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Chair

Mr. Dean Allison

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● (1005)

[*English*]

The Chair (Mr. Dean Allison (Niagara West—Glanbrook, CPC)): Pursuant to Standing Order 108(2), we're going to continue with our study on the federal contribution to reducing poverty in Canada. I'd like to welcome today the Right Hon. Iain Duncan Smith, an MP and the founder and chairman for the Centre for Social Justice.

Because I know that Iain probably won't do this, I just want to give you a bit of a quick background on him, as I was able to Google him. That's the problem with politicians, we've all got a history in terms of the Internet.

I know that he first ran in 1987 and was unsuccessful. He was finally elected in 1992 and represents the riding of Chingford and Woodford Green. I understand that used to be Winston Churchill's riding. Is that correct? Yes.

He was elected as the leader of the Conservative Party and was then obviously the leader of the opposition in 2001. I believe your leadership race was September 12, 2001, right after 9/11.

Right Hon. Iain Duncan Smith (Founder and Chairman, Centre for Social Justice, As an Individual): It was literally on 9/11. I pushed it back a day because I didn't think anyone wanted to hear from us on that day.

The Chair: I was going to say, talk about unfortunate timing as far as that goes.

As I read in your bio, I understand you are a distant relative of George Bernard Shaw. Of course, in my area we have the Shaw Festival, so this is something that we appreciate greatly.

You established the Centre for Social Justice in 2005. One of the things that I find interesting about your perspective as a member of Parliament...and if I could just read the mission for the Centre for Social Justice:

> ...develops and promotes effective new approaches to tackle Britain's poverty and most acute social problems. We are not a conventional Westminster think-tank. Rather we exist to champion and learn from the work of effective grassroots poverty-fighting groups throughout Britain.

That's one of the things we're hoping to do in this committee, to look at what the grassroots are doing and find effective in order to make recommendations. It goes on to say:

> Policy development work is rooted in the experience and wisdom of the hundreds of small charities, social entrepreneurs...that are having great success in tackling Britain's deepest problems where the best efforts of the state may have failed. Our job is to learn from these groups, enabling them to share their hard won expertise with senior politicians in Westminster and local government. We are constantly driven by the need to bring politicians face-to-face with the realities of breakdown in Britain.

If my colleague Tony Martin was here, he would agree with what you guys are doing.

The other thing that I also wanted to point out, and you may in your opening remarks, is that it's not a question of left or right, north or south; you work with all groups. One of the groups you've worked with is the Smith Institute. John Smith was the leader of the Labour Party from 1992 to 1994. I just wanted to point that out to my colleagues.

I'm going to turn it over to you now, Mr. Smith. We look forward to hearing your opening remarks. Then we're going to take time for maybe one or two rounds of questioning. We have from 10 until 11 o'clock, when I know you have to leave and we have other witnesses coming in.

Welcome, Mr. Smith. The floor is now yours.

Right Hon. Iain Duncan Smith: You had me slightly worried there, because I thought I was at the wrong committee meeting.

Thank you very much indeed for that kind remark. Thank you again for the invitation. It's not usual that I'm at the other end of one of these committee hearings, but I'm always happy to do it. In fact, I was due to be at one this week at our end, on education, to do with what we've written, a committee chaired by a Labour MP in the House of Commons, and I had to decline because I said this committee was more important.

I'll say anything to please this committee.

Can I just say first of all that it is a great pleasure to be here. I thought I'd say a couple of words about what we do. I want to stress at the beginning that the Centre for Social Justice, as you said, Chairman, is not *parti pris* in the sense that I'm a Conservative, but I've no idea what pretty much everybody who works for me votes for. We are funded separately from the Conservative Party. I have to raise that money, and I raise it from people who are interested in what we do and are committed to the concept of social justice.

As you see, we've worked with the Smith Institute. We're in the process of discussing further work with some other think tanks that you would classically describe as on the left—IPPR, which is quite big. We've had plenty of invitations to work with others. And I've done a personal piece of work, a pamphlet on early years intervention, which I recommend. I'm happy to send the committee all of this stuff. I did that with a Labour MP named Graham Allen, who used to be a government minister. He's a very good friend of mine, but we also happen to fundamentally agree about development in children in the period of nought to three years—and I'll say something about that later, how that intervention should work.

By the way, you have a fantastic program here in Canada, which I've yet to see. The Roots of Empathy program, I think, is in that area, and whatever you are doing, I hope you do get to see that particular program because it is one that I would like to see us take to the U.K.

The Centre for Social Justice was set up by me because I was rather tired of the stilted debate that goes on between—I'll be honest with you—the so-called social liberals and the so-called social conservatives, into which you can bat around the faith issues as well while you're at it. It struck me that this hasn't done anything for the debate about what's happening to our society in the U.K. in the last 25 to 30 years and almost under the noses of what has become a pretty high-level and rather pointless political debate.

What we're actually seeing in the U.K. is the growth of residual unemployment, social breakdown, and—I can argue—deep-rooted poverty lifestyles. It's ironic because the U.K. would pride itself on being, arguably, the fourth-largest economy in the world. It did seem peculiar that when I went round and visited a lot of what I would describe as inner-city communities, as I have done over a number of years now, what struck me was that you can move a short distance and find yourself in an area—for example, in parts of Glasgow like Carlton Place or Easterhouse, Gallowgate, places in the east side of Glasgow—where the life expectancy is around 50 to 55 years. Yet if you walk seven miles up the road to another part of Glasgow, the life expectancy is 82. It seems to me quite peculiar that you should have this incredible disparity in life expectancy within a metaphorical stone's throw within the same precincts of the city.

I would assume that there will be problems similar to that in Canada, but I make no major assumptions and I'm very happy to be led by you on this. But the thing that bothered me about that was that it seemed that we had reached a point where there was a growing disparity between people at the bottom of the socio-economic group and people in the rest of society, and that it was gathering in distance. And the more dysfunctional group, the group with the greatest problems, was actually growing in number.

One of the key issues that I've often been attacked on by people on my side of the political divide is that this is all very nice, but it's all about costs and spending money. My answer to everybody about that is that actually we're already involved in spending vast sums of money because we are driven constantly by the nature of growing demand, so to pretend that somehow this is about getting involved where we shouldn't be.... We're already involved in that. Let me give you some figures for that.

The cost to the state in the U.K. of family breakdown is now well over £20 billion a year, that is to say the cost of picking up the pieces. The reason for that is that we know that the income of a lone parent, once that family splits, falls dramatically. It can be anything up to a third in total, so the state invariably, if that family is not reasonably wealthy, is going to probably end up stepping in to uplift the income in some particular form. It could be through income support or some form of incapacity benefit, or one of the myriad benefits—housing benefit, for example, to sustain them in some form of housing.

● (1010)

So the state is already involved in the process of breakdown. The question is really, is it so reactive that it has no influence, or does it have any negative influences?

So the Centre for Social Justice was set up to look across the piece at what drove social breakdown.

Again, the other part of the argument I was rather tired of and that we tried to knock on the head was that poverty is solely an issue of money. That has often been the debate. So we ask if we can spend more money, if we should spend more money on this, and where it should be focused, rather than asking in a fully grown economy like the U.K., where there is arguably no shortage of employment or has been no shortage in normal times, why some people are trapped in unemployment and poverty.

It's different if you are looking at a country like Haiti or some place where you may have absolutely no employment, so you can understand that there are issues, but not in countries like Canada or the U.K., where these economies are well developed, diverse, and for the most part spread across most of the country.

So we're dealing with a slightly different issue. We looked at this and said, yes, of course, money is an issue. The definition of being in poverty still remains the fact that you don't have enough money to be able to make the necessary choices for you or your family. However, I felt it's more important to look at what drives people toward that situation. We felt that the lifestyles of people are part of that equation.

We wanted to look at what the key drivers were. We talked hugely to the voluntary sector who work in these communities. What were the main things they found in trying to deal with social breakdown? We boiled it down to five pathways that invariably lead people into that process of being too poor to be able to maintain their own lives without assistance.

The first we found was family breakdown; the second—these are not in order, by the way—was debt; the third was failed education; the fourth was worklessness and dependency; and the fifth pathway was damaging addictions to drugs and alcohol, although we did add gambling addiction to the studies later on, because we came under a lot of pressure from people in various towns where there has been an intensive process of casino building, etc., where they found there are some connections with failed communities as well. So later on we put in a section about gambling, but that was not one of our main areas.

The point we discovered about this was that so often the argument has been stilted. It's all about family breakdown or it's all about something to do with drugs or alcohol. We found each one of those five pathways played onto the other, so they're really a cycle, a circle of deprivation that leads one to the other.

Just to touch on it, one of the areas we found, for example, was that family breakdown leads to very poor outcomes. Up to 75% are more likely to fail at school, and a whole series of poor outcomes are increased by family breakdown—drug and alcohol abuse, debt, criminality. It doesn't exist in isolation.

One of the studies thrown up to me, which was fascinating, was that debt was probably one of the biggest causes of family breakdown. So you need to understand what is happening with debt. In the U.K. we had the highest level of personal debt. Over £1.3 trillion was owed in personal debt within the U.K. before the recession began.

We know the people who suffer most when it comes to debt are people in the poorer communities. They have very little access to competitive debt. They have therefore to pay inordinately high levels of interest. Now here in Canada perhaps that's not quite so bad because you have a slightly better position for poorer people. But in the U.K. we have doorstep lenders who charge very high levels of interest, up to 100% to 180% on bona fide loans, short-term payments, encouraging them to borrow for things that perhaps they don't need to borrow for. Then if they can't pay those off, they normally fall into the hands of the unofficial lenders who charge—it's very difficult to calculate—500% to 1,000% for loans, and failure to pay leads to physical abuse, etc. So we found that debt was one of the most classic examples of putting the pressure on families.

We also found, interestingly enough, that debt is one of the areas families cannot talk about. There is another area they don't talk about so much, but I don't think I want to place that in front of the committee. But the debt area was one that we found families, the two adults, will not talk about to each other, and therefore much of the family breakup takes place on other issues. But when you track it back, it comes back to debt.

This is the point we made about family breakdown costing about £20 billion-plus a year to the U.K. economy. We found that we spend between £500 and £800 per taxpayer on picking up the pieces, but we spend about 40p to 50p per taxpayer on assistance and support for families who are in difficulty; in other words, for counselling and help and support. From most of the evidence we took, you can end up with a 40% or 50% improvement in stabilizing families, yet we spend next to nothing on it, but we spend all this money on picking up the pieces afterwards. So we were asking questions about how we got ourselves into this position.

● (1015)

I'll work very quickly around the other areas.

It becomes self-evident that if you're in the position of a broken home, you're more likely to fail at school. That failure at school, clearly, leads you to being less likely to have any skills that are tradeable in the economy, less likely to be able to lead you to any form of sustainable employment.

We know that unemployment is, again, one of the big drivers to family breakdown. We also know that it leads, clearly, obviously, to debt. We know that debt leads to family breakdown. We also know that therefore people in these sorts of communities are more likely to find themselves falling foul, with drug and alcohol abuse. And drug and alcohol abuse, again, will lead to family breakdown. It's very difficult to sustain a family system if one of you is completely addicted to a form of alcohol or drugs.

It's also necessary, when we talk about money, to remind ourselves that these lifestyles make a huge impact. For example, it is quite feasible to take somebody and give them enough benefit to get them above the poverty line—60%, in the U.K., of median income. But their lifestyle will dictate how they use that money.

For example, if you were to simply give an unemployed individual who had a serious drug abuse problem enough money to get him above...which is quite feasible—governments can do that—I would guarantee you that if he had a family, his family would remain in poverty. The reason is because the drug addict, the drug abuser, is most likely to spend the majority of the money on his drug habits, thus leaving his family without enough money to survive properly. As far as the state would be concerned, that family would be out of poverty, but in reality they would not be, and therefore that lifestyle plays enormously on the way in which the money is used.

So the amount of money isn't always critical; it's how that money is ultimately used.

I have a very good example. The state very rarely asks, in the U.K., if you have a family. They doesn't ask drug addicts who are in treatment if they have children. The result of all of that is that the figures for children get lost. We know that there are more than a million kids who find themselves with parents who are seriously addicted.

I go to communities in Glasgow, where you will find that the drug addiction is enormous. It's not just there, by the way, it's in all the cities. Heroin abuse can be fantastic. In a place like Easterhouse, you'll come across whole households where, if they're lucky to have two parents, they'll both be addicted to drugs. And that makes it impossible for them to see their lives through.

I want to finish up on this point. I've done some work, with Graham Allen and others, on early years intervention. The thing that really does make this all come together is the fact that we now know—most of the neuroscientists tell us this, it's a physical fact—that the first three years of a child's life are arguably the most important years in their lives. The reason for that is because your brain develops at a faster rate in those three years, physically, than at any other time in your life. We all know that your brain develops only until you become an adult. It stops developing, and thereafter it simply atrophies and atrophies at whatever rate. Some of us are responsible for higher levels of atrophy than might otherwise be the case. Personally, I make no claim for myself. But the reality is that the first three years will set the tone for how your brain develops.

There are three critical factors. One factor is empathetic nurturing and care from an adult, in this particular case a member of your family, a mother or a father—more often the mother—with the ability to be able to work through play and interaction with that child to stimulate and develop that brain. The second factor is conversation, a child understanding that words become tools of communication. And third, reading, even to a child who doesn't understand words is absolutely vital. These three things, believe it or not, may strike you as fairly sensible. Probably everybody around this table had it happen to them. I don't know, but I would assume that was the case, which is why you may well be here. The reality with a lot of the families that I see is that this is a total mystery to many of them. Many of them will be from second- and third-generation dysfunctional homes.

I visit families where you will see the daughter having a child, with the mother who already has a number of children and another on the way, with the grandmother, who may only be 40 years old or in her late thirties, who is already in a relationship with other people and who is pregnant again and will have a child who will be as old as the granddaughter. In other words, the nature of the communities is becoming quite peculiar in some of these areas. You'll see young women with multiple fathers to multiple children. There was a case the other day in which she couldn't remember who the fathers were to most of the children.

