

MAYTREE

From Insecurity to Prosperity:
Practical Ideas for a Stronger Canada

Policy Insights



Policy Insights

From Insecurity to Prosperity: Practical Ideas for a Stronger Canada

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About Maytree

Maytree provides grants to a small number of individuals and organizations that are dedicated to reducing poverty and promoting equity. We were involved in founding and continue to support the Caledon Institute of Social Policy, Tamarack: An Institute for Community Engagement, The Refugee Forum at the University of Ottawa, Diaspora Dialogues and the Toronto Region Immigrant Employment Council (TRIEC).

While only the Caledon Institute is explicitly a social policy think tank, all of our partners believe in the power of public policy to transform lives and improve our society. We are all committed to generating policy ideas which are based on real-life experiences and which can have a meaningful impact.

We also develop, test and implement programs with a particular focus on immigration, integration and diversity. We do this work for sound business reasons. Immigration brings economic and social benefits to Canada's cities and, in turn, this brings prosperity to our country.

Maytree's work reflects our belief that poverty is an unjustifiable burden to individuals and society. The ideas presented in this document would reduce poverty and help all residents achieve personal success and contribute fully to Canadian social, economic and civic life.

FOREWORD

Policy at Maytree



Systemic poverty is an unjustifiable burden to millions of people, which results in paralyzing costs to society. It perpetuates a vicious cycle by limiting opportunity and repressing the human spirit.

Maytree has developed a number of initiatives aimed at stopping this cycle: mentoring for skilled immigrants, scholarships for refugee students, and training for nonprofit leaders. But it is our view that without a public policy lens on our work, we are just engaging in a plethora of pilot projects.

The greatest advances in the wellbeing of populations have always come from public measures. Public sanitation systems ended the plagues; public education systems have carried nations into prosperity; and vaccination programs virtually wiped out polio and tuberculosis. So too can public measures address the underemployment of immigrants, the exclusion of diverse voices from the arts, and the exploitation of those trafficked across borders. Public policy can leverage ideas that work and scale them up.

The policy ideas presented in this document have been prepared by Maytree's partners. In some cases, such as with Caledon, Tamarack, Diaspora Dialogues and TRIEC, we were actively involved in founding the organizations our partners lead and still play an active role on their boards of directors. Our other partners, such as Naomi Alboim, Peter Showler and Deena Ladd are experts who, like us, are committed to moving beyond defining our society's problems to presenting a solution.

We will continue to work towards an equitable and prosperous society where all residents have the opportunities and the tools they need to succeed.

A handwritten signature in black ink that reads "Alan Broadbent." The signature is written in a cursive, slightly slanted style.

Alan Broadbent
Chairman

FOREWORD

Emerging a Stronger Canada

Last year was a tough one for Canada. The recession revealed the gaps in our social safety net and the challenges that newcomers, Aboriginals and others continue to face in Canada. Too many people living in Canada are unemployed or living in poverty.

While economists are suggesting the worst of the recession is behind us, those of us in the nonprofit sector know that it will take much longer for the average Canadian to feel the effects of the recovery, and that many will continue to be excluded from the prosperity of our society. What is needed are good social policies to protect our most vulnerable during this transition, and a strategic investment in the skills and talents of all Canadians. Our governments must act to ensure that everyone in Canada has the opportunity and the tools they need to participate in our economy and society.

Our partners have put together these ideas. They're practical, tangible and, in many cases, tested. They can help Canada emerge from this recession stronger and more prosperous.



Ratna Omidvar
President



CONTENTS

<i>Income Support and Social Security</i>	1
THE CALEDON INSTITUTE OF SOCIAL POLICY	3
Policy Ideas to Provide Income and Support to Caregivers	4
1. Create a \$50-million Caregiving Supports Fund to expand the quantity of existing supports and improve the efficiency and quality of services to caregivers.	5
2. Expand EI compassionate care leave provisions to allow special leave for the care of persons with chronic conditions.	5
3. Extend the drop-out provisions under the Canada Pension Plan to protect the retirement earnings of caregivers who must temporarily leave the workforce.	6
4. Make refundable the caregiver and infirm dependant tax credits.	6
Policy Ideas to Provide Supports for Parents and Children	7
1. Revive the Early Learning and Child Care Agreements.	7
2. Increase the Canada Child Tax Benefit to \$5,000.	8
3. Eliminate the Universal Child Care Benefit and the non-refundable child tax credit.	8
4. Implement systemic reform of education on First Nations reserves.	9

Policy Ideas to Reform Disability Income and Supports	10
1. Introduce a federal disability income program modeled on existing income-tested benefits for seniors.	10
2. Provinces should use their savings from the creation of a federal disability income program to invest in disability supports.	11
3. Make the non-refundable disability tax credit refundable to help cover the hidden costs of disability for low-income Canadians.	12
Policy Ideas to Ensure Income Security for Working-age Adults	12
1. Reform EI by raising benefits to 70 percent of insurable earnings, creating uniform requirements across the country and setting premiums counter-cyclically.	13
2. Create a new temporary income program for unemployed Canadians who do not qualify for EI.	13
3. Fix the financing of Employment Insurance.	14
4. Raise the Working Income Tax Benefit from \$950 to \$1,500 and extend benefits up to \$22,000.	14

<i>Inclusion and Protection</i>	15
TAMARACK: AN INSTITUTE FOR COMMUNITY ENGAGEMENT	17
Policy Ideas to Reduce Poverty	18
1. Create a Community Fund of \$25 million run by an arm's-length body to help communities operate local decision-making tables.	18
2. Designate and fund a nonprofit organization to provide coaching and other technical assistance to local communities fighting poverty.	18
3. Create a \$2-million (over five years) learning fund to promote cross-community exchange for poverty reduction.	19

WORKERS' ACTION CENTRE	21
Policy Ideas for Fair Workplaces	22
1. Improve Employment Insurance program by standardizing qualifying hours and raising the amount and duration of benefits.	22
2. Protect temporary foreign workers through increased worker protections, structural changes to the immigration program and an appeals process before deportation.	22
3. Update the Canadian Labour Code to create a national standard for workers and to create a federal minimum wage.	23
DIASPORA DIALOGUES CHARITABLE SOCIETY	27
Policy Ideas for Diversifying the Arts	28
1. Integrate “diversity” into mainstream programming, audience development and funding criteria.	28
2. Increase translation funds through the Canada Council or provincial arts council to immigrants.	28
3. Support language learning for artists.	29
4. Government departments and agencies should set targets for the recruitment of arts professionals from culturally diverse and Aboriginal communities.	29
5. Establish posts at Canadian embassies to promote cultural diplomacy, develop markets, and highlight Canadian cultural achievements.	29

<i>Immigration and Integration</i>	31
IMMIGRATION POLICY AT MAYTREE	33
Policy Ideas to Reform Immigration	34
1. The best short- and long-term strategy to meet our labour market needs is through the Federal Skilled Worker class. This should be a priority for investment and improvement.	34

2. Eliminate the “Low Skill” Pilot Project for temporary foreign workers.	35
3. Expand immigrant services to include new citizens, temporary workers, international students and refugee claimants.	35
TORONTO REGION IMMIGRANT EMPLOYMENT COUNCIL (TRIEC)	37
Policy Ideas for Skilled Immigrants and Local Economies	38
1. Implement national internship programs that provide work experience opportunities for skilled immigrants.	38
2. Implement national programs that provide mentoring opportunities for skilled immigrants.	38
3. Dedicate funds to the development of occupation-specific training opportunities across Canada.	39
4. Create a national strategy for employers so that they are better able to recruit, retain, and promote skilled immigrants in their workplaces.	39
REFUGEE FORUM	41
Policy Ideas to Reform the Refugee System	42
1. Increase the number of refugees recruited overseas from 10,000 to 15,000 focusing on protracted refugee situations.	42
2. Appoint Immigration and Refugee Board members purely on merit.	42
3. Add an appeal to reduce the need for judicial review.	43
4. Abolish the processing fees for refugees.	43



