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

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**Chair**

**Mr. Bryan May**



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

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• (1100)

[English]

**The Chair (Mr. Bryan May (Cambridge, Lib.)):** Good morning, everybody.

Pursuant to Standing Order 108(2) and the motion adopted by this committee on Monday, June 13, 2016, the committee is resuming its study of poverty reduction strategies.

I'm very pleased to welcome a full slate of witnesses this morning.

As an individual, Gavin Still, CPA and CGA at MNP LLP from Fort St. John, British Columbia, via video conference. Thank you for being here.

From the Canadian Association of Social Workers, we have Sally Guy, director of policy and strategy. Welcome. I understand Fred is now here with you? Excellent.

From the Canadian Home Builders' Association, we have the chief executive officer, Kevin Lee. From Food Banks Canada, the director of policy and research, Shawn Pegg is with us. From the Macdonald-Laurier Institute, Munk senior fellow, Sean Speer is here with us today. Finally, from Reena, the head of stakeholder relations, Gary Gladstone is with us this morning. Welcome, everyone.

We do have a very full committee today, so we're going to keep our comments as close to seven minutes as possible. If you can see this microphone light go on, it means that your time is either very close to being up or you're already past time. If I have to start waving you down, I will, but I will try to respect the time you require to finish your comments as much as we possibly can. As I said, we do have a lot to get through today.

We are going to get started right away and we're going to start with Mr. Gavin Still, via video conference from Fort St. John, British Columbia.

Welcome, sir. The next seven minutes are yours.

**Mr. Gavin Still (MNP LLP, Fort St. John, As an Individual):** Thank you very much.

As a bit of background, as you mentioned. I live in northeastern B. C. and have grown up here. I'm a partner in a national accounting firm. As such, I work with a number of our property development clients.

I'm speaking today specifically on the subject of neighbourhoods and how neighbourhood development relates to poverty reduction and to people's lives. In the north and in smaller centres, certainly where there are burgeoning economies for the most part, in towns like mine, there are unique challenges in the design of neighbourhoods and of towns. What we see is different from larger centres. We have high employment, but in a town like mine the high employment is typically in resource industries where the wages are quite good. This results in a high cost of living, high house prices, and towns and environments based around people who can afford to have a decent-sized house, have some space around it, and a car to get from point A to point B.

Although that is a subset of the population in towns like mine, a lot of pressure is put on those who are not directly employed in the resource industry. Certainly life can be quite hard in towns like this. I'd like to make it clear that I'm speaking for a lot of towns across Canada that are not major urban centres. Life can be difficult for those on more modest incomes.

It's a struggle from an economic standpoint, which is the focus I want to have today since it's in my wheelhouse. Economically, it's difficult for local businesses to develop and for people to want to come to towns like this from other parts of Canada, or for new immigrants to come here and face starting out in a community perhaps at lower earnings, or people who are struggling or on some kind of assistance, looking for opportunities. Typically, we see that these people struggle, or in many cases don't come to towns like mine because they feel the cost of living is high and the lifestyle they would have would be one of poverty and struggle. It hampers the economic growth of towns like Fort St. John, and indeed, many towns like this across Canada.

We have some particular struggles here, and I want to address them.

It's important to realize that in smaller places, and indeed anywhere, it's not just an economic question; it's a question of people and their lives. Certainly, we don't want to see some kind of knee-jerk solution that puts or forces people into an environment that is... My parents immigrated to Canada from the U.K., and when they came here, many of the lower income neighbourhoods in the U. K. were tenements. Certainly they were inhumane and in many cases created more problems than they solved.

In towns like this especially—I think I speak for many across Canada—we're looking for solutions to poverty that allow people hope and upward mobility. They attract people to places like this where there's a lot of work for people to build their lives and careers.

• (1105)

If I jump to the challenges that are faced—and I think this is something that's common—I'll speak from the perspective that some of my clients face as they have tried to create affordable neighbourhoods, neighbourhoods that would work for people on lower incomes, that would be healthy and certainly livable. To reduce poverty it's important that neighbourhoods and environments are affordable and that they're livable as well.

Really, the challenges that are faced in a town like mine are probably more municipal than anything else. I do appreciate the federal government's concern about this, but I think there's an uphill battle linking what happens federally with what happens at the municipal level. We struggle with high land costs and limited kinds of developable land, to coin a phrase. We struggle with high wage costs for those who are tradespeople, and we also struggle, I think, with zoning that requires a huge amount of green space and parking space. Although those things are good, they all add to the cost of the neighbourhoods being developed in a place like Fort St. John.

These costs have led us basically to a point where many people struggle, and there are people who, even if they're employed and have, we'll say, entry-level or lower-level employment, cannot afford to live in many of our towns because of the costs, the burdens, the complexities, and the red tape created by zoning.

I think in summary I'd say that this is something that really needs to change at a zoning level, at the municipal level. I have some ideas about this, but I think that building neighbourhoods that are a bit higher density that allow people access to good public transit are certainly factors in the north. Also, maybe more co-op housing that doesn't pass along a return to investors but actually allows the tenants to pay as they go, so to speak, may be one solution.

I have a bit more in my notes here, but I can see that the light's on, so I'll wrap that up. However, with some questions, maybe we can drill into those aspects a little more.

Thank you.

• (1110)

**The Chair:** Excellent. Thank you very much, sir.

Now from the Canadian Association of Social Workers, we have the director of policy and strategy, Sally Guy, for seven minutes, please.

**Ms. Sally Guy (Director of Policy and Strategy, Canadian Association of Social Workers):** Thank you.

Good morning, everyone. On behalf of the board of the Canadian Association of Social Workers and our president, Jan Christianson-Wood, I thank you for inviting the social work voice to this important consultation.

When we considered the study's guidelines, we noticed that the words “new” and “innovative” emerged over and over again. Not to be cheeky in any way, CASW would propose that the first step to

innovation is actually in better measuring and assessing existing systems and strategies so that we can build upon and lift up best practices and evidence.

To elaborate on that, CASW is often asked which provinces and territories are leading in poverty reduction. It is also asked where dollars allocated for social services through the Canada social transfer are being spent, or in an ideal world, where they are being most effectively spent.

We simply don't know. No one does. At present, there is no requirement that the provinces ensure recognition of the federal payments or provide information to the federal government about how the CST is spent. The dollars flow into general revenue.

With the introduction of the Canada Health Act, the government acknowledged that certain principles should be upheld across Canada in the delivery of health care services. Far from hard laws or regulations, the Canada Health Act serves as a set of guiding principles that are really just meant to ensure that Canadians have access to equitable, quality care wherever they reside.

This is why CASW is proposing a social care act as a piece of a national poverty reduction strategy.

I can see many of you looking at me. I know I probably have pitched this to you, individually, before.

As with the Canada Health Act, the proposed social care act would establish common principles to help comprehensively address poverty. These aren't new—public administration, universality, portability—and this would help set the stage for a framework for reporting on how the CST and other federal social investments are spent.

Enabling such a framework for reporting would not only provide the government with a record of return on investment. It would also serve as a catalyst for the sharing of best practices and evidence between the provinces and territories.

That being said, I'll move on to the study's specific questions, of which there are a number.

With regard to education, training, and employment, I'll go briefly back to the CST and accountability. We think the portion of federal dollars intended for post-secondary education should be separated in some way from the rest of the CST, which is really intended to address Canadians' dignity and basic needs. This doesn't necessarily mean separating it altogether, but rather delineating the funds' intended purposes, which would be, again, facilitated by something like a social care act.

We also would ask that the profession of social work be included under the Canada student loan forgiveness program, which currently includes nurses, for instance. Not only are social workers' skills greatly required in many rural and remote regions in Canada, but we also are trained mental health professionals whose expertise most often comes at a more cost-effective price point than that of psychologists or psychiatrists.

With regard to housing and homelessness, CASW wholeheartedly supports the Canadian Housing and Renewal Association's request to continue and increase direct supportive housing investments, noting that the 2016 federal budget introduced targeted funding to increase affordable housing for seniors and for victims of violence.

CASW recommends that these programs be continued beyond their two-year mandate. It also recommends that this program be extended to include other forms of supportive housing targeted to seniors, LGBTQ individuals, veterans, and also previously incarcerated individuals. Funding for these types of targeted programs would ideally be set a minimum of \$150 million per year. It would also ideally flow through something like a social care act as a social policy framework.

With regard to government administrative savings and entitlement programs, we have a lot to be happy about, a lot to reward the Liberal government for. In tying the Canada child benefit to income, the Government of Canada took a bold step towards developing a comprehensive basic income for families with children.

Budget 2016 also enhanced the guaranteed income supplement, which combined with OAS—old age security—moves forward basic support for seniors. We commend this, and we encourage the government to continue progressively with the concept of a basic income for all, potentially.

We were also really pleased by the CPP expansion in bill C-26. We do remain concerned that it lacks those so-called dropout provisions for child rearing and disability, and we do hope the government commits to amending those as it has publicly promised to do.

• (1115)

On social investments, which is my last piece—I promise—we recently released a paper entitled “The True Cost of Capital”, which was on the potential of social finance in Canada.

Keeping in mind this government's mandate to develop a social innovation and social finance strategy, CASW urges that any approach be guided by social principles as well as economic ones, and that it implement strategies based on evidence and not only the assumption of efficiency and innovation, as ubiquitous as these assumptions seem to be.

Since social finance tools have the potential to impact the most vulnerable in our society, it's imperative that they are not further economically exploited by private investors.

On social finance, we would just advise that any initiatives meant to address poverty or vulnerable populations be guided by a social conscience, and use as a framework the principles proposed by a social care act, which are the same as in the Canada Health Act, namely, public administration, accessibility, fairness, effectiveness, accountability, and transparency, to name a few.

We also hope that the federal government will heed the view provided in the supplementary opinion on this committee's study of social impact bonds, which went on to say that it is important above all else to ensure that the government prioritize the needs and successes of vulnerable Canadians, meaning their needs and successes, not those of private enterprise.

