

Brief

To the Senate Subcommittee on Cities



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Winnipeg Harvest commends the Senate Standing Committee on Social Affairs, Science and Technology for taking the initiative to establish this Subcommittee on Cities, with a mandate to examine and report on current social issues pertaining to Canada's largest cities. We also commend the Senate Standing Committee on Agriculture and Forestry for its investigation of rural poverty and the resulting report: *Understanding Freefall: The Challenge of the Rural Poor*.

We also note previous reports on poverty by Senate committees: The report on poverty made in 1971 by Senator Croll and the 1997 report by Senator Cohen entitled *Sounding the Alarm: Poverty in Canada*.

The alarm is still ringing.

History and experience of Winnipeg Harvest

Winnipeg Harvest was founded in 1984 to respond to two conditions: hungry people and surplus food. We believed it was wrong for Canadians to live with hunger in a country with so much. Our goal from the beginning has been to meet the immediate need by feeding people, while working long-term to reduce the need.

Manitoba food banks provide food to more than 43,563 people every month, almost half of them children.

Winnipeg Harvest believes strongly in creating an environment where children are engaged and made to feel welcome and useful. It's particularly important that they get the right amount of nutrition to be able to learn properly in school every day.

In Winnipeg, Winnipeg Harvest delivers food to more than 39,000 people through 300 agencies in local neighbourhoods, more than 60 per cent of them based in churches and other faith institutions.

Of those families using Winnipeg Harvest, fewer than half rely on welfare as their source of income. About 15 per cent work, but do not earn enough money to buy the food they need for themselves and their families. Others get income from pensions, disability payments, employment insurance or the alternative economy while many report no income at all.

Many of our clients, despite facing hardships in their own lives, volunteer their time and energy to help others through Winnipeg Harvest. We couldn't do it without the more than 270,000 volunteer hours they give every year.

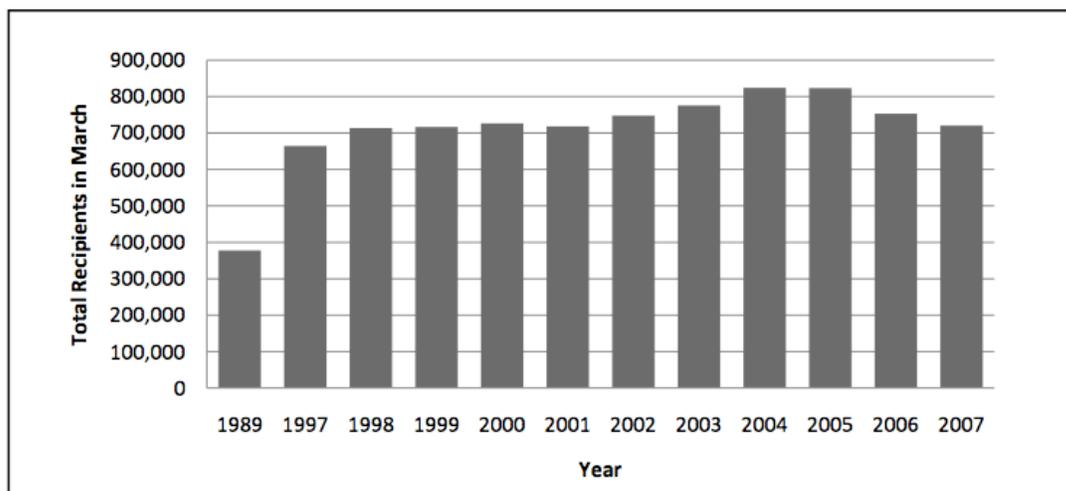
The national picture

Winnipeg Harvest and its partners in rural Manitoba fill a need that is above the province's share of the national population. The 43,563 people we serve every month is

about six per cent of the national figure, substantially more than Manitoba’s 3.6 per cent share of the Canadian population.

In March 2007, 720,231 individuals – 2.2 per cent of the population – received groceries from a Canadian food bank. Figure 1 shows changes in use since 1989. This year’s national total, a decline of 4.4 per cent compared to March 2006, offers the hope that the record levels of food bank use seen in 2004 and 2005 may have been temporary. It remains the case that usage has not dropped below 700,000 individuals since 1997.

