



Building a Stronger Ontario by Helping People Get Ahead

**2026 Pre-Budget Submission to the Standing Committee on Finance and
Economic Affairs**

January 29, 2026

Introduction

The GTA is growing rapidly, and the scale and complexity of poverty is growing with it. As the largest nongovernment funder of community services in the GTA, United Way Greater Toronto (UWGT) continually assesses community need, responds to urgent and emergency priorities, and reinforces the frontline infrastructure that helps people stay housed, healthy and connected to work and opportunity. By convening employers, community organizations, and all orders of government across Peel, Toronto, and York Region, we align resources, reduce system pressures, and support stronger local economies. Grounded in data and cross sector partnerships, we advance practical, community-informed solutions that deliver measurable value for Ontario and build stronger neighbourhoods across the region.

A Strong Ontario Starts with Strong Communities

UWGT welcomes the opportunity to provide input into the Government of Ontario's 2026 Budget. We acknowledge the government's efforts to help Ontario weather the current economic uncertainty and to build a more competitive, resilient and self-reliant economy. Addressing poverty generates the right outcomes for both the province and its people. Investments in poverty reduction mean community-level economic growth, workforce participation, and job creation, particularly in Ontario's economic engine of the GTA.

Poverty in Ontario is rising faster than in the rest of Canada and remains deeply concentrated among Indigenous Peoples, Black and racialized communities, youth, newcomers, and single-parent households. In 2023, approximately 1.9 million Ontarians, about 11% of the population, lived in poverty,¹ while almost one in four households in Ontario reported some level of food insecurity.² These conditions limit people's ability to work, weaken local economies, and drive long-term costs across health care, housing, and social services. Together, they signal that current approaches are not addressing the root causes of poverty or mitigating its growing social and economic impact.

Every Ontarian deserves food, shelter and the opportunity to build a better future. Ontario is at a crossroads. There is a growing need for a prevention-focused approach that provides income and social supports people can live on, addresses structural barriers such as unaffordable housing, unstable work, discrimination, and gender-based violence, and sets clear, measurable goals for improving housing stability, food security, and access to services.

The 2026 Ontario Budget is an important opportunity to drive inclusive economic growth and address the conditions that prevent people from fully participating in Ontario's economy. Strategic investments in income security, employment stability, affordable housing and community services help people enter and stay in the workforce, support employers, and reduce future public costs while strengthening Ontario's social and economic foundation.

¹ Statistics Canada (2025, November 7). [Table 11-10-0135-01 Low income statistics by age, sex and economic family type](#)

² Public Health Ontario, [Food Insecurity and Food Affordability in Ontario](#), April 2025.

UWGT is ready to partner with the Government of Ontario to advance community-informed, data-driven solutions that deliver measurable economic and social returns. This submission outlines practical budget priorities that would help reduce poverty, support job creation, and strengthen local economies so more people can contribute to, and benefit from, Ontario's growth.

Ontario can support community prosperity and long-term growth by:

1. Laying the groundwork for financial security, good jobs and strong local economies
2. Getting people housed and keeping them housed by expanding non-market affordable housing, investing in supportive housing, and strengthening renter and tenant protections
3. Ensuring the sustainability of Ontario's community services infrastructure to continue delivering the critical services that meet the unique needs of communities across the province

Recommendations

1. Laying the groundwork for financial security, good jobs and strong local economies

Strong local economies are only achievable when people are financially stable. UWGT commends the government for raising Ontario Disability Support Program (ODSP) rates and committing to tying future increases to the rate of inflation – a practical and common-sense solution. Yet, ODSP rates remain far from adequate to meet basic needs, leaving many recipients in poverty³. Ontario Works (OW) rates remain frozen since 2018, with no adjustment for inflation. While OW exit rates have risen, for those that face significant barriers to stable, well-paying employment, the current assistance is not enough⁴.

And all too often the financial penalties that kick in as people try to transition from social assistance to stable employment, such as loss of essential income and rental subsidies, act as disincentives, undermining their efforts and keeping them on social assistance. Increasing minimum wage, ODSP, and OW rates to livable levels would not only provide immediate relief for lower-income earners, but it would also benefit businesses, boost worker health and well-being, and create a positive multiplier effect in local economies⁵.

