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Chair

Mr. Dean Allison

Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities

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● (1510)

[*English*]

The Acting Chair (Mr. Maurice Vellacott (Saskatoon—Wanuskewin, CPC)): We'll begin meeting 37, pursuant to Standing Order 108(2), for a study of the federal contribution in reducing poverty in Canada.

We're pleased to have pretty much all our witnesses in place. Whether Josephine shows or not.... We'll start by going to Judit and Elita. I don't know which of you will be taking the five minutes.

Ms. Judit Alcalde (Research Director, Lone Mothers: Building Social Inclusion): We're splitting it.

The Acting Chair (Mr. Maurice Vellacott): We'll be flexible, so we'll go to five minutes each. If you need more for concluding remarks we'll let you go over that. Then we'll go seven minutes apiece. Ms. Chow will be here as well. They'll direct their questions to whoever they choose, or maybe to all of you.

We'll proceed with Judit, the research director for Lone Mothers: Building Social Inclusion. She is splitting her time with Elita McAdam, research assistant.

Take it away.

Ms. Judit Alcalde: Thank you.

Thank you for inviting us to contribute to your discussion on poverty. Our focus today will be on lone mothers in poverty, based on our roles in the national research study. The study is *Lone Mothers: Building Social Inclusion*. It's a five-year research alliance that involves academic researchers from five universities across Canada, as well as government and non-profit community organizations. It's funded by the Social Sciences and Humanities Research Council of Canada. The research is focused on the three urban regions of Vancouver, Toronto, and St. John’s.

The brief we have provided is based on our research data over the last three years. We interviewed over 100 single mothers from St. John's, Toronto, and Vancouver annually over the last three years. We're about to begin our fourth round of interviews. About one-third of the women interviewed are visible minority or aboriginal, and all were on social assistance at the outset of the project. Since then many have moved back and forth between welfare and work. We'll go over a few of the examples, and refer you to the brief for the more detailed discourse on this.

Our recommendations are based on the suggestion that current policies of gender neutrality are actively disadvantaging Canadian women and therefore failing at neutrality. Women are poorer than men at almost every stage in life, and women have become the dominant workers in the increasingly precarious labour market. These issues are magnified for aboriginal and racialized women.

Women constitute 70% of the part-time labour force. The average annual income for non-aboriginal women is $19,350. Aboriginal women earn only about two-thirds of this, and visible minority women about three-quarters.

On the gender income gap, Canada is 14th of 15 peer countries. I'll refer you to many quotes from the women we've interviewed in the brief we've provided.

A key aspect of our project is that the research team includes lone mothers whom we have hired and trained as research assistants. This offers us a much deeper understanding of the needs and aspirations of these women and their families.

With me today is Elita McAdam, one of Lone Mothers' researcher assistants who has been working with our project over the last three and half years. I'll turn it over to her so she can highlight the seven main issues that are coming out in our research.

Mrs. Elita McAdam (Research Assistant, Lone Mothers: Building Social Inclusion): Thank you.

It's important to acknowledge that some people think that people on social assistance are all deadbeats and don't want to work. We can tell you that for the women we've talked to, nothing could be further from that. They want to have the dignity that is denied them when they're poor and on welfare.

Some of the issues they face are abuse ones. Women often have to turn to social assistance when they face abusive relationships, and that applied to one-third to one half of the lone mothers we interviewed.

On poverty and profound material deprivation, the women don't have enough food to feel their children, never mind worrying about feeding them healthy food. And 40% of lone mothers live below the Statistics Canada poverty line.

It's very difficult for women to find adequate child care, especially if they have to work after hours. It's easy to get a subsidy for child care, but it's very difficult to find a day care that takes that subsidy. So that's also a hurdle.

Housing is another big hurdle. Of the 42 women we're following in Toronto, at least 27 families have moved within the last two years alone. We have found that when women live in social housing that is adequately maintained, it's a major factor in enabling lone mothers to leave assistance.

On education and training, I'll give you a personal example. I'm aboriginal, first nation, and I had to fight my band to fund me. It's not as easy as it seems. Once I started going to the University of Toronto I was hired as a relief worker at an addiction centre. With the money I made there I paid for my own college so I could get a degree in addiction counselling. There is a link there if women have adequate access to university.

As far as the labour market, most jobs are minimum wage. Even $12 a hour can't sustain a woman and her family.

On getting caught in the safety net, the failure of systems, single mums living on poverty rely on different supports and systems like OW, ODSP, child welfare, and housing. They are often vulnerable because they are left to manage and navigate these systems alone. An example we had was a woman who had to give her kids to her parents temporarily so she could find a place to live. When she found a place to live the welfare system would not give her enough money to pay for the last month's rent because they deemed her to be a single person. She couldn't get her kids back until she had the place, and she couldn't get the place until she had her kids back. It was a Catch-22.

On dealing with the issues we've outlined, you can refer to our report.

I will turn it back over to Judit.

Thank you.

● (1515)

Ms. Judit Alcalde: Do we have time left?

The Acting Chair (Mr. Maurice Vellacott): How much time do you need?

Ms. Judit Alcalde: It's okay. We've highlighted the seven key issues that we see related to mothers in poverty. Our report outlines twelve recommendations that are key to dealing with these issues.

The Acting Chair (Mr. Maurice Vellacott): Right. We have those. They are very well laid out here, so we'll want to catch that and maybe ask questions to cover it that way.

We'll move to Yves Savoie.

Mr. Yves Savoie (President and Chief Executive Officer, Multiple Sclerosis Society of Canada): Thank you.

[*Translation*]

Thank you for your invitation. I will address you only in English but I will be very happy to answer your questions in French later on.

[*English*]

Thank you very much for inviting the Multiple Sclerosis Society of Canada to present today. We're pleased to provide input to your study of the federal contribution to reducing poverty in Canada, and congratulate the committee for undertaking this important work.

Our recommendations focus on two areas—one, ensuring that people with MS can stay at work, and two, ensuring that those who cannot work do not live in poverty. We have three specific recommendations, and I'll detail them: first, allow spouses to claim the caregiver tax credit, which—you may find this surprising—right now isn't allowed; make employment insurance sickness benefits more flexible to allow people with MS to work part time and receive partial benefits; and finally, make the disability tax credit a refundable one. I'll discuss each in turn at greater length.

Allowing spouses to claim the tax credit for caregiving would recognize the incredible contribution caregivers make, particularly, as is most often the case, when this role falls on the spouse. We hear about this issue very often, typically when someone who is trying to understand the caregiver amount gives our society a call. As their spouse becomes much more disabled, they're often unable to work as much, and have to reduce their hours of work to provide for their very disabled spouse. With that in mind, the spouse starts reading what is available in the government documentation, and reads:

> you or your spouse or common-law partner's child or grandchild; or you or your spouse's or common-law partner's brother, sister, niece, nephew, aunt, uncle, parent, or grandparent who was resident in Canada....