Figure 1 Canadian Food Bank Use, March 1989-2007



These national figures are drawn from HungerCount 2007, published by the Canadian Association of Food Banks. Winnipeg Harvest and other members of the CAFB provide a snapshot of the numbers of people who use our food banks for a designated month, usually March. This is the only actual count of people using food banks. As a result, it is far more reliable than surveys which rely on a statistical sample. The only numbers as reliable as HungerCount are census data.

The Canadian Association of Food Banks also provides its members with food through the National Sharing System. This system reflects Canadian values, in that it takes in food from national producers and redistributes it to food banks across Canada.

If anything, the numbers in HungerCount may be slightly understated, because some food banks operate outside the membership of the Canadian Association of Food Banks, relying entirely on local efforts to help those living with hunger in their community.

Services provided by Winnipeg Harvest

Food bank usage is only one measure of the extent of poverty in both urban and rural Canada. But in and of itself, it points to a serious and widening gap in our social safety net.



While redistributing food to people who need it remains the top priority for Winnipeg Harvest, we work to give access to:

- Free income tax returns for those with incomes under \$30,000 (in partnership with a volunteer from the Canada Revenue Agency.)
- Redistribution of personal care products and household goods.
- Provision of meals and snacks through day cares and other agencies.
- New and developing programs to meet the distinct needs of people from First Nations and African and refugee communities.
- Training for life and work skills.

Advocacy

Winnipeg Harvest has also begun a program of advocacy for our clients and other low-income Winnipeggers. There are three aspects to our advocacy program.

- Teaching low-income people to advocate for themselves on welfare, housing, rental and other social issues that touch their lives.
- Systemic change: Working with like-minded groups to urge senior politicians and bureaucrats to make the system more fair.
- One-to-one advocacy to help families access and engage various social services of NGOs, governments and the private sector to which they are entitled.

Winnipeg Harvest, along with many other groups, has been caught by the change in federal rules reducing the ability of low-income groups to advocate for those they represent. Along with the loss of the Court Challenges program, the federal government has greatly hindered efforts to give voice to those Canadians without one.

Big Bill

The story of Big Bill demonstrates what's wrong and what's right about Canada.

Big Bill was a long-time client and volunteer at Winnipeg Harvest. He lived in a downtown hotel. He couldn't always use the shower down the hall because it didn't always work. He wore all his clothes all the time, because he knew somebody would steal any that he left in his room.

As a result, Big Bill struggled with hygiene and other issues. But he still came to help others at Winnipeg Harvest who were even less fortunate than he was.

Overnight, his life changed! He was clean. He wore a new set of clothes and a new sense of self-esteem. What had changed?



He turned 65. Suddenly, the system that had treated him so badly began to respect him and his income needs as a citizen. He got access to decent housing and he could afford to buy groceries to cook in his own kitchen.

This proves that, when we want, we have the capacity to design and deliver a system that works and values the citizen. Why can't we do the same every day, for every Canadian?

The current situation

Canadians are proud of this Parliament's and this country's achievements in social programs. Even a partial list is impressive:

- Canada and Quebec Pension Plans
- Guaranteed Income Supplements
- Old age Security
- Employment Insurance
- Workers' Compensation
- Access to education
- Welfare
- Medicare

These are all steps forward made by federal and provincial governments on behalf of all Canadians.

Food banks were meant to be a temporary solution. Winnipeg Harvest has always wanted to close its doors in a Canada where no one ever went hungry again.

More than 20 years after the first food banks were founded, we have learned that Canada needs the political will to change. Former NDP Leader Ed Broadbent's motion to eliminate child poverty by the year 2000 was a noble attempt. But it had no legislative teeth.

Canada has signed several United Nations documents committing this country to the right to food and to the UN Millennium Development Goals of reducing poverty and hunger in half. It is time for Canada to commit itself to these goals within its own borders for its own people.

Instead, we have seen the growth of a philosophy that the marketplace would solve all social ills. It didn't work. Those in the upper echelons grew richer, while frozen welfare rates have driven some people off welfare and into low-end jobs resulting from economic growth. But those jobs do not provide high enough income and many of those people continue to rely on food banks.

