

Recommendations to the Ontario Portable Benefits Advisory Panel

Building on the recommendations of the Ontario Workforce Recovery Advisory Committee, this brief from the Daily Bread Food Bank provides insights rooted in evidence-informed research to support the development and implementation of a Portable Benefits Program to better support worker mobility, improve health and financial security, and help businesses attract talent.

The rise of the gig economy has shaped employment and the workforce in Toronto. Gig work, such as delivery drivers and personal grocery shoppers, is often named as a solution to under- and unemployment, as it offers flexible hours and worker independence. Unfortunately, it is exceedingly rare for precarious work to provide benefits. Hence, the traditional single-earner household supported by stable, full-time income and benefits, is no more. Workers who change jobs frequently, those who are self-employed and entrepreneurs, and those who spend part of their working life in precarious work (i.e., gig platform) do not have access to benefits.

Through our work, we are seeing workers who often must make difficult choices between their health, their families' needs, and basic necessities like food and shelter, and who are then compelled to turn to food banks when they use their limited income to benefits other receive through stable employment.

About Daily Bread Food Bank and the expertise informing recommendations

Daily Bread Food Bank is a member-based organization whose mission is to collaborate with all to eliminate food insecurity and advocate for solutions to end poverty.

As Canada's largest food bank, Daily Bread runs innovative programs to support individuals living on low incomes and experiencing food insecurity by distributing fresh and shelf-stable food and fresh-cooked meals to 126 member agencies and 193 meal programs across Toronto.

Daily Bread also publishes the influential *Who's Hungry* report – an annual survey of food bank clients that provides data and analysis about food insecurity and poverty in Toronto to all levels of government and sectoral stakeholders.

Holding a job is no assurance that one will not need to use a food bank

Over the past twelve months, there have been 1.99 million visits to food banks in Toronto. This is the highest number ever reported in our city's history. With record increases in the cost of living, combined with low incomes and soaring housing rents, the need is growing and demand is expected to exceed two million visits in 2022.

In *Who's Hungry 2022*, one in three (33%) food bank clients reported their primary income source is employment. This portion has doubled from 2021, where 16% of survey respondents reported their primary income source as employment. However, only one in five (20%) of those employed reported they have health benefits, such as prescription drug plans or dental coverage.

Accordingly, many food bank clients are faced with the impossible task of paying out-of-pocket for things like routine eye exams and dental care or prescription drugs and mental health services. If faced with a catastrophic event, they face potential financial ruin. This lack of benefits coverage exposes workers to financial and health risks, adds strain to the health care system, and impacts our province's ability to attract and retain workers.



Counter-narrative: how do food bank clients access dentalcare?

In November/December 2022, Daily Bread conducted a survey on dental care, yet unpublished, through the client voice *Click/Hear* Program. We reached out to food bank clients and gathered insights about their day-to-day lives and how they access dental care, if at all. We received an overwhelming number of comments about the depths of poverty that our clients are experiencing.

Here are some of the more powerful voices we heard:

- “I don't know. I'm retired and cannot afford it (dental care).”
- "I had a student dental plan until this September. Currently I am out of coverage, and I'm concerned about some cavities I have."
- “I have been on disability since March. I've been lucky enough to have had active benefits while I was working for the Toronto International Carpenter's Union. Based on the hours worked, you build up a pool for the year and as long as \$25 a month is paid into the union dues - my benefits remain active. This is one of the few things I have working in my favor these days, but it's not the case for everyone, especially some of the folks I see in the food bank lineup here with me.”
- “I have no idea (what I would do if I had dental pain), I'd go to any dentist office and ask if they can give me a credit.”

We know that food insecurity and poverty discriminate. The *Who's Hungry 2022* data shows us that independent contractors, low-wage workers, newcomers, younger workers, and racialized people are less likely to have workplace benefits, putting them at greater health and financial risk.

Models for Consideration

We know the Advisory Panel will surely examine case studies from other jurisdictions, like Bill 2812 in the state of Washington¹ or explore models such as:

- Multiemployer Plans – where responsibility is shared among multiple employers within the same industry/sector, such as Canada's Common Good Plan;
- Group Insurance – where a mechanism to provide group insurance to individual independent contractors is created, such as New York City's Black Car Fund;
- Ghent System – based on the Nordic union system that provides insurance through voluntary worker organizations and can serve as an effective mechanism to organize workers;
- Secure Choice Retirement Plans – an emerging form of state-based retirement plans that provide retirement options accessible to independent contractors.

Despite this, we strongly urge a universal approach to portable benefits that is spearheaded by the provincial government. It could realize far greater cost savings and efficiencies through scale and by spreading risk across a broader pool of workers. Further, working with the federal government could also leverage the Canada Pension Plan and employment insurance programs operated by Service Canada and Employment and Social Development Canada.

Conclusion

Food insecurity increases health care costs, worsens mental health, increases the risk of injuries and illnesses, and causes premature death. Therefore, Daily Bread will continue to advocate for income security for the people we serve with the aim of eliminating food insecurity in our communities.

We urge members of the Portable Benefits Advisory Panel to move with dispatch on this issue. Governments are charged with creating the conditions for all to enjoy a standard of living adequate for the health and well-being of each person. In Canada, our own values, as framed in the Canadian Charter of Rights and Freedoms, compel us to ensure that everyone can live with equality and dignity. The development and implementation of a Portable Benefits program is a big step in the right direction.

We recognize adopting a Portable Benefits program is a challenge, but members of the Panel should be aware that existing gaps in benefits coverage, and allowing the status quo to stand in a world where work has changed profoundly, will continue to exacerbate levels of poverty which by some estimates is costing the province \$33 billion a yearⁱⁱ.

We are pleased to be able to support the development and implementation of this program introduction and underscore how important mitigating the effect of precarious labour to ensure that those who are employed do not have to make the choice between food or shelter or medical expenses.

Thank you very much.

ⁱ <https://www.aspeninstitute.org/blog-posts/wa-portable-benefits-bill-letter-2018/>

ⁱⁱ <https://feedontario.ca/research/cost-of-poverty-2019/>