**Agenda – Executive Policy Committee – April 30, 2019**

## REPORTS

**Item No. 4 Poverty Reduction in Winnipeg**

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That this report be received as information.

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On June 13, 2018, the Executive Policy Committee directed the Public Service to return within 180 days with a report cataloguing all current measures taken by the City of Winnipeg with respect to poverty reduction and recommendations on specific measures to further reduce poverty in Winnipeg within existing budgets.

# ADMINISTRATIVE REPORT

**Title:** Poverty Reduction in Winnipeg

**Critical Path:** Executive Policy Committee

## AUTHORIZATION

| Author | Department Head | CFO | CAO |
|---|---|---|---|
| T. Knowles Yarnell | C. Fernandes | N/A | D. McNeil |

## EXECUTIVE SUMMARY

Poverty is defined by the federal government, as "*The condition of a person who is deprived of the resources, means, choices and power necessary to acquire and maintain a basic level of living standards to facilitate integration and participation in society."* To help foster a greater understanding of the level and distribution of poverty in Winnipeg, a summary of Census 2016 data has been prepared for information and is attached as Appendix A. Based on the data, the percentage of the Winnipeg population experiencing poverty ranges between 13.3% and 15.9% representing between 92,000 and 110,000 people.

The challenges faced by Winnipeggers living in poverty are significant. The City of Winnipeg cannot alone lift people out of poverty; only through deliberate, collective action, will cycles of poverty be broken for future generations. Informing this report, the Public Service looked at poverty reduction efforts by other municipalities, senior levels of government, select community organizations, and the Federation of Canadian Municipalities.

The requested catalogue of current measures being taken by the City of Winnipeg with respect to poverty reduction is attached as Appendix B. A total of 146 current measures are included in the catalogue, which is organized into three categories:

- Meeting Basic Needs *(Transportation; Life-safety; Income/Training/Education; Housing/Shelter; Food)*
- Accessing Services and Supports *(Education/Literacy; Early Learning and Care; Connections; Accessibility; Health/Mental Health)*
- Strengthening Community Connections *(Social Inclusion; Recreation/Culture; Healthy Environments; Community Safety; Engagement)*

To further reduce poverty within existing budgets, additional measures have been identified, as described in Appendix C. These measures relate to: communications and awareness of services; housing; transportation; and training and employment. The Public Service has also identified three purposeful actions that it will take going forward to address poverty within the scope of current service delivery, as described on page nine of the report, including:

- Adopt a poverty reduction approach to service delivery
- Use poverty data to inform decision making

- Report regularly on the status of poverty in Winnipeg

Through these new measures and actions the Public Service will build upon work already underway, aiming for purposeful alignment of programs and services for greater collective impact in reducing poverty. In addition, the Public Service will continue to collaborate on initiatives with community organizations and senior levels of government to reduce poverty in Winnipeg, particularly for neighbourhoods and population groups significantly impacted, such as children and youth, Indigenous people, and newcomers.

## RECOMMENDATIONS

1. That this report be received as information.

## REASON FOR THE REPORT

At its meeting on June 13, 2018, the Executive Policy Committee directed the Public Service to return within 180 days with a report cataloguing all current measures taken by the City of Winnipeg with respect to poverty reduction and recommendations on specific measures to further reduce poverty in Winnipeg within existing budgets.

## IMPLICATIONS OF THE RECOMMENDATIONS

There are no implications as the report is to be received as information.

## HISTORY/DISCUSSION

### Introduction

Winnipeg is a city known for its strong community spirit and history of people coming together for a common purpose. It is also a city where many people are living with very low incomes, and struggle on a daily basis to put food on the table or a roof over their heads. Poverty is visible in Winnipeg. It is found in all areas of the city, and affects a significant number of children, Indigenous people, and recent immigrants.

