.81 while non-Indigenous people had a mean hourly wage of \$29.59.⁵

⁴ Source: Statistics Canada, Labour Force Survey, Table 14-10-0064-01.

⁵ Source: Statistics Canada, Labour Force Survey, Table 14-10-0064-01.

Out-of-incarceration individuals face significant challenges when reintegrating into the labour market. A longitudinal study that looked at the economic outcomes of 11,158 federal offenders found that, 14 years post-release, most offenders reported an employment income of \$0 (Babchischin et al., 2021). This underscores the underemployment and challenges that offenders face when reintegrating into the labour market. Marginalized groups such as Indigenous people (30% of the inmate population) and Indigenous youth (47% of custody admission) remain over-represented in the incarcerated population (Malakieh, 2021).

“The impact of criminal records—once people are released, there is a stigma/barrier. Records suspension costs [are] increasing but [they’re] still expected to participate, although the message is that people want to keep them to the side.”

– Participant, institutional care engagement session



CHAPTER

3

UNDERSTANDING THE IMPACT OF COVID-19 ON POVERTY

Throughout our national engagement process, we asked participants how COVID-19 had impacted those living in or at risk of falling into poverty. We asked participants how it affected their community and them personally. We also sought their advice on the priorities, challenges and opportunities to keep in mind as we transition to recovery. We combined this with available data sources to try to understand the impact of COVID-19 on poverty.

COVID-19 exposed gaps

Consistently throughout the engagement sessions, we heard that COVID-19 has highlighted challenges that people have been facing for a long time. It has exposed many gaps in existing supports and benefits. For example, COVID-19 exposed:

- inadequacies in existing benefits and sick leave for many low-income workers;
- challenges in the caring economy;
- inadequacies in long-term care homes; and
- challenges in accessing affordable housing.

Inadequacy of existing benefits

As we noted in *Building Understanding*, the Canada Emergency Response Benefit was developed in part because many people who found themselves unemployed or unable to work because of COVID-19 would not have been eligible for Employment Insurance (EI). This highlighted a misalignment between EI programming

“COVID was a great revealer, but to others they had already known [of] the cracks in our system.”

– Participant, health, well-being and poverty engagement session

and the type of employment that many find themselves in (for example, part-time, contract or temporary positions). Moreover, the \$2,000 per four-week period was more generous than what claimants received on EI, provincial and territorial social assistance programs and disability benefits. This underscored the inadequacy of current benefits for providing income support to some of Canada's most marginalized populations.

"I had a client last week that was fired for quarantining."

– Participant, engagement session
with *Colour of Poverty*

COVID-19 has also helped shine a light on workers who do not have access to paid sick leave. A 2019 Canadian Centre for Policy Alternatives study found that only 14% of the lowest-income Canadian workers (bottom 10%) had paid sick leave, compared with 74% of the highest-income workers (highest 10%) (Macdonald, 2020). Paid sick days are a key lever for health equity. While public health officials encouraged workers to stay home if they were sick, many people without access to paid sick leave could not afford to

do so. This meant choosing between going to work sick and paying for necessities. While the Government introduced the Canada Recovery Sickness Benefit for people who were sick with COVID-19 or caring for someone who was, it did not include people who needed time off to be tested for COVID-19. It also did not cover all workers, and there was a time delay for receiving benefits. Many workers were left with little choice but to go to work sick. Advocates have been pushing the federal, provincial and territorial governments to introduce mandatory sick leave for all employees.

Challenges in the caring society and economy

COVID-19 has also highlighted challenges within the caring society and economy. The caring economy includes a range of health and education services, including child and elder care. This work, both paid and unpaid, disproportionately falls to women and racialized individuals, particularly racialized women.

We heard from stakeholders that the care sector in Canada has been underfunded for years. Since 1995, Canadian governments have consistently spent less than the Organisation for Economic Co-operation and Development (OECD) countries average on social services, according to the Care Economy Statement (The Care Economy, 2021). Canada's social spending as a share of gross domestic product is 2% less (which amounts to approximately \$40 billion) than the OECD countries average (20%). Underfunding often means inadequate support for people who are providing care for others. Despite requiring similar skills to other trades, the work is characterized by low pay and poor working conditions. We heard from many stakeholders that people working in the caring economy are often living in poverty themselves. Rules were introduced at the beginning of COVID-19 to limit workers to one long-term care home to reduce the spread of COVID-19. This drew attention to the fact that many workers in long-term care homes were having to work in multiple homes in order to make ends meet.

New education and training requirements have been introduced in some jurisdictions, resulting in increased student debt for workers in the field. However, these increased education requirements are not being accompanied by higher wages.

“The pandemic has had a disproportionate impact ... [on] caring work. The burden of the pandemic has fallen on women and children.”

– Participant, early learning and child care engagement session

Inadequacies in long-term care settings

According to Statistics Canada, there are approximately 500,000 individuals in Canada living in care facilities. The majority (425,000) live in nursing homes or seniors' homes. During the first wave of COVID-19 (March to August 2020), residents of nursing and seniors' homes accounted for more than 80% of all reported COVID-19 deaths (Clarke, 2021). Infections among staff at these facilities represented more than 10% of the country's total cases. As of March 2021, nursing and seniors' homes continued to account for the

greatest proportion of outbreak-related cases and deaths, representing about 7% of all cases and more than 50% of all deaths in Canada (Public Health Agency of Canada cited in Clarke, 2021).

Residents of nursing and seniors' homes face higher risk of negative outcomes related to the virus, due to complex chronic conditions. In addition, some seniors and persons with disabilities have been living in precarious situations or inadequate long-term care homes. According to a recent Statistics Canada report, there were more outbreaks in nursing homes and seniors' homes compared to other facilities (though the differences were not always statistically significant) (Clarke, 2021). This precariousness was highlighted after the military was called in to help in long-term care homes in both Quebec and Ontario. A 2021 report (Lysyk, 2021, p. 9) found the specific issues that impacted residents included:

- residents were living in rooms with three or four occupants;
- long-term care homes had insufficient staff and training to provide appropriate care;
- infection prevention and control were not consistently practised even prior to COVID-19; and
- a "problematic enforcement practice" culminated in the Ontario Ministry of Long-Term Care discontinuing proactive, comprehensive inspections of homes in the fall of 2018.

Affordable housing, homelessness and people living in shelters

COVID-19 has revealed capacity issues throughout the housing spectrum. This includes shelters, supportive housing and affordable housing. Throughout our engagement sessions, we heard that we need housing that is more inclusive. We also need:

- culturally appropriate shelters or homes (2SLGBTQ, Black, racialized, or Indigenous populations);
- culturally sensitive programs; and
- long-term case management without time limits that helps ensure that people stay housed and out of poverty.

People spoke about some of the challenges for those experiencing homelessness or who are living in shelters. We heard that many people choose not to access shelters because of their lack of privacy, autonomy, dignity and control over one's life. Some individuals who are experiencing homelessness do not want to go into shelters due to the many constraints they impose, including curfews and restrictions of freedoms.

COVID-19 also brought to light many of the challenges facing people experiencing homelessness. For example, during the shutdowns, it was hard for anyone to find public spaces to use washrooms. This compounded a daily reality that individuals experiencing homelessness face. There was a feeling among some stakeholders that COVID-19 decreased the stigma of homelessness and showed the need for more dignity. Stakeholders stressed the need to build on the momentum of COVID-19 to provide real solutions to address homelessness. This includes comprehensive approaches to housing and homelessness.

During COVID-19, public health measures required increased spacing in shelters. Levels of government worked together to find creative ways to house people. They worked with shelters to house people in hotels, where people could maintain physical distancing. COVID-19 has shown that with political will and funding, it is possible to get things done. It has also shown that the government can be nimble and accommodating.

During our engagement sessions, we heard a lot of concern over rising housing costs and decreasing affordability in big cities and in small towns. Recent reports from the Canada Mortgage and Housing Corporation (CMHC) have described increases in rental and housing prices across the country in 2020. The issue is no longer specific to big cities. The impact of price increases has hit the most vulnerable disproportionately. Recent data from the CMHC suggests that units with lower rents were the primary apartments in arrears (Canadian Mortgage and Housing Corporation, 2020). This means that people with lower rent had to make hard choices. Usually, people with lower rent have lower income and so spend

**“The longer you live outside,
the harder it is to move
back inside.”**

*– Participant, housing and
homelessness engagement session*

“The housing system is not healthy when prices rise.”

– *Participant, housing and homelessness engagement session*

a larger share of their total income on housing. In recent years, there has been a trend to redevelop the old housing stock that was not appropriately renovated for years. This pushes low-income households out of their once-affordable rent. Housing is not replaced at the same rate for the lowest income people.

We also heard about “renovictions”—when a landlord removes their tenants to undertake renovations. Following the renovation, they increase the rent. However, allegedly, sometimes no renovations occur and dwellings are only repossessed to increase rent. This phenomenon existed before COVID-19, according to tenant associations. The Comité logement de La Petite-Patrie

found that for 363 units, 85% of dwelling repossessions were fraudulent or malicious (Comité logement de La Petite-Patrie, 2020). With price increases during COVID-19 and a lack of supply, the phenomenon has been exacerbated. For children forced to move, it may mean a loss of community, friends and supports and a need to switch schools.

“When [COVID-19] came, every system had its strengths and weaknesses magnified, amplified, and intensified.”

– *Participant, gender and poverty engagement session*

COVID-19 exacerbated challenges

Not only has COVID-19 exposed existing gaps, it has also worsened some challenges for people who were already suffering. In particular, we heard about the disproportionate impact on racialized individuals, many of whom:

- work in essential services;
- live in overcrowded or multi-generational housing;
- have limited access to health care and employment benefits; and
- experience increased racial and ethnic divides.

Poverty and health inequity

Throughout our engagement sessions, we heard about the links between poverty and health. Inequalities in health outcomes (such as, life expectancy and the likelihood of contracting chronic and infectious diseases) have been well documented both in Canada and around the world. We also know that the structural determinants of health (e.g. social and economic policies, governance structures and societal values and norms) drive health inequities. Reports from around the world have demonstrated that some people are more likely to contract COVID-19 than others. These differences are not random. They include populations that have historically experienced health and social inequities (Tam, 2020).

Researchers have examined the factors that contribute to exposure, susceptibility and treatment of COVID-19. Material circumstances such as housing and employment, biology and health behaviours, or access to and experiences with health services influence exposure. Stigma and discrimination also influence risk (Tam, 2020). Intersectionality plays an important role in assessing the risk of contracting COVID-19. There are overlapping and compounding risks related to sex, gender, race, disability, income, housing, employment, and other socio-economic factors.

Prior to COVID-19, there were health disparities in Canada. People with lower income had more negative health outcomes. According to a longitudinal study, men and women in the lowest income bracket (lowest 20%) have a lower average life expectancy. The gap is 7.7 years for men and 5.4 years for women, compared to those in the highest income bracket (Bushnik et al., 2020). During COVID-19, we saw that the virus disproportionately impacted some communities who already suffered from poorer health outcomes.

[Public health data from Toronto](#) found that there are more positive cases among racialized and lower-income groups. From mid-May to mid-July 2020, data collected in Toronto revealed that racialized individuals were over-represented in COVID-19 infections. Despite only making up about half of the city's population, they represent over 80% of cases (excluding cases in long-term care homes). Racialized groups including Arab, West Asian (greater Middle East), Black, Latin American, South Asian, Indo-Caribbean and Southeast



Asian people were over-represented in reported COVID-19 cases. As of February 2021, 57% of people hospitalized due to COVID-19 were from low-income households, although they represent only 30% of the population in Toronto (City of Toronto, n.d.).

There are gaps in health access, and this will continue beyond COVID-19. For example, these gaps have been seen in who is prioritized for vaccines and in vaccine rollout, which has led to inequities in vaccine access. Existing barriers to health access such as precarious employment, lack of documentation, distrust of the health system or misinformation have all led to decreased vaccine access and uptake.

Historical trauma and ongoing racial inequalities have also complicated the introduction of the vaccine. For example, some people have praised the Government for prioritizing Indigenous people in the rollout of the vaccine. However, some Indigenous people were the subject of medical experiments in Indian Residential Schools. These same people are now prioritized for the rollout of a new vaccine. For many people, it is the first time they have been prioritized, and some are hesitant as they see it as a repetition of the medical experimentation they suffered as children. We can see this hesitancy with other populations such as Black and Latin American individuals who have historically experienced medical malpractice and systemic racism in health care.

Deteriorating perceived mental health

The perceived mental health of people in Canada has been on a downward trend since Statistics Canada began collecting data. Before COVID-19, the 2019 Canadian Community Health Survey found that 67% of people in Canada aged 12 and older in the 10 provinces rated their mental health as very good or excellent. This is down from 72% in 2015. In July 2020, that number fell to 55%, the lowest since the start of the survey. The decline was larger among youth. According to the Canadian Community Health Survey, life satisfaction has also declined during COVID-19.

According to the latest in a series of online surveys (Centre for Addiction and Mental Health, 2021), one year into the pandemic, we observe the following:

- There may be an increase in mental health-related disabilities (particularly anxiety disorders), as:
 - 20.9% of respondents reported moderate to severe anxiety; and
 - 20.1% reported feeling depressed.
- There are increases in substance abuse (particularly alcohol and opiates), as:
 - 25.7% reported engaging in binge drinking.
- There is an increase in poor mental well-being, as:
 - 21.3% reported feeling lonely.