Finally, I think it just needs to be said one more time, because it is so important, that private profit has no place in the provision of services to vulnerable Canadians.

I think I kept that short.

Thank you for your time. I look forward to any questions you may have.

**The Chair:** Thank you very much.

Moving on to the Canadian Home Builders' Association, we have chief executive officer, Mr. Kevin Lee.

**Mr. Kevin Lee (Chief Executive Officer, Canadian Home Builders' Association):** Thank you.

I commend the committee for making housing a priority in this study on poverty reduction. As the underlying principle of housing dictates, people are better able to move forward with their lives if they are housed.

The CHBA and our 8,500 member companies are the voice of the residential construction industry in Canada, a vital partner in developing and implementing housing policy as part of an overall poverty reduction strategy. As you know, the government is also creating a national housing strategy and much of what I will say here today, we've recommended there, too. After all, a national housing strategy and poverty reduction strategy should go hand in hand.

What may not be so obvious—and what I must emphasize today—is that addressing the entire housing continuum right up into market rate, rental, and home ownership is critical to both the housing strategy and the poverty reduction strategy. The ripple effects of deteriorating market-rate affordability and barriers to home ownership cascade right down to those in housing need and impede progress and poverty reduction if not addressed.

I should also note that I'm the chair of the International Housing Association and meet regularly with housing experts from around the world. I can tell you that international experts remark that you cannot fix social housing challenges without fixing market-rate housing affordability too.

With finite resources to address any public policy issue, we need innovative solutions. There are hundreds of thousands of Canadians in housing need who require help. To be successful, we need to find the tools to house more people in better housing for less public dollars. This can only be achieved if the housing strategy addresses issues across the entire continuum, from homelessness to social and supportive housing right through to affordability for market-based rental and home ownership.

Overall, we need to keep Canadians moving across the housing continuum towards market-rate housing. People need to keep moving along the continuum to make space available for those less fortunate. Even more important, we need to ensure people are not sliding back in the wrong direction. If affordability problems and market-rate housing push those who would otherwise be self-sufficient into a requirement for public support, our system has truly failed.

CHBA is very concerned that ignoring wider market-rate affordability and restricting opportunities for market-based housing will put more pressure on resources better used to help Canadians who truly need housing support.

With this in mind, let me now focus on some innovative approaches to housing Canadians in need. CHBA is part of the National Housing Collaborative, a cross-sectoral group of national housing stakeholders—public, private and non-profit—supported by foundations and charities. The collaborative was formed to develop deep, transformative, durable, and innovative policy proposals. The collaborative landed on four priorities. I'm sure you've heard, and will hear, a lot about the need for more social housing.

Today I'd like to focus on the collaborative's priority that would ease the burden on social housing, and that is a portable housing benefit. The majority of Canadians in core housing need do not have a housing problem. They have an income problem. As many of the front lines of anti-poverty organizations would agree, simply building and offering more and more social housing will be too slow, too expensive, and will not achieve the desired results. Yes, we need social housing. We need more of it and much of what we have needs to be improved, but social housing is not the answer in the majority of cases.

Most families in core housing need are already properly housed. The problem is their income. Rent is the largest item in the family's budget and simply leaves too little for other essentials. A portable housing benefit would alleviate this basic challenge. The design put forth by the collaborative can be implemented in steps to first meet those most in need. However, if and when fully scaled up, it would move a massive 800,000 people out of housing need, and contrary to myth, it would not cause rent inflation nor would it reduce rental availability. A portable housing benefit is probably the single most cost-effective and far-reaching anti-poverty measure open to the federal government.

It would move people into, or keep them in, market-rate rental housing, freeing up social housing for those who need more comprehensive support. One of the greatest strengths of the housing benefit is that it promotes individual autonomy and choice because it is not tied to a particular housing unit. People choose where they want to live and find accommodations that meet their specific needs. This flexibility has the potential to improve labour-market mobility and promote mixed-income neighbourhoods.

To make this system work, it is also essential that we keep home ownership within reach of would-be first-time homebuyers. This is because over 80% of rental units that become available each year for rent are those vacated by people moving into their own homes for the first time. Thus, keeping entry-level home ownership accessible makes more rental stock available. Moving people along the

continuum from rental properties into home ownership, for those that want it, percolates back to those most in need.

With market-rate affordability in jeopardy in our most successful cities, action is required to support access to home ownership. CHBA has many recommendations on how the government can help with market-rate affordability, and we have submitted these recommendations to the national housing strategy—from mortgage rules, to transit-oriented development, to development taxes, and more.

● (1120)

I won't go into all those here, but it is important for the poverty reduction strategy that upstream affordability be addressed. For today though I'll focus on an innovative measure that can help both typical first-time homebuyers, as well as responsible hard-working lower-income families for whom affordable home ownership programs provide an excellent hand up.

I'm talking about shared equity down payment plans, sometimes referred to as shared appreciation mortgages. It's an approach already used on a small-scale by some 40 organizations across Canada. These initiatives provide access for home ownership for lower-income families through a third-party financial equity interest in the home that either reduces the amount required for the down payment, or the size of the first mortgage, or both.

The third party then shares in the house value appreciation or depreciation, as the case may be. There are many successful home ownership assistance programs across the country. They should now be facilitated in the scaling up of their efforts in particular to unlock private capital to invest in entry-level housing and support first-time homebuyers.

Before I finish I would like to turn briefly to housing supply.

It is worth noting that we estimate that given current demographics compared with current construction trends, we will be 300,000 family-oriented units short over the next decade, further driving up home prices and rents. Supply shortages are already driving up home prices in our largest urban centres.

With respect to rental properties, there has been a significant lack of purpose-built rental being constructed over the past few decades. Tax policy has been part of the problem, but if amended could be part of the solution.

First, we need to amend the tax regime to avoid GST being applied to new purpose-built rental developments. This increases rents for tenants and renders the business model for investing in purpose-built rentals less attractive, hence discouraging the construction of affordable rental units.

Second, we need to fix the tax on tax for accessory suites, such as granny flats and laneway housing. The current tax system, which incorporates land value rather than just construction cost, is discouraging this important form of infill housing that is favoured by more and more municipalities. These innovative infill projects increase the number of affordable homes in established neighbourhoods.

Finally, the government needs a national NIMBY, not in my backyard, to YIMBY, yes in my backyard, campaign. New developments, especially densification and mixed-income housing, are often met with local public opposition even when aligned with community plans. A national NIMBY to YIMBY campaign can facilitate a smoother transition into the communities of tomorrow.

I'll conclude by reiterating that a national housing strategy that addresses the full housing continuum is an essential part of a successful poverty reduction strategy.

Thanks.

• (1125)

**The Chair:** Thank you very much.

Moving to Food Banks Canada, we have Shawn Pegg, director, policy and research.

**Mr. Shawn Pegg (Director, Policy and Research, Food Banks Canada):** Good morning.

Thank you very much for the invitation to speak to the committee today. I'm glad I didn't come to talk about housing because I couldn't top that.

I'm here on behalf of Food Banks Canada, which is a national organization that unfortunately has member food banks serving residents in every riding represented in this room today.

We were very pleased by the minister's announcement that the poverty reduction strategy will be released in the fall of this year, as we recommended in our "HungerCount 2016" report. We recommended a quick rollout of the strategy because food bank use has been hovering at record levels for an unprecedented amount of time. More than 830,000 people have accessed a food bank each month since 2010. Our neighbours who are struggling with food insecurity cannot wait years for the federal government to act on this file. They need help now, today.

Many people think that food bank use is ever increasing but this is not true. Food bank use decreased for four consecutive years between 2004 and 2008. In late 2008 food bank use quickly began to expand as the recession set in, and it is now 26% higher than it was before the global economic downturn.

The need for food banks exists across the spectrum. More than one-third of individuals helped are children; more than 40% of households helped are families with children. While more than half the households accessing food banks are on social assistance or disability-related income supports, one in six tells us that employment is their primary source of income.

One of the most striking trends in the food bank network is the growth of single, unattached individuals walking through our doors

and asking for help. Single people have grown from 30% of households helped by food banks in 2001 to 45% in 2016.

Without taking away from any other group at high risk of poverty and food insecurity, in my remaining time I'd like to focus on this population of so-called unattached individuals.

Depending on which measure you look at, between 9% and 13% of Canadians can be defined as having low incomes. Using the market basket measure, the figure is just over one in 10. If we look at single, working-age, unattached people the figure jumps to 33%. One in every three single adults in Canada lives in poverty. This group of single people living in poverty represents a population of 1.3 million people and this group lives in deep poverty with average incomes that are 50% below the poverty line. This means they're living on an average of about \$10,000 per year. That bears repeating. There's a population of 1.3 million people in Canada who are living on an average of \$10,000 per year. That doesn't even get you to the basic personal amount on your tax return.

This is a population that from a government program perspective has few places to which they can turn. A large number are receiving social assistance. If they're working—and many people cycle between welfare and work—they can access some assistance through the working income tax benefit, but the amounts are small. There's very little cash support and very little in-kind support, such as labour market training for this population, particularly outside the larger cities.

The advisory council on economic growth estimates that we could add \$38 billion to Canada's GDP by increasing the labour market participation of low-income, low-skilled Canadians like the group I'm talking about. To accomplish this will require major changes to the relationship between governments and working-age singles living in poverty. It has implications for income supports, job training programs, indigenous policy, and chronic mental and physical health strategies.

Again, we don't want to take anything away from other populations at high risk of poverty in Canada. We strongly urge the federal government to make the large population of single, unattached people living in poverty a central focus of its poverty reduction strategy.

Thank you.

• (1130)

**The Chair:** Thank you very much, sir.

From the Macdonald-Laurier Institute we have Munk senior fellow Sean Speer.