Poverty is a very complex issue, with multiple causes and no single solution. Many factors that influence whether a person is in poverty are within the jurisdiction of senior levels of government. That being said, municipal governments across Canada are taking steps to reduce poverty as they are the level of government in closest contact with citizens, and neighbourhoods experiencing high poverty rates are often areas where cities invest targeted resources. In Winnipeg, the City is taking action across many service areas to assist those living in poverty, within the scope of current service delivery.

### Assignment and Approach

This report responds to the June 2018 direction of the Executive Policy Committee (EPC), and provides some context for consideration on the issue of poverty in Winnipeg. It was prepared on behalf of the Public Service by the Community Services Department. An interdepartmental staff working group was established to prepare the inventory and identify

measures to further reduce poverty within existing budgets. Representatives of two external organizations with expertise in issues around poverty in Winnipeg were engaged: the Winnipeg Poverty Reduction Council, an initiative of United Way Winnipeg, and Make Poverty History Manitoba, a coalition that represents a broad spectrum of non-profits, advocacy groups, service organizations and community groups who work on poverty issues and directly with people experiencing poverty. Consultation with the general public and with people who have personally experienced poverty was not within the scope of the assignment.

**What is Poverty?**

The federal government defines poverty as, "*The condition of a person who is deprived of the resources, means, choices and power necessary to acquire and maintain a basic level of living standards to facilitate integration and participation in society." (Government of Canada, 2018).* There is much written about the 'root causes of poverty' in which factors such as ethnic background, family circumstances, education, and mental health and addictions may limit opportunities for individuals to move out of poverty.

Often discussed are the 'costs of poverty', in that significant investments by governments are required to deal with the impacts poverty has on people's health, community safety, and related issues of homelessness, addictions and mental health. Steps to lift people out of poverty, while possibly requiring allocation of new resources could also have positive effects on reducing crime, increasing health, and improving lives.

Statistics Canada uses three key tools to measure poverty: the Low Income Cut-offs – After Tax (LICO-AT), the Low Income Measure – After Tax (LIM-AT), and the Market Basket Measure (MBM). Each measurement tool uses an income threshold to identify people who are considered in low income. The Low Income Cut-offs – After Tax measure is the most commonly used in Canada and is the primary measure for numbers included in this report. The Low Income Measure is a national indicator that reflects all private households in Canada and is most often used for international comparisons. In 2018, the federal government announced that it will set Canada's first Official Poverty Line based on the 'basket of goods' or Market Basket Measure, which best reflects variations in living costs across Canada. A more detailed description of each measure and the differences between them is included at the end of Appendix A of this report.

**Poverty in Winnipeg – By the Numbers**

The percentage of the Winnipeg population experiencing poverty based on the 2016 Census data ranges between 13.3% and 15.9% (representing between 92,000 and 110,000 people), depending on the measure used. To provide greater insight into the current state of poverty in Winnipeg, a summary of 2016 Census data is attached as Appendix A of this report. This data snapshot document has been prepared to assist the City and the general public in their understanding of who is in poverty, reasons why people may be in poverty, and where poverty is found across the city.

Data in the snapshot is based on the LICO-AT measure, which is based on the income thresholds shown in Table 1.

**Table 1. Income Threshold for Low Income Cut-offs - After-tax (LICO-AT) in Cities with 500,000+ Inhabitants:**

| Economic Family Size | 2015 |
|---|---|
| 1 person | **$20,386** |
| 2 persons | **$24,811** |
| 3 persons | **$30,895** |
| 4 persons | **$38,544** |
| 5 persons | **$43,890** |
| 6 persons | **$48,675** |
| 7 or more persons | **$53,460** |

*Source: Census 2016*

The following are some key points that can be drawn from the data snapshot of poverty in Winnipeg:

- More than 1 in 8 people live in poverty (13% or 92,000 people).
- The median annual income for a person in poverty is $11,256.
- 1 in 4 Indigenous people live in poverty (28% or 23,915 people).
- 1 in 4 recent immigrants live in poverty (27% or 13,880 people).
- Almost 1 in 5 children in Winnipeg live in poverty – double the national average.
- Over one-third of all Indigenous children live in poverty (36% or 10,345 children).
- Over one-third of all recent immigrant children live in poverty (34% or 4,610 children).
- 1 in 5 lone parents live in poverty (22% or 7,735 lone parents). Most are women (87% or 6,695 of lone parents in poverty are female).
- Fewer seniors are in poverty (8% or 7,740 seniors), but more than the national average.
- Almost half of low income people work or are looking for work. Of these, 1 in 5 works full-time yet still is in poverty.

*(Source: 2016 Census, Target group profiles of the low income population based on Low Income Cut-offs – After Tax)*

To help illustrate where poverty is located in the city, the poverty snapshot includes two maps: *Map 1 - Distribution of Low Income Population* shows the percent of the population in low income, while *Map 2 - Density of Low Income Population* shows the density of the low income population per square kilometer.

The maps clearly indicate that people living in poverty are found in all areas of the city, and that there are numerous areas with very high concentrations of people living with low incomes. These maps and the supporting data in the poverty snapshot will be useful for staff in reviewing and developing programs that are targeted toward people living in low income, or population groups or neighbourhoods experiencing high rates of low income.

**Catalogue of City of Winnipeg's Current Measures to Reduce Poverty**

At the direction of EPC, the Public Service has prepared a catalogue of current measures City departments are taking that relate to poverty reduction (see Appendix B).

The catalogue, or inventory, provides a framework for understanding the City's role and current actions as they relate to poverty reduction. It is organized into three sections:

1. **Meeting Basic Needs**
2. **Accessing Services and Support**
3. **Strengthening Community Connections**

Many City services can be attributed in some way to the reduction or alleviation of poverty. While some measures are programs specifically for people living in low income, other measures are more general and help improve the lives of all residents. To differentiate between the types of measures, each item in the catalogue is identified as being one of the following:

- **Direct Measures** – Provide direct support to people living in poverty, population groups overrepresented in poverty, or neighbourhoods with high poverty rates.
- **Indirect Measures** – Provide support to community organizations, who in turn work with people living in poverty, population groups overrepresented in poverty, or in neighbourhoods with high poverty rates.
- **Internal Measures** – Internal City business practices, policies, and programs that can be linked to aspects of poverty reduction or root causes of poverty.
- **Universal Measures** – Programs and services that are available equally to all residents of Winnipeg, but are of particular benefit to people living in poverty.

The catalogue includes for each measure the type of action, a brief description, and the lead Department or service group that oversees its implementation. While the inventory is comprehensive, it is not necessarily an exhaustive list of every action the City has taken related to poverty reduction. What the catalogue shows is that the City undertakes a broad range of actions that relate to poverty reduction across existing service areas.

**Partners in Reducing Poverty**

All levels of government have a role to play in reducing poverty in Winnipeg. There are also numerous community-based organizations that are dedicated to improving the lives of those living in poverty. The following highlights some of the key actions and initiatives that are being pursued by these partners.

***Senior Levels of Government:***

*Federal Government*

In August 2018, the Government of Canada released the report *'Opportunity for All: Canada's First National Poverty Reduction Strategy'*, and in the fall tabled the Poverty Reduction Act to entrench the strategy's targets and measures into law.

The federal strategy has three pillars: Dignity; Opportunity & Inclusion; Resilience & Security, and identifies specific targets and timelines. It sets the following as goals:

- Reduce poverty 20% by 2020
- Reduce poverty 50% by 2030

The federal strategy also adopts an Official Poverty Line for Canada (using the Market Basket Measure indicator), and establishes a National Advisory Committee on Poverty.

