



# Housing in Guelph-Wellington: A Provincial Election Issue

PROVINCIAL  
ELECTION  
2014

## Vote Out Poverty



Affordable  
Housing &  
Homelessness

## housing facts:

Based on calculations done for the recently completed Wellington County Housing and Homelessness Plan, 45% of renter households cannot afford the average market rents and are spending more than 30% of their income, the widely accepted benchmark of affordability, on their housing.<sup>1</sup>

The 1.9% vacancy rate in the Guelph Census Metropolitan Area, means for every 100 rental units, fewer than two are available to rent. This is the second lowest rate for Ontario municipalities.<sup>2</sup>

As of December 31, 2013 there were 1,333 applicant households (representing 2,469 household members) on the waiting list for rent-geared-to-income (RGI) housing in Guelph-Wellington.<sup>3</sup>

In Guelph-Wellington, wait times for social housing as of December 31, 2013 vary between 1.2 to 4.3 years, depending on the unit size and location.<sup>4</sup>

Average rents in Guelph: Bachelor \$655, One-bedroom \$842, Two-bedroom \$957, Three-bedroom \$1099.<sup>5</sup>

Ontario Works Shelter Allowance for # of people in household: Single person \$376, Two people \$596, Three \$648, Four \$702, Five \$758, Six or more \$785.<sup>6</sup>

People who spend more than 30% of their income on housing are considered to be at-risk for homelessness. The shelter allowance for Ontario Works recipients (as shown above) requires people to spend more than 30% of their income on housing. This puts them at great risk of homelessness.

According to a recent, long-term, pan-Canada housing study, At Home/Chez Soi, an investment of \$10 in intervention services for high needs homeless individuals saved \$22.72 on other services such as shelter costs and emergency room visits.<sup>7</sup>

### Ontario Housing Benefit

What is it? An Ontario Housing Benefit (OHB) is a monthly payment for tenants receiving social assistance and eligible low-income individuals and families.<sup>8</sup>

Social assistance recipients receive 75% of the difference between their shelter allowance and the actual rental cost.

For low-income families and individuals, the OHB would cover 75% of the gap between their actual rent and 30% of their income.

### How can the province address this issue?

Implement an Ontario Housing Benefit

Increase the stock of safe, affordable and adequate social and affordable housing

Immediately increase social assistance rates so people can meet their basic needs

Implement a guaranteed annual income to lift all Ontarians out of poverty

### Questions to ask candidates:

1. What is your party's plan for creating new affordable and social housing?

2. What is your party's commitment to reduce the waitlist for social housing?

3. What is your party's plan to reduce homelessness?

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**Housing Fact Citations:** 1. The County of Wellington (2014) A Place to Call Home: A 10-year Housing and Homelessness Plan for Guelph Wellington 2. Canadian Mortgage and Housing Corporation, Fall 2013 3. Wellington County, Housing Services Status & Activity Report, 4th quarter, 2013. 4. Ibid 5. Canada Mortgage and Housing Corporation, Fall 2013 6. Ministry of Community and Social Services, Social Assistance Policy Directives, Ontario Works 6.3 Shelter, Updated April 2014, Retrieved from <http://www.mcscs.gov.on.ca/en/mcscs/programs/social/directives/index.aspx> 7. Mental Health Commission of Canada, National Final Report, Cross-Site At Home/Chez Soi Project Retrieved from <http://www.mentalhealthcommission.ca/English/node/24376> 8. Wellington Guelph Housing Committee, Closing the Gap: A Housing Benefit for Ontario, Fall 2013.

# Poverty is a serious issue in the province and we need solutions

## Eliminating poverty saves us money and benefits everyone

Ignoring poverty is simply too costly in economic and social terms. Poverty has significant costs for governments and private citizens. Poverty is linked to compromised health, lost opportunities, lower educational outcomes for children, early use of our health care facilities, lower life span, illiteracy, family violence and unemployment. Eliminating poverty has many benefits: better population health; huge cost savings to governments and tax payers; better jobs and a more productive workforce, increased prosperity and an expanded tax base; and improved health and education outcomes for children, which are essential for breaking the cycle of poverty.

