

*Ensuring Equal Opportunity of Prosperity
for African Canadians*
Recommendations for Poverty Eradication in
Ontario

African Canadian Legal Clinic

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In May 2009, the Legislative Assembly of Ontario unanimously passed the *Poverty Reduction Act, 2009*, S.O. 2009, c.10 [PRA].¹ The PRA outlines a long-term poverty reduction strategy for the province. It requires the government to consult at-risk groups and set a new poverty reduction target every five years. The government must report directly to the legislature on its progress. The PRA recognises that some groups are at greater risk of poverty than others. Racialised groups, including African Canadians, are among the most at risk. Official recognition of this fact is, of course, very welcome, but recognition alone will not solve the problem. This submission focuses primarily on the African Canadian community, and consists of three parts. In the first, it will discuss the current situation. In the second, it will analyse how, if at all, the situation has changed since 2009. In the third, it will make specific poverty reduction proposals, focusing on African Canadians.

PART I - The Reality of Poverty for African Canadians

“Canada’s Creeping Economic Apartheid”, by Grace-Edward Galabuzi, was published by the Centre for Social Justice in 2001, but it remains relevant. It is, broadly, a report on economic inequality in Canada. More narrowly, it is an analysis of the increasing racialisation of that inequality. Galabuzi, a professor at Ryerson University, argues that, “while Canada embraces globalisation and romanticizes cultural diversity,” the racialisation of inequality “is proceeding with minimal public and policy attention,

¹ Greg deGroot-Magetti and Sarah Blackstock, “Activists strengthen anti-poverty legislation,” *Toronto Star* (May 7, 2009), online: <http://www.thestar.com/opinion/2009/05/07/activists_strengthen_antipoverty_legislation.html>.

despite the dire implications for Canadian society.”² The statistical reality in 2001 was indeed alarming. For example, there was a consistent double-digit gap between the before- and after-tax income of racialised Canadians and that of non-racialised Canadians (an average of 24% and 20%, respectively).³ Galabuzi provides many such statistics, all of which serve to reinforce this thesis that the gap between the rich and the poor is both growing and increasingly racialised. It is notable that, in 2001, Galabuzi was able to use relatively recent data collected by federal agencies.⁴ This is no longer possible, as the current federal government’s hostility to disaggregated data collection has seen the relevant agencies either gutted (Statistics Canada being the obvious example) or abolished outright.⁵ This is a problem to which this report will return.

Officially, the poverty rate in Ontario is approximately 12%, although there are competing definitions of poverty and disagreements on how it should be quantified.⁶ At one end of the spectrum, a 2008 report by the Fraser Institute argues that the poverty rate has been declining consistently since 1973 and is currently at approximately 5% nationally.⁷ At the other, the Canadian Council on Social Development argues that the poverty rate is normally much higher than the official figure, noting, for example, that

² Grace-Edward Galabuzi, *Canada’s Creeping Economic Apartheid: The Economic Segregation and Social Marginalisation of Racialised Groups* (Toronto: CSJ Foundation for Education and Research, 2001), online: <<http://www.socialjustice.org/pdfs/economicapartheid.pdf>> at 3.

³ *Ibid.* at 6.

⁴ *Ibid.* at 4.

⁵ Miles Corak, “Statistics Canada cuts data short: another longitudinal survey is cancelled,” *Economics for Public Policy* (June 18, 2012), online: <<http://milesorak.com/2012/06/18/statistics-canada-cuts-long-data-short-another-longitudinal-survey-is-cancelled/>>.

⁶ Shanti Fernando and Benjamin Earle, “Linking Poverty Reduction and Economic Recovery: Supporting Community Responses to Austerity in Ontario” *Canadian Review of Social Policy* (2011: 65-66) at 34..

⁷ *Ibid.*

use of homeless shelters by families increased by 16.2% between 2004 and 2008 (use by children increased by 30% in the same period, and the child poverty rate is normally higher than the overall rate).⁸ Shanti Fernando and Benjamin Earle (2011) argue that, with every successive economic downturn, public and private support for those in poverty has decreased. The severity of the recession that began in late 2008 only exacerbated the problem. This trend, they argue, is indicative of a change in public discourse regarding poverty. More specifically, poverty has become more stigmatised in recent decades.⁹

Much of Fernando's and Earle's criticism is directed at the successive Progressive Conservative governments of Mike Harris and Ernie Eves (1995-2002). While this critique is well-established, Fernando and Earle focus on how the Harris and Eves governments affected how poverty is perceived and discussed in Ontario. "The discourses of poverty", they write, "have moved from the positive claim of poverty elimination as a social justice issue to rendering poverty an inevitable fact of life. Those living in poverty are now characterized as problems rather than Canadians in need of support and solutions."¹⁰ The authors note in conclusion that the election of a Liberal government in 2003 did not precipitate a reversal of this trend, as the recession demonstrated. Despite offering mild praise of the current government, they question

⁸ *Ibid.*

⁹ *Ibid.* at 35.