COVID-19 also has indirect long-term effects on mental health. For example, public health measures that restricted in-person visits and gatherings meant that some people could not see their loved ones before they passed nor have large funeral gatherings. This affects the grieving process and can make it harder for people to move on.

Racism

COVID-19 has disproportionately impacted racialized individuals and has highlighted the structural and systemic inequities and barriers to health and social services that existed prior to the pandemic. It has also increased racial and ethnic divides that exist in Canada.

Racialized individuals in Canada often report feeling less safe than the rest of the population. This can affect people's sense of community as well as their physical or mental health and well-being. Certain populations are much more likely to experience discrimination than others, such as Arab or Black populations.

A July 2020 report from Statistics Canada found that the proportion of racialized individuals who experienced increased harassment or attacks based on their race, ethnicity or skin colour has tripled compared to the rest of the population since the start of the pandemic.⁶ In addition, fear and misinformation about the virus have disproportionately impacted some ethno-cultural groups. For example, the largest increase in discrimination was seen among Chinese, Korean and Southeast Asian individuals.

Isolation

COVID-19 has exacerbated challenges related to social isolation. Some people are feeling more isolated and lonely. Individuals are disconnected from their community support. Many youth felt isolation and increased mental health challenges due to stay-at-home

orders and the closures of schools and other activities.

Many services and programs had to close their doors.

As a result, many people dealt with a decrease in community connections caused by COVID-19.

“We are seeing the impact of the isolation on youth no matter where they are.”

– Participant, 2SLGBTQ engagement session

2SLGBTQ youth faced additional challenges.

Many 2SLGBTQ youth rely on community programs to feel seen and heard. Their closure led to greater isolation and loneliness. Some 2SLGBTQ youth, who may have been couch surfing or staying with friends, had no choice but to return to unsupportive or abusive homes. Many non-emergency medical procedures and appointments,

including medical appointments for transition (a life-saving procedure for many people), were cancelled as the health care system came under strain from COVID-19. This resulted in a higher suicide rate for 2SLGBTQ people. Among 2SLGBTQ youth at risk of and experiencing homelessness, 96% said their life is lonelier because of COVID-19 and 78% reported severe anxiety. This is according to an ongoing study focused on the impacts of COVID-19 on the 2SLGBTQ population (Abramovich et al., under review).

⁶ Statistics Canada, Crowdsourcing on perceptions of safety, May 12 to 25, 2020.

Isolation also increased for seniors living alone and for persons with disabilities. Public health measures resulted in banning visitors from long-term care settings, and stay-at-home orders did not allow for family and friends to visit. Many seniors and persons with disabilities were left further isolated from the family, friends and supports they need to survive and thrive. Some people were left thinking that family members had abandoned them, or they died without their loved ones nearby.

“Due to COVID, people are understanding isolation.”

– Participant, housing and homelessness engagement session

Increased consumption of substances

Substance abuse has also been on the rise with isolation due to lockdowns and social distancing measures. This will also have long-term impacts on mental well-being in the country. One year after the first lockdown, heavy drinkers were the most likely to report an increase in their alcohol consumption.⁷ Cannabis consumption has also been on the rise, especially for those between the ages of 15 and 29. Reported factors of increased consumption of cannabis include stress, boredom and social isolation. During the first lockdown in April 2020, those reporting lower perceived mental health were more likely to report increased use of cannabis, alcohol and tobacco (Rotermann, 2020). Heavy consumption of substances can turn into an addiction.

Deaths related to opioids have increased during lockdowns at alarming rates. In 2020, 6,214 apparent opioid toxicity deaths occurred (around 17 deaths per day), of which 96% were accidental or unintentional (Special Advisory Committee on the Epidemic of Opioid Overdoses, 2021).

⁷ Statistics Canada, Canadian Perspectives Survey Series 6.

Digital divide

Throughout COVID-19, many provinces and territories moved services online and switched to online learning for at least some of the school year. This transition to digital services enabled students and workers to continue learning or working throughout the pandemic. However, the reliance on online services also shone a light on Canada's digital divide and the unequal access to technology across the country.

For some people, it is a matter of affordability. Devices and internet access are expensive and beyond the reach of many people. While many organizations and schools made efforts to provide the necessary technology to students, due to funding limitations, this was often insufficient. For example, participants shared stories of schools offering one laptop to each family, without accounting for the number of learners in a household. In some cases, three or four children were trying to share one laptop to access their online classes and complete their school work. We also heard of schools directing children to go to nearby fast food parking lots to access Wi-Fi to complete their schoolwork.

There are gaps in internet connectivity across the country. This is especially true in rural communities and on First Nations reserves, where internet is more costly. In 2017, most individuals had access to a 1.5 Mbps high-speed internet connection (Canadian Radio-television and Telecommunications Commission, 2020). Although this is good news, some of them did not have access to higher speed or affordable services.

“There used to be travel barriers before COVID, now there is a digital barrier due to poverty.”

– *Participant, health, well-being and poverty engagement session*

People with lower income also need to spend a larger share of their income toward telecommunications services. It represents 9.1% of total expenditures for the bottom 20% income-earning households (or households with income less than \$32,914) (Statistics Canada's Survey of Household Spending cited in Canadian Radio-television and Telecommunications Commission, 2020).

For others there remains an issue of digital literacy—not knowing how to use technology. Many people lack the skills and knowledge necessary to participate in online learning or appointments. In some cases, parents may not be able to help young children navigate the technology. In other cases, many parents were working from home while trying to support their children in their online learning activities. They were often pulled between their own work responsibilities and the need to support their children.

Family violence

COVID-19 also exacerbated some of the challenges of those experiencing family violence. As noted above, some youth, who may have been couch surfing, living in shelters or on the streets, were forced to return to unsafe homes. This was due to public health measures and the risks associated with congregate living. Others faced increased challenges from fleeing family violence, with the closure of support services and public health measures that limited contacts outside one's household.

Additionally, the stress caused by the virus, isolation, job loss and financial worry can also increase the risk of family violence. The United Nations has called violence against women and girls a “shadow pandemic” during COVID-19. According to a [Statistics Canada survey](#),⁸ 8% reported that they were very or extremely concerned about the possibility of violence in the home. This percentage was higher for women (10%) than men (6%).

⁸ Statistics Canada, Canadian Perspectives Survey Series 1 between March 29 and April 3, 2020.

Child development

There is increasing concern among experts, parents and stakeholders about COVID-19's long-term mental health impacts on children, as well as how this may affect their psychological development. Children are resilient, but multidimensional factors come into play. The healthy growth and development of children are at risk due to the following factors identified in the literature (Araújo et al., 2020):

- increase of parental stress;
- suspension of classroom activities;
- social isolation measures;
- nutritional risks;
- children's exposure to toxic stress, especially in previously unstructured homes; and
- a lack of physical activities.

COVID-19 is a traumatic event for children. Lockdowns impacted children's rights to education and their ability to learn, as well as their ability to play and feel safe. This may have long-lasting impacts on general health and on the educational attainment of a whole

generation. It may also result in increased inequalities and may affect intergenerational poverty in the future. The risk is even greater for disadvantaged children who may be missing programs and supports they received prior to COVID-19.

"Yes, kids are resilient. ... Yes, kids are strong. But they shouldn't have to go into battle."

– Participant, early learning and child care engagement session

Youth not in employment, education or training (NEET)

Online learning has been challenging for many teenagers and children. Connections made online cannot replace in-person learning, especially for those needing extra educational services. Disadvantaged students are more negatively affected by online learning, as they might lack access to the internet or devices. Parents might also be unable to help them complete their homework if there are language barriers or due to low levels of education. In the years prior to COVID-19, dropout rates had significantly decreased in Canada. The impact of online learning on those rates remains to be seen, though there is worry that they may increase.

Job losses and the closure of many businesses have also impacted young workers, who often work in the retail, service and tourism industries. These industries have been hardest hit by COVID-19 closures. Data on youth not in employment, education or training (NEET) can provide some insight on the impact of COVID-19 on youth participation in the labour market.

The NEET indicator⁹ measures youth engagement. Between 2019 and 2020, nearly 100,000 more young adults between the ages of 15 and 24 were categorized as NEET due to disruptions caused by COVID-19, according to the Labour Force Survey.

Youth with marginalized identities (young women with children, immigrants, and off-reserve Indigenous youth) did not experience a higher increase in NEET rates than the overall population during COVID-19 (Brunet, 2020). However, they do remain at a higher overall risk. We have to consider that young individuals from different demographic subgroups carry different financial

“When does the intergenerational burden end?”

– Participant, racialized individuals engagement session

⁹ NEET rates are calculated using only the first three months of the reference year in accordance with OECD methodology for international comparisons.

burdens when entering the labour market. Over the 2015–18 period, having larger debts, being a single parent, having a disability and being racialized were associated with slower debt repayment of student loans (Galarnreau & Gibson, 2020). It will be important to report on this indicator as the economy recovers.

COVID-19 created specific challenges

In addition to exacerbating existing challenges, COVID-19 also led to some new ones. As noted, many people who were doing well before COVID-19 continue to do well; particularly those who were able to work from home. However, those who were facing difficulties before COVID-19 are facing new ones as well. One participant said that COVID-19 has “shifted inequality into overdrive.”

Excess mortality

Deaths associated with COVID-19 fit into three categories: those due to a diagnosed infection, those due to an undiagnosed infection, and those that are due to other COVID-19-related factors such as lack of access to medical care for existing health conditions. Calculating excess mortality gives a fuller picture of the total impact of COVID-19. Cremation records demonstrate that there was an increase in mortality in 2020. For example, there was an overall 12.8% increase in the number of cremations in Ontario per week compared to baseline data (Postill et al., 2021). Throughout 2020 and 2021, non-emergency surgeries have been postponed, and screening and treatments have been delayed. Non-emergency appointments have also been cancelled. These delays can have a significant impact on individuals’ long-term health.

Job loss due to public health measures and business closures

Since March 2020, public health measures introduced to slow the spread of COVID-19 have had a significant impact on many businesses and workers. According to the Labour Force Survey, between March 2020 and April 2021, business closures have disproportionately affected low-wage workers and women, particularly young women. This also includes demographic subgroups who are more likely to work in retail, accommodation and services. Racialized groups were also facing higher challenges to reintegrate into the labour market as their unemployment rate was higher. According to available data on the Canada Emergency Response Benefit (CERB), recipients were more likely to be low-income earners or have marginalized identities. This includes Indigenous people, racialized individuals, women and youth (Morissette et al., 2021). These groups were also more likely to work in workspaces with a greater risk of exposure to COVID-19.

From May 26 to June 8, 2020, Statistics Canada had over 36,000 individuals complete an online crowdsourcing questionnaire. The questionnaire found that high poverty rates among most racialized groups prior to COVID-19 made them more vulnerable to the financial impact of work disruptions (Hou et al., 2020). The crowdsourcing participants who were employed prior to work stoppages reported similar rates of job loss or reduced work hours (although the rate was higher among Filipinos and West Asians). However, COVID-19 generally had a stronger impact on racialized participants' ability to meet financial obligations or essential needs than it did for non-racialized participants. This remained true even after taking into account group differences in job loss, immigration status, pre-COVID-19 employment status, education, and other demographic characteristics.

From June 23 to July 6, 2020, approximately 13,000 persons with long-term conditions or disabilities participated in an [online crowdsourced survey](#).¹⁰ For participants aged 15 to 64 with long-term conditions or disabilities, 31% reported that their overall

¹⁰ Statistics Canada, Impacts of COVID-19 on Canadians – Living with Long-term Conditions and Disabilities.

household income had decreased since the start of the shutdown. Participants with long-term conditions or disabilities also reported a major or moderate impact on meeting their food and grocery needs (44%) and personal protective equipment needs (40%) during COVID-19.

During COVID-19, mothers also faced challenges in accessing early learning and child care, which affected their ability to return to work as well as the meeting of children’s developmental needs. Approximately 4 in 10 parents reported facing difficulties accessing child care in late 2020 as part of the [Survey on Early Learning and Child Care Arrangements](#).¹¹ As a result, 36% of parents had to change their work schedule, 31% had to work fewer hours, and 41% postponed their return to work.

The waves of COVID-19 and the closing and reopening of businesses meant that, in many cases, individuals lost their jobs multiple times. Following a job loss, there is a time lag in accessing benefits. That means that individuals may have had multiple waiting periods where they did not receive any employment income or benefits.

In some cases, it is not just that an individual business closed or downsized staff—whole industries were closed for prolonged periods. This means that individuals who lost a job in a particular industry were unable to find a new one.

CERB repayment

The introduction of the CERB provided much-needed income support to people who lost their jobs due to COVID-19. The low-barrier access and simple application process were praised as an improvement to existing applications—though many people still reported difficulty accessing it. However, the introduction of the CERB created new challenges. Confusion at the time of the rollout, and the fact that it provided higher benefits than existing social assistance benefits, led to some people who were ineligible applying for the CERB. This resulted in overpayments, and the prospect of repayment has extremely negative impacts on low-income populations. Some stakeholders also raised concerns

¹¹ Statistics Canada, Survey on Early Learning and Child Care Arrangements, 2020.

that the CERB would affect income-tested provincial and territorial benefits. There are concerns that CERB recipients, who may have had a higher annual income due to receiving the CERB, may no longer qualify for the income-tested benefits they rely on. The impact of this has yet to be seen.