**Mr. Sean Speer (Munk Senior Fellow, Macdonald-Laurier Institute):** Thank you, Mr. Chair.

Thanks to the committee for inviting me to participate. I want to congratulate all members for the study's comprehensive terms of reference.

Implicit is a recognition that there's no silver bullet, that poverty's underlying causes are multi-faceted and highly personalized, and that Ottawa's principle role is an enabling one; i.e., the federal government is primarily responsible for creating the conditions for economic opportunity and social mobility.

Former British prime minister David Cameron referred to his poverty reduction strategy as a "life chances" agenda. I think there's something to that type of thinking. Life chances, I would contend, are what this committee is ultimately studying, and what we're talking about today.

There is, of course, plenty to say on the subject of a federal poverty reduction strategy. I would be remiss, for instance, if I didn't observe that any such strategy must place a significant and major emphasis on improving the life chances of our indigenous people on and off reserve.

I'll focus my presentation on what we know about poverty, how we think about it, and what practical steps we can take to create the conditions for greater economic and social opportunity, particularly for those at risk of persistent poverty who, I'll argue, ought to be the focus of the government's efforts.

Let's start with some basic facts. Over the last 20 years, the percentage of Canadian households in poverty has declined from 6.7% in 1996 to 4.8% in 2009. The share living below Statistics Canada's low-income cutoff has also decreased from 15.2% in 1996 to 9.7% in 2013. The progress is broad-based. The incidence of low income among children, seniors, and persons in lone-parent families has also dropped.

Low incomes tend to be transitory. Research from Statistics Canada shows that only 1.5% of Canadians were in persistent low income from 2005 to 2010. I don't cite this data to claim that the committee's study is superfluous or to diminish its importance, but rather to celebrate our advances firstly, and secondly, to focus the rest of my discussion.

The development of a federal poverty strategy must start from where we are presently and understand who we're targeting. The progress that we've achieved to date is largely the result of a growing intellectual and political consensus on the role of government and public policy to address poverty and enable life chances.

Notwithstanding occasional political rhetoric, the left and right agree more on these issues and questions than we think. The left has come to understand the limits of state action and sees poverty as more than a problem of materialism, and the right has come to recognize the solution is more than simply pulling oneself up by his or her bootstraps. It involves a role for carefully designed government intervention.

This consensus has manifested itself in specific policies including generous child care benefits, low-income grants for education, targeted income subsidies for the working poor, and public pensions for low-income seniors. These policies, which draw on the best ideas and traditions of the left and the right, have had an important effect on poverty and economic participation in Canada.

The committee's eventual study, therefore, ought to ensure that it's accounting for post-tax and transfer measurements of poverty. It is

simply a fact that a child born in a poor household today is better off in several ways than he or she would have been a few decades ago. We shouldn't lose sight of this progress.

Nor should we rest on our laurels. We must continue to reform and improve programming to help low-income Canadians climb the economic and social ladder. I've recently written an essay, for instance, with a former NDP adviser on expanding the working income tax benefit, which was created by the previous Conservative government, supported by the New Democrats, and poised to be expanded by the current Liberal government.

The key priority must be to target those at risk of persistent poverty, including persons with disabilities, those with less than high school education, and individuals from lone-parent families. This is where the problems are most intractable and for which we have a clear societal obligation to help our fellow citizens.

These aren't cases of people temporarily experiencing low income following graduation or because of job loss, or who need a helping hand in the short term to pursue their goals. These are cases where individuals face health-related or other forms of major barriers to paid work. Progress with these groups won't be easy. Factors that contribute to persistent poverty are complex and varied. Solutions will thus differ. It will require trial and error, and highly personalized programming and services, and of course, federalism will have to play an important and critical role.

More generous cash transfers are part of the answer for some, especially for persons with severe disabilities whose employment levels are one-third of the non-disabled population. The government should make the disability tax credit refundable, for instance.

Cash transfers aren't the solution for everyone. In fact, they could be detrimental for someone with a substance abuse problem, as an example. The point is that those at risk of perpetual poverty should be the chief focus of a federal poverty reduction strategy, and this will invariably involve different policies and tools than those to address transitory low income, or to help Canadians climb the economic and social ladder. It's essential that we understand the distinction and develop policy agendas with both objectives in mind.

• (1135)

I'll just conclude by saying, again, I'm grateful for the chance to participate. I think the work that you're doing is critically important. I have a key recommendation: first, to recognize the progress we're made and to recognize the extent to which that progress represents the results of a growing political consensus; and secondly, to make sure we understand who we're targeting and then develop a policy agenda to focus on those people.

Thank you.

**The Chair:** Thank you very much, sir.

Now, from Reena, we have Gary Gladstone, head of stakeholder relations.

**Mr. Gary Gladstone (Head of Stakeholder Relations, Reena):** Good morning.

My name is Gary Gladstone. I'm the head of stakeholder relations for Reena, and also representing the intentional community consortium.

On behalf of the thousand people with developmental disabilities who we serve, thank you very much for having me here today.

Rob is 42 years old, with muscular dystrophy, developmental delay, and schizophrenia. He uses a scooter and wheelchair to get around, and up until eight months ago he was homeless, having lived at Seaton House and then at Amsterdam House transitional housing in Toronto. Parts of his scooter were stolen, his mobility was lessened, and this social person who liked to talk and interact with new people, who was caring and always willing to help others, had nowhere to go. Thanks to Reena, and the innovative Reena community residence in King—Vaughan, Rob is no longer homeless. He has a wonderful affordable housing apartment to call his own, complete with supports as and when he needs them.

The Ombudsman of Ontario reported in 2014 that there were 12,808 adults on the provincial wait-list for residential services, and now over 18,000. Over 25% of adults with development disabilities do not have adequate housing; many do not even get to the application process. Dr. Sylvain Roy found that fully 18% of individuals using an adult male shelter in Toronto were developmentally disabled. There are numerous people identified and housed inappropriately in our hospitals, in alternative levels of care, or in our prisons, and some are locked up at home. These people deserve better.

I've come here today to request your support to change this deplorable situation by, first, allocating 5% of all affordable housing investments to support housing solutions for individuals with developmental disabilities, and second, allocating \$11 million a year, for three years, for matching funds for innovative housing solutions developed by the intentional community consortium, the ICC.

Reena, celebrating its 44th year, has an annual operating budget of \$40 million, is managing housing assets of nearly \$80 million, and is the third-largest transfer payment agency of the Ministry of Community and Social Services in Ontario. We also support over 150 people in affordable public and private rental units. We know housing matters, and we know that across the country those with intellectual disabilities are amongst those most at risk in regard to homelessness and are living in inappropriate settings, such as shelters, hospitals, long-term care, and prisons. Ninety per cent of adults with a development disability live below the poverty line, and 70% of the population has experienced abuse of some sort, and for women with an intellectual disability it's higher. This is a vulnerable population, and we know from data that supportive housing makes a difference and improves their quality of life.

The link between poverty, risk of homelessness, and living with disabilities has been well documented. According to one Irish report,

people living with disabilities are twice as likely to live below the poverty line. Additionally, living in poverty is likely to increase instances of disability. This can be changed by dedicating 5% of national housing funds. With the financial support of MCSS in Ontario, Reena has created the intentional community consortium, with other agencies, to pilot a series of affordable housing projects for mixed use to be scaled out across Canada. Reena and partner agencies will build projects currently, but is expanding in Kitchener-Waterloo, Ottawa, Vaughan, Oshawa, Scarborough, Hamilton, Peterborough, Markham, and Burlington, with phone calls last week coming in from Calgary and B.C. Private funders will fund one-third and the government, two-thirds.

My message is that it's imperative that those with developmental disabilities who require supports are housed in the community with appropriate care. The cost to our health care system and our municipal social supports to provide inadequate and inappropriate care is driven by the absence of housing. The innovative Reena Community Residence, opened in 2012 in King—Vaughan, with the support of federal and provincial funding, provides apartments for 84 adults with developmental, cognitive, physical, or mental health needs. Everyone is welcome to come for a tour. The residence is designed as an intentional community for individuals with special needs.

Jason's parents were constantly worrying as it was getting harder to take care of his personal needs. They were getting older, and where could Jason, wheelchair-bound and requiring multiple and complex supports, live so that he could have a full life?

• (1140)

The innovative, collaborative partnership of the Reena Community Residence complex care team of March of Dimes, the Community Care Access Centre, and Reena provides him with all the medical and therapeutic supports he needs to flourish. His parents no longer need to worry, as their son is well cared for in an independent, supportive, and accessible setting. Thanks to the Reena Community Residence, Jason is not warehoused, as he would have been in the past.

The ombudsman's report clearly highlighted that the development of and investment in developmental disability sector-specific housing are almost non-existent. Municipalities are not building housing to meet this need, and the community is looking to the Government of Canada to make this a priority. The majority of those seeking affordable, supportive, and accessible housing are currently not even being counted on the housing waiting list, although this is in the process of changing.

We are seeking \$33 million from the federal government and a matching \$33 million from the provincial government, over three years, to support and implement these 10 projects.

Being part of the community and living as independently as possible are among the most important values and goals shared by people with disabilities, their families, and advocates. A home of one's own is the cornerstone of independence for people with disabilities. Reena can deliver on the government's commitment to build strong communities and help vulnerable Canadians obtain a home.

If you met Mark, one of the individuals we support, he would tell you that after living in a hospital for 15 years, moving to a home in community has given him a life. If you spoke to Sameesh, who, for 14 years, was floating between sheltered workshops and boarding houses, experiencing neglect and abuse, you would know how much housing matters. Today, she works 15 hours a week, and her home is her pride and joy. These stories cross our country and are reflected in every community. Across the country, the message is the same—this is a small population and not a priority. This cannot be the government's message.

A nation's greatness is measured by how it treats its weakest members, said Mahatma Gandhi. Through budget 2017, you can ensure that Canada takes care of those who cannot advocate for themselves. Rob and Sameesh were homeless, Mark was warehoused in a hospital, and Jason wouldn't have anywhere to go. Now, we need to assist the over 18,000 individuals on the wait-list in Ontario alone, homeless, and without supports.