Precarious work, characterized by low wages, instability and limited access to benefits and support is also rising, leaving many workers without the means to stay healthy, productive, and employed. Efforts to provide equal rights and protections to all workers and identify clear pathways to more stable, better paying jobs is critical to supporting and attracting the workers needed to maintain a strong economy.

As a critical mobilizer of community research, policy, and investment, UWGT is ready to deepen collaboration with the province to expand access to stable, good-quality jobs across the GTA. We

³ A single person on ODSP receives a maximum of \$1,408 per month, while the poverty line in Ontario for a single person is approximately \$2,221 per month

⁴ A single recipient on OW receives \$733/month, including a \$390 shelter allowance – far below the poverty line.

⁵ Barford, A., Gilbert, R., Beales, A., Zorila, M., & Nelson, J (2022). [The case for living wages: How paying living wages improves business performance and tackles poverty](#). Business Fights Poverty, University of Cambridge Institute for Sustainability Leadership & Shift.

support place-based approaches that connect employment services, skills training, youth workforce programs, and neighbourhood-level economic development. These efforts are informed by employers and workers and are closely aligned with provincial priorities around productivity, labour force participation, and economic inclusion.

UWGT also plays a unique role as a connector across sectors, bringing together employers, labour, governments, community organizations, and philanthropy to drive shared priorities such as job creation, skills development, youth employment, and inclusive economic growth. The Inclusive Local Economic Initiative (ILEO) convened by UWGT and BMO, for example, brings together developers, employers, community organizations, unions, and public partners to reduce neighbourhood-level economic disparities in areas undergoing major transition, such as the Greater Golden Mile and Greater Weston–Mount Dennis. By linking major developments to local hiring, skills training, small business supports and social procurement, ILEO leverages private-sector investment to deliver measurable community and workforce benefits.

Through its funded agencies, UWGT supports frontline organizations that deliver job readiness programs, sector-specific training in areas such as construction, hospitality, technology, and digital skills, as well as employment supports for newcomers. These services address practical barriers to work, including credential recognition, transportation, and childcare. By aligning training with real employer demand, UWGT-funded programs improve job placement and retention while ensuring better value for public dollars. UWGT is also supporting youth employment by funding programs that support Black, Indigenous, newcomer, and priority-neighbourhood youth through career navigation, mentorship, paid work experiences, and pathways into high-demand sectors.

United Way Greater Toronto recommends that the Government of Ontario:

Strengthen income security

Raise ODSP and OW rates to livable levels to meet the needs of individuals and families and index OW rates annually to inflation. Increase the provincial minimum wage to more closely align with calculated living wages across Ontario. Improve transitions from social assistance to employment by maintaining housing and benefit supports during early employment, expanding earned-income exemptions, and enabling rapid re-entry to assistance if work is lost – reducing poverty traps and improving workforce attachment.

Invest in workforce resilience and skills for a changing economy

Expand access to in-demand skills and training, including digital and AI-related competencies, through portable training accounts, micro-credential vouchers, and real-time labour market information. Establish sector-based workforce resiliency funds in vulnerable industries such as manufacturing, care, and clean tech to support rapid retraining, income supports, and redeployment, preventing layoffs and improving productivity.

Support inclusive pathways to stable employment

Increase investment in wage subsidies, job placement programs, and apprenticeship and completion incentives, particularly for youth, newcomers, Indigenous Peoples, structurally disadvantaged communities, and small employers. Pair training with culturally appropriate wraparound supports,

including mental health services, childcare, transportation, and settlement supports, to improve job retention and long-term outcomes.

Leverage public and infrastructure investments to create good local jobs

Ensure major infrastructure and economic development projects include local economic partnerships, community benefits, and targeted hiring and training pathways, particularly in skilled trades and emerging green sectors such as building retrofits, EV infrastructure, and clean energy so communities directly benefit from public investment and labour shortages are addressed.

