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## What Do Canadians *Really* Think About The Social Security Review?

The Standing Committee on Human Resources Development is engaged in a whirlwind consultation of reactions to the Axworthy "Green Paper," *Improving Social Security in Canada*.<sup>1</sup> Many see this consultation as a *pro forma* public relations exercise, and expect that the Committee's final recommendations will ignore the preferences of those most directly affected—Canadian workers, women, the poor, visible minorities, Aboriginal people, and people with disabilities.

The Standing Committee hastily set up hearings for eight days in February and March, 1994, ostensibly to get public input into the Discussion Paper. Over a hundred organizations appeared or submitted briefs. Of those only six (e.g., mostly business lobbies and REAL Women) supported the key elements of the resulting Discussion Paper (the "Green Paper"): a two-tiered UI system, workfare, eliminating the Canada Assistance Plan, shifting the full financial burden of post-secondary education onto students, and slashing social spending.

The overwhelming majority of briefs explicitly opposed those options. Instead they recommended expanding the government's commitment to universal social programs.<sup>2</sup> The Committee's Interim Report and the Discussion Paper both ignored or distorted the recommendations from that majority of submissions. We thought it would be useful to publish what popular sector groups actually said in their briefs to the Standing Committee.

In the spirit of promoting a more honest and equal debate on the future of social programs, we offer edited selections from briefs submitted to the Committee by groups which represent those who will be most directly affected if the Discussion Paper options are adopted. They are: labour (the Canadian Labour Congress), women (the National Action Committee on the Status of Women, the Fédération des femmes du Québec, Ontario Coalition for Better Child Care), Aboriginal people (the Native Council of Canada), poor people (the National Anti-Poverty Organization), and people with disabilities (Council of Canadians with Disabilities)

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NOTES

1. Four members of CRSP's Editorial Board selected and edited the following transcripts and briefs of the Standing Committee on Human Development. In addition to myself, they are Therese Jennisen, Wendy McKeen, and David Welsh. Their assistance is gratefully acknowledged.
2. P. Browne, *Backgrounder to the Interim Report of the House of Commons Standing Committee on Human Resources Development* (Ottawa: Canadian Centre for Policy Alternatives, March 25, 1994).

**Submission:**

Canadian Labour Congress (CLC)<sup>1</sup>

This review follows a decade of massive cuts to all our social and income security systems. Canadians were told that these cuts were necessary to reduce the deficit and the "crushing burden of debt". In fact, the cuts actually contributed to the deficit problem by taking dollars out of a failing economy and further heightening the unemployment crisis. In the wake of this misguided policy, an increasing number of Canadians have been left more vulnerable to economic hardship.

The review also follows a decade of federal economic policy-making which created massive unemployment and underemployment, a prolonged recession and a jobless recovery. The product of this economic failure is a growing need for the replacement of wages through UI and a growing need for income support offered through social assistance.

Unemployment has reached crisis proportions given that 1.6 million Canadians are "officially" out of a job. When those who are underemployed are added in, such as part-time workers (mainly women) who want full-time jobs, and the many younger and older workers who have given up looking for non-existent jobs, the real rate of unemployment is closer to 20 per cent. The acute jobs crisis is evident in the fact that no net growth of full-time jobs occurred between 1988 and 1993.

Permanent, full-time, average paying jobs have become the exception rather than the rule. In 1992, just one in three workers had full-time, permanent jobs paying more than \$30,000 a year. For women it is worse with only 20 per cent having full-time, permanent jobs with wages above \$30,000.

Shedding labour at record rates and numbers has become rampant as businesses increasingly seek competitiveness through smaller workforces and "just-in-time", non-permanent, lower-waged labour. This is evidenced by the growth in involuntary part-time work, non-standard work-time and temporary, contract work.

The brutal reality of both the jobs crisis and the reductions in social and income security programs has been greater levels and depth of poverty

for an increasing number of Canadians, especially for children and youth. A staggering 41.5 per cent of young families under age 25 lived in poverty in 1992, up from 27 per cent a decade earlier. Almost 59 per cent of young individuals were poor, and shamefully, 1,265,000 children were poor. This is 242,000 more poor children than there were in 1981.

