



## ARTICLE | CITIES AND THE FEDERAL POVERTY REDUCTION STRATEGY

Canada's first national poverty reduction strategy, "Opportunity for All" is a welcomed move forward for those working to eliminate poverty in Canada. The Tamarack Institute's Vibrant Communities is dedicated to supporting cities in getting the most out of the strategy to support their work in reducing poverty in their community. As part of The Tamarack Institute's partnership agreement with the Employment and Social Development Canada, we have committed to supporting cities to be part of implementing the national strategy. One way that Vibrant Communities will be supporting cities is through the development of a TEN Guide for Cities Implementing the Federal Strategy. To start the conversation for the TEN Guide, this article provides an introduction to the national strategy, background into why cities are crucial in poverty reduction, examples of work already being done by cities and some initial thoughts on how community-based organization can get the most out of the national strategy.

### "OPPORTUNITIY FOR ALL" WELCOMED BY CITIES REDUCING POVERTY

In many ways, 2018 was an exciting time for poverty reduction in Canada. The Governments of [British Columbia](#), [Manitoba](#), and [PEI](#) began large scale reviews to develop province-wide poverty reduction strategies, minimum wages saw significant increases in British Columbia, Ontario and Alberta, and the Federal Government released "Opportunity For All" Canada's first poverty reduction strategy after over a year of consultation and study. It seems clear that the momentum built up in Canadian cities to address poverty is now reaching critical mass throughout each level of government.

The Tamarack Institute and the Cities Reducing Poverty network were pleased to see the important role of cities throughout the build-up and launch of "Opportunity for All." During the consultation process to develop the strategy, Tamarack and our network worked in partnership with Employment and Social Development Canada to host 33 community conversations from coast to coast. Additionally, Tamarack and a number of our members made formal online submissions during the consultation period. Both of these demonstrated the power of community-based backbone organizations and cities to understand the local context of poverty and to offer solutions to reduce poverty in Canada.

The consultations resulted in a strong, rights-based poverty reduction strategy for Canada. Some of the key highlights from "Opportunity for All" include setting an official poverty reduction line for Canada, identifying and legislating clear targets for poverty reduction in

Canada, and the recognition that ending poverty in Canada requires partnerships and cooperation with all levels of government.

For the first time ever, Canada has an official poverty line. Using the Market Basket Measure to discuss poverty in Canada provides a common language to access progress on poverty reduction. Additionally, the government of Canada has been working to improve this measure to make it more valuable to different sized communities in each province. Further still, realizing that income is an important measure of poverty, but not the only measure of poverty, the government has dedicated itself to developing an online dashboard of indicators to track progress as well. This dashboard will support a deeper understanding of eliminating poverty that ensures dignity, access to opportunity and resiliency. Each of these items comes with investments in improved statistical infrastructure to ensure high quality, reliable and detailed data for Canadians working to reduce poverty.

Additionally, “Opportunity for All” was strengthened when the Government moved to [legislate](#) its poverty reduction [targets](#). Bill C-87, which was introduced to Parliament in November 2018, outlined that the minister must implement a poverty reduction strategy, targets for poverty reduction in Canada, the measures of poverty discussed above, and laid out the framework for a National Advisory Council on Poverty. This legislation set the target that poverty in Canada will be 20% below the level of poverty in 2015 by 2020 and 50% below the level of poverty in 2015 by 2030. This is measured by the official poverty line mentioned above, but the legislation also highlights that other metrics will be used in addition to the official measure to discuss the level of poverty in Canada.

Finally, and importantly, “Opportunity for All” recognized that poverty reduction cannot be achieved by governments working in isolation. Canada’s first poverty reduction strategy recognized the need to work with provinces, territories, local communities and Indigenous peoples, and that provinces and communities across the country had already taken a leadership role in poverty reduction. Indeed, “Opportunity for All” highlights the July 31, 2018 statement from provincial and territorial Ministers responsible for social services, “[Meeting the Challenge: Provincial and Territorial Statement on Poverty Reduction](#).” This statement provides principles for poverty reduction which include working collaboratively and in alignment with each other, the federal government, and community-based groups; listening to those with lived experience of poverty; and developing common measurements and information for poverty reduction. Tamarack welcomes this increased recognition of the power of place-based initiatives to address poverty and the desire for all levels of government to work together and with local communities to reduce poverty.

