

**THE SUBCOMMITTEE ON CITIES
OF THE STANDING SENATE COMMITTEE ON
SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY**

EVIDENCE

OTTAWA, Thursday, April 17, 2008

The Subcommittee on Cities of the Standing Senate Committee on Social Affairs, Science and Technology met this day at 10:45 a.m. to examine and report on the impact of the multiple factors and conditions that contribute to the health of Canada's population — known collectively as the social determinants of health, as well as to examine and report on current social issues pertaining to Canada's largest cities.

Senator Art Eggleton (*Chair*) presiding.

[*Translation*]

The Chair: Welcome to this meeting of the Subcommittee on Cities of the Standing Senate Committee on Social Affairs, Science and Technology. Today we will be examining the issue of disability and poverty.

[*English*]

We are building on previous work done in the Senate on the subject of poverty, such as the 1971 report headed by Senator Croll and Senator Cohen's 1997 report entitled *Sounding the Alarm: Poverty in Canada*.

At the same time, our study is complementary to the work that is being done by the Standing Senate Committee on Agriculture and Forestry chaired by Senator Fairbairn. That comes about as the result of a request from Senator Segal to deal with the issue of rural poverty. We hope to pull all of these pieces together in this important subject for Canadians.

Today we have four panellists, each of whom will speak for about five minutes. The first speaker will be Michael Prince, PhD, Professor of Social Policy, University of Victoria. He has been researching and writing extensively about policy-making in disability politics and policy issues for more than 10 years. He is a co-principle investigator for a \$1-million grant over the next four years

from the Social Sciences and Humanities Research Council of Canada for a project entitled "Disabling Poverty and Enabling Citizenship." In January 2008, the Caledon Institute of Social Policy published one of his reports entitled *Canadians Need a Medium-Term Sickness/Disability Income Benefit*.

Following Mr. Prince, we have Michael Mendelson, Senior Scholar, Caledon Institute of Social Policy. He held many senior public service positions prior to his appointment to the Caledon Institute. He was the Deputy Secretary of Cabinet Office in Ontario. He has been part of a team of scholars examining the possibilities of a basic income to be at a level equivalent to the Old Age Security, OAS, and the Guaranteed Income Supplement, GIS, and delivered through the tax system. It is proposed that this would replace disability-related social assistance. We will hear about that shortly.

Our third panellist is Marie White, National Chairperson, Council of Canadians with Disabilities. CCD is a national organization with representatives from provincial, consumer-led disability organizations and other national disability-specific organizations. She is the senior research and evaluation consultant in St. John's, Newfoundland and Labrador, and for the past several years has assisted in the successful completion of several projects at the local, provincial and national levels.

Finally, we have Walter Zélaya, Representative, Confédération des organismes de personnes handicapées du Québec.

The Confédération is a non-profit advocacy organization that defends the rights and promotes the interests of people of all ages who live with functional limitations.

Welcome to all four of you.

Michael Prince, PhD, Professor of Social Policy, University of Victoria: I will try to be brief to allow time for questions and discussions. Thank you for the invitation and the opportunity to appear here today. I have provided to the committee clerk a short briefing note or summary of the larger report you referred to, which was prepared in January for the Caledon Institute. In it, I make the case for a medium-term benefit for Canadians with moderate to severe disabilities or moderate sickness conditions.

I will take questions if need be, but I want to place it within a broader vision. You mentioned the Croll report. The Government of Canada put out a white paper in 1970 by then Minister of National Health and Welfare John Munro

and Deputy Minister Joe Willard, who was an instrumental federal public servant, from the Second World War through into the 1970s, in building the social foundations of what we now take for granted in so many of our benefits.

In 1970 they noted a gap in income protection between those who may have short-term protection under unemployment insurance, as it was then called, and the then emergent Canada Pension Plan, which had only been brought in a few years before with a disability benefit. Fast forward to the Macdonald royal commission of the mid-1980s. Similarly, commissioners then noted and remarked upon this missing piece in Canada's income security system. Even more recently, reports from House of Commons committees, think tanks and other groups, and independent researchers, including myself, continue to point out this missing piece of income protection for Canadians.

One might understand that in earlier reports we had brought in only sickness benefits in 1971 in Employment Insurance, and the Canada Pension Plan Disability Benefit only started in 1970-71 as well. However, almost 40 years later, the problems identified by Senator Croll and others at that time persist, if they have not worsened. There has been a continued need.

Why has this not been on the agenda? It is because it hits ordinary Canadians across a diverse sector of communities, family types, industries and occupations. There are no lobbies or special interest groups championing these people; they tend to lead lives of quiet desperation, struggling with episodic or chronic illnesses and diseases, struggling on modest incomes.

Also, many of them feel let down. They had assumed, perhaps incorrectly, that there would be some protections there for them, either through the social insurance premiums they have been paying into CPP and/or EI, or through long-term disability at their workplace. However, the way that most of those programs operate, either you must have a tremendously severe and prolonged disability, or there is the very short-term sickness benefit under EI.

There is a huge group of Canadians in between those two categories who have little income support or protection other than personal assets. Many of them end up on social assistance, on welfare in Canada. Typically, across most provinces now, 50 per cent to 70 per cent of the provincial caseloads are Canadians with disabilities.

We have moved off, with some success, young, able-bodied people. For others, perhaps we have sometimes pushed them off, but we have redirected them. We

now have provincial social assistance programs that have become a warehouse for many Canadians with severe and chronic illnesses.

That was not what we intended. That was not the vision. Therefore, I am delighted to be here today to try to share that with you and appeal to the committee to add voice to this pressing need for many Canadians.

The Chair: We will explore that with you further as we get into questions and dialogue.

Michael Mendelson, Senior Scholar, Caledon Institute of Social Policy: I sent around a slide deck. I believe you all have a copy of it and I will assume you have all looked through it carefully. I will just quickly summarize.

The situation we are attempting to address is a dire one for many Canadians. About 500,000 Canadians with disabilities are on welfare or programs that are similar to welfare in Canada. Welfare has become essentially the disability program in Canada, and it is not a good program. Even in a few provinces that have better-than-average benefits, it still carries the stigma that surrounds welfare and the apparatus of the welfare system. It is not an appropriate program of last resort for people with disabilities if we want to present ourselves as a humane country that really cares about persons with disabilities.

We have produced, as a talking point and a point to begin a discussion, a specific and concrete proposal for a program to replace welfare for most people with severe disabilities in Canada. Our objective in developing this program is not to consolidate every disability program that exists, from auto insurance to Workers' Compensation; it is to replace welfare. We have designed a basic income program that is meant to replace welfare. It will not replace welfare for every single person on provincial welfare now due to disability, but for most.

