

## Chapter 6: Identify Financial Resources

### Overview

While income is not the only indicator of poverty, it certainly is paramount. A life with a very low income, with no anticipated growth, leads to a life of poverty. For this reason, it is imperative to look at ways to **introduce innovative and alternative financial mechanisms** in order to increase the amount of money going into the hands of those living in poverty. **Implementing new mechanisms** will ensure the success of some of the suggestions provided in Chapter 5. **Establishing long-term support schemes** ensures that the mechanism implemented will have longevity through the years.

### Introduce Innovative and Alternative Financing Mechanisms

#### Key Point

For the first draft of the Zero Poverty Oxford Plan, emphasis is placed on the first two Prosper interventions listed below, particularly on ensuring that all low-income residents have access to free income tax filing in order to receive government benefit programs they are eligible for.

#### Financial empowerment

Prosper Canada defines financial empowerment as a new approach to poverty reduction that focuses on improving the financial security of low-income people. Financial empowerment is an evidence-driven set of interventions that have proven successful at eliminating systemic barriers to the full financial inclusion of low-income people. It provides enabling supports that focus on helping low income people participate and feel included in our financial system while investing in their future.

The financial empowerment approach focuses on community-level strategies that include five types of interventions that effectively help low income households grow their incomes, improve their credit scores, manage savings and debt levels and build wealth through education, employment, entrepreneurship and improved housing:

1. Financial information, education and counselling
2. Help accessing income-boosting benefits and tax credits
3. Safe and affordable financial products and services
4. Access to savings and asset-building opportunities
5. Consumer awareness and protection

**“Financial empowerment has already produced compelling evidence that the innovative strategies being used nationwide to improve residents’ financial stability have this ‘super vitamin’ effect when inserted into traditional social services.”**  
**- New York City Office of Financial Empowerment, 2015**

## Canada Learning Bond

Currently, more than 1.4 million children in low-and modest-income families are missing out on significant federal education funding because they do not have a Registered Education Savings Plan (RESP). The Canada Learning Bond (CLB) is money that the government of Canada deposits directly into a child’s RESP. Children born January 1, 2004 or after can get up to \$2000 from the CLB when a RESP is opened with a \$0 deposit. Those that are not eligible for a CLB have access to the Canada Education Savings Grant which is based on a sliding scale and has a lifetime maximum of \$7,200 per child.

**The Halton Poverty Roundtable** formed the **Smart Start** collaborative campaign in 2013 around a common goal to increase graduation rates for youth in Halton. The goals of the campaign were to help eligible Halton families register their children for the Canada Learning Bond and to ensure every child in Halton had the opportunity to access post-secondary education. In the five years since the start of the program, there has been a 96% increase in CLB registration.

## Key Priorities

Further development should include education surrounding Canada Learning Bonds and a strategy similar to the Halton Poverty Roundtable campaign.

Development and facilitation of fact sheets and education sessions should occur with all service providers to ensure all organizations are familiar with the wide variety of services available in Oxford County and that accurate and factual information is being given to all individuals in need.

Growth of a micro loans program should be explored as an alternative to pay-day loans and/or predatory lenders

## Key Actions

The goals and anticipated outcomes of the **Prosper Canada** program would tremendously help people living in poverty. Even if the entire program could not be actioned, it is critically important that individuals living in poverty access basic financial programs that are available to them. Oxford County Human Services sees many people who are not accessing the financial resources that would be available to them if they completed their income tax returns. (e.g., Trillium benefit; GST) Many people do not have identification to access resources and/or the financial means to access income tax

services, to obtain identification or to obtain child or spousal support. It is imperative that somewhere in the Human Services budget that money be dedicated to improving this access, as it truly is money well spent to assist the individuals in a long-term way. One strategy could be to purchase several CRA returns through professional tax preparation businesses for low-income individuals. Agencies could also purchase tax preparation programs and train staff for simple returns. It should be noted, there are some volunteer tax preparers, but there are times when the returns are more complicated than what the volunteers want to complete.

## Implement new Mechanisms to Internalize External Influences

### Living Wage campaign for working poor

A living wage campaign is a necessary next step in order to increase the community's understanding of what a living wage is, and to shift how our community thinks about wages. If we want to decrease the number of "working poor" families and connect the implications of low-wage work in Oxford County, we must organize an effective living wage campaign to be implemented in stages.

