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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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● (1305)

[*English*]

The Chair (Mr. Dean Allison (Niagara West—Glanbrook, CPC)): I call the meeting to order.

Pursuant to Standing Order 108(2), our study of the federal contribution to reducing poverty in Canada, I want to welcome our guests and say thank you very much for being here today.

Mr. Kube, we're going to start with you, sir. You're with the National Pensioners and Senior Citizens Federation. We want to thank you for taking the time.

We'll give the witnesses seven minutes each to do a presentation and then we'll do some questions and answers based on the time we have allocated.

Mr. Kube, welcome. We'll turn the floor over to you, sir.

Mr. Arthur Kube (President, Head Office, National Pensioners and Senior Citizens Federation): Mr. Chairman, members of the committee, I come somewhat with of a feeling of cynicism to appear in front of this committee. As an advocate of many years, I've appeared in front of committees similar to yours time and time again. As a matter of fact, as president of the National Pensioners and Senior Citizens Federation, I know that over the last three years you must have been in receipt of briefs we've submitted, briefs in which we've talked in great detail about the question of poverty.

Poverty among seniors is increasing. It's quite true that when you look at the statistics in terms of seniors' income, it's at a historical high, but, as they say, figures sometimes hide the truth. Seniors' poverty is increasing, especially among women.

I don't have to tell you—it's no great secret, and you know it yourself—that if a spouse passes away and the couple lived on guaranteed income supplements, the income is reduced to half, but the expenses remain very close to the same. Therefore it's no great secret why you'll find that the largest percentage increase in homelessness is now among seniors. I don't have to tell you that if you look at how a nation is judged, it's really judged on how it treats the most vulnerable people in its society.

As I said, we come in front of the committees and we know what has to be done. Basically, what has to be done is that you have to provide sufficient resources for people to meet their obligations to live a relatively normal life. How that is done is very simple: you have to increase income. The way you increase income is basically by increasing the guaranteed income supplement to a level that gives people enough resources to be able to function properly.

We know that every time the government is asked to increase income for people in the lower income bracket, they say, “Well, look at the cost”. But I also don't have to tell you that when you look at federal income as part of the GNP, it's been declining.

If you look at the question of the distribution of taxes, you will find that at one time, in the days of Minister Benson as finance minister, we saw a situation in which taxes were raised on the basis of approximately 44% from individual taxpayers, 44% from business, and the rest from fees and duties. You have given up the value of the federal finances to the extent that you can no longer meet the obligations to the most vulnerable people in our society, and it's just about time for that to stop. It has to be reversed.

Our organization, because we are concerned with seniors, feels that what is necessary is, in the first instance, an increase in the GIS to make sure that between the GIS and the OAS you have sufficient income to meet the necessities of life. Second, we feel that the time has come for a doubling of the CPP, because we have seen a great number of seniors finding themselves in poverty because of the meltdown that has taken place.

We also found out that the seniors who have gone into the market in terms of RRSPs are finding out that the accrued savings they get are only half what they expected, because the other half is used by service fees charged by the operators of these funds. In comparison, the cost of administering the CPP is less than half what it costs to administer RSPs and other securities. Therefore, I really think it's important to do these things.

On the other hand, when we talk about poverty, a lot of people talk about child poverty. Well, you know, when you talk about child poverty, you should be talking about family poverty. For instance, we found out among seniors that the only place the trickle-down theory really works in economics is from grandparents to grandchildren and children. We seniors are being called on more and more, because family incomes have either been static or declining. The pressure on seniors' incomes is becoming greater and greater.

● (1310)

Now, these are some of the difficulties, but let me tell you, I think these things can be overcome. I think what has to also stop is poor people being maligned. The difference between being poor and rich, in most instances, is just plain luck. Therefore, I think we shouldn't look upon it as welfare; it should be looked upon as assisting people who weren't quite as lucky as we were.

Again, I would refer you back to the brief we submitted. It's in your office. It describes in great detail how we feel poverty should be addressed and what is necessary to again bring some humanity into the process.

We go to church on Sunday, or we go to the mosque, or we go to the temple on Saturday and Sunday. On Monday we forget all about it. We forget that we are our brothers' and sisters' keepers. I'm sorry—maybe I'm the oldest here in this room—but I'd better remind you of it.

Mr. Chairman, I'm open to questions.

The Chair: Thank you very much, Mr. Kube. We appreciate that.

We're now going to move to John Restakis, from the British Columbia Co-operative Association.

The floor is yours, sir. You have seven minutes.

Mr. John Restakis (Executive Director, British Columbia Co-operative Association): Thank you.

Again, I appreciate this opportunity to address the committee.

Let me start by echoing the comments that my neighbour has shared in terms of the general drift of federal financing of services to the most vulnerable Canadians over the last 20 to 30 years. Our positions on those issues are virtually identical. Something has to be done systematically and fundamentally around how taxes are raised, where they're raised from, and how they're allocated to service the most vulnerable Canadians, including, of course, seniors.

I'm going to be addressing something much more specific targeted to the sector that I represent, the co-op and credit union community in B.C. I know that the committee has already received a deputation from the Canadian Co-operative Association. Some of the figures around the size and scale and constitution of the co-op movement in Canada have been provided, I think, in that presentation, so I'm not going to repeat that, except to say that the co-op movement in Canada represents a very diverse and a very vibrant sector within the Canadian economy. There are some 9,000 co-ops and credit unions operating in Canada, and they employ some 150,000 people across the country.

Thinking specifically about how the co-op sector and the co-op model can be related to the issue of poverty reduction, I want to just address three areas: first, reasonable economic development; second, job retention and employment generation; and finally, service delivery to marginalized populations, including seniors.

Any strategy to address poverty obviously has to take into account the question of employment generation and economic development, and any strategy that doesn't address that is not going to be addressing some of the root causes of poverty, obviously. In the area of regional economic development, what I will summarize in these comments is that it's important to think about and understand how cooperative approaches to regional economic development help strengthen regional economies, generate new employment, and make small and medium-sized firms, which are the bedrock and the backbone of most regional economies in Canada, more productive, more successful, and more able to compete globally.

We have studied in great detail the use of cooperative systems for sharing services and supports to small and medium-sized firms at a regional level. The evidence has been overwhelming that where you have government policies that promote the sharing of services and the cooperation of small and medium-sized firms that operate in the same sector or in the same market, those firms do better, they compete better, they generate more work, they generate more employment, and they distribute the wealth that they create through their enterprises much more equitably than simply ignoring them or promoting a form of development that stresses competition over cooperation. The details of this have been well documented by scholars internationally. Some of the instances that I provide as examples—northern Italy, Germany, and Spain—are indicated in my report.

The second area is job retention and employment generation. In addition to supporting a cooperative approach to supporting small firms, the use of cooperative models for both generating new jobs and using the co-op system to sustain and protect jobs that are already in place, has, again, proven to be very successful. In Quebec, for example, where the co-op sector has been partnering with the provincial government to use co-op systems to generate new cooperatives, the cost for the generation or the protection of every job is a fraction of the cost that is borne by either private or state-delivered systems.

Job creation using cooperative models is more productive and effective, and the co-ops that are generated survive longer than do conventional private sector firms. A 2008 study from Quebec indicates that over a ten-year period, some 64% of cooperatives are still in operation providing employment, providing economic benefit to the communities, compared to some 42% of private sector firms.

● (1315)

As a model, contrary to what many people believe, not only is the co-op model more durable and more successful in terms of survival rate, but also the spinoff benefits for regional economies are greater.

There are a number of reasons for that, and again I indicate some of them in here. But one of the most obvious is that for cooperative firms, which are owned and democratically controlled by their members, the profit motive isn't the only motive for running the enterprise. Creating employment and keeping jobs are at least as important. So for investor-owned firms that look for a very high return on investments, if that high return isn't met they're much more willing to close down a company than for a co-op, where if the rate of return is sufficient to make a living for the company, to keep the enterprise in production but still retain the jobs, that business will be kept open. It will not shut down simply because the rate of return isn't as high as investors would like it to be. That's just a simple economic fact around co-ops versus private sector firms.

The third item in job retention and creation is the question of business succession. One of the major causes for the failure of businesses, particularly in rural communities, is the lack of a successor to usually a family-owned firm. In a report that was recently done by the Fonds de solidarité in 2005, it's indicated that 70% of small and medium-sized firms do not outlast the first generation, and 90% do not outlast the second generation. And 70% of business owners thinking about retirement have yet to choose their successor. It's one of the most common causes of enterprise failure and one of the ones that is relatively easy to address if there is a strategic approach to business succession, particularly the support of employee buyouts for these firms.

Of all the strategies that have been used to save these firms, employee buyouts are by far the most successful, both in terms of saving the firm and in terms of keeping it going over the long term. And again, the details on studies that reflect on this are indicated in my report.

The final area I want to address is service delivery to vulnerable people. We have been doing a lot of research on the use of cooperative models for the provision of social services and social care to people who are unemployed, who are poor, who are living with disabilities, and to seniors and so on. We have shown how social co-ops, which are basically cooperatives that use the co-op model to train and employ people who are marginalized or otherwise not integrated into the labour force, are a key way of not only integrating and reintegrating people into the labour force who otherwise would be left out, but also improving and expanding the quality and the range of services they need to have a decent quality of life.

Social co-ops were pioneered in Italy at the end of the 1970s and the beginning of the 1980s. Today there are about 6,000 social co-ops providing employment to 160,000 people in Italy. And 15,000 of these people are people who are living with disabilities.

Just to give you a sense of the power of the model, those 160,000 people who are employed constitute 75% of the labour force in the non-profit sector in Italy, but social co-ops comprise only 2% of the organizations in the non-profit sector in Italy. So it's a very powerful model, and its impacts have made a fundamental difference both in the quality of life of the people they serve and in raising the standard of living of the people they employ.

Quebec is one area in Canada where a solidarity co-op model, which is basically the Canadian version of social co-ops, has been used to great effect, particularly in the provision of home care services in Quebec. They have been extremely successful, with some 42 or 43 solidarity co-ops in Quebec, and their market share of the home care sector in Quebec is growing.

So those three areas—regional economic development, employment generation and retention, and social service delivery to marginalized populations—are three ways in which the co-op sector generally, and the co-op model in particular, can provide some strategic benefits for a comprehensive poverty alleviation strategy.

● (1320)

I know that the Canadian Co-operative Association has called for a national strategy to address poverty, with measurable targets at all levels of government. We support that position. We also support the inclusion of specifically cooperative models for both economic development and service delivery to people who are vulnerable and need help.

Thank you.

The Chair: Thank you, John. We appreciate that.

I'm now going to move over to Ms. Young, who is associate professor of law at UBC.

Welcome.

Prof. Margot Young (Associate Professor of Law, University of British Columbia, As an Individual): Thanks. It's really a pleasure to be here.

As you mentioned, I teach constitutional law and social justice topics, but I've also worked with a number of NGOs on things like poverty reduction strategies and documents to the United Nations about respect for Canada's international human rights commitments. I've also done some work on the guaranteed annual income. I'm not going to talk in detail about all of this, but I'm happy to switch topics during your questions.

I have three points I want to make, which I understand to be a part of a larger conceptual or organizational frame for thinking about the important work that the committee is doing. I want to begin by saying the obvious, which is that there is nothing about poverty in a rich country like ours that's inevitable. It comes from the kinds of choices and policies that get made by the different levels of government. So it's clearly addressable through government policies and choices, and through changing the ones that are currently in play. I would emphasize that much lies within federal jurisdiction that can address this issue.

My first point has to do with how we understand poverty. I would urge you to think of poverty in a wider sense and to understand it as more than a simple lack of financial resources. Of course the absence of resources is an essential characteristic of poverty, and it distinguishes poverty from other circumstances of well-being. But poverty is also marked by a social element—a social exclusion by inadequate access to public goods, to community networks, to resources, and to political capital. It's important to have this fuller notion of poverty.

This fuller notion of poverty is well accepted, and I may well be preaching to the choir here. But there are United Nations documents that consider poverty in the light of limited opportunity for well-being. Poverty means being adequately fed, clothed, and sheltered, but it also has in it an element of deprivation in terms of taking part in the civil, political, and social life of a community. So it's about affordable housing and having meaningful opportunities, in both the economic and the social spheres. You see this definition of poverty at play in Quebec's anti-poverty legislation.

To unravel this ball of yarn that is the poverty problem in Canada, a really important part is seeing poverty as not just a matter of economic status. It is also a social relation, a social status. It's a relative condition, and in a country like Canada, this relative aspect has to be taken into account. This is why the definitions of poverty in circulation that are so purely absolute fail miserably to capture the condition of poverty. They're just so profoundly unuseful—indeed, I think they're insulting—as a single method of talking about the incidence of poverty in our country.

I make these comments because they segue into another observation that I'd like to share with you. This is the key connection between the twin problems of poverty and inequality in Canadian society. I want to spend a few minutes on the importance of inequality and its growing presence in our country. This is a key component of our discussion about how to deal with the problems of poverty.

I want to do this by highlighting some recent work by two British researchers. This work is a smart and thorough gathering of a series of studies, a collection of data from countries around the world. These two researchers, Wilkinson and Pickett, describe what's at stake and point out the prevalence of inequality in developed societies.

As a backdrop to this debate, we know that Canada is one of those nations in which the rate of income inequality between the rich and the poor is growing. Recent OECD reports show that the gap between rich and poor in Canada is growing faster than in most of the 30 other developed countries that were looked at.

