



The Working Poor

IN THE TORONTO REGION

A closer look at the increasing numbers

NOVEMBER 2019

by John Stapleton

with contributions by Dr. Carl James and Dr. Kofi Hope

METCALF
FOUNDATION
Inclusive Local Economies

METCALF FOUNDATION

The Metcalf Foundation helps Canadians imagine and build a just, healthy, and creative society by supporting dynamic leaders who are strengthening their communities, nurturing innovative approaches to persistent problems, and encouraging dialogue and learning in order to inform action.

metcalffoundation.com

**The Working Poor in the Toronto Region:
A closer look at the increasing numbers
November 2019**

ISBN 978-1-927906-20-0

JOHN STAPLETON is a Toronto-based social policy analyst who has published over 65 articles and studies following a career as an Ontario public servant. He teaches public policy and is a Commissioner with the Soldiers' Aid Commission of Ontario and a volunteer with West Neighbourhood House and WoodGreen Community Services. He is past chair of the Board of West Scarborough Community Legal Services, a member of the expert panel on income security for the Council of Aging in Ottawa, and has been a Metcalf Innovation Fellow since 2006.

DR. CARL JAMES holds the Jean Augustine Chair in Education, Community & Diaspora in the Faculty of Education, York University, Toronto. With an educational background in sociology, his research interests include examination of how race, ethnicity, gender, class, and citizenship intersect and mediate opportunities in education and employment for racialized youth — and Black youth in particular.

DR. KOFI HOPE is a Rhodes Scholar with a Doctorate in Politics from Oxford University. He is Senior Policy Advisor at the Wellesley Institute and a strategic consultant to the Vice President HR/Equity at the University of Toronto. He is an emeritus Bousfield Visiting Scholar for the University of Toronto's School of Urban Planning. He is the founder and former Executive Director of the CEE Centre for Young Black Professionals. In 2005 he founded the Black Youth Coalition Against Violence, which became a leading voice for advocating for real solutions to gun violence in Toronto.

We would like to thank the following people for their review and comments in the process of preparing this report: Hannah Aldridge, Adriana Beemans, Amy Casipullai, Judy Doidge, Diane Dyson, Maureen Fair, Nauman Khan, Scott Leon, Laura McDonough, Gladys Okine, Stephanie Procyk, Alicia Richins, Imara Rolston, Maya Roy, Leila Sarangi, Devika Shah, and Ricardo Tranjan. For helping to produce and validate the data and for their helpful comments in the process of preparing this paper, thank you to: Brian Murphy, D. Joshua Von Wurden, and J. David Hulchanski. We thank Richard Maaranen, Neighbourhood Change Research Partnership, University of Toronto, for producing the maps, Anne Perdue for editing services, and Matthew Blackett for design of the report.

All photos used are licensed under Creative Commons.



The Working Poor

IN THE TORONTO REGION

A closer look at the increasing numbers

Foreword	7
The Working Poor series	9
Working poverty continues to increase	10
Taking count of the working poor	12
Working poverty and working-age adults	12
Metcalf Foundation definition of "working poor"	14
Scope of our definition	15
What's changed (and hasn't) since 2006	16
Working poverty across the Toronto CMA	16
The "Manhattanization" of Toronto	17
Focus on the City of Toronto	18
Trends in the labour market	20
The labour force	20
Rise of unstable employment	21
Hourglass labour market	22
Occupational groups	24



How social policy affects working poverty	25
Low-income worker benefits and family and child poverty interventions	25
Minimum wage	26
Employment levels	26
The demographics of working poverty	27
Age and gender	27
Education and gender	28
Ethno-cultural status and gender	30
Focus on gender	31
Immigration status	34
A note on working poverty among Canada's Indigenous population	35
Working poverty in Toronto's Black workforce	36
Youth, education, and gender	38
Generational differences	38
Geography	39
Conclusion	39
Concluding thoughts	40
Canada's commitment to poverty reduction	40
Toronto's working poor, 2006 to 2016	40
Importance of eradicating working poverty	41
Works cited	42



Foreword

Most people who care about the world we live in and the world we are leaving to our children acknowledge that climate change and racialized socio-economic inequality are the two ultimate crises that can end life as we know it.

“For more than 30 years the science has been crystal clear” on climate change, as 16-year-old Greta Thunberg told the world at the 2019 U.N. Climate Action Summit. “How dare you pretend that this can be solved with just ‘business as usual.’”

For the same three decades, we have known that income and wealth inequality, the gap between rich and poor, began to increase and has continued to increase. We have become increasingly polarized socially and spatially due to the steady loss of the once numerically dominant and growing middle income group. This trend will also not be reversed with just “business as usual.”

One reason for growing economic inequality, is a growing dualism in our labour market. Despite strong employment figures and a robust job market in Toronto, the number of individuals who are working poor or on social assistance is on the rise. And while Toronto’s labour market has experienced large increases in good jobs, we see increases in working poverty across all occupational categories, not only minimum wage entry service jobs.

It should be no surprise, unfortunately, that this report finds that the rate of working poverty in Canada, the Toronto region, and the City of Toronto is increasing. This report also identifies the areas in the Toronto region that have high concentrations of working poor. Poor neighbourhoods tend to have limited access to opportunities.

With the publication of a number of recent reports, most notably United Way Greater Toronto’s *Rebalancing the Opportunity Equation* (May 2019), the Toronto region is coming to the uncomfortable realization that our increasing economic inequality is also highly racialized. We knew this, but now we have solid data and evidence.

Thanks to the initiative of the Metcalf Foundation, led by Metcalf Innovation Fellow John Stapleton and with the assistance of Statistics Canada, we have a definition of working poverty. Data was collected and analyzed, first using the 2001 and 2006 census. Though we wanted to update and assess the trends using the 2011 census, we were not able to do so due to the loss of the mandatory long-form.

Fortunately, Canada now has the long-form census restored and it is possible to update the extent and the demographic characteristics of the working poor as of 2016.

Though 46% of Toronto’s total workforce is racialized, 63% of Toronto’s working poor are racialized. In 2016, the highest rates of working poverty, by ethno-cultural group and gender, were among South Asian males, Black males, and Black females. We also know that working immigrants on the whole do less well than the non-immigrant population. This report identifies many such disconcerting facts and trends that cannot continue if we want a productive, prosperous, and harmonious Toronto region.

Research, more data analysis, and more reports certainly inform us and help us with advocacy. But this is not enough. Change requires organizing, which requires persistent hard work.

Canada and Toronto need to change. Before the 1990s we were becoming more equal and less polarized. One step among the many necessary is to reverse the growth in precarious and low-wage employment. This report informs the necessity for such action.

J. David Hulchanski, University of Toronto



Data Sources:

The data sources for our first report: *The Working Poor in the Toronto Region: Who they are, where they live, and how trends are changing*, were the Survey of Labour and Income Dynamics (SLID) and the 2001 and 2006 Census of Canada. We reported all figures for individuals, not households or families. We examined the SLID from 1996 to 2005, and the 2001 and 2006 Census of Canada data.

The primary source for our second report: *The Working Poor in the Toronto Region: Mapping working poverty in Canada's richest city*, was the T1 Family File derived primarily from income tax returns. The data were taken directly from the T1 Family File (T1FF), built from the income tax and the Canada Child Tax Benefit records. Information on income was obtained from the tax filers. Demographic information was derived from tax filers and non-filing spouses and/or children.

The data sources for this report: *The Working Poor in the Toronto region: A closer look at the increasing numbers*, is the 2016 Census of Canada and the Canadian Income Survey (CIS).

Two Notes:

1. When we refer to the inner suburbs we are referring to: Etobicoke, York, North York, Scarborough, and East York — what were the former municipalities of Toronto. Outer suburbs refers to the 905 region of: Oakville, Milton, Mississauga, Brampton, Caledon, Vaughan, Richmond Hill, Markham, Pickering, and Ajax. Toronto CMA includes the inner city, inner suburbs, and the outer suburbs.
2. All figures in this report, except where noted, are from the Neighbourhood Change Research Partnership, University of Toronto. www.Neighbourhood-Change.ca Source: Statistics Canada, 2016 and 2006. Census of Population. Special tabulation, October 2018, Ottawa.

The Working Poor series

This is the third in a series of reports on working poverty in the Toronto Census Metropolitan Area (CMA) and the City of Toronto.

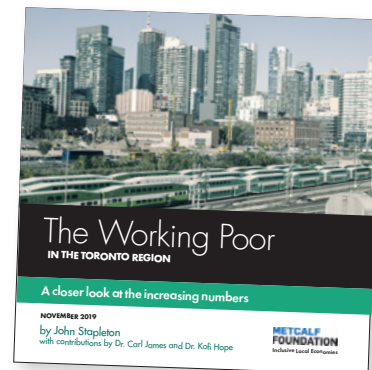
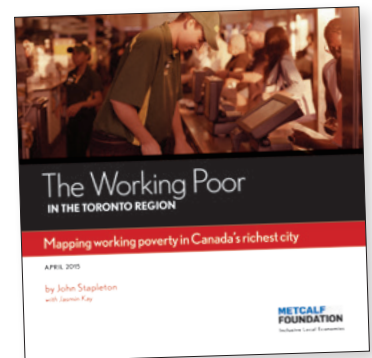
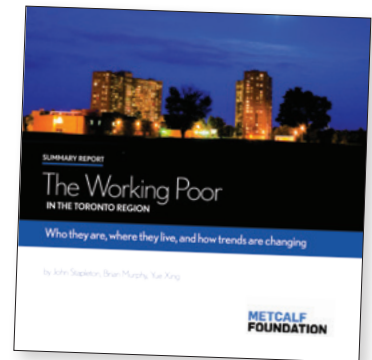
The first, *The Working Poor in the Toronto Region: Who they are, where they live, and how trends are changing*, published in 2012, compared data from the 2001 census to the 2006 census, finding that the number of working poor in the Toronto region and across the country was increasing at an alarming rate. Increases were seen to the east of Toronto's central area and in the north, with a significant amount of intensification in the northeast corner of the city.

Our 2015 report, *The Working Poor in the Toronto Region: Mapping working poverty in Canada's largest city*, measured change in the working poor population from 2006 to 2012. Income tax data was used because of the loss, in 2011, of the mandatory long-form census. Although we drew upon income tax data as opposed to census data, the income tax data showed similar patterns.

For this third report (2019) we have the return of the use of the mandatory long-form census, providing quality data for 2016. We are, therefore, able to compare the number, characteristics, and neighbourhood concentrations of working poor households using comparable data from the 2006 census and the 2016 census. The census numbers of 2006 to 2016, compared to 2001 to 2006, reflect a slower rate of growth for working poverty.

The main takeaway from all three reports is that the rate of working poverty in Canada, Ontario, and the Toronto region is increasing. We understand that underemployment, growth in low-wage service sector jobs, fewer hours available to each worker, and layoffs are part of what is driving the growth of working poverty.¹ The growth in precarious employment and the gig economy have all come together to increase the number of people who are working for wages that cannot sustain them and drawing incomes too low to lift them out of poverty.

This report identifies areas in the Toronto region that have a high concentration of working poverty and describes general trends within the Toronto CMA and City of Toronto. We use disaggregated data from the 2016 census to explore how gender, age, education, racialization, and immigration status can help us understand potential underlying causes of working poverty.



1. https://www.unitedwaygt.org/file/2019_OE_fullreport_FINAL.pdf

Working poverty continues to increase

The working poor live hardscrabble lives often travelling very long distances to take on bits of work here and there. A morning shift at a fast food takeout, an afternoon gig at a dollar store, an office cleaning shift in the evening, and a few hours at a pizza call centre on the weekends — all to make ends meet. While they hustle to stitch together the pieces of their working lives as security guards, cleaners, line cooks, or cashiers, housing costs continue to rise faster than wages. Although minimum wages in Ontario have almost doubled since 2005, rental costs in many neighbourhoods have tripled or quadrupled. And over the past decade the cost of other necessities — like nutritious food — has increased far ahead of inflation, exacerbating the challenges facing Toronto's working poor.

The convergence of low pay, multiple insecure jobs, long hours, and gruelling transit trips, all in the face of higher costs for necessities, push the working poor to a life on the precipice of vulnerability where few have any sort of financial cushion. The result can be catastrophic if a loved one requires unexpected care, or one gets sick or injured or loses their apartment to a “renoviction.” And for many of the working poor who have public-facing jobs they must have a ready smile for the customer, even when they might be less than a paycheque away from a personal financial crisis.

In the first five years of the new millennium, the Toronto CMA working poor population grew by 42%.² From 2006 to 2016 it increased by 27%. Although this slower growth is a welcome trend, the continued growth is troubling.

