

BUILDING A POVERTY STRATEGY TOGETHER

*LEARNING ABOUT RISING
LIVING COSTS & FALLING
FURTHER INTO THE DEPTHS
OF POVERTY*



TOGETHER, WE CAN BRING CHANGE

The CK Prosperity Roundtable works with people living with low income, communities, and leaders from different sectors to find local, win-win, quick fix solutions for long-term community change. Our goal is to ensure no one struggles to make ends meet in our community ever again. We do not provide direct services, but we do provide hope and opportunities to help people navigate out of poverty. We do this by empowering people struggling in our community, building up communities, and breaking down silos and filling gaps to help everyone thrive.

Starting in May 2019, people across Chatham-Kent have joined this growing movement to reduce poverty in Chatham-Kent. People from all walks of life have been sharing their valuable thoughts and getting involved to bring change to their communities.

This report was created for you and our community to have examples of what it is like each month to live with different levels of income across Chatham-Kent. We have prepared scenarios that introduce you to 9 real individuals, couples, and families from our communities whose income falls short of financial stability. Some are struggling, while others are just surviving.

Based on the information in this report, we are building a 5-year strategy for change. This means the data in this report will help define the targets that our community can work towards together for everyone to thrive across Chatham-Kent.

We hope this report makes you as excited as we are. The strategy is only as strong as the community behind it, and we know if you and your community get involved, success is right around the corner. Together, we can reduce poverty in Chatham-Kent. Let's get started!

IN THIS REPORT

Our goal with this report is to showcase how people are struggling, and some just surviving, each month. Many do not have the income required to be cover their needs and be financially stable. We compared 9 real scenarios and budgets from individuals, couples, and families across Chatham-Kent to the Household Stability Budgets for their household size. By comparing the Household Stability Budgets to 9 real scenario budgets, we will show not only how much people struggle each month to meet their needs, but also how far they are from stability.

Education and employment can create opportunities to get out of poverty. However, wages need to help people meet their needs and education needs to help people advance in the workplace to become more financially stable. To show how education and employment can be successful in reducing poverty, we compared

- The Household Stability Budgets for a single person and a family of four to the median after-tax income for the top occupations across Chatham-Kent
- The annual income levels of Ontario Works (OW), the Ontario Disability Support Program (ODSP), and minimum wage to the median after-tax income for the top occupations in Chatham-Kent
- Levels of education with median after-tax income for each education level

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THE HOUSEHOLD STABILITY BUDGETS

The Household Stability Budget is a “getting-ahead” budget. It measures how much income is needed to meet the basic needs of a household to be financially stable, participate in the community, and have a reasonable quality of life. It assumes all adults in the household are working full-time (40 hrs/week) and is dependent on how many people are in the household.

The Household Stability Budget includes the categories of savings and cost overrun, showcasing how financially stable household usually have dispensable income and savings to cover emergency costs (e.g. emergency dental work) or reductions in income (e.g. losing your job). The Household Stability Budget does not include debt.

Monthly Costs	Single Adult	Couple	Single Parent with 2 Children (ages 3 & 7)	Family of Four (Children ages 3 & 7)
Housing	\$1,091	\$1,091	\$1,585	\$1,585
Childcare	\$0	\$0	\$1,403	\$1,403
Food	\$297	\$428	\$667	\$882
Transportation	\$578	\$1,156	\$578	\$1,156
Insurance	\$134	\$238	\$134	\$268
Technology	\$113	\$169	\$113	\$169
Clothing	\$69	\$196	\$146	\$270
Other Necessities	\$276	\$470	\$613	\$869
Savings	\$256	\$375	\$524	\$660
Cost Overrun	\$256	\$375	\$524	\$660
Taxes	\$587	\$1,034	\$1,588	\$2,119
Monthly Income to Meet Stability Budget	\$3,657	\$5,532	\$7,875	\$10,041
Annual Income to Meet Stability Budget	\$43,879	\$66,381	\$94,498	\$120,495
Hourly Wage to Meet Stability Budget	\$22.50	\$34.04	\$48.46	\$61.79

WHO IS STRUGGLING?

16,915, or 1 in 5 people live below the poverty line in Chatham-Kent. 1 in 4 are children. Many more live between the poverty line and the Household Stability Budget thresholds for each family type. No one in these groups are having all their needs fully met.

COMPONENTS OF THE HOUSEHOLD STABILITY BUDGET



HOUSING

Covers the average cost of a rental unit for each family size, hydro, gas, tenant insurance



TECHNOLOGY

- Covers:
- the cost of an average cellphone plan, including unlimited text and talk and 2 GB of data, for each adult in the household
 - an average internet plan
 - Netflix account



CHILDCARE

Covers licensed and accredited care where quality is fully regulated



CLOTHING

Covers the cost of clothing, calculated by the Federal Government in the Market Basket Measure



FOOD

Covers the Nutritional Food Basket, a tool to measure the affordability of health eating, produced by Chatham-Kent Public Health



OTHER NECESSITIES

Covers the cost of necessities not included in the other categories or entertainment



TRANSPORTATION

Covers the lease payments, gas, annual maintenance & repairs, plate renewal, depreciation, and insurance of a base-model 4-door sedan



SAVINGS

Covers 10% of monthly income as a crucial component of a stable household



INSURANCE

Covers non-OHIP health insurance and life insurance



COST OVERRUN

Covers 10% of monthly income for any cost overruns in the categories



SCENARIO 1

Fred (41)

SCENARIO 1










Fred is a 41-year-old male who lives alone in Chatham. Fred was employed at a small farm for the past 15 years that has recently sold, and he was let go. He started collecting Employment Insurance. Unable to find employment before his Employment Insurance Claim ended, Fred is now accessing Ontario Works. Fred receives the maximum Ontario Works income for a single adult of \$733 per month.

With a very tight budget, Fred faces roadblocks to finding employment. He was able to find a place that has a lower monthly rent, but he had to give up his car. He could not afford the insurance or gas. Using public transit, Fred struggles to get to services he needs to find employment.

Fred has a Grade 10 education after leaving high school for work. He struggles to find employment in his field without a High School Diploma, especially as new technologies are coming out that he is not trained on.

Fred can purchase some food at the beginning of the month. However, Fred must access the local food bank to carry him trough to the end of the month. This is something he never thought he would have to do.

