

HANSARD

NOVA SCOTIA HOUSE OF ASSEMBLY

COMMITTEE

ON

COMMUNITY SERVICES

Tuesday, April 3, 2012

Committee Room 1

Senator Art Eggleton, P.C.

**Re: The Standing Senate Committee on Social Affairs, Science and Technology -
Report of the Subcommittee on Cities (December 2009)**

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COMMUNITY SERVICES COMMITTEE

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Mr. Keith Bain
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[Mr. Sid Prest was replaced by Mr. Jim Boudreau.]

In Attendance:

Ms. Kim Langille
Legislative Committee Clerk

WITNESS

Senator Art Eggleton, P.C.
Deputy Chair,
Standing Senate Committee on
Social Affairs, Science and Technology

HALIFAX, TUESDAY, APRIL 3, 2012

STANDING COMMITTEE ON COMMUNITY SERVICES

9:00 A.M.

CHAIRMAN
Mr. Jim Morton

MR. CHAIRMAN: Good morning, folks. I think I'll call this meeting to order. We are almost all here and we have no other regrets. This is the Standing Committee on Community Services. My name is Jim Morton, I chair the committee.

I would like to say a word of welcome to Senator Art Eggleton who is here today to talk with us about the Senate report on poverty, called *In From the Margins: A Call to Action on Poverty, Housing and Homelessness*.

To start with, as we always do, it would be helpful if we could introduce ourselves. I'll start with the Clerk.

[The committee members introduced themselves.]

Thank you. Just before we begin, it's my responsibility to remind you that in the very unfortunate event that there was a fire in the building, it's important not to take the elevators if you are trying to leave but, in an orderly way, take either the stairwells to the left or the right of the elevators. The plan in such an emergency would be to convene in front of City Hall or the Grand Parade, for safety reasons. Let's hope that is not information that we need today.

The way we usually proceed, Senator Eggleton, is that it would be at this point to have the presentation you are planning to make, followed by comments and questions, so over to you.

SEN. ART EGGLETON: Thanks very much for the invitation to be with you today. Shortly after this meeting I have to leave, go back to Ottawa and join similar committees, the ones that I sit on in the Senate. One of them is the Social Affairs, Science and Technology Committee that produced the report called *In From The Margins: A Call to Action on Poverty, Housing and Homelessness*. It was done by a subcommittee that I co-chaired, along with Senator Hugh Segal from Kingston, Ontario.

It took about two years to do this and we heard about 200 witnesses. Some of these people are living in poverty and homelessness themselves, others from community agencies or university academics, voluntary organizations. I'm very pleased that at the end of the day, the Senate adopted our report unanimously.

Part of our hearings were held here in Halifax. We were here in the middle of August in 2008. We held hearings over a day and a half and we also did some site visits. We went to the North End Community Health Centre, the Supportive Housing for Young Mothers and the Dalhousie Legal Aid Service. In these different cases we also had small groups of people where we could have private conversations with them, people who live in poverty, telling us their stories.

What we heard was appalling. We found that a staggering one in 10 Canadians lives in poverty. That is 3.4 million people - the equivalent of every man, woman and child in this Province of Nova Scotia, Newfoundland and Labrador, New Brunswick, Prince Edward Island and Saskatchewan, all combined. Unfortunately the conditions we found at that time, those numbers still exist today. For these people, our fellow citizens, every day is a battle with insufficient income, unaffordable housing, inadequate clothing and unsatisfactory nutrition - just struggling to get by. These families can't even dream about getting ahead.

What is also disturbing is that approximately one in four of them are children, a statistic that is made all the more deplorable, given Parliament's commitment back in 1989 to eliminate child poverty by the year 2000. Instead, we've hardly made a dent, with double-digit rates of child poverty in many of our provinces.

We also noted that our society is becoming increasingly more unequal. Statistics Canada has reported that from 1980 to 2005 the income of the richest one-fifth of Canadians grew 16.4 per cent, while the poorest declined some 20.6 per cent. The average high 10 per cent income bracket, in fact, earns about 10 times the lowest 10 per cent bracket. This has gone up substantially over the last 30 years. It has never been as great a spread as it is now. People at the top 10 per cent - 10 times what the people at the bottom 10 per cent.

At the end of 2009, 3.8 per cent of Canadian households controlled 67 per cent of the total wealth in the country. Recent studies by the OECD - it's just piling up here - the Conference Board of Canada, the Canadian Centre for Policy Alternatives have provided similar information and raised concerns about the impact on our social fabric. Last year while many Canadians were still feeling the effects of the recession, the executive pay of the CEOs of Canada's largest companies was going up 13 per cent.

This widening gap between the rich and the poor - or the rich and the rest - is a looming crisis, and I believe it is a threat to our social cohesion. Now we see inequality playing itself out in our Canadian cities. A report by the University of Toronto professor David Hulchanski found that Toronto is now made up of three cities: one zone of the city is of tremendous wealth and prosperity, on the other hand there's a huge zone of concentrated disadvantage and poverty, with the middle class making up an ever smaller share of the city. It's gone from 66 per cent back in 1970, when I first started on city council, to 29 per cent today - 66 to 29 per cent.

Low income neighbourhoods have gone up from 19 per cent to 53 per cent, an alarming change. That's also a looming crisis and Professor Hulchanski is also going across the country and finding similar patterns in other cities.

I think we all understand the moral arguments against poverty and inequality, the jarring juxtaposition of suffering and want in this country of plenty - it's a rich country - the unacceptable toll in terms of lives diminished, dreams deferred and potential denied. What doesn't seem to register is the economic cost of poverty, how it's costing each and every one of us. It forces up our tax bills, depresses the economy, increases health care bills big time and it breeds alienation and crime.

An Ontario study guided by economists and policy experts such as Don Drummond, Judith Maxwell and James Milway estimate that poverty costs this country about \$7.5 billion every year in health care costs alone, between \$8 - \$13 billion in lost productivity. When it's all added up, they set poverty's bill at \$24 and \$30 billion annually.

Now here is another economic argument. A report by the Canadian Chamber of Commerce puts the looming demographic challenge in stark terms. As our population ages and the growth of the working-age population slows, we're going to face significant labour shortages. Within 20 years we'll have about half the ratio of people working, paying taxes, contributing to pensions and health care as we do today.

In its report, the chamber also said that in order to address the coming shortages of labour supply, we need to tap into the underutilized segments of our society. We can't just do it all with immigration. There are older people, Aboriginals, the mildly disabled, new immigrants, and especially single young men who have been hit hard by the recession - these are the underutilized segments that they identify. These are the very groups, along with lone parents - largely lone mothers I might add - that our study found are the most

vulnerable to poverty. It turns out the very same groups that are languishing in poverty are the very ones they say we need to help fill the jobs and pay the taxes in future.

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

Those numbers on children living in poverty - for example, we know that a child born poor has a greater chance of dying in infancy and if he or she lives is likely to have a lower birth weight and more disabilities. As they grow older, they're more likely to suffer from poor nutrition, poor health; they're more likely to miss more school and, slowly but surely, fall further and further behind. Not surprisingly, they're less likely to do well and they're more likely to just drop out. As adults they will have higher rates of chronic illness. With poor education they'll earn less; they'll pay less in taxes; and they'll be less productive workers. They'll have more health problems and use more social services. It is a vicious cycle, and all of that means higher costs to society, not to mention the loss of dignity and self-esteem for the poor.

Our committee also found in its study that decades of social policy making by all levels of government, well meaning as they may have been, has resulted in two equally devastating results. First, even when all the programs are working as they should, the resulting income is often only enough to simply maintain them in poverty. Second, at their worst, the existing policies and programs actually entrap people in poverty, creating unintended but, nonetheless, perverse effects that make it almost impossible to escape reliance on income security programs or homeless shelters.

Senator David Croll put it in his landmark committee report almost 40 years ago: "We are pouring billions of dollars every year into a social-welfare system that merely treats the symptoms of poverty but leaves the disease itself untouched."

However, there are some good sides. During our work, we found examples of promising practices and programs - largely community based - that actually do work, that do lift people out of poverty and homelessness. And we identify and celebrate these initiatives in our report but, sadly, these examples are pockets of promise in an otherwise dysfunctional system that really needs overhauling.

Our committee studied the whole range of income security programs, from tax breaks to social assistance, employment insurance to old age security. We make a number of specific recommendations - 74 in all, in fact, in the report for improvement. The biggest problem we found, for example - just to give a few examples - the biggest problem with

employment insurance is that at least half of the unemployed don't qualify for benefits. Well, what sense does that make? How do you get these people back to work?