¹⁰ *Ibid.*

“why economic stimulus for business is considered economically important but addressing poverty directly is not.”¹¹

The situation of African Canadians in Ontario is invariably worse than that of non-racialised individuals. It is often worse than that of other racialised individuals as well. In Toronto, two-thirds of African Canadian families live below the poverty line. For white families, the figure is 10%. Nationally, 40% of African Canadians (as distinct from families) live below the poverty line. The figure for white Canadians is generally 10%; for some white groups, it is as low as 5%.¹² These figures are from a report published in 2006 by the Institute for Social Research at York University. It is highly improbable that the situation has improved in the last seven years. In fact, it has likely deteriorated. The author of the report, Michael Ornstein, writes that there is no reason “to think that the magnitude of these ... differences [between racialised and non-racialised groups] is decreasing. Quite the opposite, as the population from non-European groups has increased from about four percent in 1971 to about forty percent in 2001, the income differences between the [racial] categories have increased.”¹³

Unemployment among African Canadians is 74% higher than the national unemployment rate. Additionally, an African Canadian worker can be expected to earn 75.6¢ for every dollar earned by a non-racialised worker. It should be noted that this disparity exists for both Canadian- and foreign-born African Canadians and thus

¹¹ *Ibid.*

¹² Michael Ornstein, *Ethno-Racial Groups in Toronto, 1971-2001: A Demographic and Socio-Economic Profile* (Toronto: Institute for Social Research, 2006), online: <http://www.isr.yorku.ca/download/Ornstein--Ethno-Racial_Groups_in_Toronto_1971-2001.pdf> at 80.

¹³ *Ibid.*

cannot be construed as a problem faced only by immigrants.¹⁴ Indeed, the evidence of widespread discrimination against African Canadians by potential employers is overwhelming, and the causal link between unemployment and poverty does not require explanation. While the federal *Employment Equity Act* has been in existence since 1995 and applies to all public and private sector employers who employ one hundred or more employees on or in connection with a federal work, undertaking or business, Ontario's 1993 *Employment Equity Act* was repealed after only two years. The Federal Contractors Program, a twenty-five-year-old program intended to promote employment equity by requiring businesses to comply with the federal *Employment Equity Act* in order to bid for federal contracts worth at least \$200,000, was abolished last year.¹⁵

In 2013, Canada was assessed by the United Nations Human Rights Council (HRC) as part of the Universal Periodic Review (UPR) program. Under the program, which began in 2008, every member of the United Nations is assessed on a semi-regular basis, with sixteen members being assessed every year. While it is the case that Canada has a relatively better record on human rights than, for example, Iran, Canada is certainly not above reproach. The HRC Working Group report on Canada was published in April and includes many country recommendations, of which the following are relevant here:

¹⁴ African Canadian Legal Clinic, *Submissions to the UN Universal Periodic Review on Canada – October 2012* (Toronto: African Canadian Legal Clinic, 2012) at 3.

¹⁵ *Ibid.*

- 128.52 [Canada should continue] to strengthen measures to eliminate racial profiling, especially in law enforcement and racial discrimination in employment (Botswana);
- 128.53 [Canada should continue] to address the problems relating to minority groups including Aboriginal peoples, Metis [*sic*] and African Canadians, as identified in the first cycle of the UPR (Sierra Leone);
- 128.55 [Canada should] take the necessary measures to ensure that minorities have access to employment (Argentina);¹⁶
- 128.124 [Canada should] develop a national strategy to combat poverty (Russian Federation)/Develop a national strategy aimed at eliminating poverty and homelessness (Cuba)/Develop plans or strategies to address homelessness and poverty (Egypt)/Develop comprehensive national strategies to address homelessness and poverty (Sri Lanka);
- 128.125 Having in mind the growing number of cases of people who have resorted to food banks, [Canada should] elaborate a national plan on food security with a view to the realization of the universal human right to food (Brazil);
- 128.126 [Canada should further] enhance its efforts in social protection and security for people living in poverty, such as considering formulating the necessary poverty alleviation and homelessness strategies (Malaysia);
- 128.127 [Canada should] reinforce policies and programmes developed to address poverty, homelessness, food insecurity as well as access to quality health-care services and education, with special focus on the most disadvantaged groups, such as Aboriginal peoples (Slovakia); [.]¹⁷

¹⁶ Working Group of the Universal Periodic Review, *Report of the Working Group of the Universal Periodic Review: Canada* (Geneva: United Nations Human Rights Council, 2013), online: <<http://www.refworld.org/docid/52271e254.html>> at 17.

¹⁷ *Ibid.* at 22.

A number of countries expressed concern at the “unequal treatment of people of colour, including Asian-Canadian and African-Canadian communities.”¹⁸ As can be seen from the recommendations, many countries were perplexed by the absence of a national poverty reduction strategy, as opposed to the patchwork of provincial and municipal programs that constitute the status quo.¹⁹ It is tempting to dismiss this criticism as ignorant of Canadian federalism, but the international community clearly believes that Canada needs a national strategy, which is something that the Ontario government should press the federal government to consider.

A domestic report on poverty in Canada, published by the National Council on Welfare (NCW)²⁰ in 2010 provides yet more evidence in support of what has already been said. In Toronto, the number of racialised families living in poverty rose by 362% from 1980 to 2000. For reference, the population of Toronto grew by only 219% in the same period.²¹ In 2006 – the last year in which the long-form census was distributed – there were 1.1 million racialised Canadians living in poverty. They accounted for 32% of

¹⁸ *Ibid.*

¹⁹ *Ibid.*

²⁰ The NCW, like the Federal Contracts Program, was abolished in 2012. As the *Toronto Star* wrote at the time, “[the NCW] gave non-profit groups the facts they needed to speak credibly about hardship in a land of plenty. It tracked the emergence and growth of a crack in society between the comfortably well-off and the struggling. And it brought together social policy thinkers to find solutions to poverty – or at least keep the debate alive. Now it’s gone.” Carol Goar, “Harper throws National Council on Welfare on the scrap heap,” *The Toronto Star* (April 12, 2012), online: <http://www.thestar.com/opinion/editorialopinion/2012/04/12/harper_throws_national_council_of_welfare_on_the_scrap_heap.html>.

