



2025 Ontario Pre-Budget Submission

In crisis, we know that it is best to come together. To be strong and stand united has been the rallying cry across this province during our greatest challenges, as recently as the pandemic. Now, as we look ahead, intent on navigating what promise to be uncertain and uncharted waters, we must embrace that collective ethos once again. Bolstered and sustained, it is what will see Ontario through this tumultuous time – to the other side.

For over sixty years, United Way Greater Toronto has lived up to our very name, bringing the time, talent and treasure of individuals, organizations, institutions, labour, public, private and civic sectors together – all in service to one shared mission. To end poverty and build strong, equitable communities where everyone has access to the building blocks they need to thrive: safe and affordable housing; stable employment and income, and a strong network of community services.

Together with other United Ways, governments, and nonprofits, we have worked to advance innovative solutions to create desperately needed supportive and deeply affordable housing for those in our communities needing the greatest level of support. In collaboration with business and employers, we have developed an innovative model for shared prosperity that fosters economic opportunity that is inclusive, local, and informed by residents in neighbourhoods right at the crossroads of growth and re-development. And as the largest funder of community services and hubs in the GTA outside government, United Way Greater Toronto has reinforced a crucial community safety net, directing almost \$100 million in funding dollars to a vital network of 300+ neighbourhood agencies.

Yet in today's post-pandemic, pre-tariff Ontario, life is too hard for too many. And it is getting harder, with impacts disproportionately felt by low-income and structurally disadvantaged communities across the province. Soaring housing, food, transportation and other costs of living, coupled with stagnant incomes for the lowest income earners, growing mental health needs and ongoing structural discrimination are leading more people into poverty. After dips in poverty rates due to temporary COVID supports, in 2022, the number of individuals and families living in low income in the GTA rose above pre-pandemic levels, with over one in four families and 1.4 million individuals living in low income.¹

Unfortunately, public policy decisions have too seldom contributed to long-term answers and instead have effectively undermined poverty reduction efforts. Social assistance rates are well below the poverty line.² Even minimum wage standards are lacking, with full time minimum wage earners

¹ *Low-Income Measure-After Tax (LIM-AT). Taxfiler Data, 2022.*

² When measured against the Market Basket Measure, single OW recipients in 2023 earned \$1,664 below the poverty line while single ODSP recipients earned \$1,029 below the poverty line.

earning well below the living wage and relying on food bank and other makeshift measures, just to get by. Without sustainable livable income opportunities through education, training and good jobs, and social assistance supports for those unable to work, there are few pathways to stable housing, food security, civic engagement and overall well-being.

Through all our efforts, we have looked to the Province as a key partner. But there is so much more that must be done. We ask the Government of Ontario to lean into the expertise of the United Way movement and nonprofit sector and invest in and champion the following actions to make headway on our community's most urgent priorities.

1. Invest in community infrastructure, services and hubs

Our province is growing. In the GTA alone, the population is on track to reach 9 million within the next decade. While growth brings opportunities, it also brings challenge, including possible gentrification and displacement. The community service organizations that Ontario relies on to ensure the well-being of residents are vulnerable to the same rising costs that have impacted housing affordability – even as those trends are also driving increased demand for their services, from food banks to mental health supports and services.

In the GTA, research shows that although organizations continue to meet the growing needs of their local communities and find creative ways to leverage space for greater community impact, 70% are currently leasing space.³ With occupancy costs spiking as much as 57% over the last decade, that leaves many in jeopardy of being priced out of the very neighbourhoods they serve or even closing. Through a bold new community infrastructure initiative, United Way Greater Toronto has committed to doing its part to ensure that these vital community assets – services and space – stay rooted and continue to expand where they are needed most, strengthening and enriching our communities for generations to come. We will do this by:

- Raising more than \$100 million over the next decade to build 10 new community hubs across Peel, Toronto and York Region.
- Distributing \$1.8 million in grants annually, to assist agencies with pre-development and construction of non-market community service space.
- Testing alternative financing such as community loans for organizations to revamp or purchase spaces in the communities they aim to serve.
- Offering capacity-building programs to support agencies in developing and accessing the expertise they need to be successful in managing their real estate.

