

# POVERTY

## WATCH

Spring 2013

**Monitoring progress toward the eradication of poverty for persons with intellectual disabilities and their families.**



50 years

Canadian Association for Community Living

Diversity includes.

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Welcome to the spring 2013 issue of *Poverty Watch*. We have chosen to focus this issue on employment. The best escape route from poverty is a real job for a living wage. Yet, for the vast majority of people with intellectual disabilities the vision of having a job in a regular workplace is a distant reality. Most are reliant on inadequate income support systems—many of which continue to trap people in poverty and make the transition to employment a difficult one. Sheltered workshops and segregated day programs continue to dominate the community support system. There is not a coherent framework for delivery of current best practice in employment support. Parents of people with intellectual disabilities are often forced to forgo or reduce employment in order to provide needed supports—often long after their sons and daughters have become adults. The current trajectory for people with intellectual disabilities and their families is one of continued exclusion, dependence and poverty. Change is long overdue.

Gains are being made, however. In pockets of excellence throughout the country, communities have developed effective strategies for engaging employers to recognize people with intellectual disabilities as a valuable and untapped labour pool. More employers are recognizing the benefits of hiring people with intellectual disabilities. CACL has developed a comprehensive strategy to link these efforts and scale up proven methods to make a lasting impact that could change this trajectory for generations to come.

There are currently several federal and provincial/territorial policy processes aimed at increasing inclusion of people with disabilities in the labour force. CACL and other national groups have participated in these hearings and consultations and worked to ensure that the voices of people with disabilities and their families are heard. The federal budget contains new announcements and commitments to policy processes that could potentially improve the context for employment supports and mark a significant step towards addressing the poverty of people with disabilities.

This issue brings together a number of these policy developments so that readers can remain informed about the processes that are taking place and add their voices to the call for better routes out of poverty and dependence than the last century has provided. We know that there are hundreds of thousands of working age Canadians with intellectual disabilities who are 'ready, willing and able' to join the workforce at rates similar to their peers—but currently lack the needed support, community investment and pathways to do so. By bringing this information together in this issue, our hope is that readers will be more informed about the discussions that are currently engaged. We hope that you will add your voice to discussions in your own community to call for a better future for people with intellectual disabilities and their families—a future that includes employment and careers in the same way that it does for everyone else.

# Study by the Standing Committee on Finance on Income Inequality in Canada

On March 18, 2013 the House of Commons Standing Committee on Finance announced that it would conduct a study on income inequality in Canada. The announcement of this study was motivated by a motion made by Scott Brison, M.P. for Kings-Hants who is a member of the House Finance Committee.

The motion was passed in June of 2012 with support from MPs of all parties. The study will:

- review Canada's federal and provincial systems of personal income taxation and income supports;
- examine best practices that reduce income inequality and improve per capita gross domestic product;
- identify any significant gaps in the federal system of taxation and income support that contribute to income inequality;
- identify any significant disincentives to paid work in the formal economy that may exist as part of a "welfare trap;" and
- provide recommendations on how best to improve equality of opportunity and prosperity for all Canadians.

More information about the Study can be obtained by contacting Christine Lafrance, Clerk of the Standing Committee on Finance at 613-992-9753 or FINA@parl.gc.ca.

## CACL Brief on Income Inequality

Canadians with disabilities and their families face unacceptable rates of poverty, resulting in large part from the lack of needed disability supports, which enable access to education, training, employment, and community participation. Poverty is both a result of exclusion and lack of supports, and it contributes to further exclusion and vulnerability in a 'vicious cycle.' CACL's submission to the Standing Committee on Finance study highlighted the disparities faced by people with disabilities and their families. A summary of CACL's brief appears below. To read the full submission, visit [www.cacl.ca](http://www.cacl.ca).

In recent years, the disability community has come together via the leadership of CACL and the Council for Canadians with Disabilities to develop a vision for an inclusive and accessible Canada and National Action Plan on disability. This has been accomplished through the End Exclusion initiative and provides the foundation for a comprehensive disability agenda. The national plan identifies four key areas in making an inclusive and accessible Canada a reality:

1. Enhanced disability supports to enable independent living, active citizenship and full participation;
2. An enhanced Federal role in alleviating poverty of persons with disabilities and their families thus freeing up dollars at provincial/territorial levels for new investments in disability supports;
3. Labour force inclusion measures;
4. A national social development role to promote accessibility and community inclusion.