In the time the Federal strategy was being developed, Tamarack’s Cities Reducing Poverty (CRP) network was working to advance our work in understanding the impact of community-based poverty reduction networks and increasing the support we provide to backbone organizations working to eliminate poverty in their communities. Near the end of 2018, Tamarack formed a partnership agreement with Employment and Social Development Canada, which included Vibrant Communities working with our members to support cities to advance the Federal strategy. This exciting agreement includes hosting a conference for cities to support aligning their work with the national strategy, developing strategic communications to support cities

and the national strategy and developing a guide for cities. As part of our work supporting Canada's poverty reduction strategy, Tamarack has agreed to prepare a guide for cities implementing the Federal strategy. Following the success of our [TEN guides](#) for cities and businesses, we have decided to keep with this format. The remainder of this article outlines why cities are important partners in poverty reduction, how community-based groups are already using and supporting federal programs to reduce poverty, and some early thinking about novel ways that local groups might work even closer to align their work with the Federal strategy.

## CITIES MATTER FOR POVERTY REDUCTION

If Canada is going to succeed on its long-term targets and its broader goals of supporting individuals to live with dignity, opportunity and inclusion, and resilience and security, it will require community-based programs that work effectively. The following section outlines some of the major reasons that cities matter in this conversation: population centres, local contexts, and hubs of innovation.

The first reason that cities matter in poverty reduction is sheer numbers. In 2016, 82% of Canada's population lived in Canada's large and medium-sized cities<sup>1</sup>. On top of this, many of Canada's large and medium-sized cities have poverty rates above the national average<sup>2</sup>. For instance, Toronto, Montreal, and Vancouver – Canada's three largest cities – all have rates of poverty over 18%. Fortunately, community leaders recognized the importance of developing community-based strategies for addressing poverty in Canada. Over the past 15 years, the CRP network in Canada has grown to 68 members working in more than 320 cities and communities. A successful poverty reduction strategy will work with these community-based strategies to build from their successes and learn from the work they have completed.

Secondly, as is highlighted by the use of the market basket measure and the subcategories of dignity, opportunity, and resiliency, local context matters. Local communities will face different challenges and have different opportunities based on contexts that are specific to them. Cities will face differences in employment and economic opportunities, provincial support and priorities and local social issues for example<sup>3</sup>. These local challenges will impact the areas that communities focus their attention on to best support poverty reduction. Working with and through community-based poverty reduction strategies means that resources are best targeted to the issues important within a community.

Finally, local community-based programs can provide innovations at a much faster pace than

In 2015, using the Market Basket Measure, 1 in 8 Canadians, 4.2 million people, lived in poverty. The Federal strategy aims to reduce the number of Canadians living in poverty to 1 in 10 by 2020 and 1 in 17 by 2030. Approximately 2 million Canadians will be lifted out of poverty.

<sup>1</sup> Press, Jordan. 2017. The Canadian Press. Census 2016: Big Cities Home to big share of 35 Million Canadians. Retrieved from: <https://www.cbc.ca/news/politics/cities-population-census-2016-1.3972062>

<sup>2</sup> Citizens for Public Justice. 2018. Poverty Trends 2018. Retrieved from: <https://www.cpi.ca/poverty-trends-2018>

<sup>3</sup> Statistics Canada. 2017. Census in Brief Children living in low-income households. Retrieved from: <https://www.canada.ca/en/employment-social-development/services/learning-bond.html>

larger programs. Each community can act as an incubator for innovative ideas that move the needle forward on poverty reduction and then these programs can be brought to scale in other communities. Within the CRP network, this has been seen in a number of contexts. Two specific examples are the establishment of living wage campaigns in Canada and work to regulate payday lenders<sup>4</sup>. For both of these initiatives, community-based organizations led the way leading to changes at the city level. These local initiatives then led to larger provincial changes including changes to minimum wages in a number of provinces and the regulation of pay-day lenders in Alberta.