²¹ National Council on Welfare, *Poverty Profile: Special Edition – A Snapshot of Racialized Poverty in Canada* (Ottawa: National Council on Welfare, 2011), online: <http://publications.gc.ca/collections/collection_2012/cnb-ncw/HS51-2-2012S-eng.pdf> at 1.

all people living in poverty and yet only 4% of the total population.²² Eighteen percent (18%) of racialised Canadians living in poverty self identified as 'Black'²³, accounting for 5.8% of all people living in poverty, yet only 2.5% of the total Canadian population self identified as 'Black' in the 2006 census.²⁴ Given this disparity, it should be cause for concern that, in twenty years, racialised Canadians will account for as much as two-thirds of the total population. If racialised Canadians are disproportionately impoverished now, absent targeted initiatives to eliminate the disparity there is no reason to believe that the situation will improve as the Canadian population becomes more racialised in the decades ahead.

Statistics Canada recently released the 2011 National Household Survey (NHS), the Federal government's replacement of the long-form census, measuring population and sociocultural statistics based on private households (ie. excluding individuals who were institutionalized) in 2010. According to the NHS, Ontario's population in 2010 was roughly 12.7 million, and individuals who self-identified as "Black" comprise 4.3% of this population.²⁵ While approximately four percent (3.8%) of Ontario's population in 2010 aged 15 years and over was Black, and 34.1% of this group worked full time for

²² *Ibid.* at 2.

²³ *Ibid.* at 7.

²⁴ Statistics Canada, *Visible Minority Groups, 2006 counts*, online: <<http://www12.statcan.ca/census-recensement/2006/dp-pd/hlt/97-562/pages/page.cfm?Lang=E&Geo=PR&Code=01&Table=1&Data=Count&StartRec=1&Sort=2&Display=Page>>.

²⁵ Statistics Canada, *2011 National Household Survey: Data tables (Income and Housing)*, online: <<http://www12.statcan.gc.ca/nhs-enm/2011/dp-pd/dt-td/Lp-eng.cfm?LANG=E&APATH=3&DETAIL=0&DIM=0&FL=A&FREE=0&GC=0&GID=0&GK=0&GRP=0&PID=0&PRID=0&PTYPE=105277&S=0&SHOWALL=0&SUB=0&Temporal=2013&THEME=98&VID=0&VNAMEE=&VNAMEF=>>>.

the full year in 2010, 73.2% of Ontario's population in 2010 aged 15 years and over was White (ie. individuals who did not self-identify as either 'visible minority'²⁶ or 'Aboriginal identity'²⁷) and 38.0% of this population worked full time for the full year in 2010. Despite having similar levels of full time employment, 25.1% of Black Ontarians had incomes below the "after-tax low-income measure (LIM-AT)" while only 11.3% of White (non visible minority/Aboriginal identity) Ontarians had incomes below the LIM-AT.²⁸ In 2010 the LIM-AT threshold for a single person was \$19,460, for a two-person household was \$27,521, and for a four-person household was \$38,920. Unfortunately, this is not comparable to the low-income cut-off (LICO) historically used by Statistics Canada, and therefore cannot be compared to previous Census data or analyses (just one of several serious limitations of the NHS).²⁹

Out of all sources of income, Ontario's Black population received 6.1% of its income from "other government" sources (including social assistance, workers' compensation and refundable tax credits), compared to 3.0% for Ontario's non-visible minority population.³⁰ For Whites the actual percentage income from "other government" sources is likely somewhat lower, as the "non-visible minority" figure

²⁶ Defined in the *Employment Equity Act* as "persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in colour" and in the NHS includes South Asian, Chinese, Black, Filipino, Latin American, Arab, Southeast Asian, West Asian, Korean, Japanese and "not included elsewhere".

²⁷ Including persons who self-identify as First Nations, Métis or Inuk (Inuit) and/or those who reported Registered or Treaty Indian status.

²⁸ *Supra* note 25.

²⁹ Statistics Canada, *NHS in Brief: Persons living in low-income neighbourhoods*, Catalogue no. 99-014-X2011003, online: <http://www12.statcan.gc.ca/nhs-enm/2011/as-sa/99-014-x/99-014-x2011003_3-eng.pdf> at 3 and 9.

³⁰ *Supra* note 25.

includes 'Aboriginal identity', and this group by itself receives 8.4% of its total income from "other government" sources.³¹ In 2011 there were 719,935 racialised Ontarians identified as having 'low income', accounting for 41.2% of all low income Ontarians and yet only 5.7% of the total population.³² Almost nineteen percent (18.8%) of racialised Ontarians living in poverty self identified as 'Black'³³, accounting for 7.7% of all low income Ontarians, yet as noted above only 4.3% of the total Ontario population self identified as 'Black' in the 2011 National Household Survey.