To reiterate, as I close, in budget 2017, please allocate 5% of all affordable housing investments to support housing solutions for individuals with developmental disabilities, and allocate \$11 million a year for three years to matching funds for innovative housing solutions developed by the intentional community consortium. For further information about Reena and the consortium, visit [www.Reena.org](http://www.Reena.org).

Thank you very much.

• (1145)

**The Chair:** Thank you, sir.

Now we move on to our first round of questions.

MP Poilievre will start us off.

**Hon. Pierre Poilievre (Carleton, CPC):** Mr. Lee, you said that there is a double taxation of secondary suites. Can you explain what you meant by that?

**Mr. Kevin Lee:** Right now, the way secondary suites are assessed for GST purposes, it's not just the construction cost; they incorporate the value of the land. A secondary suite is on land that's already owned by somebody, so in the assessment process they'll include the land to create a value for the property, which obviously—especially in an infill situation in an urban environment where property values are very high—will dramatically increase the taxation on that house, making it very undesirable or expensive.

The result is either not building the suite, or often, building the suite in the underground economy for cash, which is a whole other story unto itself, which is a problem.

**Hon. Pierre Poilievre:** Is that with respect to property taxes?

**Mr. Kevin Lee:** No...GST.

**Hon. Pierre Poilievre:** Okay, that's good.

Can you provide us with a one-page technical backgrounder on that so we can address it in our report?

How does that relate to the other issue you raised, the GST application to purpose-built rentals?

**Mr. Kevin Lee:** The way GST is applied to purpose-built rentals.... In most situations, when businesses are paying GST, it's meant to flow through to the customer, and the business will get its GST refunded through input taxes, but of course there is no GST applied to rental. When you charge GST to people constructing purpose-built rentals, there is nowhere at the end to get the input tax credits back from, so that just ends up buried in the cost of rent. That either makes rent more expensive or makes it a less desirable investment from the private sector to build more purpose-built rentals.

Unlike groceries, which are considered a mandatory essential and there is no GST, and so accommodations are made for grocers in that chain, that isn't happening in the purpose-built rental market.

**Hon. Pierre Poilievre:** Can you also provide us with some very short technical background on that?

Sometimes governments think that if they impose new costs on developers who provide housing that's fine because the rich developer will just take that out of his profit margin and it won't matter to anyone else. Is that true or do the costs of governments get passed on to the renter?

**Mr. Kevin Lee:** Yes, of course they always do. Calling it a development charge is a very inconvenient name; that's usually the case at the municipal level. It is of course a tax, and that tax ends up every time in either the purchase price of a home or in the rental price. It has to.

**Hon. Pierre Poilievre:** Some of your research has shown massive increases in the development charges paid by your members. Supporters of those fees will tell you that the price of servicing the development ought to be embedded in the original project, not passed on to taxpayers.

Do you have evidence that these increased development charges are being used to subsidize government activity that is not related to the development itself?

**Mr. Kevin Lee:** We're seeing acts opened to fund more and more, so not only is it going to other places but the development acts, at the provincial level, are being opened so that more and more can be charged to new homebuyers. It's not just our numbers. If you look at the Statistics Canada numbers on the dramatic increase of development taxes over the past couple of decades, it's astronomical. You end up with new homebuyers having to pay for a lot of things that in the past were covered by more of society.

**Hon. Pierre Poilievre:** Right, and in the past it didn't exist because the cost of municipal government has skyrocketed. Municipal government revenues have gone up about two and a half times the combined rate of inflation and population growth just over the last 15 years. Most of that has been going to fund personnel, not services or infrastructure. Some of these development charges, which price low-income people out of a home, are going to fund municipal bureaucracies.

Moving on now to the issue of Nimbyism. Do you see evidence that building restrictions imposed by municipal and provincial governments are preventing low-income people from getting affordable housing?

• (1150)

**Mr. Kevin Lee:** We see that it's often not even the regulations; it's the process. You'll go forward where the plans are all in place and you're having higher density, mixed-income, some support for some sort of assisted dwellings, and then it goes through more of a political process at the municipal level where you get objections from the local community and then all of a sudden the plans get cancelled or they get delayed for a long time, densities decrease.... That's probably the most common thing, people opposing increased density. You have a desire to increase density and a lot of the time the local community will oppose it and as a result, you end up with more expensive housing, both for ownership and for rental.

**Hon. Pierre Poilievre:** Mr. Speer, can you speak about the loss of housing opportunities for low-income people that results from red tape, zoning restrictions, and development charges?

**Mr. Sean Speer:** I'm grateful for the opportunity, thank you.

This is a subject that has, I think, become a matter of growing political consensus, similar to many of the things that I talked about earlier.

President Obama's former chair of the council of economic advisers, Jason Furman, has written extensively about the extent to which restrictions on housing supply, urban containment strategies, and exclusionary zoning are not just driving up housing prices, but in turn, precluding low- and middle-income citizens from moving to dynamic job-creating cities because of the cost of housing. Not only is it having an impact on them and their families, it's having a national economic impact to the extent that we don't have people responding to our labour market needs because of the barrier of housing affordability.

**Hon. Pierre Poilievre:** That barrier is caused by what?

**Mr. Sean Speer:** Principally, it's a supply issue. For instance, in Toronto we've had detached home construction at a 36-year low and in Vancouver, similarly, the lowest new detached home construction in a quarter century.

**Hon. Pierre Poilievre:** Is that just that the market doesn't think it's profitable to build housing or is some other distortion causing that?

**Mr. Sean Speer:** Principally, it's a matter of government policy, primarily when it comes to zoning or to building and construction rules.

**The Chair:** Thank you.

MP Dhillon, please.

**Ms. Anju Dhillon (Dorval—Lachine—LaSalle, Lib.):** My question will be for Gavin.

You mentioned co-op housing as being a good approach to affordable housing. Would you agree that the existing program should be extended, including the operating agreements, which provide subsidies for seniors or people with disabilities on fixed income?

**Mr. Gavin Still:** I agree that's part of the solution. My comment was more that it has been at least moderately successful in a town like this, providing housing that's adequate and affordable. I'd say guardedly, yes, there's some of that, but I think there are much larger, overarching solutions out there, some of which have been briefly discussed here just previous to my comments.

**Ms. Anju Dhillon:** What is your opinion on subsidies?

**Mr. Gavin Still:** My opinion on subsidies is that.... To refer to what some of the previous guests have said, it's a problem if we're facing such ridiculously high costs because of zoning, because of development charges, and because of other things that are levied by municipalities, and we subsidize to take the sting out of some of those things. Really, that would mean, for example, that a federal subsidy would go directly into a project and would flow out to the municipality that's charging all of these ridiculous charges and forcing zoning that is unworkable for the type of property that is being put in.

Another problem with subsidy in general is that with the problems that are being faced, it would just be a flow-through of subsidies into a municipality's pockets, as was mentioned previously.

**Ms. Anju Dhillon:** Okay.

Much of the existing co-op housing is old now. Would you support funding repairs that make the units better to live in and more affordable, if renovations also reduced water and energy consumption?

• (1155)

**Mr. Gavin Still:** I'd support some of that. Speaking from a northern perspective, I think there's an economic gain. This was mentioned by others and I brought it up briefly in my initial comments. I'd support that as long as we can see that there is an economic reason for those subsidies and that it would actually pay off, not just in making properties better places to be, but also, from a larger standpoint, in encouraging people to move to these dynamically growing communities. Typically, it's hard to attract people to such communities, and it's certainly hard to attract people who are in lower-income situations but are looking for opportunity.

If we can argue that doing this would bring those people into communities like mine, cause those people to be likely to come here to fill much-needed employment positions, and make it attractive for them, I'd support that, yes.

**Ms. Anju Dhillon:** Do you believe that green infrastructure financing, like putting a price on carbon to finance green infrastructure, would save low-income renters money?

**Mr. Gavin Still:** I think the issue with any carbon tax is that there would be so many layers of costs built into the lifestyle, and certainly there would be an impact to low-income people.

Just from the 30,000-foot view, my comment would be that I'm not a fan of carbon tax in general, and certainly not in areas like this. First, it affects the industries that feed and clothe people here, and which people come to work for either directly or indirectly. Second, the cost of transportation, the cost of building, and any kind of additional levy that goes into that becomes almost a layered cost and builds on incrementally in each step through the supply process. As I said, it probably decreases the likelihood of investment in the area and the natural resource industry in general.

**Ms. Anju Dhillon:** But do you not believe that it's important for green infrastructure?

**Mr. Gavin Still:** I believe green infrastructure is important, but I would support other development ideas besides a carbon tax, which would layer over and over into the cost of anything people do.

**Ms. Anju Dhillon:** Thank you.

My next question will be for Mr. Gladstone. Are your development charges routinely waived to accommodate affordability?

**Mr. Gary Gladstone:** Yes, for the most part, municipalities where we have been building have been very supportive in many ways—development charges, taxes, and so on. It's very helpful.

**Ms. Anju Dhillon:** We were just discussing green infrastructure, affordability, and subsidies. What is your take on this?

**Mr. Gary Gladstone:** At this point, there's no question that green infrastructure is vital, very important, and anything we build would obviously fit LEED standards. In terms of having the funds, I think it's imperative that, in whatever way possible, we build additional units for those with developmental disabilities. We're looking at a partnership, public and private, in order to make this work. If that's where the government feels the funds should come from, it's not a problem.

**Ms. Anju Dhillon:** Regarding public and private funding, have you been using a lot of it?

**Mr. Gary Gladstone:** Absolutely. We feel strongly that wherever residences are being built, if there isn't community support, they will not be in a position to thrive. Particularly in Reena's case, inclusivity and community engagement are at the top of our mission. If the community is not involved in funding and with the residents, those we serve will not have appropriate and proper living conditions, and those joining the intentional community consortium have all committed to one-third private funding from local community foundations.

