

Task Force On Modernizing Income Security For Working Age Adults

Draft Profiles

This document contains drafts profiles of five low income working age adults. They are based on real people, several of whom participated in St Christopher House's recent work on 'modern' strategies for income security for working age adults. The profiles demonstrate how the complexities of our income security system and programs create significant issues for the people the system is intended to serve.

The profiles are as follows:

Profile # 1: Single person living in Toronto – 'Darryl' Jiminez

Profile # 2: Single person living in the Greater Toronto Area – Diana Bates

Profile # 3: Married Couple with two children living in Toronto – Joe and Marianne Raynham

Profile #4: Single Parent with two children living in Toronto – Alana Raymond and two children Amber age 13 and Mike age 6

Profile #5: Couple with two children living in Toronto – Norman and Melinda Colville and two children Patrick age 9 and Renee age 5. Renee has a very severe disability

Profile # 1: Single person living in Toronto – ‘Darryl’ Jiminez

Darryl Jiminez is a forty four year old man living and working in Toronto. He does not have a grade 12 education and does not speak English too well but takes pride in the fact that he has found steady work in the city.

He immigrated to Canada in 1989 when his aged mother (who died in 2000) sponsored him into Canada under the Family Plan sponsorship program. He came from South America where he went by his real name of Domingo. He has two children by a previous marriage in Columbia but his dreams to bring them here did not work out. He has visited his two daughters just once and tries to send back some money through his sister when he can.

Darryl, who got his new name from a friend at the restaurant that he works at (he thought he looked like a ‘Darryl’) has been working as a busboy at the Breadalbane Bar and Grill since 1995. It is steady work – they like the job he does and he doesn’t mind the odd hours he has to work because it gives him time to help with his sister and her three children. His sister’s husband died in 1991 on a visit back to Columbia when an attempted robbery went wrong.

The Breadalbane Bar and Grill opens for lunch and dinner from Monday to Saturday and is open for lunch on Sunday. Darryl goes to the restaurant from 11:00 a.m. to 2:00 p.m. from Monday to Saturday and works from Wednesday to Saturday. He works from 8:00 p.m. to 11:00 p.m. Wednesday and Thursday and from 8:30 p.m. to Midnight on Friday and Saturday. Basically he is there when the dishes need cleaning and to do set up and cleanup for lunches. He does not share in the gratuities received by the waiters and waitresses who receive a lower minimum wage.

Darryl gets \$7.15 an hour for his 31 hours each week and therefore grosses \$221.65 a week and this averages out to \$965.64 a month or a yearly total of \$11,479.70. The 7.15 an hour is minimum wage in Ontario and the 31 hours represents the average number of hours that most minimum wage employees can obtain.

Darryl sometimes stays downtown between his shifts but more often than not, he goes home or to his sister’s place to be there when the kids get out from school. This is convenient for both he and Maria and they make the most of it. But traveling from southeast Scarborough twice per day six days a week not only makes a TTC pass a bargain, it’s also a necessity. Darryl buys one once per month at a cost of \$98.75 per month. When you put this with the \$500 a month cost of rent, his costs before other necessities are \$598.75 a month.

Working at a restaurant has its perks. Darryl is able to take leftovers of various sorts from most of his shifts but still finds himself spending about another \$70 a week on food resulting in an expenditure of just over \$300 a month. This includes taking the odd bag of groceries to his sister. This brings his total costs for necessities other than clothing to \$900 a month.

Darryl buys his clothes at Goodwill and goes to the food bank. He spends about \$15 a month for clothing. This helps out but he pays an average of \$12 a month at the drug store for shaving cream, razors, and the bay rum which he uses for after shave.

For recreation, Darryl spends long hours at his local library as well as the library downtown on Yonge street just above Bloor. His furniture was donated to him and he has an odd assortment now in his bachelor apartment.

He watches his money closely. In some months, he manages to save as much as \$20. He watches television at his sister's place and has a friend he can buy homemade wine from at a cost of \$3.00 a bottle. There is always nothing left at the end of the month.

Darryl is healthy. He is lucky because he has no health or drug plan of any sort. He has no insurance, no car and has no entertainment budget. He bought a pair of glasses at Shopper's Drug Mart and he finds he can read better than he could before. He keeps a bottle of generic aspirin and buys vitamins in bulk.