Impact from closure of the court system

The COVID-19 pandemic saw an increase in domestic violence against women and children. Stay-at-home orders isolated certain groups, particularly women and children, and increased their incidence of experiencing violence. Supports that would have previously been available within civil society centres like school, community and social agencies and government services were no longer available. Similarly, assistance through the court system was severely restricted or closed. Families found themselves challenged to find solutions for family court orders with no supports. There were cases where orders that limit unsupervised contact between a certain parent and a child (due to a domestic violence charge or child protection issue) were breached. With closed schools and day cares and limited contact with grandparents, some low-income parents who were working as front-line or essential workers had no choice but to turn to the other parent (against whom an order was previously issued) to provide care.

Those in areas with limited or no internet service or those without access to technology were unable to receive legal services. Similarly, child support and family maintenance monies were sometimes stopped as lower-income individuals were disproportionately impacted during stay-at-home orders and unable to work from home.

“You guys always talk about a recession, but we never knew what a recession is because we are always living in poverty. People applied for CERB and finally had money to breathe.”

– Participant, literacy and essential skills engagement session

Closure of the courts also affected family reunification processes. Public health measures that restricted contact with members outside of their household made it difficult for parents to visit children who were in care. Some parents were accused of putting their children at risk for asking to visit them.

The legacy of COVID-19 remains to be seen within the legal system. This may be especially true as it pertains to domestic violence and women’s safety, protection of children, the incidence of administration of justice offences (which can result in harsher sentences and increased use of incarceration), and increased numbers of homeless women and children. Domestic violence is a major pathway to homelessness for women and children, including youth.

Building back better from COVID-19

“Right now, there are only short-term solutions to systemic problems like poverty. ... This is a marathon, not a sprint, and wraparound supports that continue for years are needed.”

– Participant, social innovation engagement session

COVID-19 created opportunity

Despite the negative impacts of COVID-19 overall, many stakeholders have pointed to unexpected benefits. COVID-19 has provided an opportunity to re-examine our existing structures, programs, policies and assumptions and to do things differently—to do things better.

In many cases, it has already led to doing things differently. Stakeholders noted that the government has been more flexible and accommodating than ever before, and has looked for creative solutions. It has also introduced expanded and lower-barrier benefits for workers. While remote access to services has been a challenge for some, it has also opened up new opportunities for others. For example, the increase in online access to doctors and medical care can help address access issues for people living in rural and remote communities, where travel is a significant barrier. An increase in remote work has also been beneficial for some persons with disabilities, who may no longer face physical barriers at work.

COVID-19 has also created opportunities for empathy, education and greater understanding. People were experiencing isolation for the first time and now knew what it felt like. There has been more awareness of people who are marginalized and more offers of support. More than anything, we heard that there was an overwhelming sense of not wanting to lose the momentum and opportunity for change.

Considerations for recovery from COVID-19

While we continue to live through COVID-19 and its impacts, thoughts have also shifted to recovery. Emergency benefits and lockdowns will end, and there will be a shift from emergency response to a return to “normal.” However, as stakeholders pointed out, we should not return to normal. This is an opportunity to do things better.

“The pandemic brought humbleness to the government.”

– *Participant, food security and poverty engagement session*

“We try to patch holes [in communities].”

– *Participant, Quebec engagement session*



As we transition to post-pandemic life, it is important to recognize those who have been most impacted by COVID-19. Consideration will need to be given to people with long-term COVID-19, for example. We do not yet know the impact on and the needs of people who suffer long-term effects of COVID-19. However, because people living in low income are disproportionately affected, they may also be more likely to be dealing with long-term symptoms.

It will be crucial to provide equitable access to the economic opportunities created as result of the COVID-19 economic crisis. For example, Indigenous and racialized individuals will continue to face challenges in the labour market, especially in a struggling economy. There will also continue to be significant pressure on benefits systems and impacts from accruing large deficits, as this usually means spending cuts later.

There is a need to consider the many systems, programs and services impacted by COVID-19. For example, the pandemic has highlighted the need for access to early learning and child care. This support is essential to help ensure that parents, and in particular women, are able to work. We also heard the need for a national early learning and child care program that includes a focus on marginalized communities and sole-caregiver families. In addition, systems need to address family violence that has worsened under COVID-19.

It will be important to rethink benefit design. Current poverty figures speak to the need to support individuals in transition periods. This includes youth exiting foster care, recent immigrants, homeless individuals in transitional housing, and those entering the labour market. With COVID-19 economic disruptions, we need to put in place services without sudden cut-offs, to avoid plunging people into poverty. There needs to be softening in the transition off benefits. Thought also needs to be given to how benefits are delivered and what inclusive, equitable benefits look like. Programs should avoid hard limits and cut-offs that can create barriers and disincentives to work. Programs and services should also be flexible, portable and scalable to provide better support to the individuals that rely on them. The system needs to be more comprehensive.

In addition to supporting individuals and families, it will also be important to support the services that have struggled during COVID-19. Many organizations have struggled to meet the needs of their clients through the pandemic. Human and financial resources have been stretched thin as needs have increased and new ways of supporting people have been developed. Many organizations spoke of the need for long-term, stable and consistent funding to meet the huge backlog of supports that will be needed post-COVID-19.

The COVID-19 pandemic has exposed the fact that we lack clear workers' rights and clear protections against inequitable social and health care policies. We heard that this is a unique point in history. For many people, COVID-19 served as an eye-opening opportunity to take bold action to address these systemic issues. COVID-19 has challenged us to focus on thinking through what is important. It has laid bare the inadequacies in our social safety nets. It has shown that our housing sector does not offer healthy and safe homes for all. It has shown that many jobs do not offer minimal benefit packages consistent with well-being. It has shown that many people have too little wealth to be able to support themselves if they miss a paycheck, and it has shown us that our digital revolution has left many people behind.

It has demonstrated to us that our society's health is vulnerable. We are not investing enough in producing resilient communities. It has also shown that inequality is a social cancer, which eats away at the fabric of the social supports that we need to stay strong.

“If we let this opportunity pass, shame on us.”

– Participant, housing and homelessness engagement session



CHAPTER

4

WHAT WE HEARD

Engagement process

From February to April 2021, we undertook 22 national and regional virtual engagement sessions with experts, stakeholders, academics and people with lived expertise in poverty. We spoke to over 600 people in every province and territory on a range of issues, including health, food security, housing, gender considerations, essential skills, early learning and child care, and racism. We spoke to persons with disabilities and Black, Indigenous, racialized and 2SLGBTQ people.

The richness of what we heard is difficult to capture and share in a concise manner. However, this chapter aims to share the stories, experiences and voices of the people with whom we engaged. We sought to present it in a way that reflects the diversity of what we heard. It does not necessarily reflect our own thoughts, feelings or beliefs. In some cases, the opinions we heard are backed by data (presented in other chapters). In other cases, there may not be adequate data to support them. Either way, this chapter aims to present what we heard in an authentic and honest way.

What does poverty mean?

We started our engagement sessions by asking people “What does poverty mean to you?” The answers were wide-ranging and comprehensive. They covered a broad scope from intensely personal to textbook academic. Some people spoke of their own individual journey and some people spoke of larger systemic challenges.

“Poverty is a lack of income,
a lack of connection, a lack
of self-determination.”

– Participant, Nunavut
engagement session

“Poverty is a system failure.”

– *Participant, race and racialized communities engagement session*

“Folks are made marginal—by the systems that they interact with.”

– *Participant, race and racialized communities engagement session*

“Minimum wage does not lift people out of poverty.”

– *Participant, Quebec engagement session*

Poverty is the result of policy decisions and programs

Many people spoke passionately about the role that systems play in keeping people in poverty. This includes health and education systems that discriminate against the most underserved and marginalized people. We heard about child welfare systems that fail to support children and families and that lead to homelessness or involvement in the criminal justice system. We heard that colonialism pervades many of the systems and programs that are designed to help people. As a result, they perpetuate injustice and inequity on those they are meant to serve. We heard about an immigration system that fails to adequately support newcomers to Canada.

In addition to government benefits, we also heard about employment that leaves people in poverty despite working full time. Stakeholders shared stories about people who are working three jobs and still barely getting by. We heard about people with precarious immigration status being afraid to speak up about unfair or unsafe working conditions. They are afraid they will lose their jobs or face deportation. We heard about the challenges of the gig economy, where there is significant insecurity. This includes people with short-term contracts or working multiple part-time jobs with no benefits.

We also heard about gaps between federal and provincial/territorial mandates and areas of responsibility. This includes programs that do not work together or that create unintended consequences. People spoke about instances where federal increases to programs led to provincial or territorial reductions in supports. This left people living in poverty no better off.

Many participants stressed that poverty is about inequities, capitalism and exploitation. They also stressed that it is the result of decisions and choices. We know how to eliminate poverty. The research and data exist. However, systems that perpetuate poverty persist. Stakeholders challenged us to ask who is benefiting from the existing systems. They pointed to a workforce that is living in poverty while a small few benefits and gets richer.

Poverty is complex

Many people shared that poverty is individual, unique and complex. They also stressed that because the challenges related to poverty are complex, the solutions must therefore be broad, multifaceted and innovative. These solutions require all levels of government to work with each other, not against each other, and not just to the edge of their mandates.

It requires real collaboration and must involve all of society. It requires governments to work with other sectors—including employers, service providers and the not-for-profit sector. Most importantly, people living in poverty must be at centre of the solutions and the processes used to develop them.

“The reason why the evidence is ignored [is] because those that are in power benefit from the systemic oppression of others.”

– Participant, health, well-being and poverty engagement session

“One of the failures we’ve had as a country is the patchwork of welfare across the country that keeps people in poverty.”

– Participant, disability and poverty engagement session

“You can’t talk about poverty without talking about all of the other social ills that we are concerned about.”

– *Participant, race and racialized communities engagement session*

“Something as complex as poverty needs complex systems to support them.”

– *Participant, health, well-being and poverty engagement session*

Many people described complex systems that do not work together. This includes benefit systems that are punitive and difficult to navigate, and that have complex rules that force people to make impossible and counter-intuitive decisions. Stakeholders talked about a silo approach, where good intentions may lead to programs and rules with unintended interactions and consequences. Many people also described rules that seem to be developed for ease or efficiency of the system, rather than for the people they are intended to serve. Participants stressed that if we want to address poverty, the government needs to address the systemic problems that create and sustain poverty, including:

- rules that work for the system, but not for the people who need them;
- rigid programs that do not support individuals’ evolving needs;
- “universal” programs that, in practice, are not accessible to some communities or individuals; and
- systems that are meant to support people but instead re-traumatize them and perpetuate poverty.

Poverty is a lack of access to resources

We heard repeatedly and consistently that existing resources are not enough to allow people to meet their basic needs. This includes both employment income and government supports and benefits. Many stakeholders noted that there are two main causes of poverty: challenges within the labour market (difficulty finding work, precarious work, low wages, discrimination, and lack of access to benefits) and inadequate government income supports and benefits.

Inadequate income leaves people unable to access nutritious food, safe and appropriate housing, transportation, child care, education, and other things they need to lead a stable and happy life. It leaves people unable to take care of themselves and the people close to them. Sometimes it is because resources are not enough. However, even when resources are available, they may not be accessible to everyone in the same way. It is not just about income, it is about equity in accessing tools, opportunities and services.

While many people spoke of poverty as a lack of financial resources, some also described poverty as an absence of non-monetary supports and resources. These include social, family, community and employment supports. Poverty can deprive individuals of connection. For youth in particular, it can disconnect them from school and family. From people who live in the North, we heard that poverty is about an absence of self-determination and control over their own lives. Ultimately, participants described poverty as an overall lack of control, choice and opportunity.

Poverty strips people of dignity

Dignity is the right of a person to be valued and respected for their own sake, and to be treated equitably. One of the biggest complaints we heard from people with lived expertise in poverty is that it strips people of their dignity. People spoke about the omnipresent nature of poverty and how it can intertwine with one's identity.

“There are some people here that literally have nothing.”

– Participant, early learning and child care engagement session

“Now that I paid rent, I can starve.”

– Participant, disability and poverty engagement session

“I have lived under the poverty line over 10 years; it takes a strong person to live in poverty.”

– Participant, New Brunswick engagement session

“Everyone deserves dignity and basic needs.”

– *Participant, New Brunswick engagement session*

“I want to be able to walk out on the street and hold my head up.”

– *Participant, Prince Edward Island engagement session*

“Poverty prevents full participation ... particularly for people with disabilities. They are not given an equal chance to grow or to contribute.”

– *Participant, disability and poverty engagement session*

They described the double dehumanizing effects both of living in poverty and of accessing benefits, services and supports. They explained that those effects can linger and continue to shape people’s experiences and identities even if they are no longer living in poverty.

We heard about the societal stigma of living in poverty and that society often blames people for their circumstances. This includes the assumption that poverty is the result of personal failings, rather than the failure of systems, labour market challenges, and government policies and programs. This leads to the false assumption that there are people who are deserving of help and people who are undeserving of help. As a result, many people living in poverty felt as though they were very quickly forgotten and marginalized by people in power and by society.

Poverty is also about untapped resources, opportunities and potential

We heard that poverty is about untapped resources, opportunities and potential. One stakeholder noted that potential is distributed evenly, but opportunity is not. There are people who have so much potential if only they had access to services, supports and opportunities to fully realize it.

We heard that poverty robs people of a sense of purpose, fulfillment and promise. However, as much as poverty steals opportunity from the individual, it also steals that individual’s potential contribution to society. Everyone is missing out on the meaningful contribution people could provide if given access to the resources and supports they need to participate.

“Being alive and living a life are two completely different things.”

– Participant, Nova Scotia engagement session

How poverty impacts some people differently

Challenges in specific populations

Throughout the engagement session, we heard about some of the challenges specific to certain populations.

