

NEWS RELEASE

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TORONTO'S WORKING POOR ARE MOVING TO THE SUBURBS

Toronto – A new report from the Metcalf Foundation examines the continued upward creep of working poverty in Canada's wealthiest city. The report compares Toronto to a total of 16 other Census Metropolitan Areas (CMAs) in Canada, including the ten largest. Of the 17 CMAs, Toronto has the highest incidence of working poverty: 9.1% of the working-age population in the Toronto Region and 10.7% of the working-age population in the City of Toronto.

The Working Poor in the Toronto Region: Mapping working poverty in Canada's richest city, written by Metcalf Innovation Fellow **John Stapleton**, focuses on the years 2006 to 2012. It builds on Stapleton's 2012 report on the working poor that analyzed the years 2000 to 2005. In addition to examining the continued increase of working poverty, the new report confirms the "Manhattanization" of Toronto. It concludes that for the very first time working poverty is growing faster in the inner *and* outer suburbs while the core of the city is experiencing a decline in the proportion of residents who are working poor.

From 2006 to 2012, the rate of working poverty grew in Markham by 26%, in Brampton by 22%, and in Richmond Hill by 21%. Between Highway 401 and Steeles Avenue only one census track showed a reduction in working poverty while over forty showed increases. North York and Scarborough have the highest rates of working poverty (13.1% and 12% respectively). In contrast, the area south of the Bloor-Danforth corridor showed more than fifteen census tracts with reduced working poverty and only four with increases.

Although the incidence of working poverty has moderated since the first five years of the decade, Stapleton identifies many reasons why the City of Toronto's almost 11% increase is disturbing. During 2006 to 2012 the minimum wage increased by 37.6% and several income supplements were introduced, all of which put more money in the pockets of the working poor. Also, overall employment declined by 2.7%, which magnifies the significance of the growth.

Stapleton describes Toronto as a giant "Downton Abbey" with growth among two groups: highly paid professionals and the service entry workers who pour coffee, serve meals, sell merchandise, and clean offices. Together these two employment cadres have increased by 25% since 1993 while every other component of the city's work force has stagnated.

The Working Poor in the Toronto Region: Mapping working poverty in Canada's richest city asks readers to consider some of the social and economic implications for the city — as well as the region — as the ranks of the working poor continue to grow within a shrinking contingent of employed. The working poor cannot buy homes on their wages. Many use food banks and other services to meet their basic needs and face lengthy and costly commutes to their jobs.

"It is not difficult to imagine the stress and frustration that comes from working and yet not being able to afford the basic necessities," said Stapleton. "Employment income matters and changes in the labour market are making it difficult for many people to earn enough money to stay afloat. Responding to the needs of the working poor requires us to set the course not only for the labour market we want, but for the society we want."

To download the report, visit: <http://metcalffoundation.com>

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