## CITIES ARE LEADING IN ADVANCING FEDERAL PROGRAMS

Before considering new ways that cities can integrate parts of “Opportunity for All” into their work, it is important to recognize some of the innovative ways that cities, as community-based strategies, are already doing this work. Community-based collective impact initiatives to reduce poverty in Canada, as hubs of social innovation, have been working to magnify the impact of provincial and federal programs in their community. For instance, CRP members have been active in promoting tax filing to take advantage of tax programs, encouraging the uptake of Canadian Learning Bonds, and improving access to public transit. The following section outlines some of the ways that CRP members have been doing this work.

One of the ways that governments in Canada support poverty reduction is through programs tied to tax filer information. Programs such as the [Canada Workers Benefit](#), [Canada Child Benefit](#), and the [Guaranteed Income Supplement](#). These programs and associated provincial benefits, are essential for families living in poverty and can account for up to 40% of a family with children’s income<sup>5</sup>. For these programs to be successful, it is important that individuals who could benefit from these programs file their taxes, which was highlighted in [Vibrant Communities Game Changer Series](#) through the promotion of the Canada Revenue Agency Community Volunteer Income Tax Program.

A number of communities within the CRP network have worked to host and support community tax filer information sessions. A few of the CRP network members that have participated in tax filing clinics include the [Hamilton Roundtable for Poverty Reduction](#), [New Westminster Community Poverty Reduction Initiative](#), and [Vibrant Communities Calgary](#). The potential for community-based poverty reduction roundtables to move the needle forward on these initiatives is highlighted by Calgary’s recent successes. Their success demonstrates the capacity of place-based collaboratives to actualize federal and provincial support to lift individuals and families out of poverty.

### Calgary’s Financial Empowerments Collaborative’s Tax Clinics

Supported 8,445 people with low incomes in 2017 with a total of \$3,721,649 refunded to participants. This is an 84% increase in participation from 2016.

<sup>4</sup> Vasey, Adam. 2018. The State of Cities Reducing Poverty. Retrieved from: <https://www.tamarackcommunity.ca/library/state-of-cities-reducing-poverty>.

<sup>5</sup> Vibrant Communities Calgary. 2018. Moving the Needle: An Evaluation of the Enough for All Poverty Reduction Strategy. Retrieved from: <http://vibrantcalgary.com/wp-content/uploads/2018/06/2017-Evaluation-Report.pdf>

Similarly to increasing the number of individuals who file taxes, CRP members have been active in increasing the uptake of the [Canada Learning Bond](#). The Canada Learning Bond is an important tool to support low-income families to attend post-secondary education. By supporting and encouraging saving for higher education, the program helps to increase the likelihood that youth will complete high school and pursue higher education<sup>6</sup>. While fourteen CRP members reported working on promoting education as a poverty reduction tool in 2017, three standouts from the network include Vibrant Calgary, Vibrant Communities St. John's and the [Halton Poverty](#) Reduction Roundtable. As an example of success from this group, Smart Start Halton reported increased uptake of the Canada Learning Bond in Hamilton from 31% to 38% an increase of 4,372 children in 2017. This increase meant \$8,744,000 in funding for higher education was made available for lower-income families in their community thanks to their work.

Beyond the above, a number of community-based initiatives have done impressive work to improve transit options for individuals living on lower incomes. Improved and accessible public transit options assist individuals to participate in community life, get to work and appointments, and help kids get to school. The importance of transit options for living with dignity were highlighted in “Opportunity for All” and public infrastructure funding provided since budget 2016 and through the Canada Infrastructure Bank. While much of this funding flows through bilateral agreements with provinces and territories, much of the public transportation infrastructure is used at the local level. Cities throughout the CRP network have been working to improve the accessibility and affordability of public transit for their low-income citizens. In 2017, twenty CRP members were working on transit related projects and six were working on subsidized transit programs. Some examples of CRP members working to support subsidized transit include [London](#) for All, the [Region of Peel](#) Poverty Reduction Strategy, and End Poverty [Edmonton](#). These programs are of interest, because they are often partnerships between multiple levels of government with funding support for the physical infrastructure supported through federal programs like those discussed above.

The above examples are not an exhaustive list of the ways community-based programs are making use of federal programs to reduce poverty. Instead, the examples highlight some key ways that CRP members have used tax filer supports, the Canadian Learning Bond, and transit infrastructure funding to reduce poverty in their communities.