In 2008, Manitoba's minimum wage will be \$8.50/hour. At this level, a full time minimum wage job (37.5 hours/week) provides a worker with \$16,575/year. Based on the level of income required to reach the poverty line (\$20,778), a single full time worker in



Winnipeg would need to earn \$10.65/hour. A single parent with one child earning the minimum wage will have to work 58.5 hours each week or earn \$13.27/hour to reach the poverty line. (Source: Social Planning Council of Winnipeg)

Too many families are paid to be poor. Having a job is not an escape from poverty

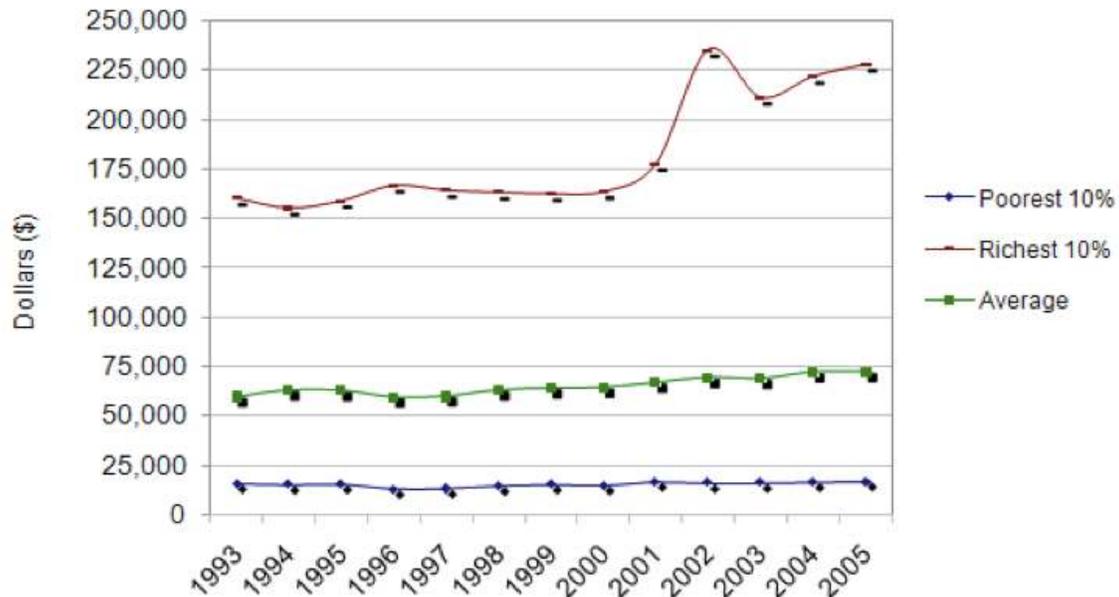
Many of those jobs are the first to go when the economy turns soft. If Canada experiences a recession as a result of economic troubles in the U.S., many Canadians could lose their jobs. With the erosion of the social safety net, many of those Canadians could end up using food banks.

Statistics Canada data confirm what we have suspected for some time. Richer Canadians are getting richer. Canadians living in poverty are getting poorer and more numerous.

A strong and growing economy is not enough to reduce poverty because the benefits of economic growth are not distributed evenly across income groups. The average income for the poorest 10 per cent of Manitoba's families with children has increased by \$1,128 in constant dollars between 1993 and 2005. During the same time period, the average income for the richest 10 per cent of families increased by \$67,531.

The gap between the richest and poorest families with children in Manitoba has been growing over the past decade. In 1993, the difference between the average income of the poorest 10 per cent of families and the richest 10 per cent of families was \$144,567. In 2005, this difference had increased to \$210,970 in constant dollars. To put it another way, in 1993 for every \$1 of income for the poorest families, the richest families had \$10.15. In 2005, for every \$1 for the poorest families, the richest families had \$13.46.

Chart 18: Average Incomes for Families with Children under 18 in Manitoba, 1993-2005 (in constant 2005 dollars)



(Source: Social Planning Council of Winnipeg)

Welfare rates in Manitoba continue to be set far below the poverty line and have not been substantially increased in more than a decade. Manitoba’s rates are also among the lowest in Canada. There was a small increase of \$20/month in 2004 for single person households, couples without children, and people living with disabilities. This did not, however, make up for years of cuts and frozen benefits throughout the 1990s and 2000s. A further small increase has been implemented in 2008; but this applies only to people living with disabilities.