**We have a responsibility to ensure a basic standard to those living in Canada.
In a prosperous society, everyone should have the opportunity to succeed.**

THE CALEDON INSTITUTE OF SOCIAL POLICY

WWW.CALEDONINST.ORG

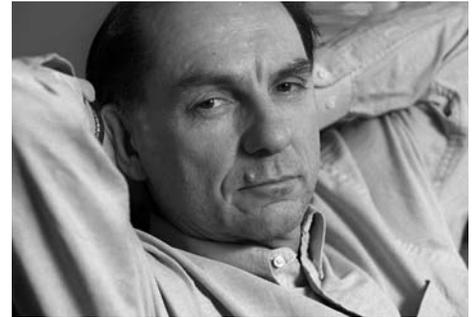
The Caledon Institute is a social policy think tank that does rigorous, high-quality research and analysis. It seeks to inform and influence public opinion, foster public discussion on poverty and social policy, and develop and promote concrete, practicable proposals for the reform of social provisions at all levels of government as well as in the non-governmental sector. The Caledon Institute does not depend on government funding and is not affiliated with any political party.

Social Security Needs Reform

Canadians have access to a number of income programs, tax benefits and social services provided by the federal, provincial/territorial and municipal governments. This broad array of social security measures is intended to ensure support during major life experiences, such as old age, parenting, disability, unemployment and poverty. Social programs are important not only because they afford some protection when things get tough, but also because they contribute to our nation's economic strength, productivity and international competitiveness.

However, Canada's major social programs were created largely in and for an earlier era, and have been struggling to meet the pressures and demands imposed by profound economic, demographic and political changes.

Canada's retirement income system (a mix of public programs and private plans) is among the best in the world, and has helped to greatly reduce poverty in old age. But it is facing growing challenges in fulfilling its earnings-replacement objective, especially for modest- and middle-income households without employer-sponsored plans or private retirement savings. While we have made significant progress in restructuring our child benefits system (i.e., cash payments and income tax cuts for families with children), there is still a substantial way to go in strengthening its poverty-reduction and parental recognition performance. Our early learning and child care services, the responsibility of provincial and territorial governments, are still in their infancy (with the exception of Québec) and badly need help from the federal government.



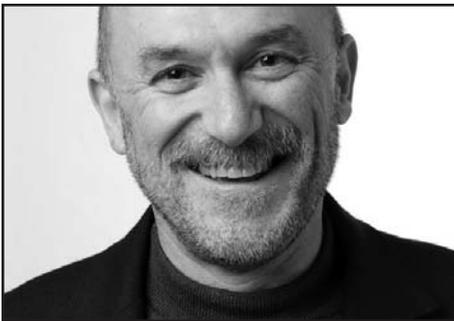
Ken Battle

Ken Battle is President of the Caledon Institute. Before founding Caledon with Maytree in 1992, he was Director of the National Council of Welfare, a citizens' advisory body to the Minister of National Health and Welfare. Educated at Queen's University in Kingston, Ontario and Oxford University in the UK, Ken is one of Canada's leading social policy thinkers. He has played a key role both inside and outside government in the reform of social policy, including the development of the National Child Benefit and the proposed Seniors Benefit. He served as a member of the Ministerial Task Force on Social Security Reform in 1994 and as policy advisor on child benefit reform to the Minister of Human Resources Development in 1996 and 1997. In 2000, he was awarded the Order of Canada (social sciences category). Ken has taught at Queen's University and Carleton University.



Sherri Torjman

Sherri Torjman is Vice-President of the Caledon Institute. She has written in the areas of welfare reform, customized training, disability income and supports, the social dimension of sustainable development and community-based poverty reduction. Sherri was co-Chair of the Technical Advisory Committee on Tax Measures for Persons with Disabilities that reported to the Minister of Finance and the Minister of National Revenue in December 2004. She has worked for the House of Commons Committee on the Disabled and the Handicapped, the House of Commons Special Committee on Child Care and the Royal Commission on New Reproductive Technologies. Sherri taught a course in social policy at McGill University and is a former Board Member of the Ontario Trillium Foundation.



Michael Mendelson

Michael Mendelson is Senior Scholar at the Caledon Institute. He has held many senior public service positions, including the Deputy Secretary (Deputy Minister) of Cabinet Office in Ontario. In Manitoba, he was Secretary to the Treasury Board and Deputy Minister of Social Services. He has served as Assistant Deputy Minister in Ontario's Ministries of Finance, Community Services and Health. Michael has published many articles on social and fiscal policy, as well as books on the issue of universality and the administrative cost of income security programs.

Weakest of all is the collection of income programs for working-age adults. The two largest programs – social assistance (better known as welfare) and Employment Insurance – were designed and operate in isolation from each other. Welfare is an archaic, poverty-deepening program that does more harm than good and creates a “welfare wall” that makes it difficult for some recipients to leave and move into the workforce. Belt-tightening changes in the 1990s have shrunk coverage of unemployment insurance (renamed Employment Insurance in 1996) to the point where only four in ten of the unemployed now qualify for benefits. Welfare and Employment Insurance have not evolved to reflect the changing labour market, increasingly made up of part-time or contract work with little job security and few benefits. Demographic shifts such as aging, the growing Aboriginal population, increased immigration and a rise in the numbers of Canadians with disabilities also pose difficult challenges to the income security system and social services. On a positive note, the federal government recently created the Working Income Tax Benefit to bolster the earnings of the working poor, and some provinces offer similar programs.

Policy Ideas to Provide Income and Support to Caregivers

An estimated three million Canadians act as unpaid or informal caregivers. They provide care and assistance for family members and friends in need of support because of physical, cognitive or mental health conditions.

Most caregivers willingly assume their role and would not choose any other arrangement. Still, many acknowledge that they could use help with their ongoing and often onerous responsibilities – but are frequently confronted with waiting lists for the services they need.

In addition, caregivers face increased financial expenses such as fees for home care services, transportation costs for medical appointments, drug dispensing, technical aids and equipment, and home modification. Many must reduce their hours of work or leave jobs altogether.

Caregivers who exit the workforce without leave, insurance coverage or pension protection risk their long-term economic security. Interruptions to pension plan contributions affect their ability to save, jeopardizing their future financial security.

Investment in supports for caregiving is needed not only to meet the current needs of seniors and persons with disabilities, but also to prepare for the next 20 years in which four in ten Canadians will be over age 65.

1. Create a \$50-million Caregiving Supports Fund to expand the quantity of existing supports and improve the efficiency and quality of services to caregivers.*

Long waiting lists for service, particularly care at home, create serious pressures on the formal health care system.

The supply of caregiver goods and services can be enhanced through the creation of a Caregiving Supports Fund. Provinces and territories would share the costs with the federal government. The proposed financing would take the form of a block fund that would allow flexibility in design and delivery, and would enable the integration of disparate pieces of the current “system.” The Fund would expand the quantity of existing supports, reduce cost, ideally improve quality and ensure portability across regions.

Further Reading:

Torjman, S. and A. Makhoul. (2008). *Caregivers and Dementia*. Ottawa: Caledon Institute of Social Policy, June.

2. Expand EI compassionate care leave provisions to allow special leave for the care of persons with chronic conditions.

The compassionate care leave benefit, launched January 2004, allows Canadians who meet the eligibility requirements for Employment Insurance special benefits and who have served a two-week waiting period to take six weeks of paid leave to care for a gravely ill child, parent or spouse who is at risk of dying within 26 weeks.

