2024

A TIME FOR URGENT ACTION

The 2024 Report of the National Advisory Council on Poverty

Canada

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ACKNOWLEDGMENT

The current members of the National Advisory Council on Poverty are proud to present this year's report.

- Scott MacAfee, Chairperson
- Sylvie Veilleux, Member with particular responsibilities for children's issues
- Hannah Brais
- Avril Colenutt
- John Cox
- Kristen Desjarlais-deKlerk
- Nathalie Lachance
- Noah Lubendo
- Kwame McKenzie
- Rachelle Metatawabin

The Council would like to take this opportunity to thank former members of the Council whose work has been foundational in promoting poverty reduction in Canada.

- Alex Abramovich
- Anne Andermann
- Shawn Bayes
- Lisa Brown
- Arlene Hache
- Shane Pelletier
- Cheryl Whiskeyjack

DEDICATION

The National Advisory Council on Poverty dedicates this 2024 progress report to all the individuals who selflessly shared their stories of success and struggle, with the hope that their expertise will enable better systems and help improve the lives of others living with poverty or at risk of falling into it. You are the thread that binds this report.

We also extend our sincerest gratitude to the lead organizations that provided support to the Council during our visits in Calgary, Halifax and Truro, St. John's, and Whitehorse. The following groups were instrumental in connecting us with individuals with lived experience of poverty and allowing us to gain a better understanding of how poverty is felt in their regions. Thank you to:

- Vibrant Communities Calgary
- Nova Scotia Health—Public Health
- Community Sector Council Newfoundland and Labrador
- Yukon Anti-Poverty Coalition

MESSAGE FROM THE CHAIRPERSON

I am humbled to present, on behalf of the National Advisory Council on Poverty, our 2024 report on the progress of *Opportunity for All—Canada's First Poverty Reduction Strategy.*

This year our Council welcomed 6 new members. Their perspectives, care and enthusiasm have helped to evolve the Council and played a big role in the urgent tone and audacious outlook of this report.

In 2024, we ventured out to talk to people in places we've never been, from stark and striking Whitehorse, to downtown Calgary, to the outskirts of Halifax, and to the rocky shores of St. John's. We also spoke to hundreds of organizations during our virtual engagement sessions. The message stayed pretty much the same as in previous years—"we need help, now!"—but was said with much more urgency.

We were particularly distressed by the stories of tragedy and trauma, of lives lost, of deep despair and dread. We heard firsthand of young families torn apart by the very systems that were supposed to support them. We talked with people who were lonely, isolated and desperate. There were people who couldn't see anything getting better and feared what the future holds for all of us.

Overall, this year's conversation about poverty felt heavier than in the past, somehow more urgent. More and more individuals are in survival mode, seeking some sort of stability amid rising costs. The faces were different and the experiences unique, but the challenges raised were unfortunately familiar and similar to those we hear about year after year.

Some themes stood out from the rest. The availability and affordability of safe and suitable housing, the ever-increasing cost of feeding your family, the long hours and low wages of work to barely keep your head above water, service providers becoming clients within their own organizations: these were the things we repeatedly heard.

Having said this, we did see glimmers of hope—hope that if we come together, we can figure out how to do better. We were blown away by the entrepreneurial, innovative and collaborative action we witnessed and heard about.

Thankfully, there are smart, passionate and dedicated people that are focused on doing everything better. They serve so that everyone can be safe and secure in a place they call home, feel cared for and cared about as part of a community, feel empowered, and feel love and belonging. They contribute to creating a Canada where we are all able to match our potential and ambition with the opportunity to build a better life for everyone.

This report outlines the challenges and the conversations we heard. We hope it provides a compelling sense of urgency for continued courageous political action.

Thank you,

Scott MacAfee
Chair, National Advisory Council on Poverty
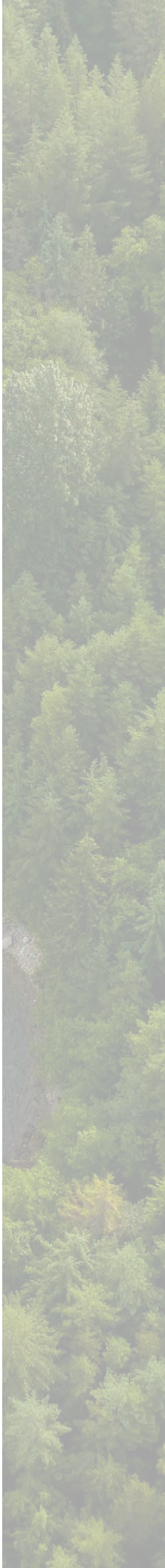
EXECUTIVE SUMMARY

People living in Canada are facing significant challenges. The poverty rate increased for the second consecutive year in 2022. The 2022 poverty rate was up 2.5 percentage points from 2021 and 3.5 percentage points from 2020. This represents 1.4 million more people living in poverty in Canada in 2022 compared to 2020. If this trend continues, the Government will not only fail to meet its 2030 target of a 50% decrease in poverty compared to 2015, but may also fall back below its 2020 target of a 20% decrease.

A variety of government actions have contributed to a reduction of poverty in Canada since 2015. However, they have not been able to stop the increase in poverty over the last 2 years. Furthermore, the Government's approach to delivering benefits and services has proven insufficient to reaching all those made most marginal.

Meeting vital needs to thrive

This year, in our conversations with communities and stakeholders, we heard a lot about the high cost of goods and services. We also heard about the need to make sure that everyone has access to what they need for a healthy life. This includes access to the resources, means, choices and power necessary to acquire and maintain a basic standard of living and to facilitate integration and participation in society. Among these needs are tangible items like housing, transportation and food, as well as access to services like health care (including mental health care). It also includes intangible things, like a sense of identity, inclusion and dignity.

We heard of urgent needs to increase both minimum wages and social assistance rates to reduce poverty and increase dignity. People shared that because wages are not scaled to inflation, even people who are working full-time, and some who have multiple jobs, live in poverty. We heard throughout the country that government supports at all levels are inadequate and are often well below Canada's Official Poverty Line. Because of this, many people who rely exclusively on government benefits live in poverty by design.

The data shows that costs remain high for key household expenses, such as groceries and housing (Department of Finance Canada, 2024). Further, prices have yet to stabilize as the costs of some vital needs continue to increase significantly. The cost of food increased by 8.9% on an annual average basis in 2022 (Statistics Canada, 2024a). Similarly, costs rose by 6.9% for shelter, 10.6% for transportation, and 4.1% for health and personal care in the same year.

As costs rise, more people living in Canada are finding it challenging to make ends meet, as evidenced by the rising rate of poverty. We heard that, rather than thriving, an increasing number of people are barely surviving. Many people are now falling into poverty because they can no longer afford the things that they need. We heard about families and individuals accessing services when they had never needed to access them before. This includes once-financially-comfortable families facing poverty for the first time.

Improving access to benefits and delivery of services

A wide range of services, programs and benefits are in place to support people living in Canada. Governments at all levels, non-profit organizations and other front-line service providers establish and offer these services. CanadaHelps (2024) reported that 1 in 5 people living in Canada used charitable services to meet essential needs in 2023. Almost 7 in 10 (69%) said this was the first time they relied on charity. This increase in demand for services and products delivered by the non-profit sector is outpacing its capacity.

We heard through our ongoing dialogues that accessing benefits and services is challenging and complex. People noted that systems are difficult to navigate and disconnected, particularly across jurisdictions, but also within and at all levels. People who would benefit most, as well as staff and volunteers supporting clients, are often not aware of what is available or how to access the services and programs. Additionally, some groups, such as those made most marginal, are more likely to live in poverty and face challenges accessing the benefits and services they are entitled to due to systemic inequity and racism.

On the positive side, we met dedicated individuals doing innovative work, building relationships and offering supports to people with complex needs, often filling gaps in the system. We saw many examples of organizations meeting people where they are and supporting more people than ever. Organizations were taking the time to establish connections, nurture relationships and build trust so individuals feel comfortable accepting help and support. On the negative side, we also heard that non-profit organizations rarely receive sustained long-term funding or funding for basic operational requirements. This makes it difficult to provide holistic support to address complex needs while maintaining daily operations. Organizations described how stable funding allows them to undertake longer-term projects and innovate. Inadequate and limited funding, combined with outdated support systems, make it challenging for organizations to keep up with the rising demand. This has contributed to burnout in the sector.

Building strong communities and enabling equity

The Council has been met with a sense of desperation during our dialogue with individuals and stakeholders across Canada this year. The challenges faced by people during the height of the COVID-19 pandemic and the subsequent economic situation may have created discord and fear about what will come next.

We heard from a lot of people who are operating in what they describe as "survival mode." They explained that because they have unmet vital needs compounded by dealing with trauma, substance use, homelessness or any of the other challenges closely associated with poverty, surviving is often their only thought. These conditions—experiencing poverty and being in survival mode—are actively traumatizing.

We heard that many people are more likely to be thinking specifically about their own families and communities, and that the bridges between people and between communities are starting to give way. This could have serious consequences for individuals and for society. It could lead to increased loneliness, isolation and mental health problems. It could also lead to divisiveness and discrimination. Left unchallenged, it could undermine society and our ability to help those made most marginal.

Communities are struggling with increasing resource disparity and limited access to health care, services and opportunities. Those new to poverty may be in shock and concerned with surviving while navigating complicated and unfamiliar systems. We heard that those who are not new to living with poverty have seen a deterioration in the supports that they receive.

With the lack of affordable housing, more people access shelters, live in encampments or sleep rough on the street. We heard that often people do not feel safe in shelters, and there are insufficient alternate options. Tent encampments have become widespread and are no longer just in urban areas where they may have been historically. Homelessness is more visible as a result.

And, for some, these issues are superimposed on existing problems that need specific solutions. We heard from Indigenous people, Black people and people from other racialized groups about the myriad of ways colonization impacts them. Not only has colonization taken place in Canada, but Canada has supported colonial systems internationally. People living in Canada may have been impacted by colonialism internationally before coming to Canada. Both have ramifications on the development of trust between communities and government. Neocolonial practices impact those made marginal and undermine trust and connections between people by:

- using colonial structures as the basis for dialogue and service delivery
- using Eurocentric approaches
- ignoring the systemic nature of racism and discrimination

Racialized persons were more likely to live below the poverty line in 2022 (13.0%) than non-racialized persons (8.7%). Among racialized groups, the poverty rate was highest for persons identifying as Arab (18.7%), Chinese (15.6%) and Black (13.9%). We heard that a concerted effort to focus on decolonization is required.

Recommendations

Governments at all levels, communities, and private sector actors have made significant investments that could decrease poverty. The Council recognizes the Government of Canada's role in developing and reinforcing a suite of programs and supports to strengthen Canada's social safety net. These investments have reduced the overall poverty rate in Canada significantly relative to 2015. However, while the poverty rate is lower than it was in 2015, Canada's poverty rate increased in both 2021 and 2022 after decreasing for several years.

The convergence of multiple crises, leading to an increase in poverty, leaves people with a sense that things are not getting better anytime soon. People feel desperate, hopeless and overwhelmed at the variety and constant nature of the challenges they face. Many stakeholders expressed frustration about the lack of coordinated efforts and the need to update antiquated government systems that force people to rely on charity to meet their vital needs. They don't see a way out. This is especially true for those who have experienced poverty for generations. There is a sense of urgency and a need for immediate transformative action throughout the country.

Government needs political courage to create change. Specifically, the federal government has to play a convening role in bringing people together. The Government needs to confront the forces perpetuating the inequity of poverty and ensure that everyone has an adequate income whether through employment or government benefits.

Meeting vital needs to thrive

Recommendation 1

The Council has seen the devastating impact of living with poverty, particularly during our discussions with people experiencing poverty. We recommend that the Government's current target of a 50% reduction in poverty (set in the *Poverty Reduction Act*) be seen as a staging post toward a more ambitious goal of a Canada with no poverty. Given the impacts of poverty that this Council has witnessed, we recommend that the Government work toward zero poverty. An important consideration for achieving zero poverty is the adequacy of government benefits. Relying on government benefits, in the short or long term, should not mean living with poverty.

The Council proposes that the federal government should:

- work across governments to introduce a basic income floor, indexed to the cost of living, that would provide adequate resources (above Canada's Official Poverty Line) for people to be able to meet their basic needs, thrive and make choices with dignity
- while working toward a basic income floor, increase income security by incrementally reforming current benefits to increase benefit amounts. A twin approach of ensuring adequate funding of state welfare programs and decreasing inequities by targeting increases to the groups made most marginal could help achieve this goal. Specific improvements to programs could include:

  - introducing legislation to leverage Canada Social Transfer payments to provinces and territories to ensure that social assistance rates in each jurisdiction meet a percentage of the Market Basket Measure

  - taking a human-centred approach to benefits that can provide flexibility to support unique scenarios and important life transitions

  - providing a plan to build up the Canada Disability Benefit in both accessibility and adequacy and ensure it functions as a stackable benefit with provincial/territorial programs and does not result in any clawbacks

  - separating maternity and parental benefits from the Employment Insurance program so that they are not tied to employment, and increasing the amount that the benefit provides so that people are not living with poverty in the first year of their child's life

Recommendation 2

To address the housing challenges facing people living in Canada, the federal government should:

- work with the provinces, territories and municipalities to develop a plan with targets to decrease core housing need for people who are spending 30% to 50% of their income on housing. This includes an expansion of non-market-linked housing (housing managed by government or non-profit organizations) that corresponds to the needs of different communities and different family sizes and types. Prioritizing non-market housing would support the development of affordable not-for-profit housing, rather than investment properties
- introduce and oversee the implementation, delivery and coordination of federal rental subsidies that:
  - include a percent to account for energy and utility costs
  - are associated with the individual, not the property (following tenants between rentals), allowing people to choose their own housing (unlike subsidized housing where people typically have no choice over where they live)

Recommendation 3

To increase food security, the federal government should:

- in support of the United Nations Sustainable Development Goal 2 (end hunger, achieve food security, improve nutrition and promote sustainable agriculture), establish government regulation of nutritious food prices. This could be done for items included in the National Nutritious Food Basket used in the development of the Market Basket Measure
- when implementing the National School Food Program, ensure that it is low-barrier, stigma-free, equitable and inclusive, and provides nutritious food. Additionally, consideration should be given to promote programs that offer both breakfast and lunch, that offer culturally appropriate options and that involve local producers

Improving access to benefits and delivery of services

Recommendation 4

To facilitate low-barrier and equitable access to benefits and services,
the Government should:

• explore ways to expand auto-filing and auto-enrollment for people living with poverty
to ensure that all available benefits and supports are accessed by all those eligible
at the federal, provincial and territorial levels

• fund systems navigation initiatives to help people through the benefits
and services system

Recommendation 5

To support the non-profit sector that provides a vital and essential role in supporting those
who have been made most marginal, the federal government should use its leverage to:

• provide stable, long-term, operational funding for non-profit organizations that allows
for flexibility and autonomy in how organizations are managed

• mandate funding that supports and ensures fair and equitable wages and working
conditions for employees in the non-profit sector

• reduce the administrative burden associated with the funding process (application,
implementation and reporting) but ensure that accountability is in place to measure
the impact of the investments

• support organizations that promote innovation in response to their clients' and target
audiences' needs

Building strong communities and enabling equity

Recommendation 6

To increase equity and to work to build strong communities, the Government of Canada should:

- take urgent action to respect treaty rights and 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. This includes urgently implementing the Calls to Action from the Truth and Reconciliation Commission and the Calls for Justice from *Reclaiming Power and Place: The Final Report of the National Inquiry into Missing and Murdered Indigenous Women and Girls*

- develop a plan to address poverty inequality—specifically, a plan to decrease the poverty rate in marginalized groups to meet or be lower than the average poverty rate in Canada

  - such a plan should:

    - promote and increase equity in program and policy design and implementation

    - reduce stigma around poverty, including helping everyone see individuals as humans, equals and essential, regardless of income or social condition

    - explain how current poverty reduction measures would be tailored to specifically meet the needs of the populations made most marginal

    - set clear targets of equity to be met by 2030, at the latest

    - include accountability and evaluation mechanisms to monitor implementation of the plan

  - potential plan activities could include:

    - developing mandatory training for all federal front-line government service providers, including trauma-informed service delivery and equity and anti-racism training

    - eliminating racism and discrimination from child welfare decisions. Solutions to poverty are needed rather than using child welfare as a circuitous solution to poverty (removing children experiencing poverty from their family, which has side effects such as cultural, linguistic, familial and emotional upheavals)

    - ensuring that newcomers have adequate and equitable access to benefits

    - introducing new measures to address poverty among children and youth, including families who are caring for children with disabilities

CHAPTER 1

SETTING THE SCENE

Canada's first Poverty Reduction Strategy and the creation of the National Advisory Council on Poverty

In 2018, the Government of Canada released *Opportunity for All—Canada's First Poverty Reduction Strategy.* The Poverty Reduction Strategy set a vision and foundation for future government investments in poverty reduction. This foundation included:

- establishing an official measure of poverty, Canada's Official Poverty Line, based on the Market Basket Measure
- setting concrete poverty reduction targets to reduce poverty by 20% by 2020 and 50% by 2030, relative to 2015 levels. In 2015, the poverty rate was 14.5%, representing over 5 million people living in Canada who were in poverty
- creating a National Advisory Council on Poverty (established in 2019) to:
  - advise the Government on poverty reduction
  - report publicly on the progress made to meeting the targets every year
  - foster a national dialogue on poverty reduction
- passing the *Poverty Reduction Act*, which entrenches the targets, Canada's Official Poverty Line, and the Council in law

Progress on meeting Canada's poverty reduction targets

Poverty reduction targets

Every year, we report on the progress made toward meeting the targets to reduce poverty by 20% by 2020 and 50% by 2030, relative to 2015 levels.

