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Chair

Ms. Candice Hoepfner

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

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• (1545)

[English]

The Chair (Ms. Candice Hoepfner (Portage—Lisgar, CPC)): We will call our meeting to order. This is meeting number six of the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities.

We are very honoured and pleased to be able to welcome two honourable senators to our committee today.

Thank you, Senators, for being present. As you know, we are studying poverty and the federal contribution that can be made in Canada to poverty. I want to extend my gratitude to both of you, on behalf of the committee, for your presence here. I understand you both have committee meetings you are missing in order to be here with us today. Thank you very much for that.

An hon. member: Hear, hear!

Senator Art Eggleton (Ontario): As it turns out, our meeting was cancelled. I don't know about his.

The Chair: Well, we still appreciate your being here.

Thank you for the work you have both done on poverty and we look forward to hearing about what your report has found. We look forward to hearing about the work you've done. We believe it will make a very valid contribution to the work that's been done on this committee.

You each have 15 minutes to make a statement, and then we will have questions and comments from our members.

We will begin with Senator Eggleton, please.

[Translation]

Senator Art Eggleton: Thank you very much. It is a great pleasure to be here with you.

[English]

With my colleague Senator Segal, I was chair of the committee that prepared this report. He was the vice-chair of the committee, and we're partners. We go around talking about our report to those who are interested in it because we think quite passionately that it's an important subject for us to deal with.

To give you a bit of a background, over the past two years the Senate Subcommittee on Cities, of the Senate Standing Committee on Social Affairs, Science and Technology, in its study on poverty, housing, and homelessness, has held some 35 hearings, hosted five

round tables, and visited 20 agencies in nine cities across Canada. We had the opportunity to hear from close to 200 witnesses, some living in poverty and homelessness themselves, others working for community agencies or serving as analysts in university and voluntary organizations.

Quite frankly, what we heard was appalling. We found that a staggering one in 10 Canadians live in poverty. That's 3.4 million people, the equivalent of every man, woman, and child in Nova Scotia, Newfoundland and Labrador, New Brunswick, Prince Edward Island, and Saskatchewan all combined. For these people, our fellow citizens, every day is a battle with insufficient income, unaffordable housing, inadequate clothing, and unsatisfactory nutrition. Every day brings wrenching decisions about whether to buy groceries or pay the rent, whether to buy new shoes for the kids or make a mortgage payment, or whether to drop out of school and get a job to help the family. Just struggling to get by, these families can't even dream about getting ahead.

What's particularly disturbing is that approximately 800,000 of those living in poverty are children, a statistic that is all the more deplorable given the House of Commons' commitment in 1989 to eliminate child poverty by the year 2000. Instead we've hardly made a dent, with double-digit rates of child poverty in most provinces. It goes up, it goes down, but now is one of its higher periods.

Now we all understand the moral arguments against poverty, the jarring juxtaposition of suffering and want in a land of plenty, the unacceptable toll in terms of lives diminished, dreams deferred, and potential denied. What I don't think many people in this country realize is the economic cost of poverty: how it is costing each and every one of us, forcing up our tax bills, depressing the economy, increasing health care bills, and breeding alienation and crime. Today I want to examine those economic costs and outline some of the measures that we proposed in our report to lower them. Because make no mistake: with the demographic and economic challenges before us, we simply can't afford poverty any more.

A recent Ontario study guided by economists and policy experts such as Don Drummond, Judith Maxwell, and James Milway estimates that poverty costs this country about \$7.5 billion every year in health care and between \$8 billion and \$13 billion in lost productivity. And when you add up some other factors, it brings the poverty bill to over \$30 billion annually. That's more than half of the current federal deficit. Imagine what eliminating poverty would mean to our fiscal situation, to our ability to pay for education, innovation, health care, to our capacity to care for the elderly.

A recent report by the Canadian Chamber of Commerce puts the looming demographic challenge in stark terms. As our population ages and the growth in the working-age population slows, we're going to face significant labour shortages. A third of the entire workforce is set to retire over the next two decades. Put another way, we'll have about half the ratio of people working, paying taxes, contributing to pensions and health care as we do today.

In its report, the Canadian Chamber of Commerce also said that in order to address the coming shortages in our labour supply, we need to tap into the underutilized segments of our society: older people, aboriginals, the disabled, and new immigrants. Those are the very groups, along with lone parents, which is mainly lone mothers, that our study found are the most vulnerable to poverty. It turns out the very same groups that are languishing in poverty are the very ones we'll need to fill the jobs and pay the taxes of the future.

So here we have the intersection of two great challenges facing our society: the ongoing economic costs of poverty and the demographic time bomb of aging. The good news, and the tremendous opportunity, is that we can address both at the same time. Give more people a way out of poverty and we'll help fill the jobs that we need filled. Give more people a way out of poverty and we'll save billions of dollars that poverty is costing us all.

● (1550)

Now, it's not as if we're not doing anything about poverty. According to Statistics Canada, we spend \$150 billion every year in federal and provincial transfer payments to individuals. That doesn't include education and health care costs. So what are we getting for our \$150 billion? The short answer is not enough. Those numbers on children—for example, 800,000 living in poverty—are not just sterile statistics. They are a flashing red light.

We know, for example, that a child born poor has a greater chance of dying in infancy, and that if he or she lives, it's likely to have a lower birth weight and more disabilities. As they grow old, they're more likely to suffer from poor nutrition, poor health. They'll miss more school and slowly but surely fall further and further behind. Not surprisingly, they're less likely to do well and they're more likely to drop out of school. As adults, they will have higher rates of chronic illness. With poorer education, they'll earn less, they'll pay less in taxes, be less productive workers, have more health problems, and use more social services. All of that means higher costs to society.

Our committee also discovered something else, something more systemic about poverty in this country. We saw that decades of social policy-making by all levels of government, well meaning as it may have been, have resulted in two equally devastating results. First, even when all the programs are working as they should, the resulting

income is often only enough to simply maintain them in poverty. Second, at their worst, existing policies and programs actually entrap people in poverty, creating unintended but nonetheless perverse effects that make it almost impossible to escape the reliance and income security programs or homeless shelters.

Here's the situation. We spend \$150 billion a year. We have almost 3.5 million people living in poverty, including 800,000 children. Now, any corporation that spent \$150 billion on programs without achieving its goal would conclude that it needs reworking, and we should too.

There are some good signs, however. During our work we found examples of promising practices and programs—largely community-based—that actually do work, that do get people out of poverty and homelessness. We identify and we celebrate these initiatives in our report. But sadly these examples are pockets of promise in an otherwise dysfunctional system that must be overhauled.

Our committee studied the whole range of income security programs, from tax breaks to social assistance, from employment insurance to old age security and the guaranteed income supplement, and we make a number of specific recommendations—actually 74 in all—for improvement. We've suggested a number of specific changes to employment insurance to make it both fair and more effective.

On education and training, as you well know, success in today's fast-moving job market often depends on having the right skills. Simply put, there is a clear connection between the level of education achieved and the level of income received. Yet here we find a classic catch-22. For many, poverty keeps them from acquiring the kind of education and training they need and their lack of skills keeps them from getting the jobs that would lift them out of poverty.

Breaking this cycle is critical and breaking it begins in the earliest years of life. Study after study confirms that children who arrive at school ready to learn become adults prepared to succeed. Among our recommendations, therefore, is a nationwide federal-provincial initiative on early childhood learning. I emphasize learning, education, as opposed to just day care or babysitting by itself. Referring to early childhood development programs, Canada's Chief Medical Officer of Health recently reported that a dollar invested in the early years saves between three and nine dollars in future spending on health and criminal justice systems as well as social assistance.

We also witnessed firsthand the importance of middle school support for vulnerable children, for high school completion, as well as literacy upgrading for young adults and skills building at every age. That is why we propose offering additional tax support for post-secondary education for students in groups, like aboriginals, who are underrepresented in those institutions, as well as for initiatives that keep disadvantaged young people in school. According to one study, if aboriginal Canadians were able to increase their educational attainment to the level of other Canadians, our cumulative economic output would grow by an additional \$179 billion by 2026 and government tax revenue would be \$3.5 billion higher. That would be good for aboriginal peoples; it would be good for all Canadians.

We also looked at health, because there's a strong connection between being poor and having poor health. The poorest quarter of Canadians uses twice the health care services as those in the wealthiest quarter. In fact, according to Statistics Canada, poverty reduces life expectancy even more than cancer.

In our study we've also seen examples of tax credits that work well. The national child benefit supplement, for example, is putting money into the hands of low-income individuals and households. As a critical step to eradicating child poverty, we propose increasing the national child benefit to \$5,000 by 2012 from the current level of \$3,400.

• (1555)

The working income tax benefit, which supplements earnings for those with very low incomes, is another tax measure that holds great promise by making work pay. We recommend increasing this benefit so that no recipient would fall below the poverty line.

Because our seniors also deserve dignity in their retirement, we also recommend increasing the guaranteed income supplement so that no one there falls below the poverty line.

I'll just say a quick word on those struggling with disabilities. As a group, persons with disabilities are highly marginalized. They face exclusion from quality education, have lower employment rates, and are more likely to be poor. We believe what is needed is to provide a basic income guarantee for people with severe disabilities and, at least in the short run, to make the disability tax credit refundable.

Just as the guaranteed income supplement lifted tens of thousands of seniors out of poverty, a guaranteed income for those with severe disabilities would immediately take about 500,000 people off social assistance rolls.