In addition, CACL has identified 5 key steps needed to shape a long term comprehensive agenda to secure income equality for people with disabilities and their family caregivers. The recommendations include:

1. **Establish high level table reporting to Ministers of Finance and HRSDC on income security and equality** for Canadians with disabilities and their families to explore options for addressing poverty and income reform including an expanded federal role in income support.
2. **Demonstrate FPT leadership by convening a 'FPT Ministers Dialogue on Income Security and Labour Force Participation of Canadians with Disabilities'** to develop a joint strategy between federal, provincial/territorial government and First Nations. An expanded federal role in income support for Canadians with Disabilities could free up resources at provincial and territorial level for re-investment in supports and services.

- 3. Expand Federal role in alleviating poverty for Canadians with disabilities.** In the short term, a refundable DTC for low income Canadians would demonstrate a clear commitment and willingness to act to alleviate poverty. Such a measure would have immediate positive impact on the lives of Canadians with disabilities and their families. In the long term, a refundable DTC could be positioned as a first step towards broader income reform that is needed to alleviate the poverty of all Canadians with disabilities and their families.
- 4. Support Canadians with intellectual disabilities who are ‘ready, willing and able’ to work** through increased and strategic investment in six key program areas to scale up successful initiatives which have demonstrated employment success for people with intellectual disabilities and make a systemic impact:
- **Employer capacity and confidence**
  - **Youth transitions from school to work**
  - **Inclusive post-secondary education and training**
  - **Employer-to-employer networks**
  - **Entrepreneurship and self-employment**
  - **Modernizing community employment support systems**

- 5. Income Security for Family Caregivers:** An inclusive and accessible Canada recognizes that families are the fundamental unit of our society and that families provide an essential bridge to the realization of citizenship and the full inclusion of their family members with disabilities, and to this end the CAFL recommends that:

- **The Canada Pension Plan** be enhanced through expanding the drop out provisions and allowing for contributions to CPP for those who stay out of the labour market to care for a family member with disability-related needs;
- **A Family Tax Benefit** be developed that provides a refundable tax benefit to families providing support to a family member with a disability;
- **The Canada Labour Code** be amended to include family leave provisions for those who must leave their job temporarily to care for a family member with disability related needs;
- **EI Compassionate Care Leave** be revised to provide coverage to family members who must leave their job temporarily to care for a family member with disability related needs;
- Explore options for caregivers who because of their caregiving responsibilities do not have the fiscal capacity to contribute to CPP or other investment mechanisms and do not benefit from the measures outlined above.

### ***Facts: Poverty of People with Intellectual Disabilities and their Families***

- Canadians with disabilities are more likely to live in poverty than other Canadians. Adults with intellectual disabilities are three times more likely than non-disabled Canadians to live in poverty.
- Over 75% of adults with intellectual disabilities not living with family members live in poverty.
- Nearly 50% of working-age people with an intellectual disability receive provincial/territorial social assistance.
- People with disabilities comprise 30% to 50% of those on provincial rosters of social assistance recipients, and of these about 20% are people with intellectual disabilities.
- Over two million Canadian adults with disabilities lack one or more of the educational, workplace, aids, home modification or other supports they need to participate fully in their communities.
- Families of children with disabilities are more likely to live in poverty than other families.

Parents of children with intellectual disabilities have to turn down employment opportunities (27.8%); have to work fewer hours per week (33.6%); and/or decline promotions (17.1%). In a significant proportion of families with children with intellectual disabilities, one of the parents (most frequently the mother) remains out of the workforce due to caregiving responsibilities.



Diversity includes.

## Focus on Employment: Provincial / Territorial Income Support Earnings Exemptions

This summary of income support mechanisms that are supportive of employment is adapted from forthcoming publications by the Institute for Research and Development on Inclusion and Society (IRIS) on a disability lens analysis of income programs for people with disabilities in Canada and on current policy in Canada that enables or acts as a disincentive to employment. For more information visit [www.irisinstitute.ca](http://www.irisinstitute.ca).