TABLE 5 Key challenges and solutions for marginalized, at-risk groups

Group	Poverty rate	Key challenges	Proposed solutions we heard
Indigenous people	• 18.1% (off-reserve)	<ul style="list-style-type: none"> • Trauma • Colonialism • Racism • Increased representation in child welfare and criminal justice system • Distrust in the education system, as a result of the Indian Residential Schools system 	<ul style="list-style-type: none"> • Implement calls to action from the Truth and Reconciliation Commission

Group	Poverty rate	Key challenges	Proposed solutions we heard
Immigrants, refugees, and ethno-cultural and racialized groups	<ul style="list-style-type: none"> • 11.6% (all immigrants) • 22.8% (newcomers, less than 5 years since landed) • Not available (refugees) • Not available (asylum-seekers) • Not available (racialized) 	<ul style="list-style-type: none"> • Racism • Discrimination • Wage gap • Increased representation in child welfare and criminal justice system • Foreign credential recognition • Access to benefits 	<ul style="list-style-type: none"> • Identify and remove racist and discriminatory practices and policies in our systems, programs and services to address systemic racism • Provide better employment opportunities • Tie post-recovery benefits to employment equity • Build community trust for data collection and disaggregation
Persons with disabilities	<ul style="list-style-type: none"> • 19% (less than 65 years old) 	<ul style="list-style-type: none"> • Systemic lack of access to benefits • Dehumanizing application process • Lack of consistency in definitions • Inadequate benefits • Ableist programs and policies 	<ul style="list-style-type: none"> • Develop and launch the Canada Disability Benefit • Fix the Disability Tax Credit and its eligibility criteria to increase access, with direct input from disability communities • Change the perspective on employment and persons with disabilities to create an inclusive society and address poverty • Deliver on the commitment to double the Child Disability Benefit to improve support to families caring for children with disabilities

Group	Poverty rate	Key challenges	Proposed solutions we heard
2SLGBTQ individuals	<ul style="list-style-type: none"> • Not available 	<ul style="list-style-type: none"> • Identity-based rejection and discrimination • Trauma • High rates of homelessness • Lack of inclusion and recognition of 2SLGBTQ individuals in population-based surveys and policy and program design • Stigma and violence 	<ul style="list-style-type: none"> • Better data collection • Trauma-informed programs and services • Population-based housing programs for 2SLGBTQ individuals and employment supports and options
Women	<ul style="list-style-type: none"> • 10.4% 	<ul style="list-style-type: none"> • Different path to and experience of poverty • Violence as a cause and result of poverty and a key pathway into homelessness and the criminal justice system • Access to affordable, high-quality child care • Low wages and benefits, particularly in the caring economy • Wage gap 	<ul style="list-style-type: none"> • Access to affordable, high-quality, culturally appropriate child care • Family violence supports
Children	<ul style="list-style-type: none"> • 9.6% 	<ul style="list-style-type: none"> • Child poverty is family poverty • Reduced social service • Lack of oversight in the care sector • Children moved into care for reasons characterized as neglect, but driven by poverty, and they exit into poverty 	<ul style="list-style-type: none"> • Support families before children are removed due to poverty • Better information on benefits and supports • High-quality early learning and child care • School food program

Group	Poverty rate	Key challenges	Proposed solutions we heard
Youth	<ul style="list-style-type: none"> • 16.3% 	<ul style="list-style-type: none"> • Lack of support for transitions into adulthood • Unrealistic demands for youth entering the job market • Eligibility and time limits on programs for youth • High cost of education and student debt burden 	<ul style="list-style-type: none"> • Maintaining or implementing school food programs • Free university education • Employment and other supports to help ensure smooth transitions into adulthood
People in institutionalized care	<ul style="list-style-type: none"> • Not available 	<ul style="list-style-type: none"> • Cycling through institutions • Stigma toward those in institutions • Lack of supports for transitions into and out of institutions 	<ul style="list-style-type: none"> • Transition supports for children leaving care • Transition supports for people leaving institutions, including hospitals, prisons and child welfare
People working in the underground economy	<ul style="list-style-type: none"> • Not available 	<ul style="list-style-type: none"> • Violence • Lack of access to benefits 	<ul style="list-style-type: none"> • Information on supports and benefits available

Indigenous people

Participants stressed that poverty is not a concept in many Indigenous communities. Notions of poverty that do exist are not defined by a lack of resources, but by disconnection.

They also stressed that financial poverty is a systemic issue inherited from colonial systems. They noted the importance of understanding the role that colonialism has played in poverty in Indigenous communities and its continued existence today.

“Poverty is rooted in the impacts of colonialism.”

– Participant, Nunavut engagement session

We also heard that existing systems perpetuate colonization and racism, and that many of them fail to support Indigenous people. Participants stressed that many Indigenous people do not have access to supports and services. When they do, those services do not meet their needs. For example, the child welfare system in the 1960s was designed to oppress and assimilate Indigenous children. Participants noted that in child welfare today, the government has not tried to design a system that meets the needs of Indigenous people. Many First Nations, though, have been working to develop and implement child welfare policies and programs that are culturally appropriate and meet their needs.

Many Indigenous people also spoke about trauma. They cautioned us to be mindful of the past trauma that Indigenous people and communities have suffered. They also highlighted the need to be aware of traumatic childhood experiences when developing policies and programs. One participant suggested that the impact of trauma is probably tenfold for First Nations children. Participants reminded us that individuals and communities are still dealing with the impacts of the Indian Residential Schools system, the Sixties Scoop, and the intergenerational trauma they caused.

Several participants spoke of the need for a distinctions-based poverty measure. They pointed out that while the Market Basket Measure was selected as Canada's Official Poverty Line, it excluded First Nations on reserves and in the three territories.

Immigrants, refugees, and ethno-cultural and racialized groups

Stakeholders consistently spoke about the challenges for immigrants, refugees, and ethno-cultural and racialized groups throughout the engagement sessions. We heard that racism and discrimination lead to poorer outcomes and higher rates of poverty. For example, someone pointed out that 75% of income comes from employment. In this way, systemic racism in the labour market sets racialized people up for poverty.

“Indigenous children are inheritors of injustice.”

– Participant, early learning and child care engagement session

“Racialized communities are over-indebted and underemployed—it keeps me working and having to be the one to bring my family out of poverty, but I will never be out of debt.”

– *Participant, racialized communities engagement session*

They also noted that Indigenous people, immigrants, refugees, and ethno-cultural and racialized groups are less likely to file taxes and gain access to benefits that are delivered through the tax system. We heard that people face racism in employment, housing, and bias in access to and compliance in social assistance.

Stakeholders also noted that racialized youth (especially Black youth) have high levels of underemployment. They also face a higher degree of precariousness for things such as food insecurity. One stakeholder noted that 8% of the population in Canada is Black, but over 40% of children in child welfare are Black. We heard

that in Toronto, poverty is concentrated in geographic areas and communities and that this is rooted in racism. We heard that poverty is intergenerational and that the government needs to address anti-Black racism as a way to tackle one of the causes of poverty.

Some participants also spoke about an immigrant education trap. There is a societal expectation that racialized youth are the gateway out of poverty for their family (e.g. second-generation Canadians educating themselves and earning more than their parents’ generation, thus lifting them out of poverty).

This causes pressure that can be detrimental to their health, financial situation and well-being.

“I come from a family of refugees. ... In spite of scholarships and bursaries, I am in a cycle of debt.”

– *Participant, race and racialized communities engagement session*

While we heard about challenges faced by immigrants and refugees overall, stakeholders noted that there is a disparity when it comes to immigration status. In particular, stakeholders raised the specific challenges experienced by refugees and asylum-seekers that increase their risk of poverty. Stakeholders also spoke of challenges for non-permanent residents who do not have access to all benefits and services. They noted that this leads

to inequality and poverty and limits opportunities. Some stakeholders also noted that concerns about police and precarious immigration status dissuade newcomers from speaking up about inequities, injustice, poor conditions, etc.

Persons with disabilities

Persons with disabilities spoke of a systemic lack of accessibility, the rigidity of benefits processes and a stigma toward benefits applicants. They shared how this leads to the chronic dehumanization of persons with disabilities. Participants spoke about the sense of shame involved in benefit application processes that ask dehumanizing questions that erode dignity and self-worth. In fact, some people noted that the perception that there are “deserving” and “undeserving” poor leads to shame and reluctance to seek assistance. This can lead to unequal access to health care, education, employment and other basic services. It can also lead to isolation and increased barriers to exiting poverty.

Stakeholders noted that some people believe that persons with disabilities are trying to exploit systems by accessing benefits. Because of this perception, programs design their eligibility criteria with a focus on keeping out the “cheaters.” Systems place responsibility on applicants to prove their disability repeatedly, even for lifelong conditions, including an emphasis on doctor-verified diagnoses. There is a perception that resources are carefully rationed and scrutinized to ensure that each qualifying recipient has “just enough” to survive.

“People with disabilities are only the most vulnerable because that is what we have set them up to be.”

– Participant, disability and poverty engagement session

“Reliance on charity is dehumanizing. We have to beg for mobility devices.”

– Participant, disability and poverty engagement session

“You’re just trying to put food on the table and you’re seen by others as cheating. It’s soul destroying.”

– *Participant, disability and poverty engagement session*

Participants noted that benefits are inadequate and force persons with disabilities to make choices they should not have to make in order to survive (e.g. choosing between medicine and food).

We heard that existing systems neglect people through ableist and paternalistic practices and rigid eligibility requirements. The lack of meaningful coordination and communication between federal, provincial, territorial and municipal systems significantly disrupts the lives

of persons with disabilities. Participants shared that navigating systems is a full-time job. Many people may lack the skills and knowledge to successfully access available services and resources.

Participants also raised the issue of differing federal, provincial and territorial definitions of disability. This can greatly affect the supports and benefits that persons with disabilities receive and make it challenging to access benefits. Many participants mentioned that

the Disability Tax Credit is inaccessible to many persons with disabilities. This is due to an inconsistent definition of “disability” and a difficult and onerous application process.

“Systems are neglecting people, it’s not about individuals failing.”

– *Participant, disability and poverty engagement session*

Finally, we heard that it is important to remember that disability communities are not homogenous. Persons with disabilities are also members of other populations. Individuals with intersecting identities may face more severe poverty.

2SLGBTQ individuals

2SLGBTQ people shared their experiences of discrimination. We learned that some 2SLGBTQ individuals are more likely to experience poverty, homelessness and discrimination, particularly those with intersecting identities (e.g. Indigenous transgender youth). Participants spoke about additional barriers to accessing basic needs and services. For example, accessing affordable and appropriate housing is not only limited by financial barriers, but by social barriers as well. 2SLGBTQ individuals are often targets of violence, bullying and discrimination by other users of shelters and housing supports. Closer examination of what constitutes appropriate housing for 2SLGBTQ individuals is necessary, including the availability of supports, security, privacy and dignity. Participants spoke of a revolving door of life on the streets, to shelters, then back on to the streets due to traumatic experiences (e.g. bullying, violence, targeting of homeless 2SLGBTQ youth at shelters).

Many people also noted that current systems, meant to support people, contribute to the further trauma of 2SLGBTQ individuals because they fail to identify their particular needs. They also spoke of the need for greater visibility of issues facing 2SLGBTQ individuals. For example, government reports should spotlight issues experienced by 2SLGBTQ populations, such as high rates of poverty and homelessness, and prioritize their needs. This would help develop trauma-informed, appropriate responses. We also heard that the lack of data makes it difficult to identify 2SLGBTQ individuals and the issues they experience in population-based surveys. This can make it difficult to identify needs and appropriate policy responses. As a result, the experiences of 2SLGBTQ people are often rendered invisible. Without recognition and visibility, 2SLGBTQ individuals cannot fully contribute to public policy and society in general. This often means that 2SLGBTQ individuals have to wait until a crisis for support to be offered.

“A large issue, especially for [2SLGBTQ] youth, is rejection from family.”

– Participant, 2SLGBTQ engagement session

Women

Participants stressed the importance of building an understanding regarding the gender-related issues experienced by those living in poverty. This includes the fact that

“[Women] should not have to make a business case to have enough for themselves and their families for today and in the future.”

– *Participant, gender and poverty engagement session*

women, men and gender-diverse people have different paths to and experiences of poverty. They also noted that intersecting identities strongly impact women’s experiences. We heard that women are not offered the supports they need for them and their families to survive. Supporting women and families is paramount to supporting children. Individuals spoke about major affordability issues for women living in poverty, particularly single mothers.

We heard that, for many women, gender-based violence is both a risk factor for and a result of poverty. Participants spoke of a great deal of violence affecting women living in poverty. This includes not only violence that women

experience at home, but also violence that they experience within the criminal justice system. One doctor told of attending births for women who were chained to the bed because they

were in jail for unpaid fines. Participants noted issues of policing, fines and violence that disproportionately affect women living in poverty.

“[Women] don’t just need more of the same—they need to be able to get up in the morning and know that they are heard, respected, and honoured.”

– *Participant, gender and poverty engagement session*

Participants also spoke about existing systems that perpetuate barriers women face in labour markets. We heard about challenges in care work, in both formal and informal settings, and issues stemming from the care work provided to family and friends, which can be paid or unpaid. This burden disproportionately falls to women and in particular racialized women who are disproportionately working in the caring economy. Many people who are

working to care for our children and our parents are not paid adequately to take care of their own families or themselves. For example, many women who work in early learning and child care are living in poverty due to low wages. During COVID-19, we learned that many people, particularly women and racialized individuals, were working in multiple long-term care homes in order to make ends meet. This is a result of low wages and a lack of benefits.