● (1020)

In this whole process of dysfunctionality and breakdown, it's not that they don't love their children—I'm certain they do—but it's just that no parenting skills are passed down by the second and third generation. In fact, what happens is they're left to shift for themselves to understand what those may be.

The result of all of that is you'll visit these homes and there will not be a book on the shelves, which is not surprising because the mom never reached the reading age of 10. She herself doesn't read. Videos are in the room most of the time, and the children grow up in an environment where they witness quite a lot of violence and abuse—certainly a lot of anger. They go to nurseries at the age of three not school ready. Their brains are physically smaller than those of functional children and the neural pathways are all broken and certainly not developed.

These are the communities that I talk about when I talk about social justice. They're growing in number, and I think it's no longer possible for a modern society to ignore what is happening beneath them, which is this collapse of natural structure that is leading hugely to children growing into adults incapable of providing for themselves in the way that you would hope for.

That is what we did. We carried out a series of studies. This was the second of two studies on these five pathways. The other one is just as big—sorry about that—and the others have gone on to look at things like children in care, as I said, early years intervention and street gangs, which we've just completed. All of that is trying to paint a picture and show policy alternatives to that social breakdown.

● (1025)

The Chair: Thank you very much.

We'll now start with a first round.

I don't know if you speak French.

Right Hon. Iain Duncan Smith: I do, but not very well, sir.

The Chair: Some of the questions will be in French and you can adjust the channel to one, two or three.

We're going to start with the opposition, the Liberals.

Madame Folco, you have seven minutes.

Ms. Raymonde Folco (Laval—Les Îles, Lib.): Thank you, Chair.

Welcome to our country, Mr. Smith.

I don't want to avoid discussing the early childhood education, which is so vital, important, and fundamental, but my question goes to another place. It goes to the place of the relationship of work to poverty.

We've always believed throughout history that people who worked were people who were not poor. If you worked, then you obviously made a little profit at the end of the year and you were not fundamentally poor. But what we've seen in the last few years, and from our standpoint we saw it in the United States first on a larger scale, is what we call the “working poor”. That is, people who have a decent job, who work, have a five-day-week employment, but who cannot afford to pay the rent, or cannot afford to buy a house, and live under bridges. So they are poor even though they are earning a decent salary.

My question addresses the phenomenon of the working poor. I'd like to hear from you on the experiences that you know of in the U. K. where you've actually tried to do something across the country to get people to continue to work at their own job, or at another job, but get them into a higher bracket of salary, which would then allow them to then pay their rent, or buy a house, or whatever. What initiatives have been presented in the U.K to make sure that people work full time, work the whole year, and as a result of that therefore have a decent living standard?

Particularly concerning women who raise children by themselves, lone parents, what sorts of initiatives are there that have worked that you know of? Could you tell us about not just these women, but the larger clientele, and more specifically the women who have children who live on their own?

Right Hon. Iain Duncan Smith: Right. I can't give you an absolutely comprehensive list, so I think I'll just dip into a few things the government has embarked on over the last 10 years and whether they've been successful.

The first is that, interestingly, there's been a shift in the poverty figures around children in the last 10 years. The government came in and decided they were going to target—I felt rather narrowly, with this expression that they wanted to eradicate child poverty by 2020—a group of children; they followed the child. Of course, the group that was more likely to be in poverty at that stage were the children in lone-parent relationships. So they targeted them with what I think became today quite a confusing number of different particular benefits. You know, there are tax credits for people trying to get into work. There are child tax credits, which are aimed hugely at those lone parents at the end of the day.

Now what actually happened is that to some degree they have been successful in lifting the children of lone parents up in terms of income. What has actually happened, though, is two things. The first is that I think there are now a growing number of children of couple families who are now falling back into quite deep poverty.

Second—I'm just looking because I've got a figure here somewhere that shows that, and I think these are the figures here now—the proportion of working-age adults in poverty overall hasn't actually fallen, though the level of worklessness in general in the economy has. So you can see this group has absolutely stood still while everybody else has moved forward. This means the poverty rate among working households has actually increased in the U.K. now. Now more than one in seven working households in the U.K. are what you'd describe as in poverty, below 60% of the median income.

Next, the number of households with children in poverty, whose head is workless, actually declined by some 300,000, although that's now static and it's beginning to slide in the other direction. While that is the case, the number of households with children in poverty whose head is working has actually risen by 200,000. So you can see there's been a swing-around. If the family isn't working, the likelihood is that their children are less likely to be in poverty. If the family is now working on these areas, it's likely to be in poverty.

Half of all children in poverty now live in a household in which someone is working. What's happened is that they've succeeded in shifting these figures around. There's been some improvement, but that I think has reached a pretty static position and it's beginning to decline. What they have done is wheeled the whole thing around.

Part of the reason is that the households we're referring to, an awful lot of them are in part-time work. Now, the trouble with part-time work...there's nothing wrong with part-time work in the sense that part-time work for a couple in a household can often be used to supplement income for that household. It may work for the person who is doing it because it's flexible and they can look after their children, but the main income may be earned by somebody else, and that therefore becomes sustainable. The problem in a household where the only income is part-time income is that it's simply not sustainable. You can't live on that particular income, so the government does provide supplementary benefits, as it were, to try to lift that up. The problem for a couple household is that those are nothing like as extensive as they are for a lone-parent family. That's why you see more couples who have work falling back into poverty, because there's a gap now. We call it the “couple penalty”. If you're a lone parent, you get a lot of support. If you're a couple, you don't get as much.

We've also made the point in our work that, in truth, everything should be set to move people from part-time work in due course to full-time work, over 32 hours a week, and the problem there is this. The government, because they have supported people into part-time work, as people want to move from, say, 16 hours a week, which you might describe as part-time work, to 32 hours a week...what happens is the withdrawal rates as a result of their fall-off in their benefit support are so dramatic that in the case of a lone parent, for example, moving from 16 to 32, she can lose up to 90% of the income earned between 16 and 32 hours a week. So for every pound earned, she may take home only 10p. That's a higher tax rate than for the wealthiest people in the country. In fact, I don't know of anybody in the country who would put up with paying a tax rate of 90%. But they do.

So you find for those in that group they have a problem. There is no incentive for them to move beyond 16 hours because that period between 16 and 32 hours is very painful for them. They work long hours in that sense, but they don't get any great reward for it. It's only when they break through, at 32 hours roughly, that their tax rate then collapses back to the bottom end of it and they start to earn reasonable money. But it's very difficult to get them through that.

What's happened, again in part-time work, interestingly, is that there's a disparity now between people on supported benefits, even if in part-time work, and those who are out working where their job is their sole income. I can give you an example here.

● (1030)

A single mother with two children now receives more than a whole series of people. She'll get roughly £262 a week. That's more than the average waiter, who might earn about £113 a week; a cashier, at roughly £128; someone who's stacking shelves in a supermarket, at about £155; a library assistant, at the low grade, at £170; a hairdresser, at about £188; a child minder, at £240; and a street trader, at about £240 to £250, though the last figures are difficult to estimate.

So there's another element to this, and we took evidence from a number of people who said there's not much point in my really trying to get onto the bottom rung because, frankly, I'm going to find that my income will fall off. The reasons for that, obviously, have to do with the housing benefit, and the fact that their support in other areas will fall away and they'll lose it, so they're left wholly having to survive on what they earn.

So all the recommendations we've brought forward on this are to try to smooth that transition period out. What's critical is that work should be seen to pay. If work doesn't appear to pay for people on benefits, they simply will not take it.

Now, all of us around this table, I would hope, understand that work ultimately pays, in the sense that it develops—even if the disparity at the beginning were less—and benefits don't. So these people will in due course go on to earn more than their benefits are worth. But it is very difficult to persuade people who need to take a cut in their income that it's worth doing.

Another area that we found is very difficult for people who are working part time and therefore are still in poverty is that they face another problem. Some of those who have begun part-time work, with a view to developing it, have had a very high churning rate, particularly lone parents, who go in and crash out in a matter of weeks again. Then what happens is that the old "jungle telegraph" beats, as I call it. In other words, information is passed around from people by word of mouth in these areas; most people aren't reading newspapers or documents, but are just talking. So the news goes around by word of mouth that if you take a job, it's more than likely you'll be out of it; that they'll push you towards a job, you'll go into work, and you'll be out of it. It's the worst thing you can do, because it can take up to a month to receive the housing benefit again. What happens is you're now materially worse off for having gone into work for a month, or maybe a month and a half, or two months, as you rush around trying to re-engage your benefits, because the state is very slow to put those together. So the advice that goes around is, don't do it. What happens is that a lot of people then become quite work-shy, because they're scared they're going to be in the same position, the word of mouth being that you're not going to be in a sustainable job.

This is the other point we make, which is one of the biggest problems that goes on in the system. As a country we're very keen on pushing people into work, but in actual fact we do very little to sustain them in work. There's a very good organization in the U.K. called Tomorrow's People. It's a voluntary organization. It prides itself on getting people into work from the most difficult circumstances, and then maintaining them at work for a long time; 75% of those they get into work are in work a year later. The best you can say for government programs, I think, is that 13% are in work something like 20 weeks later.

● (1035)

The Chair: Thank you. We're going to move to our next round. We have about seven minutes for questions and answers.

Mr. Lessard, thank you very much, the floor is yours.

[*Translation*]

Mr. Yves Lessard (Chambly—Borduas, BQ): Thank you, Mr. Chairman.

I want to thank our guest for being here to give us the benefit of his experience.

First of all, through you, Mr. Chairman, may I ask our guest not to speak so fast, for the benefit of interpreters?

[*English*]

Right Hon. Iain Duncan Smith: I'm sorry.

[*Translation*]

Mr. Yves Lessard: I am fascinated by your approach, Mr. Smith. As a parliamentarian, you have found it necessary to create this new Center for Social Justice and I understand that the role of this think-tank is to provide the government with the benefit of its thinking.

I may be mistaken but is that not a *de facto* recognition that the power of legislators to do anything to reduce poverty really is limited?

[*English*]

Right Hon. Iain Duncan Smith: Yes, that's true. You'll forgive me if I'm a bit brutal with you, but I don't think this sort of format is capable of doing the work we've done, and there's a very particular reason for that. When groups of MPs gather to do studies of this nature, all of us bring our own preconceived ideas to the table. That's the nature of who we are. We are members of Parliament. We are tribal. By and large, we arrive here believing in certain things, and it's very difficult, within the format of Parliament, to simply break that down.

The reason I took this outside of Parliament was because I felt I needed to take a pace back and let others, who are not driven by political imperatives, follow the facts. Everything we produced has not been written by me but by people who have some experience in this. I have simply followed the facts. I hope those facts, and ultimately the solutions, are available to the government on the basis that they don't have any political side, that they are simply what we found and the best ways to resolve them. They have looked at international comparisons as well.

Certainly there is a weakness within a parliamentary system in delving too deeply into things. Where committees like this work really well is in interrogating government and asking why they failed or why they haven't done stuff or why they should do things. Once you get past that, the problem is in this nature of looking too deeply. The distractions and the tribalism make it quite difficult to do that, I think.

[*Translation*]

Mr. Yves Lessard: Whatever the role of this think-tank, one has to recognize that only legislators would have the power to implement any policies to reduce poverty.

Has the United Kingdom taken any new and original initiative that had a significant impact on poverty?

● (1040)

[*English*]

Right Hon. Iain Duncan Smith: Obviously the most important thing about resolving poverty is access to work. There is no question about this. If ultimately the family is to be free of the state of poverty, work is critical. There must be work.

One of the points I make throughout is that we should stop talking about lone parents or couple families and we should talk about families. For a family to be free of poverty, the fact is that family needs to have access to full-time work. Somebody in that family needs to be able to work. Whether they are lone parents or couples, that equation still stands. Therefore, it is resolving how a lone-parent family is able to do that with all the responsibilities that go with it.

Clearly one of the main things government can help with is trying to encourage people into work. That would arguably be the best thing that can happen. The trouble is that governments have created a complex benefit system, which acts as a block against people going to work.

I gave an example earlier of the withdrawal rates. That acts as a major disincentive. On the one hand, you have the government saying it is going to encourage everyone into work; on the other hand, when they get to a certain point, the treasury says—which the treasury always does—it wants its money back: "We're damned if we're going to let these people hang onto any money any further than they should because we have a responsibility to the taxpayer." You have these two ends working against each other.

This has not been resolved, frankly. We talk about that in our report. After a huge amount of study, we're about to publish a system of benefits that we think will change all that—essentially everything that leads to stabilizing families so they can get into work.

But critically, we think the government needs to stop chasing children and start looking at the family structure—in other words, supporting family structures, encouraging people to be in stable family structures that help them provide for their children. That process is almost non-existent in the U.K.

[*Translation*]

Mr. Yves Lessard: Let us look at the issue you have raised. Having a job is still a requirement. In the working world, there seems to be some kind of inequality between men and women as far as working conditions are concerned.

Is there in your country any legislation to prevent this inequality in the working conditions of men and women, especially at the salary level?

[*English*]

Right Hon. Iain Duncan Smith: Yes, there has been a lot of work going on in Parliament about getting rid of the discrimination against women in the workplace. I suspect that's what you're referring to. Quite a lot has taken place in regard to that, but still there's a debate going on about the disparity in income between men and women in the U.K.

Some of that is met by the fact that women are more likely, proportionately, to be in part-time work. So when you look at the figures across the piece, they don't always tell you the full story. But there still is, in some cases, a glass ceiling. There are still problems for women both accessing certain areas of work and sometimes moving on through them. I would be the first to accept that was the case. I think it has improved a lot over the last 15 to 20 years in the U.K., but there's always room for further improvement.