The core of the program is, first, to change the disability tax credit as a foundation for the program. The disability tax credit is a non-refundable tax credit. That means it goes to very few people; in fact, it is of little or no value to most people with disabilities because they do not have sufficient income to take advantage of a non-refundable tax credit.

Our proposal is to make it into a fully refundable tax credit at the current maximum federal-plus-provincial level. We describe that there. That would go to everyone with a serious disability who can pass the test for the disability tax credit, and not just to those on welfare. The reason for that is to provide

compensation to persons with disabilities for those many costs that they incur that cannot be written down on a slip as a particular cost related to disability.

Once the disability tax credit is made fully refundable, that provides a \$1,700 to \$1,800 base. The basic income proposal that we have developed — I will not go into the details of it now because we do not have time — is essentially designed like the GIS and the OAS, without the universal component. It is designed around the GIS; that is, it has a 50 per cent tax-back rate, and the guarantee level suggested is the OAS and GIS rate. The amount for couples is the OAS and GIS rate. Because some people with disabilities also have children, there must be a child allowance. We are also suggesting a northern allowance.

We are talking about a guarantee of about \$13,300 for an individual or about \$21,000 for a couple. That was in 2007; it might be a little higher than that now by a few percentage points. That is not a princely sum — no offence, Mr. Prince — but it is a heck of a lot more, in many cases double, what people currently have on welfare.

Equally important, it would come without any of the apparatus of welfare. It could be delivered through the tax system, without any stigma and without an asset test, for example. Income that was not tax-reportable would not result in reduction of the benefit. Gifts from a parent or a friend would not have to be taken into account.

We see this as a significant change in Canada's philosophy and approach to persons with disabilities. It would have a huge impact on the extent of poverty, in particular poverty among what we call "unattached individuals." That is not a good name, but we mean people who do not have children, who are a huge percentage of the population with poverty and who do not now get attention.

In conclusion, from talking to disability groups as well as to communities like yourselves, we recognize that there will have to be a significant test of disability. We cannot promote this as a program with a relatively adequate guarantee level unless there is a significant barrier to entry so that Canadians can be assured that those on it cannot reasonably be expected to earn a living through employment.

Luckily, in Canada we have experience with that because we have a disability tax credit and we have a Canada Pension Plan disability test. Both of those are in operation and they can be adapted to be the test for this program. In fact, all

the administrative apparatus is in place, with appeal processes and legal precedents. It would not be impossible or difficult to do that.

This reform would require federal-provincial agreement. When I say that to groups, everyone groans, and probably rightly so. The reality is that this is a federalist country. You will not achieve any significant reform of our income security system without federal-provincial coordination. We have to face up to that reality. It is not avoidable. It is a hurdle that can be overcome, in particular because there is a promise of generous savings to the provinces. We outline what we believe would be the expected and necessary quid pro quo by the provinces.

The Chair: That will generate questions.

Marie White, National Chairperson, Council of Canadians with Disabilities: Thank you for inviting me here today. Some of the solutions have been outlined, and I will paint the picture of poverty for you.

I would like you to imagine living on less than \$7,000 a year, which is the low end of social assistance in our country today. Imagine needing a wheelchair but being told that you are dependant on a service club to buy it for you. Imagine being deinstitutionalized without proper support, ending up homeless and living in abject misery. Imagine being told that you can immigrate to Canada but only if you leave your disabled child behind. Imagine having to call an institution home, as so many people with intellectual disabilities do. Imagine being told, as I was at the age of 29, when I acquired my disability, that I was too expensive to maintain at home and that I had to go live in a institution. You can tell I listened.

These are the realities faced by too many people with disabilities in our country. It is a disgrace. The personal, social and economic costs of disability and of exclusion experienced by people with disabilities are too high to be ignored. From my perspective, the reason that there is a level and degree of poverty among people with disabilities in this country is that social policy in Canada is homeless; and that is unacceptable.

Over the last number of years, the Council of Canadian with Disabilities, CCD, has engaged individuals with disabilities, their families and the organizations that support them to develop a national action plan on disability, which was previously circulated to you. This plan provides a road map to help policy-makers, politicians and interested Canadians advance a national disability strategy, because we can no longer rely on the one-off, programmatic solutions.

We need a strategy to address significant, overarching and interrelated issues that marginalize people with disabilities and keep them on the periphery of society. These issues are lack of access to disability-related support, poverty and underemployment or unemployment.

I will pick up on a point raised by Mr. Mendelson. To be effective, a national action plan on disability must transcend the traditional, fragmented, reactive approach. It demands federal leadership. It must involve comprehensive short- and long-range plans and decisive action to create an environment in which people with disabilities are actually able to achieve their potential.

For an inclusive and accessible Canada, the Government of Canada must be a leader. The government must commit to addressing poverty and reforming Canada's income support programs for persons with disabilities, and first steps, as articulated by Mr. Mendelson, could include making the disability tax credit refundable. We need that enhanced role in alleviating poverty to free up resources at the provincial level to ensure that we have adequate and acceptable investments in disability supports.

You can make every building in this country accessible to me. You can provide employment equity plans from one end of the country to the other, but if I do not have the disability supports that enable me to get out of house, get to work and be supported in my workplace, then it does not matter what you do. Disability supports are the foundations upon which progress for persons with disabilities will be made. We need supports to increase access to labour force participation through, for example, establishing targets for Canadians with disabilities in labour market development agreements.

We know that there is a significant overlap between the federal, provincial and territorial governments in terms of a role for disability, and I will say it again: As the government explores strengthening the federation and the economic union, there must be discussion. I assure you that the discussion is not happening; there is silence. There must be discussion on how we, as a country, ensure that supports and services are available and that there is full inclusion and active citizenship. We must have a plan.

When I acquired my disability 20 years ago, I was rendered paralyzed and in need of 24-hour care. I sat in a wheelchair for 10 years. When I acquired my disability, I was teaching, I was a homeowner and I was active. When I acquired my disability, I somehow became an impoverished person who lived on social assistance, was judged by systems that felt they should determine where I lived, how I lived and the amount of money on which I should live. I

am a perfect example of the fact that disability does not discriminate, and we are all but a moment away. Twenty years later, I have never forgotten those days of manoeuvring through that unfamiliar territory of disability and the framework of systems that placed me in poverty.

Let us not be of the view that addressing disability is for another day. It is not for another day. It should have happened years ago. We cannot afford to let people in our country remain marginalized and poor. We must make social, economic, cultural and political citizenship accessible to people because, if we do not, then we totally and completely forget people.