Participants noted that access to affordable child care is critical for mothers to participate in the labour market. This is particularly true for single mothers. Some people noted that parents need choices and flexibility in child care. Increasing access to child care plays an important role in addressing poverty and ensuring that women can gain economic control over their lives. Some stakeholders noted that while early learning and child care is important for children, it also supports families and parents. As such, it must be part of a larger poverty reduction strategy.

Some participants also sounded the alarm about rising challenges for senior women, particularly single senior women. They have seen an increasing number of women over 65 who are chronically homeless and have noted that there are very few shelters and supports for them. In many cases, they are women who have not applied or are not eligible for the Canada Pension Plan, or even Old Age Security and the Guaranteed Income Supplement. Many were nannies or caregivers who came to Canada and worked in the underground economy. Others traded housework or caregiving for shelter. Once they are too old to work, many are let go with no support.

“We need to listen to immigrant women, trans women.”

– Participant, gender and poverty engagement session

“Make women’s work more valued.”

– Participant, gender and poverty engagement session

“ELCC [early learning and child care] in a PRS [poverty reduction strategy] is necessary but it is not sufficient.”

– Participant, early learning and child care engagement session

Children

We heard throughout the engagement sessions that child poverty is family poverty. Children are poor because their parents are poor. Participants stressed the need to support parents and families to ensure that children can thrive. Child poverty has lasting impacts throughout a person's life. They also spoke about some of the barriers to exiting poverty, including the following:

- racism, discrimination, language barriers and complex processes to obtain supports reduce opportunities for individuals;
- there is a lack of information on benefits and supports (e.g. lack of awareness of the Canada Child Benefit); and
- reduced social services facilitate an environment of systemic trauma for children and youth, including lack of oversight in the care sector.

“Children are poor because their parents are poor.”

– *Participant, children and youth engagement session*

“Opportunity lost for one child is an opportunity lost for everyone.”

– *Participant, children and youth engagement session*

Stakeholders noted that children and youth in the child welfare system are particularly vulnerable. We heard about the failures of the child welfare system and that it is the biggest pipeline to homelessness and poverty. Children who are moved into government care typically come from families in poverty. People noted that when children are removed from their homes due to neglect, it is often the result of poverty. We also heard that when they transition or age out of care, they often transition into more poverty. Some participants wondered why support and funding are provided to children in the care system, but that same support and funding are not provided to families in poverty.

Participants also pointed out that poverty for children is not just about income. It also means disconnection from school, family and community. The scars and harm caused by poverty last a lifetime. More support for anxiety and trauma for children and youth is necessary to address these harms.

Youth

Many stakeholders spoke about the need for greater supports for youth who are transitioning into adulthood. This includes addressing unrealistic demands for youth entering the job market, especially for those in poverty (e.g. work experience requirements for students/new graduates and time-intensive commitments for scholarships). Stakeholders also identified eligibility and time limits on programs and services to youth as a systemic barrier to escaping poverty (e.g. one-time-only assistance programs and short-term/precarious work programs).

Participants spoke about the high cost of education and the burden of student loans, particularly for children and youth from low-income families. Many youth are told that education is the pathway out of poverty, but often find themselves underemployed and facing a large student debt burden after they graduate.

People in insitutionalized care

The intersections between poverty and entrance into and exit from institutions is complicated and requires significant attention. Participants described vulnerable populations who often cycle through institutions and move between systems while in poverty.

“I was only able to study at university because I got a scholarship that required me to put in hours of volunteering. People in poverty don’t have that luxury—they might have to decide between volunteering and working for an income.”

– Participant, children and youth engagement session

“55% of people who transition from institutions move into poverty.”

– *Participant, institutionalized care engagement session*

“[There is a] disproportionate representation of Black and Indigenous people in institutions.”

– *Participant, institutionalized care engagement session*

“Institutionalization makes people dependent.”

– *Participant, institutionalized care engagement session*

Breaking free of these cycles is difficult at best. There is significant stigma toward those in poverty or within these systems (e.g. perceptions of individuals with criminal records or the idea of “choosing” to be in poverty). Many participants stressed that insufficient supports for transitioning into and out of institutions fail individuals throughout the system. This includes child welfare, hospitals and prisons. Many people with criminal records have troubling finding work, which leads to greater poverty. The cost of record suspension is increasing and is prohibitive for many people living in low income.

We heard of the overwhelming need to support people through these transition periods. This is especially true of young people in and leaving the child welfare system. Many people raised the challenges for young people transitioning out of the welfare system, including lack of support, anxiety and mental health issues. Some people pointed out that unfortunately, youth transitioning out of social institutions and looking for help and support sometimes turn to criminal activities as a means to survive (e.g. gangs, drugs and prostitution). These youth fall into poverty and do not have the supports to avoid this.

Many people described the child welfare system as the biggest pipeline to poverty, homelessness and the criminal justice system. We also heard anecdotally that children in the child welfare system who become involved in the criminal justice system are more likely to be charged with a criminal offence than those who have parents to advocate for them. They are also more

likely to be incarcerated and often receive harsher punishment. This further punishes children for factors over which they have no control.

People working in the underground economy

Several stakeholders also noted that some of the most marginalized people, who earn their living outside the regular economy, are particularly vulnerable and at risk of poverty. Many have been immigrants who came to Canada and who have worked “under the table” as caregivers, taxi drivers or low-wage physical labourers.

However, conversations on poverty reduction often exclude those who work in the underground economy. For example, the conversations around violence against women often exclude sex workers. Racialized, transsexual, transgender and non-binary women in sex work are most at risk of violence and poverty, as well as being cut off from the traditional tax and benefits system.

Pathways to reducing poverty

We heard about a number of challenges that people living in poverty experience across all systems and across the country. We also heard about pathways to improvement and proposed solutions.

Indigenous prosperity through truth, reconciliation and renewed relationships

Throughout our engagement sessions, we heard about poverty among Indigenous people. The impact of colonialism and racism is directly and indirectly linked to ongoing disproportionate rates of Indigenous poverty. We heard of the violence that was inflicted upon Indigenous people by federal, provincial and territorial governments. This resulted

“When we discharge kids ... out into the streets, we’re part of the problem: we’re creating trauma when the whole point was to stop trauma.”

– Participant, 2SLGBTQ engagement session

“Eliminating poverty is a de-colonial and an anti-racist act.”

– *Participant, children and youth engagement session*

in ongoing trauma and anti-Indigenous racism that permeates the labour market, the housing market, the education system, the child welfare system, the criminal justice system, service delivery and everyday life.

Numerous people described Canada as a colonizing country and pointed out that existing systems perpetuate colonization and racism. Several Indigenous people spoke about the lack of access to existing systems, and systems that do not meet their needs or respect their identity.

Building equity through programs, supports and benefits

Throughout the engagement session, we heard about the role that racism and discrimination play in causing and perpetuating poverty. Many people spoke about the role that systemic racism and government programs and policies play in the marginalization of Black, racialized

and Indigenous communities. Participants pointed out that systemic racism has broad impacts (on the labour market, housing, etc.), leading to poorer outcomes for Black, racialized and Indigenous communities.

“One barrier that makes the fight against poverty all the more challenging is racism.”

– *Participant, social innovation engagement session*

Some people also spoke of other challenges to accessing services, due to issues like discrimination, violence and fear. For example, we heard that refugees are often afraid to access services and benefits. This can be due to a mistrust of government from experiences in their previous country or because of their immigration status. We also heard that many people cannot access

services if they have no legal standing. We heard that 2SLGBTQ individuals are often reluctant to access supports because of the violence and discrimination they face within the shelter system.

We also heard that identity-based rejection, transphobia and homophobia are major contributing factors to homelessness among 2SLGBTQ populations. 2SLGBTQ individuals reported issues related to housing discrimination, particularly for individuals who navigate systems with multiple marginalized identities (for instance, racialized 2SLGBTQ individuals). Participants in the engagement sessions made it very clear that 2SLGBTQ young people face significant problems, including discrimination, when trying to secure safe and affordable housing.

Some of the proposed solutions we heard include:

- advocacy to address systemic discrimination and barriers;
- a review by the federal government of all its programs through a poverty reduction lens (this would involve reviewing them for unintended consequence and to make sure they are people-centred); and
- including the voices of those with lived expertise to identify challenges in existing systems and programs and to identify potential solutions.

Develop robust systems and structures focused on early intervention and poverty prevention

Throughout the engagement sessions, we heard not just about the need to lift people out of poverty, but also about the need to develop and invest in strong systems to keep people from falling into poverty in the first place. We heard of some of the pathways into poverty, including violence, family violence, health challenges, the child welfare system and entries into and exits from institutions. We also heard a number of solutions to support people along these pathways and at important transition points.

**“You cannot afford poverty;
it is too costly.”**

*– Participant, health, well-being and
poverty engagement session*

Invest in people's health

Many people spoke often about the inextricable relationship between poverty and health. Punitive and inequitable approaches to the delivery of health and health care services place families and individuals from marginalized populations at increased risk. This includes low-income individuals, persons with disabilities and racialized individuals. People also told us that the lack of access to health care services they need was keeping them in poverty.

“Imagine this scenario. A few months ago, I cut my knuckle open, right to the bone. So I had to go to the hospital ... they cleaned it, and stitched it, bandaged it, and off I went. Now imagine, going to the hospital, and because you are low-income or on income support, they say to me, sorry, the sutures and cleaning are not covered. Only thing we can tell you is to wrap it and keep it as is, or we amputate your finger. Just think about that for a second. Now look at our dental program, it is the same way. Persons with low-income, persons with disabilities, seniors, exact same thing. You go to the dentist, and you might need a filling but it's not covered, and you can't afford to pay for it, so they take the tooth out. And this causes a bunch of complications ... and cost on health care in the long run, but it also keeps people in poverty. Because when people don't have dental care, they don't want to volunteer or to work, they are embarrassed, sometimes they can't talk right or eat right, they are ashamed. We look at these programs and people don't realize how important they are to bringing communities out of poverty, and how interconnected they are. Until we recognize that and embrace that, I don't know that much change is going to happen.”

– Participant, Newfoundland and Labrador engagement session

Participants told us about challenges related to accessing medication, dental care and mental health care, including limits to medication and other coverage through provincial and territorial plans. We heard about people who are sick and do not have health coverage, as well as people who are unable to afford prescription medicine. People told us that health can mean many things, and coverage is not meeting all these needs. This includes caring for people's teeth, eyes and minds. We also heard about people who are unable to access health care due to a lack of transportation, especially in rural areas.

We heard about the urgent need to increase upstream investments in order to improve health. Many stakeholders noted that investing in social services is akin to investing in health care. Funding for housing, food security, education, child welfare, transportation, early learning and child care, etc., can improve health outcomes and reduce the need for spending in health care. Participants noted that provinces and territories are spending a significant amount of money on supporting health care, which crowds out available funding for prevention. Several people suggested that the government should increase the ratio of social spending to that of health spending.

“Health does not start with medical care, and this is why poverty is such a health care issue.”

– Participant, health and poverty engagement session

Address issues of violence, policing and surveillance

Numerous participants pointed out that poverty is often a pipeline into violence, family violence, the criminal justice system and homelessness. Participants spoke of a cycle of poverty where the monitoring of people living in poverty, enhanced scrutiny, stress, violence, criminalization, institutionalization and an inability to gain employment lead to more poverty. Often this poverty is intergenerational.



We heard that it seems like police and immigration enforcement work together to create fear among immigrant communities. Some people noted that these concerns dissuade newcomers from speaking up about inequities, injustice, poor conditions, etc. For example, participants shared stories of undocumented people trying to access health care or trying to report unfair or unsafe working conditions and being threatened with deportation.

Many individuals spoke about the issue of criminalization of poverty more generally. We heard about prostitution laws that criminalize women who are trying to provide for themselves and their families. Stakeholders noted that many people come to be incarcerated through poverty. For example, the trading of imprisonment for release from debt due to unaffordable fines that penalize the poor. It also institutionalizes income-based discrimination. Those who have money pay the fine and those who don't face breaches and incarceration.

Provide stable, flexible funding for service providers

Service providers also spoke of the significant challenges in accessing government funding, including rigid funding parameters and short-term project-based funding. They spoke of the need for flexibility to be creative, to take chances and to fail sometimes.

A “use it or lose it” mentality with funding makes it very difficult to be nimble and to take chances or to innovate. Project-based funding is a significant issue because it means there is no continuity in service. Unstable funding makes it difficult to fill positions with qualified staff or to meet ongoing or emerging needs. Applications have to be re-submitted for each new project and funding does not often go toward core resources.

“Programs and services are designed by people who don’t have the experience.”

– Participant, place-based poverty reduction engagement session

Stakeholders spoke about the need to make investments in people, systems, programs and benefits that will support people and keep them from falling into poverty. Many people stressed that investments in social services and early interventions have exponential impacts and are more cost-effective. This includes the need for upstream investments that support people before a crisis, or before falling into poverty, such as:

- intervening early and upstream, for example by investing in child care, education, housing and food security—investments made in social services can reduce the need to spend on health care, the criminal justice system and emergency supports such as shelters;
- instituting a national pharmacare program;
- ensuring adequate benefits for children and youth in care to make sure that poverty is not replicated in the child welfare system—there is a responsibility to ensure that children who are removed from their homes and placed in foster care are provided with resources to ensure that they are not living in poverty while in care, nor exiting into poverty;
- providing transition supports for people who are leaving institutions; and
- focusing on providing long-term funding to service providers to allow them to plan for the long term, to collaborate and to innovate.