Let me turn very briefly to housing and homelessness. I think all of us understand intuitively the importance of having decent shelter. A home anchors a person or a family. It provides the foundation for higher educational attainment and leads to greater stability in the workplace. Health experts also tell us that adequate housing is a key determinant of health and long-term health outcomes.

Today in Canada, at least three million are struggling to find affordable housing. When I say affordable, I am using CMHC's standard rule of 30% of income. We need to do better, and we need leadership from the federal government. Specifically we recommend adequate and sustained funding through the affordable housing initiative to increase the supply of affordable housing. We need to make the residential rehabilitation assistance program permanent,

and we need to make housing programs longer-term to reflect planning and development timelines at the local and provincial levels.

Addressing the issue of homelessness is not just about doing what is morally right; it's also about dollars and cents. The fact is that it is more expensive for all of us to leave someone on the street than it is to provide them with decent housing and support services. Just last week, Premier Stelmach of Alberta said that on average a homeless person costs society roughly \$100,000 a year, including health costs. The annual cost per person drops to about \$35,000 annually if that person is given a long-term home. These are Alberta statistics.

So we need to do a better job on both housing and homelessness. It's time the federal and provincial governments finally came to grips with this issue and developed a national housing and homelessness strategy.

Madam Chair, in closing, underlying our report is a simple common-sense premise that social programs should lift people out of poverty and not keep them there. It is time to give people the tools they need to lift themselves out of poverty. Poverty is not benign. It affects us all. It costs us all. We spend a lot of money and don't get the results we should. We don't need to spend more. We're not advocating spending more money. We need to spend smarter, more efficiently, and effectively.

In today's global economy, with the looming demographic challenge of an aging society, the importance of creating those opportunities and unleashing the creative contribution of those trapped in poverty is more important than ever. In a very real sense, the future level of our prosperity depends on addressing the current level of our poverty. Simply put, we can't afford poverty any more.

Thank you.

The Chair: Thank you very much, Senator. You actually had one minute left, so you were within the time very nicely.

We will now hear from Senator Segal, please.

Senator Hugh Segal (Ontario): Thank you, Chair.

[*Translation*]

Members of the committee, thank you for inviting us here to discuss our report.

Senator Eggleton has covered many of the findings regarding the Senate subcommittee's two-year study. And I agree completely that, in a country like Canada, it is unacceptable that so many of our fellow citizens find themselves in the untenable situation that is poverty.

I should like to concentrate on two specific recommendations set out in the report. The first is recommendation number 53, which states the following: “The committee recommends that the federal government develop and implement a basic income guarantee at or above LICO for people with severe disabilities”.

For Canadians with severe disabilities, there is absolutely no valid reason for them to be forced through the maze that is income assistance. And even if that maze is navigated successfully, this would be reason enough for the federal government to ensure a quality and standard of living that guarantees no disabled Canadian will live in poverty.

While the low-income cut-off is not a direct poverty measure, as we are so often warned by those studying the issue, it is currently the only measurement we have that provides accurate Statistics Canada numbers relating to this country’s neediest citizens.

Such a move would not only provide some measure of support and dignity for the disabled, but would also be an economically sound decision that would free up the costly bureaucracy that must deal with applications, reviews and evaluations.

•(1600)

[English]

Secondly, I sincerely hope the government will move forward with recommendation five, which states:

The Committee recommends that the federal government publish a Green Paper by 31 December 2010, to include the costs and benefits of current practices with respect to income supports and of options to reduce and eliminate poverty, including a basic annual income based on a negative income tax, and to include a detailed assessment of completed pilot projects on a basic income in New Brunswick and Manitoba.

And they have taken place in the past.

As Senator Eggleton mentioned, Canada currently spends more than \$150 billion in transfers to people every year, not including health care or education. The option of a basic income for all was first suggested at a Progressive Conservative policy conference 40 years ago under the leadership of Mr. Stanfield. After that, Mr. Trudeau and Mr. Schryer had a Mincome project to try a basic income in Dauphin, Manitoba, which had remarkable success. It was not very costly, but it had the effect of reducing some of the worst pathologies associated with poverty, which I'm glad to discuss in detail if your time permits.

[Translation]

The Parti Québécois government of the day made comments in favour of a guaranteed income, in the final year of its mandate before elections were called, and it was an integral part of a social solidarity concept considered fundamental by our PQ friends in the province.

Donald Macdonald, the finance minister in Mr. Trudeau's government, headed a royal commission on Canada's economic future.

[English]

Mr. Macdonald made a proposal in favour of a guaranteed annual income back in the 1980s, as part of the overall assessment of our economic future going forward.

We have evidence that there's a more efficient way of guaranteeing there is no one living beneath the poverty line than what we are now doing. We have evidence that there is a way to do it that is economically productive. We have evidence that we no longer have to subject people who live beneath the poverty line to the remarkable bureaucratic maze of rules they now face.

[Translation]

To cite an example, in my own province, Ontario,

[English]

the actual manual of administration for a caseworker dealing with welfare recipients, has 800 rules that have to be applied to every case.

[Translation]

There are 800 rules. We can really have a case worker with a huge capacity,

[English]

but that is an unbearable proposition in terms of day-to-day protection.

When you show up to file for welfare in some communities in this country, you are asked to sit down and see a movie about why you shouldn't file for welfare before you are actually allowed to file. By the way, the committee on rural poverty headed by Alberta's Senator Fairbairn of the Liberal Party found that the numbers in rural Canada were actually worse than the numbers in the city. About 15% of the population were living beneath the poverty line.

I know that experts and analysts from the Library of Parliament and others who will say that poverty is very complex, that it is the result of a series of other issues—lack of work, family division, substance abuse, crime—and that even the measure of poverty doesn't allow core policy decisions to be made. Well, if you take the measure of poverty that we've used in Canada for a long time,

•(1605)

[Translation]

Statistics Canada's poverty line

[English]

or the Fraser Institute's measure of poverty,

[Translation]

which is a bit thinner, as they say,

[English]

the average welfare recipient in this country is receiving \$11,000 to \$15,000 less per annum than either one of those measures, so the notion that we can't be certain about the measure constitutes a rationale for complacency that I think understates the problem fundamentally.

I have one final point.

[Translation]

From time to time in Canada and in the provinces, there is talk of a vision for society. So if we do not consider the notion of poverty, of eradicating poverty, of reducing poverty, of creating equal opportunities for all, as a vision for society,

[English]

I don't know what else would qualify, because for every single pathological criminal activity filling the prisons and filling the hospitals, poverty makes it worse.

I'm not of the same party as our colleague here, and as a Conservative I'm not sure the government can solve all these problems or should even try, but I do know this: we solved the problem for seniors when in the 1970s a series of governments decided that if you reach 65 years of age in this country and you file your taxes, you should be topped up. We took the level of poverty in the 1970s from 30% to about 2.9%. It has now crept up a little.

[Translation]

And all the governments have done it, the Grits, the Tories, our separatist friends, the NDP, everyone has done it.

[English]

Why? It was because we had a common respect for our senior citizens, and guess what? If you look at the OECD studies now, Canada is in the top five with respect to how well our senior citizens are doing. We are doing better than a whole bunch of other countries. Where we are doing horribly is in working-age Canadians *dans toutes les provinces*. In terms of working-age Canadians, we rank about 17 out of 18 in the OECD.

I think the principles are there, and both I and my colleague Senator Eggleton are honoured to be here and are delighted that your committee would take on this task, because while we understand the Senate on occasion can have a smidgen of influence, we respect where the decisions are made and we look to your leadership on this front.

Mille fois merci.

The Chair: Thank you very much, Senator.

We will begin our round of questions. The first round will be seven minutes. As you know, that includes questions and answers.

We will begin with Mr. Savage, please.

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

It's a very great pleasure for us to have the two senators here today. We thank you for taking the time to be with us and, more particularly, for taking the time to do this very thorough study on poverty.

I know Senator Eggleton is a strong voice on this issue in our caucus and around the country. I know Senator Segal is the same. I've had the chance to hear him talk about his position on many occasions.

I think you slightly undersell the Senate. The Senate has done some of the most important work that's come out of Parliament in the

last number of years, which has led to some of the most constructive developments in Canadian society. Through this report, combined with what we produce in this committee, I hope we can have the same kind of impact on social issues and particularly on those who currently live in poverty.

Senator Eggleton had kept me informed as much as was appropriate throughout the process. When I got the final report, I went to the issue on basic income, particularly for those with disabilities. Of the two recommendations that you refer to, one is to publish a green paper to look at income support and basic income. I want to make reference to and speak about recommendation 53 and the issue of people with disabilities.

You quite correctly mentioned that we have had a big impact on poverty among seniors. There are still high rates of poverty, particularly for single female seniors, but we've made a difference through GIS and OAS combinations. A number of folks have asked about how to do this for people who have disabilities.

There are a number of very interesting and unfortunate facts outlined in your document on how Canada is currently doing. On page 130, it says the benefit levels for people with disabilities "had declined in real dollars in the period from 1997 to 2005, by percentages ranging from 1.5% in New Brunswick to 19.2% in Prince Edward Island. In seven of 10 provinces, assistance rates in 2005 for persons with disabilities were the lowest they had been since at least 1986."

We then come to the issue of a basic annual income for people with disabilities. I want to quote one other thing from your article. Michael Mendelson makes reference to the idea that "we would end up going from a class D country for people with disabilities to a class B+ country for people with disabilities—not quite A+ yet, but we would be much better."

In fact, I don't think Canada does very well in terms of people with disabilities in this country. Could you talk a little about what kind of difference the basic annual income for people with disabilities would in essence make?