How poverty is measured

A person's or family's income level and their experience of poverty are different. However, income is often used as a proxy to measure poverty. The *Poverty Reduction Act* (2019) established an Official Poverty Line for Canada based on the Market Basket Measure (MBM).

Market Basket Measure

The MBM establishes poverty thresholds 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 and footwear, shelter, transportation and other items for a reference family. The current MBM methodology sets poverty thresholds for 53 geographic regions in the provinces and 13 regions in the territories. Such thresholds are adjustable to reflect families of different sizes. An individual or family having a disposable income below the threshold, for the size of their family in a particular region, is considered to be living in poverty.

The current MBM uses a 2018 base. In June 2023, Statistics Canada launched the third comprehensive review of the MBM. The review will be completed in 2025 and will result in a new 2023 base that will ensure the continued accuracy of the measure (Devin et al., 2023).

The Northern Market Basket Measure (MBM-N) for Yukon, the Northwest Territories and Nunavut uses a similar methodology to the MBM for the provinces. However, it includes adjustments needed to reflect life in these territories.

MBM statistics are not produced for certain populations that are under-surveyed or not surveyed at all. For example, MBM statistics are not produced for First Nations people living on-reserve, people living in institutions, 2SLGBTQI+ people, people with refugee status, people seeking asylum, and people experiencing homelessness.

Canadian Income Survey

Data from the Canadian Income Survey (CIS) are used to estimate poverty rates based on Canada's Official Poverty Line. The CIS is an annual survey with an approximate 16-month lag between the end of the reference year and the availability of the results. The most current statistics are from the 2022 CIS, released on April 26, 2024.
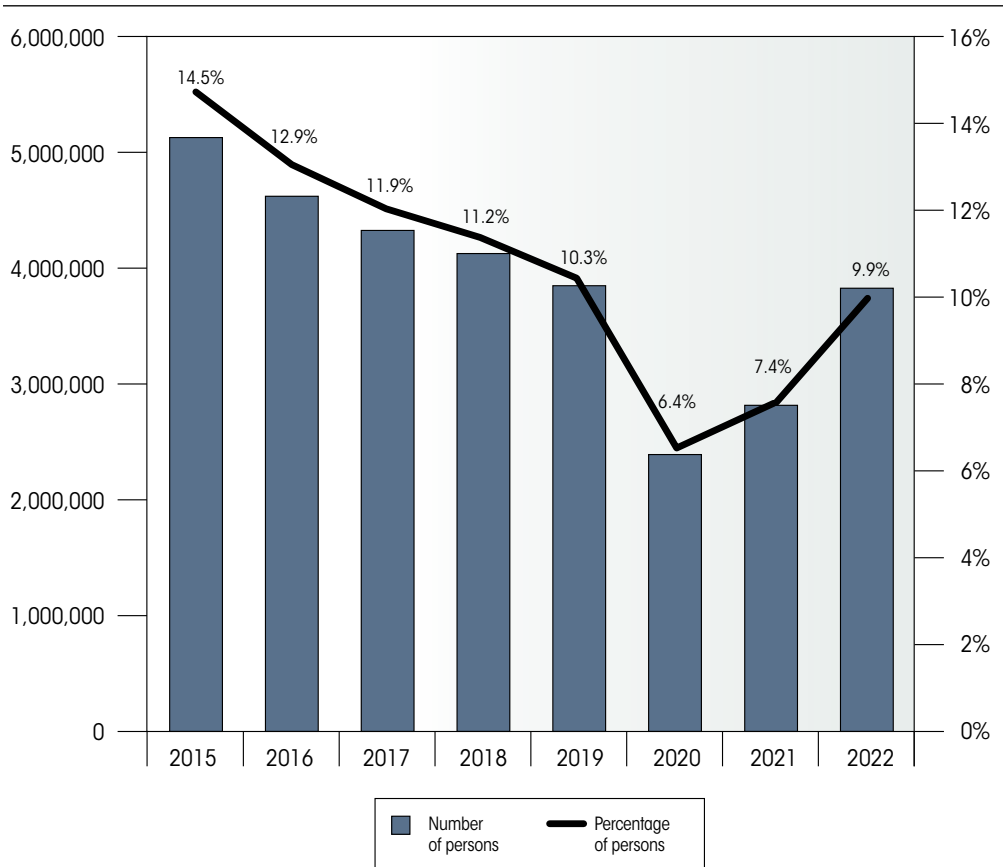
Poverty in Canada, 2022

In 2022, according to Canada's Official Poverty Line, the poverty rate was 9.9%, and about 3.8 million people living in Canada were in poverty (Statistics Canada, 2024f). This represents a 32% reduction in the poverty rate compared to 2015 (14.5%) and roughly 1.3 million fewer people living in poverty in Canada. The Government of Canada has met its first poverty reduction target (20% by 2020 relative to 2015).

While poverty has decreased since 2015, the poverty rate increased for a second consecutive year in 2022. The 2022 poverty rate was up 2.5 percentage points from 2021 and 3.5 percentage points from 2020. This represents 1.4 million more people living in poverty in Canada in 2022 compared to 2020. If this trend continues, the Government will not only fail to meet its 2030 target of a 50% decrease in poverty compared to 2015, but may also fall back below its 2020 target of a 20% decrease.

High rates of poverty among groups made most marginal reflect persistent inequality throughout the country. In particular, racialized persons were more likely to live below the poverty line in 2022 (13.0%) than non-racialized persons (8.7%). We provide further information on poverty among groups made most marginal in chapter 4.

GRAPH 1 Number and percentage of persons living in poverty in Canada based on the Market Basket Measure (MBM) for 2015 to 2022

Source: Statistics Canada, Canadian Income Survey, Table 11-10-0135-01 Low income statistics by age, sex and economic family type.

Note: The percentage and number of persons living in poverty in Canada exclude the territories.

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Poverty in the provinces

The poverty rate varies by province. It has gone up in every province between 2021 and 2022. Having said this, it remains below the 2015 level in every province except Alberta.

TABLE 1   **Poverty rate by province, 2015, 2021 and 2022**

Province	2015	2021	2022
Newfoundland and Labrador	13.0%	8.1%	9.8%
Prince Edward Island	15.7%	7.4%	9.8%
Nova Scotia	16.8%	8.6%	13.1%
New Brunswick	16.2%	6.7%	10.9%
Quebec	13.5%	5.2%	6.6%
Ontario	15.1%	7.7%	10.9%
Manitoba	14.1%	8.8%	11.5%
Saskatchewan	12.2%	9.1%	11.1%
Alberta	9.4%	7.8%	9.7%
British Columbia	18.6%	8.8%	11.6%

Poverty in the territories

Canada's overall poverty rate (based on the MBM) excludes the poverty rates (based on the MBM-N) in the territories. According to the MBM-N, the poverty rate in the territories for 2022 was 24.2%, an increase from 20.2% in 2021 (Statistics Canada, 2024l).

In Yukon, the 2022 poverty rate was 12.9% (about 5,200 people), up from 7.7% in 2021. In the Northwest Territories, the poverty rate increased from 15% in 2021 to 17.1% (about 7,300 people) in 2022. In Nunavut, the 2022 poverty rate was 44.5% (about 16,700 people), compared to 39.7% in 2021.

Of note, the official poverty rates for Yukon, the Northwest Territories and Nunavut are higher than Canada's overall poverty rate. High poverty rates in the territories are consistent with what we have heard about higher costs of living in the territories and continued racism that makes it more likely for Indigenous people to live in poverty.

Indicators of poverty

Income alone fails to capture the full experience of living with poverty. *Opportunity for All—Canada's First Poverty Reduction Strategy* (Employment and Social Development Canada, 2018) established a dashboard of 12 indicators related to poverty. The dashboard is not comprehensive, but it allows progress to be tracked across several dimensions of poverty. The descriptions and latest statistics for each indicator are available on the **Dimensions of Poverty Hub** (Statistics Canada, 2024g). Statistics Canada publishes and maintains the Hub and tracks these indicators. The Government of Canada is also working to co-develop distinctions-based Indigenous indicators of poverty and well-being.

Several of the indicators have worsened since 2015 (or their initial year of measurement since tracking began under the Poverty Reduction Strategy). These trends are concerning and are present for the following indicators:

• food insecurity (16.9% of respondents reported being in moderate or severe food insecurity in 2022, compared to 11.6% in 2018, when this data was first collected)

• unmet health care needs (9.2% of people reported unmet health care needs in 2022 compared to 5.1% in 2018, when this data was first collected)

• literacy and numeracy (low literacy rates increased from 10.7% in 2015 to 18.1% in 2022; low numeracy rates increased from 14.4% in 2015 to 21.6% in 2022)

• average poverty gap ratio (increased to 32.4% in 2022 from 31.8% in 2015)

• low income entry rates (increased from 3.9% in 2015-2016 to 5.5% in 2020-2021)

As well, several indicators have followed a trend similar to that of the poverty rate. Despite some improvements, in recent years, the following indicators have moved closer to their baseline in 2015 (or their initial year of measurement since tracking began under the Poverty Reduction Strategy):

• deep income poverty (decreased from 7.4% in 2015 to 5.0% in 2022)

• relative low income (decreased from 14.3% in 2015 to 11.9% in 2022)

• bottom 40% income share (increased from 20.2% in 2015 to 21.1% in 2022)

• low income exit rate (increased from 27.6% in 2015–2016 to 29.1% in 2020–2021)

Taking stock of progress in poverty reduction

Poverty reduction is complex and requires a whole-of-society approach that includes provincial, territorial and municipal governments, employers, non-profit and community organizations, and individuals. Federal government investments and programs interact with provincial and territorial benefits and programs that, in turn, interact with local programs and services. However, the federal government is responsible for the targets set out in Opportunity for All and the United Nations Sustainable Development Goals.

Since 2015, the federal government has introduced a series of measures and made a range of commitments seeking to reduce poverty, including:

- the Canada Child Benefit
- a top-up to the Guaranteed Income Supplement
- investments in early learning and child care
- expanding the Canada Workers Benefit
- investments in housing
- the creation of new job and training opportunities for workers
- establishing a $15 federal minimum wage benefiting workers in the federally regulated private sector
- introducing the Canadian Dental Care Plan and the National Pharmacare Plan
- launching a National School Food Program
- introducing the Canada Disability Benefit

These investments have contributed to (or intend to contribute to) the reduced poverty rate in Canada. Additionally, the Canada Emergency Response Benefit (CERB) provided during the COVID-19 pandemic further contributed to significant reductions in the overall poverty rate during 2020. However, the poverty rate has recently been on the rise, increasing in both 2021 and 2022.

Some challenges in the Government's approach to poverty reduction persist. Investments can help to improve the financial security of people living in Canada either by providing additional income directly to families and individuals or by reducing the costs of necessary

goods and services. However, investments are not enough to fully lift people out of poverty, as evidenced by the recent increase in the poverty rate. Furthermore, the Government's approach to delivering benefits and services is not necessarily reaching all those made most marginal. Those made most marginal are more likely to live in poverty and tend to be populations that are hardest to reach (Office of the Auditor General of Canada, 2022a). Without addressing these systemic challenges, poverty reduction measures may be less effective than needed to meet the federal government targets.

Ongoing dialogue

To inform its work and the content of this report, in 2024, the Council combined in-person meetings in 4 regions across Canada with 5 virtual sessions. The Council visited and met with individuals and groups in Calgary (Alberta), Halifax and Truro (Nova Scotia), St. John's (Newfoundland and Labrador) and Whitehorse (Yukon). The virtual thematic sessions focused on:

• the complexity and different layers of poverty

• housing, food security and cost of living

• efforts to empower those made most marginal

• rising poverty in Canada

Annex A provides a list of organizations that participated in these sessions.

This year's activities complemented those undertaken by the Council since its inception, which include 47 virtual engagement sessions in the past 4 years and in-person visits in:

• Alberta (Edmonton)

• British Columbia (Abbotsford, New Westminster, Surrey and Vancouver)

• Manitoba (Winnipeg)

• Northwest Territories (Yellowknife)

• Ontario (Ottawa and Toronto)

• Quebec (Montréal, Huntington and Salaberry-de-Valleyfield)

• Saskatchewan (Prince Albert, Regina and Saskatoon)

We take this approach to reach as many people as we can. It is important for us to meet people with lived experience, in person and where they are. Through our reports, we want to speak to the experiences they choose to share. It has, again this year, been a privilege to speak to people with lived experience of poverty, stakeholders, service providers, staff in the non-profit sector, and experts in their fields. The ideas shared in the "what was heard" sections of this report reflect those of individuals and organizations touched by poverty, directly or indirectly, day to day.

Throughout this year's dialogue, the dominant themes we heard included:

• how much people are struggling with the high cost of living

• the shift in social connections

• the challenges faced by service providers to keep up with the demands of increasing poverty

This report presents a summary of the information gathered through this Council's ongoing dialogue with people living in Canada. It also presents an analysis of the key themes emerging from these conversations and recommendations for federal consideration to help address poverty throughout the country.

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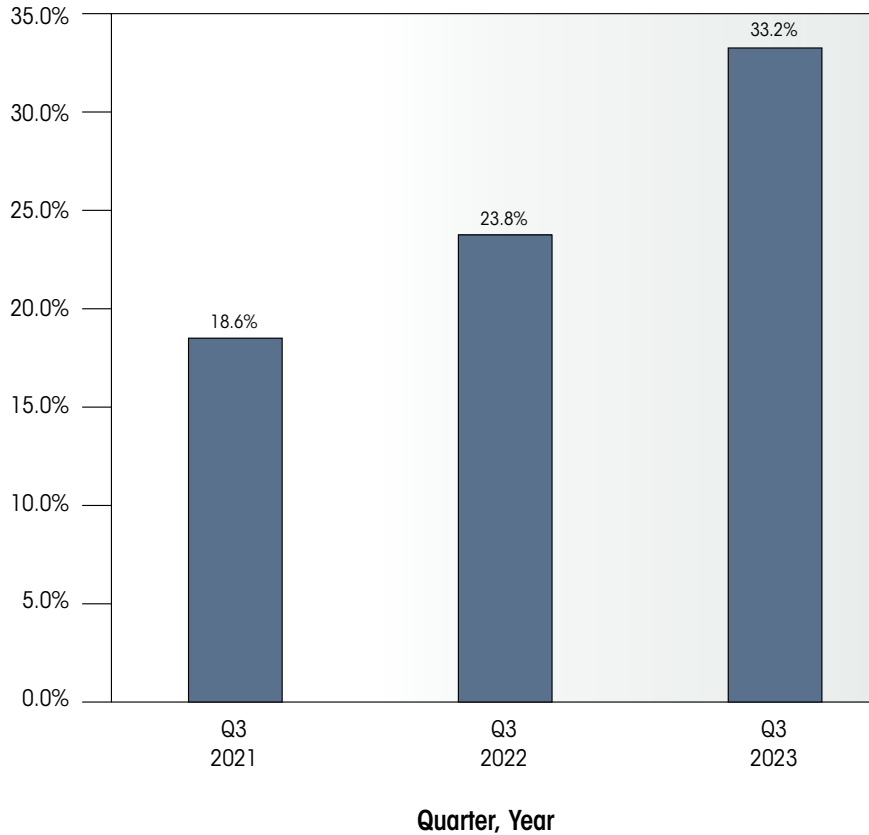# CHAPTER 2

MEETING VITAL NEEDS TO THRIVE

Policy context

Overview and data

People living in Canada are facing significant financial challenges. This is in large part because costs remain high for key household expenses, such as groceries and housing (Department of Finance Canada, 2024). Further, prices have yet to stabilize as the costs of some vital needs continue to increase significantly. The cost of food increased by 8.9% on an annual average basis in 2022 (Statistics Canada, 2024a). Similarly, costs rose by 6.9% for shelter, 10.6% for transportation, and 4.1% for health and personal care in the same year.

As costs rise, more people living in Canada are finding it challenging to make ends meet. We heard that, rather than thriving, people are barely surviving. According to the Canadian Social Survey, the proportion of people living in Canada aged 15 years and older who found it difficult or very difficult for the household to pay for their financial needs increased between the third quarters of 2021 (18.6%) and 2022 (23.8%) (Statistics Canada, 2024d). By 2023, this jumped to 33.2% (Graph 2).

