



Canadian Association  
for Community Living

Association canadienne pour  
l'intégration communautaire

Diversity includes. On se ressemble.

## **Assuring Income Security and Equality for Canadians with Intellectual Disabilities and their Families**

Submitted to:

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By:

Canadian Association for Community Living (CACL)

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CACL is a family-based national federation of over 300 local and 13 provincial/territorial associations and over 40,000 members assisting people with intellectual disabilities and their families to lead the way in advancing inclusion in their own lives and in their communities. We do this in Canada and around the world by sharing information, fostering leadership for inclusion, engaging community leaders and policy makers, seeding innovation and supporting research. We are dedicated to attaining full participation in community life, ending exclusion and discrimination on the basis of intellectual disability, promoting respect for diversity and advancing human rights to ensure equality for all Canadians.

## **Introduction**

### **We know that:**

- 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;
- Children with disabilities are twice as likely as other children to live in households that rely on social assistance as a main source of income, and families of children with disabilities are more likely to live in poverty than other families.
- 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.
- Slightly more than half of children with disabilities do not have access to needed aids and devices
- Over 55% of working-age adults with disabilities are currently unemployed or out of the labour market; For women with disabilities the rate is almost 60%.
  - Over 70% of adults with intellectual disabilities are unemployed or out of the labour force.

### **Entrenching Poverty**

Canadians with disabilities and their families face disproportionate and unacceptable rates of poverty. This results 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.'

Canadians with disabilities are too often exiled to inadequate, stigmatizing and ineffective systems of income support that were never designed to address the real income needs of Canadians with disabilities. Built as a system of last resort, social assistance systems have become a system of first resort for Canadians with intellectual disabilities.

### **Disincentives for people with disabilities**

Existing systems of income support are letting Canadians with disabilities down. It is time to re-think the way in which income supports for Canadians with disabilities have been conceptualized and how income supports are delivered. Canadians with disabilities deserve an adequate standard of living and access to income supports that are non-stigmatizing and non-penalizing.

A significant challenge for people is that in our current systems eligibility for needed disability supports is reduced as employment earnings increase; many people with intellectual disabilities

find themselves better off financially on welfare. Earned income is often inadequate to meet their known disability related supports.

Further, income derived from employment is often clawed back in many jurisdictions, and persons with intellectual disabilities are forced to rely on income security programs to gain access to disability supports, without which they have limited access to education, training, employment, and community participation opportunities.

Broad systems reform is needed to address these disincentives and to build a more appropriate supportive system of income and disability support.

### **Time for Action and Real Change**

In the past few years the disability community, under leadership by CACL and the Council of Canadians with Disabilities, have come together through the End Exclusion initiative to develop a vision for an inclusive and accessible Canada and a National Action Plan on disability. The national action plan provides the foundation for a comprehensive disability agenda. The national plan identifies the following four key areas as critical 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 urges adoption of measures to recognize the short and long-term economic impacts for family members with significant caregiving responsibilities of family members with disabilities.

CACL suggests the following steps are necessary to begin to shaping a long term comprehensive agenda to secure income equality for people with disabilities and their family caregivers.

#### **1. Establish high level table reporting to Ministers of Finance and HRSDC on income security and equality for Canadians with disabilities and their families**

The Federal government should establish a high level table/process, reporting to both the Minister of Finance and the Minister of Human Resources and Skills Development, to explore options for addressing poverty and income reform, including an expanded federal role in income support. Such a process could begin to map out the long-term vision and strategy to better support people with disabilities and address the long-standing poverty faced by the majority of people with disabilities and their families. As a first step, the table could explore making the Disability Tax Credit (DTC) refundable for low-income Canadians.

## **2. Demonstrate FPT leadership by convening a ‘FPT Ministers Dialogue on Income Security and Labour Force Participation of Canadians with Disabilities’**

Significant overlap exists between the federal and provincial/territorial roles for disability. A joint strategy with provincial/territorial governments and First Nations is required to effectively meet the needs of Canadians with disabilities. The Federal government can demonstrate leadership by convening a constructive dialogue with FPT Ministers responsible for income security and employment. A joint strategy that clearly defines roles for both levels of government and ways to work collaboratively could result in true transformation. An expanded federal role in income support for Canadians with disabilities could free up resources at provincial and territorial levels for re-investment in supports and services – the number one priority for people with disabilities and a key element in combating poverty.