Just over a year ago, a leading Canadian economist said that when government backs away from investing in public benefits that help the majority of Canadians, and replaces these benefits with tax cuts that benefit the top 10% of earners, we exacerbate income inequality in Canada. She goes on to say that this is an important piece of the trend towards large inequality in Canadian society.

● (1325)

These two British researchers, Wilkinson and Pickett, whom I just mentioned, show very clearly that the sorts of problems commonly associated with those who occupy the bottom rung of the social ladder—social problems like ill health, violence, poor educational performance in children, and so on—in societies with high inequality are also more common among those who occupy the top rung. Although these problems do have a strong class gradient, being clustered in the bottom socio-economic class, the more unequal a society is, the more those problems are common throughout the socio-economic strata.

They talk not merely about poor health and violence but also about issues such as low levels of trust, mental illness, life expectancy, obesity, educational performance, and so on. These are problems that become large-scale, widespread social problems when the material differences grow between individuals in society.

These two researchers argue that income inequality levels in society are very predictive about the overall social health of a society. One of the ways of improving the social health of a society for all members of that society is to reduce inequality. When you do that, not only is the quality of life improved for those at the bottom, but you improve the quality of life throughout society.

This is the quote with which they end an interesting piece of work:

> We have seen that the rich countries have got to the end of the really important contributions which economic growth can make to the quality of life, and also that our future lies in improving the quality of the social environment in our societies.

They go on to say that greater equality is the material foundation on which better social relations for all members of society are built.

Clearly for countries that are still developing there's something quite important about increasing levels of wealth and production, but for countries like Canada, they argue it's obvious from comparative data that the emphasis should be put on reducing inequality. The quality of life for those at the top will also improve with a reduction in general inequality. An important piece when thinking about what kinds of concrete measures should be put in place to deal with poverty is also to factor in what I think is a very cogent concern about inequality as well.

The last set of comments I want to make will focus on the mechanics of developing a poverty reduction strategy. It's obvious from the stuff I've read and from my experiences that this is clearly something that government can and ought to address. I think a couple of key elements need to be put in structurally.

First, I think it's important for the federal government to resuscitate the notion that we can have national standards that have real impacts on the quality of life by use of the federal government's spending power. This is part of Canadian history. It's a key component of how the national government has realized its important obligation in ensuring key national economic citizenship. It's a constitutionally legitimate exercise of federal jurisdiction. It has been a very significant mistake for the federal government to step away from the use of its purse in this matter to ensure, through conditions attached to that spending power, that we do indeed have national standards that will ensure there's a meaningful level of Canadian citizenship granted to everybody across this country.

Second, I think it's important in talking about poverty—and, moreover, in addressing it through what has to be a multi-pronged series of proposals across a spectrum of policy issues—to be sensitive to the most vulnerable to poverty and to talk specifically about who those groups are in Canadian society who disproportionately suffer poverty. We need to speak about aboriginal peoples, about aboriginal women, lone mothers—about women. I work on women's economic inequality, and I'm constantly frustrated by the failure of leaders to say the word “women” when they talk about poverty. We need to speak about persons of disability, recent immigrants, senior citizens, and of course senior women. We don't just collapse our expressions of concern about poverty into this general category of “people” and, perhaps, “children”.

I have a particular concern about speaking about poverty as an issue only in relation to children. Of course it's a key concern. and of course poverty has devastating impacts on children's lives as they grow up to be adults. But children are poor because the adults with whom they reside are poor, and so often those adults are lone mothers who suffer disproportionate rates of poverty. In this province in particular, we're a real leader in the country, if you could call it that, in terms of the incidence of poverty in a number of groups, but particularly in relation to lone mothers. I think the last data I saw approaches 50%.

● (1330)

So that's my second point on sensitivity to the most vulnerable: to name those groups and develop programs to address those groups in a way that's responsive to the conditions and the reasons why those groups are disproportionately living in poverty.

The third point I want to make about the development of the strategy is the importance of accountability measures. Many well-intended plans go astray because there's no tracking of whether they're achieving their obligations.

I know that this debate is taking place specifically in terms of the housing strategy bill that's before Parliament at the moment, but it's certainly an element in any poverty strategy by the government, as has been urged on you by a number of United Nations treaty bodies. Over the years, these bodies have been reviewing—with some quite pointed dismay, I should say—Canada's failure to observe its international human rights obligations in the area of social and economic rights. These groups have emphasized the importance of accountability measures.

I'll end by saying that there are I think two sub-comments on this concern.

The first is that targets and timelines are important. There need to be indicators that are well thought out and that measure the range, the depth, the duration, and the incidence, for example, of poverty. There need to be indicators that are generated or adopted formally so you can track poverty as it occurs in different sectors and dimensions across time. Also, targets need to be set.

I would argue for a timeline that sets a trajectory so that you can track and hold yourselves accountable to progress across that timeline. It's so you don't just have a goal at the end of a certain number of years and no tracking in the time to that goal, so that you end up as we do now, in terms of Campaign 2000, saying at the end of the day, “Oh my God, we really went astray”. If you have a trajectory with interim target points that you hold yourself accountable to, you know much sooner when you're going astray. That's an important piece.

The second piece is that in order for those targets and timelines to be meaningful and for the public to have confidence in them, there have to be mechanisms that hold the government accountable for compliance with those kinds of explicit commitments that are represented by those targets and timelines.

There is a variety of accountability structures that one can employ. I'll talk about a few. One is an annual progress report that's tabled in Parliament, as discussed with the public, and that makes transparent what's happening year in, year out.

Another is a standing committee of Parliament that tracks progress, monitors the plan, helps guide its evolution, and holds public consultation—it's important—with public stakeholders and civil society. Also, it's important that reports or recommendations from the standing committee are tabled in Parliament so that they too are public and transparent.

A public advisory body is another idea. It should be one that's appointed and funded by government and that represents a broad cross-section of civil society groups that are experts in this issue, such as experts on specific targets and sectors of what are the elements of a poverty reduction strategy, and that includes, importantly, people living on low incomes.

Another idea that's used in some jurisdictions is government funding of an independent research council or research office, maybe something like the National Council of Welfare, which produces and, again, makes public—that's an important piece—annual progress reports, benchmark assessments, and study and research on social and economic equality. Also, it would monitor, from this outside expert perspective, the government's progress on meeting the plan's objectives.

There are also quasi-judicial mechanisms, such as putting social and economic conditions or some variant of that into human rights legislation at the federal jurisdiction, or enshrining a right to housing and a right to an adequate standard of living in federal human rights legislation or in some manner that's coherent and consistent within federal jurisdiction.

There is a range of key things that a poverty reduction strategy should include and that would hold the government to the commitments and ensure public confidence, accountability, and transparency in terms of those commitments.

I'll end my comments there. Thank you.

● (1335)

The Chair: Thank you, Ms. Young.

We're now going to move, as we have been doing, to questions from MPs.

Mr. Savage, you have the floor for seven minutes, please.

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Thank you very much.

Those were really good presentations and there's a lot to think about.

Ms. Young, first of all, you mentioned that you've done some work on the UN, on how the UN monitors poverty and on the recommendations it makes in terms of human rights. You also—correctly, in my view—specifically indicated that much of this work lies within federal jurisdiction.

You'd be aware of the UN periodic review in June on Canada, which recommended that Canada should have an anti-poverty strategy, which was not accepted by the government, with the government saying that it was in fact a provincial and territorial jurisdiction.

So I assume you would suggest that's incorrect.

Prof. Margot Young: I think that's just wrong, and I think it's part of the waffling and the shell game our government has played in international fora for years now. One of the difficulties these international treaty bodies have in dealing with Canada is that whichever level of government you're speaking to, it's always the other level that's at fault. There's a complex "blame the other level of government" game that gets played in the Canadian federal state.

I think it's very obvious that there are many measures the federal government can do, and the member countries of the human rights committee that conducted the Universal Periodic Review of Canada are not idiots. They had a lot of submissions before them from various groups in Canada that are experts in the constitutional structure. Indeed, I was part of a coalition of groups that went forward.

There are some clear, obvious areas of federal jurisdiction, like housing. A housing strategy was one of the recommendations the Government of Canada took up from the UPR, and you have that in process. Employment insurance, old age security, the tax structure; there are lots of really smart suggestions for the tax structure that would result in reducing income inequality and would significantly address poverty in Canada. Transfer payments with conditions attached have long been a tradition, but less so under recent governments of Canadian federalism. The national child tax benefit has done quite a bit, actually, to lower rates of poverty in certain groups, but it could do a lot more.

Mr. Michael Savage: While I have you on the UN, there are a number of areas where Canada really isn't living up to its UN traditional obligations, I would think. There's the Declaration on the Rights of Indigenous Peoples; the adoption of the rights of persons with disabilities, but not the ratification. There are a lot of areas where we're falling short right now, it seems.

● (1340)

Prof. Margot Young: I have to say it's a phenomenal embarrassment for Canada at the international level and in the hallways of the United Nations. We've gone from being a proponent of human rights to appearing before various United Nations bodies looking at our own human rights performances as a kind of international human rights scofflaw.

I've been working in this area for upwards of 15 years, working on briefs and going to Geneva and New York on a couple of occasions and appearing before United Nations treaty bodies monitoring Canada's performance in terms of its obligations under the convention on women, CEDAW, the economic, social, and rights convention, the civil and political rights convention. And to a committee, they've been aghast, first of all, at our rates of poverty, just aghast that in one of the ninth-wealthiest nations in the world we have this amount of poverty among these kinds of specifically identifiable vulnerable groups. They've been aghast at the federal government's pullback from providing assurances through its spending power, or through employment insurance, ways to address that.

I was actually at CEDAW two sessions ago when the changes to the Employment Insurance Act came up and heard the government representative say they actually hadn't done a gender-based analysis, and yes, they acknowledged it made women's access to EI worse in light of the changes that are still part of the legislation.

I think it's fair to say that every time Canada goes up before an international human rights treaty body, the emphasis is on Canada's failure to follow through with its human rights obligations, particularly in the area of social and economic rights, which is what we're talking about here.

Mr. Michael Savage: Thank you for that.

You mentioned Wilkinson and Pickett. Now, Richard Wilkinson said, and I think this encapsulates a lot, "Social relations are built on material foundations." That says it all right now. When we talk about social inclusion or social exclusion, that says it all. When people right now in Canada are suffering because they don't have the resources, don't have the same opportunity, it affects everything. He was a great population health guy, Wilkinson; and that's what it's about, isn't it?

Prof. Margot Young: Yes, that's right. That is what it's about. I think this book he's written along with Pickett is a phenomenal accumulation of lots of research and data, and shows in such a powerful way the link between the social health of our society for everybody and economic inequality. We're familiar with what happens to people who live in poverty, in terms of the vast range of indicators about their own personal welfare. What they make the case for, I think quite convincingly, is that this spreads up the ladder, as it were.

Mr. Michael Savage: It affects us all.

Prof. Margot Young: It's in the interest of those with the most in a society like Canada to decrease inequality because they will be better off in terms of their social indicators as well.

Mr. Michael Savage: Absolutely.

I want to just get a quick question to Mr. Restakis. I come from Nova Scotia, the home of Moses Coady and Jimmy Tompkins. You talk about the cooperative movement, and those were some of the leaders in the country. The Coady institute, of course, still does a lot of this work, nationally and internationally.

I was in Winnipeg a couple of weeks ago and had the opportunity to work with some people who were doing community economic development, like the Assiniboine Credit Union, which is doing stuff that the banks simply aren't interested in doing. It seems to me that the social economy and the work you're talking about in service delivery is hugely important in the fight against poverty.

Mr. John Restakis: It is. Part of it has to do with increasing the role and the instruments by which a social economy can be more active in addressing issues of poverty: social inclusion, social welfare, and so on.

I think what has happened in Canada, certainly in North America, is that traditionally the paradigm has been one where there's the state on the one hand, the private sector on the other, and those are the two legs on which our economy rests. Well, that's inaccurate. There is also a vast social economy that operates and not only cushions but provides the kinds of social and economic relationships that address a lot of these questions.

The problem has been the decline of government support and participation in economic development and service delivery, anything from health to housing. The strategy has been to offload these kinds of responsibilities or contract them out to the private sector, which has an entirely different logic in terms of how it operates and why it provides certain kinds of services.

The social economy is a sector that has a lot of the kinds of public and social values that ostensibly exist in the public sector as well. I think government needs to understand that in the social economy there is a potential partner in addressing some of the questions of costs, quality of social care, and access to a broad range of social services by simply understanding that social economy organizations have the mechanism and experience to do a lot of this but they don't have the resources to do it. I think a new kind of partnership needs to be established, recognizing the pivotal role that the social economy can play in addressing questions like social inclusion, training, job creation and so on, by re-evaluating the importance of the social economy in the overall structure of the Canadian economy.

That's just a roundabout way of saying that the social economy can be much more effective and powerful, and it can play a more equal role in terms of things like employment generation and service delivery, just as the state does on one hand and the private sector on the other but in a different way.

● (1345)

Mr. Michael Savage: Thank you very much.

The Chair: Thank you.

Mr. Martin, seven minutes.

Mr. Tony Martin (Sault Ste. Marie, NDP): Thank you.

There is a lot of valuable information here. We're coming to the end of our work on this subject, and we need to prepare a report that we will table with government. Hopefully they will act on it and do some good things for people and communities across the country.

I'm trying to get my head around what some of the principles in that report should or could be, and three of the things I've begun to think about and work with are income security, housing, and social inclusion. What we've done, however imperfectly for seniors, in terms of the Canada Pension Plan and the GIS and OAS, to try to put in place a large government program that everybody should be able to tap into and that will be helpful, needs to be improved. We're committed to doubling the CPP and increasing significantly the GIS. I think we could afford that and we could go there. That would lift a whole lot of very at-risk and vulnerable people, particularly given what has happened through this recession to pension plans and RRSPs, etc.