GRAPH 2 **Percentage of persons living in Canada aged 15 years and older who found it difficult or very difficult to meet their financial needs in the third quarter of 2021, 2022 and 2023**

Bar chart showing:
- Q3 2021: 18.6%
- Q3 2022: 23.8%
- Q3 2023: 33.2%

X-axis: Quarter, Year
Y-axis: 0.0% to 35.0%

The cost of living is rising faster than wages putting pressure on government benefits that alone aren't sufficient to lift people out of poverty. This has contributed to an increase in the poverty rate for the second year in a row (from 6.4% in 2020 to 9.9% in 2022). Consumer prices rose faster than average hourly wages on a year-over-year basis from October 2021 to April 2022, meaning Canadians experienced a decline in purchasing power. The latest data show that from July 2021 to July 2022, consumer prices increased by 7.6%, while average hourly wages rose 5.2% (Statistics Canada, 2022b).

The percentage of people in Canada living in deep income poverty (disposable income that is below 75% of Canada's Official Poverty Line) has also increased for the second consecutive year, from 3.0% in 2020 to 5.0% in 2022 (Statistics Canada, 2024g).

Housing, food and transportation all represent considerable costs that are continually growing. As a result, some people can no longer afford them and are going without one or all. These goods and services help meet vital needs. People who are deprived of them, especially children, can suffer serious repercussions to their physical and mental health and well-being. It can also impact their ability to participate in society and lead to social exclusion.

Wages and benefits, along with supports to meet people's needs, haven't been adequate during this difficult economic period. The rising poverty rate is proof of this lack of support. The current economic challenges are not just impacting people with lived or living experience of poverty, though they are more likely to face challenges. Many people living above the poverty line are also having difficulty affording the higher cost of goods, particularly if their incomes have stayed the same.

In 2023, cost-of-living increases – especially for housing and transportation – outpaced income gains for lower income households (Statistics Canada, 2024e). This has not only impacted the ability of people to pay for their immediate needs but has also impeded their ability to save for the future. For example, in contrast with a 12.6% gain in net saving for households in the highest income quintile, net saving for the lowest-quintile households decreased by 7% in 2023 relative to a year earlier (Statistics Canada, 2024e).

The current situation is leading to different types of poverty or resource deprivation. The high cost of vital needs is leaving little or no money for discretionary spending. The 2021 Census showed that about 5.6% of households in Canada were energy poor (spending 10% or more of household after-tax income on energy bills) (Dionne-Laforest et al., 2024). Energy poverty rates were higher in the Atlantic provinces, ranging from 10.7% to 13.7%.

Among 67 communities in Canada that participated in nationally coordinated point-in-time[1] homeless counts both in 2018 and in 2020–2022, the number of persons experiencing homelessness increased by 20% (Infrastructure Canada, 2024a). Further, Infrastructure Canada reported a 23.4% increase in emergency shelter use in 2022 compared to 2021 (Infrastructure Canada, 2024b).

Meeting the vital needs of children and youth is particularly important because the impacts of experiencing poverty as a child can continue throughout a person's life. Early interventions for families can help to meet the needs of children and youth before they fall into poverty.

The federal government is making ongoing investments to help people cope with these costs. However, government transfers to individuals and families decreased for the second year in a row in 2022. During that year, the Government discontinued all pandemic-related benefits and removed modifications to the Employment Insurance program (Statistics Canada, 2024f). These changes contributed to median government transfers decreasing to $14,200 in 2021 and $10,100 in 2022 after having reached an all-time high of $18,100 in 2020 (adjusted for inflation). This decrease, combined with relatively no change in market income, meant that the median after-tax income of families and unattached individuals decreased from $73,000 in 2021 to $70,500 in 2022 (Statistics Canada, 2024f).

In 2022, about 6.4 million people living in Canada (16.9%) lived in households that experienced moderate or severe food insecurity (Statistics Canada, 2024h). This is up from 4.8 million (12.9%) in 2021. Among those at the highest risk were persons in female-led lone-parent families (36.5%), the Black population (31.9%), Indigenous persons living off-reserve (28.6%), and unattached non-seniors (25%). The rate of food insecurity was also high among children (aged 17 years and younger), at 21.0%. The rates of moderate and severe food insecurity for other groups are presented in Table 2.

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[1] A point-in-time count is an unduplicated count on a single night of the people in a community who are experiencing homelessness. It includes both sheltered and unsheltered populations.

TABLE 2   **Moderate or severe food insecurity rates by selected demographic groups, 2022**

Demographic group	Rate of moderate or severe food insecurity
Overall⁺	**16.9%**
Children (aged 17 years and younger)	21.0%
Seniors (aged 65+)	8.0%
Unattached non-seniors (under age 65)	25.0%
Persons in lone parent families	34.0%
Persons in male-led lone parent families	23.2%
Persons in female-led lone parent families	36.5%
Immigrants⁺⁺ (aged 15+)	17.2%
Recent immigrants⁺⁺ (10 years or less) aged 15+	21.2%
Very recent immigrants⁺⁺ (5 years or less) aged 15+	19.3%
Indigenous people living off-reserve (aged 15+)	28.6%
Racialized persons⁺⁺⁺	20.7%
Chinese	13.4%
Black	31.9%
Latin American	23.5%
Filipino	20.6%
Arab	18.3%
South Asian	17.6%
Southeast Asian	16.6%*
Other racialized⁺⁺⁺ persons**	26.8%
Not a racialized person⁺⁺⁺ nor Indigenous	14.7%

Source: Statistics Canada, Canadian Income Survey, Table 13-10-0835-01 Food insecurity by selected demographic characteristics; Table 13-10-0834-01 Food insecurity by economic family type.

Notes:
⁺ The estimated food insecurity rates in this table only include data from Canada's provinces.
⁺⁺Referred to by Statistics Canada as people who are, or have been, landed immigrants in Canada. Canadian citizens by birth and non-permanent residents (persons from another country who live in Canada and have a work or study permit, or are claiming refugee status, as well as family members living here with them) are not considered landed immigrants.
⁺⁺⁺Referred to by Statistics Canada as persons designated as visible minorities.
*Statistics Canada indicates that these data should be used with caution.
**Other racialized persons includes racialized groups other than Black, Chinese, Latin American, Filipino, Arab, South Asian or Southeast Asian, as well as persons who identified as more than one racialized group.

Although a more detailed breakdown is not available for the territories, 36.4% of people in the territories lived in a household that experienced some form of food insecurity (marginal, moderate or severe) (Statistics Canada, 2024l).

As poverty and material deprivation are increasing, more people are accessing services, like food banks, or increasing debt to make ends meet. In HungerCount 2023, Food Banks Canada reported that food bank usage increased by 32% between March 2022 and March 2023 (Food Banks Canada, 2023). In spring 2022, Statistics Canada conducted a Portrait of Canadian Society survey. Of respondents, 27% reported having to borrow money from friends or relatives, take on additional debt or use credit to meet day-to-day expenses in the 6 months before the survey (Statistics Canada, 2022a).

What we heard in the ongoing dialogues

The remainder of this chapter reflects what the Council heard from individuals who shared their expertise, experiences and opinions. The thoughts expressed do not necessarily reflect our opinions as a Council or the available data or research.

Key themes

The rising cost of living is pushing more people toward poverty

"Poverty can happen to anybody."

Many people are now falling into poverty because of the high cost of the goods and services that they need. We heard about more families and individuals accessing services, many for the first time. This includes once-financially-comfortable families facing poverty for the first time. More of the population is increasingly experiencing over-indebtedness, as people take on more debt to afford necessities and pay bills. People who have never experienced poverty but now live in shelters or encampments expressed shock about how they ended up in this position.

"You should not have to choose between putting a roof over your and your child's head **or** feeding your child."

Many people are working multiple jobs to stay afloat, and others are reducing costs by:

• delaying moving into their own dwelling

• moving into crowded and inadequate housing

• cutting out leisure activities

• reducing their food intake

• changing their diet by buying unhealthier, low-cost food items

• choosing between heat and other necessities like groceries

"I had it all until I didn't."

We heard that some people who are new to poverty are often hesitant to reach out for help for many reasons:

• they may not access food banks or shelter services due to a perceived stigma

- services are not always dignified or offered in a safe, trauma-informed space
- there is a social expectation or tendency to encourage people to exhaust all other options before reaching out
- they fear they may face consequences for reaching out, such as intervention and apprehension of children by social services
- many people who are new to poverty may not know what services are available because they never believed they would need to access them

This can lead to isolation and desperation among people who need help and who have not been connected to services before.

> "I wasn't aware of the women's shelter and food programs because I didn't think I needed them."

Wages and benefits are not keeping pace with the cost of living

We heard of urgent needs to increase both minimum wages and social assistance rates to reduce poverty and increase dignity. People shared that because wages are not scaled to inflation, even people who are working full-time, and some who have multiple jobs, live in poverty. People spoke about a mismatch between the living wage and the actual wages. In many regions, this may be caused by the high cost of living and the presence of sectors with predominantly lower-paid work. Many participants felt that employers have responsibilities to pay their employees fair, living wages.

> "During COVID, they deemed that everyone needs $2,000 a month to live, and that was 2020. Now it's 2024, and we don't get that."

We heard throughout the country that government supports at all levels are inadequate and are often well below Canada's Official Poverty Line. Because of this, many people who rely exclusively on government benefits live in poverty by design. They shared that they often have nothing left for food or for anything else after paying rent and utilities. Social assistance falls well below the poverty line in every jurisdiction, and clawbacks for employment income can reduce incentives to work.

> "You're telling me to make something of my life, but you are making it hard for me to do so."

Among people with disabilities, the poverty rate is high due to the difference between the benefits and the actual costs of living with a disability. For new parents, Employment Insurance benefits during maternity and parental leave result in significant drops in income at a time when costs are high. While social assistance is a provincial and territorial responsibility, we heard from many people that the federal government should take on a convener role to ensure that benefits work together to raise people above Canada's Official Poverty Line.

Meeting vital needs to thrive

This year we heard a lot about the cost of goods and services and the need to make sure that everyone has access to what they need for a healthy life. This includes access to the resources, means, choices and power necessary to acquire and maintain a basic level of living standards and to facilitate integration and participation in society. Among these needs are tangible items like housing, transportation and food, as well as access to services like health care (including mental health care). It also includes intangible things, like a sense of identity, inclusion and dignity.

"Housing is a massive crisis right now."

HOUSING

The rising costs and challenges in accessing safe, high-quality, affordable housing is a top concern for people with lived experience in poverty, service providers, advocates, and non-profit organizations. In every session, stakeholders raised housing insecurity as one of the biggest challenges facing people across the country, regardless of their income.

High-quality, stable housing is necessary. Without stable housing, individuals we met with indicated it would be impossible to feel safe and secure and to exit from poverty. Housing stability is the extent to which an individual's customary access to housing of reasonable quality is secure. Housing is necessary for health, mental health, well-being, success in education, and obtaining employment. Stable, supportive housing also plays an important role in recovering from trauma and substance use, facilitating social inclusion and enhancing one's well-being.

It is becoming harder to access housing across the income spectrum. The cost of housing is rising rapidly, and the lack of safe, affordable housing limits people's capacities to find anywhere to live, let alone somewhere safe. Cities and neighbourhoods that used to be affordable are no longer so. The lack of affordable housing is contributing to bottlenecks throughout the system. Namely, we heard that rising interest rates and housing costs are pushing people who wish to own a home out of home ownership and into the rental market. In turn, this increases the rental market demand and reduces access to affordable rental units. This pushes people into unstable housing, homelessness and shelters. The lack of affordable housing prevents people from moving from shelters into housing.

Transitional and supportive housing for those leaving homelessness and the shelter system, particularly those with complex needs, is limited or lacking. This makes it more likely for people to stay in shelters longer or return to the shelter system after leaving. Shelters can't keep up with the rising demand. Even expanded shelters are still full. Across jurisdictions, people shared stories of shelters that have had to turn people away due to lack of space.

> "We are at capacity at our shelters because we can't move people on. There is no safe, affordable housing to move people into."

We also heard about a need for secondary housing options for people ready to leave transitional housing, but not yet ready to live independently. These second-stage housing units would provide less support and more independence and could house people for a longer time than typical transitional housing. The intent is a system of supportive housing that helps more people successfully transition out of the system. The people who have experienced chronic homelessness need the most support.

More people are turning to tent encampments, and there is more diversity in terms of the people who are homeless and living in them (for example, seniors and single women). When encampments are closed, and people are displaced, they don't just lose the place where they were living. Displacement also means, in many cases, the loss of their possessions, their sense of community, the networks they have established, the services they access, and so much more.

> "Housing is a human right, but it's not treated as such because it's so focused on making money."

We heard about the impact of the financialization of housing. Some people are benefiting financially from high interest rates and housing costs. This leaves those made most marginal particularly at risk of being pushed out of the housing market (both ownership and rental).

Personal stories of challenges accessing housing

A single mom with a baby shared that she has been searching for adequate housing for more than 14 months. She is currently living in a studio apartment in a hotel that was converted to social housing. She has only a hot plate and a bar-sized refrigerator, not big enough to hold the formula for her child and food for more than a day. She is on a waiting list for a better housing unit; however, she must wait, because the criteria are not flexible:

- her revenue in the previous year was more than $38,000, but she had to leave a bad situation and is now a student and single mom

- she has to wait for a 2-bedroom because the system defines her as a 2-person household (her and her child), but she would be more than willing to take a 1-bedroom unit

- she is also told that because she has a place (even if inadequate), her case is a low priority

Another young mother housed by community services in a hotel became homeless after giving birth to her child prematurely. Due to medical complications, she had to stay in the hospital longer than expected. Because of this, community services cancelled her accommodations. The hospital discharged her without a place to go, so she had to go to a shelter. Social services wouldn't let her leave with a baby to "go live on the streets" and apprehended the baby to put into foster care. So, the system is paying for foster care instead of paying for a safe place for the mother and child to live together.

Besides the financial impact, high rents can have other implications:

- some people are forced to stay in unsafe or unhealthy housing because they can't afford to leave

- many people don't feel able to assert their rights as renters for repairs in their accommodations for fear of being kicked out and becoming homeless

- some people are renting less expensive housing by paying cash under the table. This housing is often inadequate and unsafe, and the landlords have total control with no legal recourse for the renters

- with low vacancy rates, landlords can charge whatever they want, and feel emboldened to take advantage of tenants

- vulnerable youth, women and seniors remain in harmful situations like intimate partner violence, abuse and neglect because they know they will not be able to afford housing

We heard that much of the Government's support for housing is to support the industry to build houses, but these units are not affordable, and they are definitely not deeply affordable. There is no incentive to build different types of housing such as co-operative and community-owned housing or dwellings that work for different family makeups beyond a typical nuclear family (for example, large families, intergenerational families, roommates). There needs to be production of deeply affordable, mixed-style housing outside the market where the aim is to provide housing rather than make a profit.

"Who is benefiting from the high rents?"

"Women are staying [in abusive relationships] because the cost of housing is not manageable for a single individual. Most times, it's not even manageable for 2 people."

"The federal government investments in housing are not actually positioned to reduce core housing need and reduce homelessness. They are to support the private markets builders and with very little regulation on what is done."

> "When I go into the supermarket and look at food, like a lot of seniors, I just have to walk away because I can't afford it."

FOOD SECURITY

Stakeholders told us that rising food prices are hitting people hard. This is especially true for those with the lowest incomes. Because fixed costs, particularly housing and energy, are so high, the budget left for food can be little or nothing. Sometimes, high food prices mean people have had to change their food habits, including:

- skipping meals
- choosing unhealthy low-cost food options over more expensive healthier options such as produce
- spending more time grocery shopping in multiple locations based on sales
- stockpiling shelf-stable food items that are on sale, when they are able to do so
- switching from culturally appropriate foods and diets to more affordable options

> "All of the food that comes into our house comes from community organizations."

Many people are accessing food banks and other community-based food organizations. At food banks, staff are seeing increases in every demographic. We heard that a lot of people employed in precarious employment, people who are working poor and people receiving social assistance or disability supports are now accessing food programs.

> "Attendance is so low in some of these communities, but there are kids that come to school because they know they're going to get a hot breakfast."

In some cases, families and children have become reliant on school food programs for food. Places that have recently implemented school food programs have noticed reduced absenteeism as students come to school to access meals. We also heard that, days without school (such as snow days and professional development/professional activity days) can be a challenge for students who rely on school meals and have no food at home. We heard about older students bringing their kindergarten-aged siblings to school on off-kindergarten days to ensure they eat that day.

We consistently heard that reliance on the charitable sector to provide food must end. Food banks offer temporary support, but they are not a permanent, dignified solution to food security. People feel strongly that no one should have to rely on charity to eat.

HEALTH CARE AND MEDICATION

Poverty affects physical, mental and emotional health. The trauma of poverty can push people into desperation and deeper levels of poverty. Access to physical and mental health care is important for overall well-being and for protecting people from poverty and its associated trauma.

> "Poverty is a huge medical crisis. It affects everything."

We heard from service providers and people experiencing poverty that gaps and challenges in the health system exist, particularly for people made most marginal. Specifically, we heard about the lack of connection between shelters or correctional services and the health care system. This disconnection leaves people living in and exiting shelters without proper care, as they move from one system to another. Consequently, there is no follow-up or continuation of care, and it is during these transitions when people often "fall through the cracks."