*Provincial Government*

On March 4, 2019, the Province of Manitoba released its new poverty reduction strategy '*Pathways to a Better Future: Manitoba's Poverty Reduction Strategy*'. This strategy sets as a primary goal the reduction of Manitoba's child poverty rate by 25% by 2025, compared to the baseline year of 2015. It also indicates support for the federal government's goals to reduce national poverty rates by 20% by 2020 and 50% by 2030. The new provincial strategy states that the provincial government's long-term aspiration is to eradicate all poverty in Manitoba.

***Community-based and Other Organizations:***

There are many community-based, non-profit, and other groups and organizations in Winnipeg that support or deliver on-the-ground poverty reduction services in the community. Some of these groups work directly with low income people, while others work towards developing and influencing policy and programs that will help people move out of poverty. Representatives of two such groups were consulted in the preparation of this report:

*Winnipeg Poverty Reduction Council (WPRC) – An Initiative of United Way Winnipeg*

- Established in 2007, the WPRC is a multi-sector forum of 30 to 40 community leaders from business, labour, the non-profit sector, education and three levels of government.
- WPRC Steering Committee and Council include City of Winnipeg representation.
- WPRC Framework for Action (2015-2020) – Provides ten 'aspirations for Winnipeg', with the current focus being 'achieving independence through income' and specifically Indigenous youth employment.

*Make Poverty History Manitoba (MPHM)*

- MPHM is a coalition of agencies and individuals working towards the elimination of poverty in Manitoba.
- MPHM's recent report, '*Winnipeg without Poverty: Calling on the City to Lead'* was released in April 2018, and includes 50 recommended actions for the City to reduce poverty. These recommendations were taken into consideration by staff in the preparation of this report.
- MPHM calls on the City to develop a comprehensive poverty reduction strategy, with specific targets, indicators, and timelines.

**Learning from Other Cities and Municipal Organizations**

To inform this report, the Public Service reviewed what other municipalities in Canada are doing related to poverty, as well as the work of national organizations that provide research support and advice to municipal leaders.

***Experience of Other Cities:***

A number of cities have taken steps to address poverty in their communities. Listed in Table 2 below are large cities in Canada that have recently been directly involved in the development of a poverty reduction strategy or are undertaking major poverty reduction initiatives. In most cases, the strategies or initiatives were co-led and co-created with community partner organizations, as noted.

Also in many cases, the municipality invested significant resources into public consultation, the development of the strategy, and an implementation team. Engagement included outreach to other government agencies, non-profit organizations, people with experience living in poverty, the public, and other stakeholders through the use of working groups, round tables, advisory committees, focus groups, and community meetings.

While the jurisdiction of municipal governments may vary by province, this has not appeared to be a defining factor as to whether or not a local government has developed programs and partnerships related to poverty reduction.

**Table 2. Poverty Reduction Strategies and Initiatives in Select Canadian Cities**

| Municipal or Regional Government (Name of Strategy or Major Initiative) | Strategy/Initiative Led By: |
|---|---|
| **City of Surrey** (*Transportation, Housing, Income, Support - THIS: Is How We End Poverty in Surrey*) | Vibrant Surrey, City of Surrey, Kwantlen Polytechnic University, Social Planning and Research Council of BC, Fraser Health Authority Aboriginal Health, Surrey Homeless and Housing Task Force, Surrey Homelessness and Housing Society. |
| **City of Vancouver** (*Healthy City Strategy, various other major initiatives*) | City of Vancouver |
| **City of Calgary** (*Enough for All*) | City of Calgary, United Way of Calgary and Area, Vibrant Communities Calgary |
| **City of Edmonton** (*End Poverty in a Generation Strategy & Roadmap*) | EndPovertyEdmonton Task Force (City of Edmonton, United Way of Alberta Capital Region, Edmonton Foundation and other partners) |
| **City of London** (*London for All: A Roadmap to End Poverty*) | Mayor's Advisory Panel on Poverty (City of London, United Way London & Middlesex, Middlesex-London Health Unit, and other partners) |
| **Region of Peel: Brampton, Caledon & Mississauga** (*Peel Poverty Reduction Strategy*) | United Way of Greater Toronto, Region of Peel |
| **City of Toronto** (*TO Prosperity: Toronto Poverty Reduction Strategy*) | City of Toronto |
| **Halifax Regional Municipality** (*HRM/United Way Poverty Solutions Advisory Committee; HRM Social Policy Lens - in development*) | Halifax Regional Municipality, United Way Halifax (Report: *Building poverty solutions: Ideas for Action*) |