Statistics Canada has released an analysis of 'low-income neighbourhoods' in Canada as determined using the NHS 2011 data. A 'low-income neighbourhood' is defined as one in which thirty percent (30%) or more persons in a 'census tract' had income below the LIM-AT, and a 'very low-income neighbourhood' is defined as one in which forty percent (40%) or more persons had income below the LIM-AT.³⁴ According to the NHS, in Toronto in 2010, Blacks represented 7.2% of the population and Whites represented 52.3% of the population. The NHS data shows that 12.9% of Toronto's Black population lives in low-income neighbourhoods (4.2% in very low-income), while 3.8% of Toronto's White (non-visible minority/non-Aboriginal identity) population lives in low-income neighbourhoods (0.62% in very low income). With respect to the racial composition of Toronto's low-income neighbourhoods, Blacks are 14.4% of the

³¹ The NHS disaggregates data by 'visible minority' status and by 'Aboriginal identity' status (see notes 26 and 27, *supra*), but does not disaggregate the 'non-visible minority' status, which includes 'Aboriginal identity'. Therefore, unless raw data is provided, accurate figures relating to the White/Caucasian population cannot be isolated from the 'non-visible minority' computations/analyses.

³² *Supra* note 25.

³³ *Ibid.*

³⁴ *Supra* note 29 at 4.

population living in Toronto's low-income neighbourhoods, and 20.5% of the population living in very low-income neighbourhoods.³⁵

In terms of poverty trends in Toronto, research by J. David Hulchanski at the University of Toronto shows that Toronto's low-income neighbourhoods have increased substantially between 1970 and 2005 (based on Statistics Canada census data). Hulchanski divides Toronto into three sub-cities based on neighbourhood incomes relative to the Toronto Census Metropolitan Area (CMA) average, and finds that these three groups of neighbourhoods are changing at different rates and moving further apart, showing a consistent trend over time.³⁶ Hulchanski defines "City #1" as a predominantly high-income area generally found in the central city and close to the subway lines. "City #2" is a mainly middle-income area, while "City #3" is a generally low-income area mostly in the northeastern and northwestern parts of Toronto with relatively poor access to transit and services.³⁷

Over the 35-year period studied, individual incomes in City #1 increased by 20% or more. In City #2 incomes increased or decreased by less than 20%, and in City #3 incomes decreased by 20% or more.³⁸ City #1 is 82% White whereas only 34% of City #3's population is White. In City #3 the number of immigrants increased dramatically over the 35-year period from 31% of the population in 1970 to 61% in 2006. Forty-seven

³⁵ *Supra* note 25.

³⁶ J. David Hulchanski, *The Three Cities Within Toronto: Income Polarization among Toronto's Neighbourhoods, 1970 – 2005*, (Toronto: Cities Centre Press, University of Toronto, 2010), online: <<http://www.urbancentre.utoronto.ca/pdfs/curp/tnrn/Three-Cities-Within-Toronto-2010-Final.pdf>> at 1.

³⁷ *Ibid.*

³⁸ *Ibid.* at 6.

percent (47%) of City #3 are Black, Chinese or South Asian, compared to only 11% of City #1.³⁹ The proportion of the Black population in each of the three cities remained stable between 1996 and 2006 (the last year for which data is analysed), with City #1 being 2% Black, City #2 being 6% Black, and City #3 being 12% Black.⁴⁰ City #3 has the highest proportion of persons in households with incomes below the Statistics Canada LICO level,⁴¹ and includes the 13 so-called “priority neighbourhoods”.⁴² Households with income of \$20,000 or less increased in City #3 from 9% in 1970 to 21% in 2005. The average household after-tax income in 2005 was \$51,100 in City #3, \$58,900 in City #2, and \$119,600 in City #1. Average individual after-tax incomes (which includes pension, social assistance, investment and employment income) in 2005 were \$23,200 in City #3, \$29,500 in City #2, and \$62,000 in City #3.⁴³

Hulchanski claims that, if nothing is done to change the current trends, by 2025 City #3 will comprise 59% of Toronto’s neighbourhoods, an increase from 40% in 2005. He notes however that this segregation of the city by socioeconomic status is not inevitable, and measure such as income support programs that keep up with inflation and are based on cost of living, in addition to improving access to transit for neighbourhoods outside of the city’s core and neighbourhood renewal initiatives, can address inequality so that the trend is slowed, and even reversed.⁴⁴

³⁹ *Ibid.* at 11.

⁴⁰ *Ibid.* at 20.

⁴¹ *Ibid.* at 12.

⁴² *Ibid.* at 21.

⁴³ *Ibid.* at 22 and 24.

⁴⁴ *Ibid.* at 21 and 26.