I entitled my presentation "Persons With Disabilities: The Forgotten Poor." I believe that we must recognize that persons with disabilities do not want charity. I, as a person with a disability, do not want charity: I want parity. I want to share in the resources and wealth of a country that has much to share.

[Translation]

Walter Zélaya, Representative, Confédération des organismes de personnes handicapées du Québec: Mr. Chairman, the Confédération des organismes de personnes handicapées du Québec is one of the largest organizations representing persons with disabilities across Quebec. It is the umbrella organization for over 40 associations working throughout the province.

The poverty experienced by persons with disabilities is a very important consideration for COPHAN. In our opinion, the fight against poverty and social isolation should be waged from the standpoint of guaranteeing those human rights set out in international, national and provincial texts.

It is important to clearly define the work that needs to be done in this area and to recall that some of the important basic rights include the right to gender equality, the right to health and its determinants, the right to an adequate standard of living, the right to education, the right to work, the right to recognition of legal personality, the right to move about freely and the right to information.

On looking at the facts, we see that we already have most of the instruments in place that would allow these rights to be exercised. Since the 1980s, Quebec has been recognized on the world stage for its leadership in the area of the rights of persons with disabilities. It brought in a comprehensive policy entitled

On Equal Terms. Twenty-five years later, this policy is being reviewed with the help of various stakeholders.

In spite of these efforts, persons with disabilities continue to live in poverty. They are the poorest of the poor.

This state of affairs is unacceptable for a country like Canada, and for Quebec as well. We need to develop mechanisms and bring in measures that cut across all sectors.

In Quebec, the government is responsible for developing policies, laws, regulations and guidelines which are then adapted to certain regional, municipal and local structures. In order to fight the poverty and social isolation experienced by persons with functional limitations and by their families, it is critical that all of the aforementioned instruments be taken into account.

I will list some of the measures that can be taken and I hope to talk more about this later in our discussions.

We cannot disregard the heterogeneous nature of persons with functional limitations or their needs and how these are addressed. One of the main problems is that persons with disabilities are often looked upon as forming one large group, when in reality they present a wide range of problems and disabilities.

It is equally important to take into consideration the process whereby a person becomes disabled. Often we treat a disability as a personal, or individual problem. When the time comes to develop policies, we think in terms of persons in need of assistance. However, the reality is that persons have disabilities. They may have different disabilities, but their limitation is in fact the result of the individual's relationship with the environment. In that respect, the limitation is not an individual responsibility, but rather a state or societal responsibility that must be assumed by everyone in order to prevent isolation. The more our society and our technologies evolve, the more apparent it becomes that persons with disabilities continue to be excluded from society and the wealth that is generated.

One major problem stems from our perception of disabilities. It is important that our perception change so that we can take concrete steps to train stakeholders to deal with the needs of persons with functional limitations.

It is also important for us to recognize people's expertise. We often look upon persons with disabilities as people in need of our assistance, or as problems, when in reality, persons with disabilities are also part of the solution.

Let me give you an example. Why is it that a person could be involved in an accident tomorrow morning and from that moment on, from the moment that person is confined to a wheelchair, society and indeed the entire world view him in a different light? Yet, that person still has the same values, the same aspirations and the same desire to be a valuable, contributing member of society.

The solution also lies in taking a comprehensive approach to dealing with this situation. Among other things, Quebec has brought in legislation that hopefully, ten years down the road, will make it a leader among industrialized countries in reducing poverty. We commend the government on this noteworthy initiative. However, the solution lies in the comprehensive mechanisms developed and measures taken to address the problem, because these are often absent from the policies that are formulated.

Any strategy designed to fight the poverty experienced by persons with functional disabilities must involve all government departments and agencies, at the regional as well as municipal levels, along with unions, private sector and community agencies and anyone else who is committed to fighting poverty and social isolation. This issue cuts across all sectors of society and concerns all stakeholders.

Universal access is one concept in particular that must be embraced. This is extremely important. By universal access, we mean access to buildings, public transit and so forth. Para-transit services serve a need, but broader access is required. Persons with disabilities need to have access to regular public transit services. Another factor is the obligation to buy material and equipment that is universally accessible and to rethink as well the concept of universal access and how we apply it. I could talk about other issues related to universal access and I hope to be able to do just that later.

Another issue to consider is compensation for persons who incur costs as a result of their disability. Let me emphasize again the importance of distinguishing between a person's income and the compensation awarded to that person for the costs arising from their functional disabilities.

It is important to distinguish between measures that must be recognized, maintained and improved to fight poverty and social isolation. These include

technical assistance provided through various programs, tax measures, special benefits under last resort assistance initiatives and access to rehabilitation services. It is critical to view the strategy to fight the poverty experiencing by persons with disabilities not just as a component of last resort assistance. The strategy must be viewed from a much broader perspective.

One final issue to consider is income and comprehensive measures to address this problem. Persons with disabilities are among the poorest people in Canada. I would like to remind you that there are already many interesting tools and support programs in place, at least in Quebec. The problem, however, is that the programs are not properly funded and the various laws are often not interconnected.

In Quebec, for example, we have a residential rehabilitation program that is quite ingenious. However, a person who has an accident and requires changes to his home environment often must wait. Last year, the average wait time was five years.

Obviously, I am not talking here about persons who have been involved in an automobile accident or a workplace accident. Such cases are dealt with differently because of insurance provisions.

So then, one person may be involved in an automobile accident, and another may fall off his roof. In both instances, they have a spinal injury, yet they face two different financial realities, despite the same diagnosis. Different programs present disparities and problems. In my opinion, it is important that all of these issues be examined thoroughly. Thank you.

[English]

The Chair: Thank you all for your initial submissions. We will now move into a dialogue with the subcommittee.

One of our objectives is to try to rationalize the government support systems. We have the federal, provincial and municipal levels of government involved in helping people with their disabilities.

Mr. Mendelson suggested a simplification of the system that would involve a basic income provided at the federal level. Mr. Prince talked about the medium-term income. I am not sure when medium-term income becomes long-term income, and you may want to follow up on that. Ms. White talked about all of

the other aspects of service delivered both by government and by people in the community.

Many different programs come into play here for people. In Quebec, we have learned about great advancement. I think Quebec is doing fairly well, but there is always more to be done.

We have to rationalize this between the federal and provincial governments. In particular, we are here to advise the federal government. Where do we draw those lines? What should the federal government be doing versus what should the provincial government be doing?

As you described the basic income, it sounds similar to the OAS and GIS system. However, not everyone in that category is unemployable, but you are saying that everyone should get it. Could you explain that? I thought you said that you would not test income for the basic income. You would only test the disability.