## CITIES CAN BENEFIT FROM THE FEDERAL STRATEGY

While the above highlights key ways that cities and community-based poverty reduction strategies are already leveraging federal programs at the local level, the national strategy and investments at federal level provide welcome opportunity to further integrate strategies and programs. The guide mentioned previously will explore new mechanisms for partnerships; however, there are some immediate possibilities worth considering. Ways to help promote data collection, economic empowerment, housing strategies and support for the social innovation and social finance strategy are considered below.

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<sup>6</sup> Vibrant Communities Canada. 2017. Phase II Learning Report. Retrieved from: [https://ccednet-rcdec.ca/sites/ccednet-rcdec.ca/files/revised\\_phase\\_ii\\_report.pdf](https://ccednet-rcdec.ca/sites/ccednet-rcdec.ca/files/revised_phase_ii_report.pdf)

The first way that the federal poverty reduction strategy can be used by cities working to reduce poverty in their communities is through a better understanding of what poverty looks like in Canada and locally. As mentioned above, one of the most significant components of “Opportunity for All” is its dedication to improved data collection and sharing. Cities working to reduce poverty will have access to data on the official poverty line for their community and a dashboard of metrics around poverty calculations and the state of individuals living in poverty. This information will be updated regularly and will be valuable for cities to set targets for poverty reduction in order to demonstrate the efficacy of their work.

In addition to improving data on poverty in Canada, “Opportunity for All” continues to offer support for financial empowerment including tax benefits and credits, support for education and retraining programs. The first way that cities and communities can benefit from these programs is to promote the Canada Learning Bond and the Community Volunteer Income Tax Programs that were discussed above. The example cited demonstrate how these programs can be used to have meaningful impacts within a community. Community-based initiatives that are already participating in and promoting these programs are also uniquely set up to promote other programs geared to support individuals access retraining and educational support. The above programs are designed to support people to gain the skills and resources to fully participate in economic life. Information about these programs and how they can be accessed could be shared by community-based initiatives to increase local uptake of the programs.

Housing, like transit, is an area where cities often implement programs with support from federal and provincial programs. “Opportunity for All” includes reference to [Canada’s National Housing Strategy](#). This 10-year plan provides \$40 billion to support housing, including \$16.1 billion in investments to provincial and territorial programs and \$2.1 billion to address homelessness. Combined these investments are meant to address the housing needs of 530,000 families, protect 385,000 community homes, expand community housing by 50,000 units and cut chronic homelessness in half<sup>7</sup>. Additionally, the housing strategy will provide \$241 million over ten years to enhance housing research and data. This funding will be valuable to the CRP network to better understand effective housing strategies to suit their community.

Beyond the above possibilities, “Opportunity for All” highlights Canada’s Social Innovation and Social Finance Strategy to provide support and partnership opportunities for community organizations using innovative approaches to address social challenges. This strategy includes the creation of the Social Finance Fund to support non-profits, charitable organizations and social purpose organizations with financial support and access to other possible investors. This

Learn more about these Federal programs:

- [Skills Boost](#)
- [Youth Employment Strategy](#)
- [Apprenticeship Incentive Grant for Women](#)
- [Targeted Employment Strategy for Newcomers](#)
- [Canada’s Housing Strategy](#)

<sup>7</sup> Government of Canada. 2018. Opportunities for All. Retrieved from: <https://www.canada.ca/en/employment-social-development/programs/poverty-reduction/reports/strategy.html>

strategy and the subsequent fund could provide valuable resources to community-based backbone organizations to promote innovative poverty reduction programs with the aim of them becoming financially self-sufficient.

## CONCLUDING THOUGHTS

Welcoming the introduction of Canada's first Federal poverty reduction strategy, this article has demonstrated the importance of place-based approaches to poverty reduction to meet the federal poverty reduction targets and metrics. This article was also the start of a conversation about the ways cities are already working to incorporate federal programs into their work and some ways that this work could be increased. Over the coming months, the Tamarack Institute's Cities Reducing Poverty team looks forward to working with our members and sector stakeholders as we illuminate even more possibilities for collaboration as we develop a TEN Guide for Cities Implementing the Federal Poverty Reduction Strategy.

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