So we suggest a number of specific changes to make income support for the unemployed more responsive and effective. On education and training - as you well know, success in today's fast-moving job market often depends on having the right skills. Simply put, there's a clear connection between the level of education achieved and the level of income that one receives. Here we found the classic Catch-22 - for many, poverty keeps them from finding the kind of education and training they need, and their lack of skills keeps them from getting the jobs to lift them out of poverty.

Well, breaking this cycle is critical, and breaking it begins in the earliest years of life. Study after study confirms that children arrive at school ready to learn, become adults prepared to succeed. So among our recommendations is a nationwide federal/provincial initiative on early childhood learning. Referring to early childhood development programs, Canada's Chief Public Health Officer's recent report notes that \$1 invested in the early years saves between \$3 and \$9 in future spending on health and social assistance, plus the criminal justice systems.

We also witnessed first-hand the importance of middle school support for vulnerable children and for high school completion, as well as for literacy upgrading and skills building at every age. That is why we propose offering additional tax support for post-secondary education for students in groups like Aboriginals who are underrepresented in those institutions, as well as initiatives to keep disadvantaged young people in school.

We also looked at health, and I have mentioned it a couple of times already because there is a strong connection between being poor and having poor health. The poorest quarter of Canadians uses twice the health care services as the wealthiest quarter. This is the biggest budget that we have in our provinces; the poorest quarter using twice the health care services of the wealthiest quarter.

Also in our study, we've seen examples of tax credits that work well. Some of them do, and the National Child Benefit Supplement, for example, is putting money into the hands of the low-income individuals and households. As a critical step to eradicating child poverty we propose increasing that National Child Benefit Supplement. Another one is the Working Income Tax Benefit which supplements earnings for those with very low incomes. It's another tax measure that holds great promise by making work pay. We recommend increasing this benefit so that no recipient would fall below the poverty line, and because our seniors deserve dignity in their retirement we also recommend increasing the Guaranteed Income Supplement so that, again, no one falls below the poverty line. A number of elderly women are particularly vulnerable in that category.

A word on those struggling with disabilities: as a group, persons with disabilities are highly marginalized. They face exclusion from quality education, they have lower

employment rates, and they are more likely to be poor. We believe that what is needed is to provide a basic income guarantee for people with severe disabilities. Just as the Guaranteed Income Supplement lifted tens of thousands of seniors out of poverty, a guaranteed income for those with severe disabilities would immediately take about half a million people off the social assistance rolls. That's money that can be better used in providing support services for all people who are disabled and helping the mildly disabled to get into employment opportunities.

In fact, the bottom line is that no Canadian should live below the poverty line. What I believe we need is a coordinated pan-Canadian anti-poverty plan from our federal, provincial, and territorial governments. You can call it a national strategy if you like, but that term gets used an awful lot, so you can call it a coordinated pan-Canadian anti-poverty plan.

Let me turn very briefly, if I may, to housing and homelessness. I think all of us intuitively understand the importance of having decent shelter. A home anchors a person, a family. It provides the foundation for them to move along to higher educational attainment and it leads to greater stability in the workplace. Health experts also tell us that adequate housing is a key determinant of health and long-term health outcomes. Today in Canada, four million people are struggling to find affordable housing. By "affordable" I'm using CMHC's standard rule of thumb of about 30 per cent of income going into housing that is adequate and in suitable condition.

Addressing the issue of homeless is not just about doing the right thing morally - it's also about dollars and cents. The fact is that it is more expensive to leave someone on the street than to provide them with decent housing and support services. Former Alberta Premier Ed Stelmach said last year that an average homeless person costs society in Alberta roughly \$100,000 a year, including health costs, and we've got similar numbers for other parts of the country. The annual cost per person drops to about \$35,000 annually if that person is given a long-term home with supports. Now there's a business case right there. That makes economic sense.

Malcolm Gladwell, who is the author of *The Tipping Point*, wrote an article for *The New Yorker* magazine about Million-Dollar Murray. You've heard about Million-Dollar Murray, the man who lived on the street, in jails, in hospital emergencies rooms, and in hostels, not unlike a number of people in this country. He suffered from addictions, and in the end he died in the street. The "million dollars" refers to the cost to the taxpayers. How much better and cheaper it would have been to help him to overcome these problems.

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

Now, how do we get movement on these issues? Well, we need political will. Most provinces are now adopting anti-poverty plans. That's good. What we need them to do is put it on the agenda of the federal, provincial, and territorial meetings and get the federal government more involved. We also need to increase public awareness and support and for them to transmit that to their political representatives. Now, some people have been trying to do this for an awful long time, and it's a long struggle, I agree. We cannot give up.

In conclusion, underlying our report is a simple, common-sense premise: that social programs should lift people out of poverty, not keep them there, and that it's time we give people the tools they need so that they can lift themselves into a better life. Poverty, we've found, is not benign. It affects us all, it costs us all. We spend a lot of money and we don't get the results we should.

Now while there will be transitional costs - and this may surprise you - overall we don't need to spend more money. We need to spend the money that we are spending smarter, more efficiently and more effectively. In today's global economy, with the living demographic challenge of an aging society leading to a shrinking workforce, the importance of creating those opportunities, of unleashing the creative contribution of those trapped in poverty, is more important than ever. In a very real sense, I believe that the future level of our prosperity depends on our addressing the current level of our poverty. Simply put, I don't think that we can afford poverty any more. Thanks very much.

MR. CHAIRMAN: Thank you, Senator. I've been keeping a speakers' list and have begun one. The first person on that is Ms. Regan.

MS. KELLY REGAN: Thank you for coming down to Nova Scotia, I guess last night, Senator Eggleton. I wanted to talk a little bit more about the homeless piece because that's something that has actually come to the forefront here. Our Community Services Minister has indicated they don't believe in the 24/7 model of having homeless shelters and we don't have any other options for those kids. I'm just wondering if - obviously it's not a long-term option but sometimes you have to have emergency care that is 24/7 - I was just wondering if you could speak to whether having 24/7 spaces for homeless youth makes sense.

SEN. EGGLETON: Well, I think you've got to have a place for them to go. You've got to have a place to sleep, to get meals and, hopefully, for somebody to help guide them into getting off the street, help getting them back into educational courses or whatever they need to help get them back on their feet, help get them their self-esteem.

You need these kinds of facilities but ultimately the goal is to get people out of them, obviously. Giving people housing accommodation beyond the shelter, getting them into transitional housing and then into a good place of their own is, I think, paramount in all of this. Housing First has become a phrase that you would hear frequently, getting people into a place helps anchor them. Once they are anchored, then you can help move them on

from there. You give them the support services but they need that anchor, they need that key to their own place.

I saw that in Vancouver where people moved out of the shelters and moved into their own place. The people who I saw in their own place had a far greater sense of purpose in life, far greater hope about their future, so one cannot underestimate the value of having that place for people to move into. So shelters, like food banks, in the ideal world we would close them all but obviously we need them so we can move people into other levels in the support system to help them get on their feet and get going.

MS. REGAN: It's interesting because in a previous presentation, what we heard at this committee was that the number one predictor of whether a family in crisis will come through that crisis intact and healthy and able to move on is whether they have adequate housing. I think it was a surprise to a lot of us on the committee when we heard that because everyone thinks of a whole lot of other things as bigger priorities but, in fact, this is a huge indicator. I often think it gets short shrift in the grand scheme of things.

SEN. EGGLETON: I think you're absolutely right. Look, people who don't have decent shelter or are paying half of their income - whatever their source of income is - on housing, these are people who sweat a lot; these are people who worry a lot; these are people who develop all sorts of health problems, both mental and physical. If you are worried, constantly in a state of anxiety about your housing condition, getting decent housing, getting affordable housing, it's hard to focus on those other things like getting a job or getting the education you want. So that's why a lot of people find that Housing First is a good thing to do.

MR. CHAIRMAN: Thank you. Mr. Burrill.

MR. GARY BURRILL: Thanks so much, Mr. Eggleton. I want to say too that I think that when the day comes - as it will come - when Canada becomes a society that has seriously dealt with the chronic income inadequacy problem and we trace how we got there, I think this report is going to be considered a very significant document. Amongst the significant parts of it, one thing that's particularly big - it seems to me - is the recommendation about guaranteed annual income for the disabled. To recommend in general that we look at this question, but that we move on the disabled to give it that sort of precision and force. It seems like a big thing.