• (1200)

**The Chair:** Thank you.

Now we go to MP Sansoucy.

[*Translation*]

**Ms. Brigitte Sansoucy (Saint-Hyacinthe—Bagot, NDP):** Thank you, Mr. Chair.

My first question is for Mr. Pegg.

Thank you for educating us on the situation many single unattached people face. A third of them are actually unable to cover their basic needs.

If you don't mind, I'd like more information on something else in your recent report, the series of recommendations on food security for northern residents. It's an area we are more involved in at the federal level, one where we need to find solutions and make improvements.

In addressing the issue, you point to transportation and energy in the northern context. I'd like you to tell us why you chose to tie transportation and energy to food security in isolated northern communities.

[*English*]

**Mr. Shawn Pegg:** That's a very good question. I think the main problem we see in northern economies is that people are often living on extraordinarily low incomes, and the cost of living is extremely high, twice as high, or three times as high if we're just looking at food.

Trying to support the northern economy by shipping stuff up from the south, given the cost of energy, given the cost of food, is not really sustainable, and this is why we always bring it back to income. We can talk about how we respond to low income. We can talk about how we respond to poverty, but if we're not.... We don't talk, for example, about stock and flow. We talk about poverty as if it's the same people who are living in poverty year after year after year, when the reality is that hundreds of thousands of people fall into poverty each year and many others climb out of poverty each year.

I agree that we need to make people who are in poverty for long periods of time a focus. I think a lot of indigenous northern residents would fall into this category, but I think we also need to focus on preventing poverty because if you prevent people from falling into poverty, then you are going to see it drop significantly.

I'm not sure I totally answered your question, though.

[*Translation*]

**Ms. Brigitte Sansoucy:** Did the funding in the last budget allocated to energy, transportation, and infrastructure in northern communities help to improve food security in the communities?

[*English*]

**Mr. Shawn Pegg:** Would you be referring to nutrition north Canada?

**Ms. Brigitte Sansoucy:** Yes.

**Mr. Shawn Pegg:** I think nutrition north Canada is a small program. It's an \$80-million program. It went from a \$64-million to an \$80-million or \$90-million program. Yes, I think it does some good. We were very happy to see the improvements and the additions to the program. However, if you're really going to address food insecurity in the north, you have to look outside nutrition north Canada. Yes, it was welcome but it's a very small program.

[Translation]

**Ms. Brigitte Sansoucy:** Thank you.

My next question is for Ms. Guy.

You talked about social service legislation, which I found interesting. Since the committee began its study, we have regularly heard about the social determinants of health. It's an element that comes up over and over again. You talked about homelessness among seniors. In fact, you said that housing measures for seniors should be spread over a period of more than two years.

I'd like to hear your suggestions on how to tackle housing problems faced by seniors. I say seniors, but it actually concerns all those who are in a vulnerable situation.

**Ms. Sally Guy:** Do you mind if I answer in English?

**Ms. Brigitte Sansoucy:** No, go right ahead. That's why we have interpreters.

[English]

**Ms. Sally Guy:** Yes, it's incredibly important to continue to advocate for vulnerable people, specifically in terms of housing. I think that you're in good hands with Adam Vaughan on the committee as a champion for housing and for general support.

We've heard a lot of consensus on this panel about the problems being access to housing and income. The truth is, even with GIS and OAS combined, you still have seniors living under the poverty line, which is under \$24,000.

One of our key pieces, which I didn't bring today to speak about but that we have advocated for, is a general basic income for all. This would be something that would be in addition to GIS and OAS for those seniors who are—I don't always like this term—falling between the cracks. That would lift them up to a standard of living that would enable them to live in a granny suite or infill housing, which would be, in turn, facilitated by a complex series of other types of programs that would need to be in a sort of web for people to fully take advantage of.

Does that answer your question regarding seniors?

•(1205)

[Translation]

**Ms. Brigitte Sansoucy:** Yes, thank you.

We are hearing more and more about a guaranteed minimum income, and my thinking is similar to that of Quebec, where the provincial government is beginning to explore the idea.

**Ms. Sally Guy:** Ontario is as well.

**Ms. Brigitte Sansoucy:** Exactly.

I'd like to hear your point of view, as someone who represents an association of social workers.

[English]

**The Chair:** If you can be very brief, then go ahead.

[Translation]

**Ms. Brigitte Sansoucy:** Increasingly, we are hearing that, to tackle poverty, a multidisciplinary or multidimensional approach is needed. I'd like to hear your thoughts on that.

[English]

**Ms. Sally Guy:** That's totally great and it is why we're pitching something like a social care act, because we know that more isn't always better. More income support isn't always better. More affordable housing probably is better. However, until we better understand how the provinces are using their social service dollars and how people are accessing social assistance and welfare, we don't necessarily have a good answer about where those pieces need to be placed in basic income.

Is supporting people with disabilities to live with an income above the poverty line a good idea? Absolutely. Is getting people housing first a good idea? Absolutely. Is that the only solution? No. Until we have true accountability in terms of spending, we won't have true measurability and then we won't have truly good policy development.

**The Chair:** Thank you.

Now over to MP Robillard for six minutes, please.

[Translation]

**Mr. Yves Robillard (Marc-Aurèle-Fortin, Lib.):** Thank you, Mr. Chair.

Good afternoon everyone.

My questions are for Ms. Guy.

Your organization is described as one that works to ensure that all social workers have access to a broad base of information in order to enhance their practice.

Would you say that the information you rely on has been adequate thus far?

What resources do you use to build the base of information aimed at enhancing the practice of social workers?

Do you think the federal government should have a hand in improving that base of information?

[English]

**Ms. Sally Guy:** Thank you so much for that question.

It would completely tie in with our desire for a social care act or for better data to explain to our provincial counterparts, because we're comprised of provincial and territorial partner organizations, what a bird's eye view of Canada looks like in terms of social services.

You have identified two aspects of our mandate that we don't always see as being one and the same. One is to provide services and information for social workers, which we see as part of our mandate of strengthening the profession. For that, we usually do continuing education and we're really looking at a more practice-oriented focus.

Your question does a good job of elucidating how that can be hand-in-hand with needing better data collection, on behalf of the provinces and given to the federal government, so that we can start to paint a picture for people in direct practice on the front line.

This is what's happening in British Columbia, and they're doing a great job. I'd love to share that with you in Alberta, but we don't actually have a mechanism for doing that right now, knowing that federal investments aren't being tracked the way we think they should be.

Does that answer your question?

**Mr. Yves Robillard:** Yes.

[Translation]

Your association represents members of the social work profession in Canada at the national level, as well as internationally.

Have you compared the poverty reduction efforts of other federal governments with those of the Canadian government? If so, what lessons have emerged? Are those lessons based on evidence?

• (1210)

[English]

**Ms. Sally Guy:** We're active with IFSW, which is the International Federation of Social Workers, which is what you're referring to. Our president meets yearly, actually, three times yearly, but once in person with them. The major thing that came out of the last meeting in terms of poverty reduction were...and this is where some of our social care act has come from, in terms of the fact that Britain has one and it's been doing great things in terms of reporting and data collection.

The other thing was that there was actually a motion passed, I believe, last year, on basic income. It's on the merits of exploring a guaranteed annual income, knowing that when you support people comprehensively, you actually save money down the line.

In terms of the *données probantes*, I would have to get you a briefing note on it. I'm not the person who is delegated to the IFSW, but I do know there has been a lot of excitement and discussion around both the idea of a social care act, or a policy framework for the delivery of federal social service dollars, as well as this concept of basic income that I think is moving all over Canada.

**Mr. Yves Robillard:** Thank you.

[Translation]

From your experience in the field, can you tell us the very first need that a national poverty reduction strategy should seek to fulfill?

What course of action should the federal government take to address that top priority?

In the same vein, Mr. Luppens, of Groupe actions solutions pauvreté, told the committee last week that it was more important to

tackle the structural causes of poverty than to address the consequences. Would you agree with that?

[English]

**Ms. Sally Guy:** That's a very difficult question to answer in the sense that sometimes I am a little bit jealous that I'm not up here as a housing association or as an association representing persons with disabilities. I am representing the Canadian Association of Social Workers, and it's a very diverse field of practice with a very diverse politics among our members.

A poverty reduction strategy that is comprehensively addressing all the areas that your committee has identified is going to be the first thing. If I had to delineate a few really key important pieces, it would be affordable housing, a housing first strategy that did not push to the wayside other supports.

It would be a housing first strategy that included existing supports in the community. Affordable child care is so important. For the people whose supports aren't able to lift them above the poverty line, they would have a basic income to fill in the cracks. That would be my three-pronged approach to what needs to be an incredibly multi-faceted approach.

I'm very happy to see that the poverty reduction strategy announced two weeks ago is going to be engaging people with lived experience. I also think that's incredibly important.

**Mr. Yves Robillard:** Thank you very much.

[Translation]

**Ms. Sally Guy:** Thank you, Mr. Robillard.

[English]

**The Chair:** Mr. Sangha.

**Mr. Ramesh Sangha (Brampton Centre, Lib.):** Thank you, everyone, for coming here and for this valuable input you are giving.

My question is first to Mr. Gary Gladstone. You talked about vulnerable people like Rob, Jason, Mark, and Sameesh. You have been giving help to them through Reena. You have also suggested that your organization wants to have some \$30 million of federal help and some \$30 million of provincial help for housing needs. In your opinion, what housing-related matters should we, the federal government, prioritize within the context of the national housing strategy?

**Mr. Gary Gladstone:** I think it's important not only that funds be made available for accessible and affordable housing, but that the supports for that housing are also there. Giving those with developmental disabilities a place to live at an affordable rate is wonderful, but without appropriate supports to go with it, it will not help them in the way that it could.

What we are asking is to pilot the innovative Reena Community Residence across the province—scalable across the country—in order to serve more people better, to include them in the community, and to ensure that they have the opportunity to thrive.