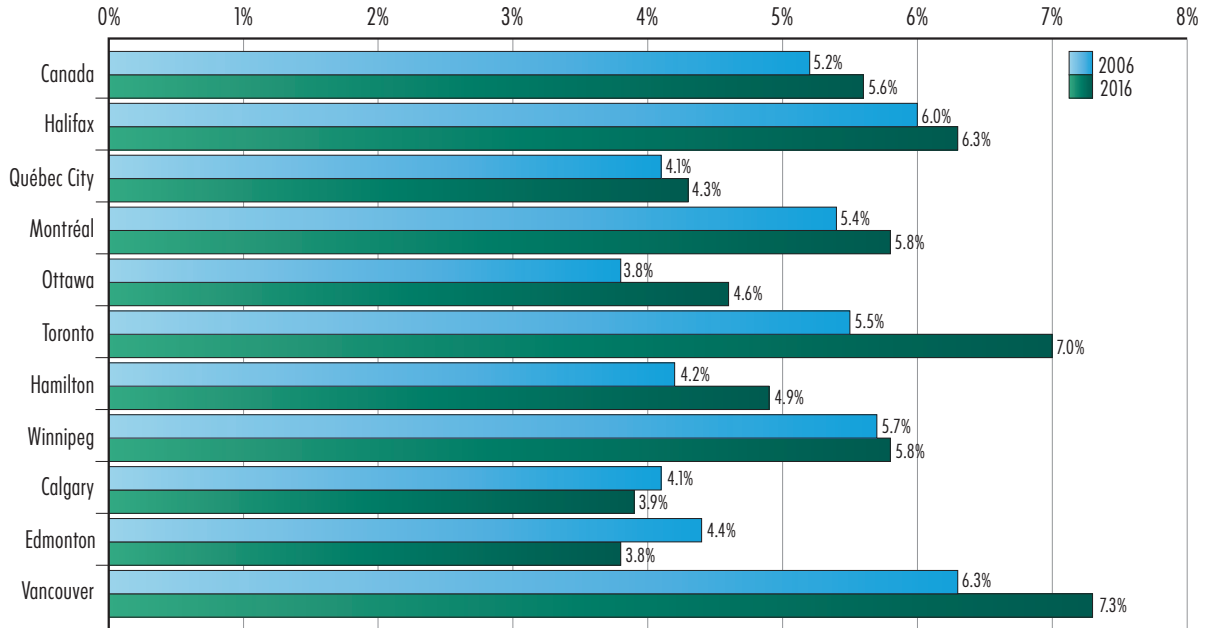
Our 2015 report illustrated a critical reason why working poverty continues to increase in Toronto. It revealed major job growth in only two categories: professional/knowledge and entry service. Other job categories were stagnant. Our 2015 report also explored how Toronto and Vancouver — Canada's two richest cities — have become giant modern-day “Downton Abbeys” where a well-to-do professional/knowledge class results in an upsurge of low-income workers to provide the services that they require. The professional/knowledge class rely on an increasingly large cadre of working poor to walk their dogs, pour their coffee, clear their dishes, mind their children, and clean their houses.

This is why Canada's two richest cities are also, ironically, Canada's two poorest cities. Vancouver, at the height of the property boom in 2016, was Canada's richest city with Toronto in a close second place (Figure 1).

2. From our second report, *The Working Poor: Who they are, where they live, and how trends are changing*. Page 15. <http://metcalfoundation.com/publication/the-working-poor-in-the-toronto-region-mapping-working-poverty-in-canadas-richest-city/>

FIGURE 1

**Percentage of working poor individuals among the working-age population
Canada and ten CMA, 2006 and 2016**



Source: Statistics Canada, Census Custom Tabulation 2006 and 2016

From 2006 to 2016, rates of working poverty increased in all of Canada's ten largest CMA with the exception of Calgary and Edmonton. In 2016, Alberta's two largest cities were beginning to suffer from the 2014 drop in oil and gas prices, but the 2016 census figures continued to show that working poor numbers were dropping slightly. We can speculate that hard times had yet to be fully realized and we can equally postulate that with good oil and gas jobs shrinking in number, the number of working poor jobs was also in decline.

Taking count of the working poor

Across Canada, the largest group of people living in poverty have a job. In most parts of the country the working poor account for over 40% of those living in poverty. A somewhat lower number receive social assistance.³ Another 10% of the poor are seniors.⁴ And approximately 8% of people living in poverty receive their income from Employment Insurance (EI), Canada Pension Plan (CPP), or elsewhere. Some poor people are unpaid caregivers who have no income but are supported by their families. It should be noted that Ontario, compared to other provinces, has higher numbers of social assistance recipients due to the province's harsh EI rules.

It is also important to mention that poverty statistics are often difficult to understand because different denominators are used in widely varying discussions of the topic. For example, child poverty ratios for Canada do not use overall poverty figures as they only relate to the number of children in Canada. Adult poverty numbers only consider the ratio of poor adults to all adults, whereas overall poverty numbers count all women, men, and children into the denominator. While confusing, having different analyses that use different base rates does contribute to a rich discussion, revealing important clues as to how Canada can, and should, address poverty.

Working poverty and working-age adults

When discussing poverty numbers as they relate to the working poor, it is useful to look at the working-age segment of the population within a larger context. For example, it is important to also consider the percentage of people who are working, but who are not poor. In Canada, this has always been the largest portion of our working population.

But both groups — working poor and working non-poor — together, do not comprise the whole of the working-age (18 to 64) population. There are also non-working people who are poor — such as those on social assistance, EI, CPP, or other income security programs and other sources. And there are non-working people who escape poverty through other means such as investments, inheritances, and other forms of income.

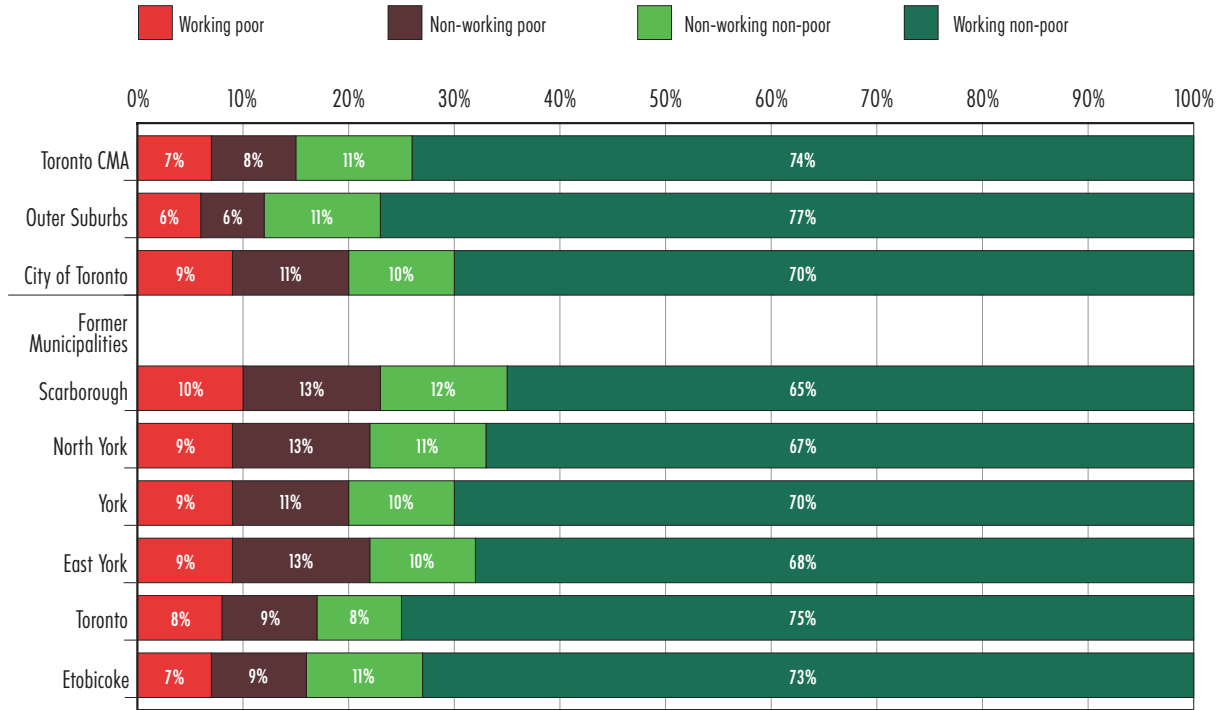
That is why we break down the composition of working-age people into four categories — two for people who are poor and two for people who are non-poor (Figure 2).

3. This number is derived from a number of data sources including CARP, our working poor data, and social assistance administrative files from across the country.

4. <https://www.carp.ca/2014/12/11/600000-seniors-canada-live-poverty/>

FIGURE 2

Composition of the working-age population by work and poverty status
 Toronto CMA, City of Toronto, and former municipalities, 2016



Source: Statistics Canada, Census Custom Tabulation 2016.
 Please note: numbers in Figure 2 have been rounded to the nearest whole number.

In 2016, 7% of Toronto CMA's working-age population were in the working poor category. Another 8% were poor but not working. This would include social assistance recipients and those with other forms of modest income. Individuals who work on a contractual or cash basis and do not draw a wage or salary will also fall into this “non-working” category, even though they work. This 8% also includes many in the informal economy, as well as gig economy workers who are currently classified as independent contractors. This non-standard work group, within the non-working categories, reveals not only the limitation of our definition, but also how much the labour force has changed in the last ten years.

Many working poor who lose their jobs can easily fall into the non-working poor category, just as those who take on an additional gig may move from the working poor to the working non-poor category. In other words, there can be significant movement among the composition categories.

Another 11% of Toronto CMA's working-age population were also not working, but not poor. Many non-working spouses would be in this category, along with those living on investments of various sorts.

Figure 2 also illustrates what has been long known: that the inner suburbs of Toronto are poorer than the outer suburbs. In Scarborough, for example, 23% of the working-age population is poor, with 10% working and 13% not working. In both North York and East York, 22% of the working-age population is poor.

Metcalf Foundation definition of “working poor”

The term “working poor” does not have a widely accepted definition. In our 2012 report, we developed a definition of working poverty which we continue to use for this report.

We define a member of the working poor as someone who:

- has an after-tax income below the Low-Income Measure (LIM),⁵
- has earnings of at least \$3,000 a year,⁶
- is between the ages of 18–64,
- is not a student, and
- lives independently.

5. In 2015 — latest measure available was \$22,133. See https://www12.statcan.gc.ca/census-recensement/2016/ref/dict/tab/t4_2-eng.cfm

6. \$3,000 is the income threshold for receiving a Canada Workers Benefit, formerly the Working Income Tax Benefit.

Scope of our definition

It is important to note that the Metcalf Foundation's definition of working poverty does not capture everyone who is working and poor. For example, it does not capture 16- and 17-year-olds, or children, who are working at poverty wages in working poor households. And it does not capture the fast growing cadre of seniors who have flooded the job market since the cancellation of mandatory retirement in Ontario in 2006.

Similarly, it does not capture those whose earnings are below \$3,000 or those who are fulltime students who work and are living in poverty. And it does not cover an unknown number of working poor who do not live independently.

This latter group is often a topic of debate. Our data sources are not sufficiently robust to know how many people, living with their extended families, or a spouse, or with others are working poor. To give the clearest possible picture we have excluded them, while we remain aware that this exclusion is subject to valid critique. If we knew more we could be more precise, but at this time we do not have the numbers.

Our definition was designed to take other income security programs into account and to refrain from conflating working poverty with other issues. For example, seniors have robust income security programs which result in very different issues when they work and remain poor. Similarly, people who work but make less than \$3,000 are most likely to be also collecting social assistance. We want to ensure that when we talk about the working poor, we are speaking of a distinct population.

We have not adjusted, for inflation, the base earnings level of \$3,000, used in 2012, for two reasons. The Canada Workers Benefit is still at \$3,000 and is a valuable tax-based data source on working poverty. \$3,000 works very well as a way of distinguishing the working poor, as few social assistance recipients in Ontario, in 2016, earned more than the annual exemption level of \$2,400.

The working poor are a unique group because their poverty straddles a range of incomes. Those with very low earnings are in more severe, or "deep poverty," while those with higher earnings may have incomes just a few dollars below the poverty line and live in what we call "shallow poverty." Policies designed to address working poverty need to include both labour market and income security strategies. Policies to assist seniors and children mostly involve income security programs. Strategies for social assistance recipients are much more profound and complex as most live in deep poverty without work.

What's changed (and hasn't) since 2006

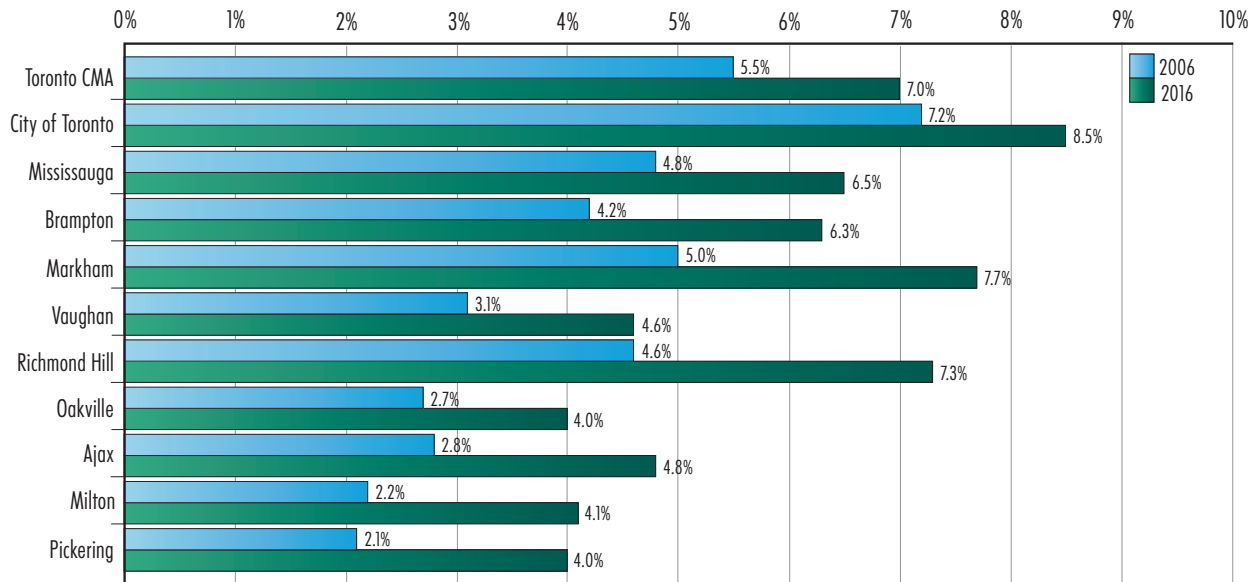
Working poverty across the Toronto CMA

The incidence of working poverty continues to be highest in the City of Toronto, but variations within the Toronto CMA are stark. As we showed in our 2015 report, the rate of growth among the working poor is highest in areas outside the City of Toronto.