John and Margot, you both mentioned accountability and targets and timelines. I argue with others that we have spent the last 15 years arguing about a definition of poverty and we don't get to solving it because we can't decide what it looks like. Then we talk about “25 in 5”, and that we should have 50%. The question that always pops into my head is what about the other 75%, or the other 50%? What if the government doesn't reach the target, and instead of 25% we're only at 18%? Then we have a whole lot more people we need to...and the inequality that ensues.

Shouldn't we be looking at something we could put in place as a federal government, given the responsibility we have, that will actually lift everybody *now*—not in ten years, but now?

Mr. Arthur Kube: We can talk about what these two speakers have said, but let me tell you that the timelines would be very lengthy. I think what can be done is to get sufficient money into the hands of people to raise their quality of life and make life bearable for them. There's no problem with the provinces. The provinces don't object to the increases in GIS and the OAS. That's solely under the jurisdiction of the federal government.

Talking about the international convention and dealing with the question of poverty, how many of these conventions have even been ratified by Canada? Canada says they're under provincial jurisdiction.

My proposal is basically that there is something you can do, something very positive. You say every time, “Well, we should look at the definition of poverty.” But the definition of poverty is very simple: people don't have sufficient resources to live a meaningful life. The only thing is we tend to say that if we give them the money, they're going to go and drink it up or whatever. That's the sort of standard reply you get from some people. I'm basically saying let's see what's happens if you give them sufficient money.

Generally speaking, we know that if income has increased across the board, there has been a better life for these people. There's a relationship, social connections. What's the relationship between social connections and income? It's income. What is it for the question of housing? It's income. What is it for the question of health? It's income.

So move in the areas in which you're able to move. That means increasing the GIS, the OAS, and for the long term to eventually eradicate poverty, doubling the Canada Pension Plan.

● (1350)

Prof. Margot Young: I think the problem is just a lot more complex than saying there is one measure that is going to fix it: we can just put more money in everyone's pockets and the issues around poverty will go away.

Importantly, more money in a low-income person's pocket is a piece of the picture, but I don't think that is the only piece of the picture. We run the danger of saying, for example, that really what we need here is a guaranteed income, and we are going to make sure, across the board, that everybody has this certain level of income.

We run a couple of dangers. First of all, we'll run the danger of what analysts have called the “chump change” problem. What is politically realizable and practical about what that level of guaranteed income might be? I bet any level that we could come up with that would be politically possible would leave significant numbers of people still in some pretty dire circumstances.

The second point is that for particular groups of Canadians, they need more than simply more money in their pockets. They do need more money in their pockets, but women, for example, need a national child care program. You will not see women's economic inequality adequately addressed until we have affordable, quality, accessible child care across this country. I think that is clear. Any strategy that is going to address the disproportionate poverty of women has to deal with the resulting paid labour force inequality that comes from women's disproportionate child care responsibilities, and child care strategies have to be part of it.

We won't deal with women's inequality without also changing some employment strategies to deal with the issue of women's disproportionate location in the precarious work sector. A guaranteed income at the levels we could achieve won't fix that.

There are some real dangers in saying we are just going to go with a national payment to every individual and we're not going to recognize that there are other things to deal with. Some needs of some groups are very specific. If you're sick, you can't purchase your adequate health care in the marketplace with a guaranteed income. There's no way. We need to have an effective health care policy across the country. The federal government has a role to play in that through the imposition of national standards attached to dollars. That's clear. That is part of the Canadian tradition.

We can't deal with the needs of education of the low-income, even through the kind of guaranteed income that would be politically possible. We need post-secondary funding. We need a tuition policy.

Some of this obviously lies in provincial jurisdiction, but I mention that only as an illustration of the fact that there are some targeted needs that can't be met by just turning everybody into a market citizen and meeting their needs with a little bit of extra money. And it will only be a little bit of extra money; that's all, I'll bet, that would be politically possible in these times to deal with those needs, with a little bit of extra money in their pocket in the market.

It has to be a multi-pronged policy that looks at the special needs of groups most vulnerable to poverty in Canada and that uses the leverage that the federal government has to change key provincial policies as well. There needs to be some rethinking of the federal imposition of national standards in the area of federal contributions to the costs of income security in provincial programs. We need to return to some national standards attached to money that provincial governments are able to put into their social assistance programs. That's a way of getting extra money into the pockets of those who are poorest in our society, but we do so not just through raising welfare rates, which clearly needs to be done, but also by making sure that provincial welfare programs are actually provided to everybody in need and there is no such thing as a five-year cut-off rule or elaborate labyrinths of eligibility and qualification loss, and so on.

I am concerned about that route, but not because I think a guaranteed income or some universal payment is necessarily a bad idea if it is also conjoined with other program changes. I am concerned about our getting stuck in thinking that this is all we need to do, and that when we do it, we have done it, and here's what is politically possible in terms of the money we can give to everybody. We're still going to see significant degrees of inequality, poverty, and social exclusion.

● (1355)

The Chair: Thanks, Mr. Martin.

We're now going to move to Ms. Cadman for the final round of seven minutes.

Ms. Dona Cadman (Surrey North, CPC): Thank you.

If the federal government adopts a national poverty reduction strategy, do you think a gender-based analysis should be used as a tool in the development of the strategy?

Prof. Margot Young: Absolutely. We've taken commitments internationally to have a gender-based analysis to all policy development. It's a condition often of the international aid that Canada gives to other countries, yet we fail miserably to do that at home.

I didn't say so specifically, but I meant to capture that in saying a strategy must be developed with an eye to those groups that are most vulnerable to poverty, and we must talk specifically about women. We must be sure that our strategy addresses the circumstances of women. I think a child care program is a key part of a poverty reduction strategy for women. If we're sensitive to the needs of women, it means we are talking to groups that are representative of those women and that are concerned about women's equality, and we're certainly developing the strategy with an eye to meeting the needs and the concerns of women. Of aboriginal individuals, of persons with disabilities, I would say the same thing.

There is such a long tradition of Canada espousing the importance of a gender-based analysis and not doing it itself that this seems to me to be an obvious point and a clear commitment that the development of the strategy should make.

Ms. Dona Cadman: Thank you.

The Chair: Thank you very much.

I want to thank our witnesses for taking—

Mr. Michael Savage: Is it all right if I make one quick point?

The Chair: Sure, one quick point.

Mr. Michael Savage: I think what the witnesses in this group have shown us, and we should take this into account—maybe I'd direct this to the researchers—is that Mr. Kube is exactly right. There are some things that can be done right away, there are some things that may be mid-term, and some things that are longer term.

I hope that when we do the report, we would make recommendations for GIS right away, perhaps, or child tax benefit or child tax benefit with UCCB. Maybe it's mid-term with the child care, longer term with some other things, but I think those are good points. They're not combative to each other, they actually work well together. It's just some are more immediate.

Thank you.

Mr. Arthur Kube: Mr. Chairman, if can just make one more point, I want to make it perfectly clear I'm speaking on behalf of seniors here.

We don't have too many years left. The need is now. It might be necessary to have a broader policy in regard to child care, and so on and so forth, for the overall population, but the need is now and the need is urgent.

I'm still saying that social inclusiveness, health, and many other things.... I'm not saying we should in any way abolish these things, but the health care system isn't perfect. Seniors do need some medication, and so on and so forth, which isn't covered. And they need the money to buy those things.

So what I'm suggesting lies solely in the federal field and it's not necessarily going to be opposed by the provinces or anything else and it helps seniors now.

The Chair: Thanks.

Did you have one quick...?

Prof. Margot Young: I was going to say the obvious, about how complex this is, and that there's not a single solution, but I won't.

The Chair: Okay. Thank you very much, Ms. Young.

Once again to the witnesses, thank you very much for taking time to be here.

With that, we're going to suspend the meeting until we can switch our witnesses.

● _____ (Pause) _____

●

● (1405)

The Chair: We will now continue with more witnesses.

I want to thank all of you for being here today and for taking time out of your schedules to talk to us as we continue work on our poverty study. We've been to the east coast, and now we're glad to come to the west. There's been a lot of great discussion already this morning, and we're looking forward to hearing more.

I will start on my right, with Ms. Stannard.

You may speak for seven minutes, then we'll go across the room. After that, we'll try to have one round of questions from the MPs.

Ms. Stannard.

Ms. Laura Stannard (Organizer, Citywide Housing Coalition): Thank you very much for inviting us.

I want you to know that Citywide Housing Coalition is a volunteer organization, and unfortunately, with only five days' notice, we were unable to submit a written brief with sources and references. My presentation today is largely anecdotal and assumes that you understand, by now, the circular connection between poverty and homelessness.

We recognize that there are many causes of increased poverty in Canada. Changes to the employment insurance program and the cancellation of the Canada assistance plan, to name two, have critically reduced incomes among the poorest people in our country. But with only seven minutes, we decided to focus our presentation on one aspect of a federal plan to reduce poverty: the federal government's role in providing affordable housing.

While you're staying in Vancouver, we hope you will have time to see the real Vancouver, the Vancouver that the 2010 Olympics cannot avoid, where thousands of people sleep nightly on our streets, not only in the downtown east side but in every neighbourhood in every part of the city and in every surrounding municipality.

The top two causes of Vancouver's explosion of homelessness are the rise of the condominium industry and the end of a permanent national social housing construction program. The greater profit of building condominiums not only ended new rental housing construction, it caused the demolition or conversion of thousands of units of existing rental housing, particularly rooming houses and residential hotels, the last housing for the poorest people.

In 1992 and 1993, at the height of the condominium construction boom in Vancouver, two successive federal governments ended our national social housing construction programs. Today, it's clear that those decisions did not save us money but instead resulted in the eventual spending of billions of tax dollars on homelessness, which is, of course, the consequence of an inadequate supply of affordable housing.

It is estimated that 80% of Vancouver's homeless people suffer from mental illness. Many people blame the policy of deinstitutionalization and demand that Riverview, which was our regional psychiatric institution, be fully reopened. However, while 80% of homeless people may well be mentally ill, very few have ever spent time in Riverview. Because the stress of homelessness triggers mental illness in many people, we are actually creating mental illness with our social policies. Not only is homelessness a gateway to mental illness and addiction, but homelessness, or being at risk of being homeless, because your housing is unsafe, unhealthy, impermanent, overcrowded, or unaffordable, or all of those, is a direct cause of a range of costly, long-lasting, societal problems that exacerbate the effects of poverty.

The purpose of a city is to provide a place for people to live and work. The end of permanent federal housing programs profoundly affected our ability to plan our cities and create economically mixed neighbourhoods. Before 1993 we had a social housing construction industry in this city. There were local architects, developers, and contractors whose expertise provided local employment opportunities, and there was a backlog of social housing project proposals. These were real public-private partnerships that created internationally awarded buildings and communities. When the annual proposal calls ended, we lost the experts, the potential projects waiting to be approved, the actual homes and local jobs, and our ability to plan inclusive communities.

Recently Bill C-304, a bill to establish a national housing strategy, passed second reading in the House of Commons. This is an extremely important step in addressing homelessness. While Citywide Housing Coalition fully supports the bill as drafted, we know that a national housing strategy won't solve anything without the concurrent commitment to fund a permanent social housing construction program. Along with the many housing and social service groups across Canada, Citywide Housing Coalition adds our voice to the cries for the 1% solution, which is that 1% of every annual federal budget be allocated to new construction of permanent social housing.

● (1410)

We have a couple of caveats.

First of all, the 1% solution is only a solution if we are not already in crisis.

Our government may argue that they are already spending 1% of the budget on housing. This could be anything from home renovation grants to research. We have learned to choose our words very carefully, which is why we say 1% of the federal budget must be spent annually on the construction of new permanent housing affordable to people with the least income.

Added to the 1% of the budget, there must be additional federal funding to address the immediate crisis of homelessness, the need for supported housing and treatment programs, and in particular, the crisis of homelessness in the aboriginal community. In Vancouver, aboriginal people comprise 2% of the general population but they make up 32% of the homeless population.

Canadian architect and philanthropist Phyllis Lambert has called social housing the architecture of opportunity. By this she means affordable housing is the base from which a person may begin to prosper and escape poverty.

A national housing strategy and adequate funding of a permanent national social housing construction program will provide both the literal and the metaphorical support beams of any successful plan to reduce poverty in Canada.

Thank you.

The Chair: Thank you very much, Ms. Stannard.

We're now going to move to Ms. Hall.

Welcome. I believe you're from St. Andrew's-Wesley United Church and you're a representative of the homelessness and mental health action group.

Thank you for being here, Ms. Hall. The floor is yours for seven minutes.

Dr. Nancy Hall (Representative, Homelessness and Mental Health Action Group, St. Andrew's-Wesley United Church): Thank you.

Thank you for the opportunity to speak and to be part of this Canada-wide process. It's important that we do these things.

The homelessness and mental health action group is a group at St. Andrew's, which is a very large church just down the street, at Burrard and Nelson. We decided to take on a role in educating the public, business, and community leaders and governments regarding the issues of homelessness and mental health. To do that, between May of 2007 and the present, we've convened about seven different public forums. We brought people from Portland who've had a very good and effective approach toward ending homelessness in that city. We brought the Calgary Homelessness Foundation, and we actually arranged for them to meet some of the emergent board of directors of the Streetohome Foundation, about which my colleague will speak next.