Policy solutions

To enable the sector to continue to meet community demand for services where they are most needed, in spaces that are dignified, appropriate, affordable and self-sustaining, we urge government to implement the recommendations identified in United Way Greater Toronto's recent

³ [Essential Spaces: Real \(Estate\) Solutions for Community Needs](#), United Way Greater Toronto, University of Toronto Infrastructure Institute, University of Toronto School of Cities, October 2024.

research report with University of Toronto's Infrastructure Institute and School of Cities, [Essential Spaces: Real \(Estate\) Solutions for Community Needs](#):

- Enhance and streamline access to funding and finances for agencies demonstrating optimal conditions for nonprofit-owned real estate development.
- Prioritize land provision and long-term funding for Indigenous community-owned real estate.
- Incentivize the protection of existing and the development of new agency spaces – both community-leased real estate and community-owned real estate – alongside infrastructure investment.
- Establish partnerships with mission-aligned organizations to build new spaces under community-ownership models that offer long-term non-market leases and shared community spaces.

2. Grow and protect affordable and deeply affordable housing

We know how essential housing stability is for ourselves and our families. It is from this foundation that all things flow: the opportunity to pursue education and training, look for a well-paying job and to provide for our families – food, child and healthcare and other basics. It is equally essential to the success of our broader economy and the continued competitiveness of our province.

Yet social policy over the past few decades, at all levels of government, has contributed to today's crisis, where a chronic undersupply of affordable rentals is increasingly unavailable even to middle-income earners, let alone those living on lower income and impacted by systemic barriers. In turn, those who previously were able to manage rent, if barely, are now at greater risk of homelessness. And those who have experienced homelessness, are now unable to access shelter beds and finding no alternatives but park encampments.

The journey from a lack of affordable housing to homelessness has never been so short. The downward spiral that is destroying lives and playing out in the heart of our communities, increasing pressures on provincial systems – from health and long-term care to social services and justice – must be stopped.

At United Way, we have worked hand in hand with local government and the world-class University Health Network to develop Dunn House. The unique supportive housing model provides units for more than 50 individuals experiencing chronic and complex health challenges alongside poverty and homelessness. This compassionate alternative with its continuum of care offers residents a real chance at maintaining housing long-term and sidesteps the costly revolving door of admissions and discharge that saw the 100 most frequent ER users with no fixed address accounting for more than 4,300 visits to two Toronto hospitals.

And now we are working in partnership with the Cooperative Housing Federation of Canada (CHF) and SHS Consulting to finalize new research exploring the current state of housing in Ontario and quantifying future needs for permanent supportive housing and affordable market and non-market housing across the province.

Policy solutions

To deliver the full range of housing options – particularly affordable and deeply affordable homes so desperately needed in the province, we urge government to implement the practical solutions to addressing Ontario's affordable housing crisis identified by Ontario United Ways and community partners in [Bringing Affordable Housing Home: An action plan for housing stability in Ontario](#):

- Increase provincial government funding in capital investments, repairs and retrofits through existing funding programs such as the Canada Ontario Community Housing Initiative (COCHI) and the Ontario Priorities Housing Initiative (OPHI), prioritizing support for the community housing sector.
- Launch a Government of Ontario nonprofit rental acquisition program, and encourage the creation of municipal acquisition programs, to preserve existing affordable housing stock to reduce the net loss of housing units while also giving nonprofits the opportunity to acquire at-risk private affordable rental properties when they come up for sale.
- Prioritize and address the persistent housing and homelessness challenges faced by Indigenous Peoples through a dedicated strategy, programs and supports developed and implemented by Indigenous leaders and diverse Indigenous communities.
- Invest in the community housing sector by providing up-front, low-barrier pre-construction funding, and invest in supportive housing by guaranteeing operational funding attached to capital funding.
- Provide more government-owned surplus lands and assets to nonprofit housing and co-operative housing providers, particularly Indigenous housing providers, at no or low cost to grow deeply affordable and supportive housing options.
- Support low- to moderate-income renter households by preventing evictions and stabilizing housing so they can live in affordable and secure rental homes.