• (1610)

Senator Art Eggleton: For people with severe disabilities, a measure such as a basic income, as we're proposing, cries out for attention in the same way it did for seniors a number of years ago. As Senator Segal said, we were able to make massive changes for seniors in poverty. We have a guaranteed income program for seniors. We're saying that we know how to do that. Let's do it for the severely disabled.

When we talk about the severely disabled, we use the kind of definition that's used for CPP. I think one or two other institutions use this. It's a very precise definition.

We have to remember that with some training and further education, there are a lot of disabled people who are quite capable of getting jobs or at least part-time jobs and who are able to contribute to the economy. Believe me, through the course of this study, I've met a lot of them who really want to do that. We want to give them that opportunity. But for people with severe disabilities, some people may not live long and some people are not going to be able to find employment. Let's face up to that and give them a decent standard of living and at least some decency in their lives.

By doing that, we would take a lot of them off social assistance. Social assistance is a very degrading thing for many people to go through. They have to surrender their assets and go through lots of hoops and mazes of rules. It's very difficult for many people to cope with all of that. I don't think they deserve that. I think, like our seniors, they deserve something better. It would take half a million people off the social welfare rolls of the provinces.

One of our other recommendations—I think it may be the one that follows it—is that we should work with the provinces. If this is going to be a federal role, as in other programs for seniors, then let's make sure some of the money that the provinces are saving goes to help other disabled people get jobs, training, or whatever support services they need. From talking to many people, we certainly heard that concept, and it's a concept that we're endorsing.

Senator Hugh Segal: I would only add that one of the benefits of federal leadership on this issue is that if you think about the transfer programs that now exist between Ottawa and the provinces, of which a portion goes to social welfare spending, a portion to post-secondary, and a portion to health care, and if you think about the implications of those being cut by a third back in the 1990s for what appeared to be unavoidable fiscal reasons at the time, each province has its own matching proposition, where the feds contribute and they contribute. If the federal fiscal system, through refundable tax credits, brought people above a poverty line, many of them would no longer be eligible for provincial welfare, which would then open up the provincial option of using their matching dollars for whatever they want: education, further investment in health care, programs around child nutrition, whatever fell within provincial jurisdiction that the provinces wanted to pursue in their own way.

• (1615)

[Translation]

In a general sense, I am for confederalism. That means that I believe in the equality of the provinces and the federal government, in certain parts of the constitution. If we use the federal government's tax authority, it will free up resources for the provinces and allow them to work towards their own objectives, in a manner that recognizes social instruments, especially in Quebec and the other provinces. The provinces have the right to use them as they please.

[English]

Mr. Michael Savage: Thank you, Chair.

The Chair: Thank you, Mr. Savage.

Monsieur Lessard, s'il vous plaît.

[Translation]

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

Thank you for being here. I must tell you that we are always glad to meet with people who make a contribution to the poverty debate. I am especially pleased because I have followed your work from a distance, as have my committee colleagues. It is refreshing to see that your analysis and findings are very similar to ours even though you are not of the same political stripe.

You may be surprised, but I am going to approach the poverty issue from a different perspective altogether. As my premise, I want to use a couple of the statements in your report, as they sum up the situation quite well. You said, "The economic and social costs of doing nothing about poverty—more than \$20 billion—are more than we can afford." It seems to me you are saying that we should no longer consider money spent on helping people out of poverty as an expenditure, but rather as an investment.

I will now quote Tom Gribbons: "Fundamentally, people do not want to live better in poverty, they want to get out of poverty."

That brings me to what I want to say. Just as a number of others have done, you covered in your research almost all the areas where poverty occurs. I learned that Senate subcommittees had studied the issue of urban aboriginal youth specifically. You also studied poverty in rural Canada. And you have just done a study on the ageing population in urban communities.

On November 15, 1999, the House of Commons passed a resolution seeking to eliminate poverty, especially child poverty. Since 2000, things have been pretty well the same. The problem is not that we are uninformed when it comes to poverty but that we do not take the measures necessary to fight it. There is also the fact that some policies make the problem worse. There are aggravating factors with respect to poverty.

During the period when we were supposed to eliminate poverty, we made decisions that made it worse. Housing is an aggravating factor. Funding provided to the provinces for housing was cut for 10 years, during that time. A maximum number of people were excluded from employment insurance, municipal infrastructure funding was cut, a whole slew of resources to support aboriginal communities were taken away, and transfer payments for health and education were cut, while shifting responsibilities to the provinces that they could not assume. And I could go on and on.

• (1620)

[English]

The Chair: Excuse me, Mr. Lessard, you have seven minutes and you have three minutes left, so you may want to get to the question.

[Translation]

Mr. Yves Lessard: Yes, Madam Chair, but with all due respect, I can use my seven minutes as I see fit.

[English]

The Chair: I just wanted to let you know.

[Translation]

Mr. Yves Lessard: Yes, I am well aware, and I would appreciate it if I still had my three minutes.

[English]

The Chair: I just wanted to let you know.

[Translation]

Mr. Yves Lessard: I realize that this is a bit long. I know that you probably do not have the answer here. But I wanted our committee to ask about it, and I wanted to hear your thoughts on the subject.

Have you thought about it? Have you had a chance to think about what we can do to avoid what happened in the past? Are we in the midst of redoing the work for nothing?

It is not that no efforts were made. Provinces were equipped with programs, even antipoverty legislation. There was also a daycare system. Initiatives were undertaken, such as the Kelowna Accord with respect to aboriginals. And then another party came to power and did away with it. That is also what happened with daycare.

I am a bit all over the place in my comments, but I want to tell you that we are up against a wall, despite all our best efforts to make recommendations.

Senator Hugh Segal: Thank you very much.

[English]

The Chair: Just to let you know, you have about one minute.

[Translation]

Senator Hugh Segal: It is our opinion, as well as the opinion of those who worked on our report, that we need to take what we call the no-fault way forward approach, in other words, a plan that does not assign blame, regardless of the party or the province. It does, however, point out best practices in certain provinces. Newfoundland, for example, wants to take action to ensure that everyone lives above the poverty line. They have done some extraordinary things with the large amounts of money coming from the energy sector. Quebec has also taken some important measures, including \$5 daycare.

The green book, which provides an analysis of best practices and mistakes that were made, contains some initiatives that can be carried out in conjunction with one another, as part of a vision for society. Perhaps the best way to put partisanship aside is to work towards a better society by truly improving the situation of people who everyone at this table wants to serve well.

[English]

The Chair: Thank you.

Senator Art Eggleton: Do I have time to add something?

The Chair: There's literally 10 seconds left, so if you would like to wrap up....

Senator Art Eggleton: There have been mistakes made in the past. We have to be careful about what we do in the future to avoid hurting the most vulnerable in our society. We have not paid enough attention to that. We need more political will, more focus on the most vulnerable.

The Chair: Thank you very much.

Mr. Martin, please.

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

Again, thank you for the good work that you're doing. I want to say right at the outset today that I'm hopeful, probably more hopeful than I've been in a long time, that we might actually get to a place where we get something done. We're not arguing any more about whether there is or there isn't; I think we all agree there is. We've begun to measure it, we've identified some of the groups that are most at risk, and we also, I think, agree that the federal government has a role to play.

You've tabled a report. We're going to table a report soon based on the work we're doing, offering suggestions as to things that can be done.

The one suggestion that I have certainly heard from you, Mr. Segal—and I believe Mr. Eggleton supports it as well, because it comes out in some part in your report—is the recommendation that there be a guaranteed annual income. Just as we found ways for children with the child tax benefit and for seniors with the GIS, for working-age adults...some kind of a guaranteed income.

I guess the first question is this. Can we afford to do that? That, I would suspect, is the first question any government would ask.

• (1625)

Senator Hugh Segal: We made various requests to the Library of Parliament and other organizations in terms of the notional cost. Now of course how you design such a program will have a huge impact on the notional cost. As someone of the conservative persuasion, I'd be concerned about spending more than we are now spending in the social envelope. I think basic income done through a negative income tax would in fact be more efficient and take a lot of the middlemen out of the process. It would provide better support for those who need it more efficiently.

The number we have heard is anywhere between \$25 billion and \$32 billion in terms of a federal fiscal impact once the program was at full bore. But if you take what Senator Eggleton said earlier into account, namely, when you reduce poverty you reduce demand on the health care system, you reduce demand on the judicial system.... I have a crown attorney in my Senate district who will say to me that if there were no poor people in her county, she wouldn't have any business in terms of the youth diversion program she tries to run to keep kids out of prison. They all come from those kinds of families in deep financial difficulty. Plus you'd have the savings for welfare in the provinces. So in essence that's why we need to do a detailed costing paper, which is what our committee recommended.

You may find that a very modest seed investment at the outset will begin to produce a return on that investment. That actually indicates that we're no further behind in terms of total expenditure, but we're targeting it better. If you do it through the tax system, you protect people's privacy. You increase their compliance incentives and you do it in a fashion—as we now do with the GST tax credit—that is automatic. So you avoid all of the middle structures that are costly both to the provinces and to Service Canada—the federal government—and some municipalities.

We think it's workable, but we think you have to have a detailed costing so all the issues can be on the table. We should do it in a kind of open book approach, because that's the only way we can make progress.

Senator Art Eggleton: If I may, I'll add to that. We had a round table just on this one subject. While we got various opinions, we said this is worthy of further examination. But it's a big move and we wouldn't want to hinge this whole report on one big move. So we said this needs some further fleshing out, and that's what the green paper is all about.