PART II – Limited Measures of Success

Canada Without Poverty (CWP), one of Canada's most prominent anti-poverty organisations, has followed the implementation of Ontario's poverty reduction strategy more closely than most. Last year, it published a progress report. It noted that the strategy focused on child poverty, and, as such child poverty fell from 15.2% in 2008 to 14.6% in 2009—a modest success.⁴⁵ However, the poverty rate among adults rose faster in Ontario than in any other jurisdiction in Canada (it rose by 19.6% from 2007 to 2009).⁴⁶ While the CWP provides a great deal of information on how the *Poverty Reduction Act* strategy has been implemented, it is more or less silent on the specific situation of racialised communities. However, it does summarise some of the main criticisms of the *PRA* strategy, one of which is that the strategy's focus on child poverty is misguided.⁴⁷

As simple as it sounds, everyone has children, but not all children are equally at risk of poverty. While a modest success has been made in reducing overall child poverty, the situation has not changed and may in fact have become worse for African Canadian children due to the intersectionality of factors that contribute to their poverty. African Canadian youth are disproportionately represented in outcomes that can be

⁴⁵ Canada Without Poverty, *Ontario Poverty Progress Profile* (Ottawa: Canada Without Poverty, 2012), online: <<http://www.cwp-csp.ca/wp-content/uploads/2012/05/Ontario-Poverty-Progress-Profile-FINAL-May-2012.pdf>> at 4.

⁴⁶ *Ibid.*

⁴⁷ *Ibid.* at 5.

linked to the experience of poverty, including overrepresentation in the criminal justice system⁴⁸, higher drop-out rates⁴⁹ and higher unemployment.⁵⁰

A second criticism is that neither the *PRA* nor the strategy as implemented discuss poverty in the language of human rights, nor do they make reference to the various multilateral human rights treaties by which Canada and Ontario are bound, such as the 1966 *International Covenant on Economic, Social and Cultural Rights*.⁵¹ This is more than rhetorical objection. Rather, it is an implicit criticism of how the discourse on poverty has changed in the last two decades, a phenomenon discussed by Fernando and Earle above. The critics of the *PRA* strategy have a point. If poverty is understood as a natural condition and not as a violation of human rights, there will be no moral impetus to eliminate it. Regardless, the CWP concludes that, despite its silence on specific at-risk groups, "Ontario's [poverty action plan] is a positive step towards addressing poverty and has demonstrated initial results in reducing child poverty ...

⁴⁸ There are, proportionally, four times more African Canadian boys in the young male jail population than what they represent in the general young male population. Source: Jim Rankin and Patty Winsa, "Unequal justice: Aboriginal and black inmates disproportionately fill Ontario jails" *Toronto Star* (March 1, 2013), online: <http://www.thestar.com/news/insight/2013/03/01/unequal_justice_aboriginal_and_black_inmates_disproportionately_fill_ontario_jails.html>.

⁴⁹ Recent research done by the Toronto District School Board found a 40 per cent drop-out rate among African Canadian students, significantly higher than the average drop-out rate which is approximately 25 per cent. Source: Madhavi Acharya and Tom Yew, "Waiting for Superman: A Warning for Canada" *Toronto Star* (September 12, 2010), online: <www.thestar.com/printarticle/859942>.

⁵⁰ Youth unemployment in Ontario is at 17.1%. Young African Canadians have the second highest rate of unemployment at 21.2%. Source: Greater Toronto Civic Action Alliance, *Fast Facts: Barriers to Youth Employment* (June 18, 2013), online: <http://www.civicaaction.ca/sites/default/files/Youth_FastFacts_Approved_0.pdf>.

⁵¹ *Supra* note 45 at 5.

Time will tell whether the government remains committed to the goal and actions set out in the [poverty action plan].”⁵²

PART III - Recommendations

Recommendation 1: Enhance and Enforce Protections for African Canadians and Other Vulnerable Workers and Invest in Funding for Targeted Job Skills Programs

It should be clear from the above discussion that, while the *Poverty Reduction Act* was a step in the right direction, there is still much more to be done. That African Canadians are disproportionately impoverished is not itself evidence of racial discrimination. What is evidence of the racialisation of poverty is the fact that, as stated above, African Canadians earn 25% less than non-racialised Canadians regardless of place of birth (meaning that native-born African Canadians do no better than foreign-born African Canadians).⁵³ In 2005, racialised women earned 53.4 cents for every dollar earned by non-racialised men.⁵⁴ When race is the only constant, discrimination is the only possible explanation.

Stable employment is the best solution to poverty, but systemic discrimination prevents African Canadians from accessing and maintaining stable employment. Access to full-time, full-year employment is one of the barriers that racialised workers face in the labour market, and these differences in access to employment and in

⁵² *Supra* note 45 at 7.

⁵³ *Supra* note 14 at 3.

⁵⁴ Mary Cornish, *A Living Wage As a Human Right*, Canadian Centre for Policy Alternatives (October 2012), online:

<<http://www.policyalternatives.ca/sites/default/files/uploads/publications/Ontario%20Office/2012/10/Living%20Wage%20as%20a%20Human%20Right.pdf>> at 7.

employment incomes are in turn reflected in higher poverty rates for racialised Ontarians.⁵⁵

Employment Equity

Employment equity is, at its core, about fairness in access to employment opportunities for qualified workers. Discrimination in employment is already prohibited by the Ontario *Human Rights Code*, however enforcement of the *Code* is reactive and individual-driven. In contrast, employment equity legislation is a proactive government-driven enforcement mechanism to systematically identify and remove barriers that keep vulnerable workers, including women, persons with disabilities and racialised groups from reaching their full potential in the workforce. Employment equity is about transparency and accountability in hiring and promotion practices with the ultimate goal of equitable, diverse and inclusive workplaces. It allows employers to set reasonable targets based on the reality of their business, including the availability of qualified workers. Placing the burden on vulnerable workers to enforce their right to fairness in access to the workplace is an inefficient and haphazard approach that does very little to meet the government's international legal obligations of ensuring equality of opportunity and treatment in employment and occupation for all workers, including those who are disadvantaged on the basis of gender, race, colour, indigenous status, religion, disability, political opinion, national

⁵⁵ Sheila Block, *Ontario's Growing Gap, The Role of Race and Gender*, Canadian Centre for Policy Alternatives (June 2010), online:

<<http://www.policyalternatives.ca/sites/default/files/uploads/publications/reports/docs/The%20Role%20of%20Race%20Ontario%20Growing%20Gap.pdf>> at 7 and 9.

extraction or social origin.⁵⁶ Accordingly, the ACLC calls on the provincial government to enhance and enforce protections for vulnerable workers through re-implementing employment equity.