If the living wage is endorsed, the logical next step would be a localized campaign for Oxford County. If decided to move forward with this campaign, strategies and fact sheets could be obtained through Tamarack and the Social Planning Council of Oxford.

### Provincial external influences

The entire model of social assistance is being modernized to benefit the clients in receipt of assistance. Previous asset levels have been and will continue to be increased, with the notion of family-helping-family reinforced by the gift allowances. This equates to someone being able to help an individual with their bills monthly and the person in receipt of assistance not having to have that counted as income. The income thresholds will also increase so that people can make and keep more money before it is deducted from their monthly assistance cheque. While it has been noted that an increase in social assistance rates is an obvious way of assisting people in moving out of poverty, these changes will assist people in the more immediate future until the rates are increased in a more significant way.

It has also been noted that the Community Homelessness Prevention Initiative is vital to keeping individuals' utilities on and preventing evictions from occurring due to non-payment of rent. Also, the fund provides support for emergency bed funding and supportive funding which assists the most vulnerable people in the community. It is crucial that County Council advocate for the continuation of this fund to help people reduce the depths of poverty

## Establish Stable, Long-term Support Schemes

### Local support suggestions

The discretionary fund available to the Human Services department needs to be fully utilized to assist people in accessing these basic funds that are not clawed back by any other assistance programs.

Other items to be purchased through the discretionary benefits budget could include improved access to dental care and dentures and medications and assistive devices not covered through other social assistance channels. Enhanced and refreshed training of staff needs to be completed to allow for these purchases to assist with exiting poverty.

There are many initiatives in Oxford County currently available to assist individuals living in poverty. There are pilot projects funded to assist people with housing stability, dental care services and a variety of financial rent supplement programs available through a variety of agencies. These programs are assisting individuals in many life changing ways but are also time limited with short term funding. It is imperative that these programs are critically assessed to see if they should be somehow funded for permanency in light of the positive change they are providing to many individuals.

### **Housing Strategies**

Resources are currently being earmarked to assist with affordable housing builds as well as renovations of existing social housing. It is paramount that structures that have been around for many years are maintained and remain safe for the tenants, but more housing still needs to be built.

The Oxford County Human Services Department is very dedicated to accessing as much as possible to renovate and build housing and it has been encouraged by funders to “stack funding”, a process whereby the municipality uses various pots of money to stretch the dollars and build more to meet the need. It is recommended that Oxford County Council continue to endorse the sale of surplus lands as well as the directing of the funds to housing as it can then be stacked with other capital funds to build as much as possible. The supply needs to keep with the demand. Once this is equalized, the foundational life stabilizer of housing will allow individuals greater access to mobility.

### **Procurement**

Purchasing power can be leveraged to build social capital and create positive social outcomes in our community. A successful living wage campaign can lock in a long-term policy that includes living wage as a factor in consideration in the tendering process. Many public sector employers have taken a variety of approaches to inserting living wage and fair wage practices into contract notices when services are put out for tender.

Social procurement works on the idea that taxpayer funded projects and contracts should also enhance social value in our communities. Building in specific pieces for bids can enhance workplace development for disadvantaged populations in the community. A growing number of governments and institutions have introduced or reformed their procurement and infrastructure policies to include social and economic value considerations. Social procurement will require a shift in mindset by leaders and institutions, the next step could be the design and implementation of a social procurement policy that provides employment opportunities to previously homeless, recently housed individuals who are facing barriers to employment.

## Community benefits

To maximize local economic and social benefits, municipalities are adopting social procurement policies and implementing community benefit. Ontario is ensuring that local communities benefit from infrastructure development before, during and after construction, helping to support economic growth and new job opportunities for people across the province. Community Benefits is an initiative in which the social and economic needs of a community are more closely linked to infrastructure investments and could include workforce development, social procurement and/or supplementary benefits identified by the community such as the creation of space for more physical public assets (e.g. child care facilities, a park) or design features to reduce noise pollution. The province is moving forward with community benefit projects which will employ a range of options designed to bolster local communities during the development of major new public infrastructure, including employment and training opportunities, environmental protections, poverty reduction measures and small business supports.