Meanwhile, we've been very definitive about a basic income for the severely disabled, as I pointed out earlier. We've also put in here—74 recommendations in all—a number of measures that could be taken to help lift people out of poverty. We recognize that any big move, such as a basic or a guaranteed annual income, is going to take a while. It's going to take a lot of discussion, a lot of fleshing out. It's been recommended before and nothing has ever happened. It's been recommended by a number of people, as Senator Segal said.

We need to start relieving people of poverty now. So there are recommendations in here that are short term, medium term, and long term. So it gives both houses of Parliament, who deal with these recommendations, enough options to see how you can go to correct the situation. It's just a patchwork quilt of programs and policies and criteria. We have taken as our basic position that we want to lift people out of poverty.

Here are a number of ways that we think it can happen in a timeframe that is either short, medium, or long term. So we're asking government to look at these, and they may pick some, they may not pick others. We hope you pick most of them. And if you go whole hog with what Senator Segal is advocating—the basic annual income—then of course a lot of these others won't be necessary. But it will take a few years. Meanwhile we need to relieve poverty now. Remember, again, you've got an aging population. Poverty is costing us a lot. We need to spend money better.

It's like health care. We're talking about the need to bend the curve on the rising cost of health care. We're saying we've got to get more prevention. We've got to invest those dollars a little differently to prevent these kinds of costs from continuing to rise. Well, we need to do the same thing with poverty, and particularly with an aging population.

Mr. Tony Martin: I've got a minute left.

I appreciated the comment—and all of your comments—about the economic cost. I think it's important that that be put on the table; we can't afford poverty any more.

But when you bring it forward to the powers that be, there's the cost, and then there's this robot that's always there saying that people should pull themselves up by their own bootstraps. It's the attitude of the deserving and undeserving poor.

Did you do any thinking about that? How do you get past that?

• (1630)

Senator Hugh Segal: Let's just look at the facts now: 48% of the people who live beneath the poverty line, all over Canada, are working; and in some of those homes, they're holding down two jobs

at minimum wage, which is insufficient to actually meet their requirements. They're still beneath the poverty line.

So the notion that a whole bunch of people are sitting around drinking beer and watching television is one of those myths.

Will there be gaming of the system? Of course, there will be. There's gaming of the system now.

And what kind of disincentive does the present welfare system impose? We had one case of a young person who applied to get a Province of Ontario student loan, because as a single mother she had worked herself into the circumstance of getting admitted *à une institution postsecondaire*. The minute she applied for the student loan she was cut off welfare.

[Translation]

That shows just how much the system goes against the real needs of our fellow citizens.

[English]

We know that if she goes to school, her chances of paying taxes, being a solid contributor, are huge, yet we have a provincial system that has been in place under various governments—*cela n'a rien à faire avec la partisanerie*—that actually penalizes her for trying. That's where we have to say something here is fundamentally wacko.

The Chair: Thank you, Senator.

Mr. Komarnicki.

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

Thank you for your presentation. You have certainly put forward some thought-provoking suggestions, and perhaps they're required.

I found it interesting that you said many of the programs we have today are patchwork programs that have been created over time, and maybe some of them are counter-productive in terms of what they're trying to achieve.

If I look at the seniors, I agree with you that we have certainly done quite well. I think we have reduced the poverty rate to about 4.8% as of 2007, which is certainly significant when you compare it worldwide. We have used the OAS and the GIS fairly significantly. That's about a \$34 billion bill.

I noticed that on the EI side you made some suggestions about how you might help those who have been attached to the workforce longer, and we've put in some measures more recently for long-tenured workers. I look at the suggestions regarding the self-employed; we've done some of that. And you talk about EI training and skills upgrading. We've invested \$1.5 billion, on top of \$2.8 billion that is going to the provinces.

So there are significant dollars going forward. But have you done a costing of what your recommendations might entail? Forgetting the offsetting economic benefits that may come, putting that aside, have you done any costing of your suggestions, based on what already exists, compared to what you would like to see, using the existing patchwork of programs?

Senator Art Eggleton: We have not done a detailed costing, but we have operated on the premise that we spend enough money now. We believe these can be done. It's a change of focus, just like we're talking about in terms of health care. The costs keep rising. We know we have to curtail the rising costs. We have to put more money into prevention, just as we need to here as well.

We need to refocus. There's a lot of money out there: \$150 billion goes to individuals. Some of that's pensions and stuff like that, but a lot of it is social assistance. But it's all designed to give individuals a decent standard of living. We believe in a refocusing of that money.

I gave you an example where the Premier of Alberta said that giving people a home with supports would cost about \$35,000, compared to \$100,000 to keep them on the street, because shelter costs are high, or they go to emergency rooms at hospitals, or they're in and out of the criminal justice system or have addictions. There are all sorts of problems that they carry with them. Well, why wouldn't you take the \$35,000 instead of the \$100,000? That's obviously an improvement to the public purse.

We found statistics like that in the rest of the country as well. So by changing the focus, the committee doesn't think we need additional money.

There's also going to be transitional money, transitional as you go from one system to another, but at the end of the day, we'll save an enormous amount of money: \$30 billion in costs in health care and lost productivity. That's an awful lot of money.

Mr. Ed Komarnicki: That raises two other points. It's interesting, because when asked what might you do, your suggestion was to freeze the national child benefit at \$5,000 and to increase the working income tax benefit, which is quite popular, and the GIS, which is an existing program.

So my question to you is twofold. First, in terms of spending the money better, and if you're using the same money, which programs you would cut and which you would increase, you've indicated some that you'll want. How would you realign it? Did you do anything with respect to that?

• (1635)

Senator Hugh Segal: Can I answer that?

Mr. Ed Komarnicki: Sure.

Senator Hugh Segal: This is the old notion that social policy and social justice are a zero-sum game. I could ask you—you cut the GST, which I support one hundred per cent—can you tell us how cutting the GST helped poor people? We know we did it to help poor people because low-income people pay a higher percentage of their income in the GST. It was a good policy. I support it.

A whole bunch of people will ask what other programs we could not do because we cut the GST. And our response, which I support one hundred per cent, has been if you help people in their day-to-day

lives stay involved economically, there will be returns. If the people who stayed in the workforce, because they could afford to, invested in some home renovations, that generated jobs and return.

We're making the very same case here. We're saying that if people who now live below the poverty line—costing a huge amount to the welfare system and to the criminal justice system and to the health care system and to the prison system—are left where they are, the burden on the taxpayer will get larger over time. And demographics will make it worse.

Our proposition, with respect, is that we should cost out very carefully the net benefits of what has transpired with existing methods. That's why we're calling for a green paper from the government that points to the issues you're raising, which I think are very constructive, so we could take a look at the net benefit and the net return.

When the Minister of Finance brought in the WITB program, it had a cost. But it also had a huge benefit to the economy, in my judgment. When the minister brought in expansion to the employment insurance program, it had a cost but also a real benefit to the economy.

We're of the view that nothing in this report should go forward unless it produces a benefit to the economy. And we do not think we should be spending any more money.

Mr. Ed Komarnicki: I appreciate what you're saying, and some of it I don't argue with.

The statement was initially, Mr. Eggleton, that we should spend the money we are spending smarter within the programs. I thought we had. And the question was directed in that regard.

The issue is bigger than this, I agree. But you have other compounding things, such as jurisdictional issues, when you say....

Senator Hugh Segal: Right.

Mr. Ed Komarnicki: I think you're moving to a place where you're saying you've got a whole host of programs. Maybe we need to bring all these programs to a point where you guarantee a certain income and eliminate a lot of this. But you're dealing with two jurisdictions, the provincial jurisdiction and the federal jurisdiction. And somehow you're going to have to arrive at a place where the whole of government—federal, provincial, territorial—is rejigged to bring you to the place where perhaps the same amount of money is spent, but in a smarter and better fashion.

How do you propose this might be accomplished?

Senator Art Eggleton: We need the federal, provincial, and territorial governments to be dialoguing on this to work out a pan-Canadian way of dealing with this kind of thing. It does overlap on both levels. It also has to involve the aboriginals and local government. All levels of government and the communities need to be working.

The Chair: Thank you.

Senator Hugh Segal: Let me offer one example.

The Chair: I'm sorry. Time is up on that round. But I hope you'll have a chance to answer.

Madame Folco.

[*Translation*]

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

I, too, senators, want to thank you both for speaking to us today. Your reputation definitely precedes you. So far, we have been talking in rather general terms, and we have not discussed specific client groups. I want to talk about a group of clients that is very important to me, immigrants.

There is talk of immigration. They say that we can bring in immigrants, that there are already many here, that immigration will help us pay our taxes, our pensions and so forth. There is no integration without employment, and employment is at the heart of the matter.

Since I have been in Ottawa—13 years now—we have been talking about the fact that when immigrants come here, many of them, not just professionals, employment groups, as well—whether they are joiners, plumbers or whatever—very rarely manage to find work in their field. That issue was being discussed even before that, when I was a member of the Quebec government. The Quebec government made efforts in the area of foreign credentials equivalence. We took action when we were in power: a minister was appointed to address the issue.

I wonder how you see the work that needs to be done to help these people—I am not just talking about professionals, and I want to make that clear—who are truly underemployed. Many of them do not even have jobs. Keep in mind, on the one hand, the associations, professional or not, which have an active role in this decision and, on the other hand, the provincial governments, which also have a role to play. I am not sure who would like to respond.

• (1640)

[*English*]

Senator Art Eggleton: We'll both answer it.