More than one worker in four is forced to draw Unemployment Insurance benefits at some time in the year, and one in three of these workers exhaust their benefits before finding another job.

Clearly, the economic policies of the federal government and social policy driven by deficit cutting are contributing to a growing pool of people confined to the margins of economic and social security, onlookers to the wealth and prosperity of others. Undeniably, such policies are making Canada a far more unequal society by widening the already huge disparities in income and wealth.

Social programs are not the problem; they are symptoms of the failure to provide people with jobs. Most disturbing is the flavour of the rhetoric which implies that people who are victims of unemployment or who are on social assistance are the engineers of their own misfortune, and therefore, less worthy of a broader public concern.

The Canadian Labour Congress believes that there was no need for the government to undertake such a massive review of the social security system at this time. Rather, the government should have directed the full force of its energy and expertise towards serious job creation efforts. The stark reality is that the federal government is basing its social policy initiative on a commitment to deficit reduction by increasing the social deficit, and therefore, the human deficit.

The government has indicated that it is prepared to take more from UI premiums for developmental uses such as training. This alone subverts the primary purpose of UI as an earnings insurance program which, in return for premiums paid, unemployed workers have a portion of their wages replaced. It is the position of the Canadian Labour Congress that it is the federal government's responsibility to fund training and other projects out of general revenues in order to give people opportunities to gain employment.

Fundamental to this is a commitment on the part of the federal government to full employment and job creation, progressive tax reform and a reaffirmation of the role of the public sector in building a healthy economy. A secure, well-paid job and a network of effective social and income security programs are rights of citizenship.

To this end, universality is crucial because it promotes widespread support for social programs and creates a sense of social solidarity among Canadians. Targeting programs only to those in need reduces the public support and political will required to maintain the programs. Universality

is also the foundation on which to build rising standards of living as opposed to minimal, inequitable standards of living.

Labour's views with respect to UI and social assistance are founded on increasing the income security, and economic and social equality of Canadian workers, and those who are frozen out of paid employment.

The Canadian Labour Congress is adamant in its position that the Unemployment Insurance system remain a separate program and that it continue to function as an earnings insurance program to insure workers against the interruption of work and loss of earnings. Since UI premiums are paid entirely by workers and employers, the CLC believes that changes to UI should not be made without the agreement of business and labour. As an insurance plan, it pools funds to mitigate the devastation of unemployment and redistributes income over lifetime employment cycles. It was never intended to be redistributive in the same way as other social programs such as welfare.

The UI system works as it should and is not a "disincentive to work." Unemployment Insurance is not a passive system. Claimants must search for work daily and failure to do so results in a 7-10 week disqualification and reduced benefits.

Training is one important part of labour market adjustment. However, training does not create jobs and the level of unemployment due to lack of skills is quite minimal. Further, not enough jobs exist for people who want to work no matter how high their skill levels. This begs the question as to why people who are victimized by job loss are asked to pay a further penalty in lowered earnings replacement so they can train for jobs that do not exist.

The fact is that even a marginal improvement in the skills of people on social assistance who have been out of the workforce for a long time will be ineffective because of the growing number of people experiencing unemployment who already have much higher skill levels. The same is true for people who become unemployed in declining industries who may have high but untransferable skills.

Dismantling UI will ultimately drive down wages and pit unemployed workers against those with jobs. This is particularly true if training, not job creation, is seen as the primary springboard to employment. An impoverished but trained class of people, hungry to get a job in a high unemployment society, has the unavoidable effect of lowering the wages employers feel they have to offer to get trained workers. This effect is heightened by using public dollars to top up low wages. This is a huge disincentive for employers to pay decent wages, and will act to keep minimum wages low. It is also a disincentive for employers to undertake the training of their own employees.