Compassionate care leave is meant to protect workers’ jobs while allowing them to spend the intensive time necessary to care for a dying person. While important, the compassionate care leave measure is too narrow. It leaves out many thousands of caregivers who may need some paid leave for caregiving responsibilities for persons not gravely ill or dying.

The federal government should extend the compassionate care leave provisions under the *Employment Insurance Act* to allow special leave for the care of persons with chronic but not necessarily palliative conditions including dementia, cancer and episodic conditions, or for care of a relative with a severe disability. The timing of the benefit should be more flexible to recognize other crisis or stressful periods during which intensive caregiving may be required.

* The proposed figure is based on the amount of the Enabling Accessibility Fund announced in the 2007 federal Budget. The purpose of the \$45-million Fund, which is to be spent over three years, is to support projects throughout the country that improve accessibility, reduce barriers and enable Canadians, regardless of physical ability, to participate in the community. The precise level of funding for a Caregiving Supports Fund would depend upon the design of the Fund in terms of the scope of what it potentially would include and the associated eligibility for these supports.

There is policy precedent for this arrangement in the form of the Federal-Provincial/Territorial Agreement on Early Childhood Development signed in 2000. In March 2003, Ottawa and the provinces/territories announced another Agreement on Early Learning and Child Care. The purpose of these Agreements was to increase the supply of child care and early childhood development services, improve the quality of these services and reduce their cost for low- and modest-income families.

Further Reading:

Torjman, S. and A. Makhoul. (2008). *Caregivers and Dementia*. Ottawa: Caledon Institute of Social Policy, June.

3. Extend the drop-out provisions under the Canada Pension Plan to protect the retirement earnings of caregivers who must temporarily leave the workforce.

The Canada Pension Plan is a social insurance scheme that is attached to workforce participation and is based on average earnings between the ages of 18 and 65. (Québec has a similar arrangement – the Québec Pension Plan – with its own unique set of special leave provisions for personal and family reasons.)

The Canada Pension Plan currently permits workers to exclude from the calculation of pensionable earnings the years when they stopped work or had lower earnings while they had a child under age 7. The federal government should extend the Canada Pension Plan drop-out provisions with respect to care for children to include care for an infirm or aging relative, or for a family member with a severe disability. Provincial agreement on this proposed measure would be required through a designated amending formula.

Further Reading:

Torjman, S. and A. Makhoul. (2008). *Caregivers and Dementia*. Ottawa: Caledon Institute of Social Policy, June.

4. Make refundable the caregiver and infirm dependant tax credits.

In recognition of the unique financial pressures facing caregivers, the federal government provides some tax relief through two specific measures. The *caregiver credit* gives tax relief to individuals providing care in their home for a low-income infirm adult relative, or a parent or grandparent age 65 and over with a low income. The *infirm dependant credit* gives tax relief to individuals providing support to a low-income adult infirm dependent relative, who may live in a separate residence. The amount of both credits in 2009 is \$4,198, which reduces federal income taxes by a maximum \$630.

Governments have often talked about increasing the amount of these tax credits. But a modest hike would make only a miniscule dent in personal debt, since caregivers get income tax savings worth only 15 percent of the amount of these credits. A small increase would barely make a difference to taxpayers who now qualify – and would be of no help at all to those who do not.

A preferred option would be to make these tax credits *refundable*. This means that households too poor to pay income tax would actually receive some money from the government to help offset their

caregiving costs. Alternatively, Ottawa could turn the tax credits into a modest caregiver allowance that would assist all caregiving households. The UK and Australia, for example, pay a small cash benefit to the family caregiver of individuals requiring chronic at-home care.

Further Reading:

Torjman, S. (2009). *Talking Turkey on Taxes*. Ottawa: Caledon Institute of Social Policy, October.

Torjman, S. (2009). *The Three Ghosts of Poverty*. Ottawa: Caledon Institute of Social Policy, October.

Policy Ideas to Provide Supports for Parents and Children

Early learning and child care services and child benefits are both essential components of reducing child poverty and helping parents with the cost of raising children. They equally are core elements of economic policy because they invest in the critical first years of human capital development and enable parents to work or study.

Yet the demand for quality, affordable child care in Canada far outstrips the available supply. Services are uneven between and, in most cases, within provinces and territories: There is nothing approaching a national system. Most families continue to rely on unregulated child care bought or traded on the market (typically from neighbourhood providers) or provided by relatives. Only Québec has woven affordable child care into its economic and social fabric.

Child benefits – government payments in the form of cash and income tax savings to families with children – are intended to help reduce child poverty and assist families with their child-rearing expenses. Child benefits are an essential income program and have seen considerable progress in the past decade, but they are not a substitute for high-quality child care.

1. Revive the Early Learning and Child Care Agreements.

Prior to the federal election of 2006, the federal government negotiated Early Learning and Child Care Agreements with the provinces. These agreements were guided by clear principles intended to help the provinces build high-quality early childhood development services. Provinces would have considerable flexibility in using the federal funds. The associated reporting and monitoring requirements would provide built-in quality assurance mechanisms. While high-standard principles do not necessarily guarantee good quality, at least they set important benchmarks that can act as the basis for assessment. They also help ensure that the money is spent for its intended purpose.

The next federal government should revive the Early Learning and Child Care Agreements. This initiative would require an investment in the order of \$5 billion over a period of five years. This sum would build on billions of dollars of earlier investments going back to 2000.

Further Reading:

Battle, K. and S. Torjman. (2002). *Architecture for National Child Care*. Ottawa: Caledon Institute of Social Policy, November.

2. Increase the Canada Child Tax Benefit to \$5,000.

The largest federal child benefit, the Canada Child Tax Benefit, boasts several strong features. It is a non-stigmatizing, inclusive and non-taxable program that reaches the large majority (nine in ten) of families, excluding only those with high incomes. It is portable, providing an assured supplement to income no matter where families live or work – or do not work, in the case of families receiving Employment Insurance, social assistance or other benefits. It is progressive, payments declining as incomes rise. It provides the same amount to all families with the same level of income, regardless of the source of that income, the province or territory in which they live or their family type. The Canada Child Tax Benefit has enjoyed substantial increases over the years, from a maximum \$1,605 in 1998 to \$3,416 by 2009 – significant progress towards the target of \$5,000 proposed by the Caledon Institute and endorsed by social groups.

A \$5,000 Canada Child Tax Benefit would reduce the family poverty rate by a full percentage point.

This investment should be funded in part by abolishing the Universal Child Care Benefit and non-refundable child tax credit.

Further Reading:

Battle, K. (2008). *A Bigger and Better Child Benefit: A \$5,000 Canada Child Tax Benefit*. Ottawa: Caledon Institute of Social Policy, January.

3. Eliminate the Universal Child Care Benefit and the non-refundable child tax credit.

Created in 2006, the Universal Child Care Benefit pays \$1,200 annually (unindexed, so today it is worth \$1,103) for every child age 5 or younger, regardless of family income. But benefits are taxable, so most families end up with less than \$1,200 after federal and provincial/territorial income taxes. The program is also inequitable: One-earner couples and two-earner couples with the same income get different amounts because benefits are based on the income of the lower-income parent. Moreover, families with the same net income but living in different jurisdictions end up with different

after-tax benefits because their payments are subject to variable provincial/territorial income tax regimes. Even its name is deceptive: The Universal Child Care Benefit is not tied to use of child care and, even if used for this purpose, covers but a fraction of the cost of child care for most families.

In 2007 the federal government resurrected the extinct non-refundable child tax credit. This program provides federal income tax savings up to \$313 per child under 18 to all except the poorest families, which owe no income tax and so get nothing.

The savings from eliminating these two social policy dinosaurs should be used to help finance a \$5,000 Canada Child Tax Benefit, boosting payments for poor families as well as those with modest and middle incomes.

Further Reading:

Battle, K. (2008). *A Bigger and Better Child Benefit: A \$5,000 Canada Child Tax Benefit*. Ottawa: Caledon Institute of Social Policy, January.

