The Impact of COVID-19 on Lower-Income Populations

- lost income
- food insecurity
- housing crisis
- social distancing
- isolation
The World Will Never Be the Same Again

In March 2020, the World Health Organization declared a pandemic as COVID-19 circled the globe, wrapping it in a blanket of insecurity. People everywhere are feeling scared, vulnerable and powerless. At the same time, the contagious spread of misinformation around the virus adds fuel to the panic — with the emergence of coronavirus deniers that claim the pandemic is a hoax, in addition to COVID-19 conspiracy theories — that crowds out public health information.

More than 820 million people around the world go to bed hungry, but the pandemic has added a further 135 million who are facing a hunger crisis, plus an additional 130 million who could be pushed to the brink of starvation by the end of 2020, according to the World Food Program Executive Director, David Beasley.

In the meantime, people are panic shopping, hoarding and stockpiling supplies leaving supermarket shelves bare, depriving the most vulnerable among us — low-income earners who cannot afford to stockpile, people with disabilities, and seniors who need their supplies.

Panic shopping puts a strain on an already strained food bank system, as the nonperishables being hoarded are what food banks rely on, hence those who rely on food banks are at risk of starvation.

More than 3 million people have lost their jobs since the crisis began and many are turning to food banks, which, again, puts a burden on an already fragile system. Food bank use rates have tripled and soared since April, sometimes six times higher than in the same period last year.

But people are not just hungry for food, they are hungry for human and emotional connection as they isolate themselves in lockdown. Some food banks in Toronto have added the service of reaching out to seniors and others in isolation to ensure they are holding up.
The people hardest hit by COVID-19 have been those who are economically insecure — refugees, newcomers, ethnic minorities, and low-income people of colour who work in service industries that put them at risk of being exposed to the virus. Critical information around COVID-19 is posted online, but that does not reach those who are without internet access and who are less likely to access information digitally, such as those seniors who are not digitally savvy.

The pandemic is the great revealer, unmasking problems that have always existed: precarity in food, income, and housing. COVID-19 preys on poverty, starves people, deepens income inequality, and forms a dangerous liaison with domestic- and gender-based violence that has tripled worldwide due to self-isolation; women in these situations may be under surveillance and not allowed to call for help or don’t know how. Government agencies are closed, shelters are closed or operating at a reduced capacity, which exacerbates the problem.

Now, after two months of lockdown, people are growing impatient and demanding the re-opening of the economy. As the economy slowly re-opens for business, people living with food and income insecurity continue “business as usual”— visiting food banks, living on very little, and being socially isolated. As low-income people of colour working in service industries prepare to go back to work, they ponder whether to put food on the table or risk getting infected.

Instead of hearing that the government is feeding more and more money into food banks ($100M), Canadians want to hear that a more solid solution will be put in place that includes a basic guaranteed income for people to meet their basic needs.

Statistics show that most Canadians are holding up during this crisis, but in the world of the low-income person it is a different story. This report highlights how the pandemic is impacting low-income people in four distinct areas: **food, housing, income, and race**.
Between February and April 2020, Toronto lost more than half a million jobs, and Ontario lost more than a million. The Feds rolled out programs, such as CERB, to support individuals who are staying home. But millions of low-income essential workers cannot afford to stay home. Their jobs cannot be done remotely and offer no paid sick days. The highest percentage of people living in poverty has the highest rate of COVID-19 cases. CERB is not enough.

Food bank use has skyrocketed since April 2020 at 3–6 times what it was during the same period in 2019. As millions of people stock up on nonperishable food items and supplies, this stockpiling puts a burden on the already fragile food bank system that needs these nonperishables to feed those who rely on food banks the most.

The government won’t be able to build its way out of this housing crisis any time soon. The homeless are in the worst shape to deal with a viral outbreak, being unsheltered or living in close quarters with little access to personal hygiene facilities. Since the outbreak, people who were living in tents and who were homeless for at least 4 months were engaged to take shelter in hotels.

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As low-income workers prepare to return to work, many have to choose between putting food on the table or setting themselves up to getting infected. Though Canada has not collected any race-based data relating to COVID-19 and is just now planning to do so, it is fair to say that the plight of people in the US accurately reflects what is happening in Canada: COVID-19 impacts the black community the most.
This is completely unheard of ...

(says Neil Hetherington, Chief Executive of Daily Bread Food Bank, about the rate at which food bank use has skyrocketed from 120 visits a day to 300+ a day)
Food and hunger

More than 4 million Canadians are food insecure. The impact of COVID-19 has increased this number to 4.5 million.

Number of individuals who accessed food banks in Ontario in 2019, at an average of 120 visits per day.

Daily average visits between April and May 2020.

Number of food bank programs closed as at April 2020.

The Stop Community Food Centre pre-COVID meals per day.

Number of households facing food insecurity.