Most recently, we had a concert in collaboration with First United, and much of our fund-raising also goes toward the mission at Hastings and Main. We raised $22,000 in a community concert. At most of our meetings, we have anywhere between 700 and 1,400, the maximum that the church will hold. I'm saying that we've generated a lot of public interest. We've also presented in the provincial budget consultation process and the City of Vancouver consultations on their social housing plan. So that's the kind of role we take in the community.

Today I'm going to talk quickly about mental illness and give some stats on why people with severe and mental illness experience what people call institutionalized poverty—that is, they can't possibly get out of the current situation they're in because they don't earn enough. They can't earn money, and they don't get enough in social assistance benefits in order to be able to afford to live in a neighbourhood other than the downtown east side core, where most of the homeless and mentally ill people in our city live.

Finally, I want to close by talking about the need for a national housing strategy, which will support to some extent what the Citywide Housing Coalition has said. Broadly speaking, the mental illness overview is that one in five Canadians will experience a mental illness in their lifetime, but 2% experience what we call severe and persistent mental illness. Included in that—you would see this on the streets of Vancouver—would be people with acquired brain injury, with fetal alcohol syndrome, or autism.

We're talking about the needs of a very vulnerable population. As my colleague mentioned, we've closed the institutions and we haven't managed to build the community-based treatment system that's so necessary.

Simon Fraser University research suggests that approximately 6,700 individuals in the Vancouver coastal catchment area—that includes Vancouver, Richmond, North Shore, and up to the Sunshine Coast—have both severe addictions and mental illness and are at risk of homelessness. Sadly, another 3,000 are absolutely homeless and, again, suffering from severe mental illness and possibly concurrent addictions.

The relationship between mental illness and poverty is a bit of a complex relationship and some people say it's an indirect association or a direct association, but my experience is that most people with serious mental illness simply drift into poverty. Again, some will say having a serious mental illness is a form of institutionalized poverty, because.... Well, I'll get to the numbers.

The support for one person under provincial disability benefits is $531 a month plus $375 for housing. But you can see that the average rental for a one-bedroom unit in Vancouver is about $880. Many people spend all of their disability stipend on simply trying to get a roof over their head, if they're not lucky enough to have access to supported housing that is subsidized or a rental subsidy through the treatment system.

I also want to acknowledge, because I've just come from a mental health conference at the Hotel Vancouver, that the federal government has put in $110 million to the Mental Health Commission of Canada. There are five cities involved; Vancouver, Moncton, Winnipeg, Toronto, and Montreal.

● (1415)

I know they are working very hard to demonstrate the importance not only of a roof over one's head, and they are evaluating different treatment models. That is progress, but the point we would make is that in the meantime we have thousands of people in this region who are mentally ill and homeless, and they are getting worse.

Recently we opened a treatment centre in Burnaby called the Burnaby Centre for Mental Health and Addictions. Within a year, that had a wait-list of 600 people. So you have a program that takes in 100 and then you have a wait-list of 600. Many of those people, I would venture to say, would be dead by the time they actually got their file into the program, because they're so vulnerable also with concurrent illnesses, hepatitis, HIV/AIDS, and those sorts of things. The point is there's a serious treatment gap in this area.

My colleague Barbara will talk in more detail, but we estimate that as of March 2008 there were 3,700 people who were homeless in Vancouver. The province has had a really aggressive social housing initiative, but there will be only an additional 1,100 units by the end of this year. We need at least an additional 1,500 units.

Again, this is where if we had a national housing strategy that put a priority on supportive housing...and affordable housing also, because people with mental illness do recover. What we're seeing is that there's no place for them to move to. That means the buildings that are more intensively serviced are bottlenecked.

I don't think I have to talk to you about the factors I suspect have led to this epidemic of homelessness. It's not only the closure of institutions or the changes in unemployment insurance but also family breakdown and so on.

When we in our action group talk about it, our major point is that the presence of this level of poverty in our communities degrades us all. It diminishes us all. I see Canadians as being kind people. We meet the public at our public meetings, and if the public is willing in one evening just out of their pockets to give $22,000 to the shelter at Main and Hastings, we have to keep stepping up and we have to rid ourselves of this particular plague.

The one thing that has become clear to us is, as some research from Simon Fraser University has said, it costs us more to do nothing than to provide supportive housing. In terms of criminal justice costs, policing costs, city sanitation and engineering, all of those cost $55,000 on average per person versus the $28,000 it costs if someone is safely housed in supportive housing.

I also want to remind you about what was recommended in the report of the Senate committee, and I know it's more complicated at the social affairs committee. It was Mike Kirby and Wilbert Keon's report on mental illness, “Out of the Shadows at Last”. In that report, they recommended 57,000 units of additional supportive housing for this population.

While I am very enthusiastic about the homelessness project, as an example in Vancouver, with that federal money, we're now housing on a short-term basis for three years 300 people. I just want to make it clear that the scale of what is required to address this is significant.

Mind you, if you divide 57,000 up across Canada, our share is probably much less. There are some very creative approaches that are being followed in this region, which Barbara will no doubt speak about.

I think we do need a national housing strategy, because it isn't Canadian to be on the street. I just want to emphasize that. I don't know anyone who thinks it's a good idea, and it's costing us more.

I heard you in the earlier session talk about social inclusion. In relation to the national housing strategy, I'd like to say that for people with serious mental illness, just having a roof isn't enough. One of the things, unfortunately, in the existing social housing policy has been to build congregate housing, which is really a form of re-institutionalization on a smaller level. This is not helping with social inclusion.

● (1420)

On the scattered-site models, the CMHA in Ottawa has received support to buy condos through the social housing policy. People will be housed in not more than 10% of the units in any one building. They will contribute from their disability stipends, but they'll also be able to live in a dignified way in the community in an integrated sense. When stigma and discrimination are such huge issues, in new policy going forward we have to avoid creating more ghettos, because that leads to the NIMBY fights and all those sorts of things.

In closing, we would really be thrilled to see this committee support the development of a national housing policy, and particularly to address those needs already identified in the Senate committee report for people with serious mental illnesses.

I think the leverage that the federal government has...recognizing that the provincial government provides health services, is that it's just not enough for a roof. People do need support to be able to maintain their tenancy. This is a challenge for the provincial government. So it's housing plus supports, and that includes mental health care.

Thank you.

● (1425)

The Chair: Thank you, Ms. Hall.

To Ms. Stannard, if you have a brief that you want to submit to the clerk, he'll make sure it gets out to everybody at a later time. That will ensure that we have it on the record, even though you came here on short notice.

Ms. Grantham, thank you for being here. You're with the Streetohome Foundation.

Ms. Barbara Grantham (Acting President, Streetohome Foundation): I am.

The Chair: We're looking forward to hearing from you. You have seven minutes.

Ms. Barbara Grantham: Take it away.

First of all, I want to say thank you.

Second of all, I want to say that the last time I spoke in front of a standing committee, I was quite a few years younger, and I didn't have to wear reading glasses. It's a lot harder; the looking up and looking down thing is a lot harder. I just needed to acknowledge that.

Mostly, I want to thank you for this opportunity to speak with all of you today to talk about the federal role in reducing poverty in this country. I will take my seven minutes to highlight a little bit of the Vancouver context that we have here, the role of the Streetohome Foundation in poverty reduction, and some of the solutions that we seek in terms of the federal government's role in reduction of poverty.

My comments speak today, notwithstanding the name of my organization, to poverty and poverty reduction within the context or through a lens of homelessness, because that is really the role and the mandate of the organization that I represent. I'm going to start with a very simple metaphor. I'm going to start with a metaphor of the weather, because I think it serves as a simple but evocative metaphor for the socio-economic contrast that one sees here.

Whether you've come from the other side of the country to be here today or whether you have not, I don't think it's possible for one to hang out in Vancouver these days without being acutely aware of an impending large international event. Indeed, you will see evidence of that probably within about 30 seconds when you step off a plane at Vancouver Airport and you go to buy Olympic stuff.

About 12 blocks east of here, as all of you know, is probably the zero zone of one of the most socio-economically challenged neighbourhoods in this country. The weather this morning was dark and stormy, and it was raining. Now, for reasons that I cannot even begin to explain but will leave to the mysteries of the weather gods and goddesses, it is sunny.

I think that serves as a very useful metaphor for us in terms of, as I said, the very real socio-economic contrast that we see here, where there are signs of light and optimism but there are also very dark clouds on our horizon.

In terms of the Vancouver context, I'd like to touch on three things. The first is just some of the numbers. The second is to touch on the costs of homelessness, and the third is to briefly touch on the populations that are affected. Both Laura and Nancy have touched on these things so I'm going to make my comments very brief.

I think it's very important for us to understand—again, as both of them have reiterated—that in looking at the issue of our fight against poverty and the linkage between homelessness and poverty, our lack of a national strategy to contain the rapid growth of homelessness has been a failure, at least in part because we don't have a comprehensive strategy to address poverty in this country.

Poverty is the root cause of homelessness. It creates social exclusion by denying people safe, decent affordable housing. Because of the persistence of poverty, particularly through generations, citizens have inadequate income in order to pay for very basic needs, including housing.

Every three years in Vancouver we do the “metro Vancouver homelessness count”, which has come to represent the best-possible widely accepted community measure of homelessness in this region. The measure from 2005 to 2008 showed an increase of 20% in the number of homeless people in this region. Not only are there thousands of people who are homeless in this region, we also know, through both research and anecdotal information, that there are hundreds of people at risk of becoming homeless due to their socio-economic circumstances.

It is not with pride that I say that this province has the highest overall rate of poverty and, more compellingly, the highest childhood rate of poverty in this country. Homelessness continues to be a problem of very compelling proportions in the city of Vancouver and throughout the metro Vancouver region. And because homelessness is a compelling problem, poverty is also a compelling problem.

The costs of homelessness are almost too difficult and complicated for us to measure. What we know is that the cost of not investing in appropriate social housing is seen in the resulting costs, as Nancy said, in health care, social services, and the justice system. As all of you know, I'm sure, housing, like income, is a major determinant of health. People need adequate housing—in some cases with appropriate supports—in order to improve their health and well-being. Yet temporary housing for people who are homeless, whether it's in shelters or in jail or in the hospital, is much more costly than providing them with appropriate permanent housing with appropriate supports.

Nancy has already cited the Simon Fraser University study that was done in 2008, which is rapidly emerging as probably the best, most widely cited piece of comprehensive research that we have. As she said, it costs us approximately $20,000 a year more to provide services to a person living on the street—health care, social services, justice costs—than it would cost to put them in appropriate housing with appropriate supports.

● (1430)

The populations that are affected by homelessness are almost too large and diverse to imagine. Virtually all the population groups here in metropolitan Vancouver comprise our homeless population. These populations that are living in poverty are particularly vulnerable. One of the most vulnerable groups is youth—youth with mental illness or early signs of psychosis, youth that are aging out of foster care. Then, too, there are families, particularly women and children, who are fleeing abuse. Finally, there are adults who are being discharged from hospitals or from correctional facilities.

What are some of the solutions? I want to leave you with five quick points. The first is that in Vancouver, we've been fortunate to follow the lead of other Canadian cities in looking at a comprehensive community response to homelessness. Streetohome was created in 2008 as a partnership between the Vancouver Foundation, which is Canada's largest community foundation, the City of Vancouver, and the Province of British Columbia. We are a community organization working to ensure that all citizens of Vancouver have a safe, decent, affordable place to live. Our goal is to tackle the problem of homelessness here in Vancouver by bringing together community leaders from the private sector, the public sector, and the non-profit sector to find sustainable solutions. This is the first time in Vancouver's history that all sectors of the community are working together towards the common goal of finding lasting solutions to a complex problem. It is a community challenge and it is going to take all of the members of this community to solve it.

We have taken inspiration from other Canadian cities. Hamilton is one example. The Hamilton community's round table on poverty, sponsored by the Hamilton Community Foundation, has been an inspiration to many of us across the country. We, in turn, hope that we can inspire some other cities across the country to mount a similarly comprehensive, collective community response.

The second is money. The federal government needs to step back up to the plate and provide sustained federal funding to social housing in this country. The Mental Health Commission of Canada is a hopeful and progressive sign for many of us, but we need more than that. I'd like to think that at Streetohome we're showing evidence of our good faith in the work of the national mental health commission by financially supporting the work of the mental health commission here in Vancouver.

Our third point is that we need a comprehensive federal housing strategy. I think it bears reiterating that Canada is in urgent need of a comprehensive federal housing strategy to make sure that all of us have a safe, affordable, accessible place to live.

Fourth, we need a comprehensive federal strategy for poverty reduction, which I like to think is the role and mandate of this committee. We are encouraging the federal government to adopt a national poverty reduction strategy with measurable legislated targets and timelines to combat poverty and, more important, to improve and promote social inclusion and social security in this country.

There's also a unique role for the federal government to play in encouraging the provincial governments to adopt poverty reduction plans. We'd love it if you played that role. This way, our province, one of the few in this country that does not yet have a poverty reduction plan, could move to the other side of the house and have a plan in place.

My last point is a little more technical, but I'll leave you by going from the broad to the specific. We need some changes in the federal tax system that would encourage the development of affordable housing. We're long overdue in this country for some changes to the federal tax system that would increase private investment, including philanthropic investment in affordable housing.

There are five examples that I'll give you. The first would be to eliminate capital gains on real estate donations, made to registered charities, for affordable housing. The second would be to eliminate the GST on construction materials associated with the construction of affordable housing. The third would be to permit the deferral of capital gains taxes and recapture of the capital cost allowance on reinvestment in rental housing, which is in scarce supply in this part of the country. The fourth would be to increase the capital cost allowance on rental and affordable housing. And the last would be to permit small landlords to be taxed at the small business corporation rate as an incentive to increase the supply of rental housing.