Basically, it seems that the committee has described the present system as sort of bizarre, that we have this federal responsibility for the contributory part of the disabled income and provincial responsibility for the needs-based part, and no systematic integration of the two. I was wondering if you have any thoughts about what a system that was coherent, wasn't bizarre in this way - what a system might look like that offered the kind of income protection for the severely disabled that we long ago figured out was

required for senior citizens? Would it be a system in which there was any role, for example, for provinces? This must be something, I guess, that has been stewed over quite a bit.

SEN. EGGLETON: Thank you for the question; it's a very important one. People with disabilities are being pushed around from pillar to post in terms of different programs and trying to understand how to qualify for different programs. We suggested in here a step process, actually.

To start with, we suggested a disability tax credit. Make it refundable, because the only people who can take advantage of the disability tax credit are the people who have income. If you don't have income - a lot of them don't, or have insufficient income - then they can't take advantage of it. That's the first thing: make that refundable.

Then get into this system of a basic income, which could, by and large, follow a similar model to the Guaranteed Income Supplement for seniors. It would be an income-tested - not a means-tested, but an income-tested kind of program. As we proposed it, it would be a federal program, just like GIS is a federal program. It could be a provincial program. In fact, I think GIS, before it existed at the federal level - one or two provinces did start it, and in fact you can go back to Medicare and other social programs where they started in provinces. Ultimately, I think the federal government should be implementing this right across the country.

What I think one of our witnesses said here was, don't put that program into effect until you get the provinces to agree that the savings that they're going to have in such a basic income program would be used for other support services. There are still a lot of needs that people with disabilities have that should be dealt with by the province - support for employment, the Opportunities Fund, and other kinds of support; both physical and mental support services for these people because they not only run into their own disabilities but the handicaps at different facilities or work opportunities or recreational opportunities. So it's important to keep that money from going off somewhere else.

We believe it's important to keep that provincial money - if there is a federal program - in the system to help all people who are disabled, because the basic income guarantee would only go for those who are severely disabled. We could use the CPP definition for severe and prolonged disability, or there are other ones around, or some variation. That's what we propose to happen here.

If I can also couch this whole thing in three categories, our report says the people - whether on EI or not or whether they're in the social welfare system or not - for the people who are employable, we need to change the systems, get out of these handcuffs that we're in with so many of these programs to get the kind of flexibility we need to get these people back to work.

The people who are in the workforce but are in precarious employment - part-time employment, working for themselves, contract work, et cetera, who aren't getting enough money - we need to help them make work pay with things like the Working Income Tax Benefit, which the government brought in in 2006. We need to help keep them in the workforce. The third level - and that's the level I've been addressing here specifically - are those people who are not likely to be able to earn a lot of money in the workforce, if any at all, because of their disabilities. They should be given a decent standard of living and that's the basis of our proposal in terms of a basic income guarantee for the disabled, severely disabled.

MR. CHAIRMAN: Thank you. I'll go next to Mr. Bain and then to Ms. Casey, just to give you the order.

MR. KEITH BAIN: Thank you very much for your presentation this morning. The issues we're speaking about are something that we, as MLAs, are dealing with in our offices on a daily basis. We could probably spend the day making statements and asking questions but I know everybody wants to have their chance.

I have a couple I'd like to get your reaction on. One of the recommendations in your report highlights the need to safeguard our vulnerable youth. In Cape Breton we have a program called CATCH, Children at the Critical Hour. It's an early intervention program for children who are engaging in high risk activities. It's certainly a program that has been working but just recently we learned that the Department of Justice has announced their funding is going to be discontinued. I guess the question I'd like to ask you is, in your experience, do programs like CATCH - keeping kids on the right track - improve their chances of avoiding a life of poverty?

SEN. EGGLETON: Oh, you bet. I don't know anything about that specific program but there are all sorts of programs out there that help move kids out of poverty and these are ones that are relevant to recreation, they're relevant to education.

One of my favourites for example - and it's in my home city - is called Pathways to Education. It started in Regent Park in Toronto and they were able to bring the dropout rate in our school system from 56 per cent down to 10 per cent and the people going on to post-secondary education went from 20 per cent up to 80 per cent. That's a community-based program that for years had no government money. In fact, I talked to Mr. Flaherty about this a couple of years ago and lo and behold the federal government put \$20 million in the budget to help spread that kind of message across the country because while you adapt it differently in different communities, nevertheless here is a program that works and can work in other places.

We found, in our study, lots of programs of all sorts that can help kids get off the street, help them get into useful, productive lives; help them increase their education, and recreation is a very key part of it. After school programs, one of the programs that we also

looked at was one called Beyond 3:30. What happens to kids whose parents are at work when they get out of school at 3:30? That has helped those kids enormously to get ahead. They have fun, they do the recreational stuff, but they also get encouragement to do their homework and they also get a nourishing meal.

MR. BAIN: Thank you. One of my colleagues just showed me that the government has announced that the program will be extended, so I guess they knew we were coming here today. That's certainly good news to hear because it is a program that is serving that purpose.

If I could ask one more question, Mr Chairman, I guess the other one is the definition of a child. I think that's one of the challenges that we face. Presently, a child is defined as someone who is under the age of 16 and we have, even as a committee, encouraged the minister to look at changing that definition - or the age - to 19 from 16, because there's a gap in that 16 to 19 age group. I'm saying there's a gap because there are a limited number of services that are available to those people in that age group.

I guess I would like to ask you your feelings as to whether or not you feel raising that to the age of 19 so that those individuals in that bracket could get more services and get more help - would that be advantageous?

SEN. EGGLETON: Well, I don't know the legal ramifications in terms of your laws here in Nova Scotia but I do know this - we tend to get into rigid rules that are not helpful for people who need a lift up. They get cut off at different stages whether it's age or whether it's because they earn a little bit of income and then they get cut off their welfare or whatever. This kind of rigidity does not help us in the system. This is part of the massive maze of rules and regulations that we have across this country that are more geared towards making sure nobody cheats the system as opposed to really helping lift people up. We've got to get out of that. It's choking the opportunity for these people to get ahead and have a sense of hope. So I don't know about the specific law, but I do know I don't like rigidity of rules that ends up preventing people from getting ahead.

MR. BAIN: Thank you, Mr. Chairman.

MR. CHAIRMAN: Ms. Casey and then Mr. Ramey.

HON. KAREN CASEY: I will introduce myself as the MLA for Colchester North, Karen Casey, and thank you for your presentation and report and for raising some things that I think we all fundamentally know but we have a responsibility to try to do something about that.

I want to speak particularly about education and I think you've made it clear that there is a direct correlation between the levels of education and the opportunities for employment, the levels of income when you are employed and the contribution you can or

cannot make to the economy, and those are all directly related. From the public school system in the Province of Nova Scotia we have a mandate to provide education for ages four plus to age 21, and that's the mandate, but over the years obviously school boards have identified the need for those adults who have, for whatever reason, left public school and find themselves without the skills, without the training - whatever they need to get meaningful employment. As a result of that, adult high schools have surfaced across the province and they have provided an excellent service to those young men and women who are trying to pull themselves up out of a difficult situation and get themselves set up with the skills they need so they can be employed and become productive in our society.

Unfortunately, the current government is not recognizing the importance of education and they're cutting the funding that's going to school boards. Well, you know that the school board has a mandate of age four plus to 21, that is their priority, and what's happening is those adult high schools that have met such a great need with those students, with those young people - and some of them aren't young. I mean I've watched some of them walk across the stage and they're Keith's age. (Laughter)

MR. BAIN: You're right and younger than you?

MS. CASEY: Yes, a little bit. (Interruption) My point is it's not age-restrictive and it warms your heart when you see these people who have taken the initiative themselves to go back and do that. My question is, have you seen models where that kind of adult high school program delivery has been outside of the public school funding?

SEN. EGGLETON: I don't recall seeing anything of that kind but I think, you know, education is very key to getting people out of poverty. We have a lot of people in poverty who are very under-represented in the educational institutions - the lack of high school graduation for Aboriginals is extremely high - but there are other groups as well that experience very high levels of dropout. We need to do everything we can.

I can't comment on the provincial budget situation other than to say that I think that in helping to get people out of poverty we need more of a contribution from the federal government. The federal government doesn't run education per se, but it does put a lot of money into the education system and into post-secondary education. It has a stake in the prosperity of the country, in terms of people being educated, but you can't get people into post-secondary education unless they graduate from high school to start with. A lot of people who have dropped out do later realize "this isn't going to work," so they've got to go back in at whatever age that might be. I think it's in our best interests overall, whatever level of government, to be able to ensure that we get the kind of education that our people need to help develop the prosperity that we need in this country.