But the real point I have a problem with is that actually when you talk about poverty and the groups that are in poverty, we don't even get to the point about issues over women, because there is an absolute absence of skills and capacity even to get to the point of debating whether women are able to be in the workplace. The fact is many of the women that I see in these conditions have no reading age worth talking about, they have little or no skills, they left school early, and they're in very destructive relationships. And that applies to their children, who then go on to repeat much of that themselves.

The problem here is that many of them are not ready for work at all. The idea that you can cram somebody into work simply because you have a target is an absurdity. What you have to do is work with the person to make them work-ready. That's not to say you put them on courses to make them carpenters or steel welders, or whatever it happens to be, but you do need to get rid of some of their problem, maybe drug or alcohol abuse, maybe issues concerning mental health problems, or poor reading capacity. Sometimes you need to work with them first to get them ready for work, so that when they get to work, they're more likely to stay in work.

Then you need to mentor them. There's no question in my mind that if you do not follow through with someone who has never held a job before and comes from a family where there has been no work, they are almost certain to crash out of work unless you support them for the next nine months or a year in their work so they get the work habit that is a fact for most people around this table.

That's not understood by a lot of people. They often say, "When they get a job, why don't they stay in work?" The answer is because if you go home to a family in the evening that has never had a job for three generations, where nobody understands what the hell you're doing going to work in the first place, the moment you hit a problem with your boss, what are they going to say to you? They'll say, "I don't know why you bothered. Why did you bother to take a job in the first place? I wouldn't bother. It's a waste of time. Stick at home. Don't do it."

They have no support with a view to going out, and they see nobody in their community who is doing so. We have social housing estates where, literally, people will grow up not seeing a single person go out to regular work. They'll see no fathers. Fathers have disappeared from these estates, in a structural sense. Often they're only destructive forces and they will be seen only in street gangs or as drug dealers. They will not be seen as a member of a household contributing to that household. Very little of that goes on.

If I lived in a community like that, the chances of me sitting here today would be almost nil.

● (1045)

The Chair: Thank you very much.

We're going to move to Mr. Martin for seven minutes.

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

Thanks for coming and being here this morning. I'm sorry I wasn't here earlier to hear your initial presentation, but I have read over your material for today—

Right Hon. Iain Duncan Smith: That's very brave of you.

Mr. Tony Martin: —and found it rather interesting.

You speak as somebody who is no longer in government, as being keenly interested less in the surface and the way that government often responds to the surface of this problem and more concerned about the underlying reasons for poverty. You've mentioned one, which is the breakdown of family and its poor structure. Are there other reasons you would speak to here? I don't know, maybe you made this case.

Right Hon. Iain Duncan Smith: I would first of all say that the problem we have as elected individuals in government—I don't know, and I assume it must be the same over here—is that we have very short time scales. The fact is that in the U.K. a government is elected for up to five years, but every year we have a budget and every year we have to look at making that budget work. That is 12 months, so basically government works on a 12-month cycle.

I don't know of anybody out there who works on a 12-month cycle, in the sense that lives are not lived for 12-month stretches; they're lived for longer. Let me give you an example of how that affects things.

I've just done this work with Graham Allen on early intervention for children, nought to three, which I think, by the way, is the single most important thing about family structure—getting kids balanced and right from day one, and trying to stop young girls having children early and blighting their lives. All of this is part of it. But I know that this program to put those broken families right is going to take a minimum of 15 years. I know of no government that has ever thought 15 years ahead. Most governments I know find it difficult to look at five years ahead, even three years ahead, and in some cases, when they get into difficulty, three weeks ahead. So that's what makes this a big problem for us as politicians.

I'm trying to take an area like this and persuade government and my own side and the others who are in politics to try to put this on one side of party politics and somehow accept that for the next 15 years, if we can agree that early intervention is a critical area, then these programs—we agree we can differ perhaps about some of the programs and we can set the values right. Somewhere along the line, we need to commit to a process of work that actually takes us through, regardless of who's in power, for maybe the next three or four elections.

You will see returns in two to three years and five years and eight years, but in truth, to take a child from nowhere to 15, 16, and 17—that's when you will see what happens to them as they form the next generation. First of all, there will be fewer lone parents in terms of teenage pregnancy. Then they will be more likely to form relationships, which is what happens after the early intervention program is successful. They will be less likely to be in crime, less likely to be unemployed, and more likely to stay at school. All of those things you will see gather through as they go. I know this because I've seen these programs at work elsewhere.

If you go to Colorado and have a look at what's going on there, they've been doing this for 20 or 25 years. It's quite breathtaking what Nurse-Family Partnership can show on their test groups, but it's taken them a long time to do it. It's done hugely through the voluntary sector, but with state government support and help. It takes some brave politicians to make those decisions.

My focus is that if there's anything to be done, it's the long-term stuff on early years. All the rest of the work we talk about here could be done now, but this is stuff that will take a period of time.

● (1050)

Mr. Tony Martin: Okay.

I read in your material that you certainly support the notion of community and community effort.

Right Hon. Iain Duncan Smith: Yes.

Mr. Tony Martin: In this country there's a debate over whether we should have a national child care program and whether child care is something that would be a good early intervention in the lives of young children. Give each young person, at an early age, good early learning development and what comes along with that oftentimes is food, nutrition, and that kind of thing. Is that something that in your research or in your study you've identified as something that would be important and helpful?

Right Hon. Iain Duncan Smith: This brings me back to the point I've just made, which is on early intervention. This encompasses all of that sort of work.

There are some interesting things about child care that we discovered. Again, if you have a chance to really go through this stuff you'll see there's a section on child care in here. Also, in the report that I've done with Graham Allen, the Labour MP, we looked very carefully at the early intervention models that exist around the world. We've done a huge amount of work on this. I recommend that you have a chance to look at that as a group, as an organization, as a committee.

What we do know is that there is child care and child care. The very best child care is of course the parents taking the decision to see that child through for a period of time and having that one-on-one care, with one of the parents responsible for the empathetic love and nurture that is critical at the beginning. But if that for some reason can't be done, if there are pressures of money, etc., and if there are two parents and they both want to go out to work, or if there's one parent who has to work, it's who replaces that. Then you have a hierarchy of child care, and it's worth looking at that hierarchy.

We think there's not enough done to support the functional extended family in this process. If you are a member of an extended family in the U.K.—I don't know what it's like here—you cannot receive any money for looking after your daughter's child, let's say, as a grandmum, or whatever. We think that's rather stupid and pointless. We think some money should be available for them, because after all they're doing a service, and if it's not them, then they're going to be paying a lot more money to go to a child minder anyway. So we know that therefore the figures show that really good support from the extended family—obviously where the family is functional and capable—has a very good effect on the child in the absence of the mother or the father looking after them. We think that works.

Failing that, we think that obviously very good one-on-one nursery care works. At the bottom of the pile, which people don't understand, are these multi-child nurseries, I have to say, which we found have very poor results. In some cases they may lead, even in middle class families, to difficulties later on. The parents place them there in the belief that they're giving a good service, but in fact because there are so many children in them and there are so few people who look after the children, they don't get this one-on-one development, which is vital, absolutely vital, to the child.

We think more work needs to be done looking at that multi-child nursery. We think that too often government is obsessed with health and safety. We in the U.K. have this big thing about that, so when they're inspected they look at whether they have fire exits, is everybody clean, and are there enough people here to look after them in a general sense. Nobody actually looks at the quality of care. The quality of care should really be looked at in child care. This empathetic, one-on-one care is absolutely vital, and it can be quite difficult if it doesn't exist.

So we do believe in that, but as I say, the hierarchy works. As for early intervention, if you can please have a look at that, it's critical.

The Chair: Thank you.

Thank you, Mr. Martin.

We're going to move to Mr. Vellacott, for seven minutes, sir.

Mr. Maurice Vellacott (Saskatoon—Wanuskewin, CPC): Thank you, Mr. Chair.

Thank you for being here today, Mr. Smith.

One of your overarching conclusions, which you inferred again today, as you do in some of your other materials, is that there are many things that can and should be done to help reduce poverty and prevent more of it in the future. Much of that, or a fair bit of it, focuses less on the spending of money but rather on—I think you would use the term—the encouragement of social networks and values and habits, those kinds of things instead, contributing to a strong social fabric. What exactly are those "networks", "values", and "habits"? Maybe give us a little more detail.

This is my first question. I'll ask the second right away as well. But maybe you could give us a little bit of a definition or insight in terms of those networks, those values, those habits as the foundation for social justice and positive socio-economic outcomes.

My second one is a follow-up to that. You alluded to it in response to some of the other members here. In regard to the local initiatives that you argue are more effective in combatting poverty and its causes than the larger, more remote programs, what are some of those local initiatives and smaller programs that are, in your view, more effective than some of the global, large, remote programs?

The first question is on the networks, values, and habits as the foundation.

● (1055)

Right Hon. Iain Duncan Smith: It's related to what I've said, in a sense, which is that the building of networks in community is what essentially helps support. You start, obviously, with families. Family is the first community any child is going to have experience with, so the more stable that community for them, the more likely it is they will develop in a constructive manner. Almost every figure we refer to in there shows that.

That's not to say it isn't feasible for somebody whose relationship broke up to bring up a child with care and nurture and support. It's just a lot harder, and this is the point. The difference between the amount of effort that's required for somebody who is on their own bringing up a child is enormous. That means, therefore, that the likelihood of that child getting less care and less support is simply a fact. It's incredibly difficult to do that, and it is more expensive, ironically, to do so because you're having to do everything two people would two. It's not finger-wagging or lecturing people on that, in terms of relationships; it's simply making the observation that this is not something anybody would really want to do if they had the balance of choice.

When we looked at some of the stuff in the creation of networks, we did look at relationships inside here, because that first community, that family community, is critical to setting the path for everything else. We looked at cohabitation, whether it was the same as marriage and if it led to higher levels of lone parenting, more broken homes. We looked at the figures on that and found that was the case.

Then you move from family into the next level of community.

Mr. Maurice Vellacott: I didn't get what the cohabitation led to.

Right Hon. Iain Duncan Smith: The figure we came up with in here is drawn not just from the U.K. but pretty much from around the world. Almost every figure we show is that it appears there is a fundamental difference between cohabitation, particularly when children are involved, and marriage.

We have high divorce rates in the U.K. They are much higher than the rest of Europe. We in the U.K. also have the highest level of lone parenting and the highest level of teenage pregnancy. What was interesting about this was when we looked at what the main driver of this was, most people started to focus in on the early bit about teenage pregnancy. Actually, we found that while that is a growth area, a significant growth area, it isn't the main cause of lone parenting. The fastest growing cause of lone parenting is the breakup of cohabiting relationships. The ratio of breakup, if I remember off the top of my head, is that just under one in two families that are cohabiting and have a child will break up by the time the child is five. It's about half, or just below that. Almost all the figures demonstrated that. Compare that to a high level of divorce. What happens is that it's about one in twelve for a married couple who will break up before the child is five.

There are other breakup figures along the way, but I'm settling on the child at five because they cover the nought-to-three area, and it was interesting to us. We simply asked the question about what was going on.

I don't have all the details of how that is, but what we did seem to get to was that the arrival of a child to a cohabiting relationship seems to accelerate that breakup. The arrival of a child to a married relationship slows down the breakup levels. They actually go in two different ways. I don't make any lectures on this; I just make it as an observation of fact and that's what we found. I would be very surprised if the figures aren't similar here in Canada, but I don't know what the figures are.

Mr. Maurice Vellacott: Time is escaping on me here.

What are some of the "values and habits" in terms of your observations and conclusions with your Labour colleague or others this has been done with? What are some of those values and habits that need to be instilled as the "foundation for social justice and positive socio-economic outcomes"?

Right Hon. Iain Duncan Smith: Well, I come back to the point I made earlier, that it all starts before the child is born. It starts with the stability of family life around that child and that mother. So that mother arrives at that point of the birth in a stable, unstressed relationship. If you look at it, most of the sociologists will tell you now that if a mother is deeply stressed and in trouble, stress is taken across straight to the child.

For example, there was an interesting figure—I just saw it today from a lecturer I was reading about—and it said that a child is more likely to suffer from asthma if his mother has had a very high stress level at the time of birth and just after. Interestingly, chemically, there are real crossovers between high levels of stress and the superficial conditions of asthma. I'm not an expert in this, but the point we did discover throughout this is that relationship between the would-be mother and child is absolutely critical.

Secondly, what we did find was that all of those points about empathetic care and nurture, reading, conversation, and calm environments are critical again for the further development through to three. The reason why I'm a bit obsessed about naught to three is because I really now believe that this is the critical place where most of our communities are breaking down because families do not realize how important this is. We've had debates with people saying that children will cope. Children do cope, but the trouble with coping is sometimes coping means failing, but not demonstrating how much failure there is and what is going on is a refusal to understand that this period is so important.

Now one of the areas we've argued about is, for example, if a mother did want to stay at home and look after her child for the first year or two, and she was good and capable of doing that, I would think from society's standpoint that that's an incredibly strong and powerful decision to make, if she feels she wants to do it. If she doesn't and she is somebody who would prefer to be at work again, that's her choice. What we shouldn't do, though, is set the choices so that she finds staying at home so much more difficult financially than having to go out to work. We need to look at allowing parents to make those choices so that they're balanced. In other words, they can make that choice without panicking about the idea that they're about to take such a hit on their finances that they're not going to be able to survive that process.

So it seems to me that society has a vested interest in being able to get that balance right. I don't ask that society, that government, tells anybody what to do, because we're not very good at doing that, but I simply say that we should just even up the playing field so that people can make those choices. That is the critical component, because from all that comes community; everything about our community starts with that relationship, particularly, between the mother and child. From extended family to extended family, it's the balance of community. The more stable families in a community, the more stable a community is going to be, the more they're likely to help each other, the more they're likely to work for each other. Then your voluntary sector groups are set up from stable families, from people who understand that.