Even though the explosive growth of working poverty in the outer suburbs such as Milton, Pickering, and Ajax is fuelled by increases in the total populations, this replication of the urban pattern of working poverty is disturbing (Figure 3).

FIGURE 3

Percentage of working poor individuals among the working-age population
 Ten largest cities in Toronto CMA, 2006 and 2016



Source: Statistics Canada, Census Custom Tabulation 2006 and 2016

The “Manhattanization” of Toronto

From 2006 to 2016, working poverty expanded northward and increased markedly in the outer suburbs. This growth may be in response to rising property values, long waiting-lists for subsidized housing, and higher private market rents in the inner city.

As Map 1 shows, by 2016 working poverty had increased to levels over 5% in many census tracts throughout the outer suburbs of the Toronto CMA, including Mississauga, Brampton, Richmond Hill, Markham, Pickering, and Ajax. These are communities that had not experienced working poor populations of over 5% in the past.

The “Manhattanization”⁷ of Toronto, whereby poorer individuals and families are being driven to both the inner and outer suburbs is obvious in Map 1. This phenomenon, which we explored in our 2015 report, is why many now say that poverty does not stop at Steeles Avenue, the city’s northern most east-west thoroughfare.

MAP 1

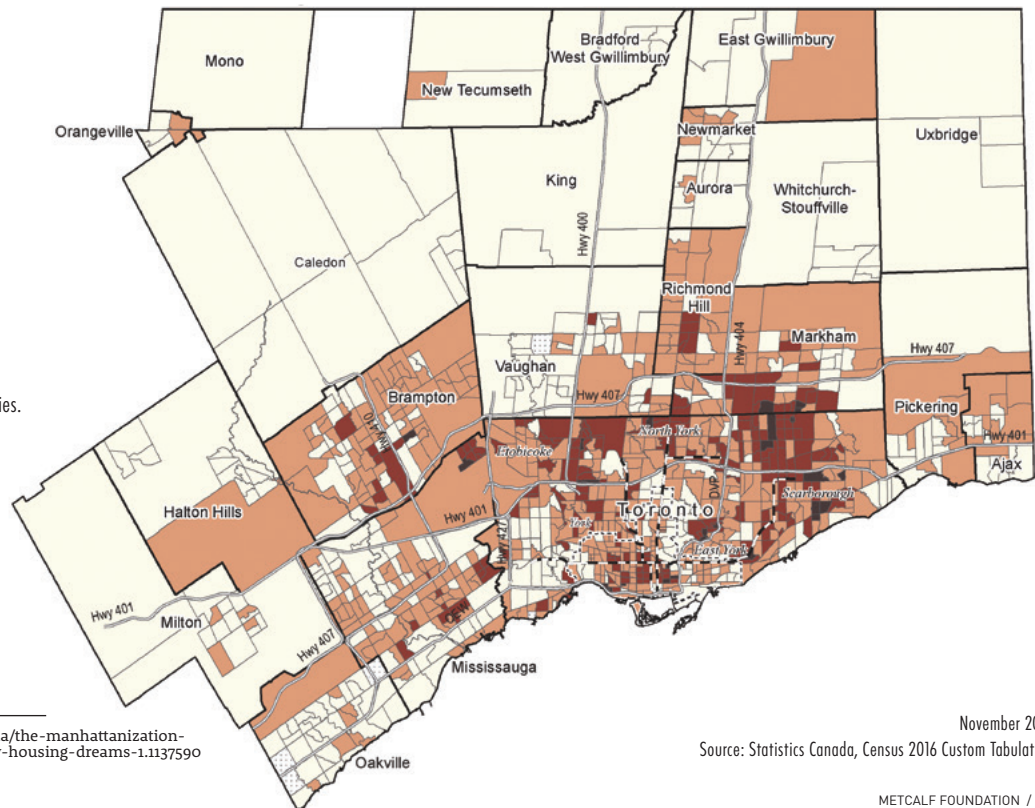
Percentage of working poor individuals among the working-age population, after-tax
Toronto CMA, 2016

Toronto CMA, 2016
169,900 working poor
2,432,900 working-age
7.0% working poor

Independent Working Poor Percentage by Census Tracts

- 0% to 4.9%
- 5% to 9.9%
- 10% to 14.9%
- 15% to 25%
- Not Available

Data are mapped to 2016 boundaries.



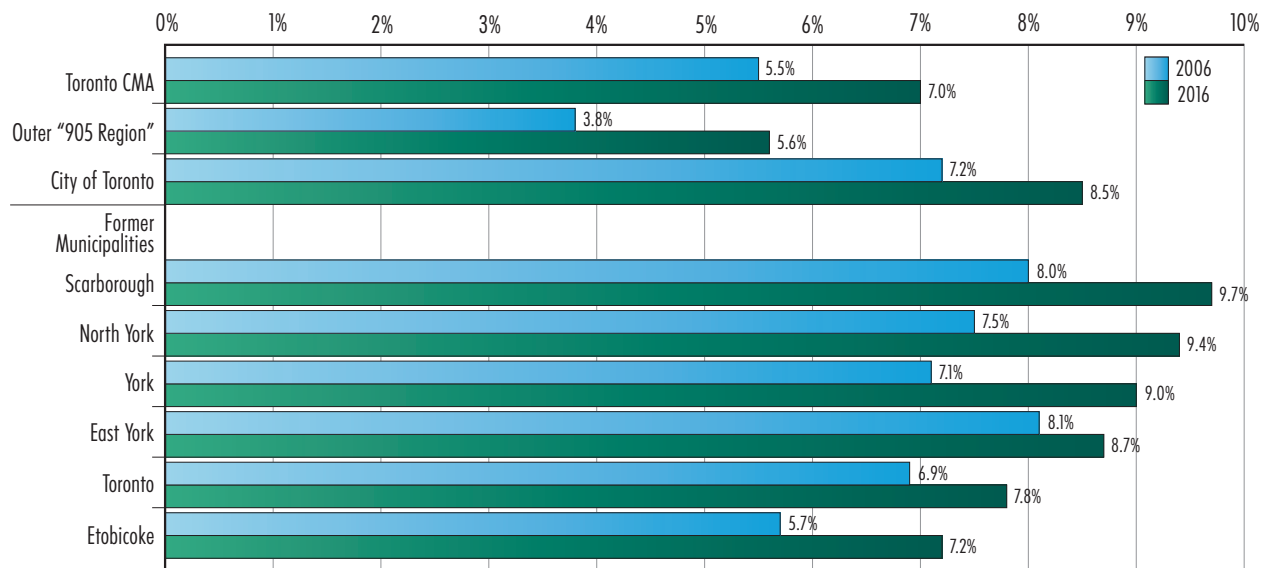
7. <http://www.cbc.ca/news/canada/the-manhattanization-of-toronto-will-change-family-housing-dreams-1.1137590>

Focus on the City of Toronto

In 2016, there were almost 170,000 working poor individuals in the Toronto CMA. Almost 99,000 were living in the City of Toronto. This number does not include the approximately 75,000 Ontario Works recipients in the city.

FIGURE 4

Percentage of working poor individuals among the working-age population
 Toronto CMA & former municipalities, 2006 and 2016

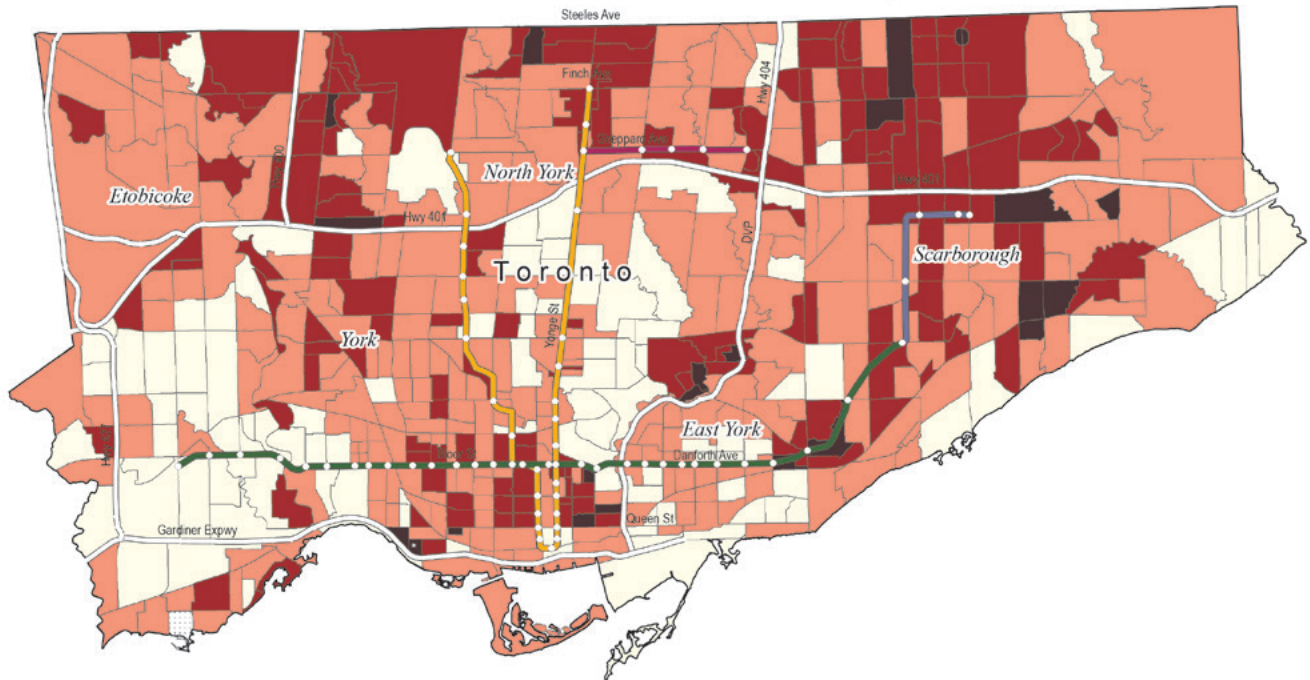


Source: Statistics Canada, Census Custom Tabulation 2006 and 2016

More than half of the Toronto CMA's working poor live in the City of Toronto (58%). In other words, the City of Toronto continues to have more working poor than the outer suburbs. The former municipalities of North York and Scarborough show the highest levels of working poverty in the city (Figure 4).

MAP 2

Percentage of working poor individuals among the working-age population, after-tax City of Toronto, 2016



City of Toronto, 2016
98,500 working poor
1,153,900 working-age
8.5% working poor

Independent Working Poor Percentage by Census Tracts

0% to 4.9% 5% to 9.9% 10% to 14.9% 15% to 25% Not Available

Data are mapped to 2016 boundaries.

November 2018

Source: Statistics Canada, Census 2016 Custom Tabulation

As Map 2 shows, by 2016, almost every census tract north of Hwy. 401 and south of Steeles (with just seven exceptions) exhibited working poverty at levels higher than 5%. In 2016, much of this area was poorly served by subway and transit service. The most significant decreases in working poverty were below the Bloor and Danforth corridor.

As we'll see in the next section, the story of the working poor is embedded in larger labour market trends. A decline in working poverty may indicate that incomes are rising, or it may indicate that fewer poor people are working. Similarly, an increase in working poverty may indicate that among the poor more people are working, or that the incomes of some employed individuals are declining, causing them to join the ranks of the working poor.

Trends in the labour market

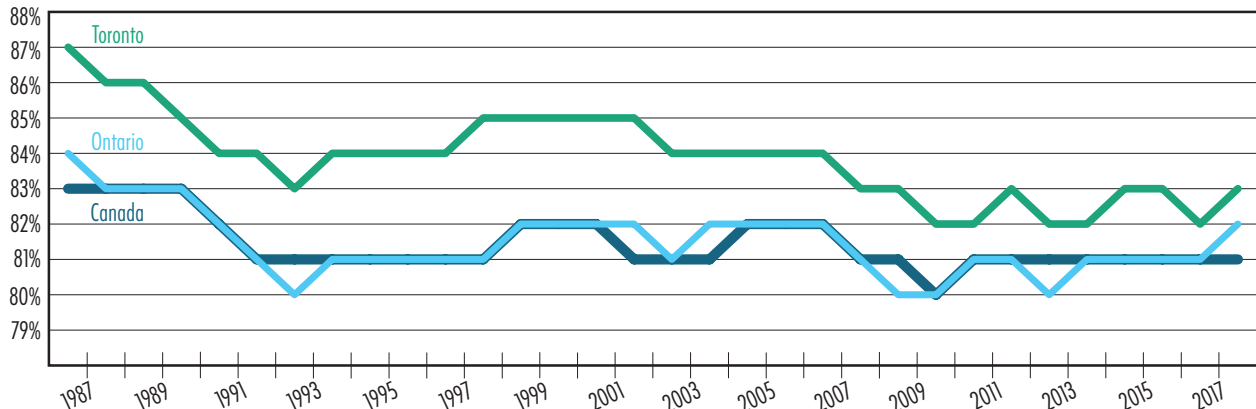
During times of economic growth, as in 2000 to 2005, it is not unusual to see working poverty expand as unemployed individuals move into employment. From 2006 to 2016, however, working poverty continued to grow. Despite the strong recovery in employment following the major recession of 2008–09, the long-term trend towards increased part-time employment and decreased full-time employment has remained in place. It is encouraging to see that since 2016, unemployment has decreased to a multi-decade low and the share of full-time jobs has increased.