I throw all that out to you. I am interested in the division between the federal and provincial governments, and from the provinces on down there are municipal and local community organizations involved as well.

Mr. Mendelson: I had only a short time to explain.

The basic income is like the OAS, or as if the GIS were the full program, with no OAS there. It is more like the seniors' benefit in design, if you remember that program. I hate to say that.

It is income tested in that, when other taxable income is reported, it is reduced by 50 cents for every dollar of taxable income the same way the GIS is.

For the eligibility test, we are suggesting two parts: first, a disability test for the disability tax credit — a prolonged impairment that markedly restricts the basic activities of life; second, employability criteria, which would say that by reason of a disability, the applicant cannot reasonably be expected to obtain an adequate income solely from employment. That is probably close to the test being applied now after a number of court cases with respect to the Canada Pension Plan disability test.

There is nothing impractical here. It is income tested. This is a replacement for welfare. It is not a universal benefit that goes to everyone. No one can walk in the door and demand it. There are administrative and other controls being

suggested around it. Instead of having welfare as the program of last resort for half a million Canadians who have a disability, this would provide a much more adequate and much less stigmatizing program. That is how it is designed. It is meant to be practical.

The Chair: If a person becomes employable, one of the great problems with welfare is that there is a disadvantage to going off welfare because you lose status on housing and all sorts of other problems. Have you taken that into account in this design?

Mr. Mendelson: Yes, and it is not assumed that people are unemployable. This test is being applied. It is a test of reasonableness: Can you reasonably expect this person to earn an adequate income through employment? That test is being applied now in administrative appeals for CPP, so I am not talking about something vague.

A person can pass that eligibility test and find that he or she can develop a skill and become employable. In that case, he or she would remain eligible and would derive benefit from employment income.

We suggest \$1,200 as a threshold. The first \$1,200 is exempted; every dollar earned for the first \$1,200 would be kept as a benefit. Beyond that, the basic income would be decreased by 50 cents for every dollar earned. It would have to be adjusted for tax.

In designing this kind of program, there is always tension between a high tax-back rate and a high benefit. If you have a high benefit and a low tax-back rate, you are paying benefits out to people who are making \$200,000. That is not feasible. This proposal seems to be a reasonable compromise for the community.

The Chair: Do the rest of you have a comment on the general question?

Ms. White: You raise an interesting point around employability. The proposal that Mr. Mendelson put forward has significant merit when you consider the rate and the social assistance rates. A level of concern always arises when you establish new programs which are sort of "for you."

The issue of employability will require significant discussion. You would not want to set something up that creates what we have now, which is second and third generations of people living on an income support system because

someone else deems them unemployable for life. We have people so deemed because systems feel that way.

I think that comes back to what Mr. Mendelson said about the tests. There are always criteria for programs. People with disability unfortunately are subject to too many criteria for everything. However, the criteria for this program would have to be strict and clearly defined so that we do not end up telling youth with disabilities who should have a sense that their lives will be better that when they reach age 18 or 19, this program would be for them.

Mr. Mendelson: Simply because someone is in a wheelchair does not mean the person would be eligible. That is an example.

[Translation]

Mr. Zélaya: Employability and labour force integration are two very important considerations. However, one particular problem remains. How can governments ask major institutions and society to integrate persons with disabilities into the labour force when they themselves do not make the effort required to integrate them into the public service? How can they preach to others when they are not even able to set an example? Right off the bat, that is a big problem.

In Quebec, we are working very hard to integrate persons with disabilities into the labour force. Various programs are in place but they must be considered from a different perspective. Accessibility must be a consideration. For example, a person with mobility problems must still be able to get to work. When an employee is forced to wait for para-transit services for two or three hours, how can the employer afford to keep him on? Furthermore, some locations are not easily accessible to persons with disabilities. Consideration must also be given to the various measures in place to compensate for a disability.

Governments need to adopt a somewhat more serious approach. Until such time as the political will exist, I have no doubt that 30 or 40 years down the road, we will still be discussing the poverty experienced by persons with functional disabilities. Until now, there has been no genuine effort on the part of elected officials to truly reintegrate this marginalized population group into the labour force. When governments really start to take concrete steps to meet quotas and set percentages, then without question it will be easier to convince others to follow suit.

Large institutions and companies are currently being encouraged to see to it that persons with disabilities make up a certain percentage of their work force. They are not required to meet this target. No one actually does, because companies know very well that governments cannot compel them to meet targets that they themselves ultimately do not meet.

Morally, governments cannot make any kind of demands as far as integration is concerned. Let us start then by complying with the measures that the government has brought in and that we requested in the first place. Then we can move on and discuss other initiatives. Let us be serious about this. Until we actually do that, we will not be finished talking about this issue any time soon.

[English]

Mr. Prince: As a former president of the Treasury Board, I would say that is the role of the model employer in the public service.

I will weave together two things, the federal and provincial roles in the federation and what action can be done in the short term, say over the next one to three years. First, there is the labour market agreement for persons with disabilities. That is a long-standing intergovernmental agreement; it has been extended for one year and expires on April 1, 2009. The department is now looking at it.

That needs to remain as a dedicated program and not be rolled into some more generic labour market agreement where there are vague promises that some money will be designated or targeted. This program goes back to the 1950s. It is one of the last remaining programs targeted for Canadians with disabilities that comes from the Government of Canada. It needs to be enhanced. It has not been properly invested in for a decade now, so it has fallen behind. For the employability and employment side, that is a short-term action.

Another one is the Opportunities Fund for Persons with Disabilities. That is a small fund, about \$25 million a year, to provide innovative approaches to employability across the country. This low-profile program is very important, but it is one those little programs that could easily fall between the cracks or be snuffed out. The voices of Canadian with disabilities need to be heard, and that program needs to be maintained.

The refundable tax credit Mr. Mendelson talked about is clearly within the Income Tax Act and federal jurisdiction. That is doable.

We just brought in a Registered Disability Savings Plan. We have 30 years of experience in this country with refundable tax credits. This is not a scary, brave new world that we are unfamiliar with.

That program targets people with prolonged and very severe disabilities. The program I am talking about is for people already in the labour force who acquire a non-work-related disability. If their disabilities are work-related, people would go to a provincial workers' compensation system. However, acquired disabilities such as multiple sclerosis, breast cancer, lupus and other diseases that are not directly attributable to their place of work are just part of the human condition.

Currently, women with breast cancer are told they are not sick enough to qualify for CPP disability. People with MS are told they are not sick enough to qualify. They exhaust the 15 weeks provided for EI sickness benefits, which has not been changed since 1971 when it was first introduced. We have changed every other benefit under EI or UI — maternity, parental, fisher benefits, you name it; the only one we have not touched for 37 years is sickness benefits.