SCENARIO 1 - Single Adult receiving Ontario Works	
Income and Taxes	Amount
Basic Needs	\$343
Shelter Allowance	\$390
Annual Before-Tax Income	\$8,796
Income Tax	\$0
Annual After-Tax Income	\$8,796
Ontario Trillium Benefit	\$764
GST Credit	\$296
Annual Total Income	\$9,856
Monthly Total Income	\$821

	 Housing	 Food	 Transportation	 Insurance	 Technology	 Clothing	 Other Necessities	 Savings	 Cost Overrun	Total
Fred's Budget	\$625 (all inclusive rental)	\$80	\$40 (affordable bus pass)	\$0	\$17 (Telus pay-as- you-go talk & text 15)	\$0	\$59	\$0	\$0	\$821
Household Stability Budget - Single Adult	\$1,091	\$297	\$578	\$134	\$113	\$69	\$276	\$256	\$256	\$3,070



SCENARIO 2

Susan (39) & Debbie (42)

SCENARIO 2










Susan is a 39-year-old female who lives with her 42-year-old partner Debbie. They are a common-law couple living in Wallaceburg. Debbie is receiving income from Ontario Disability Support Program (ODSP) after being diagnosed with Epilepsy and Crohn’s Disease, which prevents her from working. Susan works 12 hours per week at minimum wage (\$14/hr) at a grocery store in Chatham. Together, they make \$2,447 per month.

Susan and Debbie live in an all-inclusive apartment, paying market rent. They pay for a parking spot and coin laundry. While they can afford their current home, they face other roadblocks, including Susan’s anxiety, transportation costs, and medication costs. Susan has minor anxiety and finds it hard to maintain a full-time job. While her employer allows her to flex shifts as needed, she is still required to work 12 hours each week.

Debbie has been prescribed medical marijuana to reduce her symptoms. Debbie struggles to pay for her medical marijuana some months, as this has become an out of pocket expense for her. ODSP does not cover this cost.

Debbie and Susan have an older car that requires costly maintenance. As Susan needs the car to get to work, they always cover the cost of maintenance. However, covering this cost significantly affects how much they have for food or other necessities.

SCENARIO 2 – Couple, 1 Adult receiving Ontario Disability Support Program & 1 Adult working Part-Time at Minimum Wage	
Income and Taxes	Amount
Basic Needs - Debbie	\$705
Shelter Allowance - Debbie	\$781
Employment Income - Susan	\$728
Annual Before-Tax Income	\$26,568
Income Tax	\$0
EI/CPP Contributions	\$409
Annual After-Tax Income	\$26,159
Ontario Trillium Benefit	\$1,179
GST Credit	\$592
Canada Worker Benefit	\$1,491
Annual Total Income	\$29,421
Monthly Total Income	\$2,452

	 Housing	 Food	 Transportation	 Insurance	 Technology	 Clothing	 Other Necessities	 Savings	 Cost Overrun	Total
Susan and Debbie's Budget	\$1,165 (all inclusive rent, parking, coin laundry, and tenant insurance)	\$363	\$581	\$28 (life insurance for both adults)	\$34 (Telus pay-as-you-go talk & text 15 for both adults)	\$64	\$107	\$0	\$0	\$2,452
Household Stability Budget - Couple	\$1,091	\$428	\$1,156	\$238	\$169	\$196	\$470	\$375	\$375	\$4,498



SCENARIO 3

Shaun (45), Rebecca (42),
Lucy (7), Joe (3)

SCENARIO 3

Shaun is a 45-year-old male who lives with his 42-year-old wife Rebecca, and their two children Lucy, 7, and Joe, 3, in Chatham. Shaun works full-time as a CNC machinist at a manufacturing facility, while Rebecca works 12 hours a week at minimum wage (\$14/hr) as a file clerk for a small business. Due to their work schedules, Joe is in childcare for 3 half-days and Lucy is in after-school childcare 3 days a week.

Shaun and Rebecca work hard to fit within their budget. However, they face roadblocks, especially with the needs of two young children, including the cost of childcare, transportation, and housing.

On a regular basis, Shaun and Rebecca struggle with anxiety about not contributing to their savings and having \$8000 in credit card debt. While they try to meet the monthly minimum payments, the rising cost of living forces them to use their credit card for basic and emergency needs, slowly increasing their debt.

SCENARIO 3 –
Family of Four, 2 Adults & 2 Children (3 & 7)

Income and Taxes	Amount
Employment Income - Shaun	\$3,467
Employment Income - Rebecca	\$728
Annual Before-Tax Income	\$50,336
Fed/Prov Taxes	\$7,934
EI/CPP Contributions	\$3,204
Annual After-Tax Income	\$39,198
Canada Child Benefit	\$9,958
Ontario Child Benefit	\$592
Ontario Trillium Benefit	\$658
GST Credit	\$310
Annual Total Income	\$50,716
Monthly Total Income	\$4,226

	Housing	Childcare	Food	Transp.	Insurance	Tech	Clothing	Other	Savings	Cost Overrun	Credit Card	Total
Shaun and Rebecca's Budget	\$1,585	\$589 (cost for 3 half days & 3 days after school)	\$659	\$689 (car, adult bus pass, bus fare for eldest child 3 rides/ week)	\$268	\$113 (Telus pay-as-you-go talk & text 25, Internet, Netflix)	\$100	\$254	\$0	\$0	\$31 (\$150 payment, \$181 put on card)	\$4,226
Household Stability Budget - Family of Four	\$1,585	\$589 (match the childcare needs of the scenario)	\$882	\$1,156	\$268	\$169	\$270	\$869	\$660	\$660	\$0	\$7,108



SCENARIO 4

Roberta (72)










SCENARIO 4

Roberta is a 72-year-old female who lives alone in Tilbury. Roberta worked as secretary at a local business for her entire life, earning about \$25,000 per year. Throughout her career, Roberta paid into the company pension plan. Unfortunately, close to her retirement, the company she worked for made some poor investment choices. Roberta lost her entire pension, which she was going to rely on for income during retirement.

Roberta retired at 65 years of age and started collecting Canada Pension Plan at \$600 per month. As this was her only source of income, she applied and started receiving Old Age Security and Guaranteed Income Supplement as well, which brings her total income to \$1,722 per month.

Roberta faces roadblocks in her daily life. She struggles to cover the mortgage payments on her house. While friends tell her to move, she doesn't want to leave the home she has had for years. Due to the mortgage costing her so much, she finds it difficult to cover other costs, such as her car and food. She has cancelled her internet, stopped using her car, and is scraping by each month.