2. Getting people housed and keeping them housed by expanding non-market affordable housing, investing in supportive housing, and strengthening renter and tenant protections

Safe, affordable and accessible housing is essential for health, employment and economic stability, yet housing costs continue to rise across Ontario. About one-third of households rent, and nearly one-quarter of renters are paying more than they can afford. High levels of core housing need, especially among renters, single-income households, and Indigenous household, are not being met. At the same time, deeply affordable housing is disappearing, pushing more people into homelessness. Housing instability is closely linked to poorer physical and mental health, increasing pressure and costs on hospitals, shelters, and emergency services.

Housing pressures vary widely across the province and require differentiated investment approaches. Concerns around affordability challenges remain high in the GTA, where core housing need is nearly double that of other regions. At the same time, northern, rural, and First Nations communities face aging housing stock, higher construction costs,⁶ and more limited access to affordable and supportive housing. With rural homelessness rising faster than urban homelessness,⁷ capital planning and program design must reflect regionally appropriate development models to maximize impact and value for money.

UWGT commends the provincial government's recent commitment to providing up to \$2.6 million in annual operational funding to Dunn House 2.0. As a founding partner in Dunn House, Canada's first social medicine initiative supportive housing project with the University Health Network (UHN), the City of Toronto, and Fred Victor, UWGT is committed to addressing the health and homelessness crisis by integrating stable housing with supports for people with complex medical and social needs, improving health outcomes and reducing hospital visits and readmissions.

The 2026 Ontario Budget presents an opportunity to reduce long-term public costs and strengthen Ontario's workforce through targeted investments in affordable and supportive housing as recommended in UWGT's report in collaboration with the Co-operative Housing Federation of

⁶ Association of Municipalities Ontario (2022). A Blueprint for Action: An Integrated Approach to Address the Ontario Housing Crisis.

⁷ Ibid.

Canada, *Built for Good: Delivering the Housing Ontario Needs*.⁸ A comprehensive housing strategy must focus on both access to and retention of stable, affordable housing through sustained affordability, coordinated supports, and system-wide planning, strengthening the housing ecosystem while delivering measurable economic and social returns for Ontarians.

United Way Greater Toronto recommends that the Government of Ontario:

Scale affordable and supportive housing supply

Provide up-front, low-barrier predevelopment and preconstruction funding to the non-profit and co-operative housing sector and ensure supportive housing capital investments are paired with guaranteed, long-term operating funding to deliver stable outcomes and value for money.

Commit to building at least 40,000 supportive housing units by 2036. Prioritize non-profit ownership and operation for sustainability by allocating \$6 billion over 10 years (approximately \$150,000 per unit for capital costs, plus operating supports of \$4 billion over 10 years).

Leverage public assets to grow non-market housing

Make surplus and underutilized provincial lands and assets available at no or low cost to non-profit and co-operative housing providers to accelerate delivery of deeply affordable and supportive housing.

Preserve existing affordable rental housing

Launch a provincial non-profit rental acquisition program to prevent the loss of affordable units, stabilize tenants, and enable non-profit providers to intensify and add new housing supply on existing sites.

Strengthen system coordination and local capacity

Improve interministerial coordination through a provincial housing secretariat or similar function, and provide targeted capacity-building supports for small, rural, and northern municipalities to access funding and advance housing projects.

Prevent homelessness by stabilizing tenancies

Expand eviction prevention and anti-renoviction measures to help low- and moderate-income renters remain housed, reducing pressure on shelters and emergency systems.

Advance Indigenous-led housing solutions

Prioritize and address the persistent housing and homelessness challenges experienced by Indigenous Peoples through dedicated, Indigenous-developed and -delivered strategies, programs, and funding that reflect the needs of diverse Indigenous communities across Ontario.

Support and protect survivors of gender-based violence

Ensure clear timelines for government to implement the recommendations from the CKW inquest, the

⁸ In August 2025, United Way Greater Toronto and CHF Canada released a research report *Built for Good: Delivering the Housing Ontario Needs* that detailed what it would take to eliminate core housing need in Ontario by 2035. The plan focused on three main pillars: developing deeply affordable homes through new non-profit and co-op development and portable housing benefits for low-income households; keeping existing homes affordable through acquisition and repair; and developing new moderately affordable homes. United Way Greater Toronto, CHF Canada and SHS Consulting (2025), [*Built for Good: Delivering the Housing Ontario Needs*](#).