The federal government should resume its contributions to UI. To halt the rampant labour-shedding practices of business, legislation is needed to improve regulation concerning notice periods for lay-off, justification and severance.

A truly active employment policy would be to allow workers to access training before becoming unemployed. Since employers in Canada have low levels of investment, the CLC recommends a training levy-grant under which employers who train would be compensated.

It is critical that comprehensive job vacancy information be available for unemployed workers and those on social assistance. This information should be tied to accurate forecasts for future labour market skill needs so that the unemployed and those on social assistance can access relevant training. The highly touted information highway could play an important roll in this regard.

The regulations which reduce UI benefits by the amount of severance, pension income and vacation pay received by unemployed workers are provisions which increase, not alleviate poverty. These provisions should be reversed.

To combat the drive towards non-standard, temporary work, part-time work must be covered from the first hour of work and UI premiums must be paid from the first hour of work.

The CLC recommends that the benefit structure be returned to 60 per cent of insurable earnings. We are opposed to UI being a means—needs tested program and to any differentiated earning replacement rates.

Unemployment Insurance funds must not be turned over to provincial governments for the purpose of pilot projects which use these funds for activities other than income support for the unemployed. The labour movement is adamantly opposed to mandatory work and training programs for the unemployed or those on social assistance. Rather, training must be viewed as a right and must be funded by the government from general revenues.

The overall goal of welfare reform must be to diminish poverty both for those on social assistance and for the working poor. Welfare recipients cannot just be pushed or forced into a jobless labour market or one in which the only choice is a minimum wage job. Again, the importance of adopting policies to return to full employment with decently paying jobs cannot be emphasized enough.

A key factor for securing economic security for welfare recipients is a higher minimum wage. If it were to be set just at the poverty line, it would be \$7.78 an hour. The committee should recommend that the government immediately increase the disgracefully low, federal \$4.00 an hour, minimum wage.

The idea that welfare recipients are too lazy to work and are getting something for nothing must be combatted. Between 1988 and 1990, 60 per cent of the 1.1 million working age welfare recipients were employed sometime during that period and over 50 per cent worked between one and a half to three years.

The lack of a national system of publicly-funded child care is the biggest barrier to workforce participation for single-parent women and working poor families. As a parallel to welfare reform, the establishment of such a child care system is essential.

Wage subsidies are not an appropriate focus for welfare reform. Public dollars should not go to employers paying inadequate wages and benefits. Nor should the social security system be redesigned to create a pool of minimum wage workers.

People with incomes below the poverty line should be exempt from personal income taxes. Other tax reform should improve child and family benefits. Although social assistance is a provincial responsibility, there must be a more effective set of national standards to make social assistance benefits more uniform across the country.

#### NOTE

1. Presentation by the Canadian Labour Congress to the House of Commons Standing Committee on Human Resources Development Regarding "The Social Security Reform Strategy." March 11, 1994. [Original brief.]

#### **Submission:**

##### National Action Committee on the Status of Women (NAC)<sup>1</sup>

The starting point for a review of social programs is a recognition that the central social and economic problem facing Canadians today is jobs. This includes the high levels of unemployment and the rapid growth in precarious or non-standard employment.

NAC agrees with the position advanced by the Liberal Party during the election campaign that government has a role to play in ensuring high levels of employment. We are disappointed, however, at the absence of measures directed at increasing employment in the February budget. Proposals to address this number one social problem in Canada today must be central to the objective of the social policy review.

Another employment problem that must be urgently addressed is the rapid increase in involuntary part-time work, casual and contract work, work with few benefits and little security. This is fast becoming one of the main obstacles to women's equality, to racial equality, and to social equality generally. The social policy review process must include an examination of

the reasons for the growth of precarious employment and must produce recommendations to reverse this trend.

The second issue is that of unpaid labour in the home. A non-sexist reform of social programs must recognize the connection between social programs and the unpaid but socially necessary labour carried out in the home. Women in particular bear a heavy burden of work in connection with caring for dependent children and adults. Too often this work is invisible to policy-makers.