One might make a case that we have more health challenges now than we did in 1971. We have a better understanding of disabilities today, but public policy has not kept up with that understanding.

The proposal I have been discussing complements Mr. Mendelson's. Use that OAS metaphor, I am trying for a work-related measure for the 7 million or 8 million Canadians in the labour force right now, some of whom will experience more than just a mild, short-term illness, but it will be episodic. They will not be sick enough to qualify for CPP disability. They could perhaps work 20 hours this week and 2 next week, or 40 hours the following week and need a month off. Our programs are binary; you are totally sick and unemployable or healthy and able-bodied. Most countries in the Organisation for Economic Co-operation and Development, OECD, have a policy in the middle; we do not.

With CPP disability, we have one of the toughest programs in the world. We have the highest rejection rate in the world; 50 per cent of the people who apply for CPP disability get turned down every year. Tens of thousands of Canadians every year who have paid into premiums, played by the rules — with 10, 20, 30 years workforce attachment — are told they are not sick enough for that program, and they have perhaps exhausted EI sickness benefits.

If they are lucky, if they are among the 43 per cent of the labour force who have long-term disability at work, and not a part of the 57 per cent who do not, they might then go back to their company plan and see if they can get that. Half of those companies will tell them to go back and appeal the decision at CPP disability because CPP is the payer of first resort, not the private company. Then they spend another year or two fighting CPP disability to try to get a benefit. You can see how families end up on welfare.

Most Canadians do not know this. That is why they lead lives of quiet desperation when disability hits their family. Disability can hit anybody; it does not discriminate.

That, to me, is a medium-term, five- to seven-year strategy. For the basic income, I think there would be a lot of political work and public opinion work to do. That would take a longer vision. It is a bold vision and it deserves our attention.

Another point for the short term, by 2009, is that the next review of CPP will come up in the triennial reviews of the first finance ministers. A suggestion would be to amend the CPP legislation to allow pilot projects and demonstration projects to be done under CPP, as is allowed under the EI legislation.

Over the years, we have tried different pilots to see how different combinations of income supports, employment services and benefits work in different regions of the country to learn lessons. We do not currently have the mandate under CPP to run demonstrations or pilots to see what combination of early interventions in unemployment could perhaps prevent someone from getting such a severe disability — something that could maintain them episodically in the labour force, maintain some earnings and dignity of work, rather than shuffling them around and letting them fall through the cracks. Then two years later, they are now disabled enough to give them a meagre pension benefit on CPP. This is how we can simplify and improve upon it.

The Chair: Let me move on to my colleagues. Senator Keon, from Ontario, is vice-chair of the main committee, the Standing Senate Committee on Social Affairs, Science and Technology, and he also chairs the Subcommittee on Population Health. Many of these issues relate to the work he is doing.

Senator Keon: I will continue along the same vein. Navigating through the system must be enough to drive people insane. Perhaps I could start with you,

Ms. White, but I would like you all to respond to this question, which I have asked over and over to the point where it is trite.

It is always rejected out of hand because it is too simplistic, but nonetheless I think that a brave new step is needed in this whole business. I believe everyone in this country should have an income up to the poverty line. That is a start. Whether they are disabled, not disabled or whatever, they should have an income up to the poverty line. Then all of the other things should kick in.

However, in concert with that, there should be an attempt, as our chairman said, to simplify the system. The social safety net in Canada reminds me of the American health care system, where they blow 30 per cent of their revenues on bureaucracy, trying to recover costs from various insurance companies and all of this kind of nonsense. In Canada, with our single payer, even although we have our problems, we eliminate that.

I am not suggesting that the many good programs be eliminated, but they could be simplified. I do not think the trade-off would be huge financially, but we really must come out and nail this one: that every Canadian should have an income up to the poverty line.

The previous witnesses have all said, "No, do not go there, it cannot happen." Let us hear your views.

Ms. White: I like your idea. I would stand behind you with a sign promoting that one. I can represent many people with disabilities who would feel strongly that that makes inordinate and incredible sense to them.

I would like to tell you that there are not people living on less than \$7,000 a year, but there are such people. I will use myself as an example. When I acquired my disability, I knew nothing about anything because I never had any experience with it. Suddenly, I had to navigate all the systems, and I did not have the first idea of where I was going. However, the issue was less that than it was the cost of the supports I required. At home, I have a wheelchair because at the end of day sometimes I am just too tired to walk. If I wanted to buy a new one, living on \$7,000 a year, then depending on where I live and which social worker I have and who is listening to me, I might not get the money I need to buy the right wheelchair. The question is whether it is the best wheelchair for me or the one that fits someone's funding criteria.

I have no life insurance. It is a fascinating thing but, because I have a disease that is virus borne, which is rare, I could die. I ask people, well, could you not

die, too? Apparently, it is different for me. I also have no group medical insurance because I am self-employed. When I need to buy anything, such as a walker at \$250, or a wheelchair or a new cane, no one reimburses me for the expense. People who live in poverty or just above the poverty line are caught in that same web. The cost of disability-related supports truly is the foundation on which we can build any plan.

We have not referenced parents of children with disabilities. Too many parents across this country have chosen to stay home because it is easier and cheaper and they can support their children because they cannot get the supports they need so they can maintain their link to the labour force. Raising a child is a costly venture and raising a child with a significant disability is an incredibly expensive venture unless you have a support plan. I believe that no one should live below the poverty line, so I am a big fan of yours now.

The Chair: He is not the only one with that view, but he will get the credit today.

Mr. Prince: The Keon vision.

Mr. Mendelson: We would all like to have a country in which no one is below the poverty line. The problem is how to achieve that result. The objective is clear, but how do you get there in a way that is sensible? First, there is no poverty line in Canada. There are many different ways of measuring poverty. The low income cut-offs, LICO, are poor indicators of poverty, and I am hopeful that better indicators will be developed soon. Ontario has undertaken to develop poverty measures. That would be important.

If we use the LICO system as an example, about \$13,000 for an individual in an urban area is the poverty line. I am not of the opinion that you can or you should guarantee every 20-year-old kid \$13,000 a year for life. That is not a sensible way to organize a system of social benefits. We would not necessarily be doing young kids any favours by providing a guarantee of poverty for life, or inducing them to go off skiing rather than to pursue a career.