That's quite a list, but obviously the person who is not included in this list is the spouse of the person who is disabled. We believe this is a major policy gap. It undervalues the caregiving that spouses provide every day, often at the expense of their paid participation in the labour market, every week, every year.

I just mention as an aside that the Province of Manitoba has just launched a refundable caregiver tax credit, very much modelled on the federal one, but in that case it extends to spouses, who can also claim the credit.

Our second recommendation is to allow people who have an unpredictable and episodic disease to have the option of working part-time while receiving partial employment insurance sickness benefits. This would encourage them to stay in the workplace and encourage employers to think of them as valuable employees, not as those who are ill and unreliable.

Episodic disabilities—these include, beyond MS, such things as lupus, mental illness, cancer, arthritis, hepatitis C, HIV—are illnesses that are characterized by periods of graver illness and then periods of respite. We recommend changes to the EI rules so that they allow individuals to work part-time and receive partial sickness benefits from 150 half-days instead of the current 15 weeks or the 75 full days.

We believe this small step would benefit people with MS and other episodic disabilities and benefit society at large as well. There are obvious benefits beyond the collection of taxes, obviously, to participation in the labour market. We know that from people in poverty and people with disability—people want to work.

We do recognize that this change has the potential to increase the number of EI sickness benefit payouts, but we believe this cost would be substantially offset by the increased number of people and the value, obviously, of their participation in the workplace.

Our third recommendation really has to do significantly with those people with MS for whom the disease has been most disabling, and who cannot work. It really is a simple one: make the disability tax credit a refundable benefit.

Having a disability automatically means that you have expenses that an able-bodied person avoids. These expenses are very significant. For many people with MS, fatigue will be an invisible characteristic of the early course of the disease. That alone can make walking even short distances impossible. Riding a bus or using public transit is made difficult. A car becomes a necessity. For people who use a wheelchair, an adapted van is a necessity.

● (1520)

We believe that making the disability tax credit a refundable benefit would bring money into the hands of people with a disability who do not have enough income against which to apply the credit.

I realize my time is up, so I'll just say that the adoption of these three practical and modest changes could allow for quick movement in this very critical area. We've prioritized them because we believe they're relatively easy, small steps to make, and are all clearly within federal jurisdiction.

Thank you very much, Mr. Chair.

The Acting Chair (Mr. Maurice Vellacott): Thank you, Yves.

At this point, then, we'll turn to John Myles, who's the Canada research chair in the social foundations of public policy at the University of Toronto. John, take it away for five minutes.

Mr. John Myles (Canada Research Chair in the Social Foundations of Public Policy, University of Toronto, As an Individual): Thanks very much, Mr. Chairman, and thanks to the committee for inviting me to be with you today.

Before I begin my remarks, I just wanted to remind the committee members that Canada does have at least one great success story in the field of poverty reduction. When I began my career over 30 years ago, Canada had the highest rate of poverty of any western country among its seniors. Our poverty rate among seniors was higher than it was in the United States in the late 1970s. By 2000 our seniors had among the lowest poverty rates of any western country. In this particular instance we rival good old egalitarian Sweden. My reason for pointing that out is that we've demonstrated we can do it. The big question is whether we can duplicate this kind of success among other disadvantaged groups in Canada.

I think we certainly know what needs to be done, but we don't always know how to do it. By that I mean there are real, practical problems of coordination. One of the issues I'll turn to at the end of my remarks, if there is time, is an issue that I think is of interest to this committee, the problem of federal and provincial jurisdictions.

The first point is that there's no single magic bullet that you can use to fix poverty or to bring poverty down. You need a whole complex of institutions, a family of policies all working at the same time. Among these, the single biggest weapon in the war on poverty is employment. Having a job is the most effective guarantor of escaping poverty. I might also mention that the psychologists are puzzled sometimes by the fact that having a job is probably the single best predictor of individual psychological well-being and happiness. It matters more than your salary, for example.

Canada's done middling well on the employment front, but not nearly as well as we could or should. Male employment rates have actually fallen in Canada since the 1980s. We now have a lot of good comparative research that indicates the most successful countries in recent decades are those that have invested heavily in what are called active labour market policies. Now, active labour market policies can be a complex topic, but the simple notion of it is that if people can't find jobs, then governments create institutions to bring jobs to people and to provide the training that enables people to find employment.

Countries like Denmark and the Netherlands really began to take the right to work and the right to employment seriously in the 1990s. These programs have made a huge difference. In contrast, Canada's investment in activation strategies has been rather modest.

Achieving high levels of employment, of course, also requires good public services, including health, education, and public transport. All of these things are connected. Today it also requires good child care programs. In 1990 single mothers in Quebec had the lowest employment rate of any province in Canada. By 2000 Quebec single mothers had the highest employment rate of any province in Canada. The explanation is fairly simple: highly subsidized day care services.

Employment is the key, but not if wages are low. I have another little fact for you. Along with the United States, Canada enjoys the ignominious position of having the largest share of low-wage jobs in the OECD. The OECD estimates that about 22% of Canadian full-time employees are in low-paying jobs. In continental Europe, Australia, and New Zealand, the numbers are around 15% compared to our 22%. In the Nordic countries, those numbers fall to 7% or less. As a result, Canadians face a high risk of being among the working poor.

I have some comments in my notes about strategies to deal with that situation, both long term and intermediate term, but I'll pass over them in the interest of time.

● (1525)

I could go on and mention other policy areas that are essential to licking the poverty problem—housing is an example—and I said little about specific target groups, such as aboriginals.

Is that my time?

The Acting Chair (Mr. Maurice Vellacott): Yes, but carry on to the conclusion.

Mr. John Myles: My point is that addressing the poverty problem requires a whole family of policy initiatives that all work together at the same time. That means that fighting poverty requires lots and lots of policy coordination. If you want to maximize employment, for example, you also have to be thinking about family and child care issues. You can't deal with them as separate issues. But our structures and institutions make this difficult.

There are two main obstacles to developing a well-coordinated policy agenda. One is the old problem that every country faces, which is a bureaucratic division of labour into different departments of government. We've chopped up the policy domain into little packages to make it manageable. But every country faces that. The most pressing problem is overlapping federal and provincial government jurisdiction, especially in areas related to the labour market, which is an issue I've emphasized this afternoon.