Any restructuring of social programs that involves offloading responsibilities onto families who are already stretched to the limit will drastically increase the workload of women and limit their opportunities for equality in employment. Such offloading must be rejected. Instead, services that assist families in their care of dependent children and adults must be greatly improved.

The third issue is the social contribution of parents. Parents make a vital contribution to society in the raising of children, and they need the support of society in carrying out this responsibility. Canada has a very limited system of support of parents, and a progressive review of social programs must examine strengthening supports in the form of such measures as extended parental leave and leave to care for sick children.

The fourth issue we would like to raise is the rights of children. A progressive review of social programs must recognize the rights of children, including the right to child care and other education directed at their self-development, and the right to live free from poverty.

The fifth issue is that of social solidarity. A reform of social programs must have as an objective strengthening the sense of mutual responsibility and bonds of solidarity among Canadians. Proposals that narrowly target certain groups contribute to the polarization of society. These must be rejected, along with the notion that it is acceptable to deny income support based on age to some adult Canadians. Instead, Canada's system of social programs must be based on a recognition of certain basic rights of citizenship that are shared by all Canadians. Essential to such a system are universal social programs and a progressive system of taxation.

The sixth issue is that of diverse national visions. Social programs are valued by all Canadians. At the same time, Canada's constitutional debates have demonstrated that English Canadians, aboriginal peoples, and the people of Quebec have distinct perspectives on the role of particular governments in the management and delivery of social programs. A restructuring of social programs must respect these differences and not attempt to impose a formula onto other national communities while meeting the needs of one. With respect to English Canada, this means respecting the desire of most English Canadians to have the Canadian government play a strong

role in social programs. With respect to Quebec, this means recognizing that the majority of Quebecers look to the Quebec government for the management and delivery of their social programs. With respect to aboriginal peoples, this means respecting their desire for self-government, which includes control of social services.

The seventh issue we would like to raise is the issue of different programs for different needs. Canada needs a differentiated system of programs to meet a variety of needs. The unemployment insurance and social assistance programs have different purposes and should be maintained as separate programs. A training system must be developed as another distinct set of programs.

NAC is completely opposed to any merging of UI and social assistance and to any attempt to provincialize the UI fund. We are also strongly opposed to using the UI fund as a major funding source for training programs.

The problems of the UI system today come from two main sources, both of which are government induced. These are the offloading onto UI of billions of dollars of costs previously paid out of general government revenue as a result to changes to UI introduced by the Conservatives. The second is the high rates of unemployment caused by the free trade agreement, corporate restructuring, the monetary policies of the Bank of Canada, and the fiscal policies of the Government of Canada. The most important measure to reform UI would be to reverse the changes made to it by the Tories.

Women's experience with the shift to offering training through the unemployment insurance system has been very negative. As a result of this Tory policy, \$200 million was cut from women's training programs, and community-based women's training programs across the country had to turn women seeking to re-enter the workforce away from their programs.

The primary objective to the unemployment insurance system must remain income support for the unemployed, not training. Separate systems for funding and delivering training, but accessible to those receiving UI benefits, must be developed distinct from the UI system.

The eighth issue is developing a real-life perspective. A review of social programs must begin from an appreciation of the real lives of Canadians, not from prejudices and stereotypes. Myths about the attitudes of the poor to training and work must be challenged. These myths are simply the prejudices of the privileged, who want to believe that their good fortune is a result of their own hard work and that the misfortune of others is because of laziness.

A widespread myth is that Canada has a problem of large numbers of people vegetating on social assistance. The reality is that most people who receive social assistance do so for relatively short periods of time and use social assistance to carry them through particular crisis periods.



The Social Assistance Review Committee in Ontario discovered that about 40% of employable recipients remain on assistance for less than three months, with the average for that group being about seven months. Single parents average between three and four years, with a significant minority leaving the program within two years. Disabled recipients have the longest average stay, just over five years.