The labour force

The Toronto CMA has a higher full-time employment share than the rest of Ontario and Canada. The good news is that full-time employment is rising after bottoming out in 2014.

FIGURE 5

Full-time employment share
Canada, Ontario, and Toronto CMA, 1987–2018



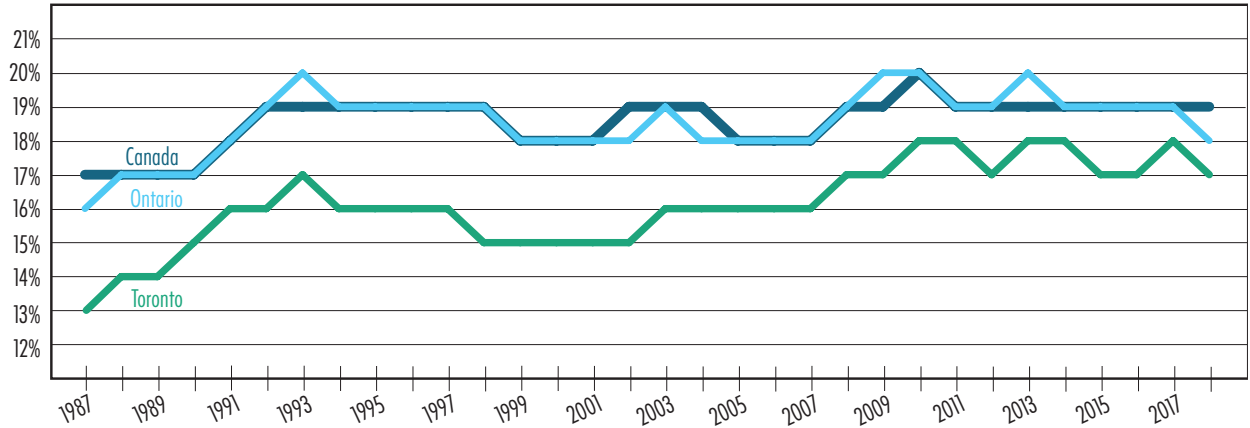
Source: Statistics Canada, Labour Force Survey estimates.
Full-time employment defined as 30 or more hours per week at main or only job.

Similarly, Toronto's part-time labour force is smaller than those of Ontario and Canada as a whole. Figures 5 and 6 illustrate the robust nature of the job market in the Toronto CMA.⁸

8. Source data for figures 5, 6, 7, 8, and 9 comes from Statistics Canada, Labour Force Survey estimates.

FIGURE 6

Part-time employment share
Canada, Ontario, and Toronto CMA, 1987–2018



Source: Statistics Canada, Labour Force Survey estimates.
Part-time employment defined as less than 30 hours per week at main or only job.

The data for figures 5 and 6 is based on total hours worked, so it includes employed and self-employed individuals. It is interesting to note that self-employment, which is generally more precarious, unsteady, and unpredictable, has been increasing steadily over time.⁹

Rise of unstable employment

Work trajectories of individual workers have been affected by corporate restructuring. Previously, more often than not, companies hired for the long-term. With the decline in permanent employment and the rise of precarious employment, career advancement has become a less frequent option and more entry-level jobs become dead-end positions.¹⁰

New jobs are increasingly temporary or limited-term contracts. Research conducted by McMaster University and United Way Greater Toronto found that individuals in these types of jobs are more likely to report fewer hours of work, experience more frequent periods of unemployment, and earn less money than those who have secure, full-time work.¹¹

9. Self-employment rates in the Toronto CMA: 4.5% in 1981; 9.1% in 1991; 11.7% in 2001; 11.9% in 2006; 12.7% in 2016.

10. Zizys, 2010

11. Lewchuk et al., 2013

Hourglass labour market

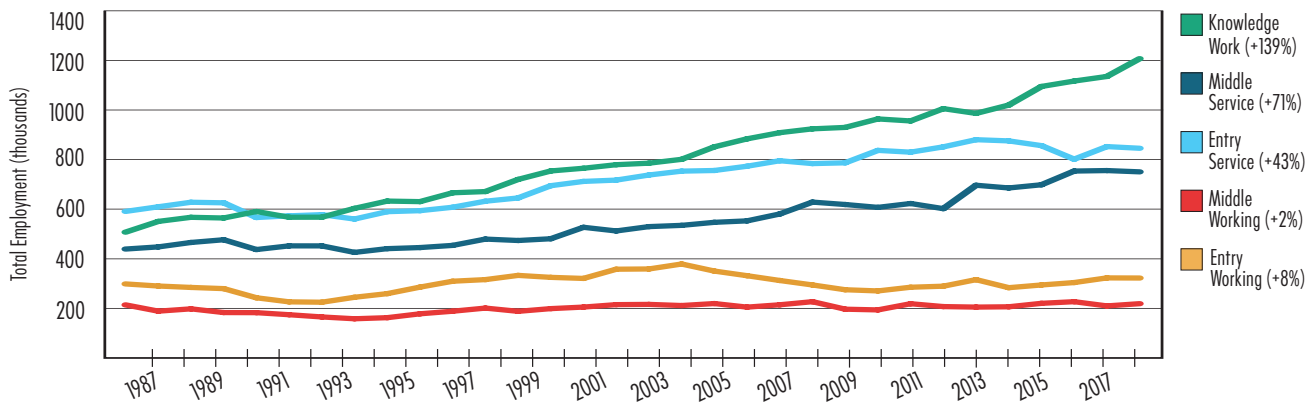
Corporate restructuring has affected not only the work trajectories of individual workers but also the shape of the labour market. A Toronto Workforce Innovation Group report¹² highlighted uneven job distribution in Ontario and the City of Toronto. Knowledge work and entry level service jobs have been experiencing a disproportionate amount of growth relative to middle working and entry working jobs. This results in the labour market resembling an hourglass — the majority of workers are clustered at the upper and lower ends and a smaller proportion occupy the middle.

It is striking that in over 31 years of employment change (Figure 7) we actually have fewer middle working and entry working jobs in Toronto despite our growth in population.

FIGURE 7

Employment distribution by occupation/skill level

Toronto CMA, 1987–2018



Source: Statistics Canada, Labour Force Survey, Accessed via City of Toronto Open Data Catalogue www.toronto.ca/open

The five groups are an update of Zizys (2014) based on type of work (occupation), educational requirements, and skill levels. “Knowledge” jobs are the highest level, requiring a university degree. “Entry” are the lowest skilled. “Middle” are between “Knowledge” and “Entry.” “Working” refers to labourers in manufacturing, utilities, trades, construction, and transportation. “Service” refers to sales, retail cashiers, food servers, childcare, security guards, and related work.

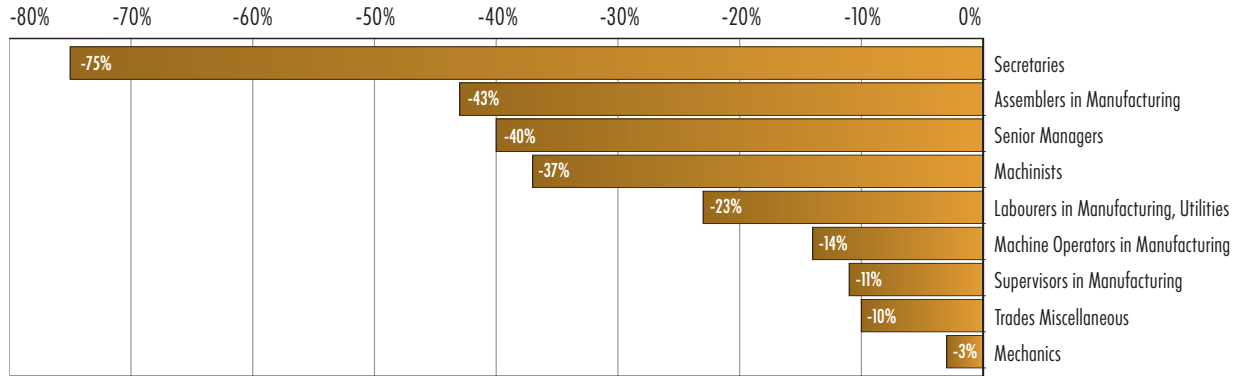
Toronto’s labour market shows large increases in knowledge jobs. These higher paid jobs are not only the fastest growing part of Toronto’s labour market but also comprise its largest category. However, not far behind, the second largest job category is entry service where most of Toronto’s working poor find employment.

If we look at the top declining and top increasing occupations, the numbers further support the Downton Abbey trend. We have the decline in almost all instances in middle jobs like manufacturing, secretaries, and heavy equipment jobs (Figure 8). The 75% decline in secretarial jobs in Toronto, since 1987, means that only 25% of the original number of these jobs remain in the economy.

12. Zizys, 2010

FIGURE 8

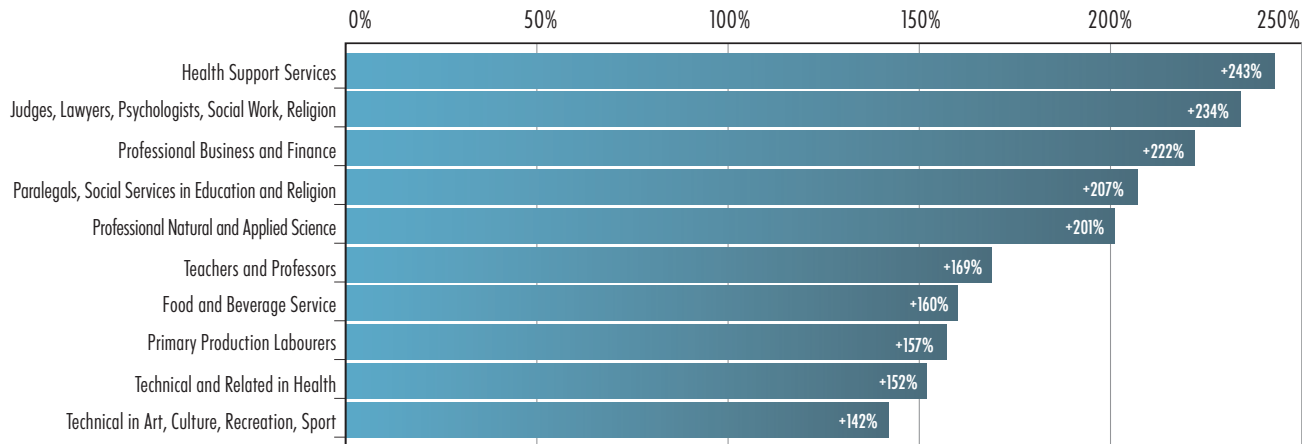
Top nine declining occupations Toronto CMA labour force, 1987–2015



Source: Statistics Canada, Labour Force Survey. Accessed via City of Toronto Open Data Catalogue www.toronto.ca/open

FIGURE 9

Top ten growing occupations Toronto CMA labour force, 1987–2015



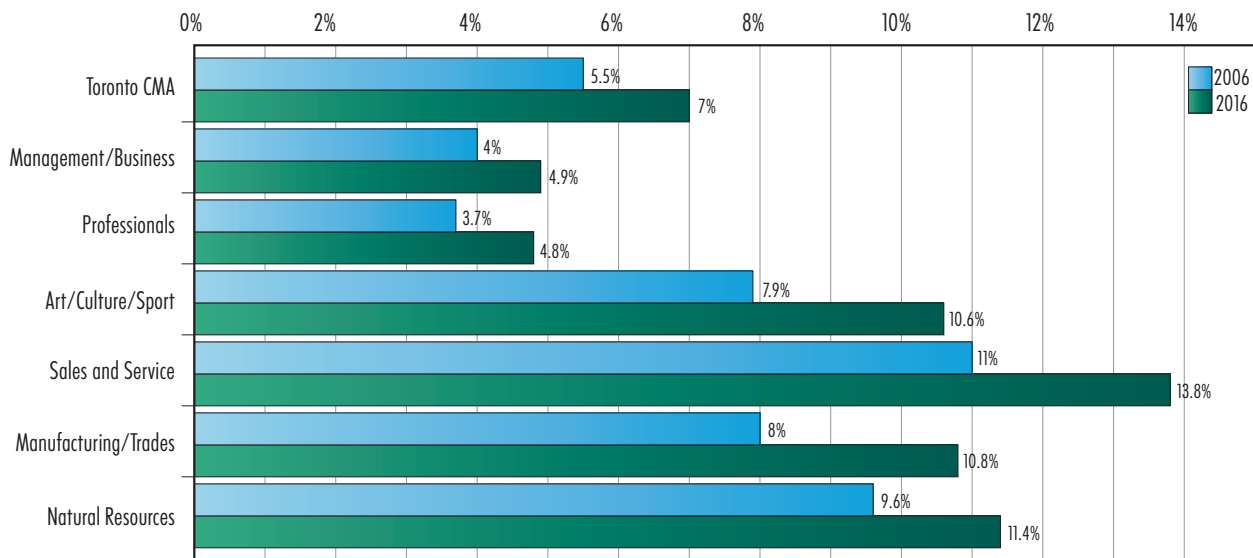
Source: Statistics Canada, Labour Force Survey. Accessed via City of Toronto Open Data Catalogue www.toronto.ca/open

Occupational groups

Although Toronto has a robust job market with growth in knowledge jobs, middle service, and entry service jobs, it's important to note that from 2006 to 2016 working poverty increased across *all* occupational groups (Figure 10). Most notably, working poverty increased in sales and service jobs. Higher incidence of working poverty was also present in manufacturing and trades, natural resources, and arts, culture, and sport related jobs. Business and professional occupations showed the least incidences of working poverty, though they too experienced increases.