Is there any solution to this problem? The committee might find it instructive, if you haven't already studied it, to consider the European Union strategy for addressing an even more conflictual problem with coordination across member countries. It's called the open method of coordination. It involves the setting of common targets, such as employment levels, without trying to dictate to countries which policy mechanisms they will use to reach those targets. It also involves an intensive system of auditing and analysis to evaluate national success in reaching these targets.

Here in Canada we also have exemplars of an even more demanding political process, and I'll close on this. To illustrate, I want to use the example of the CPP reform of the late nineties, a reform that almost everyone now judges to be one of our big federal-provincial success stories. What drove the reform? Bruce Little's recent book on the CPP reform, which I recommend to you all, contains what I think is the essence of the answer. In 1985, ten years before people started looking for a solution, the federal government and the provinces introduced what I will call a forcing mechanism that required them to seek a joint solution to problems of inadequate CPP funding, as determined by the chief actuary. The default provision they introduced in 1985 meant that when the chief actuary submitted his gloomy 15th report on the CPP in 1995, the outcome was certain. Federal and provincial ministers would soon be at the bargaining table, either to cut benefits or to raise contributions. They had locked themselves into this agreement. Should they have failed to act, contribution rates would automatically have risen to about 14% in the year 2030, and for reasons of intergenerational equity, no one wanted that. The entire purpose of the reform was to preclude that possibility, and they cut a deal that will keep the rates stable at about 9.9% well in the future.

What do we see here? Despite enormous differences in political preferences among the provinces and the federal government, they reached a consensus on policy targets. Then they created a lock-in provision that required them to reach these targets: if X doesn't happen, Y will happen. This is exactly what I encourage you to think about. If the Parliament of Canada wants to reduce poverty, lock yourselves and your successors, along with the provinces, to the extent you can, into reaching specific outcomes. And specify what must happen if those targets are not reached. I think of this as making a poverty reduction contract with the people of Canada.

Thank you.

● (1530)

The Acting Chair (Mr. Maurice Vellacott): Thank you, John.

We'll move to Mark.

Sometimes those who have testified here, if they want more of their material on the Hansard record—I know that Josephine and others have caught on to this—will use it in the response to a question. Ignore the question and enter your material. Well, pay attention to the question too.

I'll turn it over to Mark. Mark is the chair of the Hamilton Roundtable for Poverty Reduction. Then we'll go to Sarah, and by that time, hopefully, Josephine's materials will be back on the scene.

Mark, please proceed for five minutes.

Mr. Mark Chamberlain (Chair, Hamilton Roundtable for Poverty Reduction): Thank you.

Thank you for the opportunity to speak. I also sit on the National Council of Welfare and the Ontario provincial poverty results table.

The Hamilton Roundtable for Poverty Reduction was born out of a concern for our community's poverty challenge. It came together in May of 2005 to understand Hamilton's high poverty levels, to focus the community's attention on poverty, and to begin to find solutions. Initially co-convened by the Hamilton Community Foundation and the City of Hamilton, the roundtable today is a multi-sector 42-member body that has engaged more than 900 organizations and 42,000 individuals in Hamilton in an effort to make Hamilton the best place to raise a child.

A poverty matrix based on Statistics Canada 2001 census data concluded that Hamilton was tied with Toronto for the highest rate of residents living below the low-income cut-off: 20% of Hamilton residents lived in poverty, while one in four children were growing up in poverty. That equals about 100,000 of our residents and 25,000 children under the age of 14.

The Hamilton Roundtable for Poverty Reduction developed a change framework that focused on a policy and systems change agenda and identified key points in a child's development in which strategic investments could make a positive difference. These critical points of investment include quality early learning and parenting, skills gained from education, activity, and recreation, targeted skills development, employment, asset building, and wealth creation. In other words, we looked at what a human being needs to be a resilient and contributing member of society from pre-birth to employment.

In driving forward community investments, the roundtable worked with established collaborative planning tables, which are focused on the shared outcomes and impacts for children and their families living in poverty. These critical investment points are built on foundational community supports, each of which requires investment and policy interaction by all levels of government, including municipal. We have focussed on systemic changes that will lead to long-term poverty reduction efforts. For example, we have encouraged enhanced community partnerships with governments, increased flexibility in funding and program delivery, and action-oriented solutions.

The Hamilton Roundtable for Poverty Reduction experience proves that a strategic focus on poverty can shift the impact of poverty on a community. By working together, citizens, businesses, governments, and community organizations have achieved the following outcomes: a reduction in the poverty rate from 20% to 18%, resulting in 6,000 fewer citizens living below the low-income cut-off, at a time when other communities experienced rising poverty rates; 175 community solutions leading to increased household and social assets for over 47,000 children, youth, and their families, including increased income, access to child care, increased access to skills training, new employment opportunities, and increased access to housing; over $10 million invested in local poverty-reduction priorities through the Hamilton Community Foundation, the United Way, the City of Hamilton, and, more important, business corporate investments and new investments by the provincial and federal governments; unprecedented media coverage of the impact of poverty, which has helped our community to understand that poverty is not lazy people; and putting the Ontario poverty reduction strategy into effect.

Over the past four years, we've learned a number of important lessons. First, we learned that the problem is complex and multi-sectoral. The solution must include all stakeholders—government, business, not-for-profit sectors, health, education, local communities, and people living in poverty. Essentially, we are all part of the problem; therefore, we must all be part of the solution. We encourage the federal government to establish an interdepartmental secretariat on poverty reduction and a multisector national panel on poverty reduction.

Second, we learned that, generally speaking, we know the solutions to poverty and we have many capable folks who can actually deliver those solutions. There is great evidence regarding the positive impact on individuals, communities, and entire countries of investment in early intervention, affordable housing, education, skills training, new Canadians, urban aboriginal populations, and income security, including emergency supports such as EI. However, for sustained solutions, we must invest these resources and create the necessary policies to reduce and prevent poverty. We must ensure that program investments are flexible and sustainable, that they realize the maximum impact over the long term, and that all programs reflect the uniqueness of each community.

Third, we learned that investments in poverty are essentially the same investments that one makes for prosperity. It is investment in human capital, human resilience, and community resilience. In a world of constant change, what better investment is there? And if poverty and prosperity are inseparably linked, then it is clear to us in Hamilton that it is impossible to have a national economic strategy without having a national poverty reduction strategy.

● (1535)

Unfortunately, we have also found that we have, for all our efforts, had very little impact on the overall poverty rate in Canada for the past four years, other than—I completely agree—for seniors. This is caused by many factors. However, none is greater than our lack of a sense of urgency and how this issue aligns or apparently is misaligned with our values as Canadians. We ask in Hamilton, is poverty the flu or is poverty SARS? If poverty were viewed as we view SARS, it would have been solved a long time ago. The solution and the urgency is not a question of money or knowing what to do; it is a question of values.