Another myth is that people on social assistance are not willing to take training and so must be enticed by incentives, or coerced into it. The reality is that there are more people who want training than receive it., and that the experience of too many women who have taken employability programs is that there are no jobs at the end. A progressive review of social programs will talk to the people receiving these programs about the problems they face and will listen to their concerns about the design of programs.

The question we would like to ask, what is the real agenda? NAC is concerned about both the direction and the process of the review of social policy. The budget very clearly places the review at the centre of the government's deficit-reduction strategy and goes so far as to attach a specific dollar amount that the review must achieve. As a result, the budget seriously compromises the credibility of the entire review of social programs.

Not only did the budget make deficit reduction the central objective of the review process, but it also introduces a fundamental change to the Unemployment Insurance system. It did this without public consultation or support, thereby pre-empting the debate on social policy reform.

NAC views the introduction of a two-tiered benefit structure within the unemployment insurance system as a very dangerous step in the direction of transforming UI into a means test program. This measure has been praised by the Reform Party for that very reason. We find it deplorable that the government has attempted to portray this reactionary measure as a benefit for single mothers.

NAC is strongly opposed to introducing targeted measures into unemployment insurance. We believe this budget measure should be reversed and that 60% be set as the benefit level for all UIrecipients.

The credibility of the review process has been further compromised by the timetable the government is attempting to impose. The rush to have decisions made by next September, to meet the artificial deadline of the February 1995 budget, is unacceptable. This timetable is particularly troubling since the Liberals did not raise the issue of a fundamental restructuring of social programs during the election. The government does not have a mandate to proceed with this and can only arrive at such a mandate through a genuine process of consensus-building.

During the Tory era, Canadians were forced to endure highly orchestrated, top-down processes directed at manufacturing the appearance of

public support for fundamental changes. The approach consisted of the following elements: an elite process of consensus-building that involved provincial premiers and other elites in the consideration of a narrow range of pre-determined options, a flurry of supposedly public consultations by a variety of different bodies, whose mandate was unclear and whose input into decision-making at the elite level was obscure, and an artificially imposed deadline dictated by some impending catastrophe, usually associated in some way with the demands of international financial markets. This was the history of the Meech Lake accord and of the Charlottetown accord. The process now unfolding around the review of social policy is increasingly looking a lot like this approach.

If the social policy review process is to regain the credibility lost by the budget, the review must be de-linked for the February 1995 budget. A clear statement must be made that the objective of the review is to improve social programs for Canadians, not to reduce the deficit.

A one-tiered benefit system for UI should be restored, and the benefit level for all recipients raised to 60%. A genuine process of consensus-building must take place with enough time and resources given to organizations and communities to ensure grass-roots participation. Lastly, we would invite the government to release the white paper that was produced on social programs during the Conservative era, which the then Prime Minister, Kim Campbell, refused to release. We would invite this government, as a show of its commitment to an open process of consultation, to release that white paper immediately.

#### NOTE

1. Standing Committee on Human Resources Development, *Minutes of Proceedings and Evidence*, Feb. 25, 1994 (Issue 4, pp. 4-8).

#### **Submission:**

Fédération des femmes du Québec (FFQ)<sup>1</sup>

S'il y a un déficit aujourd'hui ce n'est pas à cause des programmes sociaux.

Les programmes sociaux représentaient 19.6% des dépenses sociales du gouvernement en 1984. En 1988, ces dépenses se chiffraient à 16%, principalement à cause des coupures. Pourtant, si les dépenses des programmes gouvernementaux ont augmenté depuis ce temps-là, c'est à cause de la récession.

À notre avis, les problèmes de l'économie et du déficit, c'est le chômage. Nous pensons que si vous voulez vous attaquer sérieusement au déficit, il faut s'attaquer au chômage. Cela ne veut pas dire s'attaquer aux chômeurs. Toutes les hypothèses avancées et les documents présentés jusqu'à ce jour

semblent blâmer les chômeurs, leur demander de faire plus d'efforts, leur demander de chercher plus de travail, de dire qu'ils ne sont pas qualifiés. À notre avis, ce n'est pas cela le problème.