FIGURE 10

Percentage of working poor in Toronto CMA
Broad occupational groups, 2006 and 2016



Source: Statistics Canada, Census Custom Tabulation 2006 and 2016

Occupations for the independent working-age population who worked in the previous year. Management/Business includes management, business, finance and administration occupations. Professionals includes natural sciences, applied sciences, health, education, law, social and government services. Manufacturing/trades includes manufacturing, utilities, trades, transport and equipment operators.

How social policy affects working poverty

It is worth remembering that the Metcalf Foundation's definition of the working poor includes, as income, government transfers and accounts for income supplements. Many of these were created or increased during 2006 to 2016. These social policy interventions helped to slow the growth of working poverty but as evidenced by the continued upward creep, income supports delivered through public accounts are not sufficient in isolation. Employment earnings matter.

Low-income worker benefits and family and child poverty interventions

For some employed individuals, by 2016, the combination of income supplements — the Canada Workers Benefit, the Ontario Child Benefit, and a revamped Canada Child Tax Benefit — and increased wages, likely had the effect of tipping their incomes above the Low-Income Measure After Tax (LIM-AT).

The Canada Workers Benefit, introduced in 2007 and rebranded in 2018, is a refundable tax credit supplement for low earnings of working individuals aged 19 and over. In 2019, the maximum increased to \$1,355 a year, far ahead of inflation for the period.

The Ontario Child Benefit, introduced in the 2007 provincial budget, targets low-income families. The amount of the benefit depends on the adjusted family income and number of children in the family. In 2019, families received a yearly payment up to \$1,403 for each child under the age of 18.¹³

The Canada Child Tax Benefit is the largest of Canada's refundable credits for low- and middle-income families with children less than 18 years of age. It provides \$6,496 in maximum payments to children under age 6 and \$5,481 in yearly benefits for children age 6 and above.

For others, this increased income may have decreased the depth of their poverty without affecting their inclusion in the low-income category. Median incomes also increased slightly and thus the LIM-AT threshold is higher in 2015 (\$22,133) than it was in 2005 (\$16,163).¹⁴ Further investigation is needed to uncover if there has been a clustering in the number of people whose income hovers just above or just below the LIM-AT poverty measure.

13. Income Security Advocacy Centre, 2007

14. Statistics Canada, 2013a

Minimum wage

The provincial government has jurisdiction over the minimum wage¹⁵ for most sectors of the economy, and in Ontario, the general minimum wage was frozen at \$6.85 in 1995. In 2005, the minimum wage increased to \$7.45 — a \$0.60 increase over 10 years.

In this report's timeframe, 2006 and 2016, the minimum wage increased from \$7.45 to \$11.40¹⁶ — an increase of \$3.95 over ten years. This increase is almost three times the inflation rate of 17.7% over the period.¹⁷ Thus, the largest increase in minimum wages also came during a period when the cost of living grew more slowly. Currently, in 2019, the Ontario minimum wage is \$14.00 an hour.

Employment levels

During 2006 to 2016, overall unemployment rates fell to historically low levels, but both working poverty and welfare poverty were on the increase. In Ontario, the number of social assistance recipients increased by 34.3%¹⁸ while working poverty increased by 23%.

In addition, although there were more people working, more of those working remained in poverty while others, receiving social assistance, may have left the labour force entirely.

15. There are separate minimum wages for students 18 or younger, liquor servers, homeworkers, and hunting and fishing guides.

16. Ministry of Labour, 2007 <https://news.ontario.ca/archive/en/2007/01/31/Ontario0395-Minimum-Wage-Rises-Tomorrow.html>

17. There were no minimum wage increases in Ontario in 2011 or 2012.

18. The number of social assistance beneficiaries in Ontario at 2006 year-end was 684,852 and 919,520 at 2016 year-end according to Ontario government reports no longer available online.



The demographics of working poverty

The disaggregated census data we are using in this report shows that those in working poverty tend to be younger and less educated. There are higher numbers of men than women. And there is an overwhelming representation of racialized workers, especially among the non-immigrant working poor who identify as Black. Within the Toronto CMA workforce, 46.4% are racialized workers. Yet they comprise 63.4% of the working poor population.

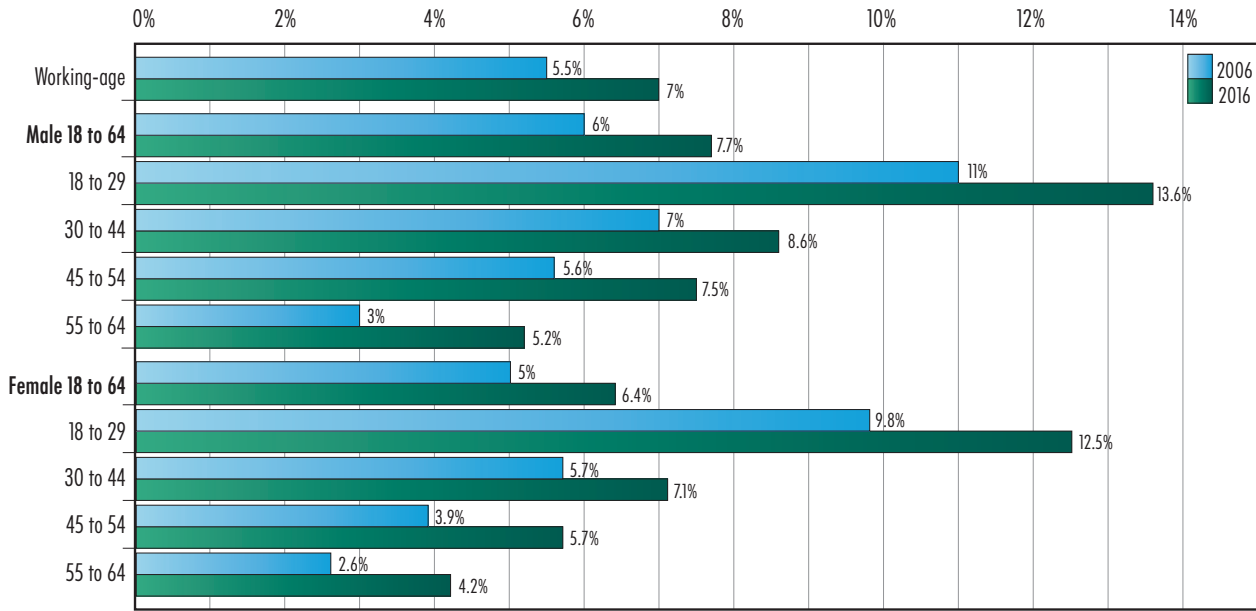
As we examine the data, it's clear that rates of working poverty differ among racialized populations, driven by the different histories and social barriers faced. It is critical, when interpreting this data, to always consider the social, political, and historical processes within which racism and racialization operate. High rates of working poverty, along with data that points to the racialization of working poverty, is a serious public policy concern. These trends ought to be considered unacceptable anywhere, and definitely in the wealthiest and most diverse metropolitan area of an affluent nation.

Age and gender

Figure 11 shows that younger adults, compared to workers age 45 and older, are more likely to be working poor. It also illustrates how working poverty in the Toronto region has increased across all age gradations. It is worth remembering that full-time students are not included in our definition of working poor.

FIGURE 11

Percentage of working poor in Toronto CMA
Age groups 18 to 64 years by gender, 2006 and 2016



Source: Statistics Canada, Census Custom Tabulation 2006 and 2016

Education and gender

Figure 12 shows that the incidence of working poverty goes down with greater educational attainment for both genders. Working poverty, from 2006 to 2016, increased most dramatically (43%) among those without a high school education. (The combined male/female population percentage increase was from 6.3% to 9.9%.) And it increased the least among those with a university education (12%). (The combined male/female population percentage increase was from 5.1% to 5.7%.)

For men who have not completed high school, their presence in the working poor Toronto CMA population increased by 4.4 percentage points, from 7,455 working-age males in 2006, to 11,435 in 2016. While this occurred, the number of working-age males who did not finish high school decreased from 111,460 to 102,790.

The incidence of women among the working poor who have not completed high school increased by 2.7 percentage points, from 8,010 in 2006, to 9,620 in 2016. The number of working-age females who did not finish high school decreased — even more than males — from 133,040 to 110,095.

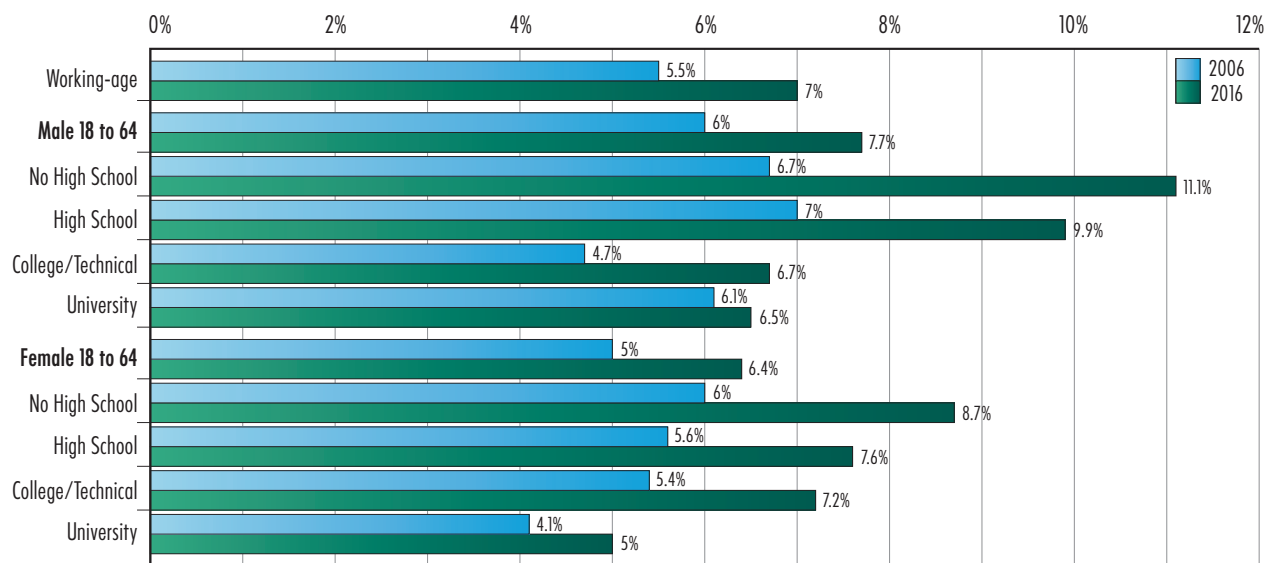
The smaller denominator of working-age individuals with no high school does make working poor rates appear worse for both men and women. Decreases in the number of working-age adults who did not finish high school may be because: some adults returned to complete their high school diploma; older adults with no diploma retired; some without a diploma have moved out of Toronto; and some may have moved in with family or friends.

The rate of increase of working poverty among those who have not finished high school is a reminder of the importance of raising basic education levels as a matter of public policy. Though a small group, they're at high risk levels for poverty. It also highlights the importance of addressing barriers around lower educational attainment in labour market strategies.

FIGURE 12

Percentage of working poor in Toronto CMA

Educational attainment by gender, 2006 and 2016



Source: Statistics Canada, Census Custom Tabulation 2006 and 2016

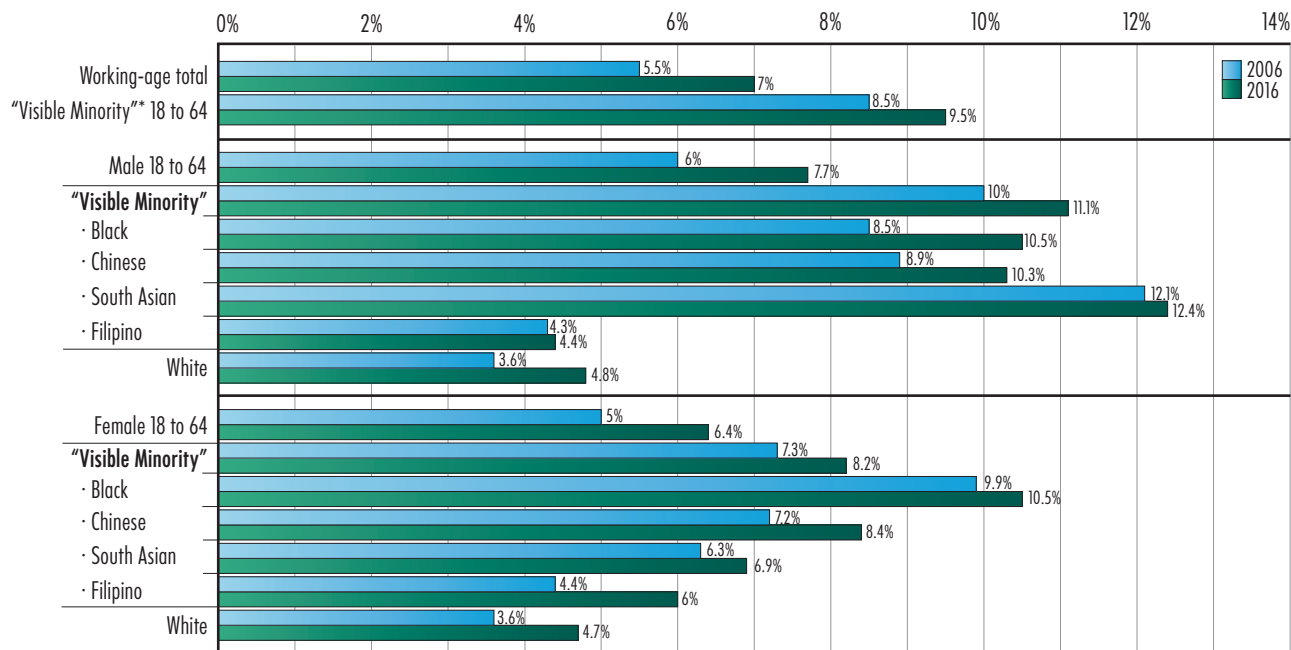
Ethno-cultural status and gender

The disaggregated Census of Canada data, provided by Statistics Canada, categorizes the population as White or “Visible Minority.”¹⁹ The Employment Equity Act defines “visible minorities” as “persons, other than Aboriginal peoples, who are non-Caucasian in race or non-White in colour.”²⁰ This population includes, but is not limited to, the following groups: South Asian, Chinese, Black, Filipino, Latin American, Arab, Southeast Asian, West Asian, Korean, and Japanese. Metcalf Foundation uses the term racialized, instead of “visible minority,” in alignment with the Ontario Human Rights Code, which defines race as a social construct and considers the term “visible minority” outdated and inaccurate.