Several governments throughout Canada have begun to address disincentives to employment that are currently a part of provincial and territorial income support programs. Within these systems, claw backs on employment earnings from benefits have been chief among the reforms that have been recommended. Other key employment related incentives and disincentives in income support programs include matters related to extension of drug benefits/pharmacare; rapid reinstatement of benefits and additional support for employment related expenses.

Income support systems typically contain provisions related to how additional income from employment will be treated by the benefit program. These rates are usually calculated and reconciled monthly, however some jurisdictions have given consideration to amortization of these amounts over longer cycles to better accommodate changes in employment.

The western provinces of Saskatchewan, Alberta and British Columbia have recently made increases to their employment exemption amounts under their respective income programs alongside increases to benefit rates. Table 1.1 shows rates for exemption of earnings from employment. It is important to note that different formulae apply depending on the structure of the benefit unit, supports needed and other aspects of the benefit structure in different jurisdictions. There are also further special considerations often related to other forms of earnings or income, or exemptions made under certain circumstances. For example, in most cases the income of dependent youth who are attending school is exempt at a rate of 100%. Special considerations also often apply to earnings from self-employment.

In addition to exemptions related to employment income, some income programs provide additional financial incentive for those seeking employment, or for those completely leaving the program for employment. Examples of these are “start up” or “transition” amounts in Ontario. In other cases, additional expenses related to employment may be covered, or included as additional exempt amounts of earnings from the employment claw back.

Some provinces and territories have made further attempts to ease transitions to employment by providing extended drug benefit coverage for persons who would be leaving the income program for employment. This has been seen as a positive way of removing the disincentive to seeking employment that can be represented to individuals and removing the disincentive that is reported to prevent employers from hiring.

An emerging policy direction in treatment of income benefit programs for persons with disabilities as well as general welfare programs for people in poverty is to ‘unbundle’ additional supports that have often been provided through welfare programs, so that persons accessing the program can continue to access such benefits—whether direct payments or other supports—after they no longer qualify for the income-tested program.

## Monthly Earnings Exemptions in Provincial and Territorial Income Support Programs

Province/Territory	Single Person	Family Unit	Special Considerations
British Columbia	\$800 for family units with one person with a disability	\$1,600 for family unit with two persons with disabilities	
Alberta	\$800 for single person	Maximum of \$1,950 for family unit	
Saskatchewan	\$200 + 25% of next \$500 to Maximum of \$325	\$200	Childless Couple \$250 + 25% of next \$700 to Maximum of \$425
Manitoba	\$200 + 30%	Same	
Ontario	50% + \$100 work related benefit		
Quebec	\$200	\$300	*for the Social Solidarity program the exempt amount is \$100
New Brunswick	\$250	\$300 for household unit where more than one person has a disability	Recent announcement that individuals will be able to keep 30% on top of \$250 exemption.
Nova Scotia	\$150 + 30%		*\$300 + 30% for persons with disabilities participating in supported employment; *special considerations for students aged 16-20
Prince Edward Island	\$75 + 10%	\$125 + 10%	
Newfoundland & Labrador	\$75.00; \$150 + 20% for persons who require support services	\$150; \$250 + 20% if a family member requires support services	
Northwest Territories	\$200 + 15%	\$400 + 15%	
Yukon	\$100 + 50% for 3 years, \$100 + 25% after 3 years	\$150 + 50% for 3 years; \$150 + 25% after 3 years	
Nunavut	\$150	\$300	



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## House Committee Initiates Hearings on Employment of People with Disabilities

In January 2013, the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities commenced a new study on “Exploring Employment Opportunities for Persons with Disabilities.” The focus of the study is on employment opportunities for persons with disabilities in Canada available through both existing and proposed resources offered by the private sector, as well as by federal, provincial and territorial governments. The Committee met through March and April to hear views on how best to bolster employment opportunities for people with disabilities.

CACL appeared before the Committee and provided evidence based on recent research into best practices for advancing inclusion of people with intellectual disabilities in the labour market and increasing participation in the labour force. CACL’s presentation drew attention to six key ingredients needed for a comprehensive community-based strategy:

- Building **employer capacity and confidence**;
- Facilitating **youth transitions from school to employment and careers**;
- Securing **access to inclusive post-secondary education and training**;
- Engaging **employer-to-employer networks** and private sector service clubs;
- Fostering **entrepreneurship, self-employment and small business development**; and
- **Modernizing community employment support systems**.