I know I sound like a "small c" conservative when I say this, but we have learned throughout the Western world that income security programs have to be integrated with labour markets. That is the world, the reality, in which we live. We cannot pretend that we can wave a wand and end up in a paradise where no one is in poverty simply because we have a government guarantee they will not be. Societies with the lowest rates of poverty are the Nordic countries, and they accomplish that through a combination of factors, mainly because they do not

have low-wage work. If you work as a waiter or a taxi driver, you do not get tips but you do earn a decent living. That means that people do not enjoy the advantage of cheap services, but it also means that they have created economies where there is effectively much less poverty than in any of the Anglo-American countries. However, it is not accomplished by simply handing out a guaranteed income to everyone, regardless of whether they are capable of earning a living.

Our basic income proposal is part of a larger package, which is a rethinking of the architecture of income security in Canada to make it more relevant to labour market realities. We suggest that there are people who cannot expect to earn an adequate living through employment because of disability. We know that there are about half a million people with disabilities living in poverty. We are trying to be non-utopian and to bring forward a concrete, specific, realistic, adaptable program, within the confines of existing administrative apparatus, but the reality is that it costs money. It could be done over the next year or two by a federal government without impinging upon the labour market realities.

The first major paper that I wrote was on the administrative costs of income security programs, believe it or not. Milton Friedman made the famous argument that you could introduce a negative income tax, and with the savings from an administrative morass you could pay the additional costs of the negative income tax. When I was a young researcher, I ran around looking naively to ask whether anyone had looked at the administrative cost of income security programs. As it turned out, no one had ever asked what they cost, so I did a study. Admittedly, it is vastly out of date today, but I found that the administrative costs varied from about 0.25 per cent for the total administrative cost for what was then the universal family allowance program. The unemployment insurance program we had then was about 4 per cent of the total administrative costs. I looked at municipal welfare in Ontario and found that it was the most expensive at about 10 per cent of the total administrative costs.

There are savings to be had, undoubtedly, and everyone in the public sector should be engaged in a continuous, relentless search for efficiency. However, you will not save enough money through administrative costs to pay additional benefits. It will require putting additional tax dollars on the table.

Without meaning to be too disputatious, I would say that focusing overly much on manoeuvring the system is bit of a cop-out. If you manoeuvre the system, you will find only welfare at the end of the rainbow, because there is not another program for most people. Yes, it is a complicated program and it is difficult, because welfare will require you to apply continually to CPP or QPP disability first because they are the primary payers. The program is

discouraging and it could be made better, but that is not the core problem. The core problem is that once you manoeuvre it, you have, for most people, only welfare unless you are lucky and can find a liability somewhere. Therefore, replace welfare with an adequate program.

The Chair: That is a lot of food for thought.

[Translation]

Mr. Zélaya: At this point, I think it is important to recall the different policies that were supposed to be formulated elsewhere. I find the idea of a basic income quite interesting. Having said that, it is important to ensure that jurisdictions are respected. There is a broad consensus among Quebecers and among the different political parties that areas falling under Quebec's jurisdiction should be respected.

To my mind, the whole question of bringing in a guaranteed income is more a matter for the provincial government to debate. However, the federal government must take action in other areas.

Earlier, the importance of housing and social housing in particular was mentioned. A disappointing realization is that the federal government has been slow to act in the field of social housing, even though this is one tool with which to fight poverty.

Regarding social housing, there must be policies in place to guarantee that enough accessible housing is available to persons with disabilities. This continues to be an important area for me. Another possible solution would be to look at the concrete initiatives that different provinces have taken and that work well, in order to apply them to Quebec. Care should always be taken not to apply these solutions across the board.

Take, for example, a policy that works well in Quebec and greatly assists people in integrating the labour force. The Quebec government covers the cost of adapting vehicles for persons with functional disabilities for work purposes. It is no secret that adapting a vehicle can cost up to \$20,000. All Quebecers with a disability are entitled to receive this type of assistance which promotes labour force integration and independence.

Often, I am critical of the Quebec government when I have to deal with certain matters. However, I must admit that I find this measure particularly interesting and helpful. It is precisely the kind of initiative that could be applied elsewhere.

The government should bring in a new strategy for the social and professional integration of persons with disabilities, one that would be part of a much broader strategy for the integration of this group into the labour force.

Major consultations have taken place in order to develop a policy and we hope that our recommendations will be considered. We have called for initiatives in the short and medium term.

I am very much in favour of bringing in a base income. The Honourable Senator's proposal is very interesting and forward looking. However, we must not lose sight of the fact that many more people need to be convinced of this initiative and that changes will not happen overnight.

[English]

Mr. Prince: I want to follow up on that by referencing the second part of the Caledon proposal on basic income, which is probably addressed in Mr. Mendelson's slides. By creating this national security income program, you would have 300,000 to 500,000 Canadians with disabilities who would go off provincial social assistance and onto this new national program. That would create a new windfall of saved expenditures by the provinces collectively of between \$1 billion to \$1.5 billion per year. That is the quid pro quo to then negotiate with provinces, respecting their jurisdictions, and saying we will take these people off social assistance.

I would envisage a broad, multilateral framework umbrella with bilateral agreements among communities, groups and government that would collaborate and consult with each other to decide what makes sense for Manitoba, Prince Edward Island or British Columbia. The slightly different needs and priorities of the different communities could be met along the themes of accessible transportation, education and the daily living supports that Ms. White discussed. If you get those three things right, a lot of young people with disabilities will get the employment opportunities and the income earnings of Canadians without disabilities.

We know what the three or four key ingredients are. They are largely provincial responsibilities. The federal leadership, however, can be done on the income side, which has been a long, historic role for the Government of Canada on income support. Get that right and free up the monies by taking people off the welfare caseloads, and work out arrangements across provinces on how to reinvest monies.

If a future Canadian government wanted to put additional dollars into that, as Mr. Mendelson said, that would make a huge difference. If you put \$500 million or \$1 billion per year into improving the supply and quality of daily living supports in Canada, that would have a huge impact on poverty in this country.

There are 600,000 Canadians with disabilities right now who want to work but are not in the Canadian labour force. We hear every day about tight labour markets and an inability to find jobs. There are over half a million Canadians of adult age who want to work. Most them need only a slight investment in daily supports and maybe a modest amount of workplace accommodation. What a tremendous payoff it would provide.

The Chair: Thank you. I would add that, before long, we will be doing a round table on guaranteed annual income or variations thereof.

Senator Munson: I will make a few observations. I was busy scribbling down your testimony because it is extremely important. It is moving and emotional. Things must be done.

You discussed leadership beginning at the top. We have had changes of government in the provinces and we have had governments that have not changed, but premiers have. This is a political question, but I will throw it out there for you to digest.