The point I make about this outreach and the encouragement of the voluntary sector is that most of this is about picking up the pieces for the breakdown in family and extended family; they then come in to be the extended family where none existed. That's the point I'm making. So understanding that this is the beginning of it all and that our attention in government should be here.... And I have to tell you that in our spending programs in the U.K., the older the child gets, the more money we spend on them. We spend next to nothing, it's a bit better now, but comparatively nothing.... Most of the figures show that for every dollar spent on a child between naught to three, it's worth a minimum of $16-plus that you spend on a child of 14, 15, and 16. The differences are quite dramatic.

● (1100)

The Chair: Thank you.

I know Ms. Minna wanted to ask a couple of questions. We're almost out of time, and we're going to have to switch over, but Ms. Minna, I'm going to give you an opportunity to ask a couple of questions.

Hon. Maria Minna (Beaches—East York, Lib.): Thank you. I appreciate that very much.

Thank you for being here today.

I had the pleasure of working very closely with one of the ministers in the development field in the U.K.

I just wanted to continue with this conversation with respect to the children from zero to three. You don't have to convince me with respect to zero to three or zero to six. We say that from zero to six is fundamentally important.

What I do want to want to ask you, though, is on what you mentioned earlier about multi-child nurseries being a negative and a problem. One of the things that we from the Liberal Party had been looking at and had put in place was a national child care and early education program. It was a quality, cognitive, developmental program, attached to schools preferably, if possible, so that the transition is easier for the child and also for training of teachers. I think the child-teacher ratio in Ontario now is probably one teacher to five children. There aren't large groups of kids. It's that kind of thing.

Seventy-six percent or more of Canadian women work. Whether we like it or not, there are many families where both parents need to work. Otherwise, we'd have a lot more families in poverty than we already have. As well, I'm not sure what our economy would do if we took out 76% of the labour force.

As for the reality of child care, I call it early education child care, because for me the early cognitive program, the early prevention, as you refer to it, is very critical. In the U.K., then, are you saying that the early education or child care programs, the early intervention programs, or, as you call them, the multi-child nurseries, do not have the cognitive built into them if they're good-quality programs?

● (1105)

Right Hon. Iain Duncan Smith: What I'm saying to you is that I don't think in the U.K. we ever measure the quality end of it in terms of that.

Hon. Maria Minna: Okay.

Right Hon. Iain Duncan Smith: We measure the quality end of it in terms of health and safety or the physical protection of the child.

The second point I'd make on your point about women in the workforce is that, absolutely, that development is the same everywhere across the western world. I don't think that's a particular issue. My only point about this is that I hope people get away from what I call the rather elitist discussion about women in the workforce that I find often takes place—and I've had a few arguments about this—and is always cast in the eye of careers. Now, the honest truth is, most women in the workforce, whether we like it or not, work because they need the money. It's a job.

As I said to somebody the other day, if you're eviscerating chickens on an assembly line in Bradford, I defy anybody to tell me that's a career and that you're interested in your career patterns at the chicken-eviscerating factory. The fact is, it's a job, and you're probably doing it because, if there are two of you, there's not enough money in the family, or you're by yourself and you have to get a job to try to get some extra money, etc. That's a job. The job is driven by money. Many of these women, if they had the opportunity, would actually like to be doing some of that nurturing work themselves, but they can't afford to because there's not enough money around, so they're offloading it.

The balance in looking at this is to say that in the early years, do we actually spend our time driving people out to work because there's a financial issue here? Have we looked at that? Are you looking at this and the balance of saying, well, if you were given the choice and it was a balanced decision, where would you go with this?

Hon. Maria Minna: Certainly.

Here's my final question. Do you have parental leave that either a mother or father can take when the child is born? At the moment in Canada we have one year.

Right Hon. Iain Duncan Smith: Yes, we do. It has developed in the U.K. In fact, there's another session ahead on this one, but it's reasonably extensive now. I don't think it's quite as extensive in general terms as what you have here, but it's much more extensive than it was 10 years ago and takes this into consideration.

Hon. Maria Minna: Our parental leave is one year so that the mother or the father can in fact choose or share, but one parent can stay at home.

Right Hon. Iain Duncan Smith: Yes. Plus, you know, you can't always—

Hon. Maria Minna: Between the two, they can stay home for one year. I was hoping to push that to 18 months, which would then get us to a time where—

Right Hon. Iain Duncan Smith: One of the areas we suggested, for example, was to look at what we call our universal child benefit. I don't know if you have that here. Everyone who has a child gets so much money per child.

Hon. Maria Minna: Here it's called the child benefit program.

Right Hon. Iain Duncan Smith: That's universal. It doesn't matter what your income is. One of the things we suggested was that you might want to sweep some of that forward and give somebody in the first two years the option of taking that money in the first two years and not looking to take it later on.

In other words, they've put it together to give themselves a supplementary income early on, which they take, on balance, because they'd like to stay at home for a year or two before then possibly going out to work again. To give them that extra bit of income enables them to do that without too much hardship, recognizing that after three or four years they won't get the child benefit at all and they'll be at work by that stage.

Now, child benefit, I know, is enough to buy certain things. It's not huge, but compressed together, 10 years of it brought forward into the first year or something, actually would then give them quite a more significant purchasing power at that period. Little things like that we were talking about, to give people—

Hon. Maria Minna: If we extended our parental leave of one year to 18 months and then two years, I think we'd pretty much be where you are suggesting.... We're halfway there in that context.

Thank you.

The Chair: Mr. Smith, thank you so much. We appreciate you taking time out of your busy schedule to talk to us about your fascinating work.

I know a number of members have requested some of the reports, and perhaps you could send us something.

Right Hon. Iain Duncan Smith: I'll send all of these things.

The Chair: That would be great. Some of the members would like to see that information.

Thank you once again for taking the time.

We'll take a few minutes to switch our witnesses.

● (1105)

(Pause)

● (1115)

The Chair: I want to welcome the Honourable Deb Matthews, Minister of Children and Youth Services, Minister Responsible for Women's Issues, and chair of the Cabinet Committee on Poverty Reduction. Thank you very much for taking time out of your very busy schedule to be here today.

Maybe this is not much of a segue, but your government has just funded an organization called Pathways to Education that we're going to be hearing from. I think they have done some amazing things. I want to thank your government for funding them. I think they're doing a great job.

I know you're going to talk to us a little more about some of the strategies your government has been trying to look at in poverty reduction, as we as a federal committee in HR study the whole issue of poverty.

I will give you the opportunity to make some opening remarks, and then we'll go around the table and go back and forth with some questions on what you are trying to accomplish in Ontario.

Welcome. The floor is yours.

Hon. Deb Matthews (Minister of Children and Youth Services, Minister Responsible for Women's Issues, and Chair of the Cabinet Committee on Poverty Reduction, Government of Ontario): Thank you very much, Chair.

First of all, I want to say thank you so much for inviting me here today. I'm very excited about the strategy we've tabled and embarked upon in Ontario. I'm delighted to have the opportunity to speak to the committee about what's in the strategy, how we got here, why we're doing it, and how we're going to move forward to achieve the success we are determined to achieve.

I want to start by saying that I was happy to see in the budget that there are some initiatives that will directly improve the quality of life and the standard of living for kids living in poverty. The increase to the WITB will directly help low-income families. Thank you for that. The housing initiatives are, of course, very helpful. The increase in the CCTB is also appreciated. I will talk a little bit more about that a little later in my remarks.

I want to start by talking about why we embarked upon a poverty reduction strategy. We are all elected people in this room, and we know that the issue of poverty is one that has been raised by a solid and committed, but small, group of people, particularly among faith-based organizations and social justice organizations, for a long time. They have been making the moral argument, what I call the moral argument, that to have the levels of poverty we have in this country, in a country as rich as the one in which we live, is simply not morally acceptable. That is as true now as ever before. But what has changed a little bit is the economic argument. There is now a growing understanding that we can't afford poverty. Poverty is too expensive.

I don't know if you've seen the *Cost of Poverty* report that was recently released by the Ontario Association of Food Banks and Don Drummond, chief economist at TD. It makes the argument that poverty costs every household in Ontario an average of $3,000 or close to $3,000. That's the cost of poverty. So it's not just about them; it's about all of us.

The other kind of economic consideration is a demographic consideration. As our population shifts, we need to make sure that every child who is born in this country or who comes to this country—everyone—is given the opportunity to achieve his or her full potential. We need all people at their best. So we have now both a moral and an economic imperative to really address poverty and to make sure that everyone has the opportunity to achieve his or her full potential.

That's really what has motivated us to embark upon what some people say is a topic on which you'll never win. They say that poverty has always been with us. If you think you can make a dint in it, well, good luck to you. But we look at our seniors and at the progress we've made in seniors' poverty. We know that the rate of poverty among seniors is now at around 3%. That has come down enormously over the past many years, because government decided that we needed to act on it, and we did act on it. The success we've had with seniors we can have with other segments of the population living in poverty.

I want to say that this was an issue that was really pushed hard by the women's caucus. It was the women in our caucus who made it our top priority. And when the women's caucus decides that their top priority is poverty, then we will act on poverty, because we don't stop until we're done. So it was the women's caucus. But then it was embraced, I have to tell you, by the entire caucus, and particularly by our leader, and thankfully by our finance minister, because that matters.

So what did we do? We had a line in our campaign platform before the 2007 election that committed us to developing a comprehensive poverty reduction strategy, with measures and a target. We committed to building on the Ontario child benefit, and we committed to working with our stakeholders to develop that strategy.

● (1120)

I was given the enormous opportunity to lead our poverty reduction strategy. We had a cabinet committee—it's now transformed—that was 15 members. We recognized that this was not something that one ministry could do on its own.

We all have a role to play in the reduction of poverty. The inter-ministerial nature of the work goes through every initiative in our strategy. It really is at the foundation of what we're trying to do. We have to work together in a more coordinated way.

One of the most difficult decisions we had to make was where to start. If your job is to reduce poverty, where do you start? We knew we had to start somewhere. We had to refine our scope.

So we started with kids. We started with reducing poverty and increasing opportunity for kids. We did this for the very good reason that the evidence is abundant and very clear that you get the best return on investment when you make it as early in a child's life as possible, as early in a person's life as possible, even prenatally. The return on investment is much greater the earlier you start.

We wanted to start with kids, and that's what we did. Our strategy addresses all people living in poverty, but the initial focus is on reducing child poverty in this province.

We embarked on a consultation strategy. I travelled around the province. I met with groups of people. We tried to get as broad a community representation as we could. Most importantly, we wanted to hear the voices of people living in poverty. We wanted to hear from those who weren't known to be part of the poverty community—business, police, others who had a stake in reducing poverty but weren't already part of the conversation.

I think the most important thing we did was to listen. And we did listen. We engaged MPPs from all sides of the House in poverty reduction consultations in their own communities. That in and of itself was very important. MPPs from across the province started to understand poverty, to understand the reality of poverty in their own communities. Even though we as elected people are as close to our communities as anyone, there are still stories that members needed to hear about how poverty impacts their communities.

We had wonderful participation in the consultation. We had a website that listed questions that we were interested in hearing feedback on. We had over 600 submissions from organizations and individuals to our website. We had people meeting around kitchen tables, around boardroom tables. They embraced the opportunity to participate in the development of a strategy.

I think one of our great successes over the course of our year was that the conversation changed. When we started talking about poverty reduction, it was a somewhat acrimonious conversation. There was deep distrust between those who were concerned about poverty and government. We worked hard to build a strong sense of trust. People who had been protesting on the front lawn of Queen's Park were now inside, sitting around the table, figuring out how to move forward on it.

There was a wonderful transformation of the tone, so much so that when we released our strategy in December, there was overwhelming support for it, even amongst those whose initial focus was not child poverty. I think that was a good year.

What's in the strategy? The title of our strategy is *Breaking the Cycle*. Our real focus is on breaking that intergenerational cycle of poverty, so that kids growing up in poverty are given the opportunity to be successful. It's about more money in the hands of low-income families. People made it very clear in our consultations that if you want to reduce poverty, that means more money in their pockets.

● (1125)

So the strategy is to be $1.4 billion annualized when fully implemented; $1.3 billion of that will be an income transfer, through the Ontario child benefit, directly into the pockets of people living in poverty.

I want to give you a quick example of what the strategy means. When we were elected in 2003, a single mom with two kids, working a full year, full time, would have had an income of just over $19,000, only a couple of thousand dollars more than she would have had on social assistance. When this strategy is fully implemented, her income will have gone up by more than 54% to over $30,000—the same woman with the same kids, still working a full-year, full time, minimum wage job. The difference between trying to make ends meet on under $20,000 compared with over $30,000 is enormous. It means more stable housing. It means better food. It means the kids aren't going to move from school to school as frequently. It's going to mean that the kids will have an opportunity to participate in some activities outside of school. It will make an enormous difference in those kids' lives, opportunities, and success.

That will actually be achieved even without more federal investment than is already planned. The big movers behind this are the increase in the minimum wage and the Ontario child benefit.

So for that group we will see success. Those kids will be moved from well below the poverty line to nicely above the poverty line; it's not in the lap of luxury, but it's above the level of poverty.

It's about money in your pocket, but it's also about a full range of programs to promote academic success and moving into work, into employment. So it's about before school, after school, and pre-school programs. It's about summer jobs for kids.

The strategy very much takes a community-based approach, so we have initiatives in it to help communities develop capacities to determine their own strategies. We don't expect communities to develop strategies that actually increase income, but we do expect communities to develop strategies that increase opportunities for social engagement, and we've seen some wonderful examples of that already.

We have some targeted programs aimed, in particular, at a group of kids for whom I know we can do far more: the kids who are wards of the crown. They are remarkable, wonderful kids who just need the opportunity to achieve their potential. They are kids who, by definition, have experienced severe trauma, and we need to do a better job for them—and we're doing that.