3. Lay the groundwork for financial security, good jobs and a strong economy

In October, the provincial minimum wage increased to \$17.20/hour. About the same time, Daily Bread Food Bank released its annual [Who's Hungry](#) report, revealing stark numbers. Last year, there were 3.49 million client visits to Toronto food banks – nearly 1 million more than the year before, marking the highest annual increase ever reported. And nearly 155,000 new individuals started using food bank services for the first time. Tellingly, half of them reported having someone in their household who is employed.

We know food insecurity is about more than food. Nothing demonstrates financial precarity better than the fact that even full-time employment does not keep Ontarians from joining foodbank lines. Not at \$17.20/hour. The Ontario Living Wage Network has calculated the actual cost of living in today's GTA, covering such costs as shelter, transportation, childcare, food and internet is \$26/hour – a full \$9/hour more per hour than the minimum wage. The math is simply impossible. Even more so for those contending with rising costs and inflation on a fixed income like the Ontario Disability Support Program (ODSP) or Ontario Works (OW). At \$1,368 and \$733/month respectively, these rates won't even cover rent let alone other basic needs. Far from providing income security, these rates represent legislated poverty. And all too often the financial penalties that kick in as people try

to transition to stable employment – loss of essential income and rental subsidies – act as disincentives, undermining their efforts and keeping them on social assistance.

At United Way Greater Toronto, we know that the equitable neighbourhoods and communities we work towards are only achievable when people are financially stable. We support the Ontario Living Wage Network as both a funder and champion. We have completed a robust body of research and recommendations on reducing job precarity and we invest in pathways to good jobs, matching skills-training to market needs, leveraging transit-oriented and other infrastructure developments and providing wrap-around supports to help launch promising careers that contribute to a strong provincial economy.

Policy solutions

To establish the foundation for all Ontarians to have the means to live in dignity, obtain secure, well-paying jobs, and benefit from economic investments in their communities, we urge government to:

- Ensure that individuals with disabilities are not left in poverty. Increasing ODSP rates to levels that align with the cost of living will provide those with disabilities the financial support needed to live independently and with dignity in their communities, improve health outcomes, reduce reliance on emergency services, and strengthen community infrastructure.
- Raise Ontario Works rates to livable levels to ensure they meet the basic needs of individuals and families and index rates to inflation annually to ensure they continue to keep pace with the rising cost of living.
- Raise the provincial minimum wage to match the calculated living wage across Ontario to ensure that all workers earn enough to cover their basic needs, improve worker productivity and contribute to local economic growth.
- Address financial barriers and uncertainties that hinder individuals transitioning from social assistance to stable employment through:
 - Providing a continued safety net: maintain access to income and rental subsidies during the transition to employment, ensuring individuals have the financial stability needed to succeed in their new roles.
 - Ensuring seamless reentry: establish a streamlined process for rapid reentry into the social assistance system for individuals whose transition to employment is unsuccessful, minimizing disruptions to their financial security and well-being.
- Continue to invest in creating sustainable, stable employment opportunities with a focus on accessible skills training and culturally appropriate wraparound supports for people facing multiple barriers to employment. This includes individuals transitioning from social assistance to sustained employment, Indigenous Peoples, and structurally disadvantaged communities.

Conclusion

Accessible community services. Affordable and deeply affordable housing. Good jobs and income security. These are the building blocks that everyone needs to build a good life. The more we can do to ensure that these basics are within reach for Ontarians, the stronger and more resilient our communities and our province will be – for the tough times today and those ahead. Now is the time

to consolidate our efforts, share expertise and work towards a budget that maps out a better, more prosperous and equitable Ontario.

About United Way Greater Toronto

As the largest funder of community services outside government in the GTA, United Way Greater Toronto reinforces a crucial community safety net to support people living in poverty. United Way's network of agencies and initiatives in neighbourhoods across Peel, Toronto and York Region works to ensure that everyone has access to the programs and services they need to thrive. Mobilizing community support, United Way's work is rooted in ground-breaking research, strategic leadership, local advocacy and cross-sectoral partnerships committed to building a more equitable region and lasting solutions to the GTA's greatest challenges.