SCENARIO 4 – Single Adult receiving Canada Pension Plan, Old Age Security, Guaranteed Income Supplement	
Income and Taxes	Amount
Canada Pension Plan	\$600
Old Age Security	\$614
Guaranteed Income Supplement	\$508
Annual Before-Tax Income	\$20,663
Income Tax	\$0
Annual After-Tax Income	\$20,663
Ontario Trillium Benefit	\$881
GST Credit	\$451
Annual Total Income	\$21,955
Monthly Total Income	\$1,833

	 Housing	 Food	 Transportation	 Insurance	 Technology	 Clothing	 Other Necessities	 Savings	 Cost Overrun	Total
Roberta's Budget	\$1229 (mortgage, property tax, hydro, gas, & home insurance)	\$184	\$80 (8 rides on inter-urban bus for shopping & appointments in Chatham)	\$139 (health and life insurance)	\$20 (home phone)	\$69	\$132	\$0	\$0	\$1,833
Household Stability Budget - Single Adult	\$1,091	\$216 (nutritional food basket for a single female senior)	\$578	\$134	\$113	\$69	\$276	\$256	\$256	\$3,070

MAKING SENSE OF THE SCENARIO BUDGETS

Below we have compiled tidbits of information about different programs, tax credits, and circumstances that will help you better understand the scenario budgets.

SOCIAL ASSISTANCE

Ontario Works and Ontario Disability Support Program are the two social assistance programs available to individuals. They provide Basic Needs, which covers the basics, and Shelter Allowance, which covers rent and utilities. In some cases, based on need, there are discretionary funds to cover extra costs.

DEBT

- 1 in 10 of Canadian families have skipped or delayed a non-mortgage debt payment in the past year
- While families in lower income are most likely to use a payday loan service (7.5%), those with a university or college degree are most likely to skip or delay payment on a non-mortgage bill (7.9%)
- Lone-parent families (12.1%) and couples with children (10.6%) are most likely to skip or delay a non-mortgage or mortgage payment (12.1%)
- Moral of the story: the more debt you have, the more likely you are to skip or delay payments, be financially distressed, and fall into poverty quickly if you lose your job

THE COST OF CHILDCARE

Childcare costs can be one of the biggest expenses for a household. Here are the 4 childcare options families have:

- Licensed Childcare Facility - From \$15 to \$50/day, depending on the age of the child, how many children you have, and the number of hours in childcare per day
- Qualified in-home Babysitter (Early Childhood Educator) - average cost of \$16/hr
- Unqualified in-home Babysitter (High School Student) - as little as \$7/hr
- Quit your job to stay home with the children



ONTARIO GUARANTEED ANNUAL INCOME SYSTEM

If you receive Old Age Security and Guaranteed Income Supplement, you are eligible for the Ontario Guaranteed Annual Income System. This support ranges from \$2.50 to \$83 per month.

ALL THE COST ON YOU

Seniors face the roadblock of having to cover the costs of medication, assisted devices, and other care needs by themselves, unless they have private health insurance. Seniors without private retirement savings and without health insurance struggle to cover these costs.

THE COST OF A CAR

To calculate the cost of a car, we included depreciation, the value lost each year you have the car, maintenance & repairs, plate renewal fees, gas, and insurance. For maintenance, we included 4 oil changes/year, transmission service/2 years, front and rear wheel differential/2 years, transfer case/4 years, changing winter tires/6 months, spark plugs/4 years. Gas was estimated using the CAA Gas Calculator. We calculate the annual cost of a car and divide by 12 months to get the average monthly cost.

THE CHILDCARE SUBSIDY

The Municipality provides childcare subsidies for families in low income, allowing parents to access services, education, and employment opportunities. How much subsidy you receive is dependent on your household income. The subsidy can only be used at licensed childcare facilities, not to cover at-home private babysitters. Due to limited childcare spaces, there is a 3-year waitlist to use the subsidy at a Licensed Childcare Facility in Chatham-Kent.

SUBSIDIZED HOUSING

Individuals and families with low/fixed income can apply for subsidized housing, meaning your rent is set at 30% of your monthly income. Your rent can fluctuate depending on how much you make each month. If you are on a fixed income, like social assistance, your rent in subsidized housing should not change monthly. If your income is above the maximum cut off or you are over housed (e.g. a single person in a 2 bedroom), you will pay market rent as set by the landlord. For non-profit landlords, market rent usually ranges between \$650 - \$700/month.

CRIMINAL RECORD PARDON

Criminal record pardons cost an average of \$800 and can only be applied for after completing all sentences, paying all fines, and a waiting period of 5 to 10 years. If you are on a fixed income, this cost is impossible to cover, preventing people from accessing employment opportunities. Depending on the situation, Social Services might cover the cost.

AFFORDABLE BUS PASS

CK Transit offers an affordable bus pass for citizens with low income. This bus pass is income tested, meaning your income must be below the poverty line (Low-Income Measure-After Tax) based on family size. You must apply through the Municipality for this bus pass.

GOVERNMENT SUBSIDIES

It's important to recognize that when individuals, couples, and families have an income below the Household Stability budget, they are not able to fully meet their needs. Subsidies, credits, and programs exist to support low income households meet their needs with a rising cost of living. Federal and provincial government tax credits help to boost income levels to reduce the gap between the household income and financial stability. Municipal government programs help to reduce the cost of needs, allowing households to cover more.





SCENARIO 5

Michelle (25)

SCENARIO 5

Michelle is a 25-year-old female who lives alone. Michelle works full time at minimum wage (\$14/hr) as a gas station attendant in Leamington. Michelle was born and raised in Wheatley, and due to the death of her mother, stayed in Wheatley to look after her father. While working full time, she is taking online classes. Michelle is completing her second diploma in Information Security Management to become an IT professional. Her goal is to open her own IT support business to help others with their computer security needs.

Michelle lives in a one-bedroom apartment that is near her dad’s small apartment.

Michelle faces roadblocks with her current budget. To pay for school, Michelle is on a strict and limited budget. Michelle refuses to use credit cards, so will either skip a bill or pay late. She also finds it difficult to put any money into savings each month, as other costs take precedent.

Michelle’s has an older car. She depends on her car to get to her employment in Leamington. While she saves on gas, she finds it difficult to cover her maintenance costs. She regularly drives with the engine warning light on, worried about what the mechanic might quote her for any needed fixes.

SCENARIO 5 - Single Adult, Working Full-Time Minimum Wage	
Income and Taxes	Amount
Employment Income	\$2,427
Annual Before-Tax Income	\$29,120
Fed/Prov Taxes	\$3,254
EI/CPP Contributions	\$1,778
Annual After-Tax Income	\$24,088
Ontario Trillium Benefit	\$464
GST Credit	\$451
Annual Total Income	\$25,003
Monthly Total Income	\$2,085

	Housing	Food	Transp.	Insurance	Tech	Clothing	Other Necessities	Savings	Cost Overrun	Education	Total
Michelle’s Budget	\$757 (rent, hydro, gas, tenant insurance)	\$189	\$581	\$0	\$102 (Koodo 50 & internet)	\$6	\$109	\$0	\$0	\$341 (cost/month for ISM program)	\$2,085
Household Stability Budget - Single Adult	\$1,091	\$297	\$578	\$134	\$113	\$69	\$276	\$256	\$256	\$0	\$3,070



SCENARIO 6

Bashir (27),
Fatima (3), Yusef (7)

SCENARIO 6

Bashir, a 27-year-old male, lives with his two children, Fatima, 3, and Yusef, 7. Bashir and his children live in a non-profit housing complex in Wallaceburg, and he works at a local fast food restaurant, full-time, as an assistant manager making \$16/hr.