Once we have agreed, as we have in Hamilton, that poverty is simply unacceptable in Canada—and if poverty is unacceptable, then child poverty is simply disgusting—then there is no question that we can all but eliminate poverty. We must simply set measurable indicators and timelines to reduce and ultimately eliminate poverty and set ourselves a much higher aspiration than we have currently.

Thank you.

The Acting Chair (Mr. Maurice Vellacott): Thank you very much, Mark. You got a lot of material packed in there. You must be a jogger or aerobic exerciser or something. You're not even panting or anything.

Mr. Mark Chamberlain: I'm fast, and we have a longer report that we've e-mailed you.

The Acting Chair (Mr. Maurice Vellacott): Sometimes we do have to watch the speed because of the interpreters, but I never heard any complaints, so they must have managed.

Next will be Sarah Blackstock, who is a research and policy analyst with the Income Security Advocacy Centre. You have five minutes.

Mrs. Sarah Blackstock (Research and Policy Analyst, Income Security Advocacy Centre (ISAC)): I'm really pleased to be here today contributing to what's becoming quite a rich discussion across this country about poverty reduction. I'm sure certainly everyone who is here would agree it's about time, and I imagine most of you would as well.

As the chair said, I work with the Income Security Advocacy Centre, which is a legal clinic in Ontario focused on test case litigation, law reform, and community organizing that's focused on improving the income security and social inclusion of low-income Ontarians.

As I said, the goal of poverty reduction is being taken up by provinces across the country, including Ontario. There are provincial poverty reduction strategies, there's poverty reduction legislation, and now there is innovative programming. Provinces have come to realize that creating public policy to reduce poverty is not only the just and decent thing to do—which I would argue should certainly be reason enough to act—but it's also the smart thing to do if we want strong economies and healthy communities. And as Mark just indicated, it's not just the provincial jurisdictions that are taking up the call to reduce poverty; it's municipalities and communities across this country, it's social activists, it's teachers, it's health practitioners, it's faith communities, it's heads of banks, and it's chambers of commerce, which are all insisting that poverty reduction should be taken seriously for reasons of justice, fairness, social inclusion, health, and economics.

As has already been mentioned, Ontario has developed a provincial poverty reduction strategy, and I know Minister Matthews has appeared before this committee and told you in detail about it. It's an imperfect strategy, in my view, but it is a significant step in the right direction.

What's exciting to those of us who do the work here in Ontario is that people across this province, and at the local levels, are getting involved in the work of poverty reduction. But it seems to me that Canada is not simply the sum of its parts; we are a nation. Certainly we are a nation with tremendous difference and diversity, but we're also a nation with shared values and aspirations, and Ontario is not alone in calling for the federal government to take its rightful and necessary place in our shared work to reduce poverty.

Working in a cooperative and transparent fashion, the federal government and provinces should establish a national poverty reduction strategy that complements and reinforces provincial and territorial efforts and that's guided by a vision of a poverty-free country in which charter and human rights are fully realized. It should be a strategy that has targets and timelines. I suggest it must also be a strategy that's transparent, one that's transparent in its decision-making, its deliberations, its monitoring, and its evaluation.

I offer the national child benefit supplement as an example of a mostly good program that resulted from provincial, territorial, and federal negotiations, but also as an example of some of the pitfalls of cooperative federalism, because with no formal signed agreement and mostly closed-door negotiations, there was a lack of transparency and accountability, which mattered a lot to those advocates and anti-poverty activists who had concerns they wanted taken seriously. We didn't have access to the deliberations to have the rich analysis we wanted to be able to engage in with government around our concerns.

Preliminary steps to establish a national poverty reduction strategy, I think, are obvious and have been articulated here and by provinces and municipalities across the country as well as researchers, advocates, independent citizens, and low-income people themselves. So I'm just going to touch quickly on three important ones.

Mine is only yet another voice calling for the reform of employment insurance in this country. Unemployed workers are entitled to those benefits that will enable them to cope financially and gain the necessary support and/or training they need to re-enter the labour market. I'm sure many people who have appeared before you today have reminded you that in this province only 32% of unemployed Ontarians qualify for EI. So like many others, the Income Security Advocacy Centre is calling for uniform entry requirements based on 360 hours of work, benefit levels raised to 60% of earnings based on a worker's best 12 weeks, and an increase in the period in which benefits may be collected to a maximum of 50 weeks.

● (1540)

Secondly, increase the national child benefit supplement. This is money that is always well used. It feeds, it clothes, it takes care of our kids, and it's money, of course, that's used immediately in local communities, so it's also good for local economies. We're calling for the NCBS to be increased to $5,200.

Finally, I'll just mention the urgent need to invest in early childhood education and care. Our recommendation is that money should be earmarked in the next two federal budgets for ECEC, specifically for operating costs and capital expenses, including expansion and quality improvements, but that a national child care strategy is critical to poverty reduction in this country.

I'll stop there and just say that I am very excited by what I hope will be very fruitful discussions.

● (1545)

The Acting Chair (Mr. Maurice Vellacott): Thank you very much, Sarah.

We'll turn now to Josephine Grey. I think Josephine is ready to go, and she is the executive director for Low Income Families Together.

Ms. Josephine Grey (Executive Director, Low Income Families Together (LIFT)): Thank you.

I'm actually also appearing here today as the so-called appointed domestic observer for the World Summit on Social Development for Canada. I was asked to observe Canada's negotiations as part of the World Summit on Social Development in 1995. That might seem like a long time ago, but I raise it because I do think... Let me say that I agree with all of the things that people have said here today. I want to talk about some things that maybe surround that, some of the context and some of the political issues that I think have a lot to do with this.

I raise the World Summit on Social Development along with a number of other things that occurred in the early 1990s because I think it's really important that we remember that at one point in time we were making some fairly serious strides toward not only poverty reduction but poverty eradication. We had a common purpose as a country to try to model and show an example of how a nation can in fact eradicate poverty—at least, that was what was being said at the time.

I should mention that in Ontario there was a nine-year and at least a $9 million process on social assistance reform that did a great deal of work on establishing how a social security system could be instituted that would be truly beneficial to low-income people, rather than simply becoming a different form of industry exploiting the misery of people who are vulnerable.

All of these things were lost in the shuffle, and particularly under the pressure of NAFTA, the North American Free Trade Agreement. It had an enormous effect on our social policies for a variety of reasons. One of the things that I saw creeping into our policy arena was the notion that we could potentially privatize various forms of human service, which to me became perhaps the only explanation as to why a country with such wealth and so many resources and so much knowledge and a previously better record would suddenly be increasing poverty, freezing wages, freezing income levels, so that people were getting more and more desperate and more and more poor.