Putting into place the six key ingredients to build a more inclusive labour force requires strategically linking and coordinating local labour market partners: employers and their networks, high schools (responsible for youth transitions), private and public stakeholders and community employment agencies. Local delivery mechanisms are needed to foster strategic collaboration among these labour market partners. Such a mechanism would draw on networks of ‘on-the-ground’ youth transition facilitators, job developers and coaches, employment counsellors, trainers and outreach facilitators to employers and post-secondary institutions. It is this community-based approach for addressing intersecting barriers to labour force inclusion of people with intellectual disabilities that is demonstrating success in communities across Canada for both job-seekers and employers.

A labour market strategy for people with intellectual disabilities needs to include coordinated actions that address each of the six key ingredients. With these activities combined, local labour markets will be equipped to best respond to and make use of this largely untapped workforce and be a part of the solution to Canada’s productivity and workforce challenges.

For more details about CACL’s policy directions regarding employment and other related resources please visit [www.cacl.ca](http://www.cacl.ca).

### *Facts: Employment and People with Intellectual Disabilities*

- There are approximately 500,000 working age Canadians with intellectual disabilities are vastly under-represented in the labour force.
- The employment rate for this group of Canadians is only one-third of the employment rate of people without a disability (25.5% compared to 75.5%).
- The education level of adults (15 years and older) with intellectual disabilities tends to be low overall, with 66% having attained less than high school graduation compared with 25% of other people with disabilities.
- Recent research from the US has shown that the single greatest predictor of youth with intellectual disabilities (age 23-26) having a paying job at or above minimum wage two years after leaving high school is having a job for pay while attending high school.
- 70-80% of students with intellectual disabilities who have accessed inclusive post-secondary education have gone on to secure employment following their studies.
- With the right supports in place people with intellectual disabilities can join the work force at rates similar to their peers.

## Budget 2013: Bold Promise for Labour Force Inclusion

On March 21st, Finance Minister Jim Flaherty tabled the 2013 Federal Budget. CACL responded welcoming the Budget's promise to make federal labour market programming more effective, accountable and inclusive to meet employer demand and maximize the labour force potential of people with intellectual disabilities. While there are many details of Budget 2013 that will continue to be released over the coming months, there are a number of items in this year's *Economic Action Plan* that have potential to begin to address the poverty experienced by people with disabilities and their families. A summary appears below.

### **Budget 2013 makes the following announcements with respect to labour market programming:**

- Creates the new Canada Job Grant, which could provide \$15,000 or more per person, including the federal contribution and matching by provinces/territories and employers for skills and training. This will be achieved through renegotiating and renewing the existing Labour Market Agreements which have a current transfer of \$500M / year to provinces and territories. \$300 M will be used to create the Canada Job Grant and the remaining \$200M will be available for other programming. Labour Market Development Agreements will be renegotiated along similar lines. This is \$1.95 B that goes to P/Ts for skills and training of persons who are EI eligible;
- Labour Market Agreements for Persons with Disabilities are extended for one year and will be renewed in 2014 to move to a more demand driven delivery. Investment into LMAPDs is \$222 M;
- Opportunities Fund for Persons with Disabilities will be reformed to “provide more demand-driven training solutions for persons with disabilities and make it more responsive to labour market needs.” Budget 2013 commits to ongoing investment in the Opportunities Fund of \$40M in 2015-16;
- \$7 million per year for the Social Sciences and Humanities Research Council of Canada, some of which will support research related to the labour market participation of persons with disabilities;
- A time-limited \$2-million investment to support the creation of the Canadian Employers Disability Forum as recommended by the Panel on Labour Market Opportunities for Persons with Disabilities.

CACL is encouraged by the steps outlined to transform the federal Opportunities Fund and the suite of labour market agreements and will work with the disability community, the Government of Canada, P/T Associations for Community Living, their respective governments and employers to effect changes to design of this new generation of agreements that will result in more effective investment that can connect Canadians with intellectual disabilities to necessary employment supports and employer demand.

### **Registered Disability Savings Plans:**

The Budget followed up on last year's changes to the Registered Disability Savings Plan that will make it possible for adults with intellectual disabilities to open an RDSP without being forced to give up their legal capacity. The Government recognized those Provinces and Territories which have taken steps to ensure this access and called on the others to do so without delay. CACL will continue to work with Provincial and Territorial Associations for Community Living and their respective governments towards law reform that ensures an equal right to legal capacity to make RDSP and other transactions and decisions.