Dignity through enhanced access and improved service design and provision

We heard about challenges accessing benefits and services in most of our sessions. This includes physical access to benefits, particularly with the closing of many in-person services during COVID-19, as well as difficulties accessing services online. People told us that accessing benefits and services often strips people of their dignity.

“Efficiency should not come at the cost of dignity.”

– Participant, place-based poverty reduction engagement session

“People are falling through the cracks.”

– *Participant, Newfoundland and Labrador engagement session*

“No buffer—you get punished for having a buffer.”

– *Participant, health, well-being and poverty engagement session*

Many people spoke of poverty as a full-time job, requiring them to prove their need to many different organizations. Participants told us that the programs and benefits that are meant to support them are hard to navigate. The need to navigate separate provincial, territorial and municipal systems exacerbates this challenge. People noted that there are too many doors and not enough collaboration to help people—particularly young people—navigate the system. Accessing help often requires people to repeatedly provide proof of their need. This includes having evidence like rent receipts and copies of their last year’s income, tax returns and notices of assessment. With electronic fund transfer payments or rent paid directly by social assistance, receipts can be hard to get. It can be difficult to access tax forms, and it requires planning to file and organize them. They can also be easily lost.

Finally, we heard from many people that there is an expectation that people living in poverty have to be without fault in order to receive support. There is no room for them to fail or slip up. When they do, there are significant consequences.

Some of the proposed solutions we heard include:

- case management to help people navigate the complicated system of benefits;
- avoiding one-size-fits-all solutions for program design and service delivery (e.g. offer multiple access points and service delivery mechanisms and offer flexible eligibility with gradual cut-offs);
- educating people, including seniors, to help them understand the process of applying for benefits to which they are entitled;

- better coordination between federal and provincial/territorial systems;
- automatic tax filing for low-income individuals so they can access all the benefits to which they are entitled; and
- inclusive systemic approaches to poverty reduction.

Employment income and income support

Throughout our engagement sessions, we heard about the many struggles people are facing in the labour market. We heard about full-time jobs that do not pay enough to meet basic needs. We heard that minimum wage is below the poverty line. We also heard about people working multiple part-time and gig jobs to make ends meet, and about employment that does not offer sufficient benefits.

We also heard about racism and discrimination in the labour market. Stakeholders spoke about the challenges that immigrants and refugees to Canada face. Current systems result in inequitable employment opportunities or means to secure immigration status. For example, immigration policies attract highly educated and skilled people to Canada who obtain resident status, but their work or educational credentials (degrees, diplomas, certificates, etc.) are not always accepted. Protectionist views on “Canadian experience” can make it difficult for immigrants to have their foreign experience recognized in Canada. Low-skilled and essential workers who enter Canada as temporary foreign workers often have no pathway to permanent immigration status.

**“When it comes to poverty,
the first issue is income,
the second issue is income,
and the third issue is income.”**

*– Participant, health, well-being and
poverty engagement session*

We heard from many stakeholders that existing income benefits are not adequate to meet people's needs. This is especially true for people who are living on social assistance and disability benefits. People are often forced to live in inadequate or unsafe housing and rely on services like food banks. Many stakeholders noted that people cannot afford to fill prescriptions or to travel to medical appointments.

Throughout the engagement sessions, we heard about the overwhelming need to ensure that benefits meet people's needs. Some of the specific solutions we heard include:

- broad-based, universal income support programs, as well as additional targeted supports for those who need them;
- more direct financial benefits to individuals provided by the federal government;
- federally set national standards attached to transfer payments to provinces and territories (e.g. make federal funding contingent on minimum standards);
- changing the tax system to allow people with precarious immigration situations to access supports and programs (e.g. the Canada Child Benefit);
- a national school food program; and
- a universal basic income to ensure a minimum standard of living.

“Governments need to realize that a stroke of the pen is ruining people’s lives. ... How would you live on \$900 a month ... when I can’t rent a place for under \$700? Tell me how I live on \$900 a month.”

– Participant, Newfoundland and Labrador engagement session



CHAPTER

5

RECOMMENDATIONS

The inaugural report of the National Advisory Council on Poverty, *Building Understanding*, recommended that the Government of Canada continue with its poverty reduction strategy. It also recommended a focus on areas where we were falling behind and groups that have been underserved. This included action on food security and housing as well as poverty for Indigenous people, immigrants, refugees, ethno-cultural and racialized groups, persons with disabilities, 2SLGBTQ people and people experiencing homelessness. We recommended that poverty reduction strategies be supported by socio-demographic data collection and systems to integrate disaggregated analyses of these data into decision-making. The report also called for the Government of Canada to strengthen existing strategies, programs and policies to ensure a coordinated and robust social safety net in Canada. Crucially, we recommended that income support in Canada should be at least at the level of Canada's Official Poverty Line.

In this report, we have presented some of the progress made toward implementing the recommendations of *Building Understanding*. We have also developed additional recommendations based on the important input we heard in our engagement sessions and updated data. There have been many investments in poverty and its many dimensions, and we have seen some progress on the overall poverty rate. However, inequity, discrimination and racism continue to limit progress and opportunity for some of Canada's most vulnerable and marginalized people. Poverty reduction measures and actions need to address inequity, systemic racism and discrimination if real progress is going to be made.

The National Advisory Council on Poverty sees an urgent and immediate need for the implementation of the recommendations of the **Truth and Reconciliation Commission of Canada and *Reclaiming Power and Place: The Final Report of the National Inquiry into Missing and Murdered Indigenous Women and Girls***. Our other recommendations include action to prevent people from falling into poverty, action to improve supports for people living with poverty, action to improve income security and a focus on transitions out of poverty.

We designed the recommendations to ensure that the Government continues to reduce the overall rate of poverty in Canada, to ensure that marginalized groups benefit equitably from poverty reduction, and to ensure that as we move from crisis to recovery, no one is left behind.

Indigenous prosperity through truth, reconciliation and renewed relationships

Throughout our engagement sessions, we heard about poverty among Indigenous people. The impact of colonialism and racism is directly and indirectly linked to ongoing disproportionate rates of poverty among Indigenous people. We heard of the violence that was inflicted upon Indigenous people by federal, provincial and territorial governments, resulting in ongoing trauma and anti-Indigenous racism that permeates the labour market, housing market, education, child welfare, the criminal justice system, service delivery and everyday life.

Additionally, during the drafting of this report, we heard the news that the remains of Indigenous children have been found in unmarked graves at Indian Residential School sites. This is a shocking reminder of the legacy of government policies, including the Indian Residential School system and the forcible removal of thousands of Indigenous children from their homes and families as part of the Sixties Scoop. There have been extensive reports and inquiries into how to approach reconciliation for these past abuses and traumas. They offer concrete actions to move towards reconciliation with Indigenous people. Additionally, implementing the calls to actions offers a blueprint on ways to redesign systems and respond to challenges with a more equitable lens. To this end, the Council recommends that:

All signatories of the Indian Residential Schools Settlement agreement immediately implement the recommendations from the Truth and Reconciliation Commission of Canada.

The Government of Canada implement the recommendations from *Reclaiming Power and Place: The Final Report of the National Inquiry into Missing and Murdered Indigenous Women and Girls*.

Building equity through programs, supports and benefits

While the overall poverty reduction rate tells part of the story, it can mask inequity for specific groups. Reducing the overall poverty rate without focus on groups that are disproportionately affected does not address inequity or support those most in need.

We know that some groups experience disproportionately high levels of poverty. Black populations, 2SLGBTQ people, Indigenous people, and persons with disabilities are more at risk of living in poverty than the general population. In our engagement sessions, people spoke about the role that racism and discrimination play in reducing opportunities in the labour market, reducing access to services and benefits, and how people living in

poverty are treated. The Government of Canada's poverty reduction targets are aligned with the United Nations Sustainable Development Goals. As part of the Agenda for Sustainable Development, this also means a commitment to "leave no one behind" and "to endeavor to reach the furthest behind first". In order to do this, we reiterate our recommendation from last year that:

All Statistics Canada and federal population-based surveys should ask inclusive questions and provide inclusive response options on women and gender equity, Indigenous heritage, immigration/refugee status, race/ethnicity, disability, prior or current institutionalization, and sexual orientation and gender identity, to allow for routine disaggregation of data to support better decision making and reporting of disparities.

We also recommend that:

While working towards its overall poverty reduction goals, the Government of Canada should endeavor to reach those furthest behind first. To this end, the Government of Canada should commit to reducing poverty by 50% in 2030 for marginalized populations, including Black populations, 2SLGBTQ people, Indigenous people, and persons with a disability. The Government of Canada should also specifically name and focus on Black populations, 2SLGBTQ people, Indigenous people, and persons with a disability within existing and new Government of Canada strategies, initiatives, and supports.

Dignity through enhanced access and improved service design and provision

Throughout our engagement sessions, we heard about dehumanizing application processes, societal stigma, and rigid requirements to access services that often strip people of their dignity. We also heard of programs and services that were not accessible to some of those most in need. This could be because of eligibility limitations such as immigration status or because they did not provide transitional supports as those needs changed. People spoke about instances where one-size-fits-all systems and supports that are supposed to help people instead caused further trauma. These systems fail to recognize intersecting marginalized factors, the complex needs of individuals, or the needs of the people who navigate them because they were designed for efficiency and bureaucratic ease. We heard that the stigma of accessing benefits can be so high that in some cases, people choose not to access much-needed supports and services. To this end, the Council recommends that:

Governments work to simplify the delivery of programs and supports for all people through enhanced coordination, improved low-barrier access, and better coverage based on need. Specifically, we recommend that governments implement community feedback mechanisms to involve people with lived expertise in poverty in the development, implementation, evaluation and ongoing evolution of policy, programs and services. Governments should collect disaggregated program data to demonstrate and improve equitable access and uptake of programs and services.

That the Government of Canada implement automatic enrollment for federal benefits to ensure that people are accessing the supports and services that could keep them out of poverty. Automatic tax-filing is one mechanism that can help with this.

Develop robust systems and structures focused on early intervention and poverty prevention

Poverty reduction efforts often focus on lifting people out of poverty. We stress the need to invest in keeping people from falling in to poverty in the first place. Upstream investments can work to keep people out of poverty. COVID-19 has presented an opportunity for us to re-examine our existing systems, structures and priorities and to build better, more robust systems. This means investing in people during life's challenging transition periods, such as for those ageing out of care or exiting institutions. It means ensuring that marginalized groups are involved in the development and implementation of programs to ensure that they are reaching everyone equitably. It also means providing sufficient and sustainable government supports to service providers and not-for-profit organizations that are a crucial part of community-level efforts to prevent poverty.

We recommend that:

The Government of Canada move to quickly implement all announced supports and benefits that have been publicly committed to. These significant investments (Canada-Wide Early Learning and Child Care System, Canada Disability Benefit, Canada Workers Benefit and Housing and Homelessness) will both lift people out of poverty, and help prevent future generations from falling into poverty.

The Government of Canada increase investments in the important social programs and benefits that allow people to meet their needs and keep them from falling into poverty. This includes investments in transportation, health, mental health, food security, educational attainment, skills development, support for families, and for people going through transition periods.

Employment income and income support

Employment is often touted as a means to exiting poverty. However, we know that some people working full time are living below Canada's Official Poverty Line. During our engagement sessions, we heard about the challenges of the gig economy, where there is significant employment insecurity and precarity. We also heard about employment that fails to provide access to benefits like sick leave.

People also stressed that racism and discrimination in the labour market create further challenges for immigrants, refugees and racialized communities, 2SLGBTQ individuals, women and Indigenous people.

We have also heard that the responsibility for improving employment practices is shared between federal, provincial and territorial governments and employers. The Government of Canada has made a number of recent commitments around employment including a \$15 dollar minimum wage for federally-regulated work places. They are also expanding the Canada Worker's Benefit to extend support to about a million more people, lifting nearly 100,000 working individuals above Canada's Official Poverty line.

However, there remain specific challenges related to the changing nature of work, including the gig economy and part-time work. Access to employment benefits for some of these most vulnerable workers remains a gap. Basic income has been suggested for many years as a potential solution/support to provide equitable and sufficient supports to all individuals. The health and economic crisis caused by COVID-19 has accelerated this discussion. A basic income above the poverty line could help to address the above issues by focusing on dignity and equity in the design and delivery of the program.

To this end, the National Advisory Council on Poverty reiterates its recommendation from *Building Understanding* that:

The Government of Canada should collaborate with provinces and territories to build on its COVID-19 response and strengthen existing strategies, programs and policies. This would ensure a coordinated and robust social safety net in Canada by collectively providing income support that is at least at the level of Canada's Official Poverty Line.

We also recommend that:

The Government of Canada take a leadership role in both providing and incentivizing better employment opportunities for marginalized groups, including Indigenous people, racialized individuals, immigrants, refugees, youth, persons recently institutionalized and persons with a disability.

The Government should continue to lead by example by implementing its existing commitments and pursue providing a minimum wage that is above Canada's Official Poverty Line (for full-time work) while consistently pursuing equitable employment practices. It should also use its influence including contract, grants and contributions and employment supports to encourage all employers to implement equitable employment and wage policies.

The Government of Canada should increase access to employment benefits (e.g. employment insurance and paid sick leave) for self-employed workers, workers in the gig economy and part-time workers.