Let me point out that about six recommendations, numbers 58 through to 64, deal with newcomers to Canada, because what we're finding in the new immigration to this country—a lot of it racial minorities—is that they are experiencing considerable problems. They're overrepresented in the unemployed. They're overrepresented in terms of the people who are having difficulty finding housing. They're overrepresented in homelessness as well.

So we've made some recommendations that we think will help ease that transition into our society. There have to be bridging programs for them to help them get employment opportunities. There's a case I mentioned earlier where we found some promising practices. There is one in my city of Toronto, for example, where business leaders are helping to give people the apprenticeships and the mentoring they need to help get them into jobs that will then give them something on their résumés so that they have Canadian experience.

We have a number of these kinds of programs around the country that can help people. I think we have to get behind that.

We have a number of these promising programs, and those people could help spread that to other communities, but they need some help to do it. They're on shoestring budgets. They don't have the money to do outreach, to try to get their message across, and to share information with other parts of the country.

We have a recommendation here that also calls for that, but recommendations 58 to 64 deal specifically with newcomers to Canada.

Hugh.

[*Translation*]

Senator Hugh Segal: I wanted to add that the poverty issue is more serious among immigrants. Newcomers to Canada are not as successful as previous generations. It is a problem that goes beyond just employment. It involves identity, as well as other issues.

The issue of school dropouts is something that we talked about and that has a significant impact on immigrants. One organization, in Toronto and elsewhere in Canada, is called pathways to education. It has done tremendous work, helping to bring down the dropout rate, which went from 56% to 7% in some communities. I am delighted to say that the government has just announced that it has earmarked \$20 million in its budget to support this group's work.

In my opinion, we need to find a joint strategy, one that brings together well-established community organizations, provincial organizations and federal funding. We also need a goal, not just aspirations. In addition, we need an annual report to tell us whether we are making progress or not.

I know that in Quebec and the other provinces, they are working very hard on that. But the fact remains that the federal government must, according to the report recommendations, take action to coordinate at least some of the efforts, to ensure that best practices are shared among the provinces and perhaps to ensure that certain activities are funded so that no momentum is lost, something that is key.

[*English*]

The Chair: Thank you very much, Senator.

I should have mentioned before Madam Folco began that this is actually our second round, so we have just five minutes for each question and answer. We did go over that by about 30 seconds.

We'll now go to Mr. Vellacott, please.

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

Your approach, senators, makes nine recommendations, recommendations 7 through 15, respecting employment insurance. I want to ask a little bit about that and get your input on those recommendations.

The report notes that you “opted for the short-term expedience of sustaining these initiatives within EI”, or, in other words, these nine recommendations here. As we know, the funds spent under the EI program come from the pockets of each one of us, from the workers of Canada and from the employers. Like any other program expansion, we’d obviously have to find money to pay for any expansion, or for these recommendations in particular, I guess.

It looks to me like three of your recommendations would be revenue neutral, but six would cost, and there would be a fair bit of expense there. In looking at that whole area and those extensive recommendations, did you or the committee find that in any way there would be a possibility of reducing the overall cost to the EI account, or the potential of putting downward pressure on the EI account with these recommendations, all other things being equal?

•(1645)

Senator Art Eggleton: We didn't say it necessarily had to be the EI account in every case. For example, in recommendation 7 we said:

The Committee recommends that the federal government develop a new program to insure against income losses due to long-term employment interruption that covers those who are not included under the Employment Insurance Act.

The problem is that while most of those people on employment insurance may have got some benefit from EI, particularly during this period of recession, the majority of the people unemployed in this country don't qualify for EI. Something needs to be done about them.

Again, we need them to work. It's costing us money. They go onto social assistance. It's costing them. It's costing us. We need to get these people working. So to us it's an investment. If you end up getting a job, you're contributing to the economy and you're paying taxes. That's far better than being on social assistance. If you look at the case, it's either/or. You're going to pay for it on social assistance, or you're going to put something into a program, which I would call an investment, to get these people jobs.

Mr. Maurice Vellacott: You said you weren't necessarily taking some of these out. I think you said number 7 in particular here. I don't know if there were any others as well outside. So none of these is talking about reducing or having any downward pressure on the EI account. We're just kind of looking at the same sums of money, more or less, and then dealing with government expenditures in another area?

Senator Art Eggleton: Recommendation 10, for example, says to “...re-engineer the Employment Insurance program to allow adjustments to anticipated economic downturns, rather than be based solely on recent but past experience.” That speaks to the regional context such that in some areas you don't qualify and in other areas you do. We're saying that when you get into a full-blown recession, you should be able to adapt and temporarily suspend the regional context, because past experience doesn't necessarily prevail. We're saying that in a recession, the program, in the regional context, isn't quite the same. We would see some modifications there.

Extending parental insurance to self-employed individuals and expanding the EI sickness benefits over time to 50 weeks have factors of additional costs in EI. It depends how you want to fund them. Certainly from a fair and just standpoint, the EI sickness

benefit, for example, right now is 15 weeks, and that hasn't changed since 1971. People with cancer or some other chronic illnesses will be off work longer.

We see some of these but not necessarily all of them as being EI.

Mr. Maurice Vellacott: Senator Eggleton and Senator Segal, as you know, the government has taken some action on a couple of these, two of them in fact, which is very interesting. One is the EI special benefits for the self-employed in Bill C-56, as you know, and then the extra weeks of benefit for the long-tenured workers in Bill C-50, both from last fall.

We know through the budgets and estimates what the costs are. At least we're getting some sense of that. In addition, the department, HRSDC, has given us at various times costs for our estimates on some proposed forms of some of these EI recommendations you have. Those costs could run, depending on who you ask, into the billions of dollars each year.

•(1650)

The Chair: Mr. Vellacott, could—

Mr. Maurice Vellacott: Could I wrap it up? Okay.

Did you find, solicit, or attempt to get some calculations on start-up or annual cost estimates for any of these programs?

Senator Art Eggleton: No, I think it would have been another year or two before we got to that. Obviously each recommendation has to be taken and costed. What we want to have here is a change in the paradigm, a change in how we look at this. Let's look at it through the lens that if we invest this money and get people to work, they're going to pay taxes, and they're going to produce more for the economy as opposed to being on social welfare or as opposed to being in homeless shelters. We have to look at the other side of the coin. It's costing us more to keep these people in poverty.

The Chair: Thank you very much, Senator.

Madame Beaudin, please.

[Translation]

Mrs. Josée Beaudin (Saint-Lambert, BQ): Thank you, Madam Chair.

Thank you, senators, for your research, but five minutes is not much time. We need hours to discuss this topic.

I have been a member for only around a year and a half. All the years prior to that, I was out in the field, working with the people you are talking about, low-income families and especially women. Your report does not seem to focus very much on women as one of the overrepresented groups you mentioned. I would have liked for your report to focus a lot more on these women. I am talking about those women and mothers who are often single parents.

You are right, we should not just look to the mistakes of the past. But I always learned that you should learn from your mistakes so you do not repeat them. Since I have been here and we have been studying the issue of poverty, what I see, and you frequently pointed it out, Mr. Segal, is that, in Quebec, we established framework legislation in 2002. I see that Ontario is also on the verge of creating antipoverty legislation. That is the case in Newfoundland, as well. You mentioned examples in Toronto. I think that where Canada has failed in eliminating child poverty, Quebec and certain other provinces are succeeding.

I want us to succeed in solving the poverty problem. When you look at where things stand, do you not think that the best solution would be to increase transfer payments to Quebec and the other provinces?

That is my main question.

Senator Hugh Segal: I was one of the people who worked fervently to get the Meech Lake Accord passed. I even worked on getting the Charlottetown Accord passed; it was based on the principle of giving the provinces the fiscal capacity to fund their social instruments. That was a fundamental principle. Unfortunately, given the policies of the day, the agreement was rejected for various reasons. Frankly, in my opinion, if the provinces are willing to assume their role in this large-scale social struggle, we will work towards our own goals with our own resources. I have no objection to giving the provinces more funding and freedom to do it.

Negotiations on transfer systems are coming up in two or three years. I imagine that the premiers will hold talks on what the new formula should be. I have no problem with a decentralized solution if it improves the situation of our fellow Canadians. That is what matters. My Liberal colleague may take a different view, but, the way I see it, it does not matter which government gets the credit. All that matters is who will provide the tools and who is willing to work towards these objectives. I have no problem taking a confederal position on this issue, as I am usually not in favour of a centralizing position.

Mrs. Josée Beaudin: Mr. Eggleton.

[English]

Senator Art Eggleton: We have a little bit of a different perspective on that, but I won't go there.

Let me say, however, that this comes from a subcommittee on cities. We started at the local level in our examination of this. We feel a lot of the answers are at the local level—through the provinces, of course, because that's the proper route. At the local level, not just the municipal governments but the people in organizations know a lot of the needs and a lot of the answers. We found a lot of passion out there amongst those people at the local level who are providing good programs to lift people out of poverty.

● (1655)

[Translation]

Mrs. Josée Beaudin: I have to interrupt you as I have very little time left, and I would like to check something else with you.

You are aware that, right now, operating budgets are being frozen perhaps for several years. We do not know for how long. In addition, we need to avoid program duplication and overlap. I have worked in those organizations. I have filled out federal and provincial funding applications. I have lost time getting mired in red tape instead of taking action and using the money where it was needed. That is precisely what we must avoid.

As you know, the funding needed to put your measures in place over the next few years will probably not be available given the freeze on operating budgets and the fact that the government is currently trying to tighten its belt. So to avoid all existing duplication at the same time, would the best solution not be to transfer the money needed to Quebec and the provinces so that their governments can take action themselves?