As can be seen in the table below, welfare incomes in 2005 were substantially less than they were in 1992 constant dollars. Losses in welfare incomes ranged from 15 per cent to 36 per cent while the cost of living increased by 31.2 per cent over this time frame.

Shelter allowances have been frozen since 1993 and have fallen out of step with the real cost of renting an apartment despite a 19 per cent increase in the rent guideline set by the provincial government and a 26.2 per cent increase in average rents in Winnipeg. A single parent with one child, for example, receives \$387 per month for shelter costs, whereas the average rental rate for a two-bedroom apartment in Winnipeg was \$709 in 2006. A single person receives just \$271 per month for rent, whereas the average rental rate for a bachelor apartment in Winnipeg was \$420 in 2006 and \$557 for a one-bedroom.

There is a public call, supported by Winnipeg Harvest, to “Raise the Rates” in Manitoba by returning social assistance rates to their 1992 levels and indexing for inflation to

maintain the benefits at a more acceptable level. As an interim measure, welfare rates should be set to the poverty line in Manitoba and should guarantee a basic adequate living level to maintain dignity and support efforts toward self-sufficiency. (Source: Social Planning Council of Winnipeg)

Table 2: Change in Welfare Incomes (constant dollars) by Category of Assistance, Manitoba 1992-2005

Family Type	1992	2005	% of Change 1992-2005	\$ Change 1992-2005
Single Employable	\$9,036	\$5, 818	-35.6%	\$3,218
Person with a disability	\$11,416	\$8,601	-24.7%	\$2,815
Lone parent, one child	\$15,630	\$13,282	-15.0%	\$2,348
Couple, two children	\$25,912	\$20,357	-21.4%	\$5,555

Source: National Council of Welfare (2006). *Welfare Incomes, 2005*.

The low wages and frozen welfare rates create the terrible choice faced by the working poor and two-parent families, single mothers, people with physical and mental disabilities or mental illness, people who need education and training and others who have been forced by circumstances onto welfare:

Feed themselves and their kids or pay their shelter costs.

Money that should have gone to food is used to pay rent and utilities. The food budget is stretched by using a food bank. It's only a partial solution. Our clients receive only enough food for four or five days out of a month.

What would be a more lasting and appropriate solution for Canadians living in poverty and living with hunger?

Refundable Family Tax Benefit

Senators may want to revisit the work I cited a moment ago: The Croll Report. In it, Senators of the day recommended that Canada develop a guaranteed annual income.

The term "guaranteed annual income" has fallen out of public discourse, so let's rename the proposal the "Refundable Family Tax Benefit."

This proposal would build on the language and concepts we have already built into the tax system, especially the Refundable Child Tax Benefit and the Working Income Tax Benefit.



The GAI or RFTB needs to be evaluated in light of the need demonstrated by food banks over the last 25 years.

People are still hungry.

The principle is simple: Every Canadian deserves an adequate standard of living. Period. No ifs, ands or buts. No “deserving poor” to be upheld on the one hand and no “people who deserve whatever they get” to be denigrated and marginalized on the other. Just Canadians sharing in the bounty of this land simply because they are Canadians.

All Canadians who fill out an income tax form would pay tax above a certain income level, and get money back below a certain income level, regardless of whether or not they had paid any income tax in the first place.

Would Canadians want it any other way? Of course not. No Canadian wants to see another Canadian freeze to death for lack of shelter or starve to death for lack of food. Just as no Canadian wants to see another Canadian die for lack of medical care.

Our philosophical commitment to medicare is that the least wealthy of us will receive the same medical care as the wealthiest, because we are all looking after each other.

Canadians’ first thought is that they have already made the same commitment on food and income. The social safety net should save their friends, family and neighbours from hunger and poverty.

But they also know that people fall through the social safety net all the time. That’s why they are so incredibly generous to organizations such as Winnipeg Harvest. Canadians know they must try to achieve through charity what governments have failed to achieve – an adequate standard of living for all.

Before medicare, there were many stopgap measures to try to help Canadians deal with high health care costs. Unions, faith groups and fraternal organizations would help members through benevolent funds. Some doctors would work pro bono on some cases. Those measures withered away when they were no longer needed.

We would be overjoyed to close the doors of Winnipeg Harvest because we knew that all our former clients now had an adequate income and were no longer living with hunger.