### **Housing and Homelessness:**

\$119 M per year over five years will go to the Homelessness Partnering Strategy using a “Housing First” approach and \$253 M per year over 5 years will renew investment in affordable housing through the Investment in Affordable Housing bilateral agreements.

### **Extending GST exemption for home and personal care services:**

The 2013 budget proposes that the Goods and Services Tax/Harmonized Sales Tax (GST/HST) exemption for publicly  
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## Budget 2013: Bold Promise for Labour Force Inclusion *(Continued from page 7)*

funded homemaker services be expanded to include personal care services provided to individuals who, due to age, infirmity or disability, require such assistance at home.

### Summary and Next Steps:

Budget 2013 contains a number of items that are of interest to people with intellectual disabilities and their families and that have the potential to make progress on addressing the poverty they face. There is much in the budget for which greater detail will be announced in the coming months. CACL will continue work with our national partners and community living federation to report developments and seek opportunities to ensure that the voices of people with intellectual disabilities and their families are heard.

## CACL Launches Ready, Willing & Able Website

The Canadian Association for Community Living (CACL) is pleased to announce the launch of the Ready, Willing & Able website created in partnership with Provincial/Territorial Associations for Community Living.

There are approximately 500,000 working age adults with intellectual disabilities who with targeted support, community investment and employer leadership could join the labour force at rates similar to other Canadians. The Ready, Willing & Able (RW&A) initiative is designed to **increase labour force participation** of people with intellectual disabilities, and thereby **advance economic productivity and social inclusion in Canada**.

RW&A is the vehicle by which innovative practices that are demonstrating positive impact are being scaled up throughout the country. It works by linking what would otherwise be discrete, local initiatives to a broader labour market strategy to achieve impact for this population. To achieve the goal of an inclusive labour force, local and regional projects and programs are connected to an integrated and multi-sectoral strategy that, as a whole, addresses key ingredients known to be essential in securing and sustaining labour force participation of people with intellectual disabilities.

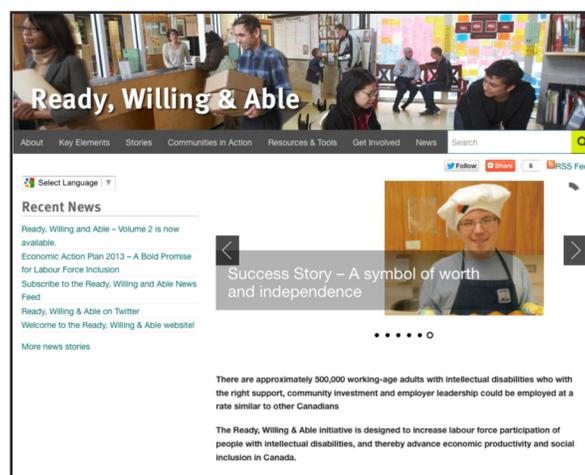
Please take a moment to visit our new site where you can:

- Browse through dozens of **individual success stories** from throughout the country;
- Learn about how **communities are taking action** through exciting initiatives that are changing the employment landscape for Canadians with intellectual disabilities;
- Learn more about the **six key elements of our comprehensive community-based strategy for advancing labour force inclusion** of people with intellectual disabilities;
- Access **employment-related resources and tools**;
- Link to our **Provincial/Territorial ACLs and RW&A labour market partnerships and initiatives** in their jurisdictions
- Learn about **how you can make a difference!**

The Ready, Willing & Able initiative represents enormous potential for making a lasting impact on employment rates of people with intellectual disabilities—now, and into the future. RW&A will leverage this extensive network into a comprehensive strategy that could scale up success and secure the place of people with intellectual disabilities as a valuable part of the Canadian workforce. We are encouraging all of our partners to share this website with their colleagues and networks and share the message that people with intellectual disabilities are “Ready, Willing & Able” to be part of the solution to Canada’s workforce challenges.

Please take a moment to visit [www.readywillingandable.ca](http://www.readywillingandable.ca).

If you would like more information about the initiative, please contact Tyler Hnatuk at [tyler@cacl.ca](mailto:tyler@cacl.ca)



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