House of Commons
Chambre des communes
Canada

House of Commons Standing Committee on Finance – Pre-budget Consultations 2013

This brief is submitted by:

(•) **an organization** **Organization name:** Canadian Association of Social Workers

or

( ) **an individual** **Name:** _____

Topic: Poor, poverty and income inequality

*Recommendation 1: Please provide a short summary of your recommendation.

A report recently released by the Canadian Alliance to End Homelessness estimates the cost of homelessness at $7 billion annually. Given the overall projected under funding of affordable housing in Canada, the Canadian Association of Social Workers (CASW) strongly recommends that the Government of Canada (GOC) work with the provinces and territories to develop a national plan to end homelessness that complements adopted provincial and territorial poverty reduction plans and mental health strategies.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

$1 billion or more

Immediately

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

According to the Parliamentary Budget Officer, every percentage point of the GST is approximately $7-billion a year. CASW is advocating a national plan to end homeless in Canada funded by a dedicated 1% increase of the GST. The revenue generated by a dedicated 1% 'End Homelessness' increase of the GST should be combined with existing commitments to affordable housing in Budget 2013 to renew the expiring Housing Agreements with the provinces and territories. A dedicated 1% increase of the GST to end homelessness should also be offset for low-wage earners with a corresponding credit increase.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

Canada is a wealthy nation with a stable economy, and yet millions of households are housing insecure and at least 200,000 people are homeless each year and wait lists for social housing continue to grow.

As a critical social determinant of health, adequate housing can improve health outcomes (both physical and mental) and assist in reducing the resulting human and financial costs.

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

The GOC has opportunity to develop a national plan to end homelessness that complements adopted provincial & territorial poverty reduction strategies. The benefit of ending homeless in moves far beyond supporting all Canadians with the dignity of a home to supporting our economy to meet its potential. According to the Canadian Mortgage and Housing Corporation, the GOC expended $3 billion on Housing Program Expenses in 2010. This spending was down by $1 billion to $2 billion in 2013 and will be down to $1.7 billion by 2016. At a minimum, CMHC funding should be restored to 2010 spending levels.

Topic: Aboriginal peoples

Recommendation 2: Please provide a short summary of your recommendation.

CASW supports equity of funding for child and family services in Aboriginal communities. CASW supports the position of the First Nations Child and Family Caring Society of Canada that calls for the full and immediate implementation Jordan's Principle by Indian and Northern Affairs Canada across all government services to ensure that no First Nations child is denied access to government services available to all other children. The implementation of Jordan's Principle must by systemically implemented avoiding the inefficient and ineffective case by approach currently being advanced by the GOC.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

unknown

Immediately

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

The upholding of Jordan's Principle by the Federal Court in the case of Pictou Landing Band Council and Maurina Beadle v. Attorney General of Canada, the GOC must now recognize that they will be rendered accountable for the equity of funding for all children in Canada. Consequently, the GOC should immediately direct INAC's legal counsel to stop using legal loopholes to obfuscate proceeding and allow the CHRT to render their ruling regarding Canada's provision of First Nations child and family services. It is a question of equity which cannot be ignored now or in the future.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

Jordan's Principle is a mechanism to prevent First Nations children from being denied equal access to benefits or protections available to other Canadians as a result of First Nations status. Adopted unanimously by the House of Commons December 12, 2007, it states that the government department first contacted for a service readily available off-reserve must pay for it while pursuing repayment of expenses, and that jurisdictional disputes, whether they are between departments or between levels of government, must not impede the provision of health and social services to First Nations.

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

Jordan's Principle is consistent with government obligations set out in the United Nations Convention on the Rights of the Child, the Charter of Rights and Freedoms, the United Nations Declaration on the Rights of Indigenous Peoples and many federal, provincial and territorial child-focused statutes. Equity of funding and services between Aboriginal and non-Aboriginal communities will benefit all children to fulfill their potential and our potential as a nation.

Topic: Retirement, pensions and seniors

Recommendation 3: Please provide a short summary of your recommendation.

CASW again strongly recommends a reversal of the gradual increase of the eligibility to OAS from 65 to 67 and an investment of an additional $400 million on top of the $300 million per year committed in Budget 2011-12 in support of for seniors solely reliant on Old Age Security (OAS) and Guaranteed Income Supplement (GIS).

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

$100 million -$499.9 million

Immediately

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

The Harper Government delivered on its goal to have the lowest general corporate tax rate in the G8. The projected reinvestment by corporate Canada into the economy to offset this loss of revenue has not been realized. The Finance Department estimated the cost of a 1% point reduction in the general corporate income tax rate is approximately roughly $1.8-billion in 2013. CASW proposes that the GOC refocus its goals; raise and dedicate the corporate tax rate a ½ % point in order to establish the strongest social security safety floor for seniors in the world.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

For senior women, the OAS program is a far more important source of income than for men. In 2008, fully 52.6% of the income of senior women came from government transfers compared to 37.5% for men while 30% of senior women's income came from the Old Age Security program compared to 16.9% for men. Because of the high level of dependency on income transfers from government, low income senior women will be disproportionately affected by the change in the age eligibility for the OAS program.

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

According to a recent Statistics Canada report, the increase in the low-income rate for seniors indicates that their income has not risen as quickly as the income of non-seniors. The Conference Board of Canada notes that after 20 years of reductions in transfers to seniors, Canada's elderly poverty rate rose between the mid-1990s and late 2000s. The poverty rates of seniors will continue to rise in Canada unless a plan, sustained by a dedicated structural revenue stream to support seniors to live with dignity and respect, is put into place by the GOC.

Please use this page if you wish to provide more explanation about your recommendation(s).

CASW is a national voice for social workers in Canada working to strengthen and promote the profession of social work and advance issues of social justice.

CASW is committed to reducing the growing income inequality gap in Canada. CASW is seriously concerned that legislation and policies recently adopted by the Government of Canada are contrary to this objective. CASW views the current manufactured crisis of federal restraint as a result of the choices of the Government of Canada made in recent years to severely reduce its annual income via corporate tax and GST reductions.

In choosing to maintain the scheduled corporate tax and GST reductions, the federal government has clearly chosen failed trickle-down economics over substantive investments to support the equality of opportunity for all Canadians. All objective evidence concludes that the reduction in tax revenue has exacerbated income inequality in Canada without the promised return of investment by corporate Canada.

CASW advocates for leadership role of the Government of Canada in support of a national plan to eliminate poverty, addressing affordable housing, as well as standing up for our most vulnerable populations to live in dignity and respect.

Visit www.defendingsocialprograms.ca to learn more about CASW's advocacy priorities.

*Please note that at least one recommendation must be provided