When looking at racialized populations (as in Figure 13) we also disaggregate the data further, to show the four largest segments from among racialized communities in Toronto: Black, Chinese, South Asian, and Filipino.

FIGURE 13

Percentage of working poor in Toronto CMA By ethno-cultural group and gender, 2006 and 2016



Source: Statistics Canada, Census Custom Tabulation 2006 and 2016

* Metcalf considers this term outdated and inaccurate and uses the term racialized instead.

19. <http://www23.statcan.gc.ca/imdb/p3Var.pl?Function=DEC&Id=45152>

20. https://recherche-research.gc.ca/rGs/s_r?st=s&num=10&sbm3ts21rch=x&stirt=o&lang=eng&cdn=canada&q=persons%2C+other+than+Aboriginal+peoples%2C+who+are+non-Caucasian+in+race+or+non-white+in+colour

Figure 13 illustrates just how striking the racialization of working poverty is in the Toronto CMA. In 2016, working poverty for White males was 4.8% and 4.7% for White females. For racialized populations, it was 11.1% for males and 8.2% for females. The highest percentage of working poverty in 2006 was among South Asian males and Black females. In 2016 the highest percentage was among South Asian males, Black males, and Black females.

When comparing differences between genders, in 2016 there was no difference between Black males and Black females. And there was only a small percentage difference of 0.1% between White males and White females. The widest gap was within the South Asian community, with a percentage difference of 5.5 points.

It is interesting to note that the disaggregated data, by immigrant status, shows that South Asian immigrant male workers show the greatest decrease in working poverty between immigrant populations and subsequent generations that are Canadian-born.²¹ This is in stark contrast to the Black community, and in particular to Black female workers. As we'll see in figures 16 and 17, of the four largest racialized groups, only the Black community experiences higher rates of working poverty in subsequent generations. This increase is particularly pronounced among Black Canadian-born females, whose rates of working poverty rose from 9.7% in 2006 to 12.2% in 2016.

Focus on gender

Rates of working poverty are increasing for both men and women in the Toronto CMA and the City of Toronto. In both jurisdictions, working poverty is 1.3 percentage points higher among men than women (Figure 14). It is somewhat of a paradox that there is a greater concentration of working poverty among men, when we know that women are paid less overall. However, the disaggregated data is illuminating, as it shows that women from the four largest racialized communities fare worse than White men.

We can only speculate why men are not doing as well at the lower end of the labour market. And as Figure 13 illustrates, working poverty among males is only markedly higher than females in racialized groups — in particular the Chinese and South Asian populations.

In part this may reflect the declines and the growth in job categories as shown in figures 8 and 9, as more men have traditionally worked in manufacturing. The reality, however, is that there are systemic barriers to better paid work. These play themselves out across our labour market along a multiplicity of lines that often exclude racialized populations of both women and men.

More women may be in the non-working poor category because of unpaid caregiving and childcare responsibilities that limit their participation in the workforce. We also know that women's long-term labour force engagement has continued to rise while it is declining for men.²²

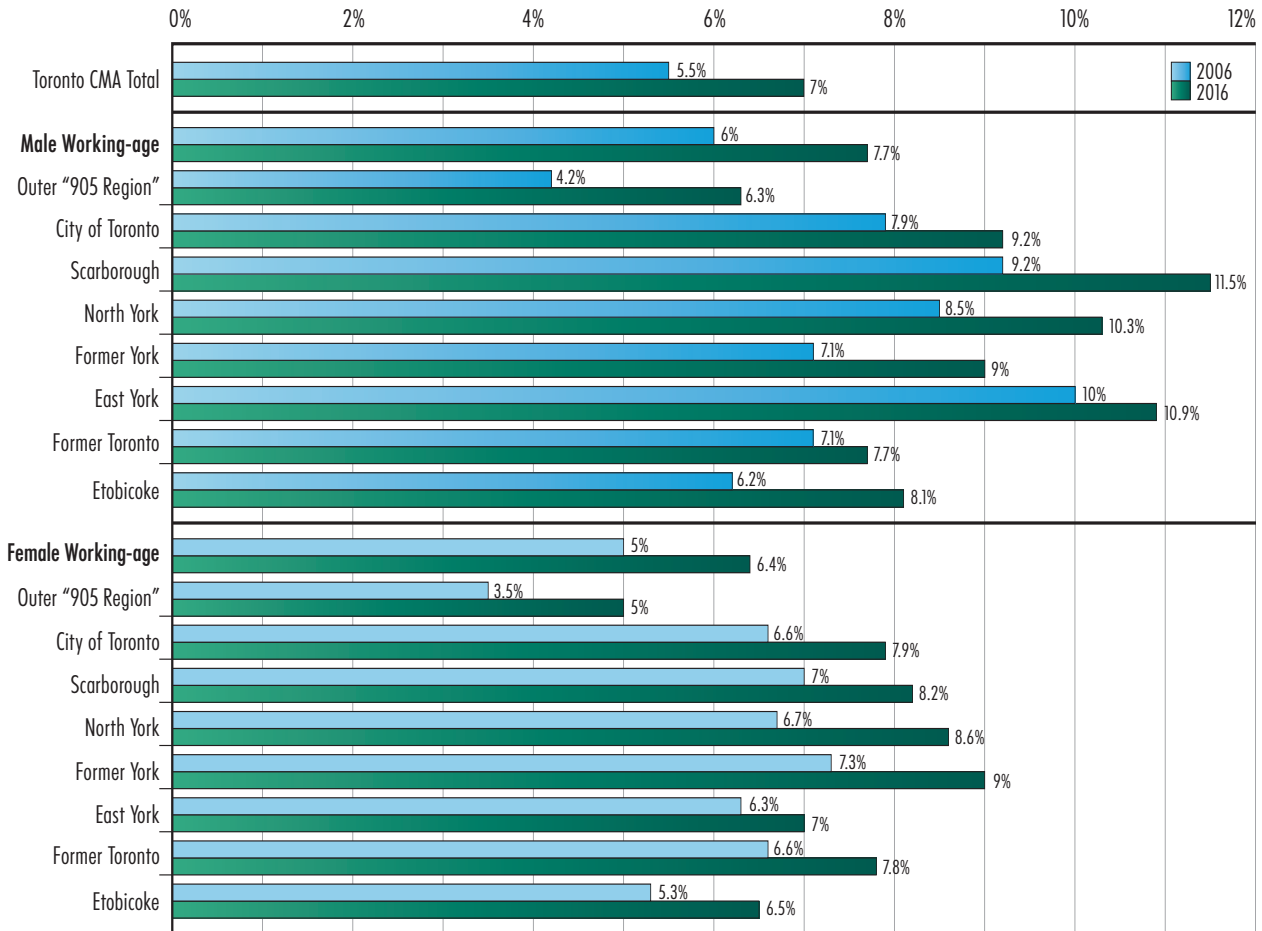
Full-time minimum wages at \$11.40 nudged a worker just above the poverty line at \$22,230 a year in 2016. Perhaps more women in the working-age population worked full-time or near full-time. It is also likely that more women than men receive government child benefits.

21. For further data on working poverty, reach out to the author, John Stapleton, at www.openpolicyontario.com

22. <https://www150.statcan.gc.ca/n1/pub/89-503-x/2015001/article/14694-eng.htm>

FIGURE 14

Percentage of working poor individuals among the working-age population by gender
 Toronto CMA & former municipalities, 2006 and 2016



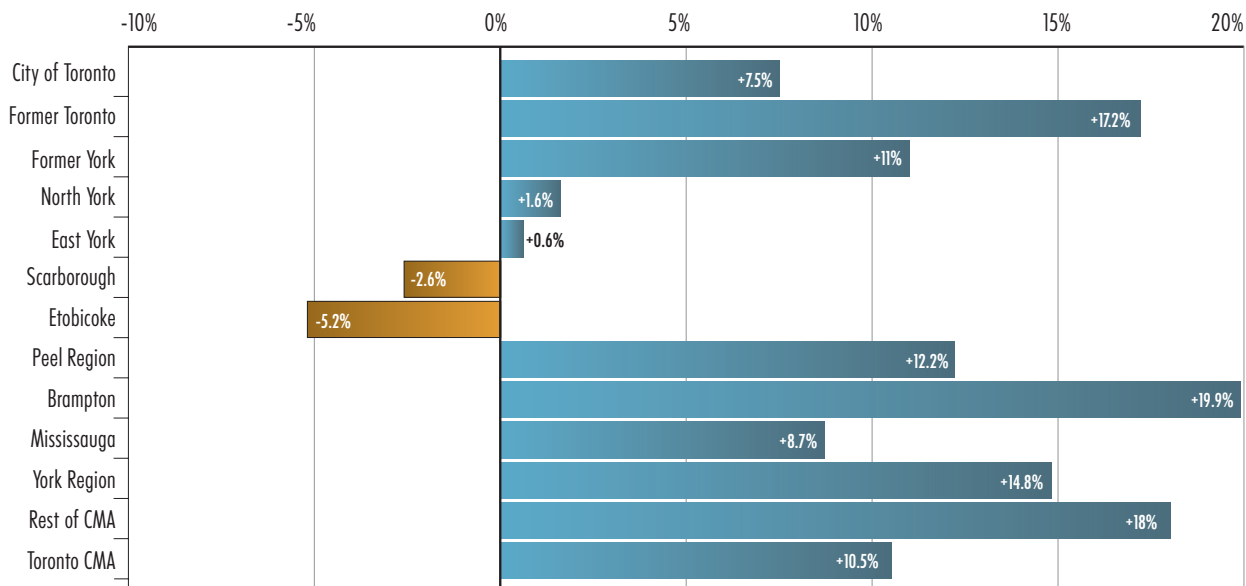
Source: Statistics Canada, Census Custom Tabulation 2006 and 2016

Figure 14 also shows that growth of working poverty geographically, from 2006 to 2016, is highest for men living in Scarborough and Etobicoke, where net job loss is most apparent (Figure 15). It is also higher where job growth is very modest (North York and East York). Male working poverty is most pronounced in these four former municipalities, which implies that working poverty among males is of particular concern where overall job loss or modest gains are apparent.

The former municipality of York — nine square miles with a total population of 145,000 — is an outlier exception to the rule, showing job gains of 11%. It is unclear why the percentage of working poor women is so prominent in the former municipality of York (Figure 14), despite the former municipality having experienced higher than average job gains (Figure 15). If we compare this to Etobicoke, Etobicoke suffered major net job losses from 2006 to 2016, and yet female working poverty is relatively modest in this district. It may reflect a high concentration of lone-parent families living in York.

FIGURE 15

Job gains and losses by region
Toronto CMA, 2006–2016



Source: Statistics Canada, Census Custom Tabulation, 2006-2016.
Data provided courtesy of Neptis Geoweb www.neptisgeoweb.org

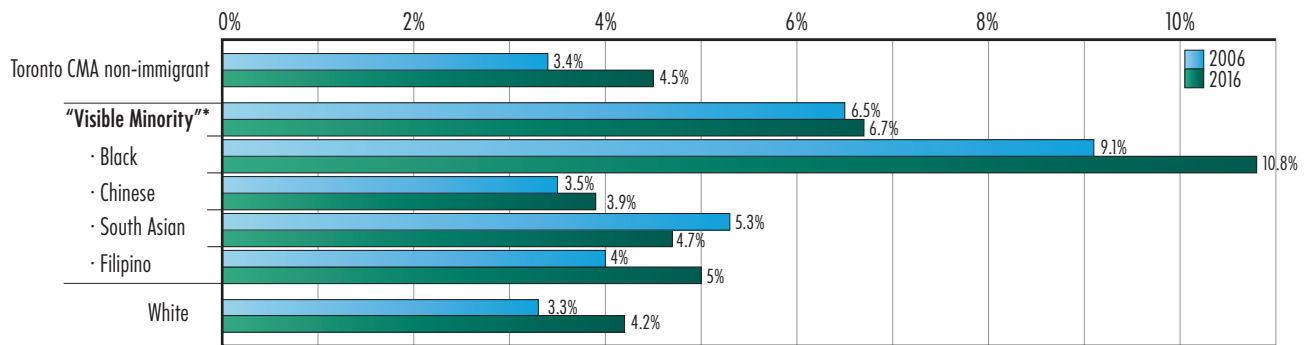
Ten-year percentage change in jobs by place of work. Data only reported for persons with a usual place of work. Rest of CMA includes parts of Durham, Halton, Dufferin, and Simcoe regions within the Toronto CMA.