Food bank use has increased over a 3-year period due to:
- rise in precarious employment
- poor job market
- changes to Ontario labour laws
- social assistance rates not maintained alongside inflation.

Number of Canadians who worry about affording quality groceries.

Number of Canadians who worry about having to use a food bank.

The Stop Community Food Centre current takeout meals per day.
Housing

It wouldn’t happen without the virus, but at least the City is taking action*

(says homeless man moving into a hotel)
Housing and homelessness

**Homeless in Toronto**

- **9,200** in 2019

**Individuals in Shelters**

- **2,338** as at May 24, 2020

**Individuals in Hotels**

- **1,370** those rounded up must have been homeless for at least 4 months

**Number of People in Shelters Pre-COVID**

- **259** Families
- **1047** Women
- **1945** Men

An additional 507 families lived in motels in 2019.

**Number of People Currently in Shelters**

- **631** Families
- **516** Women
- **1064** Men

Currently, an additional 1,198 families live in motels.

**Paying the Rent Now**

- **35%** Don’t have enough for May’s rent
- **42%** Renters who don’t qualify for CERB and not receiving it
- **70%** Number of renters impacted financially
The highest rates of COVID-19 cases are found in lower income earners and newcomers (says Toronto Public Health)
Income and precariousness

PERCENTILE OF COVID CASES CONTRACTED PER 100,000

113 cases lower-income earners vs. 73 cases higher-income earners

INDUSTRIES HIT HARDEST

Airlines: 46,000
Culture/Recreation/Sports: 296,000
Sales and Retail: 708,000
Food and Hospitality: 987,000

WITHIN THESE SECTORS, THOSE AT MOST RISK OF IMMEDIATE LAYOFFS BASED ON EARNINGS

42% Earning $14/hour
32% Earning $14-16/hour
1% Earning $40+/hour

CERB VS. EI VS. OWEB

CERB pays 75% of wages
For those who stopped working because of COVID

EI replaces 55% of wages
Those who applied for EI are redirected to CERB automatically

OWEB pays $100-200 per month
To those already on social assistance who don’t qualify for CERB

NUMBER OF CERB APPLICATIONS

14.35 million
Number of Canadians who applied in May

NUMBER OF WORKERS IMPACTED

Airlines: 46,000
Culture/Recreation/Sports: 296,000
Sales and Retail: 708,000
Food and Hospitality: 987,000

WHAT CANADIANS WORRY ABOUT

37% Not being equipped to handle extra expenses in the next 30 days
34% Missing a rent payment
23% Having to borrow money for essentials
9% Having to use a Payday loan

HOURS COVERED BY EMPLOYER

66% Hours not paid for by employer
20% All hours covered
8% More than half of hours covered
6% Less than half of hours covered
If the general population catches a cold, the community of colour catches pneumonia²³

(says Helene Gayle, CEO, Chicago Community Trust)
Of COVID-19-related deaths, the percentage who are Black (based on US data from Chicago) ......................... 72% (6 times the rate of Caucasians)24

The group most stigmatized due to COVID-19 .......... Asians25

The number of low-income women in Canada .... 1.9M26

Rise in domestic abuse during the pandemic ..... 3x the normal17

Groups impacted the hardest by COVID-19

- **Blacks and ethnic minorities**
  - Poor access to quality healthcare, low income, may have no internet access, no childcare access, children have no access to distance learning material

- **Migrant workers**
  - Low income, profiled in stores, risk being abused by employer, compromised health

- **Low-income people of colour**
  - Increased exposure to virus due to nature of work, low income, no paid sick days, low quality of life

- **Seniors**
  - Low income, isolated, may have little access to government information about the pandemic as everything is posted online, may not be digitally savvy, may depend on care from low-income personal service workers who are exposed to the virus

- **Refugees**
  - Compromised health, language barriers, economically unstable, live with multiple families in close quarters, no immigration status, some fear leaving home as they don’t want to be carded by the police or detained and reported to Immigration

- **Newcomers**
  - Low income, language barrier, domestic abuse increase due to isolation, working in service jobs that increase exposure to the virus
The world will never be the same again.

COVID-19 will have a long-lasting impact on the world, and everyone, regardless of race or income bracket, will be feeling the economic effects for a very long time.

COVID-19 has highlighted the plight of our critical workers and our low-income earners. It has unmasked the underlying problems in our food supply, public health infrastructures, social safety net, and the general welfare of our citizens, among other issues.

The pandemic impacts low-income people of colour, refugees, newcomers, and seniors the most. Race-based data needs to be collected so that prevention strategies can be implemented, and the community must be engaged in how the data is used and interpreted.

Around the world, life will become harder for some nations and disastrous for others. There will be a surge in demand for many services. If left unchecked, the crises will worsen.

Here is hoping for an equitable recovery.
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