● (1435)

There is a strong willingness in this part of the country on the part of the private sector and philanthropy to do this, but we need very strong tax measures and incentives to encourage it.

I know I've used up my time. I look forward to hearing of your findings.

Thank you for your time and attention today.

The Chair: Thank you very much, Ms. Grantham.

We now turn to our last witness, Rosemary Collins from Wilson Heights United Church.

Welcome, Ms. Collins. You have seven minutes.

Ms. Rosemary Collins (Community Minister and Community Advocate, Wilson Heights United Church): Thank you very much.

I can't tell you how gratifying it is to be here today and to be invited. It's my absolute pleasure to address all of you. In the, goodness, almost seven years now that I've been working at Wilson Heights as a community advocate and community outreach minister, this is the first time anyone from any level of government has come to me and asked me what it looks like on the ground.

I know you've heard a lot of presentations today, and you've probably been snowed under by statistics. I thought I would instead tell you what it looks like in my office and tell you about the people who come to my office, many of whom are people with disabilities, which I understand is also the mandate of your committee.

Wilson Heights is a small church. We have about a hundred members. We're located on East 41st Avenue in Vancouver, which is in southeast Vancouver. We're about halfway between Victoria Drive and Knight Street.

The community around Wilson Heights is a working-class community, mostly single-family dwellings. A lot of the people who live in that area are either seniors, who are house-rich and cash-poor, or new immigrants, largely from Asia. We also have a growing Latino community.

Our church has basically decided that the role it wants to play in the community is to alleviate poverty, hunger, and loneliness among its neighbours, so I would say that food security and economic security are two very important aspects of our church's outreach programs.

That's basically how we got to our advocacy program. We initially started with a community meal. That was a sit-down meal, where we invited all our neighbours to come in. We got to meet our neighbours. We got to hear about the struggles they were having —this is going back to 1999—and out of those conversations we discovered that what was in their way was a lot more than access to a good hot meal, or being able to manage the food budget a little better by not having to prepare a meal that night. They were running into terrible barriers at the bureaucratic levels, particularly with income assistance and trying to qualify for benefits.

The group I see the most in my office is made up of people with disabilities trying to qualify for provincial disability benefits. Many people in British Columbia who are in need of disability benefits don't qualify for the CPP benefits, often by reason of the actual disability they have. If they have had a mental illness or a head injury, they have a very sketchy work history, if any at all, over the course of their lives. Therefore, they haven't accumulated the income and benefit contributions to qualify for CPP and are reliant on welfare.

Although I understand that welfare is not the purview of the federal government, it is one of the reasons that draws people into poverty, particularly people with disabilities. The maximum rate for a single person on disability welfare in this province is $906, and with $375 of it, they're expected to find housing. That's the maximum shelter allowance for an individual on income assistance.

Many people are coming to my church because they want to qualify for disability and raise their income from $610 a month, the benefit rate for a single person who is considered to be employable.

We also do a lot of food security work, as I mentioned earlier. I want to tell you that this year we've decided as a church to eliminate our Christmas hamper program in favour of using those funds to provide ongoing help to families throughout the year. We think we can better meet the needs of families struggling in poverty if we can provide them aid throughout the year, rather than playing Santa Claus every December.

Before the economic downturn in late 2008, we were responding to 12 requests for food assistance per month, actual bags of groceries that we were giving out. And in a busy month, which is what we call a “five-week-welfare” month—that's a month where your welfare cheque has to last you five weeks instead of four and you don't get any additional benefits to cover that extra week—we would get 20 requests for food. After the economic downturn, a normal month now for us is 20 food requests, and a busy month is over 30. That happened overnight. By January, it was absolutely normal in our church.

We have signed on as a church, as has the presbytery that funds our advocacy program, to the B.C. poverty reduction strategy.

● (1440)

I would also endorse the recommendations from First Call, which I'm sure were presented to you earlier in the day. I believe it's fact sheet nine in their presentation; there are a number of measures to reduce poverty among families. I know that First Call has done a lot of work and probably has presented you with a lot of information in that regard.

Our advocacy program services over 300 people a year. We are two advocates working a total of 32 hours between us. We work out of three different locations, our primary one being Wilson Heights. But I also do four hours a week in Kitsilano, which is a middle-class neighbourhood on the beach here in Vancouver. It's a very nice neighbourhood to live in unless you're homeless. At a lunch program there, I provide advocacy services, largely to men who are homeless. Also, once a month, I'm in Shaughnessy providing advocacy services, largely to people with disabilities and to seniors, at a lunch program there.

The purpose of our advocacy program is to try to expand our services so that we can start going to other centres such as Grace Memorial United Church, which runs a breakfast program every Tuesday morning but cannot afford to hire an advocate.

The reasons why people need advocates have a lot to do with how difficult it is to qualify for benefits. Even just in applying for regular welfare, there is an initial application waiting period of three weeks when you first present yourself to the welfare office in need. It's not unlike the two-week waiting period that is required under employment insurance. During that time, applicants are expected to be looking for work, which of course is what they were doing before they got to the welfare office.

There's also a two-year independence test, which disproportionately affects young people who have not had the opportunity to establish themselves independently, as well as anyone who has a checkered work history. You have to be able to prove to the ministry that prior to applying for income assistance you've actually held a job for two years in your life.

There are exceptions to these rules—I want to emphasize that—but they're not always clearly spelled out to the applicant, so that is often the role the advocates take. The person gets their application rejected and then comes to me, assuming they know I exist, and I explain to them that they qualify for benefits because of this exception or that exception. We then prepare the paperwork for an appeal because it has become a formal appeal. Hopefully we are successful and the client gets benefits.

The most common problem affecting people's disabilities, as I mentioned earlier, is qualifying for the disability welfare if they're not eligible for CPP disability. The application is 23 pages long. It has to be filled out by three different people, one of them being the applicant, as well as their physician and an assessor. I assist the applicants and their physicians with the correct completion of the documents. As well, I help the client find a qualified assessor.

It's standard operating procedure for the Ministry of Housing and Social Development here in British Columbia to deny applications upon them being initially received. We see cases all the time of applications that are absolutely correctly filled out, that are in accordance with and meet all the guidelines set out in the law, with letters from physicians describing in detail how a person is unable to function because of their illness or their physical disability, and they come back with a blanket “no”. That requires an automatic appeal process.

So again, if you don't have an advocate to help you fill out the application correctly in the first place.... Even if you do, it's turned down as a matter of course. If you don't have an advocate to help you with the appeal, then chances are that you're just not going to get the disability benefits at all. The automatic turndowns are a huge waste of money both for the government and in regard to the time and effort of the advocates who are doing unnecessary appeals on disability benefits.

I supplied a list of relevant websites as part of an appendix to the committee. One of the websites I would urge you to look at is that of the British Columbia Public Interest Advocacy Centre. They spearheaded an ombudsman complaint back in 2005, I believe, that is still an open complaint. There were a number of recommendations that the ministry had to follow in order to bring its application and other processes into line with basic guidelines for procedural fairness.

The complaint is still open. There's a possibility that additional complaints from advocates will be coming forward, because we're still seeing difficulties such as this one of the disability benefits being automatically turned down. I wish I had actual applications to show you, because it is really shocking.

● (1445)

We have the lowest minimum wage in the province. It's $8 an hour, not to mention the $6 an hour that is the training wage for new workers. Our welfare rates are well below the poverty line, regardless of which measure you use. For example, for a couple with two children, their welfare rate is less than 60% of the poverty line. And a single parent with one child is receiving approximately 65% of the poverty line on welfare rates. This is poverty that's actually legislated by policy and by law.

Welfare recipients used to be the majority of the occupants of single-room occupancy hotels and rooming houses. They are now being displaced in Vancouver by foreign language students coming in to learn English, and by labourers who are better able to afford the rental rates in these hotels, which are in the range of $400 to $500 a month.

People living in single-room occupancy hotels have little or no access to kitchens or fridges. They must share a washroom with their neighbours, and their buildings are often very poorly managed and maintained. They are often infested with cockroaches, rats, mice, and bedbugs.

Families are faring no better. I'm seeing more and more families who are living in one-bedroom apartments. The children are sleeping in the bedroom and the parents are sleeping in the living room. It's such a precarious housing position because under our residential tenancy law, you can be evicted for being over-housed in such a manner, for having too many occupants in an apartment. But for the people who are earning $8 an hour—even if you have two wage earners at $8 an hour—a one-bedroom apartment in this city is $1,000 a month. Where are you going to find an apartment big enough for you and all your children?

I'd just like to add, on a personal note, that I live in the very last social housing cooperative that was built in this province before all the federal housing money ran out. It's the Lore Krill Housing Co-op. It's situated in Vancouver's downtown east side. We have two buildings, and one of them won a Governor General's award for its architecture. We're providing housing to our members, 80% of whom are subsidized. It's the only way I can afford an apartment in this city without paying 50% or more of my income towards rent. Last week I had a woman in my office who is paying 82% of her $1,000-a-month income for rent for herself and her two children.

The Chair: Thank you very much, Ms. Collins.

Members, I'm going to cut down the time for questions. We're low on time. We'll have a five-minute round.

We'll start with you, Mr. Savage.

Mr. Michael Savage: Thank you very much.

It's hard to know where to start.

We appreciate very much your impassioned testimony today, and I assure you that it will receive significant attention when we write our report.

It occurs to me that one of the really interesting things about poverty in our country is that Canada is a wealthy country. It's this dichotomy, this juxtaposition, the contrast between the haves and the have-nots. In Canada the average income of the wealthiest 10% of the population has increased twice as much as the income of the poorest 10%. Canada's child poverty rate ranks 13th among 17 peer nations. We rank last among 25 OECD nations on benchmarks for early learning and child care. We don't have a very good reputation with the United Nations because of the way we deal with the most vulnerable in our society. So we're a rich country with a lot of people who aren't doing so well.

We have poverty everywhere in Canada, but then you look at places like Vancouver, where there is great wealth, or Calgary. Tony and Dean and I have been to the drop-in centre in Calgary, one of Canada's richest cities, where there are over 1,000 people every night. We drove last night through the downtown east side, and then you come across a neighbourhood that's extraordinarily better. And it's perhaps all perfectly encapsulated by this contrast between the money that'll be spent on the Olympics versus the needs of people who live here on a full-time basis.

I love Canada. I think it's a great country. We do a lot of things right. But we're a little too proud of ourselves and the way that we look at the people who actually need help, I think. I can't help but think in terms of housing—a number of you have mentioned housing and mental health—when we asked Mike Kirby, who appeared before our committee, what the number one things are that people need from the federal government, the first thing he said was a national housing strategy with specific measures for those who have mental health issues to deal with. The second thing he said was that our social infrastructure is not designed for people with mental health issues—for example, episodic illness and the EI system, things like that.

I wonder if any of you want to comment—not in a piling-on way, but....

Canada is not doing as well as many Canadians think we are, are we?

● (1450)

Ms. Laura Stannard: I'd really like to comment.

I was trying to put myself in your shoes when Rosemary was speaking, knowing that she was talking a lot about provincial social policy. That policy started to get really bad in 1996 after the Canada assistance plan ended. That plan put requirements on provinces, particularly for welfare distribution, to meet the basic needs of everyone. I think this is where we took a nosedive. Aside from the cancellation of programs, that act allowed the provinces to do pretty much as they liked.

Mr. Michael Savage: You are speaking of the reduction in funding to the provinces through the CHST. There was a corresponding benefit from the provincial point of view—they got less money but they got more control. This was at a time when galloping health care costs were going on. My father was the premier at the time in Nova Scotia, and I'm sure he would attest that this was important.

A number of people have mentioned Libby Davies' bill on housing, Bill C-304. We are supportive of it, and we're hoping we're going to get it through committee. It was going to what is called clause-by-clause, which is the final stage in the committee process. But Libby pulled it back because there were some flaws in it, particularly concerning persons with disabilities. We intend to bring it back to the committee, and I hope it can do something.

Private members' bills can be passed by the House of Commons and become the law of the land, but it doesn't mean anything unless the government actually embraces it. Last year, Bill C-293, the overseas development assistance bill, was going to make alleviating poverty the purpose of international development assistance. That passed and it is the law of the land, but it hasn't made a lot of difference yet.

Anyway, we are hopeful that we'll be dealing with that next week. Maybe we can do something to make a difference. Libby is a strong advocate and probably knows all of you very well. We'll do what we can to make that bill a reality.

Thank you.

The Chair: Thanks, Mike.

Mr. Martin.

Mr. Tony Martin: Libby wanted to be here today, but she had to be back in Ottawa because there is some stuff happening. In her role as House leader, she needs to be there to manage things. She can't do it all.

I appreciate all of the input that we've heard today. It has been enlightening and encouraging and informative.

I don't think there is anybody around this table who doesn't believe there is poverty in the country and that we need to do something about it. I also think we probably all believe that the federal government has a leadership role to play. It's just a question of what that role should be and how complicated it can get. In my own head, I'm trying to simplify it. I don't want it to become so complicated that they will just tell us to forget it, they have too many other things to deal with, and that all this should be dealt with another day.

I want to ask for your response. As I look at it, there are at least three areas in which the federal government could show leadership. One is income security. We do that for seniors through the Canada Pension Plan, OAS, and GIS, and there are lots of other income security matters over which the federal government has control. The second would be housing. We have done that before, and we're able to do it. The third is a bit more complicated. It is the whole question of social inclusion. How do you involve people in the communities in which they live and give them the dignity they deserve as human beings? I would like to think that, as a federal government, we could get this done for everybody. I heard at least one of you mention poverty reduction. Poverty elimination should be the goal that we adopt. Our challenge is to get the federal government to act on a national anti-poverty strategy.

