



Jobs and Poverty Reduction



Health Equity Impact Assessment
in the 2014 Toronto Mayoral Election
Wellesley Institute

Having enough money to meet your basic needs is essential to good health. However, too many Torontonians struggle to make ends meet. In Toronto in 2010, 19.3 percent of the population had income under Statistics Canada's after-tax low income measure.¹ This means that almost 497,000 people in the city were struggling to make ends meet, choosing between rent and groceries, forgoing essential needs for good health for themselves and their families. Poverty rates are even higher for children under six years of age (25.6 percent) and youth aged under 18 years (25 percent).

Poverty is experienced differently for some communities; racialized communities experience consistently higher rates of poverty. In 2012, 41 percent of Torontonians of Southern and East African origin were living below the low income measure. People of Central and West African and West Central Asian and Middle Eastern origins were also over-represented among those living in poverty.²

Many factors can contribute to low income. In July 2014, Toronto's unemployment rate was 8.9 percent – higher than Ontario's rate of 7.8 percent.³ The situation is particularly amplified for youth in Toronto, with people aged 15-24 experiencing 13.4 percent unemployment.⁴ Employment in Toronto is also becoming less secure, with only 49.4 percent of people working in Toronto having a permanent, full-time job with benefits.⁵ At \$11 per hour,⁶ Ontario's minimum wage is not adequate to afford a decent standard of living in Toronto. Moreover, social assistance rates in Ontario are low, with single people on Ontario Works receiving only \$626 per month.⁷

Living in Toronto is difficult on a low income. Housing costs are high – 43.5 percent of renter households pay more than 30 percent of their income on housing⁸ – which can mean not having enough money for other

essentials like nutritious food or transit to get to work. In 2012, a minimum wage earner supporting a family of four could expect to pay 53 percent of their income on rent and 29 percent on healthy food.⁹ This means little money – if any – is left at the end of the month for clean clothes, trips to the dentist, or TTC tokens. In April 2014, Toronto City Council voted unanimously to develop a Poverty Reduction Strategy for the city.¹⁰

A health-enhancing jobs and income plan would include initiatives to increase the number of well-paying, stable jobs that include benefits and would lay out a plan to reduce poverty in our city.

Health Impacts of Jobs and Income

Having adequate income is a major determinant of good health, and there is extensive evidence that people with low income are at greater risk of a number of serious health conditions. For example, diabetes rates tend to be higher in low income areas and poorer communities experience higher rates of diabetes-related complications.¹¹ Moreover, many of the individual-level interventions that can prevent or control diabetes, such as healthy eating and regular physical exercise, are not possible for low income people owing to affordability barriers.¹² In an Ontario study, women in the lowest income group were 2.5 times more likely to have diabetes than women in the highest income group, while men in the lowest income group were twice as likely to have diabetes as men in the highest income group.¹³ Low income is also associated with increased risk of cardiovascular disease¹⁴ and poor mental health, including increased rates of anxiety, depression, psychological distress and suicide.¹⁵

In addition to affecting health status, income can also influence life expectancy. Statistics Canada research shows that the difference in life expectancy at age 25 between the highest and lowest income groups was 7.4 years for men and 4.5 years for women. The life expectancy gap reduced at every step up the income ladder: people in the second lowest income group had a longer life expectancy than those in the lowest income group, and so on.¹⁶ This means that incremental increases in life expectancy can be made even by raising people up a single income bracket.

Low income can also have health impacts at the neighbourhood level, which can reinforce individual health inequities. Low income neighbourhoods often have fewer community resources, such as recreation centres, access to public transit, and health and family services, than wealthier neighbourhoods. Moreover, low income neighbourhoods may have higher rates of unhealthy behaviours, such as smoking and a lack of physical activity.¹⁷ In Ontario, people living in the poorest neighbourhoods reported lower positive mental health (66 percent) compared to those living in the best-off neighbourhoods in the (78 percent).¹⁸

Health Equity Impacts of Jobs and Income

Not everybody has equitable access to adequate income and good jobs and, as a result, some populations may be at greater risk of poor health. Women may be especially impacted by low income, especially those raising children in single-parent households. Women may prioritize their children's needs over their own – for example, by skipping meals so that their children have enough to eat – which can contribute to poor health.¹⁹

Despite this, children who grow up in low income households may still be at greater risk of poor health both in childhood and throughout their life.²⁰

Currently in Toronto, young people are experiencing particular challenges in becoming established in the labour market, and the youth unemployment rate is high. Not having a decent job can have health impacts over a lifetime. Being unemployed early in life can contribute to increased risks of cigarette smoking and poor mental health later in life.²¹ People with disabilities also face significant barriers to labour force participation – 90 percent of people with a serious mental illness are unemployed²² – and may therefore have to rely on public disability programs like ODSP that provide very low levels of income.

In Toronto, there are an increasing number of people working in jobs that do not support good health. The ‘working poor’ are people aged between 18 and 64 with earned income of at least \$3,000 per year but who have an after-tax income below Statistics Canada’s Low Income Measure (LIM). In the Toronto Region, this population increased by 42 percent between 2000 and 2005.²³ Working poverty can have serious health impacts: Ontario data show that only 49 percent of those who were working poor reported their health as excellent or very good as compared with 66 percent of people who were working and made sufficient incomes.²⁴

Toronto is an expensive city in which to live, especially for minimum wage earners. A recent Wellesley Institute study found that the share of minimum wage earners in Ontario increased from 4.3 percent to 9 percent between 2003 and 2011. The report also found that some populations are more likely than others to work for minimum wage and, consequently, be at greater risk of poor health. Racialized Ontarians (13.2 percent) and recent immigrants (19.1 percent) were more likely than the population as a whole to work for minimum wage.²⁵

How do Toronto's Leading Mayoral Candidates Measure Up for Equity in Jobs and Income?