Si vous voulez adopter une approche originale aujourd'hui, vous devez regarder le problème de la création d'emplois. Dans la création d'emploi, l'un des principaux domaines où on a des besoins et où on a des ressources qui sont capables d'offrir des services, c'est le secteur public.

Encore une fois, nous pensons qu'il ne faut pas couper dans les services publics. Il ne faut pas mettre à pied d'autres fonctionnaires, d'autres travailleurs d'hôpital et d'autres enseignants. Il faut plutôt développer ces services. Nous sommes convaincus que si l'on travaille dans cette optique, on réduira le coût de l'assurance-chômage, parce qu'il y aura moins de chômeurs, et celui de l'aide sociale, et donc du Régime d'assistance publique du Canada. Également, en remettant les gens au travail, on aura plus de contribuables. De plus, les gens auront plus d'argent à dépenser, ce qui sera bon pour l'entreprise.

Le problème actuel de l'entreprise, ce ne sont pas les dépenses sociales. C'est plutôt le manque de marché, le manque de débouchés et le fait que les consommateurs n'ont pas d'argent dans leurs poches.

Nous aimerions aussi souligner la contribution des femmes dans l'économie. Vous remarquerez qu'on souligne le fait que les femmes ont un rapport différent de celui des hommes avec l'économie. Nous exerçons, et de loin, la part plus importante du travail non rémunéré dans l'économie. Depuis des décennies, et même des siècles, nous offrons des services aux familles et à la communauté en plus de prendre soin des enfants. Nous demandons plusieurs éléments qui vont tenir compte de ce rapport spécial.

Nous demandons aussi un encouragement à l'entrepreneuriat féminin et des programmes réels d'équité salariale. On nous en promet depuis des années et, même dans le secteur public, ce n'est pas encore fait. Nous demandons des programmes d'accès à l'emploi.

Finalement, insistons sur l'importance de l'universalité, pour les femmes qui ne peuvent pas compter toujours sur un revenu de travail, des programmes de santé, d'éducation et de prestations pour enfants et pour personnes âgées. C'est absolument essentiel pour le bien-être des femmes.

#### NOTE

1. Standing Committee on Human Resources Development, *Minutes of Proceedings and Evidence*, March 7, 1994 (Issue 5, pp. 51-52).

**Submission:**

Native Council of Canada<sup>1</sup>

Today 47% of the aboriginal population is on social assistance. It ranges from a high of 75% in Saskatchewan to a low of 24% in Ontario. Those are horrific numbers. On average the figure is almost four times the Canadian average of 12.5%. When Canadians describe 12.5% as requiring urgent action, the English language fails us in describing our condition.

A century ago the heart of our economy was the land and the resources on the land. With 47% of our people on social assistance, welfare has become the heart of the aboriginal economy. How is the social policy reform to address this reality?

If we face a unique crisis and our problems are not a reflection of a wider phenomenon, as it seems to be well-established, then it is obvious that solutions for us and for our economy must be tailor-made. The principles that must guide us include equity of access and respect for our inherent right of self-government and for the treaties and title rights we have affirmed in the Constitution. Community control over our economy and our social welfare measures is job one. We must jointly develop new criteria for eligibility and for income security measures that work for aboriginal peoples.

The only effective way to overhaul a failed system of social assistance is by doing so in partnership. The only way to act as partners is to do so by mutual consent. We call for a parallel process of dialogue that engages our experts and yours, that involves our communities and that respects and builds upon our right of self-government. We cannot segregate social assistance and related measures from the reality that Canada is also heavily involved in areas of child welfare, education, assistance, labour market training, justice and health programs for aboriginal peoples. The intricate linkages between these sectors in social assistance are unique for our people. Therefore we must together strike a common agenda for action.

NOTE

1. Standing Committee on Human Resources Development, *Minutes of Proceedings and Evidence*, Feb. 23, 1994 (Issue 2, pp. 9-10).