## **3. Expand the Federal role in alleviating poverty for Canadians with disabilities**

The federal government has demonstrated leadership and capacity in addressing the poverty and income security needs of Canadians – they have done this through Employment Insurance, CPP/QPP, Old Age Security and the Guaranteed Income Supplement, the National Child Benefit, and Child Disability Benefit, the Registered Disability Savings Plan and various tax measures.

The Federal Government can take concrete steps to address the poverty of Canadians with disabilities by exploring an expanded income role. 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 ‘Ready, Willing and Able’ to work**

The best solution to escaping poverty is a real job with a living wage. 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. For people with intellectual disabilities the usual expectation is that at age 19 they will go on welfare. It’s time to change this trajectory – not only for the social and economic well-being of the current generation of 500,000 working-age adults with intellectual disabilities, but for generations to come. As well, this group represents an untapped pool of labour that can help address Canada’s looming labour force shortages and productivity challenges.

The federal government has recognized the challenges and opportunity of increasing labour force participation of Canadians with disabilities, as has the private sector. The recent federal labour market panel’s report on *Rethinking DisAbility in the Private Sector* points to the need for new partnerships and strategic investments in this regard. All across Canada there are examples of initiatives which have demonstrated employment success for people with

intellectual disabilities. What is required now is increased and strategic investment in six key program areas to scale up these successes to have a system impact on employment and income equality for Canadians with intellectual disabilities:

- **Employer capacity and confidence** — Employers with the confidence, knowledge and support to employ people with intellectual disabilities agree that inclusive employment makes good business sense.
- **Youth transitions from school to work** — Employment builds self-sufficiency for today's youth with intellectual disabilities, and lays the tracks for dramatically improved prospects for future generations.
- **Inclusive post-secondary education and training** — 80% of students with intellectual disabilities who participated in inclusive post-secondary programs went on to secure jobs in their field of study.
- **Employer-to-employer networks** — Work with employer networks has shown that we create not just jobs, but new leaders for inclusion who will multiply the impact far into the future.
- **Entrepreneurship and self-employment** — Just as everyone else, entrepreneurship offers flexible solutions to people with intellectual disabilities who may not want a traditional employee role.
- **Modernizing community employment support systems** — Innovative practices can replace the existing segregated sheltered workshops and programs with an employment first approach.

Canada cannot afford the cost of excluding people with intellectual disabilities from the workforce. An investment is needed to scale up what we know works to make contribution, productivity and participation a reality for a group so often denied the opportunity. The benefits would be:

- Annual savings in social assistance costs, an increase in annual provincial and federal income tax revenue, and additional revenue from sales taxes from a newly empowered group of consumers.
- Breaking the cycle of dependence, reducing demand for institutions and day programs, and phasing out the need for specialized services (approximately \$2 billion in Ontario alone).
- Employers increase employee retention, thus reducing costs for hiring, training, and managing staff.
- Communities have positive examples of people with significant needs contributing as equals and citizens - the big-picture shift in perceptions has the potential to benefit all marginalized groups and reshape the picture of Canadian diversity.

## 5. Income Security for Family Caregivers

We know that parents of children with intellectual disabilities (27.8%) have to turn down employment opportunities; 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 (usually the mother) remains out of the workforce due to caregiving responsibilities. Increasingly, aging parents are expected to continue to provide the bulk of support to their sons and daughters even as adults. It is clearly unacceptable that in Canada today families must be expected to risk their present and future economic security, and often health and well-being, to care for a family member

Families supporting a family member with an intellectual disability must have the supports and services necessary to assure the full inclusion of their family member. Including a family member with intellectual disabilities within the family unit must not negatively impact a family's economic security and financial well-being.

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 Canadian Association for Community Living recommends that:

1. **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.
2. **A Family Tax Benefit** be developed that provides a refundable tax benefit to families providing support to a family member with a disability.
3. **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.
4. **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.
5. Explore options to ensure that 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 outlines above.

## Conclusion

The income security and labour market status of Canadians with disabilities and their families requires urgent action. As a society we all have a role to play in ensuring we are building inclusive communities where Canadians with disabilities are welcomed and valued as active citizens. The Federal government can take concrete steps to support building an inclusive and accessible Canada for all. The federal government has the tools and the capacity to make a true and lasting difference to the income security and equality of Canadians with intellectual disabilities and their families. This can be done in a way that promotes their social and economic well-being and that of communities across Canada, and at the same time contributes to Canada's labour force and productivity challenges. The time is now.