I don't know the particular cases you're talking about that are outside the educational system, but I do know how important education is to alleviating poverty.

MS. CASEY: If I could, just one follow-up question. A lot of the support that comes from the federal government is for labour, workforce, that kind of training. I guess my question remains, how do we provide supports for those young people? Is it going to be through federal contribution or is it going to be through provincial? It looks like it is being eroded under the public school funding, so if there's not enough money in the education budget to do it provincially, how do we do it? I can tell you that we've had over 1,000 young people graduate from five adult high schools in the last 10 years. Those people can now go on, but if that opportunity is lost for them - and those are local, they don't have to travel. I think we've been meeting a need. My fear is that if we can't continue to meet it, we will continue to contribute to the very situation that you have described.

SEN. EGGLETON: Well, to expand on my answer a little bit, I think more of a federal contribution is warranted. The federal government, for example, in literacy programs - there still is a lot of need for literacy programs, since 40 per cent of our population do not have the required literacy skills and numerical skills to be able to function in a certain level of jobs. Not to say that they can't read or write, but there is a functional literacy problem that is very high in this country - one of the highest in the OECD countries.

The federal government has put a fair bit into that for a number of years, but lately it has been pulling back more. Aboriginal education - 60 per cent of Aboriginal youth on reserves don't graduate from high school. There's been a cap on that at the federal level for a number of years. I think that's wrong. That has to come off.

I think there can be more in transfer payments; there should be more in transfer payments to the provinces for education. In fact, I think we should go back to an educational transfer. It was all put into the social transfer. I think in the interests of accountability and transparency, it's good to have those things broken out. I realize it was a government that I was part of that went in the other direction back in the 1990s, but still, I think it would make some sense to have that broken out separately. It is vitally important for the federal government to be a partner in all of this.

The countries in Europe, in the European Union, get together and develop coordinated plans on education - all those different countries. We don't do that in Canada. We don't have any coordinated planning effort on education amongst the provinces and the federal government - maybe a lot of it amongst the provinces themselves, but not with the federal government. Without trying to get into the constitutional questions of who does what, I think we still have a lot of room for developing those kinds of strategies.

MR. CHAIRMAN: Thank you, I think we'll go to Mr. Ramey and then to Mr. Skabar.

MR. GARY RAMEY: Thank you Mr. Eggleton for your comments this morning. I just wanted to back to my colleague, Mr. Burrill, who was asking about guaranteed support

system for disabled folks and out of that exchange I didn't hear anything about what that might cost. Did you have any projections on what such a program would cost?

SEN. EGGLETON: No, we didn't get into detailed cost examinations. These are things that, before any plan is implemented, would have to be looked at very carefully. But again, as I said, if we did it as part of an overhaul of the system then I think there are a lot of savings in other areas. I think, overall, what we spend doesn't need to be increased; it just needs to be spent more efficiently and effectively. So if we overhaul the systems, then I think we can produce the kind of money we need to do that, effectively. But that would have to be costed out. I'm trying to remember what the GIS cost is in terms of seniors but I can't remember that number offhand.

MR. RAMEY: Okay, on a totally different topic, we started something a while ago in conjunction with Co-op Atlantic here. They needed people and we went to the Community Services' rolls and we looked at people who were currently receiving funding. We had a number of university graduates, a number of people with some years of university, a number of college graduates, some people with a year or two of a college program, and a lot of really smart Grade 12 graduates. A lot of smart people in general who for one reason or another - we won't go into what all those reasons are, but there are lots of reasons why things don't work out the way they should.

Obviously we didn't go to them and tell them they had to do this but we said Co-op Atlantic candidacy jobs are very good-paying jobs. They have benefits and if you would like your name put forward to be considered and would like to send a resume, we'll do it; we'll support you in that. A number of folks did and that program is actually working quite nicely. A number of the folks did get these good paying jobs with benefits and are no longer on the roll. So when you're talking about programs for folks who are in poverty or in unfortunate circumstances, do you see that as a reasonable approach to take?

SEN. EGGLETON: Well, sure, something that helps lift people up, helps to get them into jobs. I mentioned that a lot of people get into a vicious cycle - well, obviously, the opposite of that is a virtuous circle. If you can get people out of this vicious cycle where they haven't got jobs or they haven't got the education, it affects their health, they don't have proper housing, not proper nutrition, et cetera, et cetera - if you can help lift them up and get them out of that vicious cycle into a virtuous circle where they are earning money, paying taxes and contributing to the economy overall and to their life, then it's a world of difference.

That, again, is where I'm saying, if we go back to the three basic principles of getting people into jobs that can work, helping people make work pay if they're in precarious employment and thirdly help the severely disabled, we can do that within the costing of what we have and we get people out of the vicious cycle and into the virtuous circle, it makes a world of difference.

I think one of the recommendations in here that can also be helpful in regards to the kind of program you're talking about - I don't know the specific program - but a lot of these programs should be shared with other people and other parts of the country. You got a success program then let's hear about it in other parts of the country because I think that kind of promising practice can help in other communities. We need to do a lot more of that and that's why I was happy when Pathways to Education got money from the federal government to do exactly that. I think we need to spread the word on more of these and that's one of our recommendations.

MR. RAMEY: May I just.

MR. CHAIRMAN: Yes you may, please go ahead.

MR. RAMEY: Then I won't do a second round. I don't want to hog all the time.

I gathered from what you said just a few minutes ago that you feel perhaps there should be some kind of - and I don't want to put words in your mouth. I don't know if we should call it a national education strategy or a national education plan, but there should be some kind of overarching notion in our country, including all the provinces and territories, that has something to say about what a Canadian education looks like and what a Canadian education should give you no matter what province or territory you're in - with some general guiding principles that obviously the provinces would feed into.

Am I putting words in your mouth or not?

SEN. EGGLETON: No, I think you're getting pretty close. I don't think it's anything we can make obviously compulsory - there are constitutional provisions that we have to respect. But I think there needs to be a more coordinated effort in all of this in where we put our money. Particularly with such a fast-moving world as we have today with the globalized economies that we have, we're going down a path where we're ending up with people who are unemployed, who don't have the proper skills - some of them even out of our post-secondary education systems don't have the proper skills to match the jobs that are there, and then we've got jobs that can't get people. There's a mismatch.

Well, all governments in this country have got to be concerned about that. It's a national issue; the federal government has got to be concerned about that. How are they going to adapt the system sufficiently to be able to meet the future needs in our economy? I think that dictates they've got to get to the table together and talk about this. If all those countries in the European Union with different cultures, languages, laws can get together and do that very thing, why can't we do that here in Canada?

MR. RAMEY: I totally agree with that. I mean, we can't even seem to - as simple as something like driving a transport truck from Nova Scotia to Quebec, we have to go through several different weight restriction levels, where we can't haul a full load from

Nova Scotia because we have different weight restrictions than our sister province. We've got to offload stuff or not haul it through. It doesn't make any sense to be in a country where the country has like 50 million different rules and no particular plan, especially on something like - I mentioned trucking, and that's a tiny thing compared to education, which is basically our future.

So your feeling on that is get it on the agenda of the next federal-provincial discussions and pump it as hard as you can, right?

MR. EGGELTON: Absolutely. We've got to strategize together to make sure that the educational system is working the best it can. We take a lot of pride in - we have very high numbers of people going into post-secondary education, but there are some areas where we're not as high. We don't have as many master's degrees or doctoral degrees as many other OECD countries do. And, okay, why is that important? Well, because a lot of the innovation, creativity, new patents, things like that, come out of a lot of people who have gone on to post-graduate education, and we're not near the top in those departments at all.

We've also got this whole question of educating students from other countries. Some countries have - Australia has a far better handle on that than, for example, Canada does. Again, it's partly a national issue because the kids are coming from other countries, but the provinces and the federal government have got to talk about these things.

MR. RAMEY: Thank you very much. And thank you for indulging me, Mr. Chairman, I appreciate it.

MR. CHAIRMAN: Thank you, Mr. Ramey

We'll go to Mr. Skabar and I think then to Mr. Orrell.

MR. BRIAN SKABAR: Thank you, Senator, for your presentation. I couldn't agree more on so many parts of it.