Chow



Ford



Tory

	Chow	Ford	Tory
Economic Development	<p>Establish a Mayor's Council on the Economy and Jobs with membership from business, academia and civil society to identify barriers, rules that need to be changed or investments that should be made to support innovation and entrepreneurship.</p> <p>Establish a city Music Office similar to the existing film office and support the development of cultural clusters.</p> <p>Transform Invest Toronto into Global Toronto, incorporating some functions of economic development found elsewhere in the city. Global Toronto would be multi-lingual and have a global outreach strategy.</p> <p>Extend small business tax cuts that are due to expire in 2015 to 2020.</p> <p>Help entrepreneurs from abroad set up businesses and export. The City should offer forms in many languages and emulate successful programs for immigrant entrepreneurs like Vancouver's SUCCESS program that helps new Canadians start businesses in Toronto, while helping existing small businesses export to markets abroad.</p> <p>Move business approval services online and offered in more locations.</p>	Not yet addressed.	<p>Target 25,000 net new jobs per year.</p> <p>Establish a city Music Office to stimulate greater activity in the music industry, including through increasing tourism and music festivals, and create jobs.</p> <p>Create a single touch point for business permit applications and other services sought by those seeking to invest in Toronto.</p> <p>Unify and streamline the operations of Invest Toronto, the City Economic Development Department and the Greater Toronto Marketing Alliance.</p> <p>Making Toronto the Research and Development centre of the world for Smart City Technology – technologies such as traffic management systems.</p> <p>Double the number of foreign investments leads over four years.</p> <p>Work with other GTHA municipalities to coordinate investment decisions in infrastructure and to target growth sectors.</p> <p>Continue commercial-to-residential property tax rate rebalancing.</p> <p>Implement a report card on red tape and require the elimination of one existing regulation for every new regulation created in existing policy areas.</p> <p>Reduce the number of business regulations by 20 percent.</p> <p>Advocate for a new medical school at York University and teaching-hospital status at Humber River Regional Hospital.</p> <p>Create a Scarborough subway expansion community improvement plan and reduce property taxes for 10 years to attract businesses.</p>
Youth Employment	<p>Require companies awarded city contracts hire and train young people using community benefits agreements.</p> <p>Build on the city's direct youth employment programs with target of 5,000 new apprenticeships and jobs over four years. For example, City after-school recreation and tree-planting programs should hire young people.</p>	Not yet addressed.	<p>Double the number of companies in the Program to Advance Youth Employment (PAYE) program – a partnership between the City, private sector employers and community employment service providers.</p> <p>Consolidate City youth employment services.</p>
Poverty Reduction	Signed Action on Poverty Pledge committing to implement an anti-poverty strategy for Toronto with targets, timelines and annual reporting.	Will be invited to sign the Action on Poverty Pledge.	Signed Action on Poverty Pledge committing to implement an anti-poverty strategy for Toronto with targets, timelines and annual reporting.

Jobs and Income for a Healthier Toronto

Having adequate income to cover housing, food, transportation and other essential needs is critical to good health. While none of the main mayoral candidates have specifically addressed health in their jobs and poverty reduction platforms, it is possible that some of the proposals could help to improve the health of vulnerable groups in Toronto.

Olivia **Chow** and John **Tory** have both made commitments to reducing youth unemployment in Toronto. **Tory's** plan involves enhancing the City's existing partnerships with business and community employment agencies through the Program to Advance Youth Employment (PAYE) program, while Chow has promised to require companies that are awarded large City contracts to hire and train youth and for the City to directly employ more youth through increased apprenticeships and jobs. **Chow's** plan to increase public sector employment may have positive health benefits as workers in lower-paid occupations, such as cleaning, food preparation and clerks, are usually better paid in the public sector than in the private sector. Moreover, given that women make up a higher proportion of public sector employees, increasing employment in this sector may have positive gender impacts.²⁶ **Tory's** plan to facilitate private sector employment for youth through existing partnerships is important, but care must be taken to ensure that the jobs being created for youth are stable, well-paying and include benefits. **Doug Ford** has not yet addressed youth unemployment.

Chow and **Tory** have plans to create jobs in Toronto, but neither appears to have a plan to ensure that the jobs that are created are high-quality and supportive of good health. For example, both have committed to creating a Toronto Music Office to support the development of this sector, but neither has addressed how to make these jobs sustainable and health-enhancing. Employment in creative industries is often precarious, with many short-term contracts.²⁷ While creating jobs in the creative industries may have positive economic benefits for Toronto, these benefits should be accompanied by a plan to ensure that high-quality jobs are created. **Doug Ford** has not yet addressed job creation.

Chow and **Tory** have signed the Action on Poverty Pledge, which committed them to support a Toronto Poverty Reduction Strategy that includes action on employment, income support, housing and shelter, community supports, children's services and public transit.²⁸ While many of the macro levers to reduce poverty rest with the federal and provincial governments, the City can also play a significant role in reducing poverty and its health effects. For many people with low income high-quality and equitable municipal services, like libraries, community centres, and affordable child care, are essential to overall income security. Toronto's next mayor must champion the city's Poverty Reduction Strategy. **Doug Ford** has not yet signed the Action on Poverty Pledge.

ENDNOTES

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