> "The justice system, the health system, etc. keep failing us."

We heard that a lack of affordable and timely transportation options to attend medical appointments can force individuals to cancel long awaited and much needed health assessments and procedures. This can result in a decline in the health status of the individual. Some new immigrants reported travelling back to their home countries to access health services because it's faster than trying to access services in Canada.

> "A lot of people here go without medical care because we can't afford it."

> "To me, I just feel like another dirty little Indian to them. They take me as a joke and don't take my health concerns seriously."

Many of the people with lived experience in poverty shared that they faced racism within the health care system. For example, some Indigenous participants felt medical staff assumed they were just seeking drugs. Because of this bias, some say, doctors do not prescribe for them. This leads some individuals to self-medicate with street drugs.

Finally, trepidation about the possibility of the privatization of health care among people with lived experience of poverty is real. Privatization allows people to pay for services and procedures, out of pocket or through private insurance, which many people experiencing poverty do not have. This creates unfairness, inequity and inequality by allowing some people to skip the line and prioritize themselves. Privatization would also take experience out of the public system as health professionals leave to work in private clinics. It could further strain the already overextended health care system, likely leading to even lower access for those that can't pay for private health care. Seniors in particular have greater health needs; however, many seniors cannot afford the cost of private health care.

> "If there was ever private health care, no one in this room would get it."

TRANSPORTATION

Transportation is a huge challenge cited by those we met with as a barrier to accessing jobs, services, health care, healthy foods (including culturally appropriate food) and opportunities to socialize. Public transportation is offered mainly in urban centres and is often not as reliable as it should be. People living in rural areas may be entirely dependent on private transportation, which is costly, and, for some people, out of reach. In Yukon, one participant from a rural community noted that due to the lack of mechanics in most of their communities, people cannot leave the community if their car has a mechanical issue. In Newfoundland and Labrador, we heard that many people that have cars can't afford the cost of insurance, gas and maintenance, and so they need other transportation options. People with a disability have additional challenges accessing food and services because of reduced mobility and limited options for accessible transportation.

CHAPTER

3

IMPROVING ACCESS TO BENEFITS AND DELIVERY OF SERVICES

Policy context

Overview and data

A wide range of services, programs and benefits are in place to support people living in Canada. Governments at all levels, non-profit organizations and other front-line service providers establish and offer these services. We heard through ongoing dialogues that accessing benefits and services, however, is challenging and complex. People noted that systems are difficult to navigate and disconnected, particularly across jurisdictions, but also within and at all levels. People who would benefit most, as well as staff and volunteers supporting clients, are often not aware of what is available or how to access the services and programs.

Additionally, some groups, such as those made most marginal, are more likely to live in poverty and face challenges accessing the benefits and services they are entitled to. Systemic inequity and racism exist within systems.

Research from the Canada Revenue Agency (CRA) and Employment and Social Development Canada (ESDC) confirms what we heard and identified several barriers to accessing benefits for hard-to-reach populations (Office of the Auditor General of Canada, 2022a). These include:

- complex application processes
- the need to file a tax return
- literacy levels and/or language barriers
- the need to disclose personal and financial information to the Government

- the need to provide identification and documentation, such as a social insurance number
- living remotely
- the need to have access to financial services such as a bank account for direct deposits

Furthermore, the 2022 Auditor General of Canada's report concluded that the CRA and ESDC have not done enough to connect hard-to-reach populations with the benefits to which they are entitled (Office of the Auditor General of Canada, 2022b). These include the Canada Child Benefit, the Canada Workers Benefit, the Guaranteed Income Supplement and the Canada Learning Bond. Specifically, the report concluded that the CRA and ESDC:

- did not have a complete understanding of the eligible population that was not receiving certain benefits
- had limited evidence that their outreach activities resulted in increased benefit take-up among these groups
- did not have an approach to ensure a seamless service experience for hard-to-reach clients

The non-profit sector delivers many specific programs and services to support those living with poverty. Governments continue to download service delivery to non-profit organizations without adequate support to help these groups meet the growing demand. Non-profit organizations are strained throughout the country, as the needs of the people they serve are increasing in both quantity and complexity. For instance, CanadaHelps reported that 1 in 5 people living in Canada used charitable services to meet essential needs in 2023 (CanadaHelps, 2024). Almost 7 in 10 (69%) said this was the first time they relied on charity. This increase in demand for services and products delivered by the non-profit sector is outpacing its capacity to meet demand. Specifically, in 2023, 46.1% of non-profits reported an increased demand for services or products, while only 24.3% reported an increase in their capacity to meet demand (Statistics Canada, 2024c). Furthermore, CanadaHelps reported that 57% of charities are unable to meet current demand levels, demonstrating the gaps between increased challenges and the ability of charities to provide support (CanadaHelps, 2024).

What we heard in the ongoing dialogues

> "People individualize poverty. They don't see it as a system failure but an individual moral one."

> "The real issue is that systems are built to create and perpetuate poverty."

Presented below is what the Council heard from individuals who shared their expertise, experiences and opinions. The thoughts expressed do not necessarily reflect our opinions as a Council or the available data or research.

Key themes

Systems challenges are significant. Stakeholders noted that governments and organizations have built many of the systems in a different time to address challenges and populations very different from those today. These outdated systems do not always work in the current context. Some people feel they never worked at all, or worked in ways that benefited some while further marginalizing others. Some mentioned they also felt that systems are designed to perpetuate inequity and racism. Unfortunately, many don't recognize that they are caught in a system at all. They incorrectly perceive the failings of the system as personal failings. This can have negative consequences on people's self-perception, mental health and overall well-being. It can also contribute to increased stigma directed at those living with poverty.

Accessing benefits and services is stigmatized

People expressed beliefs that the way services are offered creates an unhelpful divide between people who need to access the services and those who do not. Both service users and providers describe service access points as places to go to if "there is something wrong with you." In other words, people perceive the need to access services as the result of personal issues rather than a failure of existing supports and services.

A TIME FOR URGENT ACTION
The 2024 Report of the National Advisory Council on Poverty

Overburdened non-profit organizations, providing much-needed support, at risk of collapse

We heard that non-profit organizations are undertaking a lot of work to support people experiencing poverty. We met dedicated individuals doing innovative work, building relationships and offering supports to people with complex needs, often filling gaps in the system. We saw many examples of organizations meeting people where they are and supporting more people than ever. Organizations were taking the time to establish connections, nurture relationships and build trust so individuals feel comfortable accepting help and support.

> "The government is really good at recognizing the value of the community sector but may not be as good at funding it."

Despite these positives, many people working in the sector are cognizant that the sector only exists because poverty exists. This creates some internal conflict, because people working in the sector perceive themselves as benefiting, through employment, from the existence of poverty. This adds to the burden and mental health load many staff experience. We heard that service providers feel they are filling a need that shouldn't exist, because poverty shouldn't exist. Multiple service providers described wanting to see a Canada in which their services are no longer required because people are properly supported.

> "We're all desperate for more resources. We're filling in a need that shouldn't be there."

As poverty grows, the gap between need and available services widens. The ability of communities to fill those gaps becomes more difficult. We heard from many groups that feel the Government downloads responsibility for necessary programs to service organizations, often without providing adequate funding to address these expanded responsibilities.

> "You are subcontracting us to do work because we are nimble and can do the work cheaper with fewer resources."

> "They tell organizations, 'We need you to do the same work, with 2 less staff and the same amount of money and with inflation the way it is.' Organizations are working in a crisis and have to jump through hoops and break rules."

Non-profit organizations are trying to meet increasingly complex needs and are therefore doing much more than what they are funded to do. For example, organizations, particularly in rural areas, reported having to fill service gaps and increase their service offerings to meet specific needs in their communities, and these are not accounted for in funding agreements. Often, organizations need to undertake private fundraising activities to make up for the inadequate funding. These activities are time consuming and take away from their ability to provide essential services.

Service providers also described how the funding structure itself is a challenge. Programs and projects receive funding; however, this funding is targeted, limited and siloed. It may be only for one specific program or client group, and not connected to work being undertaken by other organizations. The reliance on charitable donations and grant funding also means that funders can direct where organizations focus their efforts and attention. Funders provide resources contingent on the organization using the money to address a specific issue or cater to a specific target population. We heard that organizations are so desperate for funds to maintain their projects that they expand or adjust their scope to qualify for new funding. We heard that people should not have to be concerned about who is paying for the program. They should be able to come in and get their needs met without having to worry about mandates limited by funding.

> "The non-profit sector is stretched beyond its limits and is underfunded."

Further, non-profit organizations rarely receive sustained long-term funding or funding for basic operational requirements. This makes it difficult to provide holistic support to address complex needs while maintaining daily operations. Organizations described how stable funding allows them to undertake longer-term projects and innovate.

Labour shortages have hit the "helping" profession hard. The work continues to get harder, and the pay is stagnant. More people working in community organizations are needing to access the services of their workplaces, mainly because their employers, given stagnant core funding, cannot offer them living wages. This is happening during a time of increased need, meaning people are often doing more work for the same pay.

> "Most people working in this area (servicing those living in poverty) don't have a living wage."

Additionally, incentives for employees in the sector to stay are few and far between. This has resulted in a lot of turnover and constant change in organizations. This leaves program recipients in the vulnerable position of having to re-establish trust and repeat their stories. It also leads to novice workers who are less experienced in doing the work. This can lead to further traumatization of program recipients or cause them to miss out on key

> "How do we invest in doing it differently when we can't find the people to do the work and pay them properly?"

opportunities. Adding to this pressure, non-profits are losing staff because their staff is aging. They have difficulty replacing staff either because younger individuals are not interested in the low pay, or they use it as a starter job to get some experience before moving on to higher wage jobs. This is a huge threat to the non-profit and charitable sectors in the long term. As a result, the sector is at risk of collapse.

Inadequate and limited funding, combined with outdated support systems, make it challenging for organizations to keep up with the rising demand. This has contributed to burnout in the sector. Additionally, funding accountability mechanisms, though necessary, are time consuming. Instead of focusing on service provision, organizations must divert their attention to applying for and reporting on funding grants. Funding agreements often do not account for the time spent by service providers to prepare these accountability reports. The limited number of support staff makes it difficult for many organizations to juggle both administrative and front-line responsibilities. The sector is in danger of collapse. This is problematic for the sector, for the individuals who require the services and for the federal government, which does not have the necessary welfare supports to fill in for a collapsing non-profit sector.

> "Instead of looking at what is the cost of funding the social service sector, we need to flip it on its head and consider, what would be the cost of not funding our sector?"

We heard that policy-makers need to move from thinking about services as costs to seeing these as investments. Investing in people would help prevent poverty instead of reacting to it. Otherwise, the Government is paying a lot more for health care, temporary shelters, food banks, etc. Investing in people also pays off in many other ways, including fostering health, well-being and self-worth.

Some organizations noted that they spend most of their time addressing urgent matters and doing emergency work rather than focusing on prevention. They would like to shift to advocacy and education work to empower people; however, there is no time to do so. Staff are overwhelmed by the need to focus on those who are drowning instead of teaching people how to swim.

> "We need to do mental gymnastics to understand the system."

Systems are difficult to navigate

We heard time and time again that systems are difficult to navigate. It is a full-time job to access all the services and benefits and understand eligibility criteria. You need to be a navigation expert to access all services. It is unrealistic to expect people to be able to do it on their own. For example, if you do not have a phone or internet access, as is the case for many living with poverty, the system becomes impossible to navigate.

People use "slipping through the cracks of the system" too often. This statement makes it seem accidental or like an outlier event, when in reality, it happens all the time. Sometimes, people are falling through the "cracks" because of the system's design. Even with good programs in place, the supports for people exiting programs are seen as inadequate or non-existent. The systems need to be tied together at the transition points to avoid the gaps between services.

We heard that the federal and provincial/territorial governments do not do a good enough job in sharing information, raising awareness or educating people about social services. Sometimes, people are not told about the things for which they are eligible or would benefit from. Other times, service providers misdirect people to services for which they are ineligible.

Some service providers are not aware of existing or newly introduced programs and benefits. They described wanting more opportunities to come together, to share information and learn from each other's experience. This information sharing would allow them to meet the needs of the people they serve more adequately. Because of the nature of funding, many of these organizations are competing for funds, making collaboration difficult. Expanding funding would go a long way to creating collegiality and collaboration.

> "It's like they purposefully make the information confusing and as difficult as possible for people."

> "As front-line service providers, we have to know who to call to actually help because we have such limited resources."

The income support system can trap people in poverty

People recognize that poverty is complex and a product of multiple linked factors including housing, food, mental health, colonialism, racism and substance abuse. However, many believe that income security is the most impactful social determinant of health affecting all other determinants of health, including quality of life.

Having said this, stakeholders mentioned that the social supports created 40 to 50 years ago can get in the way of people accessing employment. Transitional gaps at both ends of the income support system make these both difficult to access and difficult to get off. For example, hard cut-offs to income support and social assistance programs are problematic. When people start making

> "We often say that the system is broken, but the system is working the way it was meant to work. We need new systems."

> "It's nearly impossible to get off income support. There is no in-between moment… They tell me to work, but then they would cut me off of everything I need."

a salary even slightly higher than the maximum allowed under the program, they lose access to thousands of dollars of benefits. This results in bringing home less income than if they had stayed under the threshold and continued to receive income support. This disincentivizes work because it's not financially worth it.

Data must inform policy

Policy-makers we met confirmed that data is important to policy development. However, they noted that data moves slowly, measuring the "recent" past rather than the present. The lag can delay the design of income measures that reflect the current cost of living adequately or can delay quick responses to the day-to-day needs of families.

Collected data can also be difficult to access for people outside government, including service providers and non-profit organizations. This can make it challenging for them to stay on top of community needs. Sometimes, there is lack of understanding as to how clients' data is collected, stored and used. Other times, there are not enough resources or capacity is limited to analyze the data meaningfully.

According to many stakeholders, data collection isn't the best place to start, but at the same time, data informs provision of essential services. Notably, data collection does not necessarily reach those made most marginal. This includes those who are unhoused, who don't have computer access, or who require support to fill out paperwork. Often, these are the people who go unreached by government and organizations. If the data does not capture these voices, policy may not adequately represent the needs of those who would benefit the most. Finally, both quantitative and qualitative data are essential for informing policy development and implementation.

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CHAPTER
4

BUILDING STRONG COMMUNITIES AND ENABLING EQUITY

Policy context

Overview and data

Results from the Canadian Social Survey indicate that people living in Canada aged 15 years and older are generally feeling less hopeful about the future. In the second quarter of 2023, 13.1% of people in this age group were rarely or never hopeful about the future, 30.1% were sometimes hopeful, and 56.8% were often or always hopeful (Graph 3) (Statistics Canada, 2024j). For comparison, during the same quarter of 2022, 9.0% were rarely or never hopeful about the future, 28.4% were sometimes hopeful, and 62.6% were often or always hopeful.

GRAPH 3 **Future outlook ratings of persons living in Canada aged 15 years and older in the second quarter of 2022 and 2023**
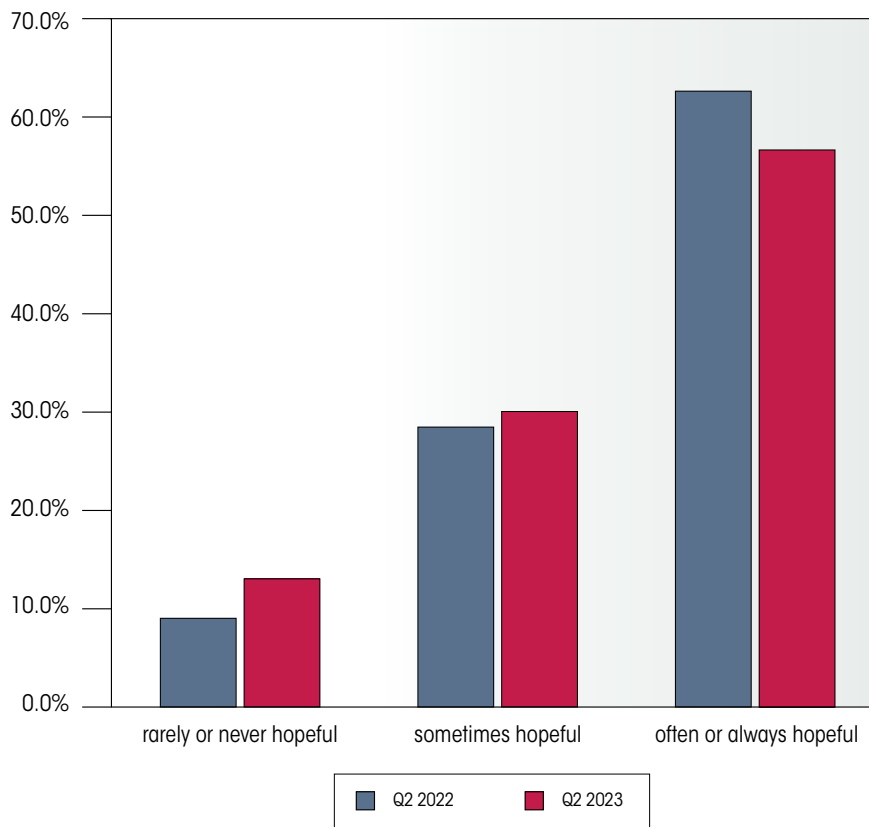
Source: Statistics Canada, Canadian Social Survey, Table 13-10-0847-01 Future outlook by gender and province.