4. Implement systemic reform of education on First Nations reserves.

The first step in achieving “Indian Control of Indian Education” was for the federal government to cede control over First Nations education, and this has largely been done. But the second and more crucial step is for First Nations to step into the vacuum and create the necessary organizational and financial infrastructure for a high-quality First Nations education system, and this has not been done. Despite many First Nations attempts to establish needed educational infrastructure, only bits and pieces of an education system have so far been set up on various reserves across Canada. For the most part, the major elements of an education system for First Nations are missing.

The solution proposed by the Caledon Institute is for a new Act of Parliament which would allow First Nations that wished to do so to establish properly funded First Nations school boards with clear legal empowerment and the necessary regional educational agencies to support them – called a *First Nations Education Act*.

Further Reading:

Mendelson, M. (2009). *Why We Need a First Nations Education Act*. Ottawa: Caledon Institute of Social Policy, October.

Technical aids and equipment include such items as bathroom aids, ostomy supplies, communication devices, feeding equipment, hearing aids, prosthetic and orthotic devices, visual aids, wheelchairs, and positioning and walking aids.

Attendant services provide assistance with personal needs such as feeding, bathing and dressing.

Homemaker services help with household tasks such as meal preparation and home maintenance.

Home health care provides health care services, such as dialysis, at home.

Policy Ideas to Reform Disability Income and Supports

An estimated 4.4 million Canadians live with a disability. Within this large population, there is a great deal of variation. Some people are born with a disabling condition, such as spina bifida. Others acquire a disability, such as multiple sclerosis, in the course of their lifetime. Still others may become disabled as a result of an accident. Many individuals experience impairment in function due to the effects of aging; vascular dementia is just one example.

Regardless of cause, people with disabilities are less likely to work than Canadians without disabilities and, when they do work, less likely to have a full-time year-round job. As a result, persons with disabilities often have no choice but to rely on various income security programs for most or all of their income. The problem is that the current disability income system is an inadequate and complicated patchwork.

In addition, people with disabilities may require supports such as technical aids, equipment and services. Yet many face serious problems gaining access to the supports that they need not only for participation in school, work or recreation – but, in many cases, for survival.

As the population ages, we can expect an increase in individuals requiring both disability income benefits and supports.

1. Introduce a federal disability income program modeled on existing income-tested benefits for seniors.

Provincial/territorial welfare benefits fall below poverty levels, virtually ensuring a life of low income for the estimated half million Canadians with disabilities who rely on this program. As an alternative to welfare for persons with disabilities, the federal government should introduce a disability income program that would provide adequate long-term financial support with no time limits. Payments would be both determined by and vary by level of income.

Eligibility for the new disability income would be on the basis of a modified test currently used for two other federal measures – the disability tax credit and Canada Pension Plan disability benefit.

The proposed disability income program would be modeled on the Guaranteed Income Supplement, which serves low-income seniors. Benefits could be set to equal the combined Old Age Security (OAS) and Guaranteed Income Supplement (GIS) payments, which effectively have eliminated the deepest poverty among the elderly. In 2009, single seniors with no other income receive an annual OAS/GIS maximum of \$14,068. As in OAS and GIS, the new disability

income program would be adjusted quarterly in line with the Consumer Price Index.

This measure will save the provinces about \$4 billion each year because they would no longer carry the cost of benefits for persons with disabilities.

Further Reading:

Battle, K., M. Mendelson and S. Torjman. (2006). *Towards a New Architecture for Canada's Adult Benefits*. Ottawa: Caledon Institute of Social Policy, June.

Battle, K., M. Mendelson, S. Torjman and E. Lightman. (2010). *Design of a Basic Income Program in Canada*. Ottawa: Caledon Institute of Social Policy, forthcoming.

2. Provinces should use their savings from the creation of a federal disability income program to invest in disability supports.

Federal payments under the proposed disability income benefit would result in more than \$4 billion worth of savings for the provinces and territories. Under the terms of a negotiated accord, they would use these savings to invest in a comprehensive system of disability supports.

The cost of disability supports often creates barriers to access. Many persons with disabilities must turn to social assistance to gain access to the supports they require for independent living and participation in society. This proposal provides a way to de-link disability supports from welfare so that persons with disabilities need not remain on social assistance – or any income program – to obtain the equipment and services they require for daily living. The savings derived from introducing a federal disability income benefit would enable provinces/territories to make substantial investments in crucial disability supports in their own unique way.

Further Reading:

Battle, K., M. Mendelson and S. Torjman. (2006). *Towards a New Architecture for Canada's Adult Benefits*. Ottawa: Caledon Institute of Social Policy, June.

Torjman, S. (2000). *Proposal for a National Personal Supports Fund*. Ottawa: Caledon Institute of Social Policy, October.

Battle, K., M. Mendelson, S. Torjman and E. Lightman. (2010). *Design of a Basic Income Program in Canada*. Ottawa: Caledon Institute of Social Policy, forthcoming.

There are hidden costs of disability. They include, for example, the extra expense of travelling to stores that are accessible. Certain physical conditions may involve additional costs for cleaning and tailoring clothes. Parents with children with severe disabilities may have to pay a trained person or nurse for specialized child care rather than less expensive babysitting fees.

3. Make the non-refundable disability tax credit refundable to help cover the hidden costs of disability for low-income Canadians.

Most persons with severe disabilities incur additional costs related to their disability. Supports that can be itemized or quantified often can be claimed through the medical expense tax credit. Other costs, such as the additional hidden expenses associated with accessible transportation, modified clothing and special care at home, are recognized in the federal income tax system through a measure known as the disability tax credit. It provides a set amount of tax relief for these non-itemizable costs; the \$7,196 designated amount in 2009 translates into a federal income tax reduction of a maximum \$1,079.

The problem with this tax provision is that it is non-refundable. Most low-income households do not qualify because their incomes are so low that they do not owe any income tax (though part or all of the credit may be transferred to a supporting person). Neither is this tax credit of value to most Aboriginals on reserve who pay no federal income tax.

Making the disability tax credit refundable would ensure that low-income persons with disabilities and with little or no federal tax liability would be able to take advantage of the current measure.

Further Reading:

Battle, K., M. Mendelson, S. Torjman and E. Lightman. (2010). *Design of a Basic Income Program in Canada*. Ottawa: Caledon Institute of Social Policy, forthcoming.

Policy Ideas to Ensure Income Security for Working-age Adults

Ensuring that Canadians who are temporarily unemployed do not spiral into poverty is an important social policy goal. Yet income security benefits for adults, notably welfare and Employment Insurance, fail to meet the needs of Canadians who are out of work or part of the working poor.

All employed Canadians pay for Employment Insurance (EI) through premiums, but many – indeed most – cannot benefit from the program when they become unemployed because they have not worked enough hours to qualify for assistance. Among the excluded are the long-term or frequently unemployed, many recent immigrants, and part-time and temporary workers. In addition, EI divides Canada into 58 “unemployment regions,” a major cause of the extreme variations in coverage and amount of payment across the country.

Only four in ten of Canada's growing army of unemployed qualify for regular benefits and just one in three of the unemployed in Ontario and the West receive EI, compared to eight in ten in Québec and the Atlantic provinces.

Unemployed individuals who do not qualify for EI or exhaust their EI benefits must deplete most of their savings and assets to qualify for social assistance.

To provide adequate support for the unemployed in today's labour market, we need deep, lasting reforms in the very architecture of income security. Employment Insurance must be strengthened and a new program created for jobless Canadians who cannot qualify for EI.

The recession has made reform even more important.