We have a section in our strategy called “Smarter Government”. We heard everywhere we went that there was a lot of money wasted in the delivery of service for people, that services were difficult to access, that we had a lot of work to do to get our act together to make sure we spent our money on initiatives that actually improved the well-being of people in the community. We know we have some difficult work ahead of us on that, but we are committed to doing it.

Part of our strategy is legislative. We've introduced legislation—in second reading now—which will make this the first of a series of poverty reduction strategies. It will mandate that future governments renew a poverty reduction strategy every five years. It will commit those governments to transparency, that is, to measuring and reporting annually on their progress.

We are committed to measuring our progress. We've identified eight indicators, three of which are income-based and three of which are education-based, because we know that the best protective factor against poverty as an adult is education. So we want our kids to be doing better. And we are committed to reporting on those indicators every year. We have set one target; the target is to reduce the number of kids living in poverty by 25% over the next five years.

● (1130)

That will improve the standard of living of all kids living in poverty and lift 90,000 kids, including those I talked about earlier, up and out of poverty altogether. In order to achieve that we all need to work together, and that is another foundational principle of our strategy. This is not something the Province of Ontario can do on its own. We need everyone working together with the same objective.

We are very explicit about our request to the federal government, and very pleased, as I said, with the increase in WITB. On the target indicators, there are two things we're asking the federal government to do. One is to increase WITB to $2,000 a year. It's now up to over $1,600—thank you for that very much. We're also asking you to increase the NCBS by $1,200 a year. If you do those two things, and if we do what we're undertaking to do, and the economy.... We're very clear that we need a certain economic growth to make this happen, but they are reasonable assumptions in our model. If we all work together, we can achieve this; we can do it. And we lay out how it can be done.

There are also some other initiatives that don't relate to the target but certainly affect poverty and well-being that we are asking the federal government to come to the table with, to be part of.

You are probably all familiar with the inequities in employment insurance. That is a very serious problem for us, an increasingly serious problem. An unemployed worker in Ontario receives on average $4,600 less than an unemployed worker in Alberta or anywhere else. That's not okay. It's not fair. It's time to fix that.

We need a renewed commitment to early learning and child care. This is extremely important. If we want kids to do well, they need to have that early learning. If we want parents to work, we need to have child care. We need a renewed commitment to early learning and child care.

We need to work together on housing, and we have seen some very promising steps there.

We need a targeted commitment to improve the quality of life and well-being and the opportunities of aboriginal peoples. We really need to get back to doing what we need to do so that aboriginal kids growing up are given the opportunities to be successful.

I'm going to close there and throw it open to questions. I'll leave it with you there.

● (1135)

The Chair: Thank you very much, Minister.

We're going to start. The way we work here is to have seven-minute rounds of questions and answers. Everyone will get a chance, all parties, and then we'll move to five-minute rounds after that.

Hon. Deb Matthews: It sounds like a boxing match.

The Chair: Exactly, although this committee has worked pretty well together, so there is not too much boxing—not yet, anyway.

We're going to start with Ms. Minna. You have seven minutes.

Hon. Maria Minna: Thank you very much.

Thank you for coming, Minister. I'm very proud to have you here, as I have followed your career for some time, if I may say that at this committee. I know that your commitment to these issues has been longstanding, so I'm very proud to see that you're actually in a position now to make some of those things happen.

By the way, the women's caucus in Ontario pretty much reflects the women's caucus in the Liberal Party nationally in the sense that the last platform that called for a national poverty strategy was from our women's caucus as well. So we are in sync in that sense.

I want to ask a few questions. A lot of what you've said is excellent, and I'm so glad the province has taken this direction. We had the Caledon Institute here earlier this week. One of the things they mentioned—among the ones you have just mentioned, such as housing and employment insurance, of course—was social infrastructure, in terms of looking at healthy communities, recreational and artistic programs, things that create a healthier environment for children in poor families and communities. You're talking about children, and I'm wondering if that's an aspect you have looked at.

Maybe you can do that one quickly, and then I have a couple of other things.

Hon. Deb Matthews: There's no question that social infrastructure is essential to the health and well-being of a community. We heard over and over, everywhere we went, that access to services was very difficult for people living in poverty. Everybody expressed it in a different way, but the idea of a community hub, a place located in their neighbourhood where people could go to access services....

We believe schools are a natural place. We want to use the infrastructure we already have because they're everywhere. They're located in every community and they're underused. So after school, in the summer.... We believe schools have a very important role to play, partly because they're already there, but also because for a lot of families growing up in poverty their sense of what a school is isn't necessarily positive. There's a reluctance to be part of the school community. When it's time for their kids to go to school, the kids pick up on the fact that school might not be a friendly place. The more we can bring community into schools, the better off we think kids will do in school.

Schools are part of the solution, but of course we need more social infrastructure. Schools can't do it all, but we think schools are important.

Hon. Maria Minna: I have three other areas, very quickly. One is the national child benefit, as you referred to it. Again, most social activists and anti-poverty groups have suggested to bring that up to $5,000; you said $2,000. I've got a couple of questions. Is the $2,000 in Ontario because of your contribution?

● (1140)

Hon. Deb Matthews: The WITB we want to go to $2,000.

Hon. Maria Minna: Okay, got that.

Hon. Deb Matthews: And we want to increase the NCBS by $1,200, an increase of $1,200, which would take it to—

Hon. Maria Minna: Which would go to about $4,000-something.

Hon. Deb Matthews: Yes.

Hon. Maria Minna: Okay. So you're close to the $5,000. I just wanted to clarify that. I think I got that wrong.

The others are the early learning and education program and the early years program. Obviously, I think most of us have accepted the fact that zero to three is very fundamental and zero to six is very important to children. Quality early education and child care programs are absolutely necessary. What would Ontario need to make that happen in terms of being able to provide an early education child care program to every child who needs it? What would it need from the Government of Canada? What kind of partnership?

Hon. Deb Matthews: What we would need immediately is.... What we did when the agreement was cancelled is we took the last payment, divided it by four, and stretched it over four years. That four years is coming to an end a year from now. If we do not get that $63.5 million, it will mean the closure of spaces and the cancellation of subsidies. We are now in the process of quantifying what that means. Every community delivers child care, so it's different in different communities, but it is.... We're really very excited—

Hon. Maria Minna: In your view, how critical a piece is this to the reduction of poverty strategy?

Hon. Deb Matthews: It is enormous, for the reasons I mentioned earlier. One of the measures we are going to be tracking is the early development indicator. That's the readiness to learn. We know that kids who are exposed to early learning do better on EDI scores than those who aren't. We know that families living in poverty don't have the opportunity to engage their kids in those things that enhance their ability to learn once they arrive at school.

So increasing the EDI scores.... The correlation between socio-economic status and EDI is as clear as can be. Getting those kids off to the best start possible is very important for their whole success. We know if kids arrive not quite ready to learn, every year that passes they fall further and further behind. Some of you may have seen the *Toronto Star*. The Toronto District School Board released its grade 3 scores I think a couple of weeks ago, based on socio-economic status and income in the neighbourhood. There is a clear correlation. Kids living in poverty are not doing nearly as well, even at that early age, and we know EDI as well. We need to be investing in those kids because we are going to be counting on them as we get older.

Hon. Maria Minna: Thank you very much.

My time is up. I'll see if I can sneak in at the end.

The Chair: I don't know if you're bilingual, but the next questions will be in French. I'll give you a second to get set up.

Madame Beaudin, you have the floor, for seven minutes.

[*Translation*]

Mrs. Josée Beaudin (Saint-Lambert, BQ): I want to thank you and welcome you.

I thank you very much for what you said about prevention which is an important component of your strategy to reduce poverty, especially with very young children, up to the age of five.

Would you be able to provide us with some examples of best practices or local initiatives that have had more impact than others?

● (1145)

[*English*]

Hon. Deb Matthews: I'll respond in English. I apologize.

Thanks to the federal funding, we started the Best Start Hub program in the province of Ontario. They were pilot programs, and we've been unable to move forward with them for financial reasons.

There's a wonderful example in Hamilton of a Best Start Hub centre. It's a very vibrant, exciting place to be. It's in a low-income neighbourhood, where kids can come and be part of child care, or the parents or caregivers can be there with their kids in an environment that is productive.

Public Health comes in. They do well baby checkups. They do prenatal education for high-risk pregnant women. They do postnatal child development programs. They do a range of services that really are all about building on the capacity of the parents. Let's never forget that parents are the most important influence in a child's life. They are supporting parents so they can be the best parents they can possibly be, and they are providing other community supports, professional community supports, where they're needed.

We can do that all in one location where parents are comfortable, where they know where to go to access the services they need. Some of the screening that's done there is hearing, vision, development screening, so we catch the kids as soon as possible and get them into whatever the kids need so they can achieve their potential. It's all happening in one place, in the community, in an environment that's very, very welcoming. It's a great model.

[*Translation*]

Mrs. Josée Beaudin: You said that this program has not been extended because of a lack of funding. How was it funded?

[*English*]

Hon. Deb Matthews: We're continuing to fund some of them and we would like to have a lot more.

In my own community of London, the local municipality and school board, plus some other provincial and probably federal programs, are coming together in a hub to provide supports for families in low-income neighbourhoods. This is happening spontaneously in some places, because providers are increasingly understanding that we need to coordinate our services best and look at it from the perspective of the people accessing the services, as opposed to our silo government approach.

There are some good examples of where the community is coming together, but I think there's potential to do far more of it.

[*Translation*]

Mrs. Josée Beaudin: Would I be mistaken in stating that, ideally, our government should be active in those fields of responsibility in the case of child benefits and family support, for example, and that, at the same time, on the ground, at the community level, we should maintain some type of recurrence of funding in order to allow those people who are in direct contact with families and children to continue their work?

[*English*]

Hon. Deb Matthews: Absolutely, and part of our strategy addresses that to enable communities to develop community hubs. We're wrestling right now with the whole idea of what is in a community hub. Lots of people talk about community hubs, but we all have slightly different ideas about what that really means. We're working together, but it has to come from the community. I don't think we can impose a model. We can set out the ground rules for what we mean when we talk about a community hub. It's all about access to services as early as possible and as close to home as possible, because people living in poverty have major transportation barriers.

What currently happens in too many places is they're told where they should go and are given the name of an agency and maybe the phone number, but it's very difficult for the families to get there. Public transit is too expensive for people living in poverty. It's hard to believe that, but it's time to get the "public" back into public transit.

● (1150)

[*Translation*]

Mrs. Josée Beaudin: Since my time is very limited, I would like to tell you that, in Quebec, we also have a strategy to reduce poverty. I used to work for an organization called 1, 2, 3, GO! which was able, among other things, to get open strollers accepted by public transit. This might seem simple and obvious but, in the past, they were not accepted. Now, families can use public transport with open strollers, which makes their lives easier.

The most difficult thing to do is to reach those that we want to reach, that is to say very disadvantaged families with several young children. Those families do not necessarily use childcare centres, they stay home and we cannot reach them. I wonder if you also ask them how they can be reached.

Our childcare network is already very developed but we have also set up childcare centres that can be used on a part-time basis, where a parent can call at the last minute to bring a child before going over the limit with him or her. For example, one may call at the last minute to ask for the centre to take the child for two or three hours so that one may quiet down. So, we have set up new services for these persons. Are you considering similar initiatives?

[*English*]

Hon. Deb Matthews: That's a fascinating example. I think that's where we're going next, because you're absolutely right that a lot of parents who get to the centres are already doing okay. There's a wonderful pilot happening in my community in London. It's a partnership with the Children's Aid Society. The focus is on keeping kids out of the care of the Children's Aid Society by providing a range of supports.

At its centre is a lay mentor who has experienced poverty but has managed to get beyond it. I've met with some of the families who are participating. It's called Family Networks. Overwhelmingly, the expression they use is, "It got me off the couch". They are usually single moms dealing with a number of different issues who could easily slip into depression, and the kids sometimes become the parents in those families. They need a range of supports to get them moving forward and on with their lives.

It's very promising. It's still a pilot, so I have to wait and see. But I really think that reaching out to families prior to the crisis is what we need to be doing, because apprehending a child is the last thing we want to do. If we can empower families by providing the right supports, it's a more cost-effective way of dealing with the issue, and it's much better for the children.

The Chair: Thank you, Minister, and thank you, Madame.

We're now going to move to Mr. Martin. You have seven minutes, sir.

Mr. Tony Martin: Thank you very much.

Minister, thanks for being here today, and thanks for all the good work you're doing. It's wonderful to see and I commend you for it.

What we're looking at here is the federal role, how we can support what you're doing, how we can enhance what you're doing. I have some concerns in terms of even the good work you're doing and the program you're doing.

We're targeting 25% of poor children over five years. I guess my question is, what about the other 75%? What about those folks who aren't going to be helped by the initiatives that are very good, that you've talked about, that will go to children and their families?

You talked about aboriginal programs, single adults who, for one reason or another, particularly in this difficult economy, will not find work and will struggle on welfare—which, as you know, is atrociously inadequate—and people living with disabilities, who speak to us on a regular basis about the shortfall.

You mentioned CPP as a good example of where we as a country decided we were going to do something. And we did it. We didn't say we were going to do 25% in five years and leave 75% out and all that that entails: who deserves it more, who gets it earlier, who gets it next, all that kind of thing. We decided we were going to lift everybody. We first lifted them and then we lifted them again with the GIS. We did that.

Is there any way we, working with you as a federal government, can give you the capacity to do this quicker and to lift more now, as opposed to in five years or ten years, or whenever the next target is?

● (1155)

Hon. Deb Matthews: Yes, you can.

Let me just clarify one thing you said. This strategy lifts the standard of living, the income, of all kids living in poverty. All kids living in poverty will be significantly better off as a result of these initiatives. Twenty-five percent of them will be lifted out of poverty altogether. We're not just choosing 25% of all kids living in poverty. All kids will be better off, 25% up and out of poverty altogether.

Could we do more with more money? Absolutely. We could solve it tomorrow if we chose to put those initiatives there, but we live within the world of the achievable. We think we can do this. Would we like to have done more? Absolutely.