You mentioned housing. What else is there?

● (1455)

Ms. Rosemary Collins: I understand that with the Canada assistance plan it's a lot easier to do this. I recognize how complicated it is when you get into federal-provincial jurisdictions, but there need to be standards for our income assistance program.

For example, in this province under certain circumstances the child tax benefit can be considered income by the ministry and taken outright, dollar for dollar, off a person's cheque. Federal money subsidizes the welfare program, but so does the welfare recipient. When they receive money on a monthly basis it's not considered income. If there's some kind of bureaucratic problem or there's another claim against it, the cheques are stopped and they get a lump sum payment once the matter is resolved. But the provincial government considers that lump sum to be income, and it's excess income that makes the person no longer qualified for benefits for a month or two.

That's not just the government subsidizing the welfare system; it's also the welfare recipient, who's been borrowing money during that time to make up for this lack of very necessary income.

On November 26, right before you arrived, this province passed Bill 14. This legislation now makes it illegal for anyone with an outstanding warrant to collect income assistance. If you think you might have an outstanding warrant, you have to present yourself to the police station and be arrested. Once that warrant has been executed you're eligible for income assistance. I want to know when our income assistance ministry became responsible for law enforcement.

I urge you to look at this legislation that just got royal assent on November 26. We need to have national standards. Quebec and Newfoundland have made wonderful strides in reducing poverty, while here in British Columbia people are fighting and clawing for money that's 50% or less than the poverty line.

Dr. Nancy Hall: I would still stick with housing strategy, and I would say to be sure that there's the infrastructure and support to move it out.

I'm sure you saw the front page of the *Globe* this morning questioning the fact that the stimulus social housing money hadn't gone out. Mike Harcourt, speaking at a public meeting recently, said that when he was mayor of the city they used to get 2,000 units of social housing a year. So we had the capacity, but as Laura has said, for a lot of those people the infrastructure to do it has since dissipated.

We have the regional steering committees on homelessness, and it would be great to have a regional steering committee on housing. It's not enough to say here's a strategy; we need support to build roofs over people's heads and get them out there.

The Chair: Okay.

Ms. Stannard.

Ms. Laura Stannard: Adding to what Nancy said, when I talked about the social housing industry we had, it can come back very easily. In the 15 years when we didn't have a pretty much guaranteed annual allotment, we lost the ability of those architects and developers to invest in the projects that were, let's say, shortlisted one year but hadn't been approved. They sometimes continued to option the land and push it through the city development process. That's why it's so necessary for that program to be permanent. It makes it far more efficient and financially viable.

● (1500)

The Chair: Okay.

We'll let you have the last word, Barbara.

Ms. Barbara Grantham: Okay.

For those of us who follow them, the socio-economic policies to mitigate income inequity in this country over the last decade and a half have been pretty depressing. But I'll answer Tony's question by saying there have been two great successes, and I encourage you to use those successes and lever them. We could actually point to many, but I'll leave you with two.

One is specifically on housing. Three or four years ago the federal government changed the tax structure and increased the ability of donors to use donations of stock to improve their philanthropic giving. I encourage you to look at the same relative measure to facilitate donations that would specifically incent the development of housing. We've had remarkable success there and I think we can replicate it.

On my second example, one of the best social policy successes we've had in this country over the last 20 years is the reduction in the poverty rate of seniors. I think we can take many of the income security and tax measures for seniors and apply them to families and children. I encourage you to consider that.

Mr. Tony Martin: Could I ask the chair to suggest to the researcher that we do a little bit of work in looking at that incent program? I think it has some potential there.

The Chair: Thank you.

I think those are great suggestions and it's the type of thing that we go back and talk about.

Thank you once again for taking the time to be here. It's been great. I thank you for all your ideas.

Have a great day.

● _____ (Pause) _____

●

● (1505)

The Chair: I'll welcome our last group of witnesses today in Vancouver.

I want to thank you all for taking time out of your busy schedules to be here to talk to something that I know is near and dear to your hearts, and that's poverty. It's something that we are trying to get a handle on as we make recommendations to the federal government.

David, we'll start with you, and we'll work our way across.

You have seven minutes each, and then in whatever time we have left we'll have questions from members of Parliament.

Mr. LePage, I believe you're from Enterprising Non-Profits Program. I'd love to hear a bit about what you guys do and some of the suggestions you have for us.

The floor is yours, sir. You have seven minutes.

Mr. David LePage (Program Manager, Enterprising Non-Profits Program): Thank you, Mr. Chairman, and members of the committee.

Thank you for the opportunity to contribute to your deliberations and discussion on this critical issue of poverty reduction in Canada.

My apologies to the francophone members, because my remarks will be in English.

The Chair: We don't have any francophone members here, so you're okay today and good to go.

Mr. David LePage: Okay.

I'm going to begin with what we consider to be some very good examples and stories of effective poverty reduction through the creation of labour market attachment for marginalized community members and persons with disabilities.

SAP, formerly BusinessObjects, is a very large international software company with 2,000 employees in their Vancouver office. As a software developer, they have no entry-level jobs; however, historically they have annually purchased more than $200,000 in catering from Potluck Catering in the downtown east side. Some 50% of Potluck's staff come from that community, the poorest postal code in Canada, and are considered hard-to-employ persons.

In rural British Columbia, the publisher of the *Trail Daily Times* daily newspaper contracts with The Right Stuff to do their inserts, collating, and preparations for distribution. The Right Stuff employees are all youth at risk. These are the youth who don't fit traditional school systems, nor do they fit the traditional employment training programs.

In Winnipeg, Manitoba, Assiniboine Credit Union has contracted Inner City Renovation for the construction of their last two branches. Inner City Renovation trains and employs inner city residents, primarily aboriginal youth, in the construction trades.

Royal Bank is a regular customer of Eva's Phoenix Print Shop in Toronto, a printer who trains youth coming off the streets in the printing trade.

Renaissance thrift stores in Montreal employ and train hundreds of staff every year. The development of a competent and reliable workforce is at the heart of Renaissance's mission. Their purpose is to help Quebeckers who need employment support or new arrivals integrating into the labour market.

The dollar store in Halifax prepares individuals with mental health issues to enter the labour market.

In northern Ontario in the Prescott-Russell francophone community, Convex operates 11 enterprises whose mission is to generate meaningful jobs through business projects for residents who face employment challenges.

At the 2010 Olympics, the bouquet you will see presented to each medal winner will be produced by Just Beginnings, a flower shop and training centre primarily for women who are re-entering the labour market after incarceration or addiction recovery.

All of these suppliers, the employers who focus on providing attachment to the labour force for targeted groups, are social enterprises. They are businesses operated by a non-profit organization for the dual purpose of generating income through the sales of products or services and achieving a social value. In these cases, they're providing employment to persons on the brink of, or suffering from, the pains of poverty. Social enterprises blend business and social outcomes.

A recent survey of 50 social enterprises in British Columbia showed that they had 860 employees, of whom 660 were from identified groups in need. These businesses offer services including landscaping, printing, sewing, light manufacturing, packaging, recycling, janitorial service, couriers, catering, retail, and on.

We believe social enterprise is a valuable tool for some non-profits, providing them the means to address market problems like labour market attachment for targeted marginalized community members. Social enterprise is also a means for the non-profit sector to further their mission and to generate income. As described above, social enterprises are in the marketplace and create employment opportunities based on sales and business. Their customers are private sector businesses, government, and other non-profits. The more successful they are as businesses, the more employees they create.

We want to emphasize to this committee that there is now a rapidly growing need to provide a supportive environment for the demand side, the businesses, that is the social enterprises, that specifically target creating employment opportunities for marginalized community members. In other countries, especially the U.K., Europe, and Australia, there are integrated public policies for the support of social enterprise.

We recommend that the committee include in its poverty reduction policy the role of social enterprise in a supportive framework that includes a government procurement policy that targets purchasing from social enterprises, as was recently adopted by the Province of Ontario. This can contain a policy that increases unbundling of large contracts and social value weighting in the request for proposals, not dissimilar to what the SME sector has raised as a critical policy need.

● (1510)

Second, create access to an expansion of programs that will enhance the business skills of the non-profit sector. Third, provide access to a range of appropriate capital, such as tax credits and patient capital pools. Fourth, support the research that will generate a greater understanding of the value of social enterprise in the reduction of poverty and in the building of healthy communities.

Especially for the marginalized and persons with disabilities, attachment to the labour market is critical to poverty reduction and poverty elimination. We believe social enterprise is an innovative and effective tool that will contribute to that challenge of reducing poverty in Canada. It should definitely be included in the policy framework that this committee moves forward to Parliament for implementation.

Thank you.

The Chair: Thank you, Mr. LePage.

We're now going to move over to Irene Jaakson, from Lookout Emergency Aid Society.

Welcome, Ms. Jaakson. Thank you very much for being here. You have seven minutes.

Ms. Irene Jaakson (Director, Emergency Services, Lookout Emergency Aid Society): Thank you.

I'm the director of Emergency Services for Lookout Emergency Aid Society. I also would like to thank you for the opportunity to address the standing committee.

As I'm sure you're well aware, poverty has been a long-standing problem in British Columbia. For the most part, government responses have been insufficient and ineffective. Poverty rates, nationally, peaked in 1996 and then went down, but in British Columbia, poverty continued to increase until 2002. Only then did it start a downward trend. Some cities, such as Burnaby, do not have shelters for their own homeless residents. There is not even space for an emergency shelter during periods of extreme weather, when it's too much of a health risk for people to sleep outdoors.

Lookout has been on the front lines of the fight to eliminate homelessness in the Lower Mainland since 1971. We're the safety net for men and women who have no other housing alternative. Last year, though, we turned away more than 5,000 people. In addition to shelter, we provide transitional and permanent housing. There are 2,000 people on our wait-list, though, and turnover, not surprisingly, is minimal.

Homelessness is all about poverty. It's strange to us that there is actually no national definition of homelessness. Regardless, there have been many attempts to count homeless people across the country. Since Vancouver's 2002 count, we've seen an increase of 136%, even though the count included only the street homeless and no one staying in shelters. It did not include the hidden homeless, such as people who are couch surfing or women staying with men in exchange for a place to live. The homeless population includes more and more women, youth, and families as well as a high percentage of people with mental illness. Over half of B.C.'s aboriginal people live in poverty, yet they make up less than 5% of B.C.'s population. This statistic to us is a shameful reminder of our history as colonizers.

In our shelters the working poor are coming in at unprecedented rates. Wage rates have decreased consistently over the last decade, resulting in the high poverty rates we're now seeing in B.C. We recommend that our governments work together to increase the minimum wage to $11 per hour, at least, and set rates regionally to address local economic realities.

B.C. has the highest child poverty rate in Canada. We know that homelessness can be multi-generational. If the federal government would uphold its Campaign 2000 commitment to eradicate child poverty, Lookout would not see these same people as adults.

We've seen a drop in welfare rates. However, it's actually reforms to the welfare system that have led to caseload reductions, not just increased employment. The year 2007 saw the first increase since the early 1990s, but even with this increase, rates do not come close to meeting the basic monthly cost of living.

We have seen some anti-poverty policies work. Without income benefits for seniors or the unemployed, for instance, poverty rates would be dramatically higher than they currently are. Regardless, to truly alleviate poverty, there is a need to commit further to programs that prevent it, such as pensions, social assistance programs, employment insurance, and minimum wage regulations.

Canada's retirement income system is often called a success story, but the reality is that seniors, especially unattached women, have far higher poverty rates than non-seniors. Our employment income benefits provide replacement income only at the approximate poverty line, resulting in more people losing their housing and having to access emergency shelter. We require the design and implementation of a national poverty reduction strategy that would require federal, provincial, and territorial cooperation. We need a framework that will evenly develop housing and supports for people who are most vulnerable.

We can learn from the successful campaign to house the physical disabled throughout our communities. Five percent of all new housing was dedicated to the disabled. Lookout proposes that the same dedication occur for other marginalized populations. Homeless people should not be forced out of their communities in order to access the housing and services they need, nor should communities be able to cherry-pick the people they will serve. We need our federal leaders to make all our neighbourhoods inclusive communities that reflect the diverse populations that make up Canada.

We applaud the federal government's residential rehabilitation assistance program, which offers financial assistance to low-income homeowners for repairs. This program helps people who live in substandard dwellings and cannot afford to pay for necessary repairs. Some of Lookout's housing, though, can be called below par, yet we've been unable to access RRAP funding. RRAP is an excellent program, but it needs more resources.

● (1515)

We also commend our provincial government on some initiatives it has taken in the last two years, for instance retaining the housing stock, as it prevents the Lower Mainland from having an even greater level of homelessness. Improvements to the housing are great, but we would be remiss if we did not also note that rooms are typically around 100 square feet only, with bathrooms down the hall. They're no substitute for self-contained housing. Also, the province modestly increased welfare shelter rates in 2007.

These efforts are isolated, though, and any successful response to poverty must be cohesive and coordinated. There must be set timelines and targets for poverty reduction, as well as different mechanisms to reach goals. There must be commitment for sustainable and ongoing funding to increase the supply of affordable housing. With this in mind, I must note that we are delighted by the initial passing of a national housing strategy, which would specify areas of responsibility for each level of government.