Ms. White, you talked about not having something done at the federal level being a disgrace. However, there was a time when I was a reporter that one covered a lot of these issues with provinces meeting the Prime Minister. Leadership begins at the top, and things trickle down because you focus on issues of the day. However, on this issue, as you said, there is a silence. I hope that our committee through an interim report will urge the present government to have that meeting, because it does focus the issue.

I also feel that the government is missing in this argument the issue of human rights. We spend a lot of time on accessibility and tax breaks with the government hoping this problem will go away. However, we have laws in this country that are supposed to respect a person's human rights. As you said, it is not about charity: it is about parity.

From my perspective, it is about more than regulation; it is about new laws. I work closely with the autistic community. Everyone gets excited about

accessibility and new tax credits, but a portion of these 600,000 people want to work too, but they cannot work.

I am just throwing these ideas out there. I believe there must be new thinking, and new thinking begins when there is a focus in the Government Conference Centre here in Ottawa, and new thinking comes when partisanship goes away. Maybe politicians must sometimes close that door to hammer things out in order to provide new ideas to deal with what is a very serious issue.

If anyone wants to tackle those observations, I would be pleased to engage in conversation.

Ms. White: Everything we do should be framed within a rights-based approach. It does not matter which population we are discussing. I am glad you raised that. We have our Charter and our human rights code. Therefore, we have those protections.

However, an ongoing attitude shift is required, along with education for people who do not have the experience. Federal government leadership is demanded, because for too long Canadians have said, "It is okay; welfare will take care of them; there is a place and a program for them."

Indeed, there are programs for them. However, you are right: People are excluded due to those programs.

I would like to carry on with one comment I have heard around the employment piece. I will throw out my caution again. There are people across the country who for various reasons will never work. We must be careful, in an environment where we are crying out for tradespeople and workers, that we do not put all our eggs into the labour market basket.

When I acquired my disability, I was paralyzed. I had been a teacher; I would never go back. I did not know if I would ever be able to work again. My disability was very significant. What would happen to me if the programs were all tied to the labour market?

If we are to design new initiatives and look at new ways to include people, let us be careful that by tying it to a sector like the labour market we do not exclude those who, for any number of reasons, will never work.

Mr. Mendelson: May I clarify? When I say we need to design an income security system with the labour market in mind, I do not mean that everybody

must work. I mean that we must be cognizant of the reality of employment as the preferable and number one alternative for everyone, where possible.

We must also design a program for those who cannot reasonably be expected to earn an income from work such that it will be adequate and honourable. That basic program is cognizant of the labour market, without expecting people necessarily to participate in the labour market but allowing them and encouraging them to do so where they can overcome those barriers.

[Translation]

Mr. Zélaya: That is a very interesting question, one that we must broach from a human rights standpoint. I alluded to this at the start of my presentation. It is important for us to remember that in Canada, we have the Charter of Rights and Freedoms, and in Quebec, the Quebec Charter. The Canadian government must be reminded of the Convention for Persons with Disabilities. Since the adoption of the Convention a year ago, Canada has yet to ratify it. As Canadians and Quebecers, we have observed that this country has been lagging behind in certain areas for some time now.

I remind you that in May of 2006, the Committee on Economic, Social and Cultural Rights, as part of its review of a report tabled by Canada in accordance with Articles 16 and 17 of the Covenant on Economic, Social and Cultural Rights, challenged Canada to act on economic rights issues. Very clear suggestions and recommendations were put forward. Some of the principles set out in the Covenant on Economic, Social and Cultural Rights include the importance of protecting the poor everywhere from discrimination based on social or economic status. The Committee challenged Canada to take action on this front.

Another recommendation called for priority consideration to be given to eliminating economic disparities by recalling the obligations set out in the various articles of the Covenant on Economic, Social and Cultural Rights, and for looking into how poverty leads to discrimination. Clearly, it is important to take a human rights approach to combating poverty and its effects on persons with disabilities. We must bear in mind that Canada has a duty, and not just on the international scene, to address and follow up on all of the issues that have been identified.

[English]

Mr. Prince: I am glad you brought up some history. Over the last 30-odd years, parliamentary committees that have discussed or addressed disability issues have more or less done so in a non-partisan way or with a very muted form of partisanship. It is a good example of where parliamentary committees have been proactive and positive. People like Bruce Halliday, a Conservative member of Parliament from Southwestern Ontario, and Carolyn Bennett, a Liberal, have over the years chaired committees and provided leadership. I have worked with Bloc Québécois members, Reform members, Alliance members, Conservatives and Liberals.

Disability issues and trying to navigate the systems is one of the top three subjects in the mail that MPs receive. That makes it a Canadian issue, taking it out of partisan politics. I would put the challenge not only to the current government but to all the parties.

I hear silence from most parties. Even where parties have rolled out poverty reduction plans in the last year or so, disability is often conspicuously absent. That has been a disturbing, recurring pattern for a long time.

I am not picking on any one party; I am picking on them all. Let us see some vision and leadership like we saw in past decades. There has not been much movement not only in this current government but in recent ones.

I applaud this subcommittee for taking up this issue. I know you have had urban-based poverty issues. I would like to put on the record that Aboriginal Canadians who live in cities have 30 per cent and 40 per cent disability rates. They are twice the national average.

As Mr. Zélaya said, this is a diverse, heterogeneous population. A general, universal income program approach is sometimes confounded because we are dealing with a variety of circumstances, some of which have historic political roots. How do we address veterans, Aboriginal peoples or others when it is hard to blend everyone into one program?

There are often good reasons why historically we have separate programs. I would hate to see some of those programs lost or blurred. However, I appreciate the challenge of thinking more creatively. Thank you.

The Chair: We do not intend to be silent. We have had a number of sessions already. We have had sessions involving Aboriginals in our cities. In fact, we have a panel coming up in May on the rights-based approach to poverty.

Ms. White: Invite us back.

The Chair: We are hearing a lot of it today. This is a great start for us.

Senator Cordy: I will ramble along to some of the questions that have been asked. I want to thank you all. Each of you brought out a different perspective on the whole issue of disability and poverty.

We look at poverty in general and housing and transportation. When you throw in disability, you certainly get more challenges for those who are trying to cope with a number of issues or circumstances. Some of you have mentioned particular supports that you need.

We seem to have an all-or-nothing approach. You all talked about welfare not being the answer. However, it seems to be what people have to do. They have to go on welfare because we have all or nothing. If you are not on welfare and you are not getting much money, then you are not getting money for medications or a support system for eye glasses and a myriad of things that are only available to you.

We seem to push people by necessity into the welfare role. I am interested in the national income because, in addition to providing stability and an income to survive on, it gives people back their dignity. We must be aware of that.

I am interested in whether there have been any discussions with provinces. As a number of you have mentioned already, it is the Canadian way to be concerned about whose responsibility it is, federal or provincial.