We mentioned some of the people we're assisting who are now working. We're creating taxpayers. There's nothing wrong with that. They want to get out in the workforce. With the proper supports and living conditions, they are then in a position to be able to do so.

•(1215)

**Mr. Ramesh Sangha:** Then what specific issues should be addressed with the short-, medium-, and long-term residences?

**Mr. Gary Gladstone:** For the short term, we need to get more spaces—both accessible and affordable—up immediately with the appropriate supports. We need to ensure that those on the waiting lists... First of all, we have to make sure they're on the waiting list. What's happening now, particularly in Ontario but I've heard in other jurisdictions as well, is that people with developmental disabilities who have housing needs aren't on the waiting list because without the supports there's no point. One ministry handles the supports on their list, but through housing...not. That is now in the process of being looking after.

The other is to continue to fund innovative programs to make sure that people are looked after in the best possible way. The Reena Community Residence is not the only solution; it's a solution.

**Mr. Ramesh Sangha:** Thank you.

My next question is to Shawn Pegg. You talked about the food banks. You have given many ideas about how to increase food security across Canada. Do you have any suggestion as to a new and innovative initiative that the federal government could undertake in order to increase food security across Canada?

**Mr. Shawn Pegg:** As I said, about half of the households accessing food banks are on welfare. Of course, that's mostly a provincial responsibility. In a sense—and I'm probably pushing it a bit—provincial governments are creating poverty with the amount of benefits they provide to people who have fallen on hard times.

It's the federal government's responsibility to manage social assistance on reserve, or at least to oversee it. Federal practice has been to match, for the most part, provincial policy, which is retrograde policy that I think has been proven to be a total failure. There is definite space for innovation on reserve with regard to welfare policy. I think a lot could be changed. I think there's room for the federal government to move away from matching provincial policy.

**Mr. Ramesh Sangha:** Will you be a little specific about what that innovative process is?

**Mr. Shawn Pegg:** I think the federal government needs to look at working with band councils on what works in specific communities. The first thing you have to look at is the kind of hopelessness you are creating by asking people to live on \$9,000 or \$12,000 a year in an isolated community, where food costs twice as much as it does here in Ottawa. That's the first thing you need to look at, and I think you go from there.

**Mr. Ramesh Sangha:** How can you attach this to the national poverty reduction strategy?

**Mr. Shawn Pegg:** There's no doubt. I think the national poverty reduction strategy needs to be more closely linked to the recommendations of the Truth and Reconciliation Commission. There's a natural and necessary fit there.

**Mr. Ramesh Sangha:** What are your suggestions to the committee at this time?

**Mr. Shawn Pegg:** More generally...?

**Mr. Ramesh Sangha:** Yes, more generally.

**Mr. Shawn Pegg:** On-reserve welfare is a big one. My colleague talked about increasing the working income tax benefit over and above what's planned under the changes to the Canada pension plan.

Today no one has mentioned education and training. It's not only on reserve, where I think there's a real lack of education and training to prepare people for the well-paying jobs that exist today.

A few years ago we saw some relatively negative evaluations of existing labour market programs that are funded by the federal government. What seemed to happen was that people threw up their hands and took money away from programs that were focused on very low-skilled people and moved them into a different program. It would be nice to see attention paid to what is a very boring, complex issue that's nevertheless a \$2-billion or \$3-billion program out of the federal government, which used to be called labour market development agreements.

•(1220)

**The Chair:** Thank you very much.

Now, for six minutes, we have MP Zimmer, please.

**Mr. Bob Zimmer (Prince George—Peace River—Northern Rockies, CPC):** Thank you to all the witnesses who came to Ottawa today and those who are out in TV land, in Fort St. John. Thanks, Gavin, for coming.

I want to get back to what you mentioned, Gavin, about neighbourhoods. That's the particular theme that we're on today. You mentioned certain pressures on northern neighbourhoods, and it all stems from finance. I think we heard a comment from Kevin Lee that we don't have a housing problem, we have an income problem. If that's correct, was it Kevin who said that?

**Mr. Kevin Lee:** Yes, that's the problem for many people.

**Mr. Bob Zimmer:** Yes, absolutely.

Around the theme of inadequate income, I think one thing we've done as Conservatives is that we incentivized building positive neighbourhood behaviours, like the children's fitness and arts tax credits, etc. A big part of that strategy was to leave more dollars in taxpayers' pockets—that's what we were trying to do—and again to make sure that income is at a level where people can live and enjoy their neighbourhood, enjoy their community.

One thing that concerns me—and we've talked about it a few times, but maybe not enough—is the carbon tax and the effects that carbon tax is going to have on those communities and neighbourhoods where they're so tight. Every last cent is spent by the time the next paycheque arrives, rents are just being paid, and just enough food is being purchased.

We've also seen certain tax measures from the government, where they give back to Canadians too. I'll give them that, but on the one hand they give a little, and they take it all back and then some with the carbon tax. What do you think of the negative effects the carbon tax is going to have on communities and neighbourhoods?

**Mr. Gavin Still:** Is that a question for me?

**Mr. Bob Zimmer:** Yes, Gavin.

**Mr. Gavin Still:** As I mentioned before, I think what we'll see with a carbon tax—what we do see—is that it's a very layered thing, much like the provincial sales tax in B.C. that we deal with. When you have taxation or any kind of levy that layers into various levels of the supply chain, I think it can only result in higher costs.

Again, that's not in defence of or against a carbon tax. I have my own opinion, of course, but I certainly would resist any kind of layered taxation like that. I would say that's why I would oppose a carbon tax in general. I can see that it would only be a layered tax and it would add cost, if I can make this clear, at every aspect of the supply chain, especially here in the north where there are a lot of transportation costs and generally a consumption of oil and gas, for sure. Certainly, again, if we look at it from the other side when you're talking about employment, which is maybe the bigger issue, these carbon taxes do affect the way businesses look at investing in infrastructure and investing in projects in the region. If those investments and projects are not done, it affects employment as well.

I think there's a double pressure that comes in from things like carbon tax. One is the economic slowdown because it creates an additional cost for the industries that feed and clothe people here. I think from the other side, it's this layered idea of just additional costs all the way through. No matter what's done to try to mitigate that, there are going to be almost exponentially layered costs through the whole supply chain.

**Mr. Bob Zimmer:** I'll get back to the arts and sports tax credits, which I referenced earlier. You're an accountant and you see this all the time. What did you see was the uptake of these particular tax credits? Again, it was to incentivize families to keep their kids in sports, keep their kids in arts programs, music programs, etc. It was trying to encourage positive neighbourhood behaviours in families. That's what we were trying to do by incentivizing through a tax break.

From your perspective as an accountant, was it utilized a lot? What's your general opinion on those two tax credits?

●(1225)

**Mr. Gavin Still:** Yes, I would say it was utilized basically 100% by people who had kids, often because we would ask the question because it was there. One thing I noticed was that there was a very high awareness of those tax credits being there, which is sometimes unusual, especially nowadays because there have been so many tax credits. When those were in place, people really were aware of those being there. For the most part, people voluntarily brought in receipts. Sometimes we had to remind clients that those were there.

Again, there was a very high public awareness and a very high voluntary uptake, and certainly it was 100% once we reminded people that they were there.

**Mr. Bob Zimmer:** With the time that I have left, Gavin, that's the positive side of it. We saw the positive effects of those tax credits.

Can you just illustrate what your thoughts are about the negative? We're starting to run into that. The tax credits are no longer offered. As a parent, father, community member—I know you're a Rotarian, etc.—what do you think the negative effects of not having those kinds of tax credits are going to have on the community and neighbourhoods that you referenced?

**Mr. Gavin Still:** I think it's going to be hard to know because I believe people saw those tax credits as a partial funding of these activities. I think for those people who can afford to do these things, they're going to do what they would always do. I have [*Technical difficulty—Editor*] there would be a negative effect for the people we're talking about who might be closer to the edge, so to speak. If those tax credits are not there, there will be an effect for those people in their overall budgeting because those tax credits simply did save them money.

**Mr. Bob Zimmer:** Thank you very much.

**The Chair:** Thanks.

Now we'll go over to Mr. Ruimy, please.

**Mr. Dan Ruimy (Pitt Meadows—Maple Ridge, Lib.):** Thank you, everybody, for coming today.

I'm going to start off with Mr. Gladstone. It's nice to see you. I'm a bit of a fan.

**Mr. Gary Gladstone:** Thank you.

**Mr. Dan Ruimy:** I have a reason for being a fan. I have a younger brother who has developmental disabilities. He lives in Montreal. For the longest while they struggled, he and my mom, with no place to go, no jobs, and what have you, but then he hooked up with the Jewish community and they got him a job. It was something as simple as putting forks and napkins in a little plastic envelope, but he was working 35 to 40 hours a week. How he changed was a miracle for me.

When we look at people and we limit them, we do a disservice to them. It's not to say that my mom didn't raise him right or anything like that. Mom held him close, but by going to a different place where they had the resources, they were able to help him and give him a better quality of life. It's not for me to say what quality of life is. It's not for anybody in here to say what quality of life is. For him to be given that opportunity and to have that quality of life changed everything.

I'd like to know a little bit more. If you can, tell us about Reena and the services that you offer, not just in relation to finding a home but what types of services do you offer to help them improve their quality of life?

**Mr. Gary Gladstone:** Thank you very much.

First, let me tell you that I believe it's Miriam house in Montreal that has been working with him and we would refer to them as a sister agency. They are very interested in the work we're doing.

Regarding what Reena does and the struggles you're mentioning vis-à-vis your mom and others, at the residence, the interesting part is to see people from the Ministry of Health working hand in hand with the Ministry of Community and Social Services. The MCSS is pushing people out into the community, "Do more, do more, do more", and the Ministry of Health is saying, "Wait a minute, if you're doing too much you're going to get injured. There's going to be this problem and that problem." However, we've been able to work it out wonderfully, so that people have, as you say, a much fuller life.