To me, the only explanation I could see is that those who were pulling strings behind government perhaps saw an opportunity to profit from human misery by privatizing human services. In fact we've seen quite a lot of that occur over the intervening period of time—for example, juvenile justice systems and the like—where a private company profits from the fact that poverty exists. If you look at the prison system, that is a very clear example.

I happen to live in a very densely populated, very diverse community, and I saw huge changes happen in that community. After the federal government decided it was no longer responsible and dumped the responsibility for poverty onto the provinces by cutting national standards, the province immediately responded by cutting everything else, right to the extent of having something like 130 laws and regulations changed in one bill, and there was no one there to stop that. There was no one there to say anything about it. At this point, I have to wonder if we are actually living in a country or we are living in a bunch of balkanized little states. The result of that was very quick and very severe. In my community, the level of criminal activity, drug dealing, etc., desperation, skyrocketed very fast. So the effects were immediate and blatant.

The other thing that happened, however, in that riding, which is the poorest and the richest riding in the country, was that we lost something along the lines of a million dollars a month in local revenue because cuts to people's income security—old people, refugees, immigrants, single mothers and the like—took money out of the local economy there.

I mention this because I think we are not simply talking about some nice ideas to reduce poverty. I think we're talking about something more fundamental and larger than that. How is it that Canada went from a country that believed in the common good to a country that suddenly didn't give a damn and wanted to follow the United States in every way? We brought in workfare. We brought in American corporations to design our social assistance systems and the like.

Meanwhile, some of us who realized that we had no protection.... By the way, if you look closely at Canadian law, there is no form of protection for people who are living in poverty. It is not a ground of discrimination, so we have no form of redress. This then allows someone like myself to go directly from my local community to the United Nations, without any stops along the way, because Canada has no accountability to my rights as a poor person.

So I went to the United Nations. And what the United Nations Committee on Economic, Social, and Cultural Rights has had to say about this country is something this committee should study. It says very clearly that we have failed miserably, and in fact committed some pretty grievous violations of the human rights agreements we signed in 1976, by having absolutely no accountability mechanisms, no redress, no standards, etc. Now, I would submit that these things were signed in our name, as a people....

That couldn't have been five minutes, was it? Sorry. I'll finish up.

● (1550)

Anyway, I would implore that you study what the committee had to say. It made some very intelligent recommendations, and it brings some very important issues forward. It's ridiculous that we had to go that far to be heard so that something could be communicated back to our government about the realities we are facing. That was the only forum where we could have that dialogue—in Geneva. This is the first time I've seen dialogue involving the federal government about poverty reduction and these issues since the early nineties, so I find that rather extraordinary.

I also wanted to mention that at the time of the World Summit for Social Development, Lloyd Axworthy was very involved in that big reform of human resources and development. There was, again, money, investments, time, and effort that Canadians within my lifetime had put in to try to come up with a better system. And on the day of the budget, while we were all conveniently located in Copenhagen and could say nothing about the largest cuts in history to social security, what Lloyd Axworthy said to me—and I think I can now share this—was that our country had taken an entirely new direction, that the finance minister had completely changed everything, that it was fully undemocratic, and he was in full despair about the future of our nation. I had to agree with him, and I have to tell you that in my line of work and what I've lived through and what I've seen in my community, what I've experienced with my children, it was indeed a massive change that caused a great deal of suffering for everyone.

Lastly, I want to point out that while all of the recommendations here are very valuable and I fully support them, I think we need to take some other measures that respect human rights so we can use human rights commitments and standards and obligations to get provinces and the federal government to do things like look at corporate law. Corporations have no right to be running away and leaving people stranded without severance packages and the like. These are the kinds of things we have to start looking at. They are doing an awful lot of rampant, unfettered activities that are causing more harm and more poverty for more people.

So it's not just strictly social security issues or social security policy that we have to examine when we look at poverty in general. I think we also have to construct accountability mechanisms that can influence things like corporate law. If we don't reform the corporate law and our economic framework, we're not going to make very many strides, because the context will continue to undermine everything we do. I think that's crucially important, and I hope this committee looks seriously at creating the sorts of mechanisms that can allow that to happen.

The Acting Chair (Mr. Maurice Vellacott): Thank you, Josephine.

We'll turn to Maria, who is going to lead off with seven minutes. She'll direct her questions to any one of you, or maybe several of you, and then we'll proceed from there.

Hon. Maria Minna (Beaches—East York, Lib.): Thank you, Mr. Chair.

Thank you all of you for your presentations this afternoon.

As I did earlier in the day, I'm going to start by saying that I don't have disagreements with anything that was said with respect to the needs and where we need to go and the issues. A lot of you have made a lot of the same recommendations in terms of legislation, in terms of the national child care program, housing—the planks of a national anti-poverty strategy, what they are and what they should be, and the determinants. So I won't go into the specifics again and bore you with them.

I will ask some questions with respect to expanding some areas and maybe just getting some stuff on record.

The first area has to do with gender. In the presentation of the Lone Mothers group you mentioned that the current system with its gender-neutral approach isn't working, and of course I agree with you. I don't know if you read the gender budgeting report that was done by the Standing Committee on the Status of Women. We did hearings a year ago and we came out with a report. By gender budgeting we mean gender analysis in all government programs, budgeting processes, and other programs the government would be involved with implementing or developing. Gender analysis is critical to being able to ascertain whether or not a program is leaving women out, whether it's intentional or not, but women are being left behind, as is the case, as some of you have mentioned, with some areas of EI and other programs.

First of all, I wanted to know if you'd seen that report and how it would fit into any work that you've done, because you obviously had some specific things to say when you mentioned the gender neutrality problem. Maybe you could expand on that. I know we did a study, but there might be some stuff that....

● (1555)

Ms. Judit Alcalde: I haven't read the report.

Hon. Maria Minna: You can get it online. It's called gender budgeting, and it was an attempt by the standing committee of the House to address two things. We did one report on women's economic security and then realized we couldn't be successful with that unless we did a proper analysis of gender budgeting in this country in terms of gender analysis and programming. We followed specifically the budget process and whether budgets had proper gender analysis and where they went. For instance, we followed a number of programs that were in the previous few budgets to see where they went in terms of women and how they affected women. Of course the income disparity was very large in Canada, as you have said in your recommendations, and how to break that down and how to change that....