***Federation of Canadian Municipalities (FCM)***

The FCM brings together municipalities to share information and strengthen the voice of cities. Government leaders share their experiences on challenging issues, and help support each other towards positive outcomes. The issues of poverty, and the related issues of affordable housing and transportation, are well studied by the FCM.

Of specific note, the FCM published a report entitled '*Ending Poverty Starts Locally*' (July 2017) as a submission to the federal government for consideration in the development of a national poverty reduction strategy. This report included the following recommendations to the federal government on how the issue of poverty in cities could be addressed:

- Strengthen intergovernmental dialogue
- Systematically incorporate a gender lens
- Prioritize social and affordable housing repair and construction
- Distinctly support newcomers' housing needs
- Expand and renew the Homelessness Partnering Strategy
- Ensure low income households can access quality child care
- Explore basic-income guarantee models
- Distinctly support Indigenous peoples in municipalities
- Boost access to quality public transit
- Align with legislation for people living with disabilities
- Evaluate investments supporting low income seniors
- Boost access to essential telecommunications services

In partnership with the Tamarack Institute, the FCM also contributed ideas on how cities can work to reduce poverty in a report entitled '*A Guide for Cities Reducing Poverty*' (2016). This report, a guide-book for cities looking to adopt poverty reduction measures, includes ten 'good ideas' for developing a strategy. The ideas can be distilled into the following key points for cities to consider when developing measures to reduce poverty:

- Focus on poverty reduction versus poverty alleviation
- Support strong communities and accessible services
- Leverage partnerships
- Use a 'Collective Impact' approach ('Collective Impact' is having a common agenda; using shared measurement tools; engaging in mutually reinforcing activities; regular/ongoing communications; having a support system for advancing the work.)

Much can be learned through the work of other levels of government, community-based organizations, and from the experiences of other cities and groups like FCM. The Public Service has taken these all into consideration in the development of this report and the recommendations that follow, and note that implementation of similar initiatives in Winnipeg would require a substantial allocation of new funding and human resources.

**Recommendations for Additional Measures to Further Reduce Poverty**

The Public Service has identified additional measures and actions that could be taken to further reduce poverty within current constraints.

### *Department-Specific Additional Measures to Further Reduce Poverty*

In response to the direction of EPC, Departments have prepared a list of specific actions they will pursue within existing budgets to further reduce poverty. This list is attached to this report as Appendix C, and includes a brief description of the action and provides an estimated timeframe for implementation. Some of these actions are within the authority of Departments to implement, while others may require the Department to return to Council with additional information.

### *Purposeful Actions by the Public Service*

In addition to the specific measures identified by departments, the Public Service has identified three purposeful actions it will undertake to inform and improve current and future services and programs that relate to poverty reduction in Winnipeg. These actions include:

*Action #1 Adopt a poverty reduction approach to service delivery*

- Through the application of a poverty reduction 'lens' when reviewing and developing programs and services, the Public Service can better meet the needs of people living in poverty, population groups at risk of poverty, and neighbourhoods experiencing high rates of poverty. The Public Service will continue to collaborate interdepartmentally in order to improve coordination and alignment of service delivery for maximum impact. For example, best practices from the City's Indigenous Relations Division can inform efforts to reduce barriers for other population groups impacted by poverty in accessing City of Winnipeg programs and services.