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APPENDICES



APPENDIX A

Glossary of terms

2SLGBTQ	Acronym that stands for two-spirit, lesbian, gay, bisexual, transgender, queer and questioning people.
Assimilation	Process by which the Government of Canada forced Indigenous people to adopt the beliefs, languages and customs of Canadian society, resulting in the loss of Indigenous language and culture.
Canada's Official Poverty Line	The <i>Poverty Reduction Act</i> established the Market Basket Measure (see Market Basket Measure) as Canada's Official Poverty Line.
Co-development	Process where two or more parties come together to jointly develop or create something.
Colonialism	<p>Canada's foundation as a country is based upon the process of colonization. Through the use of settler colonialism in Canada, the Indigenous people in Canada went through forced removal, genocide and assimilation. Canada's history of assimilation is well documented through the 1800s to the 1990s. Settler colonialism in Canada was structured in a way that systematically targeted Indigenous people in order to privilege the settlers who came to Canada. The impact of colonization on Canada can be seen in its culture, history, politics, laws and legislatures. The former colonies evolved into the provinces that exist now.</p> <p>The current relationship of Indigenous people in Canada and the government is one that has been heavily defined by the effects of settler colonialism and Indigenous resistance.</p>

Culturally appropriate	An approach that considers how social and historical contexts, as well as structural and interpersonal power imbalances, shape interactions and experiences.
Disaggregated data	Information that has been summarized and then broken down into component parts or smaller units of data, usually to reveal trends, patterns and insights.
Discrimination	The unjust or prejudicial treatment of different categories of people, especially on the grounds of race, age, sex, gender identity and sexual orientation.
Equity lens	A process of analyzing or diagnosing the impact of the design and implementation of policies on underserved and marginalized individuals and groups, and to identify and potentially eliminate barriers.
Food insecurity	The inability to acquire or consume an adequate diet quality or sufficient quantity of food in socially acceptable ways, or the uncertainty that one will be able to do so.
Food security	A measure of the availability of healthy food and individuals' ability to access it.
Homophobia	Irrational fear of or prejudice against individuals who are or are perceived to be gay, lesbian, bisexual or other non-heterosexual individuals.
Inclusion	Eliminating relational sources of bias by ensuring that identity group status is unrelated to access to resources. Creating opportunities for diverse individuals to establish personalized cross-cutting ties and integrate ideas across boundaries in joint problem-solving.

Indigenous	Throughout this land, First Peoples represent many communities, languages, traditions, cultures and individuals. We have endeavoured to honour those communities and people by representing them throughout the document in the essence of the words we have chosen. We acknowledge that we could not effectively reference and carry the stories of all of this land’s First Peoples. The report is limited in using the broad definition of “Indigenous” to capture the unique beauty and nuance of these communities and people.
Individuals with lived expertise	People who have experienced or are currently living in poverty and are able to share their knowledge, thoughts and opinions to help inform the development of policies, procedures and programs.
Intergenerational poverty	Poverty experienced by several generations of the same family.
Intersectionality	The complex, cumulative way in which the effects of multiple forms of discrimination combine, overlap or intersect, especially in the experiences of marginalized individuals or groups.
Low-Income Measure	The Low-Income Measure defines low income as being below a fixed percentage of income. A household is considered low income if its income is below 50% of the median household income, adjusted to take into account the number of people in a household.
Marginalized population/group	A group of people that are excluded from full participation in society or have a feeling of being insignificant or unimportant.



Market Basket Measure (MBM)	A measure of low income based on the cost of a specific basket of goods and services representing a modest, basic standard of living. It includes the costs of food, clothing, footwear, transportation, shelter and other expenses for a reference family of two adults aged 25 to 49 and two children (aged 9 and 13).
Multi-dimensional poverty	A recognition that poverty is not simply a lack of income, but that it includes all of the consequences that come with lacking income, including poor health, unsafe housing conditions and lack of access to food.
Restraining orders and family protection orders	Orders issued from the family court system that say that an individual to whom a person is or was married (or a partner or former partner with whom they have lived) cannot do certain things, such as contact the person or come near them or their children. The orders are enforceable, and breach of them can result in criminal charges. The name used for these orders depends on the province.
Sexual orientation	How a person identifies to whom they are sexually and romantically attracted (for example, lesbian, gay, bisexual or heterosexual).
Social safety net	A collection of services and income supports provided by the state or other institutions to improve the lives of individuals and families experiencing—or at risk of experiencing—poverty.
Sole-caregiver (or lone-parent) family	Refers to a parent who is not married and does not have a partner, who is bringing up a child or children.
Stigma	Strong feelings of disapproval that most people in a society have about something and the group of people associated with that thing, especially when this disapproval is unfair.

Systemic barriers	Policies, practices or procedures that result in some people receiving unequal access or being excluded.
Transgender	A term used to describe people whose gender identity does not match with the sex they were assigned at birth. Transgender is also used as an umbrella term and can encompass those who identify as genderqueer, gender fluid and whose gender identities challenge gender norms.
Transphobia	Feelings of rage, hate and disapproval toward people who identify as transgender or non-binary. Transphobia can be manifested in numerous ways, such as verbally, emotionally and through physical attacks.

APPENDIX B

Organizations that participated in engagement sessions

The National Advisory Council on Poverty Secretariat monitored attendees in engagement sessions rooms. However, if your organizations is not listed, please reach out to EDSC.CCNP-NACP.ESDC@hrsdc-rhdcc.gc.ca to get it added to the report.

Alberta

- C5 North East Community Hub
- Calgary Catholic Immigration Society (CCIS)
- EndPovertyEdmonton
- Edmonton Social Planning Council

British Columbia

- Aboriginal Community Career Employment Services Society (ACCESS)
- Decoda Literacy Solutions
- Lu'ma Native Housing Society
- Native Education College
- Options Community Services
- RainCity Housing and Support Society
- Vancouver Poverty Advisory Committee

Manitoba

- Winnipeg Harvest
- Winnipeg Poverty Reduction Roundtable
- SEED Winnipeg

National

- ABC Life Literacy Canada
- Adoption Council of Canada
- Arrell Food Institute
- Assembly of First Nations (AFN)
- A Way Home
- Breakfast Club of Canada
- Canada Without Poverty
- Canadian Alliance to End Homelessness
- Canadian Council for Youth Prosperity
- Canadian Housing and Renewal Association (CHRA)
- Canadian Human Rights Commission
- Canadian Roots Exchange
- Canadian Urban Sustainability Practitioners
- Citizens for Public Justice
- Colour of Poverty – Colour of Change
- Community Food Centres Canada
- Community Foundations of Canada
- Council of Canadians with Disabilities
- Doctors Without Borders
- Disabled Women’s Network Canada
- Federation of Canadian Municipalities
- First Nations Child and Family Caring Society
- Food Banks Canada
- Food Secure Canada
- Frontier College
- Future Skills Centre – Ryerson University
- Habitat for Humanity Canada
- L’Arche Canada
- The Shift
- Maple Leaf Centre for Action on Food Security
- Maytree
- National Right to Housing Network
- Native Women’s Association of Canada (NWAC)
- Pathway to Possibilities (PTP)
- Pauktuutit Inuit Women of Canada
- Canadian Poverty Institute
- Raising the Roof



- Le Réseau pour le développement de l’alphabétisme et des compétences (RESDAC)
- Tamarack Institute
- Unicef Canada
- United Way Canada
- Veterans Emergency Transition Services (VETS) Canada
- Youth in Care Canada
- YWCA Canada

New Brunswick

- Ability NB
- Charlotte County Volunteer Centre
- Economic and Social Inclusion Corporation
- Kent Community Inclusion Network
- Literacy Coalition of New Brunswick
- Living SJ
- New Brunswick Health Council
- Saint John Human Development Council
- Saint John Learning Exchange
- Vibrant Communities Charlotte County

Newfoundland and Labrador

- Community Employment Collaboration
- Community Sector Council Newfoundland and Labrador
- United Way of Newfoundland and Labrador

Northwest Territories

- Alternatives North

Nova Scotia

- Immigrant Services Association of Nova Scotia (ISANS)
- Amherst Poverty Reduction Advisory Committee

Ontario

- 2-Spirited People of the 1st Nations
- 360 Kids
- The 519
- Aunties on the Road
- Black Health Alliance
- Black Legal Action Centre
- Blue Door Shelters
- Campaign 2000
- Coalition ontarienne de formation des adultes (COFA)
- Eva's Initiatives
- Income Security Advocacy Centre
- Kiikenomaga Kikenjigewen Employment & Training Services (KKETS)
- Leading in Colour
- Minwaashin Lodge
- Ottawa Chinese Community Service Centre
- PROOF
- Rainbow Health Ontario
- Sherbourne Health
- YMCA of Greater Toronto

Prince Edward Island

- PEI United Way



Quebec

- Baobab Familial
- Carrefour jeunesse-emploi de Vaudreuil-Soulanges
- CLSC de Parc-Extension
- Club Ami
- Collectif petite enfance
- Dans la rue
- Femmes du monde à Côte-des-Neiges
- Fondation Dr Julien
- Institut de recherche et d'informations socioéconomiques
- La Maison Bleue de Côte-des-Neiges
- La Maison Bleue de Parc-Extension
- MultiCaf
- Old Brewery Mission
- Organisation d'éducation et d'information logement (OEIL) de Côte-des-Neiges
- Project Genesis
- Table de quartier de Parc-Extension
- Western Quebec Literacy Council

Saskatchewan

- OUT Saskatoon
- PATHS Saskatchewan
- Saskatoon Food Bank
- SIGN
- Saskatoon Poverty Reduction Partnership
- United Way Saskatoon

Yukon

- Yukon Anti-Poverty Coalition

APPENDIX C

Progress on Government commitments and investments

Since the release of *Building Understanding*, the Government of Canada made a number of key proposals and commitments that would help address the recommendations below.

Targeted investments in food insecurity, housing and homelessness, literacy and numeracy, and the poverty gap

Government initiatives	Description
Emergency Food Security Fund and Local Food Infrastructure Fund	Budget 2021 invested \$140 million in 2021–22 to top up the Emergency Food Security Fund and Local Food Infrastructure Fund, which will prevent hunger, strengthen food security in our communities, and provide nutritious food to more Canadians.
Nutrition North Canada program	Budget 2021 invested \$163.4 million over three years, starting in 2021–22, to expand the Nutrition North Canada program and enable the Minister of Northern Affairs to work directly with Indigenous partners, including in Inuit Nunangat, to address food insecurity.
Rapid Housing Initiative	Budget 2021 invested an additional \$1.5 billion for the Rapid Housing Initiative in 2021–22 to address the urgent housing needs of vulnerable Canadians by providing them with adequate affordable housing in short order.
Affordable Housing Innovation Fund	Budget 2021 invested \$600 million over seven years, starting in 2021–22, to renew and expand the Affordable Housing Innovation Fund, which encourages new funding models and innovative building techniques in the affordable housing sector.
Canada Housing Benefit	Budget 2021 invested \$315.4 million over seven years, starting in 2021–22, through the Canada Housing Benefit, to increase direct financial assistance for low-income women and children fleeing violence to help with their rent payments.

Government initiatives	Description
Federal Community Housing Initiative	Budget 2021 invested \$118.2 million over seven years, starting in 2021–22, through the Federal Community Housing Initiative, to support community housing providers that deliver long-term housing to many of our most vulnerable.
National Housing Co-Investment Fund	Budget 2021 reallocated \$750 million in funding under the National Housing Co-Investment Fund, which is proposed to be advanced to 2021–22 and 2022–23.
National Housing Co-Investment Fund for women and children fleeing violence	Budget 2021 reallocated \$250 million in funding under the National Housing Co-Investment Fund, which will be allocated to support the construction, repair and operating costs of an estimated 560 units of transitional housing and shelter spaces for women and children fleeing violence.
Commitment to eliminate chronic homelessness	In the 2020 Throne Speech, the Government of Canada committed to completely eliminating chronic homelessness.
Reaching Home: Canada's Homelessness Strategy	<p>Since the beginning of the pandemic, the Government of Canada has made additional investments through Reaching Home to support the homeless-serving sector's response to COVID-19. This includes more than \$400 million in additional emergency funding in 2020–21 and \$299.4 million in 2021–22 to prevent the spread of COVID-19 and help prevent at-risk Canadians from becoming homeless.</p> <p>Budget 2021 invested an additional \$567 million over two years, beginning in 2022–23, for Reaching Home to ensure that the homeless-serving sector is able to continue serving those experiencing homelessness safely and to help prevent at-risk Canadians from becoming homeless as we emerge from the pandemic.</p>
Veteran homelessness	Budget 2021 invested \$44 million over two years, beginning in 2022–23, to pilot a program aimed at reducing veteran homelessness through the provision of rent supplements and wraparound services for homeless veterans.
Youth Employment and Skills Strategy	Budget 2021 invested \$109.3 million in 2022–23 for the Youth Employment and Skills Strategy to better meet the needs of vulnerable youth facing multiple barriers to employment.
Canada Summer Jobs	Budget 2021 invested \$371.8 million in new funding for Canada Summer Jobs in 2022–23 to support approximately 75,000 new job placements in the summer of 2022.

Government initiatives	Description
Apprenticeship Service	Budget 2021 invested \$470 million over three years, beginning in 2021–22, to Employment and Social Development Canada to establish a new Apprenticeship Service.
Skills for Success	Budget 2021 invested \$298 million over three years, beginning in 2021–22, through Employment and Social Development Canada, in a new Skills for Success program that would help Canadians at all skills levels improve their foundational and transferable skills.
Canada Student Grants	The Government intends to extend the \$1,600 adult learner top-up to the full-time Canada Student Grant for an additional two school years—until July 2023.
Canada Disability Benefit	In the 2020 Speech from the Throne, the Government proposed to bring forward a Disability Inclusion Plan, which will have a new Canada Disability Benefit (modelled after the Guaranteed Income Supplement for seniors), a robust employment strategy for Canadians with disabilities and a better process to determine eligibility for government disability programs and benefits.