You have recommendations here. Without having seen the reports, in addition to the wage disparity, have you done any gender analysis yourself or evaluation in partnership with other organizations on government programs besides the EI, such as any others like CPP? I'm just wondering if you've done any, if there's already work out there we don't need to be doing.

Ms. Judit Alcalde: We haven't done any gender analysis of programs. We're still, as I mentioned earlier, beginning our fourth round of interviews, and then we're beginning a phase of beginning to analyse and see where some of the gaps are. We're just seeing clearly in our data and in the stories of women over the last three years how programs are not taking into account the fact that they are single mothers responsible for their children.

The example that always comes to mind is of training programs that are offered through the Ontario Works program. In Ontario, the majority of programs that are open to these women do not take them out of poverty. It's very different in a two-wage family or if you're not responsible for children. When you have children and it's your income and that's it, a program that leads you to a job that pays $10 to $12 an hour, and is quite often precarious work as well, is not going to take you out of poverty. We feel those programs have not taken into account the fact that the majority of people accessing them are women responsible for the care of their children. That's one obvious example that we're seeing over and over again in our data.

As well, we didn't purposefully go looking for women who have left abusive relationships, but over and over again what we're seeing is that a majority of women in poverty are there because they've experienced abuse, and then the supports are not built in over the long run for their working through the issues and getting into training programs. There's no accounting for the fact that they've lived in an abusive relationship for ten years and they don't just get up and go to work the next day. So those are a few of the examples we're seeing. We'll have more. We'll be able to take a look more analytically at the end.

Hon. Maria Minna: It's obvious, from everything we've heard and from everything I know, that a national child care program, housing, education, skills training, and the child benefit increase, at the minimum, are fundamental to giving stability and to helping women—all families, but certainly women—out of poverty.

Have you taken a look at the effectiveness or not of the working income tax benefit and to what extent that's helping at all in this? Not just you, but has anyone else taken a look at that piece, the working income tax benefit, which has just come in recently?

● (1600)

Mr. Yves Savoie: We've looked at it, obviously, in the context of people with disabilities. Structurally, it's a very good piece of policy innovation. The amounts are very small and they remain very small at this time. We certainly welcomed its introduction, but the real proof in the pudding will be seen in terms of the rate of increase, of the value of the benefit.

Hon. Maria Minna: I have two questions. I have one more for all of you, and then one specifically for the MS Society.

Following that train of thought, we have a child benefit, which is an income support to families with children, and then there's a working income tax benefit. Which would you increase if you were increasing just one, in terms of its best impact? It's not fair, but we need to make choices, right? Let's just say we are increasing one only or enriching one.

Mrs. Sarah Blackstock: It is a really tough call. I think there are a lot of anti-poverty activists who agree with Yves Savoie that the working income tax benefit is a good program. The value of it is quite minimal, I think, for someone working full-time in Ontario.

I would have to say that a national child care program is critical. And certainly when we're talking about child benefits, we have to be talking about child care. We in Ontario have an amazing new Ontario child benefit. It's a good program, and it's a benefit that people on social assistance get to take with them when they leave social assistance. You cannot get and keep a job unless you have access to affordable child care. The Ontario child benefit was set up with the main policy objective to support families in making that transition and getting and staying in decent work. But they cannot do that without child care. So I can't underscore enough the importance of affordable child care.

I think that also starts to get at the gendered and racialized aspects of poverty as well.

Hon. Maria Minna: I will come back with more questions later.

The Acting Chair (Mr. Maurice Vellacott): Can we have a very short response to this? We're over time. Go ahead.

Mr. John Myles: The working income tax credit was something I skipped over in my talk.

We know, of course, a lot about these kinds of credits because our neighbour to the south has a much bigger program that has been operating since the 1970s. In the United States, that's been the single most important source of poverty reduction, and it's now their biggest welfare program. That's partially because their other programs are so small.

I consider that to be a good short-term solution to the problem of low wages that I raised. It's a bad long-term solution, because we now know one of the side effects of the EITC in the United States is that it encourages the expansion of low-wage jobs. It's a subsidy to low-wage employers in the same way that it's a subsidy to low-wage workers. So by itself, if that's the only thing we do, it really is a band-aid that doesn't stop the bleeding.

Ms. Josephine Grey: I would just make a quick point that we seem to continually overlook the fact that women particularly are continually going between employment and unemployment. Very often they are not eligible for EI. So whether it's their child benefit or their working tax benefit or whatever, because some of these things are monthly and some are annual, it's a mess. And for the most part many women on social assistance don't get what they should be getting. Very often they're working in between, but they can't maintain their eligibility properly. So there has to be some coordination between the levels of government on that issue.

Every time I've raised the fact that women work and don't work three or four times within a year, it's never addressed. So that has to be looked at.

The Acting Chair (Mr. Maurice Vellacott): Christian Ouellet.

[*Translation*]

Mr. Christian Ouellet (Brome—Missisquoi, BQ): Thank you for being with us today. You have raised very interesting issues.

Mr. Savoie, I recently received a letter from one of my constituents who was telling me he had multiple sclerosis and that he only received employment insurance during 15 weeks. I asked him for how long should these benefits be paid to someone who has this illness. It in not easy.

Mr. Yves Savoie: I should first tell you that multiple sclerosis varies a lot. However, people who have it are generally more tired for a very short period or for a few weeks or even for a few months. These people could be receiving a treatment, for example, or going through an acute phase. They must reduce the number of hours.

● (1605)

Mr. Christian Ouellet: That's not what I was asking. I know the situation: my sister has multiple sclerosis. I want to know how many weeks should these people get.

Mr. Yves Savoie: They get 15 weeks right now but we are asking double that period, so that these people can receive their employment insurance benefits for half the time and work the other half. The same formula would be used for people who have cancer, for example. They could work in the morning and go for their treatment in the afternoon.

Mr. Christian Ouellet: I agree, thank you.

Mr. Myles, you talked about a national policy administered by each province, as it is done in Europe, if I understood correctly.I find this idea very interesting but I would like to know if in your proposal, all programs should be offered in each province and the provinces would establish their own objectives rather than follow specific policies. Someone has said earlier that there was one nation and that we should get going. Personally, I know of at least two. There is also the Assembly of First Nations. In short, there is more than one nation and Vancouver's problems are not Newfoundland's.

Given the situation, how should the federal government proceed, in your opinion?

[*English*]

Mr. John Myles: First, let me make an observation. Among the countries of the world, in western Europe and so forth, that have been most successful in this field are countries where the coordination problems are low, are weak, and where there's a high-trust environment. These are built into longstanding institutions that we don't have in this country. In political science, we would be considered a high-conflict, low-trust country in terms of our political institutions. So we have to recognize that our institutions are a problem. They can't be changed overnight.