Job Skills Training

In addition to expressing hope for the sustained commitment of all levels of government, the *Poverty Reduction Act* speaks of the importance of non-profit, charitable and voluntary organizations in strengthening the communities they serve and making a positive contribution to the economy by delivering the programs and services that matter to people. Unfortunately, the federal government's commitment has been minimal to non-existent, a problem to which this report has alluded multiple times. In addition to abolishing the National Council on Welfare as noted above (footnote 20), the federal government, in a single omnibus bill – Bill C-38 – eliminated many of the public resources on which non-profit, charitable and voluntary organisations like the ACLC had relied. It follows that the province should compensate for the damage done to the so-called 'third sector' by the federal government. Simply put, the ACLC calls on the provincial government to invest in the funding that service-providers need to effectively develop and deliver dedicated and sustained job skills programs to racialised

⁵⁶ *Universal Declaration of Human Rights*, Articles 2, 7, 23; International Labor Organisation (ILO) *Discrimination (Employment and Occupation) Convention* (No. 111), Articles 1, 2, 3(b); ILO *Employment Policy Convention* (No. 122), Article 2(c); ILO *Declaration on Fundamental Principles and Rights at Work*, Preamble, Article 1(b); *International Covenant on Economic, Social and Cultural Rights*, Articles 2, 7; *International Covenant on Civil and Political Rights*, Article 26; ; *International Convention on the Elimination of all Forms of Racial Discrimination*, Articles 2, 4, 5(e)(i); *Convention on the Elimination of Discrimination Against Women*, Articles 2(b),(f), 11(1)(b); *Durban Programme of Action on Racism, Racial Discrimination, Xenophobia and Related Intolerance (Durban Programme)*, Articles 48, 66; *Declaration on the Rights of Disabled Persons*, Articles 6, 7.

workers (particularly at-risk youth) and other vulnerable groups who face barriers in the labour market that contribute to a heightened risk of poverty.

Recommendation 2: Develop a Living Wage

Much of the recent advocacy around measures to promote sustainable employment and reduce poverty is focused on an increase in the minimum wage. The ACLC however believes that an incremental increase in the minimum wage, even when indexed to cost of living, is simply a stop-gap measure that barely ensures subsistence living and does very little to effectively lift people out of poverty.

Mackenzie and Stanford noted in 2008 that “even after the increase in Ontario’s minimum wage to \$10.25 by 2010, someone working full-time year-round will earn about \$20,000 per year – not even enough (after tax) for a single person in an urban area to reach the rock-bottom standard of living envisioned by Statistics Canada’s low income cutoff measure”.⁵⁷ Instead, a living wage that allows individuals not just to barely survive but treats them with dignity and decency by allowing them to escape poverty and participate fully in society is a crucial part of any broader poverty reduction strategy.

The ACLC endorses the concept of a living wage, which allows individuals to enjoy critical aspects of social inclusion such as culture and entertainment, engage in recreational activities, raise healthy children and give them every opportunity to

⁵⁷ Hugh Mackenzie and Jim Stanford, *A Living Wage for Toronto*, Canadian Centre for Policy Alternatives (November 2008), online: <http://www.policyalternatives.ca/sites/default/files/uploads/publications/Ontario_Office_Pubs/2008/A_Living_Wage_for_Toronto.pdf> at 11.

participate in and in turn contribute to society, in addition to providing more income security for food and other basic needs.⁵⁸

The concept of a living wage is broader than the level of pay that workers receive from their employers, and also envisions tax and social policy measures such as health and child care which contribute to an individual's ability to participate in the labour market.⁵⁹ Research on jurisdictions that have implemented a living wage shows that employee productivity improves and absenteeism declines, and the local economy also improves as employees who earn more are able to spend more on goods and services.⁶⁰

A living wage takes into account the expenditures that a family needs to support full participation in society in addition to other government programs and sources of income such as the Child Tax Benefit, and government deductions from wages, and then determines the hourly rate of pay required for a person working full-time, full-year to maintain these expenditures. It is not a calculation that can be done once and then indexed to the cost of living, but rather must evolve as society's expectation of a decent standard of living evolves.⁶¹

Mackenzie and Stanford calculated a living wage for a family of four (two adults, one child in daycare and one older child) in Toronto in 2008 using the following: Toronto Board of Health's Nutritious Food Basket cost for the food budget; Human

⁵⁸ *Ibid.* at 7-8.

⁵⁹ *Ibid.* at 7.

⁶⁰ Alex Johnstone and Tom Cooper, *It Pays To Pay A Living Wage*, Canadian Centre for Policy Alternatives (May 2013), online: <<http://www.policyalternatives.ca/publications/monitor/it-pays-pay-living-wage>> at 2.