At Reena, the two major things we are currently working on are housing and employment. We have an incredible employment transition program. Again, I'll reiterate that those who are in a position to do so with the appropriate supports, let's make them taxpayers. Let's tax them. Regarding your brother, people's lives change when they have a reason to get up in the morning, when they are going somewhere where they are doing something useful. You mentioned cutlery. You know what? It may not be so vital, but for your brother, everything that he is doing is making a significant difference.

We have a large employment program whereby we offer supports. If we offer supports for the first year in employment, we have found that the people we serve will go on for years with the same employers. They are reliable. They are trustworthy. They are the best employees around. A number of MPs that we have spoken to have said that they have people with mental disabilities working in their constituency offices and their communities and they realize what a huge contribution they're making.

I hope that's helpful.

•(1230)

**Mr. Dan Ruimy:** Thank you.

We have heard from many witnesses who spoke exactly to this. They spoke of the power of giving that cheque to one person. It doesn't matter how much it is. The power is incredible.

You mentioned there are 18,000 people on a waiting list.

**Mr. Gary Gladstone:** That's in Ontario alone.

**Mr. Dan Ruimy:** Regarding your system and the money you're asking for, how much of that actually tackles that 18,000? What kind of dent would you be able to make?

**Mr. Gary Gladstone:** That goes directly... For instance, in the Reena community residence, it would have 84 people. We're looking at funding for 10 residences, so I'd say about 1,000 people.

**Mr. Dan Ruimy:** Not even close.

**Mr. Gary Gladstone:** We have to start somewhere and it is expensive. By working with my friends here, we'll be able to make it happen in a bigger way.

**Mr. Dan Ruimy:** Great.

We've been talking about Reena house. It's not a faith-based program, is it?

**Mr. Gary Gladstone:** No, not at all. Reena was started 44 years ago by the Jewish community, but we are open and accessible to all. We're firmly rooted, as we proudly state, in Jewish values, but absolutely, at the board level, the staff level, and among the people we serve, we're more than a regular United Nations.

**Mr. Dan Ruimy:** Okay, this is my last question. You may know that the federal government is now working on a federal accessibility consultation process.

**Mr. Gary Gladstone:** Yes.

**Mr. Dan Ruimy:** What do you think we need to consider here?

**Mr. Gary Gladstone:** We need to make sure that everything is accessible, and accessibility means so many things to many different people. It's not just enough to have a wide door to get into a room. You need showers and baths that people can roll into to give people additional independence. In terms of buildings, it's better to have larger two- and three-bedroom units that can then house more people who need support to share the cost among them, which is not always possible. Municipal bylaws are sometimes not favourable. Where a three-bedroom affordable housing unit would be perfect for a number of people requiring supports to live with support, but because they're not married, they're not necessarily able to do so. I hope that answers a little.

**The Chair:** Thank you.

Now we'll move over to MP Vecchio, please, for five minutes.

**Mrs. Karen Vecchio (Elgin—Middlesex—London, CPC):** Thank you very much.

Sally Guy, you mentioned the basic annual income, and there are different models. Please share with us in a very brief moment, what model you were looking at specifically.

**Ms. Sally Guy:** We aren't economists and we don't want to comment on that.

**Mrs. Karen Vecchio:** Okay, the reason I asked is that I have seen many people advocate for it. When I ask if they can tell me precisely what we're looking at, no one has an answer.

I shouldn't say that. Last week there was one lady who answered where I was thinking that she actually knew it.

I'm just very concerned when people say we need the basic annual income but have never done a study on how it works or the implications of what we're going to come out with. That's been some of my concern because I want to look at whether you're talking stackable, whether you're talking based on income tax returns so it's slidable. I'm looking at those sorts of things. I have concerns when people say we have to do this but we don't know the cost.

• (1235)

**Ms. Sally Guy:** We know what we don't want. What we probably would want would be negative income tax.

**Mrs. Karen Vecchio:** Okay. Thank you very much.

Kevin, thanks very much for coming, and I love the work you do with the home builders. Can you give me a briefing on what you think of the new mortgage regulations, and the impact it's had on first-time homebuyers?

**Mr. Kevin Lee:** We know it has had a really significant impact on first-time homebuyers. We know that was the intent. A lot of people have been knocked out of the market. The numbers vary from region to region. Of course it was also put in place not because we're trying to protect affordability or really address house prices but to address a bigger overall financial system stability problem.

Now we're seeing the effects are varied, depending on the region. The regions that could least afford to handle it—in other words, those with bigger economic problems and not with a housing problem—are finding more and more potential homeowners who have been knocked out of the market, so you have this potentially dangerous cycle of what that's doing to the national economy when in many communities the residential construction industry is the largest industry in the area.

How do we deal with that? It's tricky right now so that's why we're trying to find options that are risk-free from a stability perspective but still will enable first-time homebuyers to get into the market for their own financial futures as well as the benefit of the overall community.

**Mrs. Karen Vecchio:** That's excellent. Thank you very much. There was talk about the fact that when people go into their first house it opens up some of that rental property, so that's wonderful.

Gavin and anyone who wants to comment on the following, when we're looking at the issues dealing with poverty in neighbourhoods, comparing rural and northern with urban, what are some of the things we always need to keep in mind, especially for the people who live in rural Canada?

**Mr. Gavin Still:** In central rural Canada, one of the most noteworthy differences is that it's a little circular in the sense that there isn't any public transit, so typically poverty is exacerbated by the fact that many people, in order to get to their jobs or social events, have to provide their own transportation, which comes at quite a high cost. That circles into the fact that municipal zoning here typically requires a lot of open parking space, which of course feeds on the fact that there isn't public transit and people need vehicles to travel. That's one of the big differences, and obviously the cost of materials, especially for building, and the cost of living in general is high, as was mentioned before. Those things are certainly different.

If we can solve some of those problems.... I'll go back to the positives, the social heart of the community is quite close in relative terms if people can get access, so it all circles together, if that makes sense.

**Mrs. Karen Vecchio:** Gary, I'm not going to ask you any questions, because I've had a one-on-one with you before, but I would like to commend you on your phenomenal work. You do great things, and hopefully we can work together.

**The Chair:** Madame Sansoucy, you have three minutes.

[*Translation*]

**Ms. Brigitte Sansoucy:** Thank you, Mr. Chair.

Mr. Speer, you mentioned indigenous people. We talked earlier about the reality of life on-reserve, but have you noted the challenges that indigenous people face in urban settings?

[*English*]

**Mr. Sean Speer:** I'm going to speak in English, I apologize. My French isn't as strong as your English.

The experience of indigenous people in urban centres is a subject that ought to be a matter of concern for the federal government and this committee. As I said, any federal poverty reduction strategy that doesn't place indigenous people near the centre is lacking, for two reasons: principally, because of the disproportionate levels of low income and poverty that this particular population group faces; and second, because it's one of the areas of federal responsibility.

As I said, on reserve and off reserve, indigenous people need to be part of the strategy. The extent to which the solutions or policy interventions differ between those on reserve and off reserve exceeds my expertise. I wouldn't want to venture a comment. My fellow panellists may have a view.

One thing Shawn said in his comments about social assistance on reserve is precisely right. Not only is there room to increase the level of benefit available, there are also ways to experiment with the way the program is delivered. Not only can that help to improve the conditions for folks on reserve; it can also catalyze change at the provincial level.

I think there is a real opportunity to focus on reforming the social assistance programming for indigenous people as part of the committee's work.

• (1240)

[Translation]

**Ms. Brigitte Sansoucy:** Mr. Pegg, do you know the percentage of indigenous people living in urban centres who access food banks? A strategy exists for indigenous people in urban settings, but is it meeting their needs? Do indigenous people face specific challenges that we need to consider?

[English]

**Mr. Shawn Pegg:** We know that about 12% of people accessing food banks self-identify as first nations, Métis, or Inuit. They make up about 4% of the Canadian population, I believe. They're certainly overrepresented, and the numbers skyrocket in the western provinces, as you might expect with the larger populations there.

As Mr. Speer said, I'm not sure I'm the right person to really be speaking to that issue. It's certainly something we see every day in food banks, but that's as far as I would go.

[Translation]

**Ms. Brigitte Sansoucy:** Mr. Speer, you recommend making the disability tax credit refundable.

Do you really believe the tax credit is underused because it is non-refundable? Does the credit's underuse not have more to do with the fact that individuals who have two of the five restrictions do not see themselves as disabled and therefore do not think the tax credit is for them?

[English]

**Mr. Sean Speer:** I'll answer that question as briefly as I can, cognizant of the time.

Before I directly address it, I think the government's review of the federal tax code that has taken place over the last year is not just an opportunity to decide which tax expenditures ought to be eliminated or maintained. It's also an opportunity to think about the effectiveness of existing tax expenditures and whether they ought to be reformed.

I would place a disability tax credit near the top of the list of tax expenditures that not only ought to be maintained but ought to be reformed as part of this review process. You've raised the question of whether the eligibility for the tax credit ought to be changed. I'm afraid I don't have an opinion on that, or at least I've not studied it closely.

The question of refundability is a sensible change. The purpose of the tax credit is to help defray the cost associated with one's disability. Those costs don't end when the value of the tax credit ceases. It would be a positive reform, as part of the review of federal tax expenditures, not just to eliminate or maintain expenditures but also to reform ones like the disability tax credit. There are a lot of solid proposals out there to do so.

**The Chair:** Thank you very much, Mr. Speer.

Now on our next round of questioning, we have Mr. Poilievre.

**Hon. Pierre Poilievre:** When we talk about these income support initiatives, we have to be very careful about doing more damage than good. For example, there are social assistance programs in this country that have clawback rates, when combined with taxation, that

are above 100%. In other words, a person loses money by going to work.

The working income tax benefit, for example, has a clawback rate of 15%. For a disabled person earning minimum wage, the working income tax benefit actually increases their marginal effective tax rate. When their income gets over \$20,000, the clawback of 15% of that benefit actually increases the share of their earned income that they lose as a result of earning that next dollar.