Now on an individual basis or on a micro-basis, wherever we break into that circle - be it improved housing, education or employment opportunities - you can't go wrong with any of that. In terms of the 3.8 per cent of Canadians owning 68 per cent of the wealth and the middle income or middle class shrinking at the same time, without that trend mitigating at all - like if that becomes 2 per cent of Canadians owning 70 per cent of the wealth, there's going to be that much left for the middle class shrinking, that much left for the lower class. To me, that's where the money is. Again, I also couldn't agree more that - maybe not more spending, but smarter spending, by all means, but if more of the wealth keeps getting concentrated with fewer and fewer people, that's where the money is, and as long as that trend keeps on going, I don't see the middle class getting any bigger but the

middle class getting smaller and the poor getting poorer. I just can't get my brain around how we can address any of these issues without addressing that one.

SEN. EGGLETON: Well I agree we can't - we have to address that issue at the same time. The recommendations in here are part of that answer. That would certainly help the people in the lower income brackets. We also have to be concerned about the middle class. I think we need a fair taxation system in this country. We need to re-examine what the tax structure should be and that's not just a simple tax-the-rich kind of comment. We need to look at the tax system overall and the redistribution of wealth that governments have a responsibility when we see this kind of a gap occurring. Why should the top 10 per cent make 10 times more than the bottom 10 per cent? That's out of whack.

MR. SKABAR: It's only 10 per cent. If it was only 10 times more.

SEN. EGGLETON: Oh yes, well if you go to the top one per cent or even lower than that - one report I saw recently says the top CEOs in the country make 189 times what the average income is, now that's just way out of whack with reality, that's just asking for trouble. This, to me, is a looming crisis in the country.

MR. SKABAR: And to me, as well - I mean, to my way of thinking - that's the core of the issue as much as anything else, maybe more. I generally don't often find myself at a loss for ideas but I'm stumped on this one.

SEN. EGGLETON: Well, I think we're seeing the middle class get hurt as well here. We started off talking about the gap between the rich and the poor and these kinds of ideas would help to narrow that. It would bring the poor up, give them a better chance, but there is a shrinking middle class problem that we've got as well. As I point out in my city, in Toronto, it has gone from 66 per cent down to 29 per cent.

So I said to Professor Hulchanski, does that mean they're moving to the outlying areas, the suburbs? No, they're going down, too. Now, a lot of them are moving out there; the real estate is obviously cheaper out there. People are either moving up the ladder or slipping back. Some people would attribute that to the current decline of unions because in many parts of the country, the unions aren't as strong as they were and the unions had a lot to do with helping to build a middle class. But whatever the reasons are, we've got to start addressing these issues. I think we need a fairer taxation system; we need a number of other measures that are going to help both people of the lower incomes as well as people in the middle class.

MR. SKABAR: Do you recognize an appetite for that in the country?

SEN. EGGLETON: Well, a recent EKOS poll actually put income inequality at the top of the list, which surprised me. I've been trying to get poverty further up the list for a long number of years and it has been very hard to do that but income inequality is suddenly

registering with people and it's not just because of the Occupy movement - they can see it. A lot of people are only a paycheque or two away from themselves being in poverty or close to poverty. I think a lot of people are getting quite concerned about it.

MR. SKABAR: Thank you.

MR. CHAIRMAN: Thank you Mr. Skabar. Mr. Orrell, then Mr. Boudreau.

MR. EDDIE ORRELL: Thank you, Mr. Eggleton. We talk about our children, education-wise. Over the last number of years we've had cuts to our education system, which do affect a child's education, we know, if it comes in the classroom. Other than a big influx of money, how do we keep our kids motivated to stay in school so that they don't end up in poverty for the rest of their life? Is there anything that - because we're not getting an influx of money, obviously, that has been cut, cut, cut. So with that, the classroom size gets bigger and the child who is not getting by well in school - I guess is the best way to put it - finds he is being neglected or he has more of a problem, a better chance of dropping out. How do we motivate those children to stay there? Are there any ideas on it?

SEN. EGGLETON: Well, I'm not an educator, but I do believe there are people out there - and I've talked with people who do know what some of the answers are to that. One of the things that I think is important for kids of low-income families is to give them a decent meal when they get to school. So breakfast programs, nutritional programs - it's vitally important to do that.

We're finding now that there is a difference - I think we've always known - between how girls learn versus how boys learn, and I think we've got to address those kinds of issues as well. Some of that actually is not only coming out in the early years, but reflected in later years. For example, men don't go into education programs to become teachers as much as they used to. More women go into it - and that's good, there are more women - but we also need men because we need some role models for the young boys as well. So there are ideas on how we can do a lot of these things. I'm not an educator, so I wouldn't want to put those kinds of things on the table as ideas from me, but I think there are things we can do. We can provide the supports for kids to help them get through the system better.

MR. ORRELL: Just another question, we talked about disabled persons and a guaranteed income level for people with disabilities. Employment Nova Scotia has programs that, okay, we'll train people to get back to work, and there are speciality groups training individuals with disabilities out there. Would we not be better off spending more money in the training of individuals with disabilities who can do certain jobs and doing supports that are needed to maintain those jobs than we will be just providing a guaranteed income?

SEN. EGGLETON: Well, remember we're talking about the guaranteed income for the severely disabled - and there are definitions of it. These are people who are not likely to make much.

MR. ORRELL: Okay, so they're not employable as such.

SEN. EGGLETON: They should live a life of dignity. They should be able to get that kind of support, but for the people who are mildly disabled, believe me, they want to work.

MR. ORRELL: Oh, they do, and they're not getting the support they need to maintain or educate themselves and give them adaptive equipment to make sure they can do that.

SEN. EGGLETON: Absolutely. So what I'm saying and what the committee is saying is, okay, if you take the severely disabled off the social welfare system and you put them on a guaranteed program, then you're taking about half a million people in Canada off welfare rolls.

MR. ORRELL: And that money can be spent better.

SEN. EGGLETON: What we're saying is, let's negotiate with the provinces, if the federal government is going to put that program into effect, to make sure that that money gets used for the other disabled, or the more mildly disabled, to help them get into work programs.

MR. ORRELL: A lot of times what you see is, those are the programs that get cut first, because the population is not there in great numbers, as it is in regular able-bodied, unemployed individuals. In saying that, those are the type of people who are out there who want to work, who could use the training and can't get it, who we could use to fill positions that aren't being filled now because of migration and so on and so forth.

SEN. EGGLETON: Well, absolutely. We talk about some other programs out there, the Opportunities Fund. We talk about part of the labour market agreements between the federal government and the provinces, that maybe given the percentage of the population that are disabled but still able to work, a certain percentage of that money should be negotiated in those agreements that could be used for disabled people to help them overcome some of the handicaps that these people find in getting into employment or getting an education.

MR. CHAIRMAN: Thank you Mr. Orrell. I think we'll now go to Mr. Boudreau and then to Ms. Regan.

MR. JIM BOUDREAU: Thank you very much for your presentation and for bringing this important topic to us. As an educator, I certainly recognize the importance of education as it relates to poverty and trying to lift people out of poverty. I come from a community where that effort lifted a whole generation of people out of poverty back in the 1930s, with Father Jimmy Tompkins, the Antigonish Movement, and so on. So I can see that as being such an important factor, and that started at the grassroots level, as most good programs do.

Since then, we've all watched this gradual erosion of the social equity that Canadians tried to develop, so we've seen that erosion happen, we've seen the gap between those who have and those who have not widen and grow. This is a huge concern for me and it's always been my contention that, in Canada, we need to have what you're referring to or talked about, the idea of a nationwide plan for education.

As an educator in this province I've often given my head considerable shaking when I've seen the ad hoc and reactionary approach to education that is the flavour of the day - something happens and we put in a new course. But, it doesn't seem to be things that address what needs to be addressed. This is leading me to the question of, and the point that we've talked about with regard to trying to develop a plan. Outside of the constitutional concerns, which are obvious, what do you see as the specific barriers to bringing this about? This has been talked about for generations. As educators, I know in this province, we've talked about it and I know at the NSTU level we've talked about this as well. It's not something that's new but it doesn't seem to get off the ground. It's something that gets a lot of play and talk but that's as far as it goes.

SEN. EGGLETON: Perhaps what would be helpful in getting a better co-ordinated strategy on education is for the provinces to invite the federal government to the table. The federal government isn't going to go on its own and it feels if it is going to get its fingers burned by getting into a provincial territory, then all the more reason it would stay away.

If the provinces say, look, we need to have all governments in this country - provincial, territorial and federal - to be together to develop these strategies, then I think that makes a compelling case for the federal government to be at the table.

MR. BOUDREAU: No, I hear you. I understand that but I'm just wondering what the reluctance of that is even on the part of the federal government because we all know what the poverty issue is. We all know that there often seems to be a disconnect between what we're doing in education versus trying to connect with the actual jobs and the skill sets that are needed out there in the future.