Some Annual Bottom Lines for Darryl: Income	The Income Security Story for 2003
Gross Income	\$11,479.70
CPP paid	\$395.00
EI Paid	\$228.00
Income Tax Owed (net of property tax credits and other provincial credits)	\$181.55
GST Credit (paid quarterly) full year	-\$305.12
Real Net Income	\$10,980.27
Monthly	\$915.02
Weekly	\$211.15

Some Bottom Lines for Darryl: Expenses	Monthly Income of \$915.02
Rent	\$500.
TTC pass	\$98.75
Food	\$302. @\$70 per week or \$3.33 per meal on average
Drug store – personal	\$12 a month
Clothing	\$15 a month
Total	\$927 a month
Nominal Deficit	\$12 a month

Conclusion

Darryl cannot make ends meet on the job that he has. He cannot get sick. He cannot use prescription drugs for which he cannot pay. He cannot save.

Darryl is able to work extra hours from time to time and he has started to work under the table between the restaurant shifts for another restaurant downtown that pays cash.

This provides an extra \$50 a week and it means money to send home and money to keep from falling behind. It is \$5.00 an hour but it's cash and no questions are asked.

Profile # 2: Single person living in the Greater Toronto Area – Diana Bates

Diana Bates is a sixty one year old widow living and looking for work in Toronto. She does have her grade 12 (she got it in 1961) and grew up in the west end. She takes pride in the fact that she gets around on her own.

Her husband died in 1997 and basically left her nothing. Her RRSP's are her own. She has been volunteering for six years now and has found it difficult to get work as the old style secretary she thinks that "someone out there must want".

Diana worked as a private secretary and receptionist on Mutual Street from 1961 to 1994 when she had to quit to take care of her husband. She always put money into her RRSP and she resolved that this was money that she would use once she turned 65. She did not know she would need it now. She deferred on the early retirement option from CPP at 60 because it did not seem the right thing to do at the time.

Thank God for the Old Age Security system and the fact that they do something for widows. Diana said that when she was 59 "All I did was dream about turning 60 because I knew I would get some extra from Ottawa".

Diana gets \$539 a month from the federal Allowance program. She cashed out \$6,000 this year from her \$38,000 RRSP to pay the \$500 a month in rent but they withheld \$600. in tax. She gets the TTC bus pass but pays it yearly so she only pays \$90.50 a month. "They tell me I would get \$914 a month instead of \$539 if I didn't take out the RRSP but it makes no sense because I would get evicted so what's the sense?"

Diana sometimes stays in the city instead of her Markham apartment in order to look for work. She goes to the EI centre at Scarborough Town Centre on the Bus. This is convenient for Diana. She walks to Steeles avenue on nice days so she won't have to pay any more than the TTC pass.

Her counselor has sent her to numerous upgrading courses and she now feels she has a good working understanding of the Microsoft suite. "The important point is to use it though and I just don't get a chance to use it." Volunteering at the hospital "keeps me out of mischief" as she puts it and her long list of friends both there and in Markham help the days go by. She has talked to a financial planner who has told her that the RRSP should not be touched. She asked him whether she should eat or have a roof over her head. His point is that the RRSP would run out in five to six years. As Diana puts it, "I may be dead by then." Diana spends about \$50 a week on food resulting in an expenditure of just over \$216 a month. This brings her total costs for necessities other than clothing to \$806 a month.

Diana sews her own clothes. She spends about \$10 a month for material and that's always on sale. She spends about \$20 a month at the drug store for necessities.

Diana always lingers at the hospital. There is always someone who needs extra help. Her apartment is actually nicely furnished, a reminder of a time gone by when there was a bit more money coming in.

Diana watches her money carefully. In some months, she manages to save \$100. She watches too much television and she knows it. I need to get out more and I need to work.

Diana's health is not as good as it was years ago. She has to buy these dam pills that cost \$120 a month but gets some money back from the Trillium program. "I didn't before but they seem to pay now." She has a bit of insurance but it does not seem to cover anything she needs. Diana owns a car but she cannot afford to insure it so there it sits at her friend Carol's.