Senator Hugh Segal: I was in favour of Mr. Harper's policy on the fiscal imbalance. It reflected for the first time a certain reality for all the provinces with respect to their tax base. One of our economists at Queen's University, Thomas Courchesne, said that a number of provinces are not seeking new powers but money to exercise their current powers under the existing constitution. In my opinion, the fiscal imbalance issue is an integral part of the debate, namely, in terms of how we can avoid overlap and make some headway with a view to provincial autonomy, which is key to success.

[English]

The Chair: Mr. Cannan, you have five minutes.

Mr. Ron Cannan (Kelowna—Lake Country, CPC): Thank you, Madam Chair.

Thank you to our witnesses.

I'd like to start off by echoing Mr. Savage's comments about the work of the Senate, especially Senator Kirby's report and the creation of the Mental Health Commission. A lot of this is tied in with the issue of homelessness and the social challenges we face, from small rural communities to large urban metropolitan cities, throughout our great country.

I had nine years of good experience in local government and spent several years with the housing committee working with those grassroots organizations you mentioned. They have wonderful ideas, passionate volunteers, in many cases, and some employees.

You mentioned a national housing strategy perspective and doing it on a macro basis. I had a conversation with one of the city councillors on the weekend who spent many years in our community with the Society of Hope, a not-for-profit. He totally disagrees with the idea of a national housing strategy, because one size doesn't fit all. If you're looking at what's good for Saskatchewan, it doesn't work in Ontario or British Columbia. Speaking specifically for B.C., we have BC Housing, which works really well. They have a good working relationship between the federal and provincial levels.

I just wanted to maybe get a little feedback, from your perspective. One of the challenges provincially is that they don't want tied aid. It is almost like when foreign aid was tied, and we got rid of that. They don't want to have conditions on their social transfers. But I see, reading the report, that it more or less pins down the province: if we're going to give them money from the federal government, they have to allocate it to a specific expenditure.

Is that what some of your thoughts are?

Senator Hugh Segal: Well, let me quote one of my favourite economists from the University of Chicago, Milton Friedman, who once said about the American government that if you put the federal government in charge of the Sahara desert, we would have a sand shortage in five years.

Some hon. members: Oh, oh!

Senator Hugh Segal: So my general view is that if there's a way for the local authorities and the local not-for-profits to have the freedom to do what they want to do, that is the best option all the time.

Let me make one reference to the Calgary Homeless Foundation. This is not run by government public officials. This is not run by politicians. It is run by retired CEOs and others from the oil companies, tax lawyers, and people involved with local church organizations. They said that it is not acceptable that there are 250 people sleeping on the street in London, England, and there are 500 people sleeping on the street in Calgary. They also said that it is odd to have 2,500 people in a hostel every night, which gets 40 bucks per head—the Sally Ann gets it—for doing a great job providing that emergency housing. If you add up 365 times 40 times 2,500, you actually get a fair amount of money to do something with in housing, and a much better response.

They have put together a mix of private sector and not-for-profits. They're getting old buildings and redoing them. They get some help from government. They're saying that since you have that vacant land, why don't you give it to us at a notional cost so that we can...?

By the way, this is what local organizations can do that government can't do. The Homeless Foundation said they were going to eradicate homelessness in 10 years—not help it, not make it a little better, but eradicate it. Their definition is that nobody stays in a hostel for more than seven days before they find a place. So far, after year one, they're at 15% of their target.

I agree with you that we have to have a frame of reference whereby the local organizations can go about it.

I think it was regrettable—but I understand why he felt he had to do it—that Finance Minister Martin slashed all the investment in

social housing. This fellow was a mayor who actually invested a lot of municipal funds in social housing when he was the mayor of Toronto. It was a terrible thing they did. They felt they had no choice.

I am proud of my government for beginning to reinvest. But I would like to see that happen in a way that gives the local municipalities and the local not-for-profits the most freedom possible to make their decisions and doesn't tie them to bureaucratically defined conditions, which actually don't work outside the Ottawa bubble anyway.

That would be my preference.

• (1700)

Senator Art Eggleton: If I could just briefly respond, we're not talking about a prescriptive federal strategy, but the federal government has money in housing. It has an agency with a lot of expertise: CMHC. It has a strategy now that deals with homelessness. What we're saying here is, it needs to be a collaborative effort among the different orders of government in the communities.

The provinces need to come in with their funds as well. It's not going to work with just one level of government putting in funds. Both have to, and perhaps the municipal level may have to as well. We're talking about a collaborative effort among all the organizations.

We didn't use the word “strategy” too much because we recognize that that word comes up an awful lot. So we decided to limit it to this, a national housing and homelessness strategy, simply because that's what we heard from people in the housing business in different communities right across this country. I realize there can be exceptions, with people thinking it might not be the best way to go, particularly if they thought it was going to be prescriptive, but this would not be prescriptive from the federal level.

Whatever money goes in from the federal level, there has to be accountability. For that reason alone, the federal government has to be at the table.

Mr. Ron Cannan: We all have to be accountable.

Thank you very much. That's great.

The Chair: Madam Minna.

Thank you very much.

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

Thank you to both of you for being here.

I have to correct Senator Segal's comment about housing. There were cuts, but there was also major reinvestment, as you very well know. The now renamed SCPI program was started by us at the time.

To me, a national housing strategy—I'm glad you used the term, actually—doesn't mean a one-size-fits-all. It means a partnership across the spectrum. It means, I would hope, various models from rental to ownership, delivered through partnerships with municipalities, just as the homelessness program is delivered. And the not-for-profit...and the co-op program, which is cooperative, is one of the best housing programs in the country, in fact. I have some fabulous housing in my riding that deals with that.

Housing was one of the things I was going to look at. For me, there are four or five things that really go to the core of poverty. Housing is one of them, obviously, and housing also goes to the core of health and education. In fact, Ontario is doing a study now on the correlation between health determinants and the housing situation. I'm sure they'll find a connection.

Early education and child care for children, income support for families, education, and training are the four or five things we need to work at. The money is there, but there are areas....

You mentioned that some programs are not working really well. We're spending \$150 billion, but some are not hitting the mark. Maybe, as we look at the annual basic income and other things, we have to collapse others and rationalize and look at them.

I wonder if you looked at some programs to see whether or not they are effective. The child care tax credit is not refundable and therefore only certain families can access it. If you have money, you do; if you don't, the \$1,200 child benefit, again, does not provide.... It's probably a bit more money. It doesn't make you rich and it doesn't give you child care. It gives you neither one nor the other, and it doesn't help women.

We spend a tremendous amount on RRSPs. I think it costs the treasury \$16 billion or \$17 billion, but the average Canadian really doesn't benefit from the RRSP. In terms of a pension structure we know it doesn't really work to address poverty for seniors for the long term.

There are things like that. I wondered if you looked at the tax expenditure side of things. Did you take it apart a bit? Did you do some analysis to see where we could rationalize change?

• (1705)

Senator Art Eggleton: We did look at all sorts of different possibilities. When you come up with 74 recommendations, you're covering a lot of territory. We may not have covered it all exactly the way you might have mentioned, but overall these recommendations will have the effect of lifting people out of poverty. That's our bottom line. That's what we think needs to be done.

We particularly looked at the most vulnerable in our society. We've talked about the disabled. We've talked about the newcomers. There are lone mothers, who represent a very large percentage of the people who have children in poverty. There are the aboriginals. Again, education is very key there.

There are so many different instruments that we've recommended to help lift people out of poverty. Education and training, to me, are vitally important.

Hon. Maria Minna: If I may interrupt, Senator, you said you had some short-, medium-, and long-term things. I wondered if you

looked at some of the mechanisms such as the ones I mentioned to see whether they work—because I don't think they work—and to see how those funds could be redirected in the short term to actually become more effective as we develop this national poverty strategy, which is what I think we ultimately need to do.

Senator Hugh Segal: If you're asking whether we did a detailed program evaluation around effectiveness for all these programs, we had neither the resources nor the capacity to do so, but it's a very fair question.

I would say that an area where there was a strong conclusion that involves federal and provincial funds was the ineffectiveness of welfare, which is a multi-billion-dollar program—

Hon. Maria Minna: Absolutely.

Senator Hugh Segal: —that has not enough strength to support, but just enough to entangle, and we think it's quite negative. That, in and of itself, if it were to be reformed appropriately, would produce a lot of funds for other activities, because both the provinces and the feds are implicated in welfare.

Take the universal child benefit, which in part of my political affiliation I support. I think it was a constructive and important step forward. We said that over time it has to become more generous as things progress; to the government's credit, it has moved up slowly, although some would argue not fast enough or robustly enough, but I would be one of those who would say that all those programs have to keep pace as long as we're not prepared to look at the holistic solution, which is a basic income floor.

The problem, if I may say so, with incrementalism, which this report actually calls for and which I support as the vice-chair, is that it gets you into a series of small steps that do not change the fundamental issues on the ground—

Hon. Maria Minna: Senator, if I may just—

The Chair: I'm sorry, your time is up.

Go ahead, Mr. Lobb.

Mr. Ben Lobb (Huron—Bruce, CPC): Thank you.

I saw the recommendations, and the one thing I thought I didn't see in there is something I'm very passionate about. It is financial literacy, fiscal literacy, and the basic general life skills of being able to fix something in your house, such as a pipe or a vehicle.

I don't think this applies to the most vulnerable, but these are the people you're talking about, people who have two jobs, who are working, and who are still struggling to get by. I'm wondering what your thoughts are on those very basic things.