You made the point very well that if we were doing this we would be meeting the needs of our society and we would also be reducing, I think, the levels of poverty and we would in effect be building a much stronger country. I'm just at a loss to understand why that hasn't been given some or more importance.

SEN. EGGLETON: The biggest reason of all, and it's an old one, it's been around a long time and it's one word - silos. We have tons of silos in government at all levels and silos don't talk to each other enough. We don't have enough cross-government, horizontal kinds of plans. I remember when I was president of the Treasury Board back in the mid-1990s, I tried to address that issue. They're still trying to address the issue and they have been for decades.

The only way we can get around silos is to have political will from the top. The tone from the top is very important. If it says okay, here's the problem, like in the case of poverty, housing, homelessness, it goes over several departments: federal, provincial and then municipal. You have to try to pull all of this together and it takes a fair bit of political will to overcome the silos.

One of the things that we mention in this report that has worked in some cities is our urban development agreements. They've been used in Winnipeg and Vancouver and I think in a couple of other places where representatives of different levels of government got together and said, well, here's the problem, here's what we need to solve, and we need to get people from different departments to come to the table and work together in doing it. So there is a vehicle that's helped to overcome silos and create a more horizontal look at things.

We obviously need to do more than that. You know how it works in government - the minister responsible for that department has to be the person on the firing line in Question Period or committee hearings or whatever, and that person wants to have control of that department, but a lot of issues go over several departments. Silos are a big issue and it's a very tough challenge to overcome it, but there has been political will in many jurisdictions that comes from the top and says we're going to overcome this.

Some provinces actually have legislation of poverty and legislation that helps to guide the different departments. So they have to feed into it. They're compelled to do it, but the action saying that we have to deal with these matters and overcome these traditional silos has to come from the top.

MR. CHAIRMAN: Well, thank you very much. Thank you both. I think we'll now go back to Ms. Regan and then Mr. Burrill.

MS. REGAN: Thank you. Were you part of the government that brought in the Child Tax Benefit in the 1990s?

SEN. EGGLETON: Yes.

MS. REGAN: When that was introduced then, my understanding was that it was to help families. What we're seeing here in Nova Scotia is that the amount that families are getting for the Child Tax Benefit is being included in calculations when people are

applying, for example, for assistance to fix up their homes if they are low income. I'm just wondering if you could speak to the Child Tax Benefit and why it was brought in. My understanding is it wasn't supposed to exclude families from help they needed.

SEN. EGGLETON: Well, it was brought in to help deal with child poverty. There have been issues about clawbacks that I don't think were foreseen at the time. This has come as a result of trying to mesh them between federal and provincial programs and how they're treated in terms of income and how they impact upon these other programs. I think that's been rather unfortunate. I think there has been some change and adjustment with some provinces to try to push back on that, try to roll that back and ensure that the benefit continues to do, or does do, what it's intended to do. I think that, yes, we need to be very vigilant, we want to make sure that this program gives the opportunity to do what it's intended to do. Children are in poverty because their parents are in poverty, and we have to bear that in mind.

When you consider both the basic benefit and the supplement, we think this program needs to be higher. We still have very high incidents of child poverty in this country. We recommended in here that it go from - I think for a single child it's about \$3,400 or \$3,500 at the moment, and we suggested it go to \$5,000 - again, as a part of fighting child poverty.

MS. REGAN: One of the things that the report discusses is benchmarks for success - timelines, and things like that. We had a previous government that brought in a Poverty Reduction Strategy that didn't have that, and now we have another government that's not implementing it, or it's not measuring its success. I'm just wondering, in your experience, have you actually seen programs, seen where different governing Parties have continued poverty reduction strategies that were brought in by another government? Have they met with any success?

SEN. EGGLETON: I can't cite chapter and verse, but I do know that there are provincial programs that actually had all-Party support when they were brought in, and I think there are a number of provinces where that's happened. In Ontario they brought in a 25 per cent reduction of child poverty in five years and all Parties signed onto that. That was about five years ago. It has measurable goals and if you can't measure it, it isn't going to happen; it's easy to get around it. So you've got to have measurements and you've got to have timetables to keep the intent going.

In a number of provinces there have been all-Party agreements and just as I said, an all-Party agreement, I would hope that we would take poverty out of the realm of partisan politics and say it's in all our interests to work together on it.

MR. CHAIRMAN: Mr. Burrill.

MR. BURRILL: I just wanted to think for a minute about another - it seems to be an awfully important recommendation in the report, about social assistance rates and the low-income cut-off. People who work in this field advocate for this.

There's a common response in the public policy world that the low-income cut-off is just so far above where all provinces have social assistance rates that this is received sometimes like a pie-in-the-sky, stratospheric kind of hope. I think most provinces, like Nova Scotia, are around half of the low-income cut-off. I think it's still true that there's only one province that has one category of social assistance recipients at the low-income cut-off; I think there's a certain category in Newfoundland and Labrador. But in general it's about half. So when we recommend this - this is heard sometimes like saying, well, we recommend that there should be a new heaven and a new earth, the low-income cut-off is so far above where we are.

Do you have a practical sense of how, in fact, programmatically we might get from this 50 per cent low-income cut-off, where we are, to that? Are there other intermediate goals that we could be setting?

SEN. EGGLETON: Oh, absolutely. Anything you do to help alleviate people in poverty - even housing, housing programs, to help people get decent housing, to help those homeless people get off the street. All of those things help move them up the ladder and help give them hope, but also opportunity. We need to increase their opportunities for getting out of the condition that they're in. As they do that, they will help get themselves up there, they'll get themselves into employment if they are employable. If they're not employable, then they should get the guaranteed disability income.

We came out with 74 recommendations in here because we felt - we said that basically what we want to have happen here is nobody should be below the low-income cut-off. Now the low-income cut-off is a particular measurement; there are other ones. There's the Market Basket and there's the LIM system, but over time they generally track about the same. So whichever one you take, we're saying that nobody should - and we took the LICO because it's the most frequently used - we said that everybody should be brought up to that position.

Now we suggested, I mean one possibility - and I know it's a favourite of my colleague, Hugh Segal, who would like to have a guaranteed annual income across the board, and we did suggest that that be looked at as an option. But the other recommendations in there, though, can be done on an incremental kind of basis. So if you do some of those things, it can make a world of difference. For example, if I were to prioritize some of these things, I'd say: the National Child Benefit, move that up; the WITB, or the Working Income Tax Benefit, to help the working poor; the national housing strategy; programs for the disabled; and help getting community organizations to share their best practices so that things like Pathways to Education or some of the other programs

we talked about today can help in reducing the dropout rate - I think those are the highest priority areas that can help move people up that ladder.

If we say oh my gosh, we're at 50 per cent, we'll never get anywhere, then nothing will ever get done. If it's going to be incremental, there are a lot of incremental steps that we can take to get up there.

Meanwhile we should look at the broader picture. The guaranteed income for disabled, I think, is warranted, for severely disabled. We should have a look at a broader system as well. I know that it says guaranteed annual income, my goodness, that seems like too much, but I don't think we should push it off the table either.

MR. CHAIRMAN: Thank you. Mr. Bain and then Mr. Ramey then Ms. Casey.

MR. BAIN: We were talking before about a program has to be able to be measured and accountable. Your committee, I believe, made 72 recommendations

SEN. EGGLETON: It was 74.

MR. BAIN: Oh, 74 and they were tabled in 2009. How do you feel about the progress that's being made on those recommendations in the two years since?

SEN. EGGLETON: Very sadly lacking. It really has not gotten the kind of attention from the federal government that I think it should. The current federal government seems to take the position that these matters are primarily for provinces to deal with and where it feels in some cases it's doing what it can do.

I do applaud them for the WITB, the Working Income Tax Benefit; they brought that in but it's still too low. There are people who have a couple of jobs, two or three jobs out there, who still are below the low-income cut off, below the poverty line. I was disappointed that wasn't in the federal budget of last week. I think an awful lot more needs to be done. I think there needs to be a special commitment from the federal government, from the Prime Minister, to tackle poverty. Tony Blair did that in the U.K. a number of years ago. I think we need that kind of a political will here.

MR. BAIN: Would the approach be that the Premiers of the provinces and territories bring it to them?

SEN. EGGLETON: Right, because the one thing I have found in talking to Premiers and ministers and committees such as yours across the country is that they believe that to really tackle poverty and housing and homelessness, the federal government needs to be at the table, needs to be part of the plan, certainly needs to write cheques. More than that, they need to be at the table.