Immigration status

Figure 16 shows that among those born in Canada (the non-immigrant population), Chinese and White workers have the lowest incidence of working poverty. Black workers have the highest incidence as well as the highest percentage increase from 2006 to 2016.

FIGURE 16

Percentage of working poor in Toronto CMA
Non-Immigrant White/Visible Minorities, 2006 and 2016

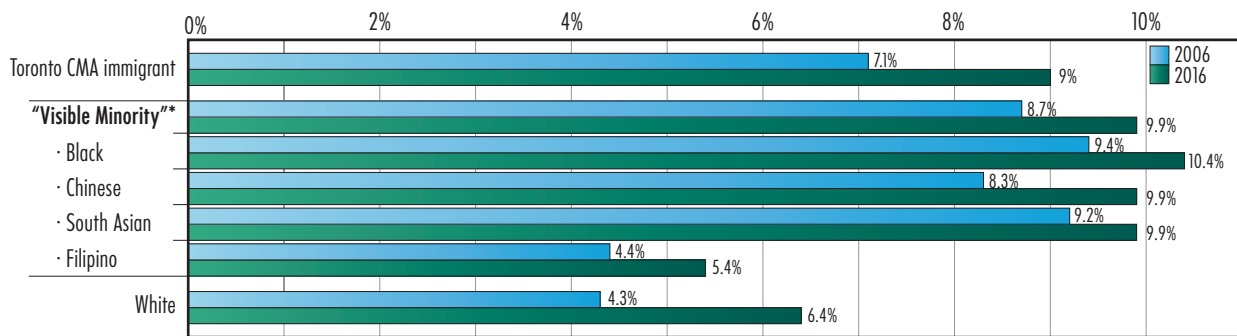


Source: Statistics Canada, Census Custom Tabulation 2006 and 2016

* Metcalf considers this term outdated and inaccurate and uses the term racialized instead.

FIGURE 17

Percentage of working poor in Toronto CMA
Immigrant White/Visible Minorities, 2006 and 2016



Source: Statistics Canada, Census Custom Tabulation 2006 and 2016

* Metcalf considers this term outdated and inaccurate and uses the term racialized instead.

Figure 17 shows that among Canada's immigrant population, there are far higher percentages of racialized people than White people among the working poor. Not only are immigrants over-represented among the working poor, only White and Filipino workers are below the average of 9% for all Toronto CMA immigrants.

Comparing figures 16 and 17 shows us that White, Chinese, South Asian, and Filipino working poor all show lower percentages of working poverty among Canadian-born versus immigrants. The Chinese and South Asian populations show the most drastic decrease across subsequent generations.

It is striking and concerning that the Black population has the highest percentage of working poverty, among both the immigrant population and those born in Canada. From 2006 to 2016, working poverty within the Black immigrant community increased from 9.4% to 10.4% (Figure 17). Within the Black non-immigrant community, it increased even more from 9.1% to 10.8% (Figure 16).

The usual narrative is that new immigrants fare less well than their children. And that second and third generation descendants tend to do even better and are more apt to prosper in their new country. Figures 16 and 17 indicate that this is true among most racialized communities but not for the Black community born in Canada, who overall do less well and display higher levels of working poverty. Dr. Carl James and Dr. Kofi Hope explore this phenomenon further in the next section.

A note on working poverty among Canada's Indigenous population

We know that Canada-wide, in 2016, working poverty among Indigenous individuals comprised 7.4% of the working-age Indigenous population, a ratio that exceeds the total Canadian population of working poor individuals (5.6%) by 32.1%.

We also know that working poverty among Indigenous workers decreased 8.3% to 7.4% from 2006 to 2016 — a reduction of 11%. The 2016 census reports that there are 20,095 individuals in the Toronto CMA among the working-age population who identify as Aboriginal (Statistics Canada category), of which, based on our methodology, 6.6% (1,330) are working poor. On the surface, this looks like good news. However, the complex realities of urban Indigenous poverty do not lend themselves easily to specific conclusions.

As in other areas where we have called for new research, we invite researchers and policy analysts to study the Indigenous working poor data and share their findings as they become available. Differences that the aggregate data reveals, highlight the crucial importance of this analysis and we welcome new research in this important sphere.

Working poverty in Toronto's Black workforce

BY DR. CARL JAMES AND DR. KOFI HOPE

Data presented in this report on the rates of working poverty faced by Black populations in Toronto is clearly significant and an area of concern worthy of deeper analysis. As researchers with a history of working on issues facing Toronto's Black communities, the Metcalf Foundation asked us to review this data. We immediately saw strong connections with other social phenomena we have observed in our work. Hence, we offer some contextual framing for how this data might be taken up and interpreted.

The data indicates that the highest percentage of the working poor in the Toronto CMA are members of racialized communities, with Black community members having the highest rate, at 10.5% (Map 3). And while racialized immigrants are over-represented among the working poor, their numbers tend to decrease in subsequent generations. Yet that number increases for second and third generation Black community members (figures 16 and 17). What accounts for this situation?

A good starting place is to understand that aggregating communities under the broad category of “visible minority” in Canada, masks the historical and social differences and unique challenges or barriers that Canadians within this category face. Understanding the life trajectories of Black Canadians specifically, requires acknowledging their historical and social context, the reality of anti-Black racism, and the reluctance of Canadians to acknowledge that this phenomenon has existed in our nation for hundreds of years.

Anti-Black racism refers to stereotypes that are used in pathologizing Black people — for example, stereotypes around Black people having a poor work ethic. Anti-Black racism has been documented in many forms in Canada. We know that Black individuals face some of the highest rates of hate crimes in Canada, including the highest rate of those crimes motivated by race or ethnicity (37% of all hate crimes targeting ethnicity) and 16% of all hate crimes.²³ In regards to employment, the Ontario Public Service — one of Ontario's largest employers — is currently facing actions in the courts and within the Ontario Human Rights Commission exploring ongoing concerns about anti-Black racism faced by staff.²⁴

There are other specific factors to consider that drive the disproportionate rates of Black working poverty. One critical reality is that many of the factors we know to be drivers of working poverty for all citizens in the GTA, are seen in large numbers within Black Canadian populations. These include:

- being a young worker,
- having a low level of educational attainment, and
- residing in areas of Toronto outside of the downtown core (Scarborough, Etobicoke, North York, and East York).

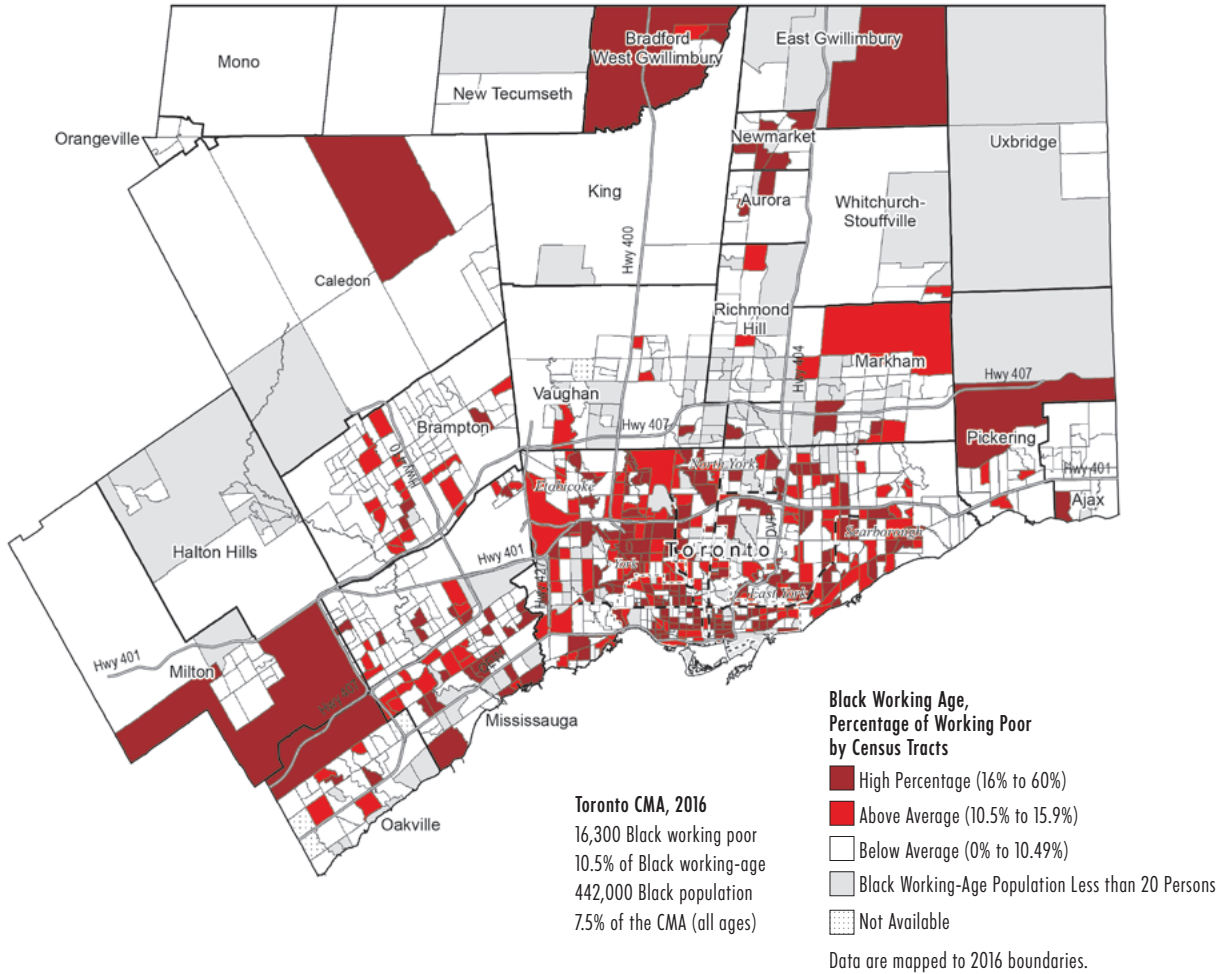
This report also shows that gender and generational status play a significant role in the occurrence of working poverty within Black communities — a phenomenon which existing research can help contextualize.

23. <https://www150.statcan.gc.ca/n1/pub/85-002-x/2019001/article/00008-eng.htm>

24. <http://thestar.com/news/gta/2019/03/13/passed-over-bullied-mistaken-for-janitorial-staff-black-women-sue-ontario-public-service-alleging-systemic-racism.html> and http://www.ohrc.on.ca/en/news_centre/anti-black-racism-ontario-public-service

MAP 3

Black working age, percentage of working poor Toronto CMA, 2016



February 2019

Source: Statistics Canada, Census 2016 Custom Tabulation

Youth, education, and gender

If working poverty in the Toronto CMA is disproportionately experienced by younger workers, then part of why Black communities have such high rates of working poverty is that the Black community is one of the youngest in Toronto. In fact, a recent Statistics Canada (February 2019) report²⁵ indicates that in 2016, children under 15 years old represented 26.6% of the Black population, while only 16.9% of the Canadian population were in that age group. As such, Black youth in Toronto are likely to be represented in high rates among the working poor, especially given that those 18–24 years old have one of the highest rates of unemployment (28%) of any demographic group in the Toronto CMA.²⁶

Another major driver of working poverty in Black communities is the challenge Black youth face in the

educational system. According to Toronto District School Board (TDSB) data, compared to other students, Black students, especially males, are much more likely to be suspended and expelled from school, and they have a higher dropout rate.²⁷ The phenomenon of streaming — encouraging Black students to take general and applied courses — has also been well documented. Further, data shows that young Black men are disproportionately represented in expulsions.²⁸ So too, they are disproportionately surveilled and carded by Toronto Police Services,²⁹ leading to higher rates of criminalization. While this report does not examine how having a criminal record or having faced a period of incarceration impacts working poverty, it is clear that such experiences limit one's economic prospects.

Generational differences

With regard to the ways in which Black communities show increases in working poverty across generations, these results match other research done on inter-generational educational attainment for Black families. For example, studies of TDSB Black students indicate that immigrant students tend to do better educationally than second generation, who do better than third generation students.³⁰ This is contrary to the logic that the longer one resides in a society, the more one gains the knowledge needed to socially and economically participate. Actually, it appears that the longer Black families live in Canada and interact with Canadian institutions,

the more difficult it becomes for them to overcome entrenched barriers. And within the inequitable schooling system in which racialization and institutional racism operate, Black youth are denied educational opportunities that could gain them well-paying employment.

Furthermore, that Black youth do less well educationally also means that they are less likely to qualify to enter postsecondary institutions. So, they are least — especially males — likely to apply to postsecondary institutions. When they do, according to studies of those who attend University of Toronto³¹ and York University³² only half (about 50%) of them graduate.