- 1. Reform EI by raising benefits to 70 percent of insurable earnings, creating uniform requirements across the country and setting premiums counter-cyclically.**

EI's earnings-replacement capacity should be increased from the current 55 percent of insurable earnings to 70 percent, raising maximum weekly benefits to \$570 – their level in the previous recession. There should be one uniform set of rules for work requirements – e.g., 360 hours – and one uniform length of benefits for all Canadians wherever they live and work. The amount of benefit should be calculated on the best 12 weeks of earnings of the previous 26, so as to allow flexibility to take part-time jobs. The two-week waiting period should be discarded.

- 2. Create a new temporary income program for unemployed Canadians who do not qualify for EI.**

Ottawa should create a new program to complement a strengthened Employment Insurance. The new scheme would pay temporary and time-limited, income-tested benefits to jobless workers with low or modest incomes who cannot qualify for Employment Insurance. The new program would prevent tens of thousands of the unemployed from falling onto provincial/territorial welfare rolls.

The temporary income program would not be funded by payroll premiums like Employment Insurance but rather out of general revenues, like most programs.

The 2009 Budget temporarily improved matters for the minority of the unemployed who meet existing EI requirements. The main change is that current EI beneficiaries, and those who lose their jobs over the next two years and meet the eligibility requirements, can draw benefits for an extra five weeks, up to a maximum of 50 weeks. Ottawa also plans to temporarily provide up to 20 additional weeks of EI benefits to “long-tenured workers,” meaning “workers who have worked and paid EI premiums for a significant period of time and have previously made limited use of EI regular benefits.”

These fixes are welcome, but limited in scope – they do not address the critical coverage problem – and only temporary.

One of WITB’s good features is that it gives provinces and territories the option of harmonizing the design of the Working Income Tax Benefit with their particular income security programs (e.g., welfare, earnings supplements minimum wages) and policy priorities. To date, three jurisdictions – B.C., Nunavut and Québec – have taken up the federal offer and reconfigured WITB for their low-wage workers.

3. Fix the financing of Employment Insurance.

Employment Insurance needs to be returned to social insurance principles, with the connection between premiums paid in and benefits taken out restored, both at the individual level and at the macro-level of the economy as a whole. Premiums should be set higher in good economic times and lower when the going gets rough.

The proposed temporary income program would be funded out of general government revenues.

Further Reading:

Mendelson, M., K. Battle and S. Torjman. (2009). *Canada’s Shrunken Safety Net: Employment Insurance in the Great Recession*. Ottawa: Caledon Institute of Social Policy, April.

4. Raise the Working Income Tax Benefit from \$950 to \$1,500 and extend benefits up to \$22,000.

An innovative addition to federal income security architecture – the Working Income Tax Benefit – was put in place in 2007. The Working Income Tax Benefit (WITB) has two major objectives – to reduce disincentives to work for Canadians stuck behind the welfare wall, and to enhance incentives to employment among the working poor (who, despite making up about half the low-income population, have received short shrift from governments).

However, WITB’s benefits are set at such a low level and the program is targeted so far down the income scale that it excludes many of the working poor.

Take the case of a single worker living in Toronto. To receive the maximum benefit of \$925 from WITB in 2009, the most this person can make is \$10,500 – far below the \$18,670 level for someone earning at the poverty line.

If the maximum WITB payment for singles were gradually increased from the current \$925 to, say, \$1,500 and the phase-in threshold raised from \$10,500 to \$12,000, benefits would end at \$22,000 (up from the present \$16,667) and a worker earning at the low income cut-off (\$18,670) would receive \$500.

Further Reading:

Battle, K. (2009) *Beneath the Budget of 2009: Taxes and Benefits*. Ottawa: Caledon Institute of Social Policy, February.



**The way we treat our most vulnerable citizens is the truest measure of our national character.
We must include all residents in shaping Canada's future.**

TAMARACK - AN INSTITUTE FOR COMMUNITY ENGAGEMENT

WWW.TAMARACKCOMMUNITY.CA

Tamarack tests ideas about community building, poverty reduction, collaboration and engagement, and generates knowledge based on what works best in practice. It develops and supports collaborative strategies that engage citizens and institutions to solve major community challenges, and to learn from and share these experiences. The Institute sponsors projects and provides learning resources, training, coaching and strategic consulting that enable people to collaborate and learn with and from each other. Vibrant Communities, in collaboration with the J.W. McConnell Family Foundation and the Caledon Institute of Social Policy, is Tamarack's signature work and is active in 14 cities and has so far reduced the impact of poverty for more than 147,000 people in Canada.

Poverty in Canada*

According to Statistics Canada's Low Income Cut-Off, in 2007, three million Canadians or 9.2 percent of the population lived in poverty. Recent immigrants, Aboriginal people, women and single-parent families are more likely to live in poverty than other Canadians. Poverty rates are also higher in Canada's urban centres.

As a result, communities, large and small, are facing increasingly complex and challenging issues, including homelessness, poverty and ways to build economic prosperity. The solutions to these complex problems cannot be found in a single sector.

To help govern a community-based, anti-poverty strategy that involves many players and processes, a local decision-making table is created to set a guiding vision for the overall effort and its strategic plan. A unique strength of these local tables is that they are composed of diverse sectors, including voluntary organizations, businesses, government, and people with lived experience of the problem. These local tables coordinate the multiple actions that are needed to tackle complex problems, identify ways to create new interventions and work on policy interventions.



Paul Born

Paul Born is the President of Tamarack, an organization founded with Maytree. Before taking on this role, he was the Executive Director and founder of The Community Opportunities Development Association (CODA) for twelve years where he founded Opportunities 2000, a millennium campaign to reduce poverty in the Waterloo Region to the lowest in Canada, which was recognized as one of the United Nations' Top 40 Projects Worldwide. His work has also been recognized with awards from the Conference Board of Canada, Imagine Canada and the Governor General of Canada. An author of three books, including his bestseller *Community Conversations*, Paul has extensive experience in helping organizations and communities to develop new and sustainable ideas that motivate people to collaborative action.

* This section was prepared by Paul Born and Sherri Torjman.

Vibrant Communities

The pan-Canadian Vibrant Communities project, involving 14 cities working together on local solutions to reduce poverty, has demonstrated the value of a national system of supports, including peer learning coupled with intensive local coaching. A strong group of participants involved in sharing effective practice allows members to support each other in grappling with tough problems, acquiring resources, sharing new methods and reducing barriers. The partners have learned that strategic learning involves more than a simple mail-out of web-based descriptions or written stories. Rather, it is the thoughtful and deliberate application of tested interventions.

Policy Ideas to Reduce Poverty

1. Create a Community Fund of \$25 million run by an arm's-length body to help communities operate local decision-making tables.

While place-based initiatives vary widely throughout the country, they all require an enabling environment if they are to function effectively. Governments can help support these initiatives through direct assistance. Funding typically goes to programs and services but rarely is made available to enable the challenging work involved in convening multiple and diverse parties.

The federal government should create a Community Fund, administered by an arm's-length body such as a foundation or nonprofit organization with a mandate to effect community-based change. The government would develop a set of principles to guide funding decisions which would ensure diversity of investment in terms of geography, community size and nature of the proposed interventions.

The Community Fund would match the first \$100,000 raised annually at the local level to enable communities to set up and operate their respective decision-making tables over the course of five years. The Fund would incorporate clear monitoring and review processes to track progress toward stated objectives and identified targets. It would also be required to produce a public annual report of its grant decisions.

A fund of \$25 million would help 50 communities develop and implement their own poverty reduction strategies for five years.

Further Reading:

Visit the Vibrant Communities website to see how communities are doing this work at www.vibrantcommunities.ca.

2. Designate and fund a nonprofit organization to provide coaching and other technical assistance to local communities fighting poverty.