The initial focus on children, as I said earlier, was because we knew that was where the biggest return on investment was. We are undertaking to take steps—and have already done some, but are committed to doing more—that will help all people living in poverty.

People with disabilities are a good example. A lot of people with disabilities have an ability to work, maybe not full time, maybe not for the full year, but to supplement their income with earnings. It's about more than the paycheque, right? There's a degree of engagement in their community that comes with a job.

So we're really working hard to reduce the barriers for people with disabilities to enter employment. We've changed the rules quite significantly, so that there are now financial incentives to work. Some will argue we could do more. We want to listen and continue to work on that.

We also need to get more employers opening up their workplaces to people with disabilities. I can tell you that in my constituency office I have hired a woman with a disability, although she has far, far, far more ability than she has disability. She's 60 years old. She has never worked in her life until she started working with me. She is doing a wonderful job. By her own choice, she is only working a few hours a week, one morning a week. It's great for everybody in the office; it's great for my constituents; it's good for her. More employers—and all of you are employers—should think about taking on someone with a disability, at least on a part-time basis.

So we will continue to improve that—

Mr. Tony Martin: I would like to respond briefly because I want it on the record, the comment that there just isn't enough money.

All of us yesterday in the House of Commons and today in the Senate moved a motion that sent a message to the meeting of the G-8 and the G-20 that is coming up in April that poverty should be a top priority. The billions of dollars that are going to financial institutions, banks, and auto companies, we seem to be able to pick out of the air just like that. If the auto companies are in trouble or the banks are in trouble, we have money; it is there. But for years, as you've suggested, we have struggled with really deep and continuing poverty for people.

We know the economics. There's one figure here that just blows me away. The Ontario Food Bank Association says poverty costs Ontario between $32 billion and $38 billion. That's a lot of money.

● (1200)

Hon. Deb Matthews: That's right. That's a lot of money.

Mr. Tony Martin: It is estimated that homelessness costs the country between $4.5 billion and $6 billion. That's what it's costing us in so many ways, as you do the analysis.

We sent a message. Why is it that we as government, federal and provincial, cannot come up with the political will to take the money that we can find for the banks and the auto industry and put it into poverty so we can solve it today, not five years from now?

Hon. Deb Matthews: Let me make a couple of comments on that.

Let's never forget that jobs matter when it comes to poverty. If you look at any statistics on who's poor, it's people without jobs who are poor. So creating jobs is very much part of poverty reduction.

As we move forward on our five-year target to reduce the number of kids living in poverty—

Mr. Tony Martin: We have had the best economy in Ontario and Canada over the last 10 years, yet we still have an enduring 13% or 14% poverty that never goes away.

Hon. Deb Matthews: That's why we have taken on this poverty reduction strategy, because we are determined to start moving in the right direction.

I want to refer the members of the committee to an article that really inspired me. It's called “Million-Dollar Murray”.

I don't know if you've been introduced to “Million-Dollar Murray”. It is an article written by Malcolm Gladwell. He wrote *The Tipping Point*, *Outliers*, and *Blink*. The article describes the life of a homeless man, a man who is an alcoholic, a delightful, charming, engaging person, and when he died at age 54, I think, homeless, people who had supported him through his life sat around and figured out how much they had spent, how much we had spent —it's an American example——on Murray. A million dollars had been spent on Murray so that he could die prematurely and homeless. If we knew we were going to spend a million dollars on that man in the courts and in hospitals, would we have chosen to spend a million dollars the way we did, or would we have made fundamentally different decisions about where those investments would be made? Of course, we would all say we'd spend that money up front and provide affordable, supportive housing, whatever supports he needed. He was intelligent. He had lots of abilities. So that “Million-Dollar Murray” story is very instructive for all of us, because we do spend.

If somebody is sentenced to time in jail, we pay for that. If a child is taken into the care of the Children's Aid Society, we pay for that. If somebody shows up at an emergency department, we pay for that.

Could we get ahead of that and invest the money where it would make a difference and prevent that? Absolutely we can.

There are some wonderful pilots happening in Ontario right now. There is a program called From Hostels to Homes, where chronically homeless people are being moved out of shelters into supportive housing. It is already saving money, without even looking at all the other costs, including court costs, and so on. It results in a much better quality of life for people. We are seeing them now moving off social assistance into employment. These are chronically homeless people.

We know we can do better, and we are going to do better.

The Chair: Thank you.

I would think you have so many examples that I hate to keep bringing up Pathways, but that is probably another great example of moving people into education and keeping them out of poverty for second and third generations.

Hon. Deb Matthews: Absolutely. That is a perfect example.

The Chair: You did a great job funding that.

We are going to move now to the last individual in this round.

Mr. Vellacott, you have seven minutes.

Mr. Maurice Vellacott: Thank you, Mr. Chair.

I'll preface, Deb, in view of a speaker we just had, but as much in terms of my own family background here...because sometimes I feel there's a sense of dissonance almost. I think all around the table we want to get at these issues. I think we have some common meeting of the minds on a lot of things. Obviously, there's some ideological divide at some other points.

For example, I'm just beyond the plus-50 mark now, but growing up my family was well below what was called low-income cut-off; in fact, that would have been way up there someplace. Yet our family had what we needed. We didn't have all our wants, for sure. I suppose there were points where we whined about one thing or the other that we thought we needed and didn't have. But from my family background, well below the low-end cut-off, the poverty level, there were the issues.... And this is what I'm getting at, in terms of the question I put to you, in terms of there being other factors. Sometimes we look at a strict dollar line that's below the poverty level and we don't always look at other factors that are pretty key in the equation.

Within my family situation, literacy was very much encouraged—reading, lots of it. We all can read, and do it fairly well. All of us have gone on and had advanced education as well. The faith community, in my case a Christian evangelical background, was encouraged—clubs and camps, and a variety of those kinds of things. Sports was encouraged as well, so we all had a taste of ball and hockey. And Cubs, Scouts, those types of things, were very much encouraged. My mom and dad are still living. Dad's in his mid-80s, I guess, at this point, and very grateful for that—but well below the poverty level, for sure.

I think also of the farm families that I grew up with as a boy. Even today, when you look at their income tax returns, many of them would show below the “poverty level”, but because they have cattle, they have chickens, they maybe have a hog, they do their own butchering of meat, and they have gardens and so on, they have those basic provisions made. I'm just trying to point out that sometimes, in terms of a strict dollar equation, at least in other parts of the country.... Maybe it's different in the urban areas, and we always fall into using urban examples. But the family and family function, if you will, was obviously pretty crucial. I know many other families were not in dissimilar situations, but they're serving, contributing in their communities. All my brothers and my sister are married, with families of their own, contributing, serving, involved in their communities and so on. So there have to be some different elements here.

I think of what the Right Honourable Duncan Smith, who just testified before you here moments ago, said. He made the point of not making the focus on kids—I know in some of your comments you have referred to the support of families and so on—but rather on the family, the family structure. Strong families make for strong communities that can help one another, and it extrapolates from there. That's a question I'll ask you to respond to a little bit.

Some of the other comments here have been in terms of lifting kids out of poverty. The previous witness indicated that it's more important, in terms of those dollars...and we don't give them actually to kids in their pockets, per se, but to the families. But it doesn't necessarily lift them out of poverty, depending on how that money is spent, right? So that's probably as determinative as anything.

I know on the rolls and the stats and so on it may look like we've lifted *x* number of kids out of poverty, but do we always know? I guess that's a question. Do we always know the kids are lifted out of poverty—other than the fact that the dollars that have supposedly gone to that family? We don't know that in these cases. That is a question.

So could you respond in terms of the other factors that make for poverty, not strictly the dollar things, and on the issue of the stats? When Ontario or any province says they've lifted these kids out of poverty, do we really know, other than by the dollar thing?

I have a third question—and I'll leave it here for you to get back to me. I'm intrigued with some of your comments about these pilot projects. I think there's a lot of good insight in some of that, family networks and so on. I would be intrigued to hear about that if we had more time here; maybe we will later.

I always get a little bit anxious and nervous, I guess, speaking about lifting minimum wage, lifting this benefit up to the $5,000 level, the $2,000 level. I know there are other people out there who read the news in the papers—the landlords, the grocers, and so on.

● (1205)

If you have increases in any of these things, sometimes that margin of benefit or difference is very shortly thereafter swallowed up, because greater society is aware of it. All your costs kind of go up in these other areas. I'm concerned about unintended consequences. Say we raise these levels, and then all the costs go up a proportionate amount. You're hardly any further ahead.

That would be my third thing to respond to a bit, if you could. I believe we have to deal with symptomatic issues without laying blame and judgment, necessarily. I also think there are some organic things we need to look at, such as root causes. I'm not sure that we always do it that well at the federal or provincial level.

Hon. Deb Matthews: Thank you. You've given me a lot to respond to in a very short period of time.

I think the first point you made is that poverty is about more than just money. That's absolutely true. We really are concerned about poverty of opportunity. That's why, when we actually constructed our strategy, we decided to report back on eight different aspects of poverty. You mentioned them all.

The important things are literacy, the parents' commitment to literacy, the sense of community, and the ability to participate in sports and recreation. These are all really important contributors to how well kids do. Some families have that capacity. Others do not.

● (1210)

Mr. Maurice Vellacott: I didn't want it to be misunderstood that it was the government that encouraged me to be involved in sports. It was my family.

Hon. Deb Matthews: No, no. It was your family.

What I'm saying is that some families have the capacity to do that. Others do not. Our question, then, is whether, as our collective responsibility, we're going to let the kids of the families that do not have that capacity repeat that intergenerational cycle. Or are we going to step in and say that we think it's good for kids to have a place to go after school, so we're going to make sure that the schools are open and that there's supervision there so they can go and participate in after school programming?

We actually think that there's a good economic argument for providing those opportunities for kids. Otherwise, what happens is that the cycle repeats itself, and the kids end up in the care of the state one way or another. It's really building on that.

You're absolutely right. It's about more than money, although I must say that there is a certain base level below which you cannot survive in our society. You have to have enough money to buy food and to pay the rent and to pay for some of the extras, such as transportation or a telephone, even. You're right about that.

Do we really know whether we're raising kids out of poverty? Yes, we do. We have good statistics that will tell us. We spent too much time, probably, trying to figure out what measure of poverty to use. We landed on one that is used internationally: the low-income measure. We also added a depth-of-poverty measure so that we can track how deeply in poverty people are. I think that's important. As I said, we're also developing the deprivation index so that we'll understand the sort of quality of poverty.

There's a component in our strategy that I'm pretty excited about. It's the establishment of what we're calling for now, a social policy institute. We need to move to much better evidence to guide our funding decisions. For example, some of the pilot projects.... We have to know whether an investment here pays off there. When it comes to social services, I would say that we're pretty early, especially compared to health care, in evidence-based practice. We're pretty young when it comes to looking at the evidence and at what makes a difference.

That takes us to Pathways to Education, a program for kids in neighbourhoods where the dropout rate.... You're going to hear more about this. It's extraordinary what that range of interventions has done for the graduation rates of kids who typically had very high dropout rates.

For me, it's all about a return on investment. If we make investments up front so that kids do better and graduate more, become taxpayers, are able to provide for their own children, that's a really good investment. We can have conversations about ideology, but for me, it's about getting the job done.

If we can make investments that will change the opportunities for children, we are all better off for it. It's not just about the kids who benefit. We are all better off in a very tangible way. We will pay less down the road if we get there early. As we move forward, we really have to look it at from that standpoint as well.

As for the concern that if we increase the standard of living for kids, others will take advantage, I think—

The Chair: I'm going to cut you off, Mr. Vellacott, because we are over time and we want to get in some more rounds.

Mr. Savage, you get five minutes.

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Thank you very much, Chair, and welcome, Minister. It's a delight to meet you. I've heard from Maria and other members of our caucus about you and the good work you're doing.

I want to just say that to come by yourself and sit at the end of the table and have all these facts and figures and information at your disposal is very impressive. When ministers come before this committee, usually we have to rent Scotiabank Place for all the officials that come in, in tractor-trailers. Anyway, that is what it is.

Clearly the Ontario government understands that poverty, the social determinants of health—everything is interrelated in getting at poverty. What other departments are represented on the committee on poverty reduction that you chair?

● (1215)

Hon. Deb Matthews: The cabinet committee on poverty reduction has disbanded. When we released the strategy, we moved on to a results table, which I chaired: the Minister of Education, the Minister of Community and Social Services, and the Minister of Training, Colleges and Universities. We have two outside members: Michael Mendelson from the Caledon Institute, and Mark Chamberlain who is on the National Council of Welfare and also chairs the Hamilton poverty roundtable.

It would be easier for me to tell you who wasn't on the initial committee.

Mr. Michael Savage: You've given me a sense of who's on that, and I think....

Hon. Deb Matthews: It's inter-ministerial. We've identified a lead minister and partner ministers in every initiative, and we call them to our results table to give us an update on how they're moving to achieve the goal, the job they've been given.

Mr. Michael Savage: Very good. Thank you for that.

Hon. Deb Matthews: It's all government. It is all of government working together.

Mr. Michael Savage: And we've heard that from other areas and jurisdictions that are having results, whether it's within Canada or external to Canada, that they have had this holistic approach to poverty, which is the way it has to be.

I also appreciate that you have given us...in this book here *Breaking the Cycle*, you identify the role of the federal government, what you'd like to see done, and I certainly agree with most of those.

You mentioned WITB and the improvements in WITB in the budget. I think that's true, and I think WITB is a very important part of the social infrastructure as we go forward on dealing with poverty.

Some provinces have adjusted their own policies with the federal WITB program: I think Nunavut, B.C., and Quebec. Have you guys looked at doing that? Are you in the process of things like minimum wage, like welfare programs being adjusted to suit the national working income tax benefit?

Hon. Deb Matthews: I have to say I haven't heard anything about that, which probably suggests we aren't, but I would be interested in learning more about it if you think it's something that would improve the well-being of people in our province.