The separation from others, our families and our homes during the COVID-19 pandemic reinforced the narrative of self-reliance. People are scared. The pandemic was a mass trauma event for much of the population, and many haven't recovered. Some still grieve what was lost. In some cases, it also means that people have found community in more insular spaces (like online environments) where there's little or no presence of differing feelings. All this has led to people feeling that they are uncared for. Based on the results of the Canadian Social Survey, among those aged 15 years and older living in Canada's 10 provinces:

• only 46.1% had a very strong or somewhat strong sense of belonging to the local community in the second quarter of 2023 (Statistics Canada, 2024k)

- the proportion who reported "always or often having people to depend on when needed" dropped from 76.3% in the second quarter of 2022 to 71.2% in the second quarter of 2023 (Statistics Canada, 2024j)
- the proportion who reported "rarely or never having people to depend on when needed" rose from 6.6% in the second quarter of 2022 to 9.6% in the second quarter of 2023 (Statistics Canada, 2024j)

In 2023, Statistics Canada reported that the high cost of living combined with the disruptions resulting from the pandemic have disproportionately impacted the quality of life of youth (aged 15 to 29) compared to other age groups (Statistics Canada, 2023). Specifically, hopefulness decreased by about 15.0 percentage points between 2016 and 2021/2022. The level of youth reporting a high level of life satisfaction also decreased from 48% in the fourth quarter of 2021 to 40% in the fourth quarter of 2022.

Groups made most marginal

Throughout our reports, we refer to different groups that are underserved and overlooked. We have identified these groups from data and engagement sessions over the years. These groups face structural and systemic barriers, violence, discrimination, racism, homophobia, transphobia, sexism, ableism and colonialism. This makes them more likely to live in poverty. When we refer to groups made most marginal, these include (in alphabetical order):

- Black and other racialized communities
- children and youth in care
- First Nations, Inuit and Métis people
- people experiencing homelessness
- people involved in the criminal justice system
- people living in institutions (such as long-term care homes)
- people living in rural and/or remote areas
- people who have immigrated to Canada
- people with disabilities
- people with refugee status or who are undocumented or non-status
- seniors

- Two-Spirit, lesbian, gay, bisexual, non-binary, transgender, queer, intersex and people who identify as part of sexual and gender-diverse communities who use additional terminologies (2SLGBTQI+)
- unattached (single) individuals aged 25 to 64
- women

We have not included children as a specific group in the groups made most marginal. However, it is important to ensure that they have the optimal conditions for them to enjoy life, to develop, to achieve their full potential and thus to break the cycles of poverty. The experience of poverty as a child can last a lifetime.

Significant inequality throughout the country persists, and policy is marginalizing many groups. The effects of this can be seen through the continued high rates of poverty among groups made most marginal as shown in Table 3. In particular, racialized persons were more likely to live below the poverty line in 2022 (13.0%) than non-racialized persons (8.7%). Among racialized groups, the poverty rate was highest for persons identifying as Arab (18.7%), Chinese (15.6%) and Black (13.9%). Further, the poverty rate was higher for:

- Indigenous persons aged 15 years and older living off-reserve (17.5%) than for non-Indigenous persons aged 15 years and older (9.6%)
- persons with a disability aged 15 years and older (12.3%) than persons without a disability aged 15 years and older (7.4%)
- immigrants aged 15 years and older (10.7%), particularly recent (14.0%) and very recent immigrants (16.4%) in this age group, than persons born in Canada aged 15 years and older (8.6%)
- unattached (single) individuals aged 18 to 64 (30.8%) than their counterparts in families (6.3%) of the same age range
- persons in female-led lone parent families (23.8%) than persons in couple families with children (6.3%)

TABLE 3 **Number of people in poverty and corresponding poverty rate by demographic group, 2015, 2021 and 2022**

Group	2015	2021	2022
Overall⁺	**5,044,000 (14.5%)**	**2,762,000 (7.4%)**	**3,772,000 (9.9%)**
Males	2,438,000 (14.1%)	1,306,000 (7.0%)	1,859,000 (9.9%)
Females	2,606,000 (14.8%)	1,456,000 (7.7%)	1,912,000 (10.0%)
Singles (under age 65)	1,582,000 (38.9%)	1,117,000 (26.2%)	1,426,000 (31.0%)
Male singles (under age 65)	838,000 (36.5%)	579,000 (24.2%)	769,000 (30.1%)
Female singles (under age 65)	744,000 (41.9%)	538,000 (28.8%)	657,000 (32.1%)
Children 0–2	196,000 (17.4%)	57,000 (5.3%)	115,000 (11.1%)
Children 3–5	208,000 (18.5%)	80,000 (6.8%)	127,000 (10.5%)
Children 6–11	386,000 (16.7%)	166,000 (6.8%)	248,000 (10.3%)
Children 12–17	324,000 (14.2%)	159,000 (6.2%)	246,000 (8.9%)
Seniors (aged 65+)	394,000 (7.1%)	383,000 (5.6%)	430,000 (6.0%)
Persons in lone parent families	545,000 (32.8%)	288,000 (16.1%)	498,000 (22.6%)
Persons in male-led lone parent families	65,000 (18.9%)*	42,000 (11.6%)*	75,000 (17.6%)
Persons in female-led lone parent families	480,000 (36.4%)	246,000 (17.2%)	423,000 (23.8%)
Indigenous people living off-reserve (aged 15+)⁺⁺⁺	205,000 (26.2%)	102,000 (13.9%)	167,000 (17.5%)
Indigenous people living on-reserve	not collected	not collected	not collected
2SLGBTQI+ persons	not collected	not collected	not collected
Persons with disabilities (aged 15+)⁺⁺⁺	1,535,000 (20.6%)	979,000 (10.6%)	1,110,000 (12.3%)
Immigrants⁺⁺ (aged 15+)⁺⁺⁺	1,303,000 (17.5%)	705,000 (8.1%)	937,000 (10.7%)
Recent immigrants⁺⁺ (10 years or less) aged 15+⁺⁺⁺	649,000 (28.3%)	279,000 (10.3%)	373,000 (14.0%)
Very recent immigrants⁺⁺ (5 years or less) aged 15+⁺⁺⁺	423,000 (34.9%)	179,000 (12.0%)	239,000 (16.4%)
Racialized persons**	not collected	1,033,000 (9.5%)	1,437,000 (13.0%)
South Asian	not collected	194,000 (7.0%)	346,000 (11.5%)
Chinese	not collected	247,000 (11.7%)	273,000 (15.6%)

Group	2015	2021	2022
Black	not collected	179,000 (11.5%)	233,000 (13.9%)
Filipino	not collected	33,000 (2.9%)*	77,000 (6.2%)
Arab	not collected	114,000 (12.8%)*	157,000 (18.7%)
Latin American	not collected	41,000 (6.8%)*	85,000 (11.3%)
Southeast Asian	not collected	54,000 (9.1%)*	73,000 (12.3%)
Other racialized persons*	not collected	173,000 (14.4%)	193,000 (16.2%)
Persons living in institutions	not collected	not collected	not collected

Source: Statistics Canada, Canadian Income Survey, Table 11-10-0135-01 Low income statistics by age, sex, and economic family type; Table 11-10-0136-01 Low income statistics by economic family type; Table 11-10-0090-01 Poverty and low-income statistics by disability status; Table 11-10-0093-01 Poverty and low-income statistics by selected demographic characteristics.

Notes:

⁺ The estimated poverty rates in this table only include data from Canada's provinces.
⁺⁺ Referred to by Statistics Canada as people who are, or have been, landed immigrants in Canada. Canadian citizens by birth and non-permanent residents (persons from another country who live in Canada and have a work or study permit, or are claiming refugee status, as well as family members living here with them) are not considered landed immigrants.
⁺⁺⁺Persons aged 16 years and over for years prior to 2022.
*Statistics Canada indicates that these data should be used with caution.
**Referred to by Statistics Canada as persons designated as visible minorities.
***Other racialized persons includes racialized groups other than Black, Chinese, Latin American, Filipino, Arab, South Asian or Southeast Asian, as well as persons who identified as more than one racialized group.

Of note, poverty rates increased for most demographic groups between 2021 and 2022, except for unattached elderly females (12.9% in 2021 to 12.7% in 2022). Poverty rates surpassed pre-pandemic levels (2019) for certain groups. These include:

• children aged 17 years and younger (9.9% in 2022 compared to 9.4% in 2019)

• seniors aged 65 years and older (regardless of gender and economic family status) (6.0% in 2022 compared to 5.7% in 2019)

• people in male-led lone parent families (17.6% in 2022 compared to 11.7% in 2019)

Inequities and inequalities were also apparent in other ways. For example:

- the income and wealth gaps increased in the third quarter of 2023 relative to the same period a year earlier as higher interest rates had a negative impact on the income and net worth of the lowest-income and least wealthy households (Statistics Canada, 2024b)
- income inequality increased in the third quarter of 2023 as the gap in the share of disposable income between households in the top 40% of the income distribution and the bottom 40% of the income distribution reached 44.9%, up 0.5 percentage points from the third quarter of 2022 (Statistics Canada, 2024b)

What we heard in the ongoing dialogues

Presented below is what the Council heard from individuals who shared their expertise, experiences and opinions. The thoughts expressed do not necessarily reflect our opinion as a Council or the available data or research.

"We need to choose learning over 'othering' … we need to relentlessly call out the negative narrative about people in poverty."

Throughout the conversations this year, we detected a feeling of inequity in the approaches and measures to reduce poverty. People felt that efforts were directed toward some groups more than others, and some voiced the concern that they would be left behind. Additionally, people we met with spoke about their frustration with the financialization of vital needs, and the resulting inequity it causes. We heard in our sessions that a series of concurrent crises—housing, affordability, climate change, and the opioid crisis, for example—during and after the COVID-19 pandemic have created ideological discord. For some people,

"Look at their faces. We used to be happy, we used to be proud, we used to like others. Not anymore."

these crises and the post-COVID environment have led to feelings of desperation, fearfulness about the future and feelings of resource scarcity. This may make people think they have to compete with others for resources. Rather than feeling a greater sense of social connection, this can lead to less empathy and an "us versus them" mentality.

Key themes

People are living in survival mode

We heard from a lot of people who are operating in what they describe as "survival mode." They explained that because they have unmet vital needs compounded by dealing with trauma, substance use, homelessness or any other challenge closely associated with poverty, surviving is often their only thought. These conditions—experiencing poverty and being in survival mode—are actively traumatizing.

This survival mode can be difficult to change. Even when people become stabilized (such as becoming housed or employed), and when it seems as if they will not need as much support, past traumas can resurface. These traumas require wraparound supports beyond housing. When someone becomes housed, they relearn or need to redefine what supports they need to feel okay in this new context.

We also heard that when people have been in survival mode for so long, it can be traumatizing to be okay. When things start working out or improving, they may self-sabotage, because they often do not know how to adapt or are unable or unsupported to do so. The self-sabotage provides comfort when these individuals lose their socioeconomic statuses, whatever those statuses might be.

Survival mode can also lead to isolation and anxiety. It breeds mistrust, disengagement and an "every person for themselves" mentality. Some people indicated that they feel they have to take care of themselves and that there are not enough resources to go around.

> "Sometimes I just get tired of being resilient. Tired of surviving."

> "We're not living, we're just barely surviving. Some days it's hard to find the enthusiasm because we're just dying."

> "I almost ruined it all because I was not used to being okay. I was not used to being out of survival mode."

People feel as if they can't take care of others, and they can't trust others to take care of them. They feel like other people don't care about them and that the Government doesn't care about them. People don't trust the system that has failed them. This is a slippery mental slope. It leads to a fear of running out of resources. It also leads to feelings of injustice, anger and less tolerance toward others, which can manifest as racism and stigmatization. This threatens security and community ties. People may turn to populism or anti-government/conspiracy theories to look for hope and meaning. While we've seen resilience and examples of people helping each other and sharing information, we've also heard a lot about despair.

> "A few years ago, if I had this conversation, I wouldn't be so emotional, but I'm watching people kill themselves."

Some people feel the Government has failed them by allowing the costs of vital needs to get out of reach. Some people also expressed concern that the Canada Emergency Response Benefit (CERB) clawbacks and paybacks are also eroding trust in the Government. Many people accessed CERB because someone directed them to do so or because they believed they were eligible, and they are now in a position where they have to pay it back.

> "There has been a breakdown in the sense of community and COVID definitely accelerated this."

The perceived scarcity of resources is pitting people against each other

The concurrent crises caused by the high cost of living, the housing challenges, the opioid crisis, climate change, and the post-COVID environment are leading to feelings of desperation and fearfulness. Because of this, we heard that many people are more likely to be thinking specifically about their own families and communities, and that the bridges between people and between communities are starting to give way. We heard that people are not necessarily feeling empathetic toward others who are facing challenges. Instead, non-profit organizations, community groups, service organizations, and individuals are feeling they must compete for limited resources.

> "Have you ever eaten out of a dumpster? Have you lived a whole year outside? Until you have been in those places of pure 100 % survival, you don't know."

Communities are struggling with increasing resource disparity and limited access to health care, services and opportunities. Those new to poverty may be in shock and are concerned with surviving while navigating complicated and unfamiliar systems. They may have been privileged in the past and bring similar expectations to systems and supports of last resort. The high cost of living means that people are using more or all their disposable income to support themselves, leaving them less able to help others even if that is what they wanted to do. Service providers are also having to make difficult choices about who they can serve with limited resources. Being forced to make these choices may make some long-time service providers (agencies and volunteers) step away from the sector. This can be a very stressful decision to make.

> "There is privilege in being able to ignore and not be affected."

Those who have been experiencing poverty for a long time worry they will be left further behind. They sense that the Government's focus on what it refers to as "the middle class" is misguided. We heard that those who are not new to living with poverty have seen a deterioration in the supports they are receiving. Those who have been experiencing poverty for years wonder why people seem to care more about people who are new to poverty, when many have been experiencing poverty their whole lives. Those new to poverty may not feel they are "like" those who have lived for a long time in poverty, creating further division.

> "Being stuck in a moment is one thing, but I've been stuck for years."

Safety and the criminalization of poverty

> "Why do we punish people for being homeless? That shit is shameful and embarrassing. We're serving and protecting property instead of people."

> "If the police are the ones doing the evictions, how can we see them as the protectors?"

With the lack of affordable housing, more people access shelters, live in encampments or sleep rough on the street. We heard that often people do not feel safe in shelters, and there are insufficient alternate options. Tent encampments have become widespread and are no longer just in urban areas where they may have been historically. Homelessness is more visible as a result.

In response, many jurisdictions are taking a law-and-order or heavy-handed approach to encampments and areas around shelters. These measures are presented as efforts to keep communities safe. However, we heard that the intention is to keep things safe for the people outside the homelessness system and not for those within it. This includes criminalizing the behaviour and using police to clear encampments and forcefully evict people, taking away the few assets these individuals possess.

At some of our sessions, people questioned who had access to a sense of safety and if access to justice and safety was equitable. Stakeholders sensed that, rather than ensuring the safety of those experiencing poverty, the safety measures that were in place were primarily keeping people safe from those living with poverty. This can lead to further criminalization of those living with poverty. Equity in justice and safety means the system should be looking out for everyone, regardless of their social or economic status. For example, in Yukon, we heard about tensions between the shelters and the surrounding community. In Nova Scotia, we heard about people being criminalized for living in their car and parking overnight. The car gets towed, and they get a fine. They can't afford to pay either, and now they have no shelter and more debt, all in the pursuit of preventing "suspicious activity." As the needs grow more severe and spread to neighbourhoods beyond the usual areas, poverty becomes more visible to more people and leads to "not in my backyard" attitudes.

Accessing services is stigmatized

We heard of the perceived stigma with accessing services like a food bank. The way we feed communities is very limited and could be much more dignified. Given the stigma, some people will delay accessing services or never access them at all. If they do access help, people feel the need to justify why they need it. For example, people described feeling as if they have to explain why they need to use a food bank when they have a job but can't afford to eat. Some people described encountering people with an "if you're hungry enough, you'll eat it" mentality. Others recounted stories of people getting kicked out of or turned away from food banks for being "ungrateful." In reality, often the person couldn't eat the food they received due to:

- dietary restrictions for health or cultural reasons
- a lack of appliances needed to eat or heat the food (such as an oven, microwave or can opener)
- a lack of knowledge about how to cook a certain type of food

Food banks should never be a solution to combatting food insecurity. Giving people enough money to purchase their own groceries allows more dignity for individuals. It allows people to make personal choices.

Food banks can face challenges accessing additional funding or justifying changes in how they provide service to make it more dignified. This can be because boards and donors are worried about misuse of the food bank or about creating a dependence on the food bank, instead of focusing on providing a dignified experience for those needing to access it.

> "Poverty is an unnecessarily stigmatizing experience. When it comes down to it, we're all service users. We all have and will use services. We use services all the time."