**Submission:**

The National Anti-Poverty Organization (NAPO)<sup>1</sup>

The federal government has indicated that a large number of programs under review involve the so-called "employable" Canadians. We are continuing to operate under the ridiculous assumption that many employable Canadians do not want to work. This is largely a false assumption, which leads

people to poor bashing and blaming the victims of an unresponsive and sluggish economy.

The reality faced by too many Canadians is that jobs are either impossible to find or that the jobs available are on a part-time basis only. The profile of employment has drastically changed over the last few years. In addition to a constant and very high unemployment rate, Canadians are also facing a labour market that has been severely impacted by new technologies. We are facing an unprecedented structural change in that productivity is increasing, companies' profits are on the rise, but there is no corresponding increase in the number of jobs available.

Furthermore, the few jobs that are available are at or near minimum wage rates, which keeps many families and individuals living in poverty. As illustrated by the National Council of Welfare, the value of the minimum wage, in practical terms, has fallen by an average of 30% during the past 15 years because it has not kept pace with inflation, thereby creating a larger group of working poor.<sup>2</sup> In fact, 41.1% of all young families (where the head of the family was under 25) were living below the poverty line in 1992 and it is clear that inadequate minimum wage rates are contributing to this problem. Minimum wage rates need to be increased if we are looking to reduce the burden on social security programs.

A government cannot ignore such blunt realities. Canadians do want to work, and it is precisely under this banner that the new government was elected. It would have been far preferable for the government to engage in the development of a comprehensive job creation strategy first and foremost, since joblessness is clearly the major ill facing this country. Having developed such a strategy, it would then have been reasonable to reform social programs in accordance with the outcome of a jobs strategy. If there are not enough jobs available for all those who can work, we must stop penalizing individuals because there is a surplus pool of labour in this country.

*NAPO therefore recommends that the parameters of the reform include a vast discussion on the future of employment in Canada, including the issues of work distribution, wages and the role of the governments and the private sector in relation to job creation.*

In relation to the job issues, we seem to be favouring a massive investment in training programs as a solution to the problems of joblessness. While education has intrinsic value in and of itself, we must be extremely careful about investing massively in training without a corresponding increase in jobs at the end of the line. The "training for what" question is still valid from our membership's point of view, as many of them have indicated that they have taken one, two or as many as three different training programs, and are still unsuccessful in finding a job. We are further concerned that investment in training programs may come at the expense of

adequate income supports. A well-trained labour force is important, but in and of itself does not guarantee that companies will be attracted enough to create jobs. According to a recent study from the National Council of Welfare, two-thirds of welfare recipients and UI recipients have been facing barriers to employment that are not directly related to training.<sup>3</sup> In most cases, their greatest barrier to employment was the lack of jobs.

The current legislative framework in Canada, as well as some international covenants, have established a series of standards to be respected by public authorities, among which we find:

- the right of appeal in relation to decisions made by public authorities responsible for income support programs;
- the banning of workfare, as established in Section 15 of the Canada Assistance Plan (CAP);
- the obligation to meet basic needs, as stated again in the CAP Act. On this point, we must add that there is an obvious need to review levels of support currently set across the country.

There are great inconsistencies in relation to the welfare rates between provinces and territories, the only consistency being that they all provide levels of support that are below the poverty line.

We are also concerned that the 800 million dollars being allocated for pilot projects adhere to the provision of adequate standards of income support. There is great fear among low-income Canadians that they may be subject to pilot projects in which their income support may be further reduced.

*NAPO recommends that the review of social program include a discussion on the content and implementation of national standards related to social security programs. Such a discussion should address the notion of rights to be granted to recipients as well as the need for a uniform and adequate level of support to be provided to recipients.*

We cannot imagine a review process that would not specifically address the issue of welfare rates and their adequacy. The following example speaks for itself: The welfare rate for a single employable persons is set at \$3,048 per year in New Brunswick.<sup>4</sup> According to the Montreal Diet Dispensary, it has determined that a person living alone needs \$4.74 per day to get an adequate diet<sup>5</sup> which translates to \$1,730 per year. If \$1,730 is spent on food, \$1,318 remains for housing and clothing. That comes out to \$108 per month to pay the rent, clothing and anything else not related to food. How a person can exist on such a meagre income is difficult, if not impossible for many of us to imagine, yet this is a growing reality that some Canadians are being forced to come to grips with.