Mr. Michael Savage: I think it is. In analyzing the budget, Caledon Institute, who is a partner—and I think they're a very good partner to have on these issues—said about the WITB program that even with the proposed improvements, WITB still does not reach all working poor Canadians. Take the case of a worker living in Toronto whose earnings equal the after-tax, low-income cut-off of $18,670. That $18,670 is $2,000 above the $16,667 level where eligibility for WITB ends. Now anybody watching this committee is wondering what all those numbers are about, but in simple terms, the maximum benefit of $925 from the working income tax benefit of 2009 can only go to somebody who makes $10,500 or less.

I think the key is...you've obviously indicated that minimum wage is part of your plan in Ontario, and if I heard you correctly, you're suggesting that as a result of the work you're doing, a single earner, a single woman working full time—

Hon. Deb Matthews: Or man.

Mr. Michael Savage: I'm thinking of a single woman, but it could be a man, with two children, under the plan would go from an income of $19,000 to over $30,000?

Hon. Deb Matthews: That's correct.

Mr. Michael Savage: Could you just explain the components of that for me, because that's very impressive?

Hon. Deb Matthews: Yes, I can. If you turn to page 16 and 17, it breaks down the components. The minimum wage increases are in black, the bottom bar. The Ontario child benefit is the top white bar. Other credits and transfers include federal—so it's all itemized there.

I just want to point out that this chart and the one on the other side of the page shows the increase in income, not the total income.

Mr. Michael Savage: That's what was throwing me off.

Hon. Deb Matthews: It's been a bit confusing, yes. This is the increase in income that they will have.

Mr. Michael Savage: Thank you very much.

Thank you, Chair.

The Chair: Thank you, Minister.

We're going to move to Mr. Lobb now. Sir, you have five minutes.

Mr. Ben Lobb (Huron—Bruce, CPC): Thank you very much, Minister, for making the trip here today.

On page 16, you referenced asset building in there, and that's a topic that we've heard of from several of our guests. I wondered if you could elaborate a little bit on your strategy there with asset building and how you envision that taking place.

● (1220)

Hon. Deb Matthews: This is something that we have not yet launched. We are still working on developing exactly what it would entail, but what we do know is that assets, having that cushion, really makes a difference.

Of course, what we're seeing now in the province of Ontario and everywhere else, I assume, is that people who have lost their jobs have exhausted EI. May I just take this opportunity to remind you that this would happen sooner in Ontario than anywhere else. They have to actually deplete their assets before they're eligible for social assistance. So there is no safety net between EI and OW, Ontario Works.

Mr. Ben Lobb: Do you have a proposed timeline? Will it be within this fiscal year that you may have a strategy, or is this going to be over a couple of years—

Hon. Deb Matthews: Is that for the asset-building program?

Mr. Ben Lobb: Yes.

Hon. Deb Matthews: I would say it's something we're actively working on.

Mr. Ben Lobb: Okay, good.

Another one I noticed in there was dental care. It's going to go up to 18-year-olds in the future.

Hon. Deb Matthews: Yes.

Mr. Ben Lobb: It has to do with low income. Is the cut-off on the low income the $27,000 you reference in your document, or where is the cut-off line for the low income?

Hon. Deb Matthews: For the low-income dental?

Mr. Ben Lobb: Yes.

Hon. Deb Matthews: I have to tell you that I don't know the answer to that. What I do know is that we have a program called CINOT, children in need of treatment, that's available for low-income families. I don't know the cut-off for it yet. I won't venture a guess.

It used to go to age 14. It's now extended to 18, but we're committed to increased dental care for low-income families.

Mr. Ben Lobb: Is it automatically triggered just based on your tax return, or does the actual person have to apply for it to be eligible?

Hon. Deb Matthews: They go and get qualified I think through the public health department, and then they can go to a dentist of their choice.

Mr. Ben Lobb: Okay.

Also, on page 11 you referenced $80 million for mental health and addiction.

Hon. Deb Matthews: Yes.

Mr. Ben Lobb: Obviously, as income grows, if they haven't been able to have a mental illness cured or to shake their addiction or cure their addiction, what strategies do you have in mind, or in place, for those areas?

Hon. Deb Matthews: This is actually I think a very, very important initiative that we're taking. I met with the Minister of Health and Long-Term Care who is leading it, along with all of the ministers who have some aspect of mental health in their ministry. As Minister of Children and Youth Services, I have children's mental health services. So we are determined to develop a provincial addictions and mental health strategy.

We know that half the people on ODSP have a mental health challenge and we know that many on Ontario Works, especially those who have been a long time on Ontario Works, have a mental health challenge. We know that dealing with mental health and addiction issues is something we simply must address.

I want to tell you that we have just established a select committee on mental health, an all-party select committee, in the Ontario legislature. It's being chaired by Kevin Flynn. So I think this is an area that is very much under development right now. I think there's broad acknowledgement that there's much opportunity to do better here.

Mr. Ben Lobb: Okay.

One last question, Mr. Chair.

I know the strategy would be overarching for the entire province, but do you have any particular strategies focused on rural Ontario? As you know, I'm from rural Ontario. It's tough to provide centres in each individual town or community, so could you tell us a little more about your rural provincial strategies?

Hon. Deb Matthews: Yes, I sure can.

I have to tell you that several members of the committee were from rural Ontario. In fact, Carol Mitchell, from your Huron riding, is on the results table.

● (1225)

Mr. Ben Lobb: That's great to hear.

Hon. Deb Matthews: It's very important to us that we respond to the extraordinary diversity of the province. That's why we are encouraging each community—we are actually seeding it a bit—to develop local strategies that address the reality in their community.

There are some great examples in Northumberland County. They have a poverty reduction round table. They are working with other higher-level government programs, tailoring them to their own community, but they're also bringing in service clubs and retired people. All sorts of people are coming in at a community level.

We talked briefly about transportation. People living in poverty in rural communities face real barriers when it comes to transportation. There is a ride-share program in North Bay. They developed it at the local level. It's a volunteer organization. People pay $2 for a ride, and volunteers pick them up and take them to the grocery store, take them to the doctor's office. It is a community solution.

So we really are encouraging local communities to get together, to bring together their strengths and their needs. I just know that when they do work together, they'll be able to really provide a better quality of life and better opportunities for people in their communities.

Mr. Ben Lobb: Thank you, Minister.

The Chair: Thank you very much, Mr. Lobb.

We're now going to move back to the Bloc, to Mr. Lessard.

Sir, you have five minutes.

[*Translation*]

Mr. Yves Lessard: Thank you, Mr. Chairman.

Ms. Matthews, you are obviously very attuned to poverty issues. You also seem to be quite close to the people whose work is aimed at resolving these problems. Furthermore, you really seem to be quite on top of things.

I would like to come back to the issue raised by our colleague, Mr. Martin, relating to the federal responsibility. As a government minister in Ontario, you are probably quite aware of the way the federal government tried to deal with this issue and of the commitment made in 1990 to reduce child poverty by 50%, with the result that we know today.

Earlier, you referred to the need to develop a national strategy. We know that the Canadian Council on Social Development has recommended to the federal government to develop a national strategy to eradicate poverty.

Do you believe that the federal government should have such a strategy? If so, what should be its main components?

[*English*]

Hon. Deb Matthews: Of course I think there should be a national strategy. We weren't prepared to wait for a national strategy, but we believe we have to do this together. Canada is a different country in that we have strong provincial governments. That doesn't mean the federal government can abdicate its responsibility when it comes to issues like this. We are looking for engaging partners at every level of government. As we developed our strategy....

You know, I think it's not particularly clear who's responsible for what. We could get into that fight, but really, we will all benefit—we will *all* benefit—if kids have more opportunity, if people with disabilities have more opportunity. And if newcomers as well have better opportunity to put their enormous potential to work, we will all be better off.

We really have to do this together. We're approaching the 20th anniversary of the House of Commons resolution to end child poverty by the year 2000. I think it might be time to renew a commitment to ending child poverty. But we need more than a resolution. We need a plan to get there.

I'm pretty proud of what we have done in Ontario. We have set out a road map: here's what we're doing over the next five years. We know there's much more to do. That's why we're legislating an ongoing mandate of future governments to continue the fight against poverty. We know what we can do as first steps over the next five years, but we need to do more. With a willing federal partner, we could do more, and we could do it faster.

[*Translation*]

Mr. Yves Lessard: You certainly understand our dilemma. Of course, the information you have provided us throws some light on the issue but, considering your present responsibilities, you probably have some expectations from the Canadian government.

What would those expectations be in terms of priorities and in terms of Canadian responsibilities? I am referring to initiatives that should be taken without delay.

● (1230)

[*English*]

Hon. Deb Matthews: We lay out very, very transparently what we're asking the federal government to do. In order to meet our target of reducing poverty—and we're talking about income only—we need the federal government to increase the NCBS, not the CCTB but the NCBS, and we need an increase in WITB.

Child care is an enormous priority for us and for me as Minister of Children and Youth Services, but I have to tell you that in the initiatives we lay out, it's very difficult for me to say aboriginal is more important than.... It's all together. We've been very clear about what we need the federal government to do to achieve our target. We also have been very clear about what we need the federal government to do to improve opportunities for everyone.

It's a fairly short list. For me, I guess, the message I want to leave is that I don't think this is a partisan issue. I think that all of us have the same goal. All of us want our kids to do well.

All of us want people to achieve their potential and live in communities that empower kids and others, so let's work together to create the kind of Canada we all want.

The Chair: Okay, Mr. Lessard.

[*Translation*]

Mr. Yves Lessard: I have a very short question, Mr. Chairman. It will only need a yes or no and we will deal with the details later on.

[*English*]

Hon. Deb Matthews: I might not answer with a yes or a no. We'll see.

Some hon. members: Oh, oh!

[*Translation*]

Mr. Yves Lessard: Considering the strategy that you are implementing in Ontario and the fact that we are now being faced with a significant economic crisis, are you going to have to review your objectives in the short term? You may just tell me yes or no and we would continue the discussion later on if you say yes.

[*English*]

Hon. Deb Matthews: That's more than a yes or no question.

We're very transparent. Our success at meeting our targets depends on federal engagement and economic growth. The economic growth numbers we used when we released the strategy were based on the consensus of the economists of the day. Things have changed. I don't for a minute underestimate the difficult economic challenges that we are going to be facing.

But this is a five-year strategy and I'm not sure that anyone is prepared to predict what will happen over the next five years. What we know for sure is that kids in Ontario are going to be significantly better off as a result of this strategy. Achieving the target depends on factors, some within our control and some beyond our control. Our target remains and I'm optimistic that we'll achieve it.

The Chair: Thank you very much.

We're now going to move over to Souris.

Five minutes, Mr. Komarnicki.

Mr. Ed Komarnicki (Souris—Moose Mountain, CPC): Thank you, Mr. Chair.

Thank you, Ms. Matthews.

I'm just trying to take in your answer. Are you saying, then, that the economy may well have an impact on how well you meet your targets? Is that what you're saying?

Hon. Deb Matthews: Yes, absolutely. When we were modelling, we didn't want to put a target out there that we couldn't achieve, so we spent some time doing our homework to determine exactly what we would need to do to achieve that target. It's never perfect, but we have confidence that we can achieve that target. But one of the assumptions in our modelling was economic growth over the next five years, so—

Mr. Ed Komarnicki: So there may be a bit of an interruption in terms of how good the economic growth may or may not be?

Hon. Deb Matthews: Exactly. We're not in denial about that. We know that these are very difficult economic times. Families are being severely impacted. That's why it's more important than ever that we're there to support families.

Mr. Ed Komarnicki: I gather you're pleased with Budget 2009, the federal budget, at least with respect to the working income tax benefit and previous initiatives with respect to the child tax credit and the national child benefit supplement. You feel there should be continuing progress in those areas, I gather.

● (1235)

Hon. Deb Matthews: On the WITB, yes. Just weeks after we released the strategy asking for that initiative, there it was in the budget. That was good. That was good success.

I want to be clear about the difference between increases to the national child benefit and the CCTB. The increases to the CCTB have a very moderate impact on poverty reduction because they actually increase the income of those who are already out of poverty. The NCBS, which goes to those with the very least—incidentally, those who will spend the money as soon as it arrives, and it will be spent and it will be spent locally. That NCBS money is really what we need to address those living in greatest poverty.

Mr. Ed Komarnicki: I know that one of the previous witnesses indicated that whether you're a single-income family or not, the disincentives—if you want to call them that—to employment are built into the system because of the various programs, and they're applying one at a time. However, when you look at the cumulative effect, there may be disincentives for single moms actually going out and working at a particular job.

Also, there's a certain amount of churn in the first six to nine months when a person gets a job. His view was that this hasn't been addressed sufficiently. I suppose it's the same thing with the social assistance or other programs you may have provincially. Have you done an identifier of the kinds of things that would inhibit people from wanting to go forward in actually becoming employed and staying employed? Can you comment on that?

Hon. Deb Matthews: I sure can. When I was parliamentary assistant to the Minister of Community and Social Services, I actually did a report that focused exactly on that: barriers to employment for people on social assistance. I wrote a report, and we have moved on almost all of those initiatives.

The Ontario child benefit is a very important piece of what we call lowering the welfare wall. I don't particularly like that language, but reducing those barriers to employment. The Ontario child benefit goes to people on social assistance, but it also goes with them as they move to employment. As said earlier, the incentive to work for that single mom with a couple of kids.... There was no incentive to work. Now, with the changes that are under way, there is an incentive to work.

I have to put one caveat on that. If she has to pay for child care, that has a very major impact on her incentive to work. Having access to subsidized child care is very important when that woman makes her decision about whether to work or to be on social assistance. We've actually started to see a reduction in the number of single moms on social assistance since we've brought in some changes to our rules. We want to see more of that. If you talk about untapped potential, a great amount of untapped potential when it comes to our labour market is single moms who may have an education and all of the skills required to work but need access to child care and need the money.