⁶¹ *Supra* note 56 at 11.

Resources Development Canada's (HRSDC) Market Basket Measure (MBM) of low-income adequacy (adjusted for inflation) for the clothing and footwear budget; the Consumer Price Index for the Toronto Census Metropolitan area for the housing (rent) budget; Bell Canada packages for the communications (phone, internet, cable TV) budget; Blue Cross quoted rates for basic drug and dental coverage plus over-the-counter costs for the health budget; the cost of operating one car and the cost of one transit pass for the transportation budget; the average annual cost estimated for a two-child (three years apart) family over its entire life-cycle for child care (contingent on the availability of the City of Toronto child care subsidy, which is difficult to obtain); the HRSDC "other goods and services" basket for expenditures on personal care, household needs, furniture (excluding the items included under shelter), postage stamps, religious and charitable donations, school supplies and modest levels of reading material, recreation and entertainment; a continuing skills/professional development cost; the cost of a "very modest" two-week family vacation; and a contingency amount equal to 4% of total expenses to allow for emergencies and unanticipated costs such as periods of lost wages and a minimal level of saving. Mackenzie and Stanford note that their resulting living wage of \$16.60 per hour (per adult), based on a total annual family after-tax disposable income of \$57,400 required for these basic expenditures, allows for "only a very basic" standard of living. They

further note that, “without subsidized child care, the wage corresponding to living costs for this family would jump to \$22.45, well above the living wage [of \$16.60].”⁶²

It is clear from this calculation, based on 2008 costs, that simply raising the minimum wage in Ontario to \$14 per hour is not going to do much to achieve the government’s goal of poverty reduction. The ACLC recommends that, if the Ontario government is serious about eliminating poverty, it develop a realistic living wage along with social programs and supports (such as broader based child care subsidies) that will actually be effective in providing for the basic needs of Ontario families.

Recommendation 3: Collect Disaggregated, Race-Based Data

The ACLC has long sought to make the collection of disaggregated, race-based data a matter of policy. The Ontario Human Rights Commission has declared proper data collection to be “necessary for effectively monitoring discrimination, identifying and removing systemic barriers, ameliorating historical disadvantages and promoting substantive equality.”⁶³ It has even suggested that, if there is evidence of racial discrimination, failure to collect disaggregated, race-based data could constitute a violation of the Ontario *Human Rights Code*.⁶⁴

At best, the federal government does not understand the necessity of data. At worst, it is actively opposed to the collection of data, for whatever reason. The abolition

⁶² *Ibid.* at 10-23.

⁶³ Ontario Human Rights Commission, *Policy and guidelines on racism and racial discrimination* (June 9, 2005), online: <http://www.ohrc.on.ca/sites/default/files/attachments/Policy_and_guidelines_on_racism_and_racial_discrimination.pdf> (accessed September 9, 2013).

⁶⁴ *Ibid.*

of the long-form census in 2011 was, in every conceivable respect, a disaster. The Canadian Sociological Association wrote at the time:

If the minister responsible for Statistics Canada is to be believed, the long-form census was eliminated so that upright citizens would no longer be threatened with jail time for failure to complete and return a census form that asked intrusive personal questions. A more convincing reason is that we have a government that not only says “Don’t bother me with the fact!” but also wants to ensure that no one else has access to the facts.⁶⁵

While we understand that the province may not be in a position to replicate the long-form census, it does have the ability to replicate organisations like the National Council on Welfare. We therefore recommend that the provincial government fill the void left by the federal government. A “Racial Equality and Social Inclusion Directorate” would be an excellent first step.

Under such Directorate’s aegis, an effective, provincially-mandated ongoing disaggregated data collection program across all provincial ministries and public institutions would serve three purposes. First, it would allow the government and NGOs like the ACLC to quantify socioeconomic disparities in Ontario, paving the way for policies designed specifically to get African Canadians and other marginalized groups (such as persons with disabilities) into stable jobs and housing, and equal access to services. Second, ongoing data collection is a way to measure the success or impact of policy implementation so that strategies can be refined or redesigned over time, to ensure that the areas of greatest need continue to be identified and addressed. Finally,

⁶⁵ Linda Gerber, “Long Form Census,” *CSA Blog* (August 9, 2010), online: <<http://www.csa-scs.ca/blog/linda-gerber>>.

it would have a social effect. If the public knows that the province is not only interested in marginalized populations but is monitoring disparities in social and economic welfare and tailoring public policy to specifically address proven disparity, the public will be more conscious of both. For these reasons, data collection is an absolute necessity.

Recommendation 4: Support Rent-to-Own Housing Initiatives

Sustainable, affordable and quality housing is central to quality of life and well-being. The Ontario government has long recognized the links between precarious housing conditions and poverty. The 2009 Ontario Poverty Reduction Strategy's long term commitment through the "Investment in Affordable Housing for Ontario" program is a positive step toward assisting families in need. The program provides rent payments directly to landlords on behalf of tenants that are facing eviction. Since being established in 2004, the program has invested \$44 million and assisted over 32,000 households.⁶⁶ While this step is positive, the government can go further in addressing housing instability.

Subsidized housing has long been a solution to address issues of poverty and housing. While rent-geared-to-income housing assists many in need, home ownership within such a structure would bring about long-term change. Housing ownership promotes asset building, an essential component of sustainable living conditions.