We thank you for inviting Winnipeg Harvest to make this presentation. In return, I invite Senators to visit their local food banks to see what NGOs and faith communities are doing each day in their communities to reduce hunger.

We are committed to the same Canada as you – a Canada that is hunger-free.



References

Hunger Count 2007

The Canadian Association of Food Banks
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Toll-free: 1-877-535-0958
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2007 Manitoba Child and Family Report Card

Social Planning Council of Winnipeg
412 McDermot
Winnipeg, Manitoba R3A 0A9
www.spcw.mb.ca
(204) 943-2561

Welfare Incomes 2005

National Council of Welfare
112 Kent Street, 9th Floor
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APPENDIX A

Mission Statement, Supporting Beliefs and Code of Ethics of Winnipeg Harvest

Mission Statement

Winnipeg Harvest is a non-profit, community-based organization. We are committed to providing food to people who struggle to feed themselves and their families. We are also committed to maximizing public awareness of hunger while working towards long-term solutions to hunger and poverty.

Supporting Beliefs:

We believe every single person in every neighbourhood offers strengths, capacities, abilities and gifts. Hunger and poverty diminish a person's capacity to be effective in their family, neighbourhood and society.

- Collecting and using surplus food is in itself a worthwhile activity.
- People from every walk of life are necessary to fulfill our mission.
- Governments have the legal and moral responsibility to ensure all Manitobans have adequate necessities.
- This should include nutritionally adequate and culturally appropriate food.
- Solutions to poverty will only be found once people living in poverty are invited to the table.
- We should work with the community to seek solutions to the causes of hunger.
- We have a responsibility to be leaders in combating poverty in Manitoba and in Canada.

Code of ethics

- Everyone in Canada has the right to their daily sustenance and an existence which ensures that this condition is possible
- Winnipeg Harvest pledges its work to the ultimate physical and social well being of the clients and community we serve. We will strive to bring about the greatest degree of personal dignity possible, especially with regard to the manner in which individuals receive food from us or our agencies.
- Winnipeg Harvest is committed to the Social Justice Principle of Food Recovery and practices proper safe food storage and handling procedures.
- Winnipeg Harvest recognizes and maintains its role as the Steward of a community pool of food which shall strive to make available to all responsible groups providing charitable food.



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- Winnipeg Harvest is committed to the ethic of sharing with others who have less food resources. We will continue to offer food assistance to rural areas of Manitoba and nationally as required.
- Winnipeg Harvest will not barter, sell or trade food at any time, under any circumstances.
- Winnipeg Harvest knows and understands the social context in which it operates, to ensure that we do not reduce the need for improvement to government social assistance programs.
- Winnipeg Harvest recognizes its role in alleviating hunger as a temporary response to this crisis, and continues to devote part of our activities to lessening this role.
- Winnipeg Harvest will continue to conduct all of its affairs and activities in a manner that will not trivialize the problem of hunger in any way, or see it used for commercial benefit.
- Winnipeg Harvest will continue to show respect to all our donors, regardless of the nature of the gift given.



APPENDIX B

Manitoba's report to HungerCount 2007

*From Provincial and Territorial Perspectives,
HungerCount 2007, Canadian Association of Food Banks*

Prepared by Karen Flett, Winnipeg Harvest

Individuals assisted: 43,563 (3.7% of provincial population)

Percent children: 47%

Percent reporting employment income: 14%

Percent receiving social assistance: 43.1%

Percent reporting no income: 14.6%

Unemployment in Manitoba is at a 30-year low. That means Manitobans are working. In fact, they are working harder than ever. We are all contributing to a growing economy, and even the poorest among us are working more. Yet, one in every three low-income children has a parent working full-time all year, and it is still not enough to pull them out of poverty. A sizzling economy and plentiful jobs aren't enough to pull poverty rates down to those enjoyed in many countries with less robust economies.

In Winnipeg you see child poverty everywhere you go; it could be in a local playground, schools, streets or community recreation centres. It seems to be endless, and it is a sorrowful situation when children are standing in line with their families at local food banks.

If you drive down some of our streets you will see numerous people who are homeless or living on the edge of homelessness. The causes of the problems are complex, but inadequate incomes must first be addressed for housing to be affordable. Although homelessness may not be only a housing problem, it is always a housing problem. The gap between the cost of adequate housing and the income available to pay for it is too large for many individuals and families.