Some Annual Bottom Lines for Diana: Income	The Income Security Story for 2003
Gross Income	\$12,467.88
CPP paid	\$0.00
EI Paid	\$0.00
Income Tax Owed (net of property tax credits and other provincial credits)	\$654.02
GST Credit (paid quarterly) full year	-\$324.88
Real Net Income	\$11,488.98
Monthly	\$957.42
Weekly	\$221.83

Some Bottom Lines for Darryl: Expenses	Monthly Income of \$957.42
Rent	\$500.
TTC pass	\$90.50
Food	\$216. @\$50 per week or \$2.38 per meal on average
Drug store – personal	\$20 a month
Prescription	\$30 a month (net of Trillium)
Clothing	\$10 a month
Total	\$866.50 a month
Nominal Surplus	\$90.92 a month

Conclusion

Diana can make ends meet for now but is sitting on an economic time bomb based on a very low RRSP balance. She loses over \$350 a month because she cannot afford to refrain from dipping into her RRSP. She is able to save very little but she cannot shelter it again for tax purposes as she is not able to work to generate a positive pension adjustment. She opted to stay out of CPP early retirement at 60 and must live with that decision.

Diana is able to work extra hours from time to time teaching music lessons to some neighbourhood children as well as doing a bit of tutoring and child care for a couple of grade 3 children living in the building. She still remembers the first lady who asked her about it. "I hope you take cash". This provides an extra \$20 a week and it means money to save towards a bus ticket to Winnipeg to go to next years' family reunion. "I haven't been for years".

Profile # 3: Married Couple with two children living in Toronto – Joe and Marianne Raynham

Joe and Marianne are a forty three and forty one year old couple living and working in Toronto. Neither has a grade 12 education but they both have lots of job experiences. Both have found steady long term work in the city.

They both came to Toronto in 1987 (before the kids were born) from Northern Ontario and moved close to Marianne's mother who has a good friend that provides reliable child care to their son John who is nine and Susan who is four.

Joe has been working stocking shelves at a small no-name supermarket since 1993. It is steady work – he is friendly with the owners and he doesn't mind the odd hours he has to work because he knows a lot of people who cannot get the steady work that he always seems to have.

The Grail restaurant opens for lunch and dinner from Monday to Saturday and is open for lunch on Sunday. Marianne works showing people to their tables at the restaurant from 11:45 a.m. to 2:00 p.m. from Monday to Saturday and works from Wednesday to Saturday. She works from 6:00 p.m. to 9:00 p.m. Wednesday and Thursday and from 6:30 p.m. to 10:00 on Friday and Saturday. Basically she is there when people need to be directed to their tables. She does not share in the gratuities received by the waiters and waitresses who receive a lower minimum wage.

Joe and Marianne both get \$7.15 an hour for their 31 hours each week and therefore each grosses \$221.65 a week and this averages out to \$965.64 a month or a yearly total of \$11,479.70. The 7.15 an hour is minimum wage in Ontario and the 31 hours represents the average number of hours that most minimum wage employees can obtain. Together, they gross \$22,955.40

Marianne goes home between her shifts but Joe stays downtown if the work comes at odd hours which it often does. He goes home or to his mother-in-law's place to be there when the kids get out from school. This is convenient for both he and Marianne. But traveling from northern Etobicoke twice per day six days a week for Marianne makes a TTC pass a necessity. Joe and Marianne each buys one once per month (each) at a cost of \$197.50 per month. When you put this with the \$1,100 a month cost of rent, their costs before other necessities are \$1,297.50 a month.

Joe and Marianne spend \$180 a week on groceries from the store he works at – he gets a 10 per cent discount and often can get a lift from a friend who also lives in North Rexdale. Working at a food store has its advantages. Joe is able to take advantage of food bargains of various sorts from most of his shifts but still finds himself spending about another \$20 a week on incidentals like coffee and the odd soft drink resulting in an expenditure of just over \$863 a month. This includes taking the odd bag of groceries to his mother-in-law's. This brings his total costs for necessities other than clothing to \$2,160 a month.

The family buys almost all their clothes at Goodwill and they go regularly to the food bank. They spend about \$100 a month for clothing. They also pay an average of \$20 a month at the drug store for shaving cream, razors, and personal items for Marianne and the kids.

For recreation, Joe and Marianne spend long hours at the park and the local library. Their furniture was largely provided by Marianne’s mother and Marianne always notes how her mother’s taste permeates their three bedroom apartment.