Due to Bashir’s work schedule, Fatima is in full-day childcare while Yusef takes part in after and before school programming. Bashir was able to apply and receive the Childcare Subsidy through the Municipality to help cover the cost of childcare.

Still, Bashir face roadblocks on a monthly basis. He struggles with covering rent, especially if one of the kids gets sick and he is unable to go to work. Last month, Fatima was sick for almost a week, leaving Bashir short on rent. The landlord was able to work out a payment plan to help Bashir, though he felt embarrassed that he was unable to cover the rent on time.

For Bashir, as for any single parent, each dollar counts. He has an old used car which keeps breaking down and having to be towed, only adding to his monthly costs. With the cost of food going up, Bashir had to find new meal ideas to feed his children and has started making regular trips to the food bank.

SCENARIO 6 –
Single Parent, 1 Adult & 2 Children (3 & 7)

Income and Taxes	Amount
Employment Income	\$2,773
Annual Before-Tax Income	\$33,280
Fed/Prov Taxes	\$4,032
EI/CPP Contributions	\$2,058
Annual After-Tax Income	\$27,190
Canada Child Benefit	\$12,473
Ontario Child Benefit	\$2,444
Ontario Trillium Benefit	\$1,620
GST Credit	\$902
Canada Worker Benefit	\$1,115
Annual Total Income	\$45,744
Monthly Total Income	\$3,812

	 Housing	 Childcare	 Food	 Transp.	 Insurance	 Tech	 Clothing	 Other Necessities	 Savings	 Cost Overrun	Total
Bashir's Budget	\$1,585	\$60 (monthly cost of childcare after subsidy)	\$667	\$618 (car, tow every 3 months)	\$134	\$73	\$146	\$529	\$0	\$0	\$3,812
Household Stability Budget - Single Parent	\$1,585	\$1,403	\$667	\$578	\$134	\$113	\$146	\$613	\$524	\$524	\$6,287



SCENARIO 7

Kathy (40)

SCENARIO 7










Kathy is a 40-year-old female with a disability who lives alone. Kathy was gainfully employed in construction. 6 years ago, she suffered a severe fall at home, severing her wrist and affecting her entire upper limb. She now has limited range of motion and no fine motor skills. She was rendered disabled.

Kathy is currently accessing the Ontario Disability Support Program (ODSP), receiving the maximum income of \$1169 per month. She has diabetes, and thus receives two discretionary benefits, Special Diet and Diabetic Test Strips, which totals to \$88 per month. Due to unexpected expenses, Kathy had to resort to using her overdraft to cover basic costs. Now, Kathy is in overdraft each month, and is unable to get out.

Kathy started seeking employment within her physical limits. However, she faces roadblocks. Kathy does not have a high school diploma and has a minor criminal record from 15 years ago, preventing her from finding basic employment opportunities. After trying for 5 years to find employment, Kathy has started to feel anxious, worrying about not being productive and self-sufficient. She has resigned to the fact that she is imprisoned in poverty.

Kathy was able to get into a non-profit housing unit through Housing Services at the Municipality over 10 years ago due to her income levels at the time. She is currently paying market rent of \$675 at her non-profit housing.

SCENARIO 7 - Single ODSP	
Income and Taxes	Amount
Basic Needs	\$672
Shelter Allowance	\$497
Special Diet	\$86
Diabetic Test Strips	\$2
Monthly Before-Tax Income	\$1,257
Annual Before-Tax Income	\$15,084
Income Tax	\$0
Annual After-Tax Income	\$15,084
Ontario Trillium Benefit	\$776
GST Credit	\$406
Annual Total Income	\$16,266
Monthly Total Income	\$1,355

	 Housing	 Food	 Transportation	 Insurance	 Technology	 Clothing	 Other Necessities	 Savings	 Cost Overrun	Total
Kathy's Budget	\$893 (rent, hydro, gas, and tenant insurance)	\$87	\$237 (\$25 gas/month, only oil changes every 3 months)	\$110 (life & pet insurance)	\$17 (Telus pay-as-you-go talk & text 15)	\$0	\$11	\$0	\$0	\$1,355
Household Stability Budget - Single Adult	\$1,091	\$297	\$578	\$134	\$113	\$69	\$276	\$256	\$256	\$3,070



SCENARIO 8

Tyler (17)










SCENARIO 8

Tyler is a 17-year-old male who lived in Dresden. He left home due to an abusive father. He relied on friends to couch surf for the first few months. Tyler drifted into despair and started engaging in substance use due to peer pressure. Tyler’s substance use led him to dropping out of school and being kicked out of his friend’s houses. Tyler was living on the streets with no income.

Tyler did not want to live like this anymore. He reached out for support and was connected to the Homes 4 Youth program, a program of Employment and Social Services. Tyler was able to receive supports to find stable and affordable housing. Tyler was also placed on the waiting list for addictions and mental health services and is still waiting to access treatment. While he is reducing how much substances he is using, he is looking forward to treatment to stop using altogether.

As Tyler waits for an affordable rental to become available, he is currently in a motel in Chatham. Shelter Solutions, a housing support program through the Municipality, covers the cost of the motel room.

SCENARIO 8 - Homeless	
Income and Taxes	Amount
Basic Needs	\$343
Annual Before-Tax Income	\$4,116
Income Tax	\$0
Annual After-Tax Income	\$4,116
Ontario Trillium Benefit	\$313
GST Credit	\$296
Annual Total Income	\$4,725
Monthly Total Income	\$394

	 Housing	 Food	 Transportation	 Insurance	 Technology	 Clothing	 Other Necessities	 Savings	 Cost Overrun	Total
Tyler's Budget	\$1100 (covered by Shelter Solutions)	\$200	\$40 (affordable bus pass)	\$0	\$17 (Telus pay-as-you-go talk & text 15)	\$20	\$117	\$0	\$0	\$394
Household Stability Budget - Single Adult	\$1,091	\$297	\$578	\$134	\$113	\$69	\$276	\$256	\$256	\$3,070



SCENARIO 9

Jeffrey (65) & Diane (60)

SCENARIO 9

Jeffrey is a 65-year-old male who lives with his 60-year-old wife Diane near Bothwell. Diane was a stay at home mom, who raised 4 children. Jeffrey owned a small business. With the population of Bothwell decreasing, Jeffrey’s business started dwindling. Trying to save the business, he used savings to cover the bills.