The weakest form of coordination is, to my mind, the kind I suggested to you in my comments about the open method of coordination. It requires buy-ins, in terms of what we're shooting for. For example, the EU set targets for employment, particularly employment levels for women? They didn't tell the individual countries how they had to get there, but everybody said yes, they were going to make the effort to get there through whatever national institutions they had available.

That requires auditing. In Canada, even the notion of auditing and producing comparable data and evidence across provinces is highly controversial. So it's very hard for us to get those, but sometimes we do. That's why I used that example. We seem to be able to cooperate around certain issues but not others.

The stronger method was the one I mentioned for the CPP, where they not only agreed on a target, but they introduced the forcing mechanism that required them to act if certain conditions weren't met. That's tougher. But in the key areas for poverty reduction, particularly labour market issues, we have no choice.

[*Translation*]

Mr. Christian Ouellet: I will now go to Ms. Alcade. You talked earlier about some of your recommendations, which I have read. This goes back to what we just said. I think that six of your twelve recommendations deal with provincial jurisdictions.

However, there is one that concerns the federal government, the one about employment insurance. You say employment insurance should be changed. I am in complete agreement on that, especially about the waiting period. In fact, I am the one that presented the bill.

Don't you think that the present employment insurance system is creating poverty and does not help people get out of the poverty circle? A waiting period of 15 days and only 43% are eligible. Employment insurance created poverty because people have no choice but to go on welfare.

● (1610)

[*English*]

Ms. Judit Alcalde: If unemployment insurance is creating.... I don't feel qualified to respond to that question. Most of the women we interview and most of the women who we know are living in poverty do not have access to employment insurance because they are in a precarious environment. I think part of our recommendation has to do with separating maternity benefits from employment insurance so all women are eligible for that. But I don't feel qualified to answer in terms of our research study.

[*Translation*]

Mr. Christian Ouellet: Ms. Grey, do you think that employment insurance, the way it is now, creates poverty and doesn't help people to do better, as it should?

[*English*]

Ms. Josephine Grey: Insofar as it's accessible to so very few and has such very difficult administrative rules, I think it does in fact create a great deal of poverty. You can see the huge shift in Ontario. I was very involved with government around social assistance, and the shifts to EI made enormous differences to our caseloads here in Ontario. There is no question that it creates poverty.

The low level of the benefits is another problem. If somebody has been living for 20 years on a certain income and then all of a sudden is expected to survive on 50% of it, that creates a problem in and of itself.

The fact that the government was also able to take the revenue from there, which workers paid in, and then throw it off into the general pot and run off with it, to me represents a theft, and I have to say that Canadians are becoming more and more aware of these things. They're not only seeing that it creates poverty, which indeed it does, but also seeing the fact that we were robbed of those moneys.

Frankly, I think you'll find that on the street people are saying that not only is there this $50 billion and more that they ran off with from the EI fund, which was ours, but there's also some $200 billion that was given to bail out the banks and these kinds of things. This is becoming a big problem. People are noticing now. They're not as asleep as they were. There is a lot of anger, because this is our money and we know this. Frankly, I think a lot of people feel it's not just about poverty reduction; it's about reparations to pay back what has been taken from us over the last 15 years when everybody was, for a while, hoodwinked by this whole idea of deficits or whatever.

To me, this raises the fact that if we have been able to get to a point where our government felt it had the right to do that, we also then have to look more broadly at our economic framework and ask ourselves some questions about what it is we're valuing and what it is we're trying to achieve. I have to say that the only commitment that Canada kept to the World Summit for Social Development was a commitment to examine our national accounting system and how we value things. That was the only commitment. There was some work done, but then it was just scrapped, lost, and forgotten about.

I would say that at this time, when we're all becoming economies in transition because of all the difficulties we are facing now, this is a perfect time to look at those things and ask how we can shift the actual framework, so that we can say when something is going well for the most vulnerable that it's actually a success instead of a loss. Until we have a better accounting system, we're hopeless. We're not going to get anywhere, as far as I'm concerned. EI is a part of that whole picture that says it's a success when we make a profit over here, never mind how many people suffer.

The Acting Chair (Mr. Maurice Vellacott): Olivia, we'll go to you now for seven minutes.

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Myles, Josephine Grey talked about the Canada assistance plan, since 1995, being eliminated, and going into block funding, with cuts. You know the sorry history of that. For us to go back to setting national standards, whether it is through the open method you talked about or through CPP negotiations, the social union method, or the Canada health plan—there is any number of methods—are you suggesting that we should do it through poverty reduction targets, audits, or evaluation, or are you saying that we should do it through a Canada housing plan, a Canada child care plan, etc., with a different segment moving ahead or all wrapped into one?

Now, there's a danger with wrapping it all into one. The middle class, even though they are living in poverty, don't think of themselves as being in poverty, and it's much harder to advance it politically even though we Canadians are supposed to care. In the last 20 years, though, my faith in that has been slightly eroded, as you can understand.

What do you think would be a way to move ahead in terms of focusing? Is it to set the targets on poverty, such as 25% in five years and that kind of percentage? We must bear in mind that the majority of the people living in poverty are lone mothers, and that in Canada we are confused about whether lone mothers are really mothers or workers, so as a result they are neither mothers nor workers. They get the worst of both worlds and they have very little political clout as a result.

Where do you think we should move forward on that? That was a long preamble to my question.

● (1615)

Mr. John Myles: I'd take whatever I can get, but one reason I emphasized employment and wages is that, as far as I'm concerned, employment and wages are the best poverty reduction strategy we have available. Employment issues are clearly an area of overlapping jurisdiction between the federal government and the provinces.

Ms. Olivia Chow: You're talking about minimum wages, for example.

Mr. John Myles: Yes, but even.... Ottawa runs the EI program. It has its own tiny version of active labour market policies and training initiatives. Some of that's been farmed out, more and more, to the provinces. But this is clearly an area of overlapping jurisdiction.

Now, whether you can build a consensus with the provinces.... And maybe you have to have some asymmetric federalism; you get the ones you can at the table to talk about employment levels, wage levels, and what to do about them. I think you could get more of a political legitimacy for that kind of issue, even from the middle class, than you would if you were to call it a poverty reduction strategy.

Ms. Olivia Chow: So we should say that $16,200 per year on average for a single mother with kids is not enough, and that is the average wage; therefore, this is the standard, *x* dollars, and negotiate it with—

Mr. John Myles: We know for sure we don't want single mothers on social assistance for very long. They're never going to get out of poverty if they're relying purely on social assistance.

Certainly you need a strong social assistance system. But to solve their problems, eventually you want to get them into good jobs at decent wages. And an employment—

Ms. Olivia Chow: With child care support, or else they can't work.