I can tell you that through my constituency office I see, almost on a daily or weekly basis, people who enter into those very aggressive utility contracts or people with massive credit card debts who shouldn't be getting into credit card debt. It's basic life skills, such as which bills to pay first. We have people who pay for groceries and then the utilities get shut off. These are the things I'm talking about. I'm talking about seniors who get into reverse mortgages or lines of credit or students who have purchased vehicles or have taken trips to Cuba with their student loan money. They are basic life skills that somewhere along the line either the parent missed out on or the system missed out on.

I wondered if you saw that in your study and what your thoughts are on it.

• (1710)

Senator Hugh Segal: One of the areas where we saw it, of course, was in the abnormally high level of dropouts from poor families. Those kids don't finish high school. They don't get exposed to any kind of opportunity for any formal training on those life skills, which some schools do and some schools don't do. There's not enough of it out there.

I rejoice in the decision of our Minister of Finance to appoint a task force on financial literacy. It involves some leaders in the industry in terms of what public education should be and can be.

My sense is that if there were an instrument we could use to make sure kids stayed in school longer, and if we could then provide the resources through the task force on literacy for schools to do more about those life skills, I think we'd begin to find the solution coming together. It would have some significant impact on people's lives and maybe reduce the number of folks who get themselves into difficulty unnecessarily.

I think the other core issue is that the problems that produce the life skill failure often cluster around the poverty question, so if we can make progress on the poverty question, we are likely to see the other problems diminish a little bit. However, the focus on life skills is fundamental. Part of what happens in many of the not-for-profit organizations,

[*Translation*]

I am thinking of Sun Youth in Montreal.

[*English*]

and others is that they work on life skills with new immigrants and kids to give them, with other folks who've been through it, some real capacity.

However, we did not deal with it in a detailed way in this report, and it's very constructive that you bring it to our attention.

Senator Art Eggleton: There is one recommendation that deals with literacy programs. I referred to adult literacy as being quite important. It's recommendation number 22:

The Committee recommends that the federal government sustain strong financial support for adult and family literacy programs, with a special priority given to groups over-represented among high-school non-completers.

This brings us back to what Senator Segal was just talking about. One thing I want to note is that amongst our promising practices is the one called Pathways to Education, whereby the dropout rate in a

place such as Regent Park in Toronto went from 56% down to 10%. That was audited. That's a great victory.

I was very happy that the Minister of Finance put in his budget \$20 million for Pathways to Education so that we could do the very kind of thing that we said in another recommendation here should be done; that is that it should be spread to other parts of the country, because it's a promising practice that I think can have applicability right across the country to make a big difference. See the Minister of Finance's budget, on page 73.

Mr. Ben Lobb: I'll quickly sneak in one final question.

Three things I've seen in our study so far—mental health, basic income level, and housing—are all wrapped together in one. What are your thoughts on Dr. Kirby's commission. Where do you see his commission addressing those three issues?

Senator Art Eggleton: I'm very pleased that you mention Michael Kirby, because he was my predecessor as chair of this committee, and it was this committee—I was very pleased to be a member of it, although briefly at the time—that produced the *Out of the Shadows at Last* report. One of its recommendations was the Mental Health Commission and the kind of work they're doing now. They're doing a lot of good work in terms of the homeless population. About 30% of the homeless population have mental difficulties and addictions and a combination of both. They're doing some excellent work in that regard, and it's a product of our committee. We are working closely with them. In fact, the Mental Health Association of Canada was one of the first to come out and endorse our report.

The Chair: Thank you.

Mr. Martin, please.

Mr. Tony Martin: Thank you very much.

I want to talk for a couple of minutes about the paper you've suggested, the green paper, and get some clarification. You suggest “by 31 December 2010” for a green paper that would include costs and benefits, which I think would be critical to any movement forward.

Were you suggesting that the paper be launched by December 31, or that it be complete by December 31?

Senator Hugh Segal: Don't forget that this came out in December of last year. Our hope would be that the government would do a green paper that doesn't say, this is the path we're choosing, but merely says, here are some options that emerge from analysis of best practices, things that have failed, what other countries are doing on this issue. The Bolsa Familia in Brazil, for example, is, as you know, a huge step ahead for maternal health, something our government is very committed to. Lay that all out in a way such that we can all have an informed discussion, with the numbers that our colleagues would like to see with respect to cost—which I think makes very good sense—and the numbers with respect to investment and the numbers with respect to how the cost of not doing anything is eating away at our fiscal and tax base.

Then we could all, notwithstanding our political affiliation or in which house we serve, have a frank discussion. We could invite the premiers into that process. Provinces could look at the numbers and make their own conclusions about their own direction. What Ottawa would be doing, in that context, is contributing a huge, updated fact base, because the other side of Confederation is that sometimes our national statistics about poverty aren't as precise or clear as those of our European friends, because different provinces and the federal government keep them in different ways.

It's important that we get the facts on the ground so that we can move forward in an enlightened way. I would think that if that emerged by next December—we could all make lists, and you'll probably have before you as witnesses people who are the experts who could help put that together very quickly, and there are superb people in the department as well—then we could have a full consultation with the country, with Parliament, with the premiers. First ministers could take their own decisions, and you'd begin to get some collaborative movement, which I think is necessary if we're going to move ahead in a coherent way and make the eradication of poverty a national priority.

• (1715)

Mr. Tony Martin: I guess it would be helpful, then, if we added our voice to that call. I'm suggesting that we might even get a bit of a headstart on it in the work we're doing now. We have the Parliamentary Budget Officer, who does analysis and has capacity, it seems, to do some very good work in terms of costs and cost-benefit projections. I want to suggest to the committee that out of this conversation I might bring forward a motion to ask the Parliamentary Budget Officer to begin to do some of this work for us, so that we might have a start and begin to understand the cost-benefit analysis.

Senator Hugh Segal: The only caveat I would offer to the committee for their consideration is that the cost issues are defined by how the program is modelled and designed. For any parliamentary budget officer, even with the best of intentions and expertise, to answer the question, he would probably ask new questions about what your priorities are for how this program might work.

In the case of the green paper, we're talking about a look at the whole gamut of income security programs that exist and an analysis of that. Whether this committee wants to take it to the Parliamentary Budget Officer is beyond my pay scale.

Mr. Tony Martin: I guess I'm looking, initially anyway, at a much narrower sort of review of what we spend now and what the cost is of not doing anything.

Senator Art Eggleton: We have some studies in here. I mentioned the group of economists—Judith Maxwell, Don Drummond, and others—who put together some costing on poverty. There's no doubt that the budgetary officer could do more. In fact, at one point in time, we talked about engaging him to help us do some costing, but he had other concerns at the time.

Mr. Tony Martin: Thank you.

Mr. Ed Komarnicki: I think you left off, before I finished the last round, talking about the federal-province transfers. If you were to take people off the welfare rolls, it would free up some money for the provinces and you would shift it over to the federal government. But

then you hear my colleague from the Bloc saying, “We don't want to have any social transfers reduced to the provinces; we want it going the other way.”

How do you see managing the expectations of the provinces and territories, given what you're proposing—and, I'm assuming, just transferring some dollar responsibilities from one level to the other?

Senator Hugh Segal: Let's take a look at a basic income approach. How would it work? If the federal government brought in a basic income, a guaranteed annual income supplement such as we have for seniors, if we just brought it down five years, from 65 to 60, then all those Canadians who filled out the part of a form that had their income at a certain level would get topped up, and they would not be living beneath the poverty line.

Clearly, on a slip-year basis, so as to give the provinces time, when you looked at your transfers, the amount of money transferred for welfare would be reduced. That would give the provinces more money, because they don't have to match, and it would also provide some managing and balancing relief for the feds as to how much they transferred over time, because the matter would be addressed from within their own fiscal system.

We do it now in a host of ways, largely by meeting with the provinces on a regular basis and working out a new formula. We're operating under one formula now with respect to health care, and I assume the provinces and Ottawa will have to start meeting relatively soon to discuss what the formula going forward should be. This could be the sort of thing that is introduced into that discussion, if there were some political will to do so.

• (1720)

Mr. Ed Komarnicki: It sounds like a fairly comprehensive thing. You're taking it beyond just that. You're talking about a sort of guaranteed income across the line for everyone in Canada, are you not?

Senator Hugh Segal: That's right, but let me be clear: I don't have a bias about how we get there. If we get there by taking the 65-year-old number, reducing it to 64, and then 63, and then 62 in affordable bites, I'm not troubled by that.

Mr. Ed Komarnicki: You're saying going progressively is an option.

Senator Hugh Segal: We've done that with other programs over time.

Mr. Ed Komarnicki: When you're doing that, either progressively or in one big swoop, are you looking at replacing some of the other programs we have, such as the national child credit or the working income tax benefit, because of the other aspect?

Senator Hugh Segal: Your question reveals precisely why we want a green paper to look at the options and the implications. Let me be clear: there was no consensus on the committee that we should move to a guaranteed annual income. The consensus was that we should have a green paper on how it might work in comparison with the other programs now in place. That's where the consensus was, and that's what the report recommends. Your questions are precisely the kind that would have to be dealt with in that kind of green paper.

Mr. Ed Komarnicki: It would seem to me that if you moved in that direction, you might take some of the complexities and patchwork out of the system we now have, which might have some pluses and minuses as we go forward.

Senator Hugh Segal: As my late mother used to say, “from your mouth to God’s ears”.