Unfortunately, Jeffrey had to close the business when he turned 52. Unable to find gainful employment, he started his own handyman business. Jeffrey started having back problems a year into his new business, preventing him from working full-time. His income was used to cover the basic costs of the house, and they were unable to replenish their savings.










With Jeffrey turning 65, he decided to close his business, and start receiving Canada Pension Plan, Old Age Security, and Guaranteed Income Supplement. As Diane had not worked, she is only eligible for Old Age Security and Guaranteed Income Supplement but must wait until 65 to receive this income.

Jeffrey and Diane live in the country, where they have lived for 6 years, renting a one-level single-family house. Living on a fixed income in retirement, they face roadblocks with transportation, deteriorating physical health, accessibility, and lack of support services.

Their car is older and requires regular maintenance. Jeffrey usually did the maintenance, though he is not able to do all of it now due to his deteriorating back problems. The cost of bringing the car to a mechanic is sometimes beyond their budget, meaning their car will remain unused some months.

Due to living in the country, they are also struggling to find a doctor and senior supports nearby to cover Jeffrey’s physical health needs. They have considered moving into Chatham, especially to access support services for Jeffrey, but the cost of renting is beyond their means. Knowing they must invest in some accessibility equipment for the house, they have recently reduced how much they spend on groceries and other necessities, causing Diane to fear for their health if they are not eating healthily anymore.

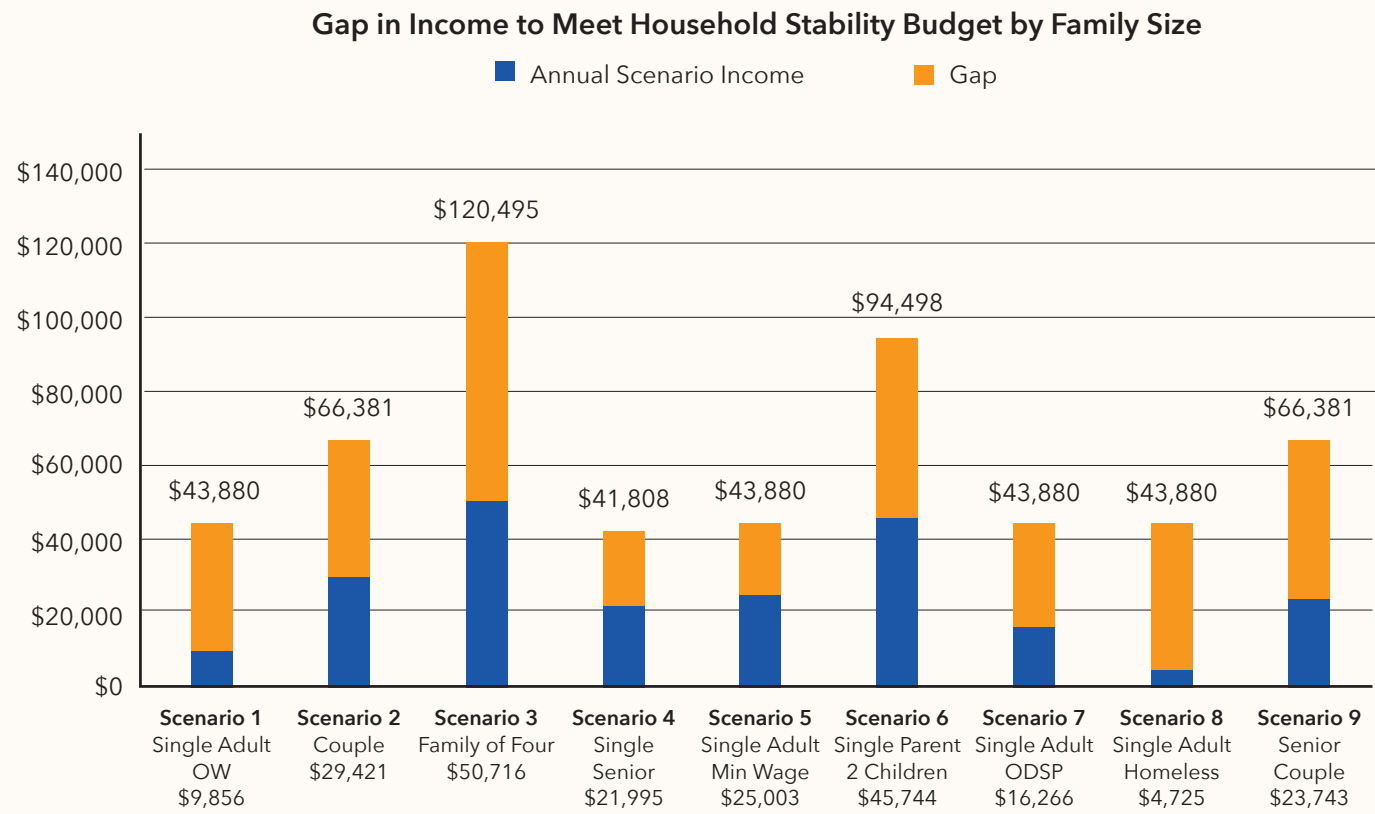
SCENARIO 9 - Senior Couple	
Income and Taxes	Amount
Monthly Income	\$1,838
Annual Before-Tax Income	\$22,056
Income Tax	\$0
Annual After-Tax Income	\$22,056
Ontario Trillium Benefit	\$1,095
GST Credit	\$592
Annual Total Income	\$23,743
Monthly Total Income	\$1,979

	 Housing	 Food	 Transportation	 Insurance	 Tech	 Clothing	 Other	 Savings	 Cost Over-run	Total
Jeffrey & Diane’s Budget	\$1,015 (rent, hydro, gas, & tenant insurance)	\$238	\$237 (\$25 gas/month, only oil changes every 3 months)	\$317 (health & life insurance)	\$20 (home phone)	\$0	\$85	\$67 (for accessibility equipment)	\$0	\$1,979
Household Stability Budget - Couple	\$1,091	\$428	\$1,156	\$238	\$169	\$196	\$470	\$375	\$375	\$4,498

THE GAPS

For each of the 9 scenarios, we created 9 Scenario Budgets to show how people might spend their money. We compared the Scenario Budgets to the Household Stability Budgets as well as to the Median After-Tax income for Chatham-Kent and the Poverty Line, represented by the Low-Income Measure After-Tax.