⁶⁶ Ontario Ministry of Municipal Affairs and Housing, *Ontario's Long-Term Affordable Housing Strategy* (November 2010), online: <<http://www.mah.gov.on.ca/Page9181.aspx>> at 16.

According to Social and Enterprise Development Innovations (SEDI), creative social and economic approaches are necessary to transform the lives of people living in poverty. SEDI considers home ownership a key component of asset building. Asset building strategies can help low income individuals acquire financial resources and transition to self reliance.⁶⁷

The Brazil Example

Terra Nova emerged as a response to the growing population of people in Brazil living in public or private areas without formal ownership, which results in unstable living conditions and a lack of infrastructure. The program was designed to provide sustainable housing to underserved populations and has worked well in various cities in Brazil. The program is an enterprise that facilitates ownership for previous squatters of land. Empowering citizens through home ownership has been a creative way to generate opportunities for Brazilian citizens living in poverty that can have a generational effect.⁶⁸

The system is structured by allowing community residents to purchase the land, which in turn stimulates economic growth. The issue of unrecognized property rights is an enormous concern in Brazil, and Terra Nova manages the regulation of the land in

⁶⁷ Peter Nares, *Savings and Asset-Building: A New Approach to Improving Accessibility to Postsecondary Education in Ontario* (Toronto: Social and Enterprise Development Innovations, November 2004), online: <<http://www.sedi.org/DataRegV2-unified/sedi-Publications/Rae%20Submission.pdf>> at 6.

⁶⁸ Diana de Castro, How a Brazilian Firm is Sustainably Solving the Problems of Urban Slums, One Community at a Time, *Field Actions Science Reports* (Special Issue 3 | 2011: Brazil), online: <<http://factsreports.revues.org/1649>>.

granting dwellers the rights to own while strengthening the Brazilian economy. Due to Terra Nova's work, with the recognition of legal land ownership comes government resources, public services and infrastructure, such as electricity, running water, paved roads and sewer systems. This fuels the Brazilian economy and provides a dignified and empowering solution to formalizing property rights.⁶⁹

Rent-Geared-to-Own

While squatting in Ontario is not an issue as it is in Brazil, principles from Terra Nova can be extrapolated to address housing and poverty issues in Ontario. The concept of renting-to-own is adaptable, especially when applied to Ontario residents who live in social housing. A rent-geared-to-own model could go an extra step and not only provide reduced rent for low income residents, but create a path to home ownership. This would give tenants a personal stake in the property and allow for them to have financial equity, in turn granting them a more formalized role in the economy.

To facilitate such a structure, the Ontario government could establish incentives and cost subsidies to the owners of public housing structures. Tenants would continue to pay reduced rental fees with the regular subsidies, but additional funds would be subsidized to facilitate ownership after a fixed period of time. Introducing rent-geared-

⁶⁹ André Albuquerque, "Squatters No More: Legitimizing Brazil's Favelas" *The Huffington Post* (April 3, 2012), online: <http://www.huffingtonpost.com/andre-albuquerque/squatters-no-more-legitim_b_1399792.html>.

to-own in the public housing system will not only lead to a reduction of poverty, but to economic independence and asset building for low-income Ontarians.

Recommendation 5: Change the Discourse

This recommendation is more abstract than the other four but no less important. As explained by Fernando and Earle, most Ontarians now understand poverty as a natural condition, to the extent that talk of ‘eliminating poverty’ is dismissed as delusional. It should not be. There is no reason for poverty to be a ‘fact of life’ in a society as prosperous as Ontario. The ACLC believes that the provincial government could do much good by changing how poverty is discussed, not only in politics but in society generally. Poverty is a human rights violation and should be understood as such. The *International Covenant on Economic, Social and Cultural Rights* obliges Canada to ensure that everyone has an adequate standard of living.⁷⁰ Canadian and other international human rights laws, including but not limited to the *Universal Declaration of Human Rights* and the *Convention on the Elimination of all forms of Racial Discrimination*, prohibit discrimination against racialised and other disadvantaged workers when it comes to their work or pay.⁷¹ Canadians tend to be attentive to their international obligations, and they should be persuaded that poverty is not a failure of impoverished individuals but a failure of Canadian society as a whole to do what it is required to do

⁷⁰ Article 11(1) of the CESCR provides that “The States Parties to the present Covenant recognize the right of everyone to an adequate standard of living for himself and his family, including adequate food, clothing and housing, and to the continuous improvement of living conditions. The States Parties will take appropriate steps to ensure the realization of this right ...”

⁷¹ *Supra* note 54 at 8.

under international law. This is a potent argument. It is also necessary that Canadians be made aware of the racialisation of poverty, lest they come to accept a lower standard of living for African Canadians (and other racialised individuals) than they would for non-racialised individuals. In a province like Ontario in a country like Canada, the mere existence of poverty is a humanitarian disaster. That it is an increasingly racial phenomenon is a moral disaster. It is imperative that all elements of Canadian society come to this realisation and respond as substantive equality dictates.

To this end, the Ontario government can and must engage in public education around poverty and the factors that contribute to poverty, specifically including systemic discrimination, and further ensure that the public is clearly informed about measures the government is taking to address socioeconomic disparities and ultimately eradicate poverty.