Senator Art Eggleton: I think we also need to bear in mind that there are support services that people need. It’s not just all about money. That’s a big part of it, but there are support services. I particularly think of the disabled, but of some of the others—the education, those who are employable but who need training. There are other things that will still be needed; it won’t solve everything.

Mr. Ed Komarnicki: It doesn’t, but it takes some of the complexities out of the system, and there are others that will be there.

You also talked about the economic cost savings because of some of the actions that are taken, but until those come to fruition, if you’re going to implement programs—regardless of whether it’s progressive or in one big step—do you propose that the cost of doing that come either from raising taxes or going further into deficit?

Senator Art Eggleton: No. We’re already putting in a ton of money. We need to switch the direction of the ship. You can’t do that overnight; you have to do it slowly. You’re going to have to take some money and move it, and shift things to get the ship turned around. But right off the bat there are some things that are really quite logical. For example, in homelessness, why would we spend \$100,000 when we could spend \$35,000, as Mr. Stelmach says?

Mr. Ed Komarnicki: What kind of timeframe are you looking at in terms of turning the ship, so to speak?

Mr. Segal has some questions, so go ahead.

Senator Art Eggleton: It can take some time. That’s why we didn’t have just the big bang kind of recommendation here. You could say the guaranteed income might be the big bang, and maybe that can work, but we’ve got a lot of other incremental options, and some of those are short term, that can start to help lift people out of poverty. That’s the bottom line, lifting people out of poverty.

Mr. Ed Komarnicki: Mr. Segal had a comment, so maybe he could finish off.

The Chair: Yes, we’ll let Mr. Segal finish, and then we’ll go to Mr. Savage.

Senator Hugh Segal: In Dauphin, Manitoba, when they brought in the Mincome experiment in 1975, those rural families were told that if they didn’t reach a certain level of income, they’d be eligible for a top-up. It was jointly funded by the Province of Manitoba and the Government of Canada. What they found after the first five years was that dropouts began to reduce, people staying in education began to increase, hostel admissions went down, car accidents went down, arrests went down, in the surrounding and existing community. YOUCAN began. And there’s an academic in Manitoba, whom I hope you may choose to call—Dr. Evelyn Forget—who is beginning to indicate what those trends are in terms of savings to very expensive parts of government.

But I think your question is very well taken, because the notion that because you turn one tap the other tap begins to turn off

instantaneously is probably way too optimistic. There would be a transition period, as there has been with a host of other programs that have been brought in, in health care and elsewhere, where you empty the beds because you have diversion programs to put people in different kinds of care, but the beds fill up anyway, because at some level demand doesn’t necessarily fall off. One would have to look very carefully at those issues and measure the costs quite appropriately.

• (1725)

The Chair: Thank you very much.

We have come to the end of our time allotted, but I would like to ask the witnesses if they would consider staying an extra ten minutes. I know we have a couple of more questions from the opposition members. I think the government side is finished with their questions. If you would indulge us, I would give the opportunity for a three-minute round, but I will be very strict on the time.

Would the witnesses be agreeable to staying?

Senator Hugh Segal: Madam Chair, we’re in the Senate. We have nowhere more exciting to be than here. This is as good as it gets for us.

Voices: Oh, oh!

The Chair: We’re very happy to have you here, so we appreciate that.

I’ll begin with Mr. Savage.

I will remind you that I’ll be very strict on the three minutes.

Mr. Michael Savage: Thank you.

I thank committee members and our witnesses for their indulgence and stamina.

It seems to me that one of the issues we haven’t done very well with as a country in dealing with poverty is the issue of the integration of provincial and federal initiatives, policies, and programs. I know your recommendation number 54 speaks to the idea that if we do have this basic annual income for people with severe disabilities, the provinces will save money, which they should then put back into appropriate programs, which I think references that very need.

When your former colleague, the very distinguished Senator Mike Kirby, whom Mr. Lobb referenced, came before our committee, he spoke about how the social infrastructure of the country is not designed for people with disabilities. In his case, he was speaking specifically of people with mental health issues. For example, 15 weeks of sickness benefits have to be taken at the same time, whereas people who have mental health issues or suffer from depression could experience these episodically. That could be the same for people with MS and people with certain types of cancer who are seeking treatments. We don't really need to change the whole program; we just need to make the program more responsive to the actual facts of illness. I think the program should be longer, but I'm wondering if you could just talk about that, how the social infrastructure is not really, in some cases, designed for people who need it the most, and those changes could be very effectively and quickly implemented.

Senator Art Eggleton: On that particular one you mentioned a moment ago, the EI sickness benefits, there are people who have cancer who get cut off at 15 weeks. That hasn't been reviewed since 1971, and it doesn't speak to some of the needs of people who are on EI sickness. So we've recommended that over time—not all being done instantly—that should expand to 50 weeks. It hasn't been changed since 1971.

Senator Hugh Segal: I think you are talking about the core problem of a social safety net that was designed with the following assumption: people retired at 65 and they died between 65 and 72. That meant, by the way, that a lot of the people who run into disease between the ages of 65 and 82 were not part of that assumption back then, because it wasn't part of our demographic reality. It is now, and most of our programs are still based on that old construct.

So in any fundamental rethinking, including with respect to poverty, disability, illness, particularly mental illness, because our understanding of what that is has changed and the way in which it's treated has changed, clearly our systems do not connect. That's not the fault of present government, previous government, provincial governments; it's just that it's so complex that people have avoided it.

I think one of the opportunities for the committee is to recommend one or two breakthrough options, where we can make progress that sends a signal that we have to begin to update the whole system, because the demographic reality is that we actually want people to live a longer life. We actually want people to have grandchildren. We actually want people to be able to fight cancer and come back, fight mental illness and reintegrate. We don't want to discourage that, but our system is not yet structured to address that, and that may be one of the areas we didn't look at in great detail in terms of timing. That may be something this committee in its wisdom may choose to consider.

The Chair: Thank you.

Monsieur Lessard, you have three minutes.

• (1730)

[Translation]

Mr. Yves Lessard: First, I want to make a comment. The government projected that between 2012 and 2015, it would accumulate a \$19-billion EI surplus because premiums would go up while the government's obligations to long-tenured workers

would stop. That amount should make it possible to implement all of your recommendations regarding EI, that is, recommendations 7 to 15.

I would like you to explain recommendation 7 a little more. You recommend the creation of a new program to insure against income losses due to long-term employment interruption that covers those who are not included under the Employment Insurance Act.

Clearly, that means workers who lose their job and who have paid premiums. If I understand correctly, the rules exclude them, but they still pay EI premiums. I want to understand why there would be a dual system, when they are already paying.

Senator Hugh Segal: I think you are totally right. The tightening up of eligibility requirements in the 1990s led to this situation, where a large number of unemployed workers were not eligible.

That represents a challenge to making the EI system more inclusive than it is now. I am thinking about the current fiscal situation. It is the same for the rest of the world; it will be difficult to make progress in this area in a timely manner.

As a Canadian, I would like to know what we can do to help those that the program does not support through no fault of their own. They must have the opportunity to participate economically in society. The recommendations that were made seek to address the problem by creating a bridge.

Mr. Yves Lessard: Why would the current system not do so?

Senator Hugh Segal: It is a matter of understanding the problem of those who do not qualify under the program's current rules. It would be nice if we could change the program. But if we are not willing to do that, we cannot leave those who are not covered without any financial aid. That is the distinction we tried to make.

[English]

Senator Art Eggleton: There are just too many people who are falling into the cracks here. The majority of the people who were unemployed during this recession weren't able to get EI. They weren't able to qualify for it. We can't leave those people without some attention. We need to get them back into the workforce and to give them the kind of training, education, and support programs they need to be able to lead productive lives and contribute to the economy.

The Chair: Thank you very much.

Mr. Martin, you will have the final question.

Mr. Tony Martin: Thank you.

In a week when south of the border we've seen the health care bill finally signed, against all odds, I was just wondering where in your study you see that kind of hope. Also, what might be the one or two things that you would suggest we tackle first?

Senator Hugh Segal: My colleague may disagree, and he's my chairman so I will defer, but I would say to move it on the disability front first. That has two benefits.

First of all, I don't think there's one Canadian in fifty who would differ with the notion that we can do a better job for the disabled, and that's a way of opening this discussion. Because if we can move on the disabled in a way that is fiscally responsible but socially humane and progressive, then of course people will say, well, if we can do that, what about the vast majority of those people who live beneath the poverty line who aren't disabled and have other difficulties? They'll say, "Why would we leave them out?"

In a democracy, building consensus is really important, and I think there's probably a stronger consensus around the disabled than there is around the larger question of the sort of income security proposition that is on the table.

Senator Art Eggleton: Picking up on that, first of all, I think we have to get this on the radar screen. One of the difficulties is that we go into election campaigns and poverty, housing, and homelessness never seem to make it onto the table for discussion. These are important issues, particularly for the most vulnerable people in our society, and I think we need to try to get more attention for this so that we can help develop some political will to do something.

Secondly, I would agree that the disabled are part of it, but I would say that all those people who are in the most vulnerable group should be our priority. Whether they're lone mothers or older single people, people past 50 or 55 who can't get employment now and find it hard to get training, or whether they're aboriginals, school dropouts, or newcomers, the most vulnerable people are the people who should get our attention first.

● (1735)

Mr. Tony Martin: Thank you.

The Chair: Thank you.

Thank you so much, Senators, for being here as witnesses.

I also want to thank the committee members for helping us stay within the timelines and giving everybody a chance.

The information you provided was so helpful that I think we probably could have kept you here for another two hours.

Thank you, everyone. Our meeting is adjourned.

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