Front line staff working at programs for immigrants and refugees have seen a slight increase in clientele requesting food assistance. Currently, there are five agencies which partner with Winnipeg Harvest that are working with refugee families, and we have also noted an increase in the number of new Canadians calling to register for food assistance, as well as new agencies that work with this population applying to become food banks.

In Manitoba, there are more rural communities that are requesting food and help for their families. Food banks have reported that a high number of clients served are people on social assistance, and that they are seeing new people who have recently moved out of the city. Some communities have been assisting people just passing through, which is usually



more prevalent in the summer months. One food bank stated that they had to send some clients to a soup kitchen to receive additional help, and a few would like to be able to offer more services and financial help to their clientele. However, due to financial difficulties they are unable to do this.

Transportation restrictions are always a problem in rural communities, and many individuals request that their food hampers be delivered. Volunteers within the food banks deliver to those in need that are housebound due to illnesses or other physical challenges. However, some food banks are unable to deliver because of safety concerns and the high cost of gas. One particular food bank would like to start fundraising just for gas.

Some communities are seeing a continued decrease in population as individuals and families leave their communities to find employment, education, and better housing. As populations shrink, and particularly in the north, access to a range of nutritious foods can be severely limited in some communities. Some food banks have reported extremely high prices for food products in isolated areas. For example, when the grocery store burned down in one northern community, many residents were without access to food for about a week.



APPENDIX C

Recommendations of the Canadian Association of Food Banks to federal and provincial governments

From HungerCount 2007, Executive Summary

Findings from HungerCount 2007 make it clear that more must be done to address the needs of Canada's poorest citizens. The past year has seen advances in this area, with increases to minimum wages in many provinces, the initiation of the federal Working Income Tax Benefit, and legislation ensuring predictable increases to the Canada Social Transfer.

Federal and provincial governments can build on this progress through the following steps:

- Reform Employment Insurance to address the significant decline in coverage and benefit levels;
- Broaden eligibility for the Working Income Tax Benefit (WITB), and plan a series of annual increases up to \$2,400 per year for single adults;
- Increase the value of the National Child Benefit to \$5,000 per year by 2010;
- Institute a national strategy for affordable housing;
- Provide increased and ongoing support to a system of early learning and child care that is affordable, inclusive and of high quality;
- Raise provincial minimum wage rates to \$10 per hour, indexed to inflation;
- Immediately raise social assistance rates, and initiate or continue plans to reform provincial welfare systems.

Canadian food bank use has not dropped below 700,000 individuals per month since 1997. This fact suggests that the need for emergency food assistance has been only marginally affected by a decade of social policy reform at the federal and provincial levels. Governments must do more to help Canadians lift themselves out of poverty, and they must act immediately.



From HungerCount 2007, Foreword

There is precious little indication of political interest in addressing the very serious problems of poverty that underpin hunger and food insecurity in our country. Canada does not have a national anti-poverty strategy, and few provincial governments have taken on the challenge of poverty reduction. Welfare incomes continue to be set at levels well below basic costs of living in most jurisdictions, and low-income families in some provinces are now facing increasing hardships.

To reduce the need for food banks and soup kitchens, a number of deliberate and sustained policy reforms are required at both the national and provincial levels. These are well outlined in the CAFB Policy Priorities. Now, where do we look for the political will to make such changes happen?

Valerie Tarasuk,
Professor, Department of Nutritional Sciences,
Faculty of Medicine, University of Toronto

APPENDIX D

Recommendations from the Social Planning Council of Winnipeg to the Government of Canada

We echo National Campaign 2000's call for all federal parties to set minimum targets of a 25 per cent reduction in child poverty over the next five years, and a 50 per cent reduction over 10 years.

- * Increase the National Child Benefit Supplement to create a full child benefit for low income families of \$5,100 per child per year;
- * Increase federal work tax credits to \$2,400 per year;
- * Establish a federal minimum wage of \$10 per hour (in 2007 dollars);
- * Restore broad eligibility for Employment Insurance;
- * Invest major federal funding in social housing;
- * Invest major federal funding in early learning and child care;
- * Establish a basic income system for persons with disabilities; and
- * Adopt specific poverty reduction targets, timelines, indicators for Aboriginal families with intergovernmental coordination and accountability to First Nations on reserves.