> "There is enough food to feed everyone."

> "I don't want people to have to use the food bank, but I want them to feel comfortable if they do. I don't want to shame them."

Dignity

"I just want to live life peacefully and have all my needs met."

In our in-person discussions, we saw some wonderful examples of warm, inviting and dignified spaces that put people at the centre of care. They meet people where they are and treat them as humans—as individuals deserving of respect. Dignity includes the need to feel recognized and respected in one's identity. Dignity is also about having a sense of place in society and not having people look down their noses at you.

"They stripped every goddamned one of us of our pride and our dignity."

However, we also heard that many services, especially government benefits and programs, are not designed with dignity in mind. Some programs, like income support or social assistance, require people to lose everything before they can access help. This strips people of their dignity and self-determination and makes them dependent since they no longer have any resources to deal with unforeseen events. This state of extreme deprivation leaves people with little hope that one day their situation will improve. Without hope, it becomes very difficult to mobilize to change their situation.

"Can you see the hurt in this room? The hurt? The anger? And we leave here today, and we're still hurting."

Application processes often re-victimize people and force them to prove their need repeatedly. Some individuals we met with commented that the policy-makers and service providers were placing more effort on policing people and catching people potentially trying to abuse the system rather than helping people by appropriately responding to their needs. Furthermore, not all people are feeling served equally. For example, youth shared that they are not taken seriously unless they have a social worker by their side.

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Colonialism, racism and discrimination

Many in Canada keenly feel the impacts of colonialism. We heard from Indigenous people, Black people, and people from other racialized groups about the myriad of ways colonization impacts them. Not only has colonization taken place in Canada, but Canada has supported colonial systems internationally. People living in Canada may have been impacted by colonialism internationally before coming to Canada. Both have ramifications on the development of trust between communities and government. Neocolonial practices impact those made marginal and undermine trust and connections between people by:

- using colonial structures as the basis for dialogue and service delivery
- using Eurocentric approaches
- ignoring the systemic nature of racism and discrimination

We heard that a concerted effort to focus on decolonization is required.

Systemic racism and discrimination can be seen in many forms across the country, for example, in housing, the health system and the *Indian Act*. People who make and implement policies and programs need to have a greater and better understanding of systemic inequity. Poverty, and the suffering of some people, has empowered and enriched other people. The scarcity of resources breeds fear and contempt and can lead people to see others as competition for resources. Some people may resent newcomers to Canada or other people they see as not worthy of help and as a perceived threat to limited programs, services and benefits.

"We don't have a good relationship with police because of everything that has happened over the generations."

"The class system is being perpetuated, and it may not be talked about as much anymore, but the reality is that it is reflected in the systems that are in place and that continue to oppress people."

Substance use

> "You hurt but you don't want to hurt no more, so you keep using."

The in-person discussions highlighted the close relationship between substance use and poverty. Stakeholders noted the complex interconnection between poverty, trauma and substance use. The trauma of living with poverty can lead to drug use to numb the pain, and then substance use can trap people in poverty. Some people shared that there is a survival aspect to using and selling drugs. They explained that some people do drugs because they have experienced trauma and don't want to hurt anymore. Sometimes, people use drugs to numb physical pain in the absence of adequate public health systems. The drugs help make the pain bearable, and they know that if they stop doing drugs, it will hurt more. They also explained that some people sell drugs to make enough money to support their drug habit or pay for other vital needs.

Safe supply and harm reduction do not seem to be priorities for the Government. We heard about a lack of access to substance use supports and services. People leave shelters, detoxification centres and hospitals without proper supports. Often, those who have completed detoxification are not receiving the aftercare they need. People are discharged back into the street. To this end, we heard that housing services are an important part of recovery, but many shelters turn people away if they are using. We know that without transition supports, safe living environments and medications, many people end up stuck in a use-shelter-detox cycle. Community and supports are essential. Furthermore, people spoke about the loss of a sense of community when leaving homelessness and substance use. While leaving homelessness is a positive change, it isn't sustainable without adequate transition supports.

> "The biggest part of cleaning up [from alcohol/drugs] is you need a safe place to sleep."

The lack of resources is even more acute in rural and remote communities. People using drugs in rural communities often move to the city to access services, including detoxification. However, that means they are away from their support system, increasing the chances that they return to using substances. Once you are in that city, it is very tough to get back to your community.

"There are 4 people who have died of an opioid overdose in the last 3 weeks, and the common denominator is lack of housing."

CHAPTER
5

RECOMMENDATIONS

Urgent need for action

Governments at all levels, communities, and private sector actors have made significant investments that could decrease poverty. The Council recognizes the Government of Canada's role in developing and reinforcing a suite of programs and supports to strengthen Canada's social safety net. These investments have reduced the overall poverty rate in Canada significantly relative to 2015. However, while the poverty rate is lower than it was in 2015, Canada's poverty rate increased in both 2021 and 2022 after decreasing for several years.

The convergence of multiple crises, leading to an increase in poverty, leaves people with a sense that things are not getting better anytime soon. People feel desperate, hopeless and overwhelmed at the variety and constant nature of the challenges they face. Many stakeholders expressed frustration about the lack of coordinated efforts and the need to update antiquated government systems that force people to rely on charity to meet their vital needs. They don't see a way out. This is especially true for those who have experienced poverty for generations.

There is a sense of urgency and a need for immediate transformative action throughout the country. People voiced frustration and even anger at the continuing conversations and consultation without visible action. Given the numerous reports and studies that have been published, stakeholders indicated that people experiencing poverty have been sharing their stories for years. This process can be traumatizing, and many feel that nothing has changed, leading to frustration. They want action so their retraumatizing experience leads to change for others. We must build policies around the informed voices of the people whom those policies are intended to support. When we ask people to share their experiences, this should inform future policy and program development.

Government needs political courage to create change. Specifically, the federal government has to play a convening role in bringing people together. The Government needs to confront the forces perpetuating the inequity of poverty and ensure that everyone has an adequate income whether through employment or government benefits. The Council urges the federal government to take immediate action to help those furthest behind, who have been made most marginal, first. While it is important to recognize that conditions are pushing more people into poverty and that everyone needs assistance, we cannot forget people who have been living with poverty since before the current crisis.

The Council is proposing potential areas for federal action to move toward attaining the targets set in *Opportunity for All—Canada's First Poverty Reduction Strategy*. These recommendations are based on what we heard during the ongoing dialogues, on the latest poverty statistics, on our observations of current measures and on our individual and collective expertise on the issue.

First, we implore the federal government to take leadership and increase collaboration with the provincial and territorial governments to enhance coordination and effectiveness of poverty reduction efforts. The federal government must lead to bring all pillars of society together in a comprehensive and cohesive manner by developing frameworks to coordinate the various kinds of supports, services and benefits offered by different levels of government. The Minister of Families, Children and Social Development can leverage existing infrastructure, including the Federal-Provincial/Territorial Social Services Forum for this.

Additionally, in the following pages, we present our reflections on the key challenges and recommendations, along 3 overarching themes covered in this report. These themes are:

- meeting vital needs to thrive
- improving access to benefits and delivery of services
- building strong communities and enabling equity

While we have divided our recommendations into these themes, poverty is multifaceted, and these 3 areas are intertwined. Improving one area improves the others. Even more importantly, addressing them all improves the lives of Canadians exponentially. When

formulating these recommendations, we focused on options that could decrease poverty and could also increase affordability, equity and dignity. We believe that some are relatively simple and that the Government could act on these in the short term. Others will require long-term effort, including reimagining and rebuilding larger systems that have created inequity. Doing both simultaneously is necessary to make impactful and sustainable change. These recommendations build on our previous recommendations, which we continue to urge the Government to implement (Annex B).

Meeting vital needs to thrive: what is being done

Government has a critical role to play in helping people meet their vital needs. As a Council, we strongly believe that all people should be able to live a dignified life in a safe home, with the food, health care and medication they need. They should not only have the means to survive, but should be enabled to thrive mentally, physically, socially and financially. The Government of Canada plays a convening role in building a country that promotes quality of life and well-being for all. This requires a whole-of-society approach, which involves businesses, all orders of government, employers, the non-profit sector and individuals.

Wages

Being employed does not always mean that people make enough money to support themselves and their families. Even when working full-time, people making minimum wage often live below the poverty line, without the addition of government benefits. Wages have also not been keeping pace with inflation, and this scenario brings into question the adequacy of wages across Canada.

A minimum wage also differs considerably from a living wage or a thriving wage. A minimum wage is the lowest an employer can legally pay their employees, while a living wage is the level of income that a family or individual needs to be able to live and work in their community. A thriving wage is defined as meeting their vital material needs, enabling connections to the community and family, supporting educational and professional advancement, and ensuring long-term financial security (Kumar et al., 2017).

In most parts of Canada, a living or thriving wage would be significantly higher than both the minimum wage (French et al., 2021) and the Market Basket Measure. A thriving wage would be higher than a living wage and would allow people to meet their needs and fully participate in society.

An additional consideration is the role of the provinces and territories, municipalities, and employers in shifting from minimum wages to living or thriving wages. The Government of Canada can and should lead by example, but the federally regulated private sector is a small fraction of the Canadian workforce.

Basic income floor

The economic and social impacts of the COVID-19 pandemic, and the successful rollout of the Canada Emergency Response Benefit (CERB) and the Canada Recovery Benefit, highlighted gaps in income support programming. It accelerated calls for a basic income from both within and outside government (Alsharif, 2022).

The federal government has often suggested that its programs (such as the Canada Child Benefit, for families with children, and the Old Age Security pension and the Guaranteed Income Supplement, for seniors) have features of a partial basic income. The Government has also expressed that the Goods and Services Tax/Harmonized Sales Tax (GST/HST) Credit and the Grocery Rebate delivered in 2023 have characteristics of basic income. The Canada Disability Benefit recently joined this list.

While basic income is often mentioned in the same context as an income floor, the two are different (Tabbara & Talwar Kapoor, 2021). A basic income is a periodic tax allowance for individuals with few requirements (in particular, with no requirements to have or seek employment), and it can take different forms such as universal or targeted (Coalition Canada Basic Income, n.d.). In contrast, an income floor guarantees that people have a certain minimum amount of income support (Tabbara & Talwar Kapoor, 2021). This can be achieved through a combination of wages and various government benefits. Both basic income and an income floor can be universal (provided to everyone) or targeted (provided to specific populations or those with a specific income).

While the Council has not previously explicitly called for a basic income, stakeholders regularly proposed, during our ongoing dialogue on poverty, the provision of a basic income as one method for achieving an income floor. Stakeholders stated that a basic income could address multiple policy objectives such as poverty reduction and sustained resilience against future economic downturns. Conversely, some experts have requested targeted income supports for populations facing serious barriers to entering the workforce. They've also called for governments to increase expenditures on social services such as pharmacare, dental coverage, child care and affordable housing.

Income security

To date, the Government of Canada has made significant investments to reduce poverty and work toward the legislated targets set in the *Poverty Reduction Act.* Examples of federal poverty reduction measures implemented or in the works include:

- the Canada Child Benefit
- the Early Learning and Child Care Agreements
- the Canada Workers Benefit
- investments in housing, pharmacare and dental care
- the Canada Disability Benefit
- the Old Age Security pension and the Guaranteed Income Supplement for seniors

However, we know that these measures are not addressing the needs of all groups equally.

Despite investments such as the expansion of the Canada Workers Benefit, working-age single people have persistently high rates of poverty, especially among groups made most marginal. For example, some working-age singles are particularly vulnerable to poverty because they cannot necessarily rely on income from other family members should a financial setback occur. In addition, they have access to limited supports from both federal and provincial/territorial governments. Stakeholders have long called for more direct support for single, unattached people.

Furthermore, the Government has taken an incremental approach to the rollout of large social programs (such as dental care and pharmacare). It has chosen to invest in a wide range of programming.

This is perhaps most evident in the recently announced Canada Disability Benefit. Stakeholders were expecting more and have argued that $200 per month is not enough to lift people out of poverty. Having said this, the Council recognizes that introducing the benefit will help to improve the financial security of those who receive it. We also recognize that it can be built upon in the future, if the Government chooses to do so.

Housing

Since launching the National Housing Strategy in 2017, the federal government has made many investments and efforts to support needs across the housing continuum. Overall, under the National Housing Strategy, the Government of Canada has made $50.97 billion in commitments as of March 31, 2024.

Housing has always been a 3-level-of-government responsibility. The Council specifically recognizes federal investments made in creating new units of permanent affordable housing for people and populations deemed most marginal. We also recognize the investments made for the building and construction of affordable and purpose-built rental housing. These include Canada's Housing Plan (announced in April 2024) and measures such as the Affordable Housing Fund, the Apartment Construction Loan Program, the Housing Accelerator Fund and the recent launch of Canada Builds. These programs are generally considered inadequate for tackling the current housing need. The Council heard from many individuals about the need for better renter and tenant protections. We acknowledge the recent announcements made by the federal government to explore or introduce the Canada Rental Protection Fund, a new Tenant Protection Fund and a new Canadian Renters' Bill of Rights.

Furthermore, the Council echoes concerns raised in the Office of the Federal Housing Advocate's report (2023) and notes the urgent need to improve the National Housing Strategy. Additional efforts are required to meet the growing housing need, particularly

for those experiencing homelessness or housing affordability issues. Furthermore, as mentioned by the Federal Housing Advocate, the Government should also prioritize addressing the housing needs of specific groups made most marginal. These include First Nations, Inuit and Métis people; equity-seeking groups including women, Black people and other racialized groups; and people with disabilities (Canadian Human Rights Commission, 2023).

One of the primary concerns in this area is about the long-term but growing challenge that people across the country are facing in trying to access safe, stable and affordable housing. Without housing, people cannot take basic steps in their lives, like recovering from trauma and addictions, completing their education, finding employment and exiting poverty. The longer people are forced to go without adequate housing, the more their mental and physical well-being is affected. This can result in deteriorating economic conditions, declining health and increased social isolation.

Canada lacks affordable housing. We heard that much of the housing built under the National Housing Strategy remains unaffordable. Private sector rental construction receives the larger part of Canada's housing investments, with only a portion going to fund new non-market public, non-profit or co-operative housing. Stakeholders question the Government's reliance on the theory that building new unaffordable housing frees up affordable housing for those in need. Stakeholders believe that the Government should revisit its focus on increasing supply without adequate affordability requirements.

Food security

Food should be a human right. However, too many are being forced to skip meals, make unhealthy food choices, go without culturally appropriate food, or rely on non-profit or community organizations to eat. The Council shares the concerns voiced by individuals and service providers with whom we met and who have called out the unfair practices, waste and disrespect of the grocery sector.

The Council noted the efforts made to crack down on unfair practices and empower the Competition Bureau to stop corporations from stifling competition. The introduction of the *Affordable Housing and Groceries Act*, which amended the *Competition Act*, has provided the Bureau with more power to act on these efforts. However, we believe the Government should be doing more to address the food pricing policies and regulations. We look forward to the results of independent research on shrinkflation and grocery pricing; retail practices that negatively impact consumers, such as skimpflation in the grocery sector; food fraud; and innovative solutions to enhance consumers' access to affordable, healthy and sustainable food (Innovation, Science and Economic Development Canada, 2024).

The Council also welcomes the creation of the National School Food Program and the proposal to provide meals for up to 400,000 children each year. However, the Council is concerned by the fact that this program is not technically a national or universal school feeding program. The announcement proposes to provide funding for the current mostly disconnected system of local, regional and provincial/territorial programs. This will require provinces and territories to act on the federal government's new policy.

Additionally, the Council cautions that the school food program should not be seen as a cure-all. It does not necessarily address the root causes of food insecurity, which are tied to income, affordability and access. This program should be part of a broader strategy to address food insecurity. Coordinated action is needed to provide more nutritious, culturally appropriate, sustainable and affordable food to individuals of all ages across the country.

Meeting vital needs to thrive: what more can be done

Despite these significant investments, more is needed to meet the poverty reduction targets, particularly to meet the needs of those who have been made most marginal. To this end, the Council makes the following recommendations.

Recommendation 1

The Council has seen the devastating impact of living with poverty, particularly during our discussions with people experiencing poverty. We recommend that the Government's current target of a 50% reduction in poverty (set in the *Poverty Reduction Act*) be seen as a staging post toward a more ambitious goal of a Canada with no poverty. Given the impacts of poverty that this Council has witnessed, we recommend that the Government work toward zero poverty. An important consideration for achieving zero poverty is the adequacy of government benefits. Relying on government benefits, in the short or long term, should not mean living with poverty.