Both Joe and Marianne watch their money closely. In some months, they go into the hole and this terrifies both of them. Neither drink but they constantly fight about Marianne’s smoking. She has cut back and now at least uses one of those machines to roll her own. They agree that the whole family watches television too much. There is always nothing left at the end of the month and they often go into deficit.

Joe has some health problems with his heart and needs beta blockers. Susan seems to be developing asthma and the puffer the doctor prescribed seems to help when she get short of breath. They have no health or drug plan of any sort. They have no insurance, no car and have no entertainment budget. Marianne got a pair of glasses from her mother that help her see better than she could before. They pay about \$700 a year in drugs after help from the Trillium program. They buy some vitamins when they get the Child benefit check.

Programs for the children aren’t cheap. They seem to be paying almost \$20 a month for extras for the kids and another \$10 for their recreation. With the child care costs of \$3,800 a year, the total comes to (\$360 +\$3,800) \$4,160.

Joe and Marianne both work under the table – Joe does odd jobs with buddies at work and Marianne does some housework on the side. Together, they scrape together anywhere from \$400 to \$600 a month. In a good month, they get by – in the other months, they borrow from Marianne’s mother. She is sometimes stretched herself and they get the odd payday loan to get them over the hump. They just paid off the last one at the same time as they cut up the credit cards for the fourth time.

Some Annual Bottom Lines for Joe and Marianne: Income	The Income Security Story for 2003 and 2004
Gross Income	\$22,959.40
CPP paid	\$790.00
EI Paid	\$456.00
Income Tax Owed (net of property tax credits and other provincial credits)	-14.70
Net Income before Benefits	\$21,728.10
GST Credit (paid quarterly) full year	-684.00
Canada Child Tax Benefit	-5,221.92
Ontario Child Care Supplement	- \$1,100
Real Net Income	\$28,734.02
Monthly	\$2,394.50
Weekly	\$552.58

Some Bottom Lines for Joe and Marianne : Expenses	Monthly Income of \$2,394.50
Rent	\$1,100.
TTC passes	\$197.50
Food	\$863 @\$200 per week or \$9.52 per meal on average
Drug store – prescriptions	\$58 a month in deductibles
Drug store – personal	\$20 a month
Clothing	\$100 a month
Child care and other child costs	\$541 a month
Total	\$2,879 a month
Nominal Deficit	\$485 a month

Conclusion

Neither Joe nor Marianne can make ends meet on the jobs they have. They cannot get sick. They cannot save.

They continue to work extra hours from time to time when they can but the rest is under the table for cash.

They continue to argue over what they may do if there is any extra money. The current choice is between a dog for the kids or a vacation to visit the other grandparents in Kenora. It's a tough choice.

Profile #4: Single Parent with two children living in Toronto – Alana Raymond and two children Amber age 13 and Mike age 6

Alana is a 34 year old single parent living and working in Toronto. She does not have her grade 12 education but she has a lot of work experience in telemarketing, restaurant and maid service. Her work has been steady at times and at other times she has had to apply for social assistance in order to get by.

She has always lived in the Toronto area – she rents in southeast Scarborough in an apartment building that has a lot of single parents. She had Amber in 1991 in a relationship that did not work out. She was married to Mike's father in 1996 but that marriage was annulled in 2000 when he continued being abusive to her and especially towards her daughter. She has not seen nor heard from him in four years and is very happy about that.

Alana has been working in a small office and working as a telemarketer at the same time. It is not steady work and she is constantly being laid off but they keep calling her back and she is getting a reputation for reliability now that both the kids are in school and are both relatively healthy.

Alana also works in a bar from 6:30 p.m. to 10:00 on Friday and Saturday. She has an arrangement with a girlfriend in the apartment who watches out for the kids on

weekends. Amber knows that she has to be home before her mother on Fridays and Saturdays or else there will be trouble.

Alana gets \$7.15 an hour for the 40 hours each week she works and therefore grossed \$286.00 a week and this averages out to \$1,234.38 a month or a yearly total of \$14,812.51 or \$7,406.26 for half the year. The 7.15 an hour is minimum wage in Ontario and the 40 hours represents the cobbling together of three different jobs all at minimum wage.