*Action #2 Use poverty data to inform decision making*

- As part of using a poverty reduction 'lens', staff will use the poverty snapshot data and mapping when reviewing and developing programs, services, and partnerships to support people, population groups and neighbourhoods most affected by poverty. For example, services and programs for children, youth, Indigenous peoples, and newcomers may be emphasized.

*Action #3 Report regularly on the status of poverty in Winnipeg*

- The Public Service will include data related to poverty in Winnipeg as part of relevant City-wide reports. For example, future reporting on poverty rates could be included in regular reviews of OurWinnipeg and when new Census data is released.

Through these additional measures and actions the Public Service will build upon work already underway, aiming for purposeful alignment of programs and services for greater collective impact in reducing poverty. Further, the Public Service will continue to collaborate with community organizations and senior levels of government to reduce poverty in Winnipeg, particularly for neighbourhoods and population groups significantly impacted, such as children and youth, Indigenous people, and newcomers.

**FINANCIAL IMPACT**

## Financial Impact Statement **Date:** March 27, 2019

## Project Name:

Poverty Reduction in Winnipeg

**COMMENTS:**

There is no financial impact with respect to the recommendation to receive the report as information.

*"original signed by:"*

Kelly Lemoine, CPA, CA
Manager, Finance and Administrative Services
Community Services Department

## CONSULTATION

This Report has been prepared in consultation with the following Departments and Special Operating Agencies:

- Animal Services
- Assessment and Taxation
- CAO's Office
- City Clerk's
- Corporate Finance
- Customer Service & Communications
- Golf Services
- Human Resources
- Indigenous Relations
- Innovation
- Mayor's Office
- Planning, Property and Development
- Public Works
- Transit
- Water and Waste
- Winnipeg Fire Paramedic Service
- Winnipeg Parking Authority
- Winnipeg Police Service

Representatives of the following external organizations were also consulted in the preparation of this report:

- Winnipeg Poverty Reduction Council, an initiative of United Way Winnipeg
- Make Poverty History Manitoba

## OURWINNIPEG POLICY ALIGNMENT

The City's official development plan, OurWinnipeg, adopted in 2011, includes policies related to poverty reduction, as listed below.

### 03 QUALITY OF LIFE

### 03-1 Opportunity

**Direction 4: Work within municipal service areas as a collaborator on poverty reduction.**

**Enabling Strategies:**

- Participate in a community-led poverty reduction strategy that involves a cross-section of residents, community organizations and all levels of government.
- Continue to provide fee assistance to recreation and library programming and services.
- Continue to use initiatives such as credit or grant programs to facilitate affordable housing in all areas of the city, housing rehabilitation in areas of reinvestment and infill housing in mature neighbourhoods.

- Encourage new and infill development, as well as the redevelopment of existing properties to incorporate affordable housing that is integrated with market housing, that provides opportunities to reduce transportation costs and that allows people to live, work and play in the same neighbourhood.
- Work with the housing industry, not-for-profit organizations and other levels of government to develop long-term funding strategies related to affordable housing.
- Work with residents, businesses, community organizations and schools to ensure compliance with neighbourhood livability standards
- Support community based projects and programs that promote sustainable neighbourhoods and healthy communities.

OurWinnipeg is currently under review, and the review is looking at the UN Sustainable Development Goals as a framework (Goal #1 of the UNSDF is 'No Poverty'), and using the sustainability lenses of 'social equity' and 'economic prosperity' to inform the update.

**SUBMITTED BY**

Department: Community Services
Division: Strategic Management & Business Support Services
Prepared by: T. Knowles Yarnell
Date: March 27, 2019
File No: CMS-2018-24

Attachments:

**Appendix A:** *Poverty in Winnipeg – By the Numbers (Poverty Snapshot)*

**Appendix B:** *Catalogue of Current Measures Relating to Poverty Reduction*

**Appendix C:** *Additional Measures to Reduce Poverty in Winnipeg – Within Existing Budgets*