Communities involved in comprehensive local efforts to tackle poverty or other complex issues must undertake a wide range of tasks to carry out their work effectively. The federal government can play a crucial role in these efforts by supporting the provision of technical assistance. Funding can be provided to a designated nonprofit organization or centre that would train and assign coaches to local initiatives around key interventions. These include leadership development, strategic planning, data collection and interpretation, fundraising and evaluation.

Seven coaches and supporting staff for 50 to 100 communities would cost the federal government \$5 million over five years.

Based on the Vibrant Communities' experience, these efforts could reduce poverty for more than 100,000 Canadians.

Further Reading:

Read the Vibrant Communities 2009 annual report and also the book *Creating Vibrant Communities* by Paul Born at www.vibrantcommunities.ca.

3. Create a \$2-million learning fund (over five years) to promote cross-community exchange for poverty reduction.

Tackling tough problems, such as poverty, requires that communities learn from one another. Yet communities rarely have the resources or capacity to undertake or carry out this crucial learning function on an ongoing or systematic basis. There are scarce resources for building upon and transferring the approaches already known to be effective.

A learning fund to promote cross-community exchange of effective local solutions would represent an important advance. This fund should be \$400,000 annually and designated for five years for maximum effect.

Further Reading:

Chapter 8: "Creating an Enabling Environment" in Sherri Torjman's *Shared Space: The Communities Agenda*. 2007. Ottawa: Caledon Institute of Social Policy.

WORKERS' ACTION CENTRE

WWW.WORKERSACTIONCENTRE.ORG

The Workers' Action Centre is a worker-based organization committed to improving the lives and working conditions of people in low-wage and unstable employment, predominantly low-waged immigrant workers and workers of colour in precarious jobs that face discrimination, violations of rights and no benefits in the workplace. The Centre works to ensure that workers have a voice at work and are treated with dignity and fairness. It provides a new way for people to join together to fight for fair employment. People who are directly affected by poor working conditions find leadership in the struggle for fairness and dignity at work.

Vulnerable Workers in Canada

More than 37 percent of workers in Canada work part-time, on contract, through temp agencies, or in self-employed situations. Many are juggling two or three jobs without employment benefits or workplace protection.

Work that used to be done in-house and that is considered “low-skilled” or labour intensive is now outsourced by companies. Employers hire people indirectly through intermediaries, such as nominal subcontractors, temporary employment agencies, and misclassify individuals as “independent contractors.” Employers explain these practices as necessary to improve flexibility in an increasingly globalized world. But workers' experiences show that outsourcing, indirect hiring, and misclassifying workers take place in sectors with distinctly local markets: restaurants, business services, construction, retail, warehousing, trucking, janitorial, home healthcare and manufacturing of goods consumed locally.

Labour laws and employment benefits are still based on a standard employment relationship developed after World War II. They do not address the new ways that employers are organizing work. Labour standards are not adequately funded and enforced, leaving many without protection in the workforce.

When workers lose their jobs, they will seek Employment Insurance program (EI) benefits. Over the last ten years, the federal government has weakened the program and made it harder to access benefits. People new to the labour force need 910 hours to qualify. This is a huge barrier for youth and newcomers. In Toronto, only one in four unemployed workers receives EI benefits. And workers who do receive EI struggle to survive on low benefit rates.



Deena Ladd

Deena Ladd is the Co-ordinator of the Workers' Action Centre. She has worked for the past 18 years to improve wages and working conditions for workers of colour, low-wage workers and immigrant workers, who are often the most marginalized and vulnerable. Before joining the Centre, Deena was an organizer with the International Ladies Garment Workers Union (now known as UNITE HERE) working with garment workers, home-based workers, and social service, retail and manufacturing workers. She has developed and taught courses, workshops and training sessions for rank and file unionized women, young workers and workers of colour for trade unions and federations. Deena serves on the advisory committees of several organizations including foundations addressing poverty and the Coalition for Change: Caregivers and Migrant Temporary Workers.

“Kalil quickly found a new job, this time driving a truck for a small company. Told he was an independent contractor making a flat rate of \$600 a week, Kalil got no benefits or overtime, vacation and public holiday pay, even though he was an employee. His work time quickly crept up to 50-55 hours a week. While his pay never went up, it did go down – pay was deducted when the truck was in the repair shop and over Christmas holiday when the plant shut down.”

– WAC. *Working on the Edge*. 2007.

In addition, more than 200,000 arrive in Canada as temporary workers each year. Temporary workers such as live-in caregivers, agricultural workers and those arriving through the “Low-Skill” Pilot are vulnerable to employment standards violations, unsafe working and housing conditions, and human rights abuses. Workers put up with these violations of their rights because they are in Canada on work permits that tie them to one employer, and don’t provide protection if they are sent back home for complaining about working conditions. Most will never have the possibility to apply for permanent residency status, despite years of work in Canada.

Policy Ideas for Fair Workplaces

1. **Improve Employment Insurance by standardizing qualifying hours and raising the amount and duration of benefits.**

Thousands of workers across Canada have lost jobs during the most recent economic recession. Workers should not be forced into further financial crisis when they lose their employment.

The hours needed to qualify for EI varies across the country, but workers should need only 360 hours to qualify in all regions of Canada. Many work part-time, contract or temporary jobs and find it hard to get enough hours to qualify for EI.

In addition, while the number of weeks that workers can receive EI benefits has increased to 50, the government should go further and ensure that when the unemployment rate goes above 6.5 percent, workers get an additional year of benefits.

Benefits should be increased to at least 60 percent of workers’ earnings. Benefits should be calculated on workers’ 12 best weeks of earnings within the previous 52 week period (not the last 26 weeks as in the existing system). When workers receive termination or severance pay, EI benefits should not be affected. The two-week waiting period should be eliminated.

Further Reading:

WAC. *Working on the Edge*. 2007.

2. **Protect Temporary Foreign Workers through increased worker protections, structural changes to the immigration program and an appeals process before deportation.**

Many Temporary Foreign Workers (TFW) are in Canada on work permits that tie them to one employer, and do not provide protection if they are sent back home for complaining about working conditions. Many TFW will never have the possibility to apply for permanent residency status, despite years of work in Canada.

Live-in Caregivers are often forced to put up with violations of their rights to meet the required 24 months they must work to be eligible to apply for permanent residence. Updating and enforcing employment standards and regulating recruitment practices are needed at the provincial level.

At the federal level, fundamental reforms to Temporary Foreign Worker programs and to Canadian immigration policy are needed to provide real protection for workers. All TFW should be granted permanent residency status upon arrival. TFW should not be tied to one employer or required to live in their employer's home, as is the case with live-in caregivers. In addition, TFW should be able to access Employment Insurance, health care, settlement services, social services and Workers Compensation benefits.

Employers can easily send workers home who speak out about violations at work. Workers need a fair appeal process to challenge repatriations, and should not face deportation until this process is in place.

Recommended Reading:

Proposed Amendments to Bill 210, An Act to protect foreign nationals employed as live-in caregivers and in other prescribed employment.
<http://www.workersactioncentre.org>

3. Update the Canadian Labour Code to create a national standard for workers and to create a federal minimum wage.

The federal government review of Canada Labour Code standards was reported three years ago by Professor Harry Arthurs in, *Fairness at Work: Federal Labour Standards for the 21st Century*. The Arthurs report recommends substantive changes to the Labour Code that include extending and improving protections for contract, agency, and other precariously-employed workers. The report also calls for improving compliance and effective enforcement of labour standards.

The government should move forward in implementing the report's recommendations. This would ensure effective access to minimum rights and standards for all workers under federal jurisdiction at least equal to the best standards at the provincial level. It would also reflect the norms established in collective agreements and international labour standards.

In addition, the federal government should reintroduce a federal minimum wage that would bring a single, full-time, full-year earner at least to the poverty line. Minimum wage should increase

annually with the cost of living. The new federal minimum wage should be applied to all federally regulated workers, and provinces should be encouraged to match the federal minimum wage.