The Council proposes that the federal government should:

- work across governments to introduce a basic income floor, indexed to the cost of living, that would provide adequate resources (above Canada's Official Poverty Line) for people to be able to meet their basic needs, thrive and make choices with dignity
- while working toward a basic income floor, increase income security by incrementally reforming current benefits to increase benefit amounts. A twin approach of ensuring adequate funding of state welfare programs and decreasing inequities by targeting increases to the groups made most marginal could help achieve this goal. Specific improvements to programs could include:
  - introducing legislation to leverage Canada Social Transfer payments to provinces and territories to ensure that social assistance rates in each jurisdiction meet a percentage of the Market Basket Measure
  - taking a human-centered approach to benefits that can provide flexibility to support unique scenarios and important life transitions
  - providing a plan to build up the Canada Disability Benefit in both accessibility and adequacy and ensure it functions as a stackable benefit with provincial/territorial programs and does not result in any clawbacks
  - separating maternity and parental benefits from the Employment Insurance program so that they are not tied to employment, and increasing the amount that the benefit provides so that people are not living with poverty in the first year of their child's life

Recommendation 2

To address the housing challenges facing people living in Canada, the federal government should:

- work with the provinces, territories and municipalities to develop a plan with targets to decrease core housing need for people who are spending 30% to 50% of their income on housing. This includes an expansion of non-market-linked housing (housing managed by government or non-profit organizations) that corresponds to the needs of different communities and different family sizes and types. Prioritizing non-market housing would support the development of affordable not-for-profit housing, rather than investment properties
- introduce and oversee the implementation, delivery and coordination of federal rental subsidies that:
  - include a percent to account for energy and utility costs
  - are associated with the individual, not the property (following tenants between rentals), allowing people to choose their own housing (unlike subsidized housing where people typically have no choice over where they live)

Recommendation 3

To increase food security, the federal government should:

- in support of the United Nations Sustainable Development Goal 2 (end hunger, achieve food security, improve nutrition and promote sustainable agriculture), establish government regulation of nutritious food prices. This could be done for items included in the National Nutritious Food Basket used in the development of the Market Basket Measure
- when implementing the National School Food Program, ensure that it is low-barrier, stigma-free, equitable and inclusive, and provides nutritious food. Additionally, consideration should be given to promote programs that offer both breakfast and lunch, that offer culturally appropriate options and that involve local producers

Improving access to benefits and delivery of services: what is being done

A complex system of delivery agents from all levels of government, the non-profit sector, and sometimes the private sector provides benefits, services and programs. This results in a patchwork or siloed approach that is complicated, slow, inefficient and often undignified.

We heard a lot about the systems that are supposed to be helping people, and how those systems continue to fail people either accidentally or by design. Policies tend to work best for those who write them. More diversity in the writing of policies would make them more holistic and better suited for the population they are intended to support. A one-size-fits-all approach does not work for whole populations or even for a seemingly homogenous group. People are unique individuals with unique needs—needs that are getting increasingly complex. Holistic and human-centred approaches to poverty reduction will help to develop equitable and dignified responses to poverty.

Federal efforts

The Government of Canada has established several systems over the years. These include:

- the federal income tax system

- public pensions

- Employment Insurance

- social assistance programs and benefits

- Medicare

- health and social transfers to provinces and territories

- income support programs

The Council recognizes the Government's periodic efforts to enhance the delivery of these systems to keep up with evolving needs, new technologies, and other factors impacting their effectiveness and relevance. However, the events of recent years have added stress to support systems that were designed in a different era with a different social paradigm. These stressors include:

- quickly and constantly evolving technology

- the decentralizing of services

- a shift in service delivery expectations

- the complexity of needs

- the heterogeneity of the clientele

For many individuals, these systems have never met their needs sufficiently. Instead, these systems isolated and systematically disenfranchised them. Although many stakeholders have advocated for system change for years, the COVID-19 pandemic more broadly exposed many outdated systems. These systems are often too complex, difficult to access and navigate, and lack critical connections between one another. These systems can also stigmatize and traumatize their users.

At the outset of the COVID-19 pandemic, the Government of Canada implemented many initiatives quickly and with minimal application process burden. The Government did this by reimagining the potential of current systems. These included income supports for workers, subsidies for employers, benefits for students and caregivers, and additional supports for groups made most marginal and the organizations that serve them. Beneficiaries received these benefits and supports promptly. While not foolproof, this was in direct response to urgent needs and what was possible to implement quickly at the time. The Council believes the Government should draw lessons from the innovative and expedited pandemic benefit delivery approaches it undertook. This should include lessons from any challenges that surfaced after the quick implementation and low-barrier application process.

Outside pandemic support measures, the Council recognizes that the Government is taking steps to further support tax filing and increase benefit take-up. This has occurred primarily through the SimpleFile by Phone service (formerly File My Return) offered

by the Canada Revenue Agency. We also recognize the Government's commitment to increase the number of people who are eligible for SimpleFile by Phone from 1.5 million in 2024 to 2 million by 2025 (Department of Finance Canada, 2024). We look forward to learning about the impact of this new increase. We also look forward to seeing the outcomes of the pilot project introducing new automatic filing services, SimpleFile Digital and SimpleFile by Paper, for those who do not currently file their taxes.

The 2022 Report of the Auditor General of Canada, *Access to Benefits for Hard-to-Reach Populations*, highlights targeted efforts made to increase benefit and credit awareness among hard-to-reach individuals (Office of the Auditor General of Canada, 2022a). The Council appreciates the Government's Reaching All Canadians outreach strategy and the measures in place to address barriers faced by those made most marginal. These efforts support, for example, members of low-income populations not easily served through mainstream channels such as Service Canada Centres. This includes individuals with low literacy levels, those unable to communicate in either official language and those reluctant to disclose personal or financial information to the Government. The strategy should also address the complexity of the application process for some benefits. Initiatives to enhance accessibility from various geographic locations, including remote regions, should also be examined. However, the report also points to the lack of evidence available as to the success of outreach measures as a mechanism to increase benefit take-up. The Council would welcome an evaluation of the impact of these efforts to assess the progress made and potential areas for improvement.

The current approach requires an individual to go through multiple complex systems and applications to apply for benefits. The Council echoes the concerns raised by many stakeholders who say that this approach deters people from even initiating the application process. The Council looks forward to hearing more about the Government's recent commitment to develop a modern, single sign-in portal for all federal government services, to replace the more than 60 different Government of Canada systems. During the design phase, the Council strongly encourages the Government to consult those who will ultimately be using the portal.

The role of the non-profit sector

Over the years, governments at all levels have often downloaded service delivery to the non-profit, charitable and service delivery sectors, without, we believe, adequately supporting them to do the extraordinary work required. Many would argue that these sectors are better at doing this work. Often, organizations are meeting people where they are at and providing dignified, holistic care. Unfortunately, they must do so under the uncertainty of short-term, narrowly focused government funding, or private philanthropic funding and donations.

Service delivery via the non-profit sector has often been perceived as a less expensive alternative to public or private service delivery. The perception is flawed. The lower cost of service delivery by the non-profit sector can be attributed to several factors. These include its ability to be nimble, creative and resourceful, and often, the use of simple hierarchical structures and governance models that allow for efficiencies. Additionally, the non-profit workforce involves a combination of volunteers and paid workers. Historically, non-profit employees have received lower pay and fewer benefits, often due to limited funding, than workers in other sectors. Furthermore, volunteers engaged in service delivery were often people who cared to act because there was a sense of community and working together. Now, the pool of willing people—volunteers and paid workers—has started to dwindle because of affordability challenges and other factors leading to changes in social capital. Additionally, the charitable model leaves people at the mercy of the kindness and generosity of others, rather than recognizing that all people are deserving of dignified supports that meet their individual needs.

The Council believes that adequate transfers to service providers could help address the viability challenges the sector faces. However, simply providing better funding is unlikely, by itself, to solve the problem. Service delivery should not be downloaded to the charitable sector because it is a lower cost option. Instead, non-profit organizations should be engaged as partners, as they are often better positioned to provide holistic and dignified services that are responsive to community, cultural and individual needs. To do so, the sector should be funded properly and provided with the resources to offer pay and benefits equivalent to those doing similar jobs in other sectors. This would provide them with the autonomy to run their organizations and the means to attract and pay staff.

Improving access to benefits and delivery of services: what more can be done

The Government needs to recognize the expertise of the sector through sustainable funding and other key supports. The Government also needs to re-examine current measures to address some key systemic challenges identified and to ensure that benefits and services are accessible and relevant to those most in need. To this end, the Council makes the following recommendations.

Recommendation 4

To facilitate low-barrier and equitable access to benefits and services, the Government should:

- explore ways to expand auto-filing and auto-enrollment for people living with poverty to ensure that all available benefits and supports are accessed by all those eligible at the federal, provincial and territorial levels
- fund systems navigation initiatives to help people through the benefits and services system

Recommendation 5

To support the non-profit sector that provides a vital and essential role in supporting those who have been made most marginal, the federal government should use its leverage to:

- provide stable, long-term, operational funding for non-profit organizations that allows for flexibility and autonomy in how organizations are managed
- mandate funding that supports and ensures fair and equitable wages and working conditions for employees in the non-profit sector
- reduce the administrative burden associated with the funding process (application, implementation and reporting) but ensure that accountability is in place to measure the impact of the investments
- support organizations that promote innovation in response to their clients' and target audiences' needs

Building strong communities and enabling equity: what is being done

The Council has been met with a sense of desperation during our dialogue with individuals and stakeholders across Canada this year. The challenges faced by people during and after the height of the COVID-19 pandemic and the subsequent economic situation may have created discord and fear about what will come next. This social discord could have serious consequences for individuals and for society. It could lead to loneliness, isolation and mental health challenges. It could also lead to divisiveness and discrimination, leading to an "us versus them" mentality that has people feeling they must turn against others to protect themselves. Left unchanged, it could undermine society and our ability to help those made most marginal. The affordability crisis has amplified the inequities. Seeing some people profiting from the financialization of goods and services, while others are going without their basic needs, fuels further resentment.

Discrimination, racism and inequity continue to exist within our systems and play a role in creating and perpetuating poverty. Groups made most marginal face structural and systemic barriers, violence, discrimination, racism, homophobia, transphobia, sexism, ableism and colonialism that make them more likely to live in poverty. *Opportunity for All—Canada's First Poverty Reduction Strategy* proposes to work to provide everyone with a fair chance at success. The strategy includes goals to foster equity, such as addressing poverty by "promot[ing] community and opportunity, and … remov[ing] discrimination based on gender, race, disabilities, sexual orientation or other grounds, and other roadblocks that prevent people from getting ahead."

The Council's previous reports have included recommendations for federal action toward achieving this goal and ensuring that initiatives are developed with consideration to how intersectionality influences the way people may experience policies and initiatives. We acknowledge the recent additions of the Black-Centric Lens and the Gender Results Framework to the Gender Based Analysis Plus (GBA+) Policy Development Lens. We reiterate our call for regular updates to the GBA+ Policy Development Lens so that emerging and systemic inequities are assessed as the Government develops programs and policies.

The Council also notes the efforts made by the Government of Canada, and many other key players across the country, to address discrimination in many forms. We appreciate the public awareness campaigns and targeted project funding to address racism, ageism, sexism, youth mental health, and addictions. Through federal initiatives, such as the Disability Inclusion Action Plan, the 2SLGBTQI+ Action Plan and the Federal Anti-Racism Secretariat, the Government has initiated foundational work to further prevent discrimination and stigma for specific groups of the population. However, these initiatives lack an important broader social connection and clear material outcomes for populations made most marginal.

Additionally, Canada's colonial legacy has shaped and developed systemic barriers for Indigenous people and communities. These colonial practices have perpetuated poverty in First Nations, Inuit and Métis communities. We recognize that the Government's implementation of the Calls to Action from the Truth and Reconciliation Commission and the Calls for Justice from the National Inquiry into Missing and Murdered Indigenous Women and Girls are ongoing. Nonetheless, we have heard from many that the progress appears to have stagnated, and we have raised this in our previous reports. Having said this, the Council welcomes the Government's efforts to co-develop Indigenous indicators of poverty with National Indigenous Organizations, and the development of the Northern Market Basket Measure for Yukon, the Northwest Territories and Nunavut. These initiatives work toward gaining a better understanding of Indigenous poverty. Ongoing poverty reduction and reconciliation measures must also ensure that the notion of treaty rights is being upheld.

Building strong communities and enabling equity: what more can be done

Maintaining the status quo on equity and discrimination is a policy decision. Developing a coherent and comprehensive plan to address discrimination and inequity is a necessary step toward building strong communities and enabling equity in Canada.

We are stronger together and need to find ways to bring all of society together, particularly when it is most challenging to do so.

Recommendation 6

To increase equity and to work to build strong communities, the Government of Canada should:

- take urgent action to respect treaty rights and 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. This includes urgently implementing the Calls to Action from the Truth and Reconciliation Commission and the Calls for Justice from *Reclaiming Power and Place: The Final Report of the National Inquiry into Missing and Murdered Indigenous Women and Girls*

- develop a plan to address poverty inequality—specifically, a plan to decrease the poverty rate in marginalized groups to meet or be lower than the average poverty rate in Canada

  - such a plan should:

    - promote and increase equity in program and policy design and implementation

    - reduce stigma around poverty, including helping everyone see individuals as humans, equals and essential, regardless of income or social condition

    - explain how current poverty reduction measures would be tailored to specifically meet the needs of the populations made most marginal

    - set clear targets of equity to be met by 2030, at the latest

    - include accountability and evaluation mechanisms to monitor implementation of the plan

  - potential plan activities could include:

    - developing mandatory training for all federal front-line government service providers, including trauma-informed service delivery and equity and anti-racism training

    - eliminating racism and discrimination from child welfare decisions. Solutions to poverty are needed rather than using child welfare as a circuitous solution to poverty (removing children experiencing poverty from their family, which has side effects such as cultural, linguistic, familial and emotional upheavals)

    - ensuring that newcomers have adequate and equitable access to benefits

    - introducing new measures to address poverty among children and youth, including families who are caring for children with disabilities

Call to action

We, as a Council, make these recommendations knowing they will require a significant investment and a commitment to make substantial changes. Efforts needed are both big and small, for the long run and in the short term, but are essential to reducing and ultimately eliminating poverty in Canada. They call on us all to work together to increase income for everyone through wages and benefits. We ask the Government of Canada to regulate more tightly the cost of vital necessities to bring a sense of stability to all in these uncertain times. We also believe that these recommendations will enable equity by addressing systemic racism, colonialism and discrimination head-on. While urgency in action is relevant and important, quick fixes become transient if they are based only on urgency. To eradicate poverty, we must keep in mind (and at heart) the importance of establishing and updating measures that provide continuity of results over time and focus also on prevention and upstream actions. Our advice is audacious and ambitious, requiring courage on the part of the Government to take urgent actions that may not always be politically palatable. For people experiencing poverty, and the whole of our country, change is urgently needed.

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ANNEXES

ANNEX A
Organizations that participated in the ongoing dialogue

Below is a list of organizations that participated in the in-person and virtual ongoing dialogues hosted by the National Advisory Council on Poverty in 2024. The in-person dialogues took place in Yukon, Alberta, Newfoundland and Labrador, and Nova Scotia. The Council led 5 virtual dialogues, which involved individuals from across the country who have lived experience of poverty or represent organizations that work to reduce poverty. While hundreds of individuals shared their experiences of poverty with Council members throughout the year, to respect their privacy, we have not included their names in the list below.

We encourage organizations to contact us to correct any errors or omissions.