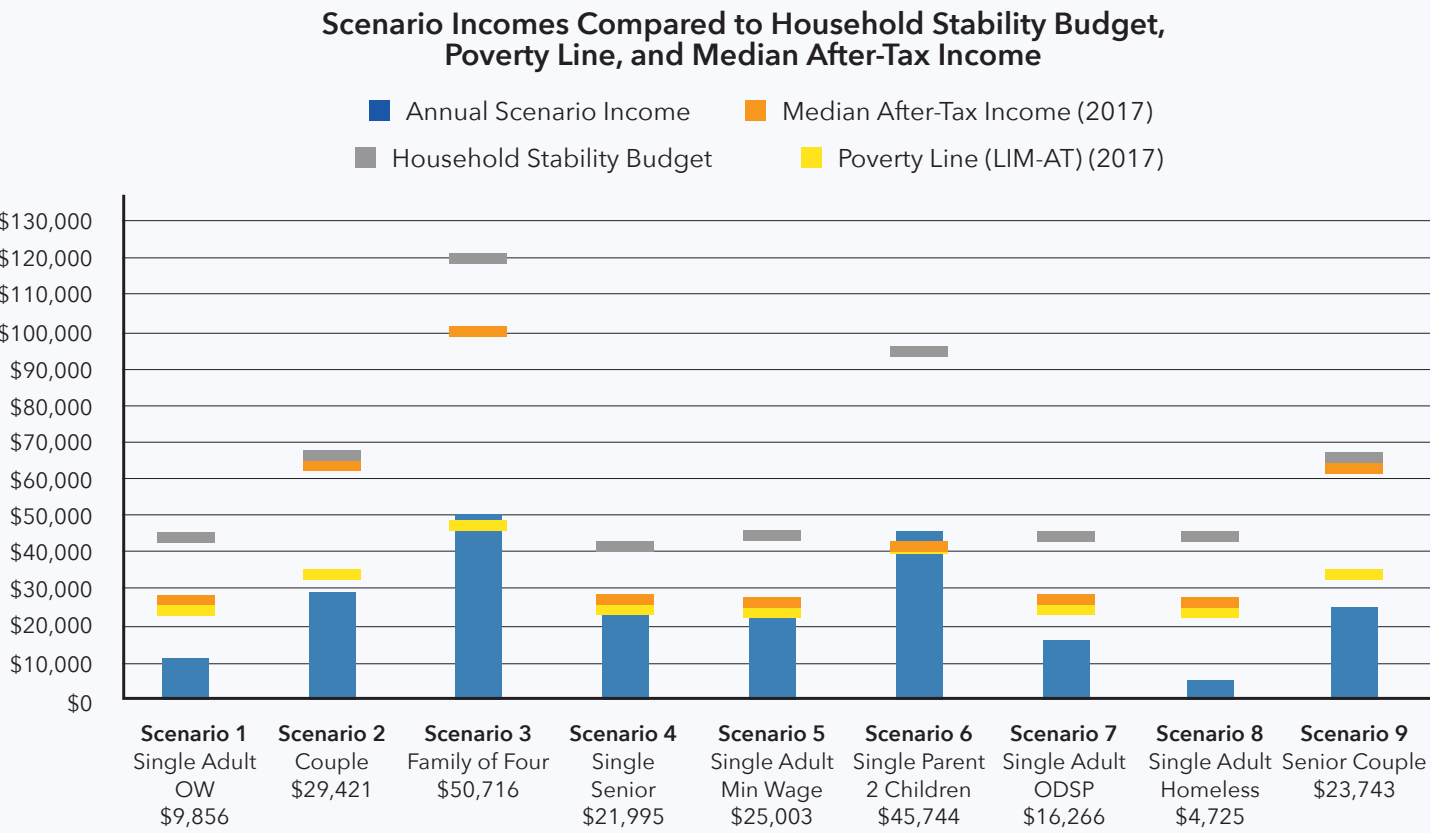
The graph below showcases how in each scenario, they did not meet the stability budget, and therefore are struggling in some way, and in some case just surviving, each month.



BIGGEST TAKE-AWAYS:

- The biggest gap is seen in the single adult homeless
- The smallest gap is seen in the single adult working at minimum wage, indicating raising the minimum wage can help individuals especially achieve financial stability
- For scenarios 1, 7, and 8, the Household Stability Budgets are nearly four times the Scenario Budgets, showcasing how individuals on social assistance and people living homeless are in the depths of poverty
- Single parents are at a disadvantage of not having a second wage earner in the household to help cover the costs

The graph below compares the Scenario Budgets to the Household Stability Budgets, the Poverty Line, and the Median After-Tax Income of Chatham-Kent, based on family type.



BIGGEST TAKE-AWAYS:

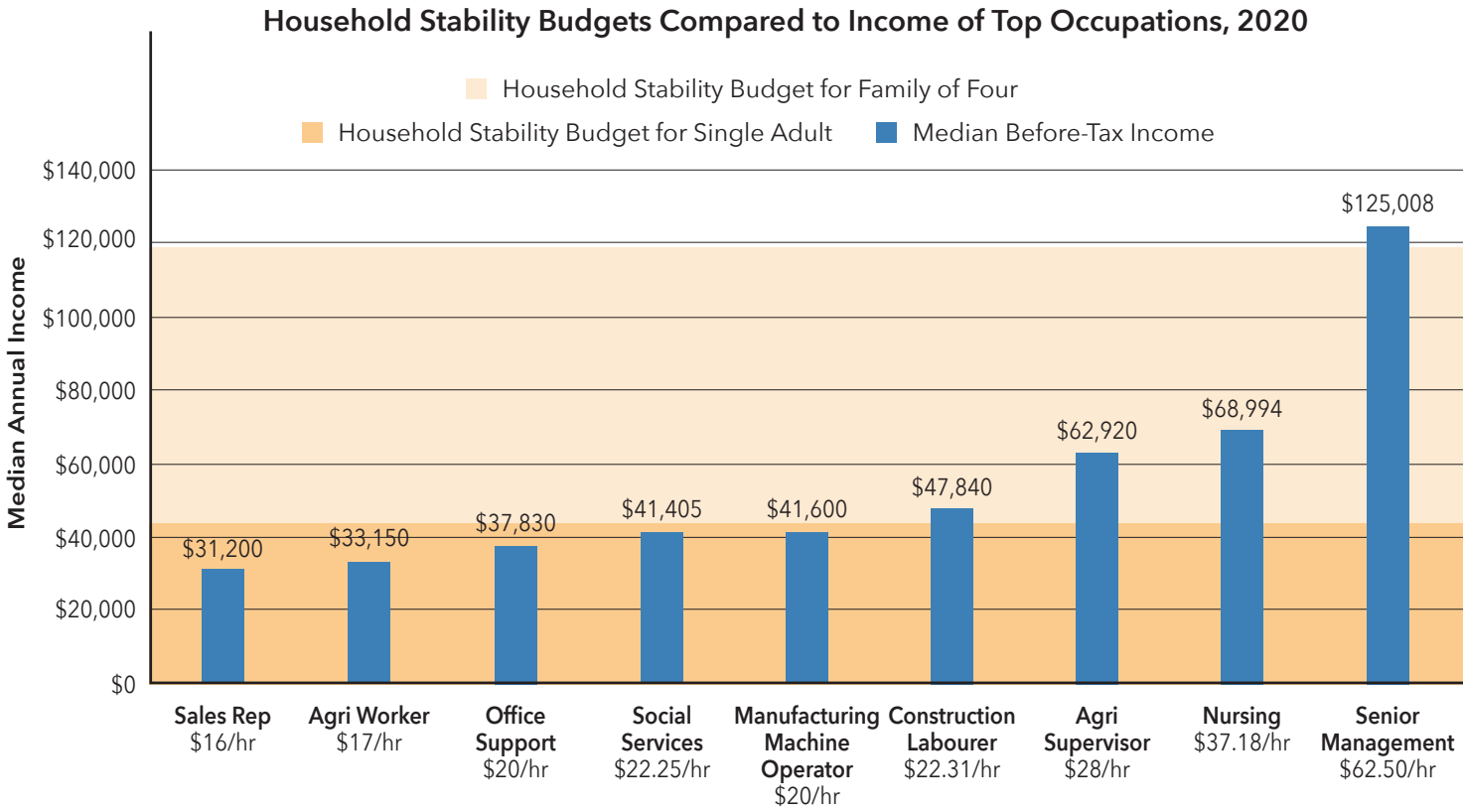
- Most scenario budgets are below the poverty line, median after-tax income, and household stability budget
- Just because a household is above the poverty line does not mean they are financially stable
- Single parents and individuals have a median after-tax income that is low and close to the poverty line, indicating more single parents and individuals live below the poverty line and are surviving each month, unable to cover most of their needs
- With median after-tax income levels above the poverty line but below the Household Stability Budgets, most of the people in Chatham-Kent are living in households that can cover some of the basic needs but not meet them fully

THE POSSIBILITIES

Education and employment can create opportunities to get out of poverty. However, wages need to help people meet their needs and education needs to help people advance in the workplace to become more financially stable. With an education that leads to advancement and an income that allows you to meet your needs, it is possible to not only be out of poverty but also thrive.

We put together three comparisons that provide some insight into how education and employment are useful for getting out of poverty.

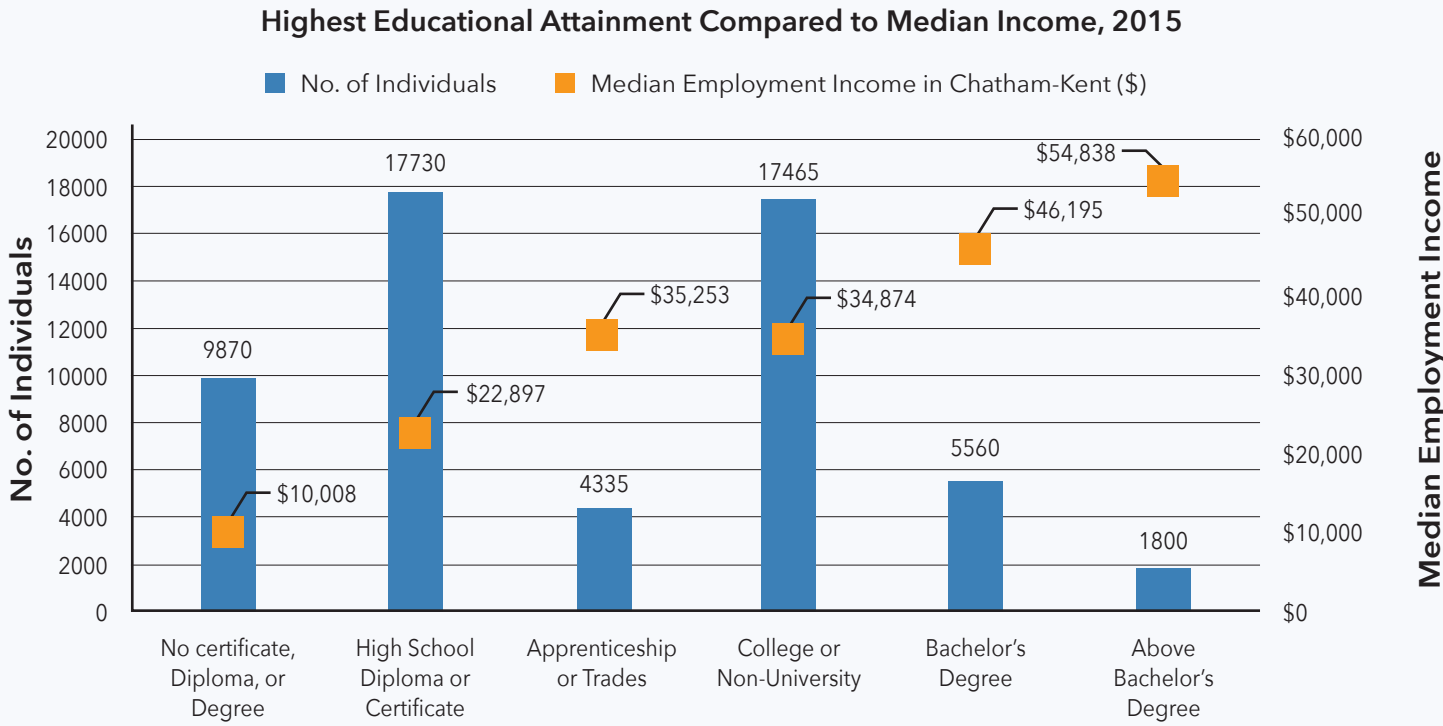
The graph below showcases how different occupations rank in providing the necessary income for a stable household budget.



BIGGEST TAKE-AWAYS:

- For single adults, 44% of the occupations above would provide enough income to cover the needs for a financially stable household
- By adding 1 non-wage earner (i.e. child, senior), 88% of the occupations do not fully cover the needs of the household without the supports of subsidies for housing or childcare
- The wage gap between lowest wage earner (sales rep) and senior management is \$93,808

The graph below highlights how higher levels of income are still tied to education levels. The higher the education, the more likely you are to have a higher paying job. However, it is important to note that this is slowly changing with the growing needs for skilled tradespersons, the high costs of university studies, and a growing interest in entrepreneurship.