The same could happen if you "means test" a basic income. If you have a basic income, you have to ask yourself, are we are going to give it to millionaires and billionaires? No? Okay, are we going to give it to people who earn over \$100,000? No? Okay, how about over \$50,000? No? Okay, how about over \$25,000? If we say \$25,000, and when someone gets to that level of earned income and they start experiencing a clawback, they are actually punished on each extra dollar they earn, not to mention the fact that such a benefit would require higher income taxes. As they start to get into a middle-class tax bracket, they are actually paying more to fund a benefit for which they no longer qualify.

The disability tax credit, for example, was designed to help disabled people with the cost of working, because there are extra costs for working that are associated with being disabled. Making it refundable would remove that additional benefit.

I want to see if, particularly Mr. Speer, or Mr. Gladstone, who works in the field of getting jobs for disabled people, can talk particularly about some of those perverse incentives that can result from good intentions.

• (1245)

**Mr. Sean Speer:** The challenge of marginal effective tax rates are implicit in any income support program.

I think the question that policy-makers have to confront is twofold. First, is the net benefit of those income support programs worth the potential cost of the marginal effective tax rate that Mr. Poilievre describes? Second, are there ways to minimize the effects that he describes?

The working income tax benefit is a great example, where it's designed principally to try to smooth out the effects of marginal effective tax rates. But as a result, in and of itself, it has one.

I would say, on balance, that's a cost that I'm prepared to accept because the program provides considerable benefit. I think it speaks to the point in my initial comments. As policy-makers design programs to help people in poverty or in low-income circumstances, it's essential that it's not done in a clumsy way because of the negative consequences that he describes.

**Mr. Gary Gladstone:** Thank you very much.

In terms of employment incentives, and if you're able to work, should you be earning more and have it not clawed back? Absolutely.

In terms of some of the programs you mentioned and the clawbacks with those, I'm not that familiar with them because the employment piece is not my specialty.

I will say, absolutely, that particularly for those who we serve with developmental disabilities, we're able to get them jobs at minimum wage and above. The shelters are no longer...nor should they be. Fair work, fair pay. As they are working more, they should be in the position to earn more and do better than if they weren't. At the same time, I'm saying that if they're not in the position to work, policy-makers should still ensure that Canada, being the incredible country that we are, is taking care of them appropriately.

I hope that answers you.

**Hon. Pierre Poilievre:** My next question is about Ontario phasing out sheltered workshops.

**Mr. Gary Gladstone:** Correct.

**Hon. Pierre Poilievre:** I think we all agree that is what needs to happen in the long run.

**Mr. Gary Gladstone:** Right.

**Hon. Pierre Poilievre:** However, there are some people who, were it not for a sheltered workshop, would not have any employment whatsoever. What do we do for them?

**Mr. Gary Gladstone:** There are many opportunities for them to be engaged in the community that may not be employment at full dollars, but may have engagement. Back to Dan Ruimy's point of "what else does Reena do", community engagement is at the core of everything we do, be it work in the community, assisting with other agencies, or what have you. There are ways that employment... You're right. For those that we serve, this is not for everybody, but certainly those who we can assist.... With government programming, we can expand and enhance that.

• (1250)

**Hon. Pierre Poilievre:** The data is clear that the overwhelming majority of disabled people want to work.

**Mr. Gary Gladstone:** Correct.

**Hon. Pierre Poilievre:** There's no doubt about that whatsoever. There's also data to show that, if given the choice between working and being part of a day program, the overwhelming majority of disabled people choose to work.

**Mr. Gary Gladstone:** Absolutely, and those are the people that we serve. A number of corporations are now coming to the realization that employees with a disability of any sort—in this case, I'll harp on developmental disabilities—make incredible employees because they are not looking anywhere else. They are loyal. They are great. Some of the banks are now starting to have disability amounts to make sure...the same as with gender equality. It's making a difference. We are able to work with them through other agencies to train them and find appropriate places for them.

**The Chair:** Thank you very much. I let you go a little long there and you can't have another one, unless Mr. Long wants to share his time, but I don't know that he will.

Mr. Long.

**Mr. Wayne Long (Saint John—Rothesay, Lib.):** I think I'll pass.

**Hon. Pierre Poilievre:** It's a long shot.

**Mr. Wayne Long:** Go long.

**Voices:** Oh, oh!

**Mr. Wayne Long:** Thank you, Chair.

Thank you to the witnesses today for your presentations, even though I didn't hear them. I am flying a little bit dark here.

I want to start with you, Mr. Pegg, with respect to the tax credits that have been talked about often in this committee. I spend a lot of time in my riding of Saint John—Rothesay and our priority neighbourhoods. Saint John—Rothesay, does lead the country in child poverty and in a lot of other unfortunate statistics. When you go door to door in a priority neighbourhood, or especially with those living in poverty, and talk about boutique tax credits on dancing, hockey, or that kind of thing, what's more useful, in your opinion, to single parents and parents living in poverty? Is it the Canada child benefit or is it boutique tax credits? What do you see in your food banks?

**Mr. Shawn Pegg:** We do a "HungerCount" report every year that looks at the level of food bank use in Canada and makes policy recommendations. Since about 2008, we called for rationalization of tax benefits for families. We called for tax benefits to be rolled up, and as I said, rationalized and more targeted to low-income families. We were glad to see that happen. We would have preferred that the Canada child benefit be indexed right away so it doesn't lose value over time, but we're on paper as recommending what recently happened with child benefits.

**Mr. Wayne Long:** Would you say there is a profound impact of the Canada child benefit on the people who come into your food banks.

**Mr. Shawn Pegg:** I don't know if I have the knowledge to characterize it as profound or not, but it's certainly in line with what we recommended.

**Mr. Wayne Long:** Ms. Guy, with regard to homelessness and shelters, I have spent a lot of time in shelters. In Saint John, there's a shelter called Outflow that our committee visited two weeks ago. My team from my MP office serve a hot breakfast there every Saturday morning. One thing that is very clear about the people—let's say 25 men—unfortunately, who are at the shelter is that these men are one good break away from changing their lives for the better.

Again, we visited probably four or five shelters in the last couple of weeks. One thing that I see that's sorely missing in shelters right across the country is the extra social assistance—social work, if you will—for the homeless and for those on the street. My heart goes out to them because these men come to the shelter, they get a meal, they sleep, they get up, and basically they are out on the streets. There is a real lack of help and support for them. I see it. There aren't enough wraparound services for these men and women who are using the shelters.

We're a committee here that is looking for recommendations from you with respect to coming up with a national poverty reduction strategy. What recommendations would you have to ensure that there is the proper support for those people who are most in need?

•(1255)

**Ms. Sally Guy:** I will just toss it briefly back to Mr. Pegg's comment—I think it was yours—about single, unattached people living in poverty. I think that your comments about the Canada child benefit having a profound impact are absolutely correct. Social workers on the front line see that it's literally lifting people out of poverty, making a difference in their quality of life.

**Mr. Wayne Long:** It is.

**Ms. Sally Guy:** To tie it back briefly to the concept of basic income.... I think there is a lot of fear of that term, as if it's something that would be a huge program that would change our whole landscape of social services. I don't think that's what it would have to be. It could be something like what you're talking about, targeted to populations in the places where they need it, to lift people up, as you are describing, so they could start becoming part of the workforce and start accessing housing.

The other thing I would say is that what you're describing is a perfect situation where we would need support of affordable housing and the At Home/Chez Soi type of program for men like that who need a little more ongoing support to get back to the quality of life they should have.

**Mr. Wayne Long:** Mr. Gladstone, we're working on a project in Saint John with the food bank—and this could maybe go to a few of you.

It's basically a social enterprise where our food bank is going to bring in people with disabilities. They're going to give them employment and training in inventory control, warehousing, and all of those essential skills that can help them with their resumés and give them the experience to go off to other jobs. We all see that there are a ton of warehousing-style jobs available, certainly in Saint John, at building supply places, Costco, or what have you. We feel that this is a perfect social enterprise that we can do. It's a win-win. It's employment. It's help for the food banks, and it's training people with disabilities.

Can you give me some comments on that kind of program and how effective you think it would be?

**Mr. Gary Gladstone:** I think it will be fantastic. The food service industry loves people with developmental disabilities because you can rest assured that if you need six ounces of whatever product in

something, you are not getting five and change; you are getting bang on six, and cost control and everything. It will be wonderful. Reena is setting up a social enterprise, but I think that's a perfect example of things that can be done to work in the community. If we can provide any assistance in terms of job training or job coaching, please let's talk. It would be my pleasure to help out.

**Mr. Wayne Long:** Sure. That's fantastic.

**The Chair:** Thank you very much.

I have to shut it down there.

I want to take the last two minutes to go through some housekeeping very quickly, so just bear with me.

For the record, for this committee, we've had to make some significant adjustments due to travel and some cancellations. Thursday, February 23 is going to be potentially committee business, for us to go through some stuff. March 7 is set up right now for the witnesses from Kuujuaq, whom we didn't get to see, with regard to the poverty reduction strategies. We could not make it work within the budget to get back there, unfortunately.

We do have an opening on March 9, and Friday, March 10 we are going to be travelling to Toronto to make up the cancellation. We are going to get back to Toronto on March 10 with witnesses and site visits, again, for the poverty reduction strategy.

Thank you very much, everybody.

Monsieur Robillard, do you have a question?

**Mr. Yves Robillard:** On March 7, I'll be in Washington.

**The Chair:** Okay. We'll talk about getting coverage.

Thank you very much to all of our witnesses here today. That was a very good discussion, and a lot of people, so I'm really appreciative of everybody's keeping to time.

Thank you to all the committee members and all the folks who made today possible, the interpretation and technical folks who made us able to see you and hear you from B.C.

Have a great start to the week, everybody. The meeting is adjourned.

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