The definition of what constitutes a "training program" is a key element which should be addressed by the Committee. Programs such as EXTRA in the province of Québec are called training programs, whereas, in reality, no criteria have been set out to determine what is actually learned by those who participate in it. The EXTRA program has, by and large, created a pool of cheap labour. By virtue of its lack of structure and its exemption from existing labour legislation, participants have suffered abuses.

In many Canadian households, a disproportionate portion of income goes to housing. The most direct impact of this has been to force a larger number of people to rely on food banks. A review of social programs must include a commitment to eliminate the need for food banks. Food banks are nothing short of a national disgrace, as well as the clearest indicator of the fact that poverty is reaching new levels of humiliation and marginalization. One of the key elements for achieving this objective is to deal with the housing crisis.

*NAPO recommends that the review of social programs include a discussion on the role of the federal government in the field of social housing.*

*NAPO recommends that the review of social programs be based on the objective of eliminating the need for food banks by providing adequate levels of income support for those in need.*

We urge you today to listen to the voices of the 4.2 million Canadians who know intimately what works, what doesn't, and what can be done to improve their lives, their futures and the lives and future of their children. Don't count them out and don't disregard their comments as self-serving. They are a part of this country and they are contributors. They will no longer be victimized by those who wish to blame them for a bad economy.

#### NOTES

1. Standing Committee on Human Resources Development, *Minutes of Proceedings and Evidence*, March 8, 1994 (Issue 6, pp. 16-27).
2. National Council of Welfare, *Incentives and Disincentives to Work* (Ottawa: Minister of Supply and Services Canada, 1993). pp. 36, 70.
3. *Ibid*, p. 20.
4. See National Council of Welfare, *Welfare Incomes 1992* (Ottawa: Minister of Supply and Services Canada, 1993). p. 16.
5. Montreal Diet Dispensary, *Individual Minimum Adequate Food Costs — January 1994* (Montreal, January 1994).

**Submission:**

**Council of Canadians with Disabilities<sup>1</sup>**

There has to be a comprehensive disability insurance system providing adequate income regardless of cause of disability. We have to move away from programs that treat people very, very differently depending on how they became disabled.

These are the kinds of things we need: attendant care programs, interpreter services for persons who are deaf, reader services for persons who are blind, transportation systems that are accessible — that allow you to get to and from work on time so that you can actually do a job, etc.

We're a little fearful of the discussions we have heard so far. They all focus on training and income, which is fine, but if you can't get to the place to be trained — if it's not accessible; if the transportation is not accessible; if the attendant care service you depend on only will serve you if you stay home — then we have a problem.

Disabled Canadians want jobs; we want to be in the labour force. We do not want to be existing solely on social welfare programs. We do not want a separate category of unemployables to be created.

Presently, the Canada Pension Plan disability benefit says you must declare yourself unemployable in order to get benefits. You cannot work part-time; you cannot earn any other income. If you do, you lose all your benefits — medical benefits, attendant care benefits, income support benefits, all of those kinds of things. So we have to remove those barriers.

We believe there is a role for the federal government in the establishment of national standards. We are concerned about transferring power to provinces and having to deal with ten or twelve different jurisdictions, some able to provide better types of support than others.

We also want to give you a simple message: that we want integrated systems, not separate systems. We do not want to see an income support program that is separate for persons with disabilities or training programs that are separate for persons with disabilities. If we are designing new programs in Canada, let's ensure within the design access for all people within that program, rather than design parallel streams, which have kept people with disabilities separate from their neighbours and the mainstream of Canadian society.

**NOTE**

1. Standing Committee on Human Resources Development, *Minutes of Proceedings and Evidence*, March 9, 1994 (Issue 7, pp. 147–157).