The Chair: Thank you very much, Minister.

We're now going to move to Ms. Minna. You have five minutes.

Hon. Maria Minna: Thank you. I just have a few questions.

First, you mentioned earlier that the kids with early childhood education do better and that the scores in EDI show it. Do you have reports to that effect that maybe this committee could have? I think you mentioned the Toronto district board. Should I call the Toronto district board first?

Hon. Deb Matthews: The Toronto District School Board—

Hon. Maria Minna: Is that one and the same thing? Is that where the EDI results are coming from?

Hon. Deb Matthews: No. The Toronto District School Board was actually.... I think it was grade three or grade six EQAO scores—grade three EQAO scores. They did it by income and also by race.

● (1240)

Hon. Maria Minna: And the EDI.... That's not the same thing as EDI?

Hon. Deb Matthews: EDI scores are collected, and I'll get you information on EDI scores. I know that in the city of London we've actually mapped them, so you can easily see the overlay between EDI and socio-economic status. It is as clear a correlation as there is.

Hon. Maria Minna: It would be helpful to get something. That would be great. I really appreciate that. Also, earlier you made reference, when you were speaking, to developing a social policy institute. Is that an oversight or kind of a...? Maybe you can just tell me what its role is supposed to be.

Hon. Deb Matthews: Here's what I hope the social policy institute will be. Washington State has a similar policy institute that policy-makers can actually turn to if their goal is, for example, to increase EDI scores in low-income neighbourhoods and they want to know what the research says is the best way to achieve that goal.

Hon. Maria Minna: Can they monitor, then, and watch it and—

Hon. Deb Matthews: They can look at existing research. They can identify gaps in research.

We need to build the body of research that tells us where best to spend our money. We—

Hon. Maria Minna: That makes sense. You can't evaluate later if you don't have the basis on which to go forward.

Hon. Deb Matthews: We need the evaluation. We need good evaluation that tells us where best to spend our money.

Too often, with respect to all of us in elected life, policy decisions are based not on the evidence but on other factors. So we need to look to the evidence, because these kids are too important. Our economy—

Hon. Maria Minna: I want to congratulate you on that, because it's not often that a policy is set up and then a body is set up to oversee it to give you the information, which is actually a very good thing to do.

Hon. Deb Matthews: We also need to tap into all the research that's happening at our universities. I think there is a gap, a disconnect, between academic research and public policy. So we need to bring that together. In a perfect world, I would see big research projects, with many partners and graduate students working on a big project, rather than a number of isolated—

Hon. Maria Minna: That's fantastic, because it keeps us all updated.

My last question, which is important to us, is whether you have developed indicators and the kinds of indicators you are looking for to see whether or not you're meeting your targets.

Hon. Deb Matthews: We sure have. And if you look at chapter 5, actually, on page 36—

Hon. Maria Minna: I haven't read your report yet, but—

Hon. Deb Matthews: —you'll see we have eight indicators.

I can tell you that the McGuinty government is all about measuring our progress. We believe that by measuring, we actually move. So whether it's wait times or class size, or whatever our initiative is, these are the eight indicators that we landed on: readiness to learn; progress in school; graduation rates; healthy birth weights—because people in the world of health say healthy birth weight captures a lot; income measures; 50% of the median income; 40% of the median income. We have two measures we want to develop: the deprivation index and a core housing need measure. There is one measure that exists now, but we don't get the results quickly enough to actually move on them. So we're—

Hon. Maria Minna: What about family structure? Sometimes if there are problems in a family, mental health or addiction or what have you, the money may not be spent—

Hon. Deb Matthews: These are the eight indicators that we're starting with. But we know that as we go forward this may change.

We were quite taken by the New Zealand wheel. I don't know if you've had a chance to look at that, but there are a number of indicators that can tell you how you're doing on a number of different factors, all of which are important.

I think it's a mistake to pick one and say that's the only one we're watching. I think you need to understand the range of indicators.

So those are the eight. As I say, they aren't carved in stone. We will continue to develop indicators. And if this legislation that's before the House now passes, every government from now on will be mandated to report annually on indicators and set a target.

● (1245)

The Chair: Thank you.

Minister, we want to thank you for taking the time out of what I know must be a very busy schedule to be here today to share with us what's going on in Ontario.

We have some other committee business we need to deal with.

Again, thank you for taking the time, and we wish you all the best.

Hon. Deb Matthews: Thank you very much. I've enjoyed every moment.

The Chair: I have a couple of things that I want to throw out there as we consider the schedule.

We will have a working schedule prepared for when we get back from the break so we can look at what we're going to do.

I'm proposing right now that we look at travel dates. I just want you to mark this down. We don't need to have any discussion. I want you to look at it and consider what we have to decide collectively when we come back, just so we can prepare accordingly.

I'm suggesting that we travel for the first three days of the last week in April and that we possibly fly out west. This would be half the committee. We would fly out on the 26th, spend a day in Vancouver, a day in Calgary, and a day in Winnipeg, and then be done on the 29th for that leg of travel. These are suggestions based on witnesses we have. I know there was a lot that people wanted to do, but I'm going to throw this out for discussion after the break week.

The next thought was to perhaps travel out east, leave after caucus on May 6 and travel to Montreal, and then finish in Halifax on May 8.

The last suggestion for travel, if we are going to break this up into three parcels, is to leave again after caucus on May 27 and spend two days in Toronto, May 28 and 29.

I know people have requested other towns and places. We can travel according to what you think. I just want to throw this out there for you to look at your schedules and try to figure out how we're going to fit it all in. We might decide to add more days or to do different things.

That is what we're going to consider when we come back from the break. We're going to try to fit in different witnesses. We can have some discussion on whether we need to do more or do less, but we'll have to come up with consensus from the group as to what we plan on doing.

I know last time we spent two weeks. We went out one week and came back the following week, and it was a lot of work. So the suggestion was that we break it up a little bit. We're suggesting these as possible dates, as far as that goes.

Mr. Martin wanted us to participate during the break week in May. We need to have some discussion about that when we come back, because my question is, do you people want to give up your break week to travel? We have not scheduled anything yet, because it has to be approved by you. The conference takes place in Calgary during the break week in May.

I just throw these dates out to you to think about during the break week. We're going to have to come back and approve a schedule so that people can start doing these things. If anyone wants to change these things, we're going to need to decide that collectively and determine what we need to do.

The break week starts May 18, and Mr. Martin has suggested that we travel out there that week for the conference. We're just talking about those dates right now, as far as that goes.

I have to remind people that we talked about possibly having meetings on May 18. However, May 18 is a holiday Monday, so I think that would be a challenge for us. We may need to do something different.

I am going to take a couple of names. I don't want to spend a lot of time debating the schedule. I want you to think about it and come back after the break, and we'll look at what we're going to do and come to some consensus. But I certainly will take any points that need to be made at this point in time.

Tony, and then Mike.

Mr. Tony Martin: First of all, I would really appreciate something in writing with those dates on it.

The Chair: When we come back, a calendar is going to be laid out that we will need to approve. I just want to throw those dates out there for you to think about.

Mr. Tony Martin: I want to think about it over the week. It would be nice if I had it in writing.

The Chair: Sure. We'll send it out.

Mr. Tony Martin: We all have busy schedules and we'd like to look at that.

Secondly, you had indicated that you were going to pull together a subcommittee meeting to look at this. You've obviously made up your own mind about suggested dates. We could have done it in collaboration.

The Chair: I absolutely haven't made up my own mind. I'm throwing dates out for some suggestions. There are a lot of people who want to hear witnesses and we could be here through the whole summer.

As a committee, you're going to have to decide who we're going to hear and who we're not going to hear. By all means, that's why this is not just coming out of the meeting. We looked at trying to determine break weeks and request what you guys wanted.

If we think we need to go back to a subcommittee meeting, Tony, I'd be more than happy to do that. I just want you guys to start thinking about this, because the clerks, in all fairness to them, need to have some time to prepare the witnesses.

● (1250)

Mr. Tony Martin: Okay, but the issue isn't going back to a subcommittee; we haven't had one yet. Subcommittees have worked well in the past to narrow it down and have more fulsome discussion on these kinds of things.

My second point is, did you circulate to everybody the letter that came from CCSD? You did. Okay, good. It was to indicate the different options in terms of that conference.

Again, not to belabour the point, that will be a gathering of hundreds of people from across the country who have been studying, working in, and considering poverty, from business to labour, to academic, to government, at all levels, and it would be a shame for us to miss it and not participate in some way and take advantage of that gathering and to include that in whatever final report we put together.

Thank you.

The Chair: I'll also mention that the dates we send out to everybody include the conference dates.

Michael, I don't know what you're going to talk about, but we're also mentioning the other thing as well.

Mr. Michael Savage: Just a quick point on the schedule.

In looking at being out in western Canada the last week in April, as the Liberal Party policy convention is the weekend starting April 30, would it possible to arrange the meeting so that we end in B.C.?

I'll leave that for your consideration. If it's possible, that would make it easier than coming back to Ottawa and then going back out.

You're all welcome at the convention as well.

The Chair: Observer status.

Mr. Michael Savage: Can I bring my second issue up?

The Chair: Most definitely, you can bring it up.

Mr. Michael Savage: The other thing I wanted to mention, colleagues, and I mentioned this to a couple of people, is that last year I spent a day in a wheelchair for the Canadian Paraplegic Association. It brings attention to the issues of persons with disabilities. This year, on May 7, the CPA and some other organizations are asking MPs if they're interested in spending a day in a wheelchair. A number of our people are looking at doing it, and for anybody on this committee who is interested in doing that, we could arrange that as well. You start at 8:30. Steven Fletcher is very much involved in this, and they're looking at a number of activities. If you're interested, you can let my office know and we can put you in touch with the Canadian Paraplegic Association.

The other thing is that since we are doing a study on poverty, and persons with disabilities are key components of any poverty study, I'm wondering if it's possible, depending on where we are, that we might arrange on that day to hear from witnesses and groups or people who actually have disabilities and are suffering from poverty. We don't have to decide this today. There will be some attention brought to the issue on the Hill on that day. It would be useful if we could arrange that. I leave that for your consideration over the break week. Perhaps we can discuss it when we get back.

If anybody is interested in spending that day in a wheelchair, it's a little bit of an insight into what it's like to be in a wheelchair. I can tell you from the experience last year that you learn a lot. It's not as easy as people might think. The thing is that we get out of the wheelchair at the end of the day. Lots of other people don't.

The Chair: Just a reminder, it's 8:30 until when?

Mr. Michael Savage: They want it done from beginning of day until end of day. There are some motorized wheelchairs. There will be senators who are going to do this. You have a choice, but I think they would prefer people to do the non-propelled wheelchair. It gives you more of a sense of....

I'll tell you, Parliament Hill, compared to the rest of the country, is well equipped for people with disabilities, but you will still find there are enormous challenges. Certain of the green buses accommodate wheelchairs. The idea is that when you get in the wheelchair you don't get out. You use the wheelchair-accessible facilities for the bathroom and everything else on the Hill. Some of the green buses will accommodate; I think every third one actually accommodates a wheelchair.

We'll learn more about it, but it's well worth the experience, and I think it would be useful for this committee, part of whose mandate is the responsibility for persons with disabilities, to take the leadership role in highlighting this issue on May 7.

The Chair: Thanks.

Mike, you can send all that information to Christine so she can circulate it. She'll include that with the dates.

Here we are talking about dates. If, as a committee, we think we should do this, that means rescheduling weeks. As I said, I throw these out there as ideas. Nothing is etched in stone. Nothing has been done, but we have to give the direction to the clerks.

I bring this up because this facilitates the discussion when we come back.

Tony, maybe we can meet as a subcommittee, if we want to suggest different dates. We can look at that when we get back on Tuesday, when we talk about some of the suggestions. Maybe we'll have the subcommittee look at that.

● (1255)

Mr. Tony Martin: On another point, I was under the impression we were going to be meeting most often over in the Centre Block and that room is televised. I thought our hearings would be televised, but I'm told we have to request that.

I'm moving a motion to request that, for any meetings we have in a room that has the facility to televise, we actually televise those hearings.

The Chair: We can look at that, but as you know, Tony, we go meeting by meeting to determine whether we can actually get those rooms. We will put a request in for them. I think that shouldn't be a problem.

I have a couple more on the list.

I have Mr. Lessard, and then I was hoping we could break. I have a meeting at one o'clock.

Mr. Lessard, you have the floor.

[*Translation*]

Mr. Yves Lessard: I shall be brief. I appreciate Mr. Savage's initiative. I would like to participate but not to learn what might gained by such an experience since it so happens that I have had to spend 18 months in a nonmotorized wheelchair in the past. I will do so as an act of solidarity. I will be there.

[*English*]

The Chair: Thank you.

Thank you once again.

With that, we'll adjourn.

Sorry. Mr. Cannan?

Mr. Ron Cannan (Kelowna—Lake Country, CPC): Mr. Chairman, my name was on the list. I'll be very brief.

I agree. It's about people with disabilities. It's about the visually impaired. I did a similar exercise in my riding with people with visual disabilities. You can put on a type of a visual impairment and walk around on the streets, which shows you the impairment in regard to the implication of curb cuts, for example, and the snow, and what that means for wheelchair accessibility. It helps with wheelchairs, but people with visual disabilities don't have the marked sidewalks. So there's a conflict in urban design for people with disabilities that's really interesting as well.

I think it's important to raise awareness for all people with disabilities and to do whatever we can to make life easier for them in regard to the challenges they face.

The Chair: Okay.

Ms. Minna.

Hon. Maria Minna: On the rooms, do we not book well in advance rather than meeting by meeting?

The Chair: Yes. It just depends on what other.... We have been bumped by the finance committee and some of those things before. I know that where we've been able to make a request, we're in there.

Thank you, everyone. Have a great weekend and a good break week.

The meeting is adjourned.

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