Urgent actions toward Indigenous poverty reduction

Government initiatives	Description
Co-development of Indigenous indicators of poverty and well-being	The Government of Canada, through <i>Opportunity for All</i> , has committed to working with First Nations, Métis and Inuit to identify and co-develop indicators of poverty and well-being.
First Nations Data Governance Strategy	Budget 2021 invested \$73.5 million over three years to continue working toward the development and implementation of a First Nations Data Governance Strategy.
Aboriginal Entrepreneurship Program	Budget 2021 invested \$42 million over three years, starting in 2021–22, to expand the Aboriginal Entrepreneurship Program.

Government initiatives	Description
First Nations Child and Family Services program	<p>Budget 2021 invested \$1 billion over five years, starting in 2021–22, with \$118.7 million ongoing, to increase funding under the First Nations Child and Family Services program. Proposed funding will:</p> <ul style="list-style-type: none"> • provide increased support to First Nations communities not served by a delegated First Nations agency for prevention activities to help First Nations children and families stay together, within their communities through the Community Well-being and Jurisdiction Initiative; • continue to implement orders from the Canadian Human Rights Tribunal; and • permanently ensure that First Nations youth who reach the age of majority receive the supports that they need, for up to two additional years, to successfully transition to independence.
Infrastructure in Indigenous communities	<p>Budget 2021 proposed distinctions-based investments of \$6 billion over five years, starting in 2021–22, with \$388.9 million ongoing, to support infrastructure in Indigenous communities.</p>

Data disaggregation

Government initiatives	Description
Northern Market Basket Measure	<p>In January 2021, Statistics Canada proposed a Northern Market Basket Measure and its disposable income for the Northwest Territories and Yukon. The new methodology is intended to adjust the contents of the measure to reflect life in the North. In Nunavut, the process is ongoing and on a separate track.</p>
Gender identity in the 2021 Census	<p>Statistics Canada added more inclusive questions focused on gender to the 2021 Census. Previously, respondents were only able to select one of two options listed under gender: female or male. Transgender and non-binary identities had not been included in the Census until 2021.</p>
Race-based data in the Labour Force Survey	<p>Statistics Canada has started to collect race-based data in its Labour Force Survey to better understand the impacts of the COVID-19 pandemic on racialized persons.</p>
Data disaggregation plan	<p>In the 2020 Throne Speech, the Government of Canada committed to building a whole-of-federal-government approach around better collection of disaggregated data.</p>

Equity lens in policy development

Government initiatives	Description
Early learning and child care	Budget 2021 proposed to establish a Canada-wide early learning and child care system, targeting parents with young children, particularly mothers who often retain primary caregiving responsibilities. Budget 2021 also provides additional support to child care centres to improve physical accessibility to ensure that families with children with disabilities are able to find affordable and accessible child care spaces.
Access to supports for students and borrowers with disabilities	The Government has announced in Budget 2021 its intention to extend disability supports under the Canada Student Loans Program to recipients whose disabilities are persistent or prolonged, but not necessarily permanent.
Black-led Philanthropic Endowment Fund	Budget 2021 invested \$200 million in 2021–22 to Employment and Social Development Canada to establish a new Black-led Philanthropic Endowment Fund.
Canadian Race Relations Foundation	Budget 2021 invested \$11 million over two years, starting in 2021–22, to expand the impact of the Canadian Race Relations Foundation. This investment will allow the Canadian Race Relations Foundation to scale up efforts to empower racialized Canadians and help community groups combat racism in all its forms.
LGBTQ2 Secretariat	Budget 2021 invested \$7.1 million over three years, starting in 2021–22, to Canadian Heritage to continue to support the work of the LGBTQ2 Secretariat—which coordinates work across government—and enable the continued development of an LGBTQ2 Action Plan.

Accessible and adequate benefits

Government initiatives	Description
Old Age Security	Budget 2021 will provide a taxable grant payment of \$500 to Old Age Security pensioners who will be aged 75 or older as of June 2022.
Canada Workers Benefit	Budget 2021 will expand the Canada Workers Benefit to support about 1 million additional Canadians in low-wage jobs, helping them return to work and increasing benefits for Canada's most vulnerable.
Flexible access to Employment Insurance benefits	Budget 2021 invested a total of \$648 million on a cash basis to Employment and Social Development Canada and the Treasury Board Secretariat over the next seven years, starting in 2021–22, to continue implementing Benefit Delivery Modernization, to invest in Service Canada's information technology systems and related activities, and to support service delivery to Canadians going forward.
Employment Insurance sickness benefits	Budget 2021 invested \$3 billion over five years, starting in 2021–22, and \$966.9 million per year ongoing to enhance sickness benefits from 15 to 26 weeks, as previously committed to in the Minister of Employment, Workforce Development and Disability Inclusion's mandate letter.
Disability Tax Credit	<p>Budget 2021 will update the list of mental functions of everyday life that is used for assessment for the Disability Tax Credit. Using terms that are more clinically relevant will make assessment easier, reduce delays and improve access to benefits.</p> <p>Budget 2021 also proposed to recognize more activities in determining time spent on life-sustaining therapy and to reduce the minimum required frequency of therapy to qualify for the Disability Tax Credit. To ensure that these changes enable applicants to have a fair and proper assessment of their eligibility for the Disability Tax Credit, the Government will undertake a review of these changes in 2023.</p>
Toward a disability benefit	Budget 2021 invested \$11.9 million over three years, starting in 2021–22, to Employment and Social Development Canada to undertake consultations to reform the eligibility process for federal disability programs and benefits. This will help maximize the reach of these programs and improve the lives of Canadians living with disabilities. This work will feed directly into the design of a new disability benefit.

APPENDIX D

Data tables

TABLE 1 Poverty reduction rate by characteristics

Disaggregation	2015	2019	Reduction (%)
Sex			
Males	14.2%	9.8%	-31.0%
Females	14.8%	10.4%	-29.7%
Age group			
Children (aged 0 to 7)	16.4%	9.7%	-40.9%
Youth (aged 18 to 24)	22.3%	16.3%	-26.9%
Working age (aged 25 to 64)	14.6%	10.8%	-26.0%
Elderly (aged 65 and up)	7.0%	5.4%	-22.9%
Economic family type			
Single (aged 0 to 64)	39.0%	32.9%	-15.6%
Couple (no children/relatives)	9.9%	7.90%	-20.3%
Couple with children	11.8%	6.80%	-42.4%
Female sole-caregiver	36.6%	26.00%	-28.9%
Male sole-caregiver	18.3%	12.0%	-34.5%
Elderly single male (aged 65 and up)	17.8%	11.2%	-37.1%
Elderly single female (aged 65 and up)	16.6%	12.0%	-27.9%
Elderly couple (no children/relatives)	2.7%	2.40%	-10.5%
Disability (less than 65 years old)			
Vision disability	31.6%	18.0%	-43.2%
Hearing disability	26.4%	16.3%	-38.2%
Physical disability	27.8%	18.0%	-35.3%
Cognitive disability	35.2%	23.1%	-34.4%
Mental/psychological disability	34.0%	20.0%	-41.2%

Disaggregation	2015	2019	Reduction (%)
Immigrants			
0 to 4 years since landed	36.1%	22.8%	-36.7%
5 to 9 years since landed	23.0%	13.2%	-42.8%
10 to 19 years since landed	17.6%	12.8%	-27.4%
20 years or more since landed	10.6%	7.2%	-32.1%
Indigenous heritage			
First Nations	34.9%	22.1%	-36.7%
Inuit (small sampling)	23.9%	38.9%	62.7%
Métis	18.3%	13.1%	-28.4%

Source: Canadian Income Survey

TABLE 2 Summary of multi-dimensional poverty indicator trends

A. Dignity

Indicator	Reference period	Initial estimates	Latest estimates	Change (effect on poverty)	Data source
Deep income poverty (People with income below 75% of Canada's Official Poverty Line)	2015 to 2019	7.4%	5.0%	Decrease (positive)	Canadian Income Survey
Unmet housing needs (People who are in housing that is unaffordable, in need of major repairs, or unsuitable for the size and composition of the household)	2011 to 2016	12.5%	12.7%	Increase (negative)	Census
Chronic homelessness (People who experienced homelessness for at least six months over the past year or have recurrent experiences of homelessness over three or more years)	2016 to 2017	26,866	29,202	Increase (negative)	National Homelessness Information System

Indicator	Reference period	Initial estimates	Latest estimates	Change (effect on poverty)	Data source
Unmet health care needs (People 12 years and older who reported not receiving health care when they felt they needed it)	2000–01 to 2014	12.5%	11.2%	Decrease (positive)	Canadian Community Health Survey
Food insecurity (Households that reported food insecurity)	2011–12 to 2017–18	8.3%	8.7%	Increase (negative)	Canadian Community Health Survey

B. Opportunity and inclusion

Indicator	Reference period	Initial estimates	Latest estimates	Change (effect on poverty)	Data source
Relative low income (People who had less than half the median after-tax income)	2015 to 2019	14.2%	12.1%	Decrease (positive)	Canadian Income Survey
Bottom 40% income share (Percentage of total after-tax income that went to the bottom 40% of the income distribution)	2015 to 2019	20.2%	21.0%	Increase (positive)	Canadian Income Survey
Youth not in employment, education or training (People aged 15 to 24)	2015 to 2020	10.9%	11.7%	Increase (negative)	Labour Force Survey
Low literacy (Indicates limited ability in understanding, using, reflecting on and engaging with written text which enables basic participation in society – 15-year-olds)	2015 to 2018	10.7%	13.8%	Increase (negative)	Programme for International Student Assessment
Low numeracy (Indicates limited ability in communicating, using and interpreting mathematics in daily life – 15-year-olds)	2015 to 2018	14.4%	16.3%	Increase (negative)	Programme for International Student Assessment

C. Resilience and security

Indicator	Reference period	Initial estimates	Latest estimates	Change (effect on poverty)	Data source
Real median hourly wage^a (The real hourly wage at which half the population has a higher wage and half the population has a lower wage – 2020 constant dollars)	2015 to 2020	\$23.81	\$25.50	Increase (positive)	Labour Force Survey
Average poverty gap (For those living below the poverty line, the poverty gap ratio is the amount that the person's family disposable income is below the poverty line, expressed as a percentage of the poverty line)	2015 to 2019	31.8%	33.0%	Increase (negative)	Canadian Income Survey
Asset resilience (People who had enough savings to maintain well-being for three months)	2016 to 2019	66.6%	67.1%	Increase (positive)	Survey of Financial Security
Low income entry rates (Proportion of people who entered low income in the second year out of those who were not in low income in the first year)	2014–15 to 2016–17	4.1%	3.9%	Decrease (positive)	Longitudinal Administrative Databank
Low income exit rates (Proportion of people who exited low income in the second year out of those who were in low income in the first year)	2014–15 to 2016–17	27.5%	28.1%	Increase (positive)	Longitudinal Administrative Databank

^a The real median hourly wage is adjusted to inflation with the national Consumer Price Index.

TABLE 3 Labour market indicators by immigration status (aged 25 to 54), 2020

Immigration status	Sex	Participation rate	Employment rate	Unemployment rate
Immigrants, less than 5 years since landed	Males	89.3%	81.1%	9.1%
	Females	68.9%	58.1%	15.7%
Immigrants, 5 to 10 years since landed	Males	90.5%	83.7%	7.5%
	Females	74.7%	65.9%	11.8%
Immigrants, 10 or more years since landed	Males	90.9%	83.8%	7.8%
	Females	79.9%	72.2%	9.6%
Born in Canada	Males	90.3%	83.4%	7.6%
	Females	85.3%	79.9%	6.3%

Source: 2020 Labour Force Survey, table 14-10-0085-01

TABLE 4 Labour market indicators by immigration status and educational attainment (aged 25 to 54), 2020

Immigration status	Education attainment	Participation rate	Employment rate	Unemployment rate
Landed immigrants	No degree, certificate or diploma	62.8%	56.0%	11.0%
	High school graduate	75.7%	65.7%	13.1%
	High school graduate, some post-secondary	80.6%	70.3%	12.8%
	Post-secondary certificate or diploma	85.0%	76.9%	9.5%
	University degree	87.0%	79.8%	8.3%
Born in Canada	No degree, certificate or diploma	68.3%	59.0%	13.6%
	High school graduate	81.8%	73.9%	9.6%
	High school graduate, some post-secondary	81.3%	73.7%	9.4%
	Post-secondary certificate or diploma	90.0%	83.8%	6.9%
	University degree	93.4%	89.2%	4.6%

Source: 2020 Labour Force Survey, table 14-10-0087-01

TABLE 5 Labour market indicators by Indigenous status and educational attainment (aged 25 to 54), 2020

Indigenous Identity	Educational attainment	Participation rate	Employment rate	Unemployment rate
Indigenous population	Less than high school	55.1%	42.8%	22.3%
	High school graduate or some post-secondary	71.9%	62.2%	13.5%
	Completed post-secondary education	85.5%	77.5%	9.3%
Non-Indigenous population	Less than high school	67.3%	59.2%	12.1%
	High school graduate or some post-secondary	80.2%	71.8%	10.5%
	Completed post-secondary education	89.6%	83.5%	6.8%

Source: 2020 Labour Force Survey, table 14-10-0359-01