Mr. John Myles: Absolutely.

I'm just thinking of the example of the disabled workers, the ones with multiple sclerosis. That's been dealt with under some of these active labour market policies. It's not a sickness benefit. It's recognition that for some kinds of workers—and we have to think of these people as potential workers—you're going to need.... I've sort of pooh-poohed looking at wage subsidies as a strategy you want to rely on entirely over the next 30 years. I think we have to do a lot more than that.

But in countries like Denmark and the Netherlands, the strategy explicitly recognizes that certain kinds of individuals who have disabilities of various sorts are going to require permanent wage subsidies over their whole lives. That's part of active labour market policy. In other words—

Ms. Olivia Chow: So just to see if I understand you correctly, the federal government, really, aside from the poverty reduction—25% in five years and all that—should have a labour market strategy and set some national standards together with the province to say how to get there, even using the open method you're talking about where we would do the audits and evaluate the successes. We could notch it up even more, perhaps to say that if we don't do that, therefore this would be the downside and therefore the punitive part, if we get there. And this is the kind of discussion we collectively, both the federal and provincial governments, must have. Am I getting that right?

● (1620)

Mr. John Myles: That's sort of where I'm heading.

Ms. Olivia Chow: It's interesting, because in Nordic countries people are not as desperate. The local clerks and the restaurant waiters are not stressed out, because their income levels are at a place where they know they can feed their kids and still pay rent. In Canada, our income gap, especially gender gap, is like 14th out of 15. We are so low that even when people are working they have to take three shifts in order to survive.

Mr. John Myles: I talked about different institutions. They have different institutional arrangements. You have to remember that in most of Europe, outside of the U.K., 80% of workers, employees, are covered by labour union contracts.

Ms. Olivia Chow: Yes, I do know that.

Mr. John Myles: That's how these decisions get made. But in Canada and the United States, we don't have that situation. Many of those countries don't have a minimum wage. The minimum wage is what gets negotiated between employers and unions and applied across the whole labour market.

In a sense, we rely on both levels of government to play the role labour unions do throughout Europe. And that's something that has to be recognized. We don't have the unions here to do it, so governments have to take up the slack.

Ms. Josephine Grey: I'd like to add a point about how Europe coordinates these things.

I watched very closely as they followed up on the World Summit for Social Development . One of the first things they did was meet the commitment to involve people who are affected and have them participate in the development of policy. But one of the other reasons Europe has this ability to succeed in these areas is that they all have human rights commitments and standards, and they take them seriously and they have accountability mechanisms at many levels. These things actually make a difference.

Now, I say that the provinces and the federal government signed and ratified those agreements. You can start there, as at least a framework of principles that are legally binding to the federal and provincial governments, as it works in Europe. If some of these commitments were taken seriously and followed through on, you would find you would get some similar results.

The Acting Chair (Mr. Maurice Vellacott): Thank you, Josephine.

We have to go to a couple of site visits shortly. I'll finish up with a couple of quick questions, and we may not use the seven minutes, but then we'll have to say our farewells to our panellists here today.

My first question is to John.

In terms of sustaining social programs in the future, because some of the academics write of a demographic winter in Canada and a birth rate decline all across the country, it's more in replacing ourselves at this point, but it's moving progressively down. I want to bring that together with a suggestion that came from Judit and Elita, the eleventh recommendation, on maternity benefits being de-linked from EI and made available to all women. I know countries such France, Japan, and elsewhere have had to think of this in terms of the demographic. How do we sustain our programs for the future unless by immigration, or an increased birth rate, or such policies as Judit and Elita have suggested? How do we sustain it? Do you see some foreboding, some difficulty ahead, in terms of the sustaining of our workforce?

Mr. John Myles: Because of the aging of the Canadian population.

● (1625)

The Acting Chair (Mr. Maurice Vellacott): Exactly, and not replacing it.

Mr. John Myles: My main area of research over the years has been public pension policy. I'm very popular on that issue in Europe. They asked me to come over and speak on it.

About every ten years we get interested in pension policy in Canada. For many reasons it simply hasn't had the political leverage in Canada that it's had in Europe, but there are very good reasons for that. Our public pension system is a very low-cost item. We spend about 5% of GDP on our public pension system and get those low poverty rates I mentioned earlier. The European countries are spending anywhere between 10% and 15% of GDP on their public pension systems. We have very different mechanisms of financing. Half of our old age budget, at least in the pension area, comes from general revenue rather than payroll taxes. That saved us from many of the pressures being experienced in the larger European countries.

The Acting Chair (Mr. Maurice Vellacott): Should we be doing something along the lines of encouraging the birth rates in the country, as they have in France, Japan, and elsewhere?

Mr. John Myles: Should we be doing something to encourage birth rates? That's a toughie. We have lots of examples. You could take a look at Quebec. Demonstrating that the policies have turned the birth rate around is technically a very difficult thing to do, but certainly the changes in Quebec in terms of family support, child support, have to some degree reversed it. Quebec had one of the lowest rates in the world until recently.

Mr. Yves Savoie: There are people who have been marginalized from sustainable attachment to the labour market by reason of family structure or by reason of disability who need not be marginalized from the labour market. The recommendations that we've put forward are very modest and practical, but at the end of the day they build on a knowledge we have that every person with MS wants to work, but the reality of our systems—public transportation, attendant care, and home care supports—are such that in fact people are prevented.

They make choices about going for disability benefits at a much earlier stage of what is a progressive disease in the context of MS. While they might be able to work 15, 25, or 30 hours and be gainfully employed and pay taxes, which is to the heart of the your question, they make a choice of being full-time on a disability benefit. They lose the social value of work, the motivation that comes from it, but more fundamentally they lose the opportunity to contribute as citizens productively to our economies and to the tax base.

To your argument, I'd say this is something you need to look at in an integrated way. I believe there are a lot of people who are marginalized from a sustainable attachment to the labour market not because they don't want to work or they can't work, but because the system prevents them from making that choice.

Ms. Josephine Grey: I'd like to add that the administrative complexity is extremely expensive, and having so much invested in preventing fraud, etc., is very costly. If we had much simpler systems we would have our allocation of funds going towards things far more important and useful than policing whether or not a few people make a few extra dollars. I think this is incredibly important.

The Acting Chair (Mr. Maurice Vellacott): Thank you, one and all: Judit, Elita, Josephine, Yves, John, Mark, and Sarah. We appreciate your input to us. You'll see it on the record. We'll continue this dialogue across the country in the days ahead.

Our meeting has completed. You can stick around as long as you want.

The meeting is adjourned.

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