BIGGEST TAKE-AWAYS:

- The majority (87%) of the workforce has either no certificate or diploma, a high school diploma, trade training, or a college diploma
- Just over half (56%) of our community is in the labour force, meaning they are actively employed or seeking employment, and has a median employment income of \$27,252
- The difference between the median employment income of persons with above a bachelor's degree and persons without any diploma, certificate, or degree is \$44,830
- At least 27,600 employed persons have an employment income below the Household Stability Budget for a Single Adult – all these individuals have either a high school diploma or no diploma, certificate, or degree

THE LIVING WAGE VS. HOUSEHOLD STABILITY BUDGET

The Living Wage reflects the needed income to meet the basic needs of family of four in each community. It is not the same as a minimum wage, as it sets a higher standard of what basic needs are. The Living Wage does not include necessities that support stability, and the calculations use the lowest costs. In Chatham-Kent, the Living Wage is \$16.33.

The Household Stability Budget, on the other hand, reflects what income is needed to cover the costs of maintaining a financially stable household. It is a “getting ahead” budget, meant to show what is needed to thrive. This budget includes savings and cost overruns, and the calculations use average costs.

While many of the same categories are used to calculate the Living Wage and the Household Stability Budget, there are some differences. The Household Stability Budget has been upgraded from the Living Wage in the following ways:

- Housing: covers the median cost of rentals based on family size, increased to meet the realities of Chatham-Kent’s rental market.
- Transportation: covers a leased car to provide reliability and lower maintenance costs. 2 cars are used for couples and a Family of Four.
- Technology: includes the cost of the best internet access at home, a smartphone plan for each adult in the household that includes unlimited talk and text, and 2 GB of data, and 1 subscription to a web-based streaming service (i.e. Netflix).
- Savings: savings are a crucial component of self-sufficiency. The Household Stability Budget includes a 10 percent savings category to cover saved income.
- Cost Overruns: represents 4 percent of the monthly budget, a small reserve for cost overruns in other categories.



APPENDIX

METHODOLOGY

The Scenario Budgets were created by focusing on how real people would spend their money. Housing, transportation, food, technology, insurance, and childcare were the categories focused on the most for realistic costs. If there were any remaining funds, they would first be put into the cost overrun category. The Savings category was only used if every other category met Household Stability Budget limits.

The Household Stability budget was created by using the categories in the Living Wage calculations, the wage needed to meet the bare-minimum needs for a family of four. We also included categories recommended by the ALICE program in the United States, including the categories savings and cost overrun. The Household Stability Budget does not include debt.

Where possible, we used data from 2019 or 2020. However, some data is from 2015 and 2017. Data is labelled with the corresponding date.

CALCULATING THE SCANARIO BUDGETS

SCENARIO INCOME ANALYSIS									
	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6	Scenario 7	Scenario 8	Scenario 9
	Single OW	Couple, 1 ODSP & 1 Working	Family of 4, FTE Adult, Min Wage Adult, 2 Children	Single Senior, CPP, OAS, GIS	Single Adult, Working Min Wage	Single Parent, 1 FTE Adult, 1 Child (7)	Single ODSP	Homeless	Senior Couple
Employment Income			\$3,467		\$2,427	\$2,773			
Spousal Income		\$728	\$728						
Basic Needs Allowance	\$343	\$705					\$672	\$343	
Maximum Shelter Allowance	\$390	\$781					\$497		
Discretionary Benefits							\$88		
Canada Pension Plan				\$600					

	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6	Scenario 7	Scenario 8	Scenario 9
Old Age Security				\$614					\$614
Guaranteed Income Supplement				\$508					\$324
Monthly Before-Tax Income	\$733	\$2,214	\$4,195	\$1,722	\$2,427	\$2,773	\$1,257	\$343	\$1,838
Annual Before-Tax Income	\$8,796	\$26,568	\$50,336	\$20,663	\$29,120	\$33,280	\$15,084	\$4,116	\$22,056
INCOME TAX									
Fed/Prov Taxes			\$7,934		\$3,254	\$4,032			
EI/CPP Contributions		\$409	\$3,204		\$1,778	\$2,058			
Annual After-Tax Income	\$8,796	\$26,159	\$39,198	\$20,663	\$24,088	\$27,190	\$15,084	\$4,116	\$22,056
TAX CREDITS									
Canada Child Benefit			\$9,958			\$12,473			
Ontario Child Benefit			\$592			\$2,444			
Ontario Trillium Benefit	\$764	\$1,179	\$658	\$881	\$464	\$1,620	\$776	\$313	\$1,095
GST Credit	\$296	\$592	\$310	\$451	\$451	\$902	\$406	\$296	\$592
Canada Worker Benefit		\$1,491				\$1,115			
Annual Total Income	\$9,856	\$29,421	\$50,716	\$21,995	\$25,003	\$45,744	\$16,266	\$4,725	\$23,743
Monthly Total Income	\$821	\$2,452	\$4,226	\$1,833	\$2,084	\$3,812	\$1,355	\$394	\$1,979

JOIN THE MOVEMENT

WHO ARE WE?

The CK Prosperity Roundtable works with people living with low income, communities, and leaders from different sectors to find local, win-win, quick fix solutions for long-term community change. Our goal is to ensure no one struggles to make ends meet in our community ever again. We do not provide direct services, but we do provide hope and opportunities to help people navigate out of poverty.

WHAT IS THIS REPORT?

This report was created for you and our community to learn about the struggles faced each month by people with low incomes in Chatham-Kent. Based on this report, and the Learning From Communities Across Chatham-Kent report, we are building a 5-year strategy for change. The information in this report will define the **targets** we will aim to change over the next 5 years.

Please see the Learning From Communities Across Chatham-Kent report to read about what we learned from you and our community, and see how the information in this report will define the **actions** over the next 5 years.

WHY SHOULD I GET INVOLVED?

A movement is needed to sustainably reduce poverty in Chatham-Kent. A 5-year strategy will only be successful if we all rally together, work collectively, and believe change is possible in our community. Let's work together to bring change and reduce poverty in Chatham-Kent.

Join Now and Learn More at:

www.prosperityroundtable.com

CONTACT US

*Share your thoughts (all views wanted)
and let's have a conversation!*

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CHATHAM-KENT
PROSPERITY
ROUNDTABLE
ENDING POVERTY
ACHIEVING PROSPERITY