Recommended Reading:

Harry Arthurs. (2006). *Fairness at Work: Federal Labour Standards for the 21st Century*.

WAC. Modernizing Part III of the Canada Labour Code. 2005.

www.workersactioncentre.org.

Upcoming Publication

Human trafficking is an insidious global phenomenon. It involves the movement of individuals by means of force, threats, deception, trickery, or the payment of money for the purpose of exploitation. Exploitation may involve prostitution or other forms of sexual exploitation, forced labour, practices similar to slavery, or the removal of organs.

With the support of Maytree, Professor Ben Perrin is currently writing a book, *Invisible Chains: Canada's Underground World of Human Trafficking*, to be published by Penguin Group (Canada) in October 2010.

Ben Perrin

Benjamin Perrin is currently an assistant professor in the Faculty of Law at the Liu Institute for Global Issues at the University of British Columbia. A member of the Law Society of Upper Canada, Professor Perrin served as a law clerk to the Hon. Madam Justice Marie Deschamps of the Supreme Court of Canada, and was senior policy advisor to the Minister of Citizenship and Immigration. Professor Perrin is also the founder of The Future Group, and he served as Executive Director of this non-governmental organization that combats human trafficking from 2000-2006, including leading its inaugural project in Cambodia. He has been recognized as a “Hero in the Fight Against Modern-Day Slavery” by the U.S. Department of State.

DIASPORA DIALOGUES CHARITABLE SOCIETY

WWW.DIASPORADIALOGUES.COM

Diaspora Dialogues supports the creation and presentation of new fiction, poetry and drama that reflect the complexity of Toronto back to residents through the eyes of its richly diverse writers. Since its 2005 launch, Diaspora Dialogues has engaged over 400 emerging and well-established culturally diverse and Aboriginal writers and artists from literature, spoken word poetry and theatre in commissioned new work, a robust mentoring program, a popular multi-disciplinary performance series and artist-run workshops for youth in priority neighbourhoods. They also provide professional development seminars and networking events for writers and artists. In addition to creating collaborative opportunities for writers and artists to connect with each other and new audiences across cultural and disciplinary backgrounds, Diaspora Dialogues works to increase interest in the arts from all of Toronto's communities by devoting significant effort to audience development.

Diversity in the Arts Makes for a Sophisticated and Cosmopolitan Cultural Scene that is Marketable Both Domestically and Internationally

Innovative strategies are needed to encourage a healthy arts sector that redefines the mainstream to be culturally diverse at every level. Canada is a prosperous country with a long history of immigration and diversity. In Canada, our cultural expression is a rich tapestry woven from a tremendous variety of backgrounds, and the cultural and artistic products that we produce and distribute, domestically and abroad, should be fully reflective of our citizenry. It is important for the economic stability of the arts, that the sector maintains and grows audiences of established and newcomer Canadians. It also serves an important purpose for belonging and civic engagement. As the Toronto Community Foundation's recent Vital Signs reported, only 61.6 percent of 34-44 year olds in the GTA felt a sense of belonging, with Canadian-born minorities reporting much lower levels of belonging.

Policies must be put in place that support culturally diverse artists, arts producers and arts administrators, and establish robust professional development and mentoring programs to train the next generation.



Helen Walsh

Helen Walsh is President of Diaspora Dialogues, co-founding the organization with Maytree in 2005. She has 20 years of experience as a writer, editor, publisher and producer in publishing, film, new media and, more recently, theatre. Helen is also co-publisher of the Literary Review of Canada, Canada's award-winning national monthly magazine of ideas. She is a past President of the Couchiching Institute on Public Affairs.

Policy Ideas for Diversifying the Arts

1. Integrate “diversity” into mainstream programming, audience development and funding criteria.

Arts councils have made important strides in recent years by identifying cultural diversity and youth engagement in the arts as priority areas, which allow for more flexible funding formulas. Incentives and funding criteria must require arts presenters to further integrate diversity into their mainstage and primary programming slates rather than as secondary activities.

It is also important to undertake sustained audience development across the broader arts sector to encourage greater inroads into ethno-cultural communities. This is often undertaken for one production (stage or film), or one book title, but not pursued interculturally and on an on-going basis. If arts organizations had infrastructure support to pool resources (e.g., mailing lists, databases, production of marketing materials, advertising, labour), it would both leverage the resources spent as well as increase the chances of sustained diversification of arts audiences.

2. Increase translation funds through the Canada Council or provincial arts council to immigrants.

The federal government doubled the budget for the National Translation Program for Book Publishing (NTPBP), a Canada Council-administered Canadian Heritage program designed to increase the availability of Canadian-authored titles in both official languages. This is a very welcome move. However, opportunity to access translation funds for publication of work by third-language immigrant writers is not robust.

Writers who are immigrants to Canada and whose first language is neither English nor French face increased barriers to creating and publishing in this country. Most publishers will not publish books in a third language, nor is it economically feasible for publishers to pay for translation costs for domestic market purposes. A return on investment is unlikely at best.

At the same time, it is often very difficult for writers to write creatively in a language that is not their native tongue, even for those whose verbal language skills in English or French are quite advanced.

Translation funds for a wide variety of languages will allow third-language writers who are immigrants to Canada to begin to build an audience for their work.

3. Support language learning for artists.

The market reality is such that writers who write in English and French will continue to be at an advantage to getting their work published in Canada. Training programs, funded through the arts councils and/or government departments, and administered by writers' service organizations, should be established which will help these writers access mentors and editors who can help them build their skills in a new language, and thus more fully leverage the potential audience they are growing.

4. Government departments and agencies should set targets for the recruitment of arts professionals from culturally diverse and Aboriginal communities.

Culturally diverse and Aboriginal artists need to see themselves represented on our stages and pages, but just as importantly in positions of administrative power, able to create and implement constructive policies.

Governmental departments and quasi-governmental agencies should enact human resource policies which identify and track changes in the diversity of their staff. As a result, they will be able to set short- and medium-term targets for the recruitment, training and retaining of skilled arts professionals from culturally diverse and Aboriginal communities. This could be an important part of succession planning for the sector, which like many other sectors is expecting large numbers of baby boomers to retire within the next ten years.

5. Establish posts at Canadian embassies to promote cultural diplomacy, develop markets, and highlight Canadian cultural achievements.

Canadian book publishers have increased their exports significantly over the last decade. According to the latest statistics, Canadian-owned publishers generated more than \$287 million yearly in exports and foreign-rights sales. Those receiving Book Publishing Industry Development Program International – Marketing Assistance now sell in over 90 foreign markets, compared to 41 markets in 1993. This includes major markets (the US, UK, France and Australia), as well as emerging markets (India, China and Eastern Europe).

If this trend continues as expected, writers with “international” appeal will be more valuable than ever. Developing Canadian writers from culturally diverse and often international backgrounds is a great asset. An ability to establish linkages between these authors and the international community is critical to fully leveraging this potential.

Support for the export of the cultural sector was diminished by Canadian Heritage's decision not to renew the ProMart and Trading Routes programs, and reduced efforts by the Department of Foreign Affairs and International Trade in the area of cultural diplomacy.

The federal government, through Canadian Heritage, should promote cultural diplomacy, support the growth of international markets for Canadian artists and cultural products, and encourage the celebration of Canadian cultural achievements on the world stage by creating cultural posts within Canadian embassies and high commissions.



Canada's immigration and refugee policies work in the national interest when they are committed to attracting our future citizens, not when they aim solely to fill short-term labour market gaps. We must provide immigrants and refugees with the tools they need to succeed.

IMMIGRATION POLICY AT MAYTREE

WWW.MAYTREE.COM/POLICY

Maytree develops, tests and implements programs and policy solutions related to immigration, integration and diversity in the workplace, in the boardroom and in public office. Maytree undertakes research and policy analysis to support this work and to ensure that findings from these programs are communicated and translated into good public policy.