Nova Scotia Mass Casualty Commission, and Missing and Murdered Indigenous Women and Girls report, and an accountability mechanism that includes community stakeholders and input. Invest in expanding safe, emergency, transitional, and long-term housing options for women and children fleeing violence and protect affordable housing pathways that enable survivors to secure stable homes.

Enable community housing to compete and deliver at scale

In partnership with municipalities, expand development incentives and flexible funding tools that strengthen the ability of non-profit and co-operative housing providers to compete in high-cost markets and deliver housing efficiently.

3. Ensuring the sustainability of Ontario's community services infrastructure to continue delivering the critical services that meet the unique needs of communities across the province

Ontario's community services sector is a vital part of the province's social and economic infrastructure, delivering frontline supports that prevent higher-cost interventions across health care, housing, justice, and income assistance systems. Community organizations provide mental health and addictions services, housing supports, employment and skills training, childcare, food security, newcomer settlement services, and violence prevention — services that help people remain housed, employed, and healthy. The sector is also a significant economic contributor, generating \$65.4 billion annually, or 7.9% of Ontario's GDP.

Funding deficits, an unprecedented need for services, significant challenges in recruiting and retaining staff, and a toll on the mental health of frontline workers themselves are eroding the stability and sustainability of Ontario's vital community services infrastructure. Many workers in the sector, predominantly female and racialized, are precariously employed, receiving lower wages than their private and public sector counterparts.

The community service organizations that Ontario relies on to ensure the well-being of residents are also 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. With 70% of GTA agencies leasing space and occupancy costs up sharply, many risk being priced out of the neighbourhoods they serve.

United Way Greater Toronto has committed to doing its part to ensure that these vital community assets stay rooted and continue to expand where they are needed most, strengthening and enriching our communities for generations to come. This includes raising more than \$100 million over the next decade to build 10 new Community Hubs across Peel, Toronto and York Region in addition to UWGT's existing Hubs. Community Hubs co-locate primary care with essential community services, such as mental health and addictions supports, settlement services, employment, food security, childcare, and family counselling, helping to ensure residents receive the right care and supports closer to home, improving access, outcomes, and system efficiency.

The 2026 Budget presents an opportunity to stabilize and modernize Ontario's community services infrastructure through predictable, sustainable core funding that supports workforce retention, service continuity, and better value for public dollars. Investing in Community Hubs aligns with the province's goal of a more comprehensive, connected, and equitable primary care system, while leveraging existing infrastructure, philanthropy, and government funding to improve outcomes, reduce pressure on hospitals, and strengthen local communities.

United Way Greater Toronto recommends that the Government of Ontario:

Sustain and expand community spaces

Improve access to financing for nonprofit-owned real estate, prioritize land and long-term funding for Indigenous community ownership, protect and expand community service spaces, and partner with mission-aligned organizations to deliver community-owned facilities with long-term, non-market leases and shared spaces.

Invest in Community Hubs

Provide capital and operational funding for multi-service Community Hubs that integrate housing, employment, health, and social supports in high-need neighbourhoods. Streamline interministerial capital approvals, ensure sustainable operations, and leverage UWGT's capacity to coordinate partners, mobilize philanthropy, and expand access in neighbourhoods across the GTA.

Stabilize community services funding

Transition to long-term, flexible operational funding, indexed to inflation, that reflects the full cost of service delivery, supports competitive wages, reduces administrative burden, and can adapt to changing community needs.

Strengthen the sector workforce

Develop a province-wide labour force and workforce development strategy to attract, retain, and train staff, reduce precarious work, and achieve wage parity.

Support rural and equity-deserving communities

Invest in innovative service delivery models in rural and remote areas that address housing, mental health, and addictions, while meeting the needs of equity-deserving groups.

Conclusion

UWGT appreciates the opportunity to contribute to the Government of Ontario's 2026 Budget deliberations. With deep roots in communities across the region, we are ready to partner with the province to advance evidence-based investments that reduce poverty, strengthen workforce participation, and support sustainable economic growth. Strategic, targeted budget decisions made now can address the root causes of poverty, improve outcomes across multiple public systems, and lay the foundation for a more resilient, equitable and prosperous Ontario.