There is no official definition of poverty in Canada. The low-income cut-off is used most often, but as for homelessness, there is still no definition in Canada, which complicates any discourse on poverty. We can only define poverty by implication, for instance by income proportional to average household spending on food, clothing, and shelter. With differing concepts of poverty and no agreed-upon definition, a discussion on poverty reduction seems doomed to fail. We look to our federal leaders to change this.

In closing, we ask that federal, provincial, and territorial governments work together to end poverty by increasing minimum wage rates and unemployment benefits. A percentage of all new housing should be dedicated as affordable, and it goes without saying that Canada must pass a national housing strategy.

Thank you.

● (1520)

The Chair: Thank you, Ms. Jaakson.

We're now going to move over to Robyn Kelly from the Hospitality Project.

Robyn, we're looking forward to hearing what you have to say. You have seven minutes.

Ms. Robyn Kelly (Community Advocate, Hospitality Project): Thank you.

Good afternoon. I am a community advocate with the Hospitality Project from New Westminster. This is an intentional and inclusive community developed around the largest greater Vancouver food bank depot in B.C. On average, 500 people per week receive food here.

The Hospitality Project helps us promote community by bringing the lineup indoors. People are out of the elements and away from traffic and harassment. We bring them inside where they're comfortable and can have a cup of coffee, and other services also come together where people are already gathered to get food. We have dozens of community partners that have set up satellite sites to provide their services at this location. These services allow folks to access high school classes, children and parenting services, outreach nurses, and tax clinics—just to name a few of the partnerships that we have. We provide a triage receptionist and resource office, an advocate, coffee and tea, and a clothing and household goods exchange, as well as a lot of volunteer opportunities. All services have no barriers and are free.

As I have only seven minutes to speak to you regarding federal policy on housing and persons with disabilities, I thought it would be a better use of my time to try to discuss what I think is good rather than what I think is not working so well, because seven minutes just isn't going to cut that.

I'll start with an appreciation for my own salary. My position is funded for 25 hours a week through the Homelessness Partnership Initiative, and I have a contract until the end of 2011. My position was initially intended to serve the needs of five and half cities, which would be Burnaby, New Westminster, Coquitlam, Port Coquitlam, Port Moody, and North Surrey, where there is no advocacy available. However, within the first few months it was painfully clear that was just not a realistic goal and was an impossible task. Demand was, and continues to be, overwhelming, so I have now restricted my client intake to New Westminster residents. At the beginning of this year the tri-cities, which are Coquitlam, Port Coquitlam, and Port Moody, got an advocate, but Burnaby and North Surrey still have no advocacy services.

Most advocacy programs are quite specific about who they serve and what types of issues they can offer help with. The few programs that I know of that are unique, like the program I work for, are run out of churches—in fact, United churches. You've already heard this afternoon from Rosemary Collins at Wilson Heights United Church. I also work there. And there's First United Church, which is here in the downtown east side. They also offer advocacy services to anybody, on all issues.

I deal with anyone who walks in the door, regardless of their class, age, race, gender, or status in Canada, and do the best I can with whatever issue they have. I help people, for instance, with things like personal debt, income assistance, EI, CPP, residential tenancy issues, and human rights complaints, just to name a few, but the bulk of my work revolves around welfare and residential tenancy issues. Most of my welfare clients are persons with disabilities. So although these things are provincially mandated, as Rosemary stated, I am going to talk a bit about that.

I think it's completely problematic that these are just provincial issues, frankly. Because we don't have any national housing policy, and we don't have any federal policy regarding persons with disabilities, we're left to the provincial system. This means that the people who I work with, who are disabled, have severe barriers to freedom of mobility within the country, as well as wildly different access to income and health care services, depending on who they are and what systems they can manage to access.

The definition of disability is different for people seeking provincial benefits than for people seeking access to the Canada Pension Plan disability benefits. Provincial benefits are available to individuals who may become healed or cured after two years. That's the criterion—that your disabling condition will last for two years.

● (1525)

In my four years of doing this work, almost five now, all of my clients have been permanently disabled. We don't have any yet who were in a position to expect to be healed at some point after two years. They end up meeting those same criteria anyway.

The rules of welfare dictate that all other sources of income be exhausted. Everybody who I have applying for provincial disability benefits has to apply for CPP disability benefits anyway. A single person designated in B.C., as I think you've heard already today, receives $906 a month and a little bit of health care benefits. Their medical service plan payments in B.C. are covered, they get a tiny dental and optical allowance, and a slightly extended drug plan. Therefore, if they contributed enough money through the course of their working life to receive $907 from CPP disability, which is all clawed back by the provincial benefits, then they have no access to health care. Their file will be closed and all they'll have is an income with no access to extended health care benefits.

I've worked with a lot of people who, as their health declined, would move to another province where family could help to care for them. However, they would then have to reapply for designation as a disabled person in that province. The lack of connection between the systems providing disability designations places a massive burden on people who must apply separately for provincial PWD benefits, CPPD benefits, and then prove it again if they hope to claim the disability tax credit, which you must be claiming in order to get the new registered disability savings plan.

All of these forms are all long, complex, and tax the efforts of even people who are not suffering and in pain, dealing with the effects of medication, or have diminished capacity due to severe mental health issues or brain injuries. The fact that doctors have to do much of the work does not relieve this burden at all. In fact, it adds to it, and some doctors refuse to take new patients once they find out that they are on or are seeking disability benefits because they hate filling out all these forms, in spite of the fact that they are paid quite handsomely to do it.

Rosemary mentioned earlier the problem with blanket denials of the provincial benefits. I just wanted to add to that. In four and a half years, only two of the dozens and dozens that I have worked on passed without having to go through the appeal process. At the appeal process I have a 100% success rate in getting the denial overturned. I would love to be able to brag to you and say that's because I'm such a fabulous advocate, but the truth is, these denials were simply unfounded—all of them.

The vast majority of my clients with disabilities are also living in substandard housing, or spending all of their income on marginal, or at best barely average, housing. I can't really ever separate these two issues of health and health services, and standards of housing and homelessness.

Right now I understand that in the name of research, 300 metro Vancouver residents with poor mental health will become housed in the near future. Recently I had the pleasure of hearing Catharine Hume, the coordinator of the Mental Health Commission of Canada's "At Home/Chez Soi" project. I have to say that upon hearing that another research project was being conducted by the federal government, my blood did boil a little bit, but knowing that at least 300 people are going to be housed, even if it's temporary for the research project, calmed me a little. So 100 people will have housing and 24/7 support, 100 people will get housing and 12-hour, seven-day-a-week support, and 100 will get housing with no support. We'll see what happens to them all. I will be truly shocked if this study unearths any wisdom that is not already known, and in fact has been known for probably 30 years now.

This is also true regarding a national housing strategy. Cancelling this policy has led to our current national housing crisis. Canada should be a global leader on housing strategies like low-income home ownership and co-op housing developments, and not in the position that we're in now, which is playing 30 years of catch-up and having to work towards solving homelessness and correcting the problems created in this crisis, such as rampant substandard and illegal housing.

● (1530)

I want to tell you a story. Recently city councillors from all over the metro area visited sister and friendship cities in China and Japan. While in China, one Vancouver councillor found that Vancouver's world-class reputation included the knowledge that our homelessness crisis exists. Even in China, people are aware of this.

He shamefully had to acknowledge that what the Chinese councillor had heard was true, and his shame deepened when the fellow asked how many homeless there were in Vancouver and our councillor replied 3,000. But the real embarrassment was yet to come. The Chinese councillor declared, "Three thousand? We have 250,000 and maybe a tenth of the resources you have. Why don't you just fix it?" The councillor had no response.

But the answers are there. We do things to support and maintain community—home ownership and maintenance for the middle class. All we have to do is address our discriminatory policies toward low-income classes and we'll get it done. Just as Irene was mentioning, programs that are available for repairs and maintaining housing aren't available to her organization.

I can wrap it up there.

The Chair: Thank you, Ms. Kelly.

We are going to turn now to Sister Elizabeth Kelliher with the Downtown Eastside Residents Association.

Welcome. You have seven minutes. Thanks for being here today.

Sister Elizabeth Kelliher (Chair of the Board, Downtown Eastside Residents Association): Thank you.

I really am grateful for this opportunity to express my thoughts on reducing poverty. I really appreciate your giving me an opportunity this afternoon. I should have been here this morning, but...things come up.

Many have used the term "cycle of poverty". During the 60 years I have spent working with the poor, I have seen the cycle perpetuate itself from a great-grandmother through the whole line to the great-great-grandchild still living in poverty.

When operating day care centres in the poorest areas of the south Bronx and the lower east side of Manhattan, I could see children come in at two-and-a-half and three years of age being fearful, seeming depressed, lethargic, and lacking any enthusiasm or curiosity. Many of the single moms had been pressured to put the child in day care and get a job. Too often her minimum-wage job would barely pay her rent and would deprive her and her child of health insurance.

No one seemed to recognize the child would have been better off if the mother had been allowed to stay home and been able to feel the comfort of caring for and teaching her child during its earliest years of growth. Unfortunately, our societies do not respect or value good parenting, but seem to look only at budgets' bottom lines.

There must be thousands of books on child development. All of them emphasize how critically important the earliest years of our lives are for the development of a physically, mentally, and emotionally healthy person. An abundant amount of tender loving care, adequate nourishment, health care, and stimulating activities are some of the most basic needs of infants and those below seven years of age.

My religious community has been in the area I am working in now in the downtown east side of Vancouver since 1926. Throughout the years, we have responded to the needs of the changing populations, starting with the Japanese. Now we are operating a soup line five days a week for 500 to 600 mostly homeless men and women.

I ask myself, what happened in their early life? What happened that has brought them to this situation where they do not have a roof over their heads?

I am also on the board of the Downtown Eastside Residents Association, and we do operate three social housing buildings, about 600 units. Both we and DERA have been pushing for social housing to be built for years. The province has not built any social housing since the mid-nineties. No one on B.C.'s minimum income of $8 an hour can afford even a one-bedroom apartment, where the rent is close to $1,500 a month. Families are going to shelters. What a totally destructive situation for families with small children to live and grow in.

Last year a father came to our door to beg for help. He had an $18-an-hour job and lived in a very small one-bedroom apartment with his wife and infant daughter and 15-year-old son. His rent, the very cheapest he could find, was $1,300 a month. With all his other expenses, he was finding it hard to buy enough food.

The financial pressure, inadequate space for the growing families of the poor, take a very high toll on their ability to feel secure. The children, especially the youngest, feel the pressure, and believe they are part of the problem. I have heard a child, four years old, say, “If only I were died, everything would be okay.” The child committed suicide when he was 15.

● (1535)

That can be the beginning of mental problems, especially depression. With the dire need for social housing being ignored by the federal government, we are creating more and more problems, especially for the children of low-income families as well as all of those on assistance. In Vancouver there are very few programs for after-school children, and even fewer for high school youngsters.

Besides building social housing with some two- or three-bedroom units, I would suggest getting a living wage bill. People cannot live on the pittance, certainly, that the minimum wage requires. Some, especially the immigrants, just to get something to do—some work, some money—have been known to work for $5 an hour. They work long hours, with no overtime and no benefits.

We are forced into criminality.

Raising the public assistance allotment is also a reasonable demand.

Whatever is done, the emphasis must be on what is beneficial for families with children. Children are our future.

Thank you.

The Chair: Thank you very much, Sister. We appreciate that.

We will go to our five-minute rounds.

Mr. Savage.

● (1540)

Mr. Michael Savage: Thank you very much.

It occurs to us all the time, as we get to see different parts of this country and the people who work with others in trying to help them deal with poverty, that a lot of those people who do it are volunteers. And those who do get paid don't get paid very much. They are very much heroes in the system.

Here in Vancouver—it's not my job to give advice to the provincial government, as we have enough problems federally—we're hearing about B.C. having among the highest, if not the highest, levels of child poverty in the country; about a minimum wage of $8; about a training wage of $6; about people working for perhaps $5 just to get money to put food on the table; and about food bank usage being up 15% in the last year.

So B.C. has some issues; federally, we're abandoning our responsibility.

David, I want to thank you. You mentioned the dollar stores in Halifax. That's our friend Norman Greenberg. I don't know if you know Norman. He's a fabulous guy.

Mr. David LePage: Norman and I both are on the Social Enterprise Council of Canada.

Mr. Michael Savage: Okay. That's fabulous.

I had a great day in Winnipeg with your colleagues, Brendan and the other folks. Boy, I'll tell you, the social economy...and I know that a number of people, Tony and others....

That has a big role to play, and not just in allowing us to get out of this cycle of poverty. But I've seen the work that some in Winnipeg do.

I think you mentioned the Assiniboine Credit Union as a partner in some of these. Some of the projects there are fabulous. They deal with people who are coming out of prison or with folks who are probably going to be in prison if they don't have some alternative.

Mr. David LePage: What's interesting about the Assiniboine Credit Union, a large credit union in Winnipeg, is that they are using their purchasing. Rather than just show corporate social responsibility by writing cheques and giving money away, they actually use their purchasing power and target it toward social enterprises. So they get the quality of the product at a competitive price plus a social return, which is the employment of people from the inner city.

I think it's that partnership between government and private sector and the community sector that really is the solution. Everybody purchases, but we don't look all the time at the potential of intentional purchasing. Every purchase has a ripple effect. If we can direct our purchasing, we can actually look at intentional social and environmental outcomes.

Mr. Michael Savage: Yes. I agree with that.

I have a couple of questions in terms of specific recommendations.

Robyn, thank you for what you talked about.

You mentioned the disability tax credit. That's not a refundable tax credit.

Ms. Robyn Kelly: No. The disability tax credit allows you to access other tax credits. There's a fuel tax credit and so on, but you have to have that designation of the disability tax credit.