25. <https://www150.statcan.gc.ca/n1/en/catalogue/89-657-X2019002>

26. <https://accessalliance.ca/wp-content/uploads/2018/07/TiredoftheHustleReport-1.pdf> Pg. 3

27. <https://edu.yorku.ca/files/2017/04/Towards-Race-Equity-in-Education-April-2017.pdf>

28. <https://www.tdsb.on.ca/Portals/research/docs/reports/Student%20Expulsion%20Rpt%2030Mar17.pdf>

29. <http://www.ohrc.on.ca/en/public-interest-inquiry-racial-profiling-and-discrimination-toronto-police-service/collective-impact-interim-report-inquiry-racial-profiling-and-racial-discrimination-black>

30. C.E. James (in press). Generational differences in Black students' school performance. In *Colour Matters: The Experiences, Education and Aspirations of Black Youth*. Toronto: University of Toronto Press

31. <https://www.oise.utoronto.ca/depelab/wp-content/uploads/sites/41/2019/05/U-of-T-TDSB-Report-1-Final-May-8.pdf>

32. James, C.E. & Turner, T. 2017.

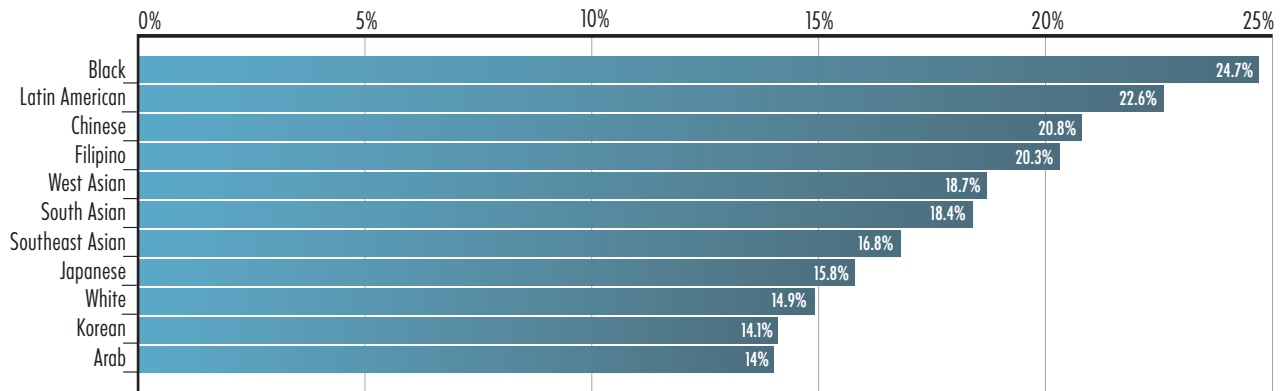
Geography

The neighbourhood in which individuals reside also has much to do with the schools they attend and the educational opportunities they have. So, insofar as Black people tend to reside in lower income areas, their schooling will be different from those in middle class neighbourhoods — and hence their educational and economic outcomes. Recent work by report contributor J. David Hulchanski has documented how Black communities continue to be clustered in lower income, periphery neighbourhoods in the city within the post-World War II suburbs.³³

As Figure 18 indicates, of all the ethno-cultural groups, Black workers are more likely to commute for longer than an hour to work — the implications of which are costs associated with travel and time away from home and family. This distance is increasing as many Black people move into houses in the suburbs and commute to work in the city. And the cost of commuting, mortgages, and child care contribute in part to the economic situations in which many Black workers find themselves.

FIGURE 18

Percent commuting to work an hour or more by ethno-cultural groups
Toronto CMA, 2016



Source: Statistics Canada, Census 2016 Public Use Microdata
Commuting duration for the employed labour force aged 15 years and over in private households with a usual place of work or no fixed workplace address.

Conclusion

These are, of course, our initial impressions of this research and what the drivers are for barriers faced by Black people. Further research is needed to look more closely at the ways anti-Black racism manifests to produce barriers to Black people's success in the labour

market. This research is critical to moving forward if we are to get a full picture of what is happening within Black communities, and what policy/community responses are necessary to change this situation.

33. Vincent, Donovan, 'Census map shows Black people live in 'segregated' Toronto, professor says' The Toronto Star 2018 <https://www.thestar.com/news/gta/2018/11/08/census-map-shows-black-people-live-in-segregated-toronto-professor-says.html>

Concluding thoughts

Canada's commitment to poverty reduction

In Canada, poverty line targets are now federal law. We have an official poverty line and a target to reduce poverty, from 2015 to 2020, by 20%. On March 19, 2019,³⁴ the government noted that it had met its target in 2017 — a full three years ahead of schedule — no doubt due to new income security benefits for children, seniors, and people with modest working incomes.

Over the next 11 years, from 2019 to 2030, Canada has committed to reduce poverty by 50%. This 50% target is a much more difficult and challenging goal as it is far harder to boost those of working age out of poverty, than it is children and seniors.

The working poor population in Canada is the largest single group of people living in poverty. It is also a unique group in terms of its range of incomes. Among the working poor, some live in shallow poverty with earnings close to the poverty line, while some live in deep poverty and have earnings that are only narrowly above the \$3,000 a year threshold for working poverty as we have defined it.

Toronto's working poor, 2006 to 2016

Overall, working poverty in the Toronto region grew between 2006 to 2016, though at a slower rate compared to 2000 to 2005. This is due in part to increases to the minimum wage and new and increased income supplements that help raise incomes among the poor — both working and non-working. These interventions, which continue to moderate the incidence of working poverty, illustrate that governments have a crucial role to play in assuring adequate incomes for residents.

With the return of Canada's long-form census, we are able to provide a closer look at systemic and structural forces at play in Toronto, including gender and racialized issues. In the Toronto CMA, in 2016, working poverty rates were highest (over 10%) for South Asian males, Black males, Black females, and Chinese males. Also troubling is that high rates of working poverty persist among second and subsequent generations of the Black community. Clearly, responses and strategies to working poverty need to be rooted in an analysis of anti-Black racism, and be designed to address systemic and structural issues that continue to marginalize the Black community.

New shifts in the labour market towards entry service work suggest lower employment incomes for a growing segment of the working population. So while good social policy and programs are clearly important tools in the fight against poverty, the social impact of labour market policy remains critical.

We need to value work done by those who are in lower paying jobs and find a way to increase hours worked and the regularity of employment. We also must be vigilant about protecting minimum wage increases and pay close attention to living wage campaigns.

34. <https://www.canada.ca/en/employment-social-development/news/2019/03/canada-reaches-lowest-poverty-rate-in-history.html>

It is not difficult to imagine the stress and frustration that comes from working and yet not being able to afford the basic necessities. Perhaps more subtle to grasp are the social and economic implications for our city — as well as the region — when the ranks of the working poor continue to grow.

We continue to witness the expansion of working poverty into both the inner and outer suburbs of the city. This trend is especially concerning when we consider that almost two-thirds of those living in working poverty — 63% — are racialized.

One significant implication of this trend is that fewer low-wage workers are able to afford to live within close proximity to their work, or even within the same city. This is a trend even though the numbers of working poor within the City of Toronto continue to increase.³⁵

As boundaries blur in terms of where people work and live, communities in the outer suburbs will need to develop new services and resources to support greater numbers of working poor in both the immediate and the long term. Public transit infrastructure must focus on where the working poor live and the routes they use or must use in order to commute to work. Affordable housing must also be part of the equation.

Responding to the needs and trends regarding the working poor requires us to set the course not only for the labour market we want, but for the society we want. The challenge is to reduce the ranks of the working poor in an effort to begin to eliminate working poverty altogether. We believe that through higher wages, better job stability, anti-racism strategies, and more effective support programs, Toronto could reduce and even eradicate working poverty.

Importance of eradicating working poverty

Increases in working poverty are not only fueled by the growth in the service economy, but also the relentless growth in good professional and creative jobs that continue to rely on workers whose pay rate does not permit them to escape poverty. This divide in our labour force is an important part of the social contract that includes all of us.

We all lose out when a significant part of our labour force cannot make ends meet even though their main source of income is through employment. The reality is that, over time, the cost of poverty exceeds the cost of alleviating it. Accordingly, we need to inspire ourselves to do better than we have to date to ensure that those who work are never poor.

Our previous reports on the working poor spawned a number of reports by others in various jurisdictions including many Ontario cities, Vancouver, and Montreal. Still others have used our data to inform and enrich their work. We are hopeful that this trend continues and that others will use our datasets to conduct their own reviews and continue the fight to lessen working poverty in Canada.

The next new area of interest will be the Census of 2021 where we will discover whether long-term growth in working poverty is continuing or whether income security, our economy, and labour market measures like higher minimum wages are helping to stem the tide.

It won't be that long before we know.

35. https://www.nytimes.com/2019/01/11/upshot/big-cities-low-skilled-workers-wages.html?emc=edit_th_190112&nl=today'sheadlines&nlid=216259540112

Works cited

- Armstrong, A. Police-reported hate crime in Canada, 2017. Ottawa: Statistics Canada, 2019.
- Badger, E. & Bui, Q. What if Cities Are No Longer the Land of Opportunity for Low-Skilled Workers? New York: The New York Times, 2019.
- Brown, R., Parekh, G., James, C.E. Following Students from Grade 9 to College Graduation: The York University-Toronto District School Board Cohort Study. Toronto: Faculty of Education, York University, 2019.
- Canadian Association of Retired Persons. 600,000 seniors in Canada live in poverty. Toronto: Canadian Association of Retired Professionals, 2014.
- City of Toronto. Strong economy. Toronto: City of Toronto, online access: 2019.
- Davies, S., Brown, R.S., Chakraborty, N. The University of Toronto-Toronto District School Board Cohort Analysis: Introductory Findings. Toronto: University of Toronto, Toronto District School Board, 2019.
- Dinca-Panaitescu, M., McDonough, L., Simone, D., Johnson, B., Procyk, S., Lafleche, M., Walks, A. Rebalancing the Opportunity Equation. Toronto: United Way Greater Toronto, 2019.
- Do, D., Maheux, H. Diversity of the Black population in Canada: An overview. Ottawa: Statistics Canada, 2019.
- Government of Canada, Employment and Social Development Canada. Reports and publications: Federal labour standards and equity, 2016 Employment Equity Data Report. Ottawa: Government of Canada, 2016.
- Government of Canada, Employment and Social Development Canada. Canada reaches lowest poverty rate in history. Ottawa: Government of Canada, 2019.
- Herd, D., Kim, Y., Carrasco, C., Improving Our Knowledge of and Responses to Singles on Ontario Works in Toronto: Executive Summary Report. Toronto: Toronto Employment and Social Services, 2018.
- Hulchanski, J.D. Divided Cities: A Legacy of the Late 20th Century. Toronto: Neighbourhood Research Partnership, University of Toronto, 2017.
- Hulchanski, J.D. How Segregated is Toronto? Inequality, Polarization and Segregation. Toronto: Ryerson University, 2019
- James, C.E., and Turner, T. Towards Race Equity in Education: The Schooling of Black Students in the Greater Toronto Area. Toronto: York University, 2017.
- Lewchuk, W., Lafleche, M., Dyson, D., Goldring, L., Meisner, A., Procyk, S., Rosen, D., Shields, J., Viducis, P., Vrankulj, S. It's More than Poverty: Employment Precarity and Household Well-being. Toronto: Poverty and Employment Precarity in Southern Ontario (PEPSO) research group, 2013.
- Ministry of Children, Community and Social Services (MCSS). Social Assistance in Ontario: Reports. Toronto: Ontario Ministry of Children, Community and Social Services, 2019.
- Ministry of Labour, Training and Skills Development. Ontario's Minimum Wage Rises Tomorrow. Toronto: Ministry of Labour, 2007.
- Moyser, M. Women and paid work. Ottawa: Statistics Canada, 2017.
- Ontario Government. Guide to the Employment Standards Act: Minimum wage. Toronto: Government of Ontario, 2019.
- Ontario Human Rights Commission (OHRC). Anti-Black racism in the Ontario Public Service. Toronto: OHRC, 2019.
- Ontario Human Rights Commission (OHRC). A Collective Impact: Interim report on the inquiry into racial profiling and racial discrimination of Black persons by the Toronto Police Service. Toronto: OHRC, 2018.
- St. Stephen's Community House and Access Alliance. Tired of the Hustle: Youth Voices on Unemployment. Toronto: St. Stephen's Community House, 2016.
- Stapleton, J., Murphy, B., Xing, Y. The Working Poor in the Toronto Region: Who they are, where they live, and how trends are changing. Toronto, Metcalf Foundation, 2012.
- Stapleton, J., Kay, J. The Working Poor in the Toronto Region: Mapping working poverty in Canada's largest city. Toronto: Metcalf Foundation, 2015.
- Stapleton, J. A 'Basic Income' & Canada's Income Security System. Hamilton: Open Policy Ontario, 2016.
- Statistics Canada. Low-income measures thresholds (LIM-AT and LIM-BT) for private households of Canada, 2015. Ottawa: Statistics Canada, 2016.
- Statistics Canada. Definitions, Data Sources and Methods: Visible minority of person. Ottawa: Statistics Canada, 2015.
- Vincent, D., Census map shows Black people live in 'segregated' Toronto, professor says. Toronto: The Star, 2018.
- Yang, J. Passed over, bullied, mistaken for janitorial staff. Black women sue Ontario public service alleging systemic racism. Toronto: The Star, 2019.
- Yelaja, P. The 'Manhattanization' of Toronto will change family-housing dreams. Toronto: CBC News, 2012.
- Zheng, S. & De Jesus, S. Expulsion decision-making process and expelled students' transition experience in the Toronto District School Board's caring and safe schools programs and their graduation outcomes. (Research Report No. 16/17-15) Toronto: Toronto District School Board, 2017.
- Zizys, T. An Economy Out of Shape: Changing the Hourglass. Toronto: Toronto Workforce Innovation, 2010.
- Zizys, T. Better Work: The path to good jobs is through employers. Toronto: Metcalf Foundation, 2014.

METCALF
FOUNDATION

metcalffoundation.com



The Working Poor in the Toronto Region:
A closer look at the increasing numbers
November 2019

ISBN 978-1-927906-20-0

METCALF
FOUNDATION