Alana goes home between her shifts and can do some of the follow-up telemarketing from her own home. Her mother takes the kids after school on the days she cannot make it back in time from North York. But traveling from North York, downtown, and East York for Alana makes a TTC pass a necessity. She buys one each month at a cost of \$98.75 per month. When you put this with the \$900 a month cost of rent, their costs before other necessities are \$998.75 a month.

Alana spends \$140 a week on groceries from 'no frills' but she spends another \$50 a week on incidentals like coffee and the odd soft drink resulting in an expenditure of just over \$820 a month. This includes taking groceries to her mother's. This brings his total costs for necessities other than clothing to \$1,720 a month.

The family buys almost all their clothes at off brand stores and Goodwill and they go to the food bank every so often. They spend about \$60 a month for clothing (most of it for Amber). They also pay an average of \$20 a month at the drug store for personal items for Alana and Amber and another \$27.00 a month for a basic phone.

For recreation, Alana spends long hours with the kids and admits she watches too much television. She also likes to go on the computer and write emails and uses a hotmail account at her local community centre because it does not cost anything. She wants to be close to what the kids are up to and they like computers a lot. Their furniture is what she likes to call "early austerity".

Alana watches her money closely. She is 'in the hole' most of the time and she worries that this has become a way of life. She drinks very little and battles her craving for cigarettes but has it under control. She quit when she was pregnant with Mike.

Mike has some health problems with skin rashes and often needs prescription ointments of various sorts. She has no health or drug plan of any sort. She has no insurance, no car and has no entertainment budget. She is attractive and currently has two fellows who take her out and they always pay. She has no interest in making a long term commitment until both kids are in high school. That's just the way it is. She committed to relationships before and neither worked out. She gets no support from either of the fathers of her two children.

Alana needs glasses and dreams about getting contacts. She pays about \$400 a year in drugs after help from the Trillium program. She buys some extras when she gets the Child benefit check.

School programs for the children aren't cheap. Alana reckons that she spends at least \$20 a month per child for trips and events.

Alana teaches music for cash – and does some child care and housework on the side. She nets up to \$350 in a good month. She stays away from credit cards because she knows about the temptations of paying the monthly minimum.

Some Annual Bottom Lines for Alana: Income	The Income Security Story for 2003
Gross Income – six months	\$7,406.26
Social Assistance for six months	\$4,837.02 (6240-\$1,402.98 NCBS)
CPP paid	\$193.36
EI Paid	\$146.64
Income Tax Owed (net of property tax credits and other provincial credits)	- 453.13
Net Income before Benefits	\$ 12,356.41
GST Credit (paid quarterly) full year	-684.00
Canada Child Tax Benefit	-5,335.92
Ontario Child Care Supplement	- \$525.
Real Net Income	\$ 18,901.33
Monthly	\$1,575.11
Weekly	\$363.49

Some Bottom Lines for Alana: Expenses	Monthly Income of \$915.02
Rent	\$900.00
TTC pass	\$98.75
Food	\$604.24@\$140 per week or \$6.71 per meal on average
Drug store – prescriptions	\$16.50 a mo. in deductibles (6mo)
Incidentals including phone	\$77 a month
Drug store – personal	\$20 a month
Clothing	\$60 a month
Child care and other child costs	\$81.66 a month
Total	\$ 1,858.15 a month
Nominal Deficit	\$ 283.04 a month

Conclusion

Alana cannot make ends meet on the jobs she has. They cannot get sick. They cannot save.

She continues to work extra hours from time to time when she can but the rest is under the table for cash. That extra \$200 makes all the difference.

Alana is excited about RESP's and the learning bond but worries about loss of the Ontario supplement when Mike turns age 7. "I should have been born 20 years later and maybe my kids would have had a better future".

Profile #5: Couple with two children living in Toronto – Norman and Melinda Colville and two children Patrick age 9 and Renee age 5. Renee has a very severe disability

Norman and Melinda are a 33 and 31 year old couple living and working in Toronto. Norman went to community college and Melinda works part time. Norman works in an environmental assessment centre and makes \$14.30 an hour, twice the minimum wage. It is a steady job with security but he is still on contract and does not pay into the pension plan. Melinda works 15 hours a week at minimum wage. She works part time to have more time with her daughter who has cerebral palsy and a developmental handicap. Renee requires constant care.

The family lives and works in the Toronto area – they rent north of the city in Vaughan in a small townhouse that allows children. They had Patrick in 1995 and Renee in 1999.