Mr. Michael Savage: But there is a federal disability tax credit that could be made refundable, correct?

Ms. Robyn Kelly: Yes. And I think the registered disability savings plan is a fantastic program, both provincially and federally. Money can be contributed to it even if the person who owns it can't make any contributions in any given year. The combined governments will do a maximum contribution of up to $25,000 in a lifetime. It's an excellent program. You have to be able to claim the tax credit to open one of those.

Mr. Michael Savage: Thank you for that.

Irene, you talked about the working poor. We haven't talked a lot about that here today, but certainly it's a big issue. Women working full time throughout the year earn just 71% of the average wages earned by men.

You mentioned EI. We've heard a lot about EI in other places; we haven't heard a lot about it today. I wonder if there are specific recommendations. There are a number of ways to adjust EI. One is to go to a national standard of 360 hours or some such, increase the benefit rate from 55 to something else.

I wonder if there's something specific you'd want to see us speak to in terms of employment insurance.

Ms. Irene Jaakson: Certainly having national standards is the first step.

Altering EI so that it's reflective of different regional issues and regional concerns would certainly be the second recommendation that would occur to me, just off the top of my head.

Certainly the working poor are coming in our doors. It's quite alarming. Whereas traditionally we saw people who were living and sleeping in rough circumstances, it's certainly not at all uncommon for us to be seeing families who are split up because it's very difficult to find a family shelter: mom and the kids go to one area, dad goes to a different shelter. And in many of those circumstances, one if not two members of the family have full-time, full-year jobs.

● (1545)

Mr. Michael Savage: I know I'm close to my time limit, Mr. Chair, but I'd like 30 more seconds, if I could.

The Chair: Sure. Keep going.

Mr. Michael Savage: Well, it doesn't matter now; I've already blown it.

This year's food bank report indicates an 18% increase across the country, March over March. Last year's food bank report sort of indicated that it was stable but they'd seen an increase in working families, and I think that's still an issue.

The other thing I'd say is that we should get Sister Kelliher to go across the country and talk to people about poverty. I'm sure we'd get a lot more political will from governments.

Thank you for your presentation.

Sister Elizabeth Kelliher: Thank you.

The Chair: Go ahead, Tony.

Mr. Tony Martin: Thank you.

There were very compelling presentations at this late point in the afternoon, and I want to thank you for them. Certainly you speak to the need for a continuum of services from the labour market, the kind of social enterprises that Dave talks about, and the kinds of support that communities can give.

When I hear Sister Elizabeth and Robyn and Irene particularly speak about the numbers of people who are finding themselves now caught in that web that they just can't get out of, and the impact that has on their levels of poverty, probably the most difficult is when you get into a poverty of spirit, where you just don't believe in yourself anymore. It becomes way more expensive to get you back into the system again at that point. Oftentimes it ends up with very tragic consequences.

Hugh Segal talks a lot about basic income, making sure that everybody, simply by virtue of their humanity, should have access to some money on a regular basis. That would at least give them some food, perhaps a roof over their head, some clothes, and if they have children, an ability to look after their children. He also goes on to talk about how it would diminish having to go cap-in-hand, having to prostrate yourself, almost, in order to get a little bit, and being denied and then having to go back and make that appeal.

We get people coming into our offices—I don't know if you do, Dean, but probably you do, like all of us—who need advocacy. Oftentimes we go to bat, and when we go to bat we find out that they should never have been turned down in the first place.

You're right, in a lot of the appeals made by the people who do advocacy work, 90% of the time those people should not have been denied. That type of approach seemed to pick up speed in the 1990s.

What would you think of putting in place a basic income program for people in Canada, as Hugh Segal is suggesting?

Sister Elizabeth Kelliher: What do I think of putting in...?

Mr. Tony Martin: I mean a guaranteed annual income, a basic income, so that everybody, no matter who they are or what their circumstance is, just by virtue of their citizenship and their humanity gets an income.

Sister Elizabeth Kelliher: There's a group called “The Living Wage”, and they have documented how much a family of four, with one parent working 40 hours and the other working 20 hours, would need. Of course, each year, the cost of living goes up or whatever. It should be adjustable. I do agree that, according to the needs of each person, they should have available to them the basic amount to take care of their needs.

I was just telling someone about a gentleman that I had met at meetings. He was one of our group. He would be the police representative and would come back to us with reports. He had worked in radio and was just a wonderful gentleman. He came to the door one day and he said, you know, I'm so glad that you're answering the door because I wanted to let you know why I come to your hot meal, why I come for your food: I have such a low pension that by the time I pay my rent and the $200 I need for medications that are not covered by the health plan, I don't have enough money.

The government's role is really to take care of people more than just to watch how more money can come in from corporations, or whatever the description is. It needs to do that.

One of the things I mentioned just briefly is the after-school care of kids. If both parents are working almost full time, the father sometimes two jobs and the mother sometimes two jobs, just to get enough money to feed the kids and pay the rent and do all they need to do, who takes care of those kids? Where are they going to go for companionship? They're going to go to the smart alecks who are already on drugs. Then there is what we have to spend on jails and on youth correction facilities and all that. Plus there's the fact that lives are ruined.

When we don't take care of our kids, we're in trouble—all of us.

● (1550)

The Chair: Thanks, Tony. That's all the time you have.

Ms. Jaakson, do you have a quick comment?

Ms. Irene Jaakson: I'll try.

I have a couple of things. A starting point in any discussion on poverty has to be what we're talking about when we're talking about poverty. To me it's frustrating that such a measure doesn't exist. We have a measure that's used more often than other measures, so I think that's the default definition. But for a starting point what I would look to is the basic outcomes of an income program. How much are we talking about for rent? How much are we talking about for food, clothing, entertainment, children's programs, and day care? Often, when we talk about income, I think the idea is to provide income just sufficient to be on the right side of abject poverty. But an income that's consistent with Canadian values would include a number of those other elements that keep somebody from poverty of spirit.

The second point is that it makes good financial sense. Often, when I have conversations with people about homelessness strategies, or an anti-poverty strategy, the idea is that those of us who advocate for that want to spend money willy-nilly. I want to stress that it makes good sense. Take the young boy that Sister Elizabeth was talking about who committed suicide at 15. My guess is that his care from age 4 to 15 was outstandingly expensive. The mental health, the addiction, the physical health issues—these situations are excruciating to watch. On our end, we shake our heads and say it's so much more expensive to be treating the outcomes of poverty than to be treating the poverty itself.

My last point has to do with some of the campaigns that have been attempted in the past, like Campaign 2000. I was thrilled when I heard about Campaign 2000. Then 2000 came, and all of a sudden it went. There weren't a lot of structured mechanisms to identify the success, to monitor how effective Campaign 2000 was, and to keep track of it.

Any federal plan needs to come with strategies, measurement methods, target dates, and assessment techniques. In the past, I think we've shot ourselves in the foot.

● (1555)

The Chair: All right, Sister, I can't turn you down. What can I say? You'll have the last word on this one.

Go ahead, please.

Sister Elizabeth Kelliher: In Portland they reduced their homelessness by 70%, and they were dealing with the same kinds of people—drug addicts, alcoholics, folks with mental problems, whatever. They discovered that the cost of having a person on the street was over $52,000 a year, when you count arrests and hospitals visits, while welfare is only $24,000 in homes. The precious part is that you're providing them with the dignity of living in their own home.

The Chair: Thank you.

Dona.

Ms. Dona Cadman: I agree with you, there is no definition of poverty, and we have to nail one down. I was making a list of people who are on the poverty line, and I've come up with seven groups—seniors, aboriginals, youth, disabled, single women with kids, the working poor, and the homeless. Have I missed anybody?

Ms. Irene Jaakson: I think there's a high percentage of the immigrant and refugee population living in poverty.

I know that you have women listed there, but I would also include a subset of that, which is women who are survivors of domestic violence.

Ms. Dona Cadman: You're making my list grow longer.

Ms. Irene Jaakson: Since it's longer, I'll add those who experience addictions.

Ms. Dona Cadman: What types of federal, provincial, or territorial agreements...? Those three groups, can they get together? Can you think of something that each one of us can pull, or do we have to work together on this?

David.

Mr. David LePage: If we can even just look at the procurement policies of municipal, provincial, and federal governments.... It's interesting that the SMEs are looking at the same thing that we are in the poverty reduction area in regard to social enterprises, because they're saying, especially with the government wanting one contract for huge contracts, that what happens is that you eliminate the opportunity for the social enterprises or the SMEs to compete on a fair playing field with the international conglomerates.

Did we not hear this morning on CBC that a foreign country is building the Canadian pavilion at the Olympics? Because of the trade agreements that this government has entered into, you cannot use your own procurement to address the issues of homelessness, poverty, and all the things we're talking about.

You are spending billions of dollars. I think when Stephen Owen was minister of purchasing he was trying to get in a policy that actually said we can look at our purchasing and we can add elements to it that weight the social benefits. I think we can look at what the 2010 Olympic committee did by being able to start to put forward, in working with them on policy.... They may not have accomplished a lot directly, but they have set a new standard for the games in the future. The Commonwealth Games for 2014 in Glasgow have taken their policies on procurement and are really using them to create social value.

All of you purchase.... Look at the Government of Ontario. Part of their poverty reduction strategy that they've just passed includes their procurement, because they realized that how they purchase can have intentional impacts.

● (1600)

Ms. Irene Jaakson: Thank you, Dona. I think that's a good question.

Something that you said, David, made me think about the Vancouver agreement, which is an excellent example, I think, of three levels of government working together, first to identify who does what and who's responsible for what. The Vancouver agreement as it has rolled out has been the impetus for some really wonderful programs and wonderful services and supports. For us...well, for me, it has proven that it's possible. It's possible for those decisions to be made.

Ms. Dona Cadman: It's workable.

Ms. Irene Jaakson: It's possible. It's workable. It's not an impossible task.

Ms. Dona Cadman: That's good.

Thank you.

The Chair: Robyn, did you have a quick comment?

Ms. Robyn Kelly: Yes.

You know, working with multi-levels of government is totally possible. We're not needing to reinvent the wheel on any of this stuff. We had the answers. We just stopped using them. We cancelled policies that were working.

We took money out of budgets. I don't know why. It didn't go away; that money still exists.

We're not reinventing the wheel on any of these issues. We know exactly what to do and how to do it. We just have to do it.

I just want to respond quickly both to Tony and to Michael.

Michael, you asked about EI. Get rid of the wait period. Just get rid of it. We already know that most Canadians live paycheque to paycheque. You need that cheque the first time you walk into the EI office.

If you qualify for it, you should leave with a cheque on your first day of walking in those doors, and then people will be back to work in two weeks. But when you have to wait two weeks, now you're down to: “I can't look for a job because I don't have bus fare and I haven't been able to do my laundry in two weeks”. So now you can't look for work until you get that cheque...blah, blah, blah. It rolls on.

Tony, you were asking about...? I've completely derailed myself.

Mr. Tony Martin: The basic income.

Ms. Robyn Kelly: Yes, the basic income; I think it's a great idea and we should do it yesterday.

You mentioned a link to homelessness. It won't help homelessness in Vancouver right now. We simply don't have houses for people to live in. We'd have to build houses.

Mr. Michael Savage: Can I just make one comment particularly for the benefit of Robyn, but for others, too?

The Chair: Sure.

Mr. Michael Savage: The Senate has done its own anti-poverty study. I don't know if you appeared before them. Their report is in draft form, and I think they're calling for a basic income for persons with disabilities, as a start. I think if you're going to make a start, that's a good place to begin.

Thanks, Mr. Chair.

Ms. Robyn Kelly: Absolutely.

Everybody has talked a little bit about how much it costs when someone is homeless as opposed to somebody who's leading a healthy and balanced life in society.

I just want to close by telling you about my first client. She was maintaining herself on a $500 employable person's income from welfare. She was an injured nurse, so she retired early and she had a WCB income of $300, which welfare was topping up. One of her roommates bailed; she was paying $800 for an apartment and her roommate left with no notice. She needed $400. She could advertise for a roommate without being under threat of eviction. Welfare rejected that request.

So for the want of $400, 18 months later I stopped calculating at $150,000 the amount we had spent to shelter this woman. That is just sheltering her. She is still not properly housed. She's taking up space that is in fact designated for someone who is recovering from an addiction, which she is not. But it doesn't include any of the money.... For instance, her mental and physical health declined to such a state that she's now drawing a disability pension from the provincial government.

I could go on and on with all the money that isn't calculated in that figure. But in 18 months we spent $150,000 to shelter one individual rather than give her $400 so she could stay in her home.

So those are the numbers I know.

The Chair: All right.

Ms. Irene Jaakson: That reminds me of the Vancouver police department report that came out about a year and a half ago. The name has completely gone out of my head, but I'll think about it as I'm driving home.

At any rate, they identified the amount of time they spent responding to downtown east side calls that were related to mental health issues or addictions issues—they look the same sometimes—such as somebody who was causing a kerfuffle outside the door of somebody's shop or being a sort of kamikaze pedestrian and walking in and out of traffic, and so on. The amount of money spent by the VPD to respond to those calls was extraordinarily high. I don't remember the figure. I think the percentage they identified was over 80%.

● (1605)

The Chair: Listen, we want to thank the witnesses once again for being here. We heard some unique things here again today. It's always great when we have the expertise of people on the ground to talk about what matters and what's important.

We thank you for the hard work you do, because you're on the front lines. If there's some way we can help to shape government policy, we certainly want to do that so we have a better Canada as we move forward.

Again, thank you for being here today.

With that, the meeting is adjourned.

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