I don't think the federal government is going to say, we want to be at the table, but I think the provinces should say to the federal government, we'd like you at the table.

MR. CHAIRMAN: Thank you. Mr. Ramey.

MR. RAMEY: I guess my comment is along the same lines as Mr. Bain's and something that you said earlier regarding silos of government, which we all know exists, that's for sure. One of the things that we've attempted here, and there are a number of initiatives that have come out of it - which I don't really want to get into listing what those are because it just sounds like you're trying to pile up points so I don't want to talk about that - I just want to talk about the concept.

We've tried to address that silo issue and not look at issues like poverty as the purview of a department of government, in this case, Community Services. What happened is we set up something, it's not a standing committee of the House, it's something called the Better Health Care Committee. It has the word health in it but it's much broader than that. The people who sit on that committee are the Minister of Health and Wellness, her deputy and her ministerial assistant, who happens in this case to be me; the Minister of Community Services, the deputy and the ministerial assistant; the Minister of Justice, the deputy and ministerial assistant; and the Minister of Education, the deputy and ministerial assistant.

What we try to do in that committee is talk about issues like poverty and early childhood education and look at the much bigger picture rather than trying to narrow it down to some individual department trying to address it on their own. I guess what I'm trying to determine is, at least in our province, from what you said, do you think that is a reasonable approach to take where you have multi-sorts of departments working together to address it?

SEN. EGGLETON: Absolutely. Good for you. I think that's the way to go. The social determinants of health are vitally important as part of the health care system because health care is more than just the traditional health care system. It is things like housing, poverty and education. It is, for the aboriginals, potable water as well. All of these things contribute to one's health or lack of health and they all need to be addressed in a horizontal way. So if a government - any government - has the will, the Premier or the Prime Minister, as the case may be, can make sure that those silos are overcome to as much an extent as possible by setting up these kinds of horizontal committees, recognizing that these things do cross those boundaries and social determinants of health is a big factor. It's a big part of the cost of health care in this country.

MR. RAMEY: It also means that one department's budget isn't somehow picked as being the one and then nobody else feels that they have any contribution to make at all and then you get into perennial fights over who gets the dollar, so it eliminates some of that too.

MR. CHAIRMAN: Thank you. Ms. Casey.

MS. CASEY: Just a couple of comments, if I could, one that has just been prompted by Mr. Ramey's comments. The committee that he is speaking about was one that came out of the Nunn Report back in 2007-08, which was taking those five departments, and the Department of Justice was included in that, to come together because generally, the clients who are served - if you want to call them clients - by all of those departments, there is a great overlapping and so that was a direct result of the Nunn Report.

If I could make another comment - I guess it's for information. The discussion here has been about the need for a coordinated effort on the part of the provinces regarding education. I just want to say that the provincial Ministers of Education meet regularly so there is that organization that comes together and I've been at that table. The discussions are about priorities of each province, best practices, and so those are the kinds of general discussions that are held, but you've picked up on something that is critical and it was obvious when we were there - there is no federal person at that table. There is no federal minister that the provincial ministers can go to and it's a real void.

I would encourage you or anyone who can to suggest that the absence of that federal member at that table limits where you can go because when those meetings are over, people go back to their own provinces and do their own thing. That's why you don't have a standard. I'm not sure support I support a standard. I think that needs to be better defined, but the coordination, I guess, of those provincial efforts seem to be lacking because there is no federal member there. I think it's something to be addressed.

SEN. EGGLETON: Right, and our committee actually put out a report on post-secondary education and recommended that. We are waiting for the federal government's response. Any time we've put out a report, the government itself gets 180 days to come back to us and tell us their comments. We're still waiting to hear what they have to say about that, but it can also go the other way. The provincial ministers - yes, I'm quite aware about the Ministers of Education meeting - but they can also invite somebody from the federal government to the table. I think if it goes both ways, it makes it a little more pressure. We need that national perspective. We need the broad picture of where this country is stacking up. I know a lot of provincial ministers try to look at that as well, but they're also into their silos so we need the broad picture and that's why the federal government should be at the table.

MR. CHAIRMAN: Mr. Skabar. The only other person I have on my speaker's list is Mr. Burrill. Are there others who wish to be added? We'll go to Mr. Skabar.

MR. BRIAN SKABAR: Thank you. Not to harp on the same thing that I was before but many small business owners, kind of middle class, consider things like taxes, minimum wage, unions, and indeed by times government itself to be the enemy, to be the ones that are impeding expanding their business and the profit margins. Now, I think big business is

sort of made the Kool-Aid but the middle class and the working class people and small businesses in particular drank it. For many years I was in the income support business back when income support was a municipal responsibility. My gosh, if someone who was on income support took a taxi and, by golly, if they had a dozen beer with them or something, the phones were ringing off the hook for days.

I think this is more of a share the poverty kind of thing. Are there any jurisdictions that were able to get past that and get a buy-in from Canadians, Nova Scotians, Torontonians - we're all in this together and what's good for my neighbour is good for me? Do you know where I'm going with this?

SEN. EGGLETON: Yes, I think we have to point out that these abuses are really the exception. They're very small in number and yet nobody likes to see anybody abuse the system. So and so got this and got that and, oh boy, they really are cheating the system. Nobody likes that kind of thing but I think we've become so obsessed with that and you write the rules for our social systems to a great extent based on that.

We become too captive and there are a lot more people out there who really want to do the right thing and want to try to get themselves out of the hole they're in, and because we've set these rules to try to stop those other people - few as they may be - we're not giving people a chance to get out of the trap. We've got to stop thinking that way and if part of that is trying to convince the public that, look, here are some other stories, because we talked to a lot of these people. They don't want to be in poverty. They know they're in poverty but they don't want to be there. They want to get out and they don't want the government to just hand them money, they want them to give them a helping hand, help them get up. They want to get back on their feet and get a sense of self-respect and self-esteem.

I think that we've got to do a better job at selling - we in government who know, who have the information - we need to do a better job of saying, you know, we need to help get these people back because it's costing us all. This is the point that I have tried to make. It's not just the question of the moral arguments, it's a question of the economic arguments - poverty costs us \$24 billion to \$30 billion a year. The National Council on Welfare said that it would cost us \$12 billion to bring everybody up to the LICO. Well, whether or not their numbers are correct, it sounds way out of whack. It would be cheaper to bring everybody up to the LICO, the kind of money we're spending now. We've got to get a better handle on this and for the sake of the taxpayer, ultimately, sort this through and go the better route of getting people out of the hole that they're in and not just responding to every little story that comes along as somehow representing the majority of the cases.

MR. SKABAR: Which jurisdiction in the world - that you're aware of anyway - has been most successful in addressing both poverty and income equalization? Is there anywhere that's halfway working?

SEN. EGGLETON: Well, of course, the Scandinavian countries will always be cited in these cases and that's very true, they are. They do have lower income and equality gaps and they do have lower poverty gaps but, of course, some people will say, well, you know, those are sort of social welfare states. I don't think that that's - I think they just have a different culture, a different attitude about these things and I think that they don't get so obsessed with these exceptions, these abuses, as we do.

MR. SKABAR: That's where I was going with my Kool-Aid comment. So you have the Scandinavian countries that are actually doing something; they are held up as the model of having the least poverty and sticking up the most for those who are least able to look after themselves, and the response is, well, they're just a social welfare state - like that's a bad thing. That's where I was going with that. So how to address the attitude of the public at large, the middle class included - and the middle class, the working class, it will be a whole lot longer before we could get to that 3 per cent.

SEN. EGGLETON: We have a lot of work to do, but let me tell you, there's some bright lights on the scene. The business communities in Canada have responded, and in some communities fairly well. In Calgary, business leaders have gotten together in a 10-year plan of homelessness, and a number of other communities have as well. There it was the businesspeople, and they are driving it. There's some big businesspeople involved in that effort there, and they are making progress.

In a couple of cities in the country - Saint John, New Brunswick and Hamilton, Ontario - the programs have been driven by the business community, again, and have brought together people from all walks of life and come up with good poverty reduction programs. We need to engage the business community. We need to find champions. Saint John, Hamilton and Calgary all had champions - people who had some success in business but at the same time were concerned about their community and what they . . .

MR. SKABAR: A social conscience?

SEN. EGGLETON: A social conscience, yes. So we need to have more of those kinds of people. They will help to present the alternate cases, help get us off this worrying about a few people over here and talking about the general good of society and moving this forward. We need to pull more of these resources together to help get the message across.