I am also interested in whether you recommend changes to employment insurance. I recognize that not everyone is eligible for it whether disabled or not — for example, if you are self-employed or if you have never been in the labour market because you have had a disability since an early age. However, looking at those who have been in the labour market, should we have changes to the EI program? As it stands now, it is still an all-or-nothing program.

I was on a committee where we studied mental health and mental illness as a disability. Many times, people might be able to go back to work for one or two days a week or four days a week and realize that it is not working. Then they must go through another two-week waiting period, and so on. Should we look at changes to EI to make it easier for people to gradually get back into the workplace, whether they go part time or go for a bit and stop, without making it so cumbersome to get back onto the program?

Mr. Mendelson: Perhaps I will say a few words about discussion with the provinces. Mr. Prince has addressed specifically the issue of temporary or episodic disability and EI. I will refer that to him.

Our basic income proposal is meant to substitute for welfare. It is really a hardcore program, if I could put it that way, meant to address people with long-term disabilities who currently have nowhere else to go.

We have had discussions with provinces. In fact, I was invited to do this presentation to the interprovincial meeting of deputy ministers about six months ago, at their request. They are very interested, obviously.

From a provincial perspective, there is a lot to be recommended in this program. They see big savings. We argue that the federal government should proceed with the program only if there is agreement with the provinces to reinvest those savings into disability support programs.

Frankly, if we did that package, I think we would end up going from a class D country for people with disabilities to a class B+ country for people with disabilities — not quite A+ yet, but we would be much better.

I think that the provinces are quite interested. They could be a partner in this, but it will not be provinces who are initiating this kind of discussion; it will have to be the federal government. I think that is possible. I do not see any ideological barrier to any party adopting this kind of program. Maybe I am naive, but I am hopeful that we can keep at this for a few years and see parties incorporate some aspect of this into their program.

Regarding the annoying point about who is responsible for what, the federal government or the provinces, we believe this could be operated with an opting-out clause if Quebec or another province felt the need to run its own program. I do not think that would be a significant barrier. We have the CPP and the QPP, and it works quite well. In some sense, this could be considered an income-tested extension of disability benefits in the CPP/QPP. I do not see that as a barrier.

From my perspective, I would rather see one program being run by the federal government. I do believe it is within the parameters of the current Constitution, but that is my own view. The discussion could be held with the provinces. I do not think that the problem of jurisdiction would end up being a serious impediment.

Ms. White: I would like to pick up on that point and something that you said about what corrals people.

It does not matter where programs are delivered — federal, provincial, territorial or municipal levels — if we apply a gender lens to everything. We do it in my home province. We have a very clear office of women's issues and we apply a gender lens. We should equally apply a disability lens to every program, policy and initiative that rolls out from any level of government, a lens that looks at programs or policies in terms of how they currently systemically discriminate, how they exclude people. We need principles of inclusion and access so that we do not exclude people.

Would the provinces see any kind of basic income at a federal level as a windfall? I suspect they would. I have been in the municipal political level, and any time another level of government wants to take on something that is costly, it is always good.

I am fond of saying I do not want strings attached, I want a noose. I would hate to think that we would move in this direction and that there would be wonderful money freed up in a province without a clear, delineated framework that says that the monies that are freed have to go toward disability-related supports.

[Translation]

Mr. Zélaya: You alluded to the employment insurance program. There is talk now of ensuring that certain persons with disabilities have access to this program and of taking steps to ensure that they are not excluded. This calls to mind the time when government made drastic cuts to programs and assured us that the most vulnerable members of society would not be affected. We do not believe that will be the case here. Some persons will suffer and in our opinion, this is a major problem.

Another problem is that when policies are applied, the only consideration is the political agenda. On other occasions, a short-term approach is taken. Persons with the most serious disabilities may not be affected, but the same cannot be said for persons with disabilities that are temporary or less severe.

In Quebec, we have witnessed cuts to income security. We had been told that disabled persons would not be victimized, but we soon realized that this was not the case. When examining the various initiatives taken to fight the poverty experienced by persons with disabilities, it is important not to develop separate

policies. I agree that this approach may be appropriate in some instances, but what we really need is to adopt inclusive policies.

If we make improvements to the employment insurance program, there is no question that this will have an impact not only on persons with disabilities, but also on women, immigrants and others. That is what we mean when we say policies that cut across all sectors are needed, along with both comprehensive and specific measures to fight poverty.

There is no miracle solution to the problem of poverty that persons with functional disabilities experience, merely a series of different measures that can be taken to address the problem. Each time cuts are made, we need to look beyond the numbers and think in terms of the impact that policies have, in the medium or long term, on the most vulnerable population groups.

[English]

Mr. Prince: I will pick up on the EI question. In my paper, I present three options. I do not particularly favour one over the other because there is still a lot of analysis and discussion that needs to be conducted at administrative levels at both the community and the political levels.

Our sickness benefit under EI is 15 weeks maximum. About a third of the people who use it exhaust it; they run the full 15 weeks. The average is about nine weeks for both men and women. There is a slight gender difference but not much. A good 12,000 to 15,000 Canadians a year exhaust it by using the full 15 weeks.

The question is what happens to them in week 16. We do not know. We know that some of them between week 16 and week 54 go on welfare. Why week 54? That is how long you have to wait before you can knock on the door of CPP disability. That is a long time. In the meantime, you are drawing down on your assets — your own personal savings and so forth. Some, we are not sure how many, are ending up on these huge welfare caseloads.

One option is to take the 15 weeks and look at other countries. There are lots of different experiences, even though many European countries backed off on their disability benefits. They did that because they were way more generous than we are. We could double this and still be nowhere near where the Dutch panicked and cut back or where the Germans cut back.

There is lots of scope for us to modestly double the benefit to 30 weeks. There would still be a gap between EI and CPP disability. We could make it right out to 50 weeks. Some countries go to two years. We have lots of places where we could be more timid but still be better than we are now.

On the issue of rapid reinstatement for people who leave benefits, that is more germane for provincial workers' compensation programs or for CPP disability. Most Canadian jurisdictions have taken positive steps forward there, and if people are willing to take the chance of going off the benefit but their illness flares up again and they need to come back, they are now assured the right of coming back and not having to go through the process again.

There are ways we can streamline and navigate and be smarter regarding the burden we put on Canadians. We are very suspicious about whether people are really that sick. There is a phobia, and the irony is that we have the most meagre programs among most industrial countries. It is not like we have Cadillac versions out there.

The Chair: I wish to thank you for your contributions to our deliberations. This meeting now stands adjourned.

The committee adjourned.