Email: **EDSC.CCNP-NACP.ESDC@hrsdc-rhdcc.gc.ca**

In-person dialogues

1. Affordable Energy Coalition Nova Scotia
2. African Nova Scotian Road to Economic Prosperity
3. Akoma Holdings Incorporated
4. Association for New Canadians (Newfoundland and Labrador)
5. Atlantic Policy Congress for First Nations Chiefs Secretariat
6. Basic Income Calgary
7. Basic Income Nova Scotia Society
8. Boys and Girls Club, St. John's
9. BloodTies Four Directions
10. Buckmaster Circle Community Centre
11. Business Council of Alberta
12. Calgary John Howard Society
13. Canadian Centre for Policy Alternatives, Nova Scotia Office
14. Canadian Mental Health Association (Halifax-Dartmouth Branch)
15. Cape Breton University (Affordable Housing Research)
16. Choices for Youth

17. City of Calgary
18. Colchester Food Bank
19. Colchester United Way
20. Community Foundation of Newfoundland and Labrador
21. Community Health Board
22. Community Links Nova Scotia
23. Community Sector Council of Newfoundland and Labrador (Vibrant Communities)
24. Connections for Seniors—Newfoundland and Labrador
25. Davis Pier Consulting
26. Daybreak Parent Child Centre
27. Ecology Action Centre
28. End Homelessness St. John's
29. Engage Nova Scotia
30. Enough for All Champion Network
31. Food First NL
32. Food Security Network Yukon
33. Haines Junction Food Association
34. Government of Newfoundland and Labrador, Department of Children, Seniors and Social Development
35. Government of Nova Scotia, Department of Community Services
36. Home Again Furniture Bank
37. Housing First—Newfoundland and Labrador
38. Inspiring Communities
39. Intermunicipal Poverty Reduction Advisory Committee
40. IWK Community Pediatrics Division, Department of Pediatrics, Dalhousie University
41. IWK Health Centre
42. Jimmy Pratt Foundation
43. Kids Eat Smart Foundation Newfoundland and Labrador
44. Kindred Connections Society
45. Government of Nova Scotia—Land Titles Initiatives
46. LEA Place Women's Resource Centre
47. Lumel Glass Blowing Studio
48. MacMorran Community Centre
49. Maggie's Place Family Resource Centre
50. Momentum
51. Nova Scotia Health Authority
52. Nova Scotia Non-Profit Housing Association
53. Nova Scotia Legal Aid
54. Public Health Nova Scotia
55. Safe at Home Society
56. Saint Luke's Community Living
57. SeniorsNL
58. Single Parent Association of Newfoundland and Labrador
59. Social Policy Collaborative
60. Saint Francis High School
61. The Alex

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62. The Fed Family Lab, Acadia University

63. Thrive

64. Transition House Association of Newfoundland and Labrador

65. Transition House Association of Nova Scotia

66. Trellis Society

67. Truro Housing Outreach Society

68. Truro Library

69. United Way Halifax

70. United Way of Newfoundland and Labrador

71. Vibrant Communities Calgary

72. Voices Influencing Change

73. We're Together Ending Poverty

74. Women in Need Society

75. YMCA Halifax

76. YMCA Colchester

77. YMCA of Cumberland— Homelessness Prevention and Outreach Program

78. Yukonstruct

79. Yukon Anti-Poverty Coalition

80. Yukon First Nations Education Directorate

81. Government of Yukon

82. Yukon University

Virtual dialogues

1. 411 Seniors Centre Society

2. Abel Wear Incorporated

3. Ability Employment Corporation

4. Action for Healthy Communities

5. Adeara Recovery Centre

6. Advocacy Centre for Tenants in Ontario

7. Alberta Health Services

8. Assembly of First Nations— Assemblée des Premières Nations

9. Association for New Canadians

10. Athabasca County—Family and Community Support Services

11. Banques alimentaires du Québec

12. Barrhead & District—Family and Community Support Services

13. Basic Income Nova Scotia Society

14. Bay St. George Status of Women Council

15. Bayfm News

16. BC Poverty Reduction Coalition

17. Bent Arrow Traditional Healing Society

18. Big Lakes County—Family and Community Support Services

19. Boys & Girls Clubs Big Brothers Big Sisters—Edmonton & Area

20. Brandon Neighbourhood Renewal Corporation

21. Bruyère Academic Family Health Team—Primrose Family Medicine Centre

22. Burin Peninsula Brighter Futures

23. Burnaby Neighbourhood House

24. Business Community Anti-Poverty Initiative in Saint John

25. Calgary Housing Company

26. Calgary Rural Primary Care Network

27. Campbell River Early Years Services

28. Canadian Association of the Deaf—Association des Sourds du Canada

29. Canadian Cancer Society

30. Canadian National Institute for the Blind

31. Canadian Poverty Institute, Ambrose University

32. Canadian Research Institute for the Advancement of Women—Institut canadien de recherches sur les femmes

33. Canadian Union of Public Employees

34. Cape Breton Regional Municipality—Mayor's Office

35. Cape Breton Transition House Association—Willow House

36. Capilano Community Services Society

37. Caregivers Nova Scotia

38. Catholic Charities of the Archdiocese of Toronto

39. Centre de santé Saint-Boniface

40. Centre d'intervention budgétaire et sociale de la Mauricie

41. Centre for Health Science and Law

42. Centretown Churches Social Action Committee

43. Children First Canada

44. Children of Tomorrow Childcare—Tropicana Community Services Organization

45. Chrysalis House—Western Ottawa Community Resource Centre

46. Citizens for Public Justice

47. City for All Women Initiative

48. City of Beaumont—Family and Community Support Services

49. City of Breton—Family and Community Support Services

50. City of Calgary—Community Associations

51. City of Cornwall—Human Services Department

52. City of Edmonton—Family and Community Support Services

53. City of Kawartha Lakes and Haliburton County Poverty Reduction Roundtable
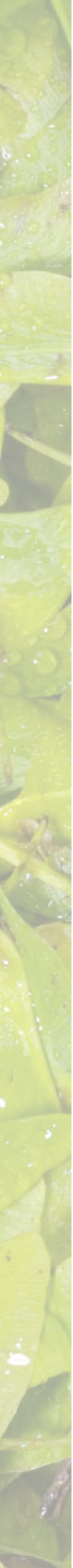
54. City of Leduc—Family and Community Support Services

55. City of St. Albert | Mistahi Sâkahikan—Family and Community Support Services

56. City of Toronto—Toronto Poverty Reduction Strategy

57. City of Winnipeg— Community Services

58. Coalition des organismes communautaires pour le développement de la main-d'œuvre

59. Cold Lake and District—Family and Community Support Services

60. Collectif petite enfance

61. Colour of Poverty— Colour of Change

62. Community Education Development Association

63. Community Food Centres Canada

64. Community Living London

65. Community Sector Council of Newfoundland & Labrador

66. Confédération des organismes de personnes handicapées du Québec

67. Congress of Aboriginal Peoples

68. Conseil Communautaire Notre-Dame-de-Grâce Community Council

69. Corner Brook Status of Women Council

70. Corporation de développement économique communautaire Québec

71. Council of Senior Citizens Organizations of British Columbia

72. County of Grande Prairie—Family and Community Support Services

73. Daily Bread Food Bank

74. Dalhousie University

75. Dans la Rue

76. Daybreak Parent Child Centre

77. Disability Without Poverty

78. DisAbled Women's Network of Canada

79. Dixie Bloor Neighbourhood Centre

80. Drayton Valley—Family and Community Support Services

81. East Scarborough Storefront

82. Eastern Ontario Health Unit

83. Edmonton Social Planning Council

84. Égale Canada

85. Engaged Communities

86. Exeko

87. Feed Nova Scotia

88. First Nations of Quebec and Labrador Health and Social Services Commission—Commission de la santé et des services sociaux des Premières Nations du Québec et du Labrador

89. First Nations Technical Institute

90. First Work
91. Flagstaff Family and Community Services
92. Fogo Island Family Resource Centre
93. Foothills County—Family and Community Support Services
94. Fraser Health Crisis Line
95. Gabriel Housing Corporation
96. Gouvernement du Québec — Comité consultatif de lutte contre la pauvreté et l'exclusion sociale
97. Government of Manitoba— Department of Families
98. Government of New Brunswick— Department of Justice and Public Safety
99. Government of Newfoundland and Labrador—Department of Health and Community Services
100. Government of Northwest Territories
101. Government of Prince Edward Island—Department of Social Development and Seniors
102. Gritty Nurse Podcast
103. Habitat for Humanity Canada
104. Harvest Manitoba
105. Hinton Employment and Learning Place
106. Homelessness Society of the Bow Valley
107. House of Lazarus
108. Houselink and Mainstay Community Housing
109. Immigrant Women Services Ottawa
110. Inclusion BC
111. Inclusion Canada
112. Income and Social Supports, Human Services, Region of Peel
113. Income Security Advocacy Centre
114. Institute for Research on Public Policy
115. Interior Health
116. Iris Institute
117. Jane Goodall Institute of Canada
118. Juniper House
119. Keepers of the Circle
120. Kids Eat Smart Foundation Newfoundland & Labrador
121. L'Assemblée des Premières Nations Québec-Labrador
122. Lac La Biche County — Family and Community Support Services
123. Leduc County—Family and Community Support Services
124. Literacy Coalition of New Brunswick
125. Maple Leaf Centre for Food Security
126. Maytree Foundation
127. Memorial University— Department of Economics
128. Metcalf Foundation
129. Métis Nation of Ontario
130. Métis Nation Saskatchewan

169. Regroupement des Auberges du cœur du Québec

170. Regroupement des sans-emploi de Victoriaville

171. Réseau FADOQ

172. Resto Pop Thérèse-De Blainville

173. Romero House

174. Roots Community Food Centre

175. Rural Development Network

176. Saint John Learning Exchange

177. Sandy Hill Community Health Centre

178. Saskatchewan Association of Immigrant Settlement and Integration Agencies

179. Saskatchewan Health Authority

180. Saskatoon Food Bank & Learning Centre

181. Saskatoon Poverty Reduction Partnership

182. Sault College—Employment Solutions

183. Scarborough Residential Alternatives

184. Second Harvest Canada

185. Self Advocacy Federation

186. Seniors Serving Seniors

187. SeniorsNL

188. Society of Saint Vincent de Paul—Halifax Particular Council

189. Soupe populaire de Hull

190. South Asian Legal Clinic of Ontario

191. Southern Labrador/Strait of Belle Isle Community Youth Network

192. Spinal Cord Injury BC

193. Stettler and District—Family and Community Support Services

194. Support Through Housing Team Society

195. Table de quartier de Parc-Extension

196. Tamarack Institute

197. The 519

198. The Asper Foundation

199. The Campbell Collaboration

200. The Canadian Council of Churches

201. The Peel Poverty Reduction Committee

202. The Town of Okotoks—Family Resource Centre

203. Thrive

204. Town of Banff—Community Services

205. Town of Blackfalds

206. Town of Cochrane—Family and Community Support Services

207. Town of Devon—Family and Community Support Services

208. Town of Morinville—Community Supports

209. Town of Peace River—Family and Community Support Services

210. Town of Strathmore—Family and Community Support Services

211. Town of Sylvan Lake

ANNEX B
Recommendations from previous reports of the National Advisory Council on Poverty

Recommendations from *Building Understanding: The First Report of the National Advisory Council on Poverty (2020)*

Continued poverty reduction efforts and investments, as well as increased funding in 4 key areas (food security, 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 4 areas where progress is falling behind: food security, housing and homelessness, literacy and numeracy, and the poverty gap

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

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

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, ethnocultural and racialized groups, persons with disabilities, 2SLGBTQI+ 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

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

Recommendations from *Understanding Systems: The 2021 Report of the National Advisory Council on Poverty*

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*

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 endeavour to reach those furthest behind first. To this end, the Government of Canada should commit to reducing poverty by 50% in 2030 for populations made most marginal, including Black populations, 2SLGBTQI+ people, Indigenous people, and persons with a disability. The Government of Canada should also specifically name and focus on Black populations, 2SLGBTQI+ 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

- 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 ongoing evolution of policy, programs, and services. Governments should collect disaggregated program data to demonstrate and improve equitable access and uptake 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

- 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

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
- 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 (such as employment insurance and paid sick leave) for self-employed workers, workers in the gig economy and part-time workers

Recommendations from *Transforming our Systems: The 2022 Report of the National Advisory Council on Poverty*

Poverty reduction with First Nations, Inuit and Métis people

- The Government of Canada urgently implement the calls to action from the Truth and Reconciliation and the calls for justice from *Reclaiming Power and Place: The Final Report of the National Inquiry into Missing and Murdered Indigenous Women and Girls*
- The Government of Canada recommit to co-development of any new and existing poverty reduction measures
- The Government of Canada continues to work with First Nations, Inuit and Métis people to improve data collection to allow for the evaluation of poverty reduction investments and supports for Indigenous people. In particular, this can help to provide a baseline to evaluate new measures, including Bill C-92, *An Act Respecting First Nations, Inuit and Métis Children, Youth and Families*

Establishing an income floor above Canada's Official Poverty Line

- The Government of Canada lead by example by working to establish a living wage in all federally regulated workplaces by 2030
- The Government of Canada introduce worker protections through the *Canada Labour Code* to address precarious work
- The Government of Canada accelerate and expand existing work on targeted benefits and supports for populations with disproportionately high rates of poverty. For example, the Government of Canada should accelerate work on the Canada Disability Benefit and ensure it provides income and employment supports that prevent people with disabilities from falling below the Official Poverty Line. The Government of Canada should also consider targeted supports for other high-risk and underserved populations, for example, youth from care

- The Government of Canada strengthen existing and new benefits and supports that assist with and improve housing, food security, physical and mental health, employment and skills training, and other indicators of poverty beyond income. Both income and non-income supports have an essential role to play in sustainable poverty reduction and improved quality of life

Reducing poverty by at least 50% by 2030 for populations made most marginal

- The Government of Canada commit to reducing poverty by at least 50% relative to 2015 levels by 2030 for all populations made most marginal
- The Government of Canada commit to developing and resourcing a plan to reduce current inequalities in poverty
- The Government of Canada accelerate the collection, analysis, application of and access to disaggregated data for all groups made most marginal to support evidence-based decision making and reporting of disparities. For example, Statistics Canada should accelerate work to introduce inclusive gender and sex questions and response options to key data sources on socioeconomic conditions, such as the Labour Force Survey and the Canadian Income Survey

Early intervention and prevention of child and youth poverty

- The Government of Canada identify children and youth most at risk of the intergenerational impacts of poverty and address these impacts through benefits and programs focused on early intervention and prevention
- The Government of Canada establish an independent national commissioner for children and youth. The role of the commissioner would be to focus on children and youth who are made most marginal. Their role could include:
  - identifying which children and youth are most at risk of poverty and why they are at risk
  - bringing the voices of those with lived expertise in poverty to the design and development of supports and services for children and youth

- ensuring that the rights of children and youth are considered and protected in all federal policies, services, laws and practices
- examining some of the structures that are placing children and youth at high risk, in order to keep them from falling through the cracks

Increasing awareness of, access to, and availability of government benefits and supports

- The Government of Canada increase awareness of, access to, and availability of government benefits and supports as an essential tool in poverty reduction. The Government of Canada should also increase investments in sustained, core funding for non-profit and community-based organizations that support Canadians living with low incomes, including those that (could) serve as systems navigators for individuals and families trying to access government benefits and supports
- The Government of Canada increase the incidence of tax filing through automatic tax filing for Canadians with low incomes, followed by implementation of automatic enrollment in other benefits and programs, particularly those that are income-tested
- The Government of Canada put people with lived expertise of poverty at the centre of design, implementation and evaluation of its policies, programs and services. Populations made most marginal should be included in the development, design and review of supports that meet their specific challenges and needs

Recommendations from *Blueprint for Transformation: the 2023 Report of the National Advisory Council on Poverty*

Urgent action to decrease Indigenous poverty

- The Government of Canada should continue to work with First Nations, Inuit and Métis people to improve data collection to allow for the evaluation of poverty reduction investments and supports for Indigenous people. This can help to provide a baseline to evaluate new measures, including Bill C-92, *An Act Respecting First Nations, Inuit and Métis Children, Youth and Families*

- The Government of Canada should continue to support Indigenous leaders to reduce poverty in their communities and to ensure they have all the resources available to support their own people in their own way. This includes the co-development of:

  - Indigenous indicators of poverty, as committed to in the Poverty Reduction Strategy

  - 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 childcare agreements

Dignity, equity and inclusion

- The Government of Canada should commit to develop and resource a plan to reduce current inequities in poverty that sets explicit targets to reduce poverty by at least 50% by 2030 for all populations made most marginal

- The Government of Canada should prioritize and improve the collection, analysis, application of and access to disaggregated data for all populations made most marginal, to support evidence-based decision making and reporting of disparities:

  - all Statistics Canada and federal population-based surveys should ask inclusive questions and provide inclusive response options on Indigenous heritage, immigration/refugee status, race/ethnicity, disability, prior or current institutionalization, and sexual orientation and gender identity

- The Government of Canada should incorporate an equity lens into its GBA+ when developing and implementing strategies, policies, and programs

Income adequacy

- The Government of Canada should work with the provinces and territories to establish, by 2030, an income floor above Canada's Official Poverty Line, whether it be through employment income, income supports (including social assistance), new or enhanced existing targeted supports or a combination of the 3:

  - this includes accelerating work underway on targeted benefits and supports for populations with disproportionately high rates of poverty, as well as undertaking a gap analysis, informed by an equity lens and GBA+, to identify what is missing

- The Government of Canada should lead by example, by establishing a living wage in all federally regulated workplaces by 2030. Introduce worker protections through the *Canada Labour Code* to curb the social and economic disadvantages of precarious work, by expanding access to employment benefits for self-employed workers, workers in the gig economy and part-time workers

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

Increasing access to benefits and services

- The Government of Canada should prioritize and accelerate commitments made to implement automatic tax filing for those with low income. This will ensure eligible individuals are receiving the benefits to which they are entitled (for example, the GST/HST credit, the Canada Child Benefit, the Canada Workers Benefit and the new Canada Dental Benefit). This is a necessary first step in the design and implementation of automatic enrollment in other income-tested benefits and programs (this is consistent with the 2022 Auditor General of Canada's report on access to benefits for hard-to-reach populations [Office of the Auditor General of Canada, 2022]. The report finds that estimates of benefits take-up are overstated, as estimates do not always account for people who have not filed tax returns)

- The Government should ensure that services are streamlined to make them low-barrier and easier to access (also in line with the Auditor General's report)

Prevention and protection

- The Government should build on recent investments in non-profit and community-based organizations that support people living in Canada with low incomes, with a focus on sustained core funding. Organizations need the capacity to do what they do best for the populations who trust them. This should include funding for systems navigators for individuals and families trying to access government benefits and supports, until such time as access barriers are removed

- The Government should develop (or rebuild) robust systems and structures focused on early interventions and prevention:

  - this entails swift implementation of announced supports, including expansion of the Canadian Dental Care Plan and increased funding for development of the Canada Disability Benefit

- The Government of Canada should establish an independent National Commissioner for Children and Youth, whose role would be to focus on children and youth who are made most marginal, to complement and bolster the Council's effort to amplify their voices, to ensure their needs are met