MR. CHAIRMAN: Thank you. We'll go to Mr. Burrill for another question, and then I think the final question or comment to Ms. Regan. We need a few minutes to wrap up some other committee business after we finish this.

MR. GARY BURRILL: We sure appreciate your thinking together with us about this with such precision this morning. I just wanted to come back to the question of the guaranteed annual income for a minute. My heavens, this campaign has been around a long time. We have visiting with us this morning Carolyn Earle from the ecumenical interfaith

coalition Face of Poverty. The interfaith Christian community in Canada has been advocating this for 45 years. I just wonder, from that point of view, if you have any thoughts about what is, in fact, going to be required to bring this to the centre of the screen?

SEN. EGGLETON: We're talking about the guaranteed annual . . .

MR. BURRILL: Yes, generally.

SEN. EGGLETON: . . . generally, as opposed to the basic income or guaranteed annual income for the severely disabled. Well, there is some interesting analysis being done of a project that was in place in Manitoba in 1976, called the Mincome project - in Dauphin? - I can't remember the name of the community. There's a researcher at the University of Manitoba, Dr. Evelyn Forget, who is doing a lot of detailed work. Now that we are in the age of being able to amass information and dissect it and analyze it a lot more easily than we used to, she is coming out with information about it that is quite helpful.

In our report we asked the federal government to do a Green Paper, to look at the pros and cons of doing that. We didn't put all our eggs in that one basket, because it's one that is controversial. There's a lot of myth about it. So we said it deserves to be on the table and looked at.

There's more than one way to get there, and any number of other recommendations would get us in the same position - getting people up and above the LICO, the poverty line. We said it still is worthy of further examination, but again, it suffers from the myth of, oh, people will abuse it. What we are finding out from that Mincome experiment is so far, no, it didn't prove to be the case at all. People still went out and got jobs, but it helped relieve a level of anxiety in these people in terms of how they were going to make ends meet from day to day that made a big difference in their life. That's what we're finding out so far; there still is more to be found out. The essence of this report was not so much the mechanisms, but it is let's get people up to the poverty line. We want to eliminate poverty, not just reduce it - eliminate it.

MR. CHAIRMAN: Thank you. Ms. Regan, for a final intervention.

MS. REGAN: Thank you. What I'm going to ask you though wasn't in your report because it is a relatively new development, and that is raising the age to receive the OAS to 67. I was just wondering if, in your closing remarks, you'd have a chance to talk about what the implications will be of doing that.

SEN. EGGLETON: Well, this hurts; it doesn't help. You know, some people want to work past 65 - I do, I'm by it, and still want to keep working - but not everybody can. There are people on low income, people with precarious employment, part time, self employed, whatever, who are struggling to get up to age 65, get over that hump and get something more decent to get them out of poverty. Now they've got to wait till 67 - not the

current people but down the line there are going to be other people like them who are going to come up to that and, really, this is going to keep them in poverty longer.

That, by the way, is going to mean that provincial assistance, it's going to roll back on the provinces to keep these people supported. The other thing is there are a lot of people in positions that are physically demanding and they really can't go much past 65, if at all. Again, a lot of them in their 60s are struggling to continue to do the manual labour kind of work they are doing up to age 65, and now they will have to wait till age 67.

So I think that if the federal government is going to go this route, which they have announced, of going from 65 to 67, and they'll justify it by the fact of the aging population and the costs are going up, they forget though to say that the GDP is also going to go up and actually as a percentage the GDP it really isn't that much different at all. All the actuarial experts have said they don't need to do this, but nevertheless they feel that they are going to do this because of the rising costs, but they need to do something to mitigate it for those people I've just mentioned - the people who are very low income and the people who are physically not going to be able to go past 65, they need to do something now to mitigate it.

There are other things that they could have done other than this 65 to 67, but if that's the route that we're going to end up going - of course that's a long ways down the line, that's not till 2023, so who knows what the federal government of that day will say - if we're going to go that route, then they need to not make it worse for people with low income and people who are physically not going to be able to work past 65.

MS.REGAN: Thank you.

MR. CHAIRMAN: Thank you, and that's the end of our questions.

Any concluding comments that you might like to make, Senator Eggleton?

SEN. EGGLETON: I think I've said it all but I think the one thing, again, is aside from the moral arguments there are the economic arguments. We put more than \$150 billion a year into transfers to people for various programs that help to give them the income supports they need - we could be spending that money more efficiently and more effectively.

Yes, to get some of these programs, to get this rolling, we need some transitional funds, but as we get into it we get people out of the vicious cycle into a virtuous circle, then it starts to pay dividends for the economy and pays dividends for them in their life as well. As I said, the bottom line for me is we really can't afford poverty anymore, and we really need to tackle this issue.

MR. CHAIRMAN: Thank you. Thank you everybody for your comments and questions today, and thank you particularly, Senator Eggleton, for being here, for spending

time with us, for coming down to do that, for the work on the report, and certainly for helping with the very important discussion this morning. I know it is appreciated by everybody here and certainly by me, so thank you.

SEN. EGGLETON: Thank you. I've got to go catch a plane and go back to Ottawa.

MR. CHAIRMAN: What we'll do is adjourn for a moment and then we have about 10 minutes of work we need to continue.

[The committee recessed at 10:45 a.m.]

[The committee reconvened at 10:48 a.m.]

MR. CHAIRMAN: I think that was a very helpful discussion and useful presentation and very useful report, I think.

MR. RAMEY: Group hug? (Laughter)

MR. CHAIRMAN: I do need to move us away from that important business that we were just discussing to some committee business.

The next item is correspondence. You all have in front of you a letter we've received from the Parliamentary Committee on Palliative and Compassionate Care, the House of Commons Committee. I don't know if you've all had a chance to read it, but I think in essence the letter tells us that a report has been written called *Not to Be Forgotten: Care of Vulnerable Canadians*. It was released on November 17, 2011. I think all of us in this committee were forwarded an email, which includes a copy of the report. It's quite long so I expect you all haven't had a chance to read it in detail yet, but maybe you will. (Interruption) Yes, good, some of us have taken notes. So I think that correspondence is for our information at this point.

Coincidentally though, I was in Toronto a couple weekends ago and I talked with Joe Comartin, who is a member of that committee and has apparently been charged with bringing information on the report to a couple of provinces, Nova Scotia being one of them. He told me that he would be quite interested in meeting with our committee or being in Nova Scotia to present to us. So it perhaps could be placed on our agenda for the future. Ms. Regan.

MS. REGAN: And we also have a Hospice Society here in Halifax which has its office in Bedford. So they might want to present as well.

MR. CHAIRMAN: Yes, and I expect there are hospice organizations throughout the province that are doing some very interesting work. Certainly in the Annapolis Valley, there's an attempt to raise \$8 million to open a hospice facility and they're getting close to

that goal, which is exciting for the people in my area. I think perhaps we can hang onto this as an item for future discussion. I think our general direction about agenda setting is in our organizational meeting, or in this committee's organizational meeting in September, we would be looking at programs for the following year and perhaps this could be considered one of those ideas.

Our next meeting date is May 1st and we do have witnesses in the form of the Coalition of Restorative Justice Agencies. That's something we've discussed before and they have agreed to be here on that occasion and I think they're looking forward to that opportunity to meet with us. We have also - and I know Kim in her role as the clerk has been working on this - we have agreed that we would be looking at a presentation on housing. I think that's still - Kim, you might want to say some more words about that because I know it's not finalized as yet.

MS. KIM LANGILLE (Legislative Committee Clerk): Basically on the list, I think it was called the task force on affordable housing. So I'm kind of trying to track down what exactly that is and who it is and that's sort of what I'm doing right now, is sort of figuring out who the players are and, you know, getting that organized. So that's where we are. (Interruption) No, I don't think so, not from what I've been able to determine. I don't think it's a provincial program from what I can determine thus far.

MR. CHAIRMAN: Mr. Bain may wish to shed some light on that.

MR. KEITH BAIN: I was just wondering, are we looking at this for the June meeting, Kim?

MS. LANGILLE: Yes.

MR. CHAIRMAN: Yes, and I'm still working on the impression - I guess I'll check in on this again - that we would meet in June but we would not meet in July and August. Is that still acceptable to the committee?

MR. BAIN: I think everybody will agree to that.

MR. SKABAR: I'm fine with that, yes.

MR. CHAIRMAN: Okay, just so long as nobody is going to be opposed to it. Is there any other business that should be brought to the attention of the committee?

Seeing none, I'll declare the meeting adjourned. Thank you very much.

[The committee adjourned at 10:53 a.m.]