Melinda has been working in a small office that allowed her to cut back her hours and work flexibly but they say they cannot afford to pay her more than minimum wage. It is also not possible for her to benefit from wage progression when she has to work sporadically as she does. She always thinks she is lucky because Patrick is healthy and such a normal kid. She is touched by the way Patrick tries to help with Renee.

Melinda gets \$7.15 an hour for the 15 hours each week she works and therefore grossed \$114.38 a week and this averages out to \$495.67 a month or a yearly total of \$5,948 for the year. Norman makes \$29,744 a year. Together they make \$35,692 a year or \$2,974 a month or \$686.38 a week. They receive \$375 a month from the social services for the Assistance for Children with severe disabilities.

Norman and Melinda get special services at home, attendant care and respite care so that Renee can live in her own home. They pay out \$6,000 in child care but only \$3,966 is deductible on their income tax return. Similarly, they pay \$2,400 in out of pocket medical expenses but only \$1,372 is claimable as a credit on their return. Although they have a car that they have paid off from the days before Renee was born, they both take the TTC to work. For Norman and Melinda makes a TTC pass a necessity. She buys one each month at a cost of \$197.50 per month. When you put this with the \$1000 a month cost of rent, their costs before other necessities are \$1097.50 a month.

Norman and Melinda spends \$200 a week on groceries from bulk barn and 'no frills' but they spend another \$50 a week on incidentals like coffee, pizzas, and magazines and gas resulting expenditure of just over \$1,079 a month. This brings their total costs for necessities other than clothing to \$2,176.50 a month.

The family buys almost all their clothes at off brand stores and they don't like to talk about it but have gone to a food bank here and there. They spend about \$100 a month for clothing. They also pay an average of \$30 a month at the drug store for personal items for Norman and Melinda and Patrick and another \$27.00 a month for a basic phone.

For recreation, Norman and Melinda spend time with Patrick and watching a bit of TV too. They have a computer and write emails and have dial-up internet at another \$15.00 a month.

Norman and Melinda plan their resources carefully. They are under the gun financially all the time. Neither drink nor smoke. There's not time for that, Melinda says.

Norman and Melinda have no health problems themselves although Patrick needs glasses. They have a prescription drug card from social services.

School programs for Patrick cost money. Norman and Melinda figure that they spend at least \$20 a month for trips and events.

Norman does some handyman work on the side. Sometimes he gets paid in cash but usually it is on the up and up. He hasn't reported any other work this year.

Some Annual Bottom Lines for Norman and Melinda: Income	The Income Security Story for 2003 and 2004
Gross Income	\$35,692
Social Assistance (ACSD)	\$4,500 (no NCBS claw back)
Subtotal	\$41,192.
CPP paid	\$1,420.30
EI Paid	\$ 706.71
Income Tax Owed (net of property tax credits and other provincial credits)	\$ 2,154.44
Net Income before Benefits	\$35,910.55
GST Credit (paid quarterly) full year	-\$130.52
Child Disability Benefit	-\$1,016.64
Canada Child Tax Benefit	-2,208.24
Ontario Child Care Supplement	- \$1,100
Real Net Income	\$40,365.95
Monthly	\$3,363.83
Weekly	\$776.27

Some Bottom Lines for Norman and Melinda: Expenses	Monthly Income of \$915.02
Rent	\$1,000
TTC pass	\$197.50
Food and take out	\$1,079.00
Drug store – prescriptions & medical	\$200 a month
Incidentals including phone	\$77 a month
Drug store – personal	\$30 a month
Clothing	\$100 a month
Internet	\$15.00 a month
Child care and other child costs	\$520 a month
Total	\$3,218.50 a month
Nominal Surplus	\$ 145.33 a month

Conclusion

Norman and Melinda can barely make ends meet on the jobs they have. They cannot get sick. They cannot save.

Although they are barely ahead each month, they will have to move next month because the landlord has a family member who is moving back in. The cheapest rent they can get is further away and the cost is \$1,500 a month. They are thinking of buying but Norman has still not caught on in regular employment and doesn't believe he can start contributing to a pension plan at this time.

Norman and Melinda are happy their daughter can remain with them and they appreciate all the help that they have received from the government. Norman says he has to look for a better job and Melinda is going to have to work more – but they don't know where these jobs and extra pay are going to come from.