### THE FACTS:

- In Ontario, the federal and provincial government lose approximately \$10.4 billion to \$13.1 billion annually due to poverty, a loss equal to 10.8%-16.6% of the provincial budget.<sup>1</sup>
- Child poverty costs Ontario \$4.6 to \$5.9 billion annually.<sup>2</sup>
- Approximately \$2.9 billion is spent annually on poverty-induced health care costs, in Ontario.<sup>3</sup>
- Of 27 factors identified as having an impact on child development, up to 80% were seen to improve as family income increases.<sup>4</sup>

### THE FACTS:

- The first Poverty Reduction Strategy focused on poor children. It demonstrated that well designed social policy works. From 2008-2011, child poverty in Ontario declined by 9.2%, despite the worst economic recession since the 1930s.<sup>5</sup>
- Investments in reducing child poverty lifted 40,000 children out of poverty and prevented 60,000 children from falling into poverty.<sup>6</sup>
- During the mid-1970s, the poverty rate of seniors fell from 30% to 5% as a result of the introduction of an income top-up for seniors who were living below the poverty line.<sup>7</sup>
- A guaranteed annual income and minimum wage levels that lift people out of poverty, would ensure that all individuals and families are able to afford the basic necessities of shelter, food, clothing and basic living for themselves and their children.<sup>8</sup>

## Everyone should have enough money to meet their basic needs

In Ontario, the current minimum wage is not enough to ensure that full-time work is a pathway out of poverty. Many full-time low-wage workers in Ontario live in poverty and do not have access to prescription, dental and vision care benefits. As low-wage and unstable employment increases in Ontario, those working full-time and living in poverty will increase. Likewise, individuals and families in receipt of social assistance (Ontario Works and Ontario Disability Support Program) live well below the poverty line and have to make the difficult choice between buying food and other monthly necessities, and paying the rent.

## Poverty can be eliminated

Poverty is not inevitable. It is a matter of ill conceived public policy. We all benefit from good social and economic policy and well designed social programs. Make no mistake, eliminating poverty requires political commitment, collaboration and investment in vital services such as housing, health and dental benefits, adequate social assistance incomes, and early learning and child care. When governments enact the right policies and support them with the right mix of investments, the lives of all vulnerable Ontarians can be changed dramatically, we all benefit.

### THE FACTS:

- The working poor, as a % of the working-age population, increased by 15% across Canada and by 24% in Ontario, between 2000 and 2005.<sup>9</sup>
- In Ontario, approximately 22% of workers, more than 1 in 5, work at unstable (precarious) employment.<sup>10</sup>
- The living wage (hourly rate at which a household can meet its basic needs) has been calculated at \$15.95 in Guelph & Wellington, nearly \$5/hour more than the new \$11/hour minimum wage.<sup>11</sup>
- An individual earning the full-time living wage earns over \$9,000 more than an individual earning minimum wage.<sup>12</sup>

### The Poverty Task Force is calling on the provincial government to:

- Support a Guaranteed Annual Income to lift all people out of poverty
- Introduce an Ontario Housing Benefit to all people living on low-income
- Ensure universal health care covers dental, vision, and prescription drugs for all
- Increase rates for Ontario Works and ODSP so that people can meet their basic needs

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**Citations:** 1. Robson, (2011). Guelph Wellington Task Force for Poverty Elimination – Research Report: The Cost of Poverty citing Laurie (2008). The Cost of Poverty: An Analysis of the Economic Cost of Poverty in Ontario. Ontario Association of Food Banks. Toronto. 2. Laurie, N. (2008). The cost of poverty: An analysis of the economic cost of poverty in Ontario. Ontario Association of Food Banks, Toronto. 3. Robson, (2011). Guelph Wellington Task Force for Poverty Elimination – Research Report: The Cost of Poverty. 4. Ibid 5. Campaign 2000, (2013) Beyond Austerity: Investing in Ontario's Future. 2013 Report Card on Child and Family Poverty in Ontario. 6. (Campaign 2000 – Responding to the Poverty Reduction Strategy April 2014). 7. Segal, H. (2013). Why Guaranteeing the Poor an Income Will Save Us All in the End in Huffington Post. Retrieved from [http://www.huffingtonpost.ca/hugh-segal/guaranteed-annual-income\\_b\\_3037347.html?](http://www.huffingtonpost.ca/hugh-segal/guaranteed-annual-income_b_3037347.html?) 8. Ibid 9. Ibid 10. Law Commission of Ontario (2012). Quick Facts About Vulnerable Workers and Precarious Work. Block, S. (August 15, 2012). Precarious Work, health and income inequality. Wellesley Institute. Retrieved at: <http://www.wellesleyinstitute.com/economics/precarius-work-health-and-income-inequality/> 11. Ellery, R., Murvi, W. (2013) A Living Wage for Guelph & Wellington. Guelph & Wellington Task Force for Poverty Elimination.