Immigration Is Essential to Canada's Future

Canada needs immigrants. A vibrant immigration program is essential to maintain or grow the population base, achieve labour market growth and contribute to innovation. Projections show that net immigration may become the only source of population growth by about 2030 and could account for virtually all net labour force growth by 2011.

Traditionally, the majority of immigrants arrived through the skilled worker class which evaluates the principal applicant on a point system and gives high marks to those with good language skills, high levels of education and work experience. Research suggests that this group of immigrants brings the skills needed for adapting to Canada's evolving economy and fares best economically, because both parties (Canada and immigrants) make a long-term commitment to each other. They arrive as permanent residents and after three years can apply for Canadian citizenship. As permanent residents, and later citizens, these individuals are the cornerstone of our nation building strategy: They work, volunteer and contribute to Canada in many ways. They put down roots, have children and become a long-term feature of the Canadian cultural, social and economic landscape.

However, there are four trends that are shifting our immigration program away from its focus on long-term economic needs and nation-building to one that focuses solely on short-term labour market needs.

Restrictions to the Federal Skilled Worker Class: Fewer immigrants are eligible for the Federal Skilled Worker Class because of the Occupation List which was created by Ministerial Instructions in 2009. Immigrants whose occupations are not on the list, or do not have a pre-approved job offer, are no longer able to immigrate through this Class. This assumes that Canada is able to accurately predict labour market trends, something which we have never been able to do successfully. In the meantime, however, potential skilled



Naomi Alboim

Naomi Alboim is a Senior Fellow at Maytree and adjunct professor and chair of the Policy Forum at the School of Policy Studies at Queen's University. She is also an active public policy consultant, advising governments and NGO's across Canada and abroad. As a Maytree Fellow, Naomi works on issues pertaining to the integration of skilled immigrants into the Canadian labour market including writing policy papers on the issue. Naomi is on the board of the Toronto Region Immigrant Employment Council and is the chair of its Intergovernmental Relations Committee. Naomi worked at senior levels in the federal and Ontario provincial governments for 25 years, including eight years as deputy minister in three different portfolios, including the Ontario Ministry of Citizenship. She is a member of the Order of Ontario and a recipient of the Queen's Jubilee Gold Medal.

workers are not able to apply, barring us from a significant potential supply of skilled workers.

Expansion of Provincial Nominee Programs: There has been a rapid increase in the numbers of immigrants recruited through Provincial Nominee Programs which allow provinces to select immigrants based on regional needs.

Growth of the Temporary Foreign Worker Program: The Temporary Foreign Worker Program is growing exponentially, particularly the “Low Skill” Pilot Project which recruits foreign workers for jobs requiring only high school education or on-the-job training. Temporary foreign workers are vulnerable to exploitation and abuse and do not have access to the same supports and services as permanent residents.

Creation of the Canadian Experience Class: This program provides an avenue for permanent residence for qualifying international students and highly skilled temporary workers. While this program welcomes an excellent pool of immigrants, it could squeeze out the skilled worker class.

Policy Ideas to Reform Immigration

- 1. The best short- and long-term strategy to meet our labour market needs is through the Federal Skilled Worker Class. This should be a priority for investment and improvement.**

The Federal Skilled Worker Program should be treated as the cornerstone of economic immigration to Canada and the Occupation List should be immediately discontinued. Skilled worker applicants should comprise the largest proportion of economic immigrants and receive priority processing. More resources should be devoted to eliminating the backlog and processing new applications quickly.

To strengthen the program, the federal government should also give more points for younger applicants, family connections and tradespersons, and develop language tests for those arriving from non-English or non-French speaking countries.

In addition, the federal government should create a searchable database of the résumés of skilled worker applicants and facilitate overseas recruitment sessions for these applicants. Employers would be required to search the database before being considered for approval to recruit temporary foreign workers.

2. Eliminate the “Low Skill Pilot Project” for temporary foreign workers.

Temporary foreign workers who are recruited to fill jobs which require only on-the-job training or high school education are vulnerable to exploitation and abuse. We risk developing Canada’s own version of the failed European guest workers’ program which led to a large undocumented population. Unlike the Live-In Caregiver Program which has a built-in transition to permanent residence, and the Seasonal Agricultural Workers Program which is tightly controlled, the “Low Skill” Pilot has enough loopholes to make it highly vulnerable to abuse. It will also lead to a growing undocumented community as it is likely that these temporary foreign workers will not leave on the expiration of their work permits. Undocumented persons live on the margins of society, face increased risks of exploitation, and are unable to fully participate in Canadian social and political life.

To fill low-skilled jobs, Citizenship and Immigration Canada should increase family class and refugee admissions. As permanent residents, they have rights and access to services. Increasing points in the Federal Skilled Worker Program for occupations that are in demand, the trades, and validated job offers will also broaden the pool of workers.

3. Expand immigrant services to include new citizens, temporary workers, international students and refugee claimants.

Settlement services are essential to facilitate full integration into Canadian society. In fact, research suggests that those who are provided with services experience better employment outcomes. Temporary workers, international students and refugee claimants do not qualify for federally-funded settlement services until they are approved in principle for permanent residence. This delay can hinder their ability to integrate successfully. On the other hand, new citizens are not eligible for federal services even though it takes only three years to be eligible for Canadian citizenship. Language training and other settlement services are often still required after that period of time.

Further Reading:

Naomi Alboim and Maytree. (2009). *Adjusting the Balance*, July.

www.maytree.com/policy.

TORONTO REGION IMMIGRANT EMPLOYMENT COUNCIL (TRIEC)

WWW.TRIEC.CA

The Toronto Region Immigrant Employment Council (TRIEC) accelerates the employment of immigrants, relevant to their training and experience, in order to strengthen the local economy. TRIEC brings together employers, regulatory bodies, educators, labour, community groups, government and immigrants to strategize and lead this process. It connects employers to programs that can help them hire better; it educates the public through media and events; and it brings together partners in new and unique ways.

Engaging Local Employers on Immigration Issues

Immigration continues to play a vital role in contributing to labour market growth, productivity and economic competitiveness in Canada. However, the extent to which the skills and experience of immigrants can be effectively leveraged to realize this role remains challenged by our ability to recognize and integrate skilled immigrants into local economies. Employers have an essential role to play.

Some employers do not understand the work experience of immigrant applicants, are not familiar with their credentials, or are concerned that immigrants do not have good communication skills. This leads to widespread non-recognition of immigrant qualifications by employers.

Only four out of ten immigrants find appropriate employment, some independently and some through labour market programs. Roughly six out of ten skilled immigrants experience downwardly mobility and underemployment. Some programs, initiatives and practices have met with success, and future initiatives should build on these successes. All of the following ideas could be led by the Foreign Credential Recognition Office, Citizenship and Immigration Canada, in consultation and cooperation with the provinces.



Elizabeth McIsaac

Elizabeth McIsaac is the Executive Director of TRIEC. She has worked with TRIEC since it was launched in 2003 as a project of Maytree. She has also held various positions at Maytree, most recently as the director of policy. Before joining the Foundation, Elizabeth was the executive director of the Association of International Physicians and Surgeons of Ontario, a non-governmental organization advocating for policy changes that would create better access to licensing for immigrant doctors. Previous to this she worked in direct service with immigrant and refugee communities, as well as holding various roles in research and teaching.

Policy Ideas for Skilled Immigrants and Local Economies

1. Implement national internship programs that provide work experience opportunities for skilled immigrants.

Internships, or work experience programs more generally, are successful employment support interventions because they involve employers directly. On average, more than 80 percent of participants find full-time work in their field upon completion of the program – a highly successful outcome, both for the individual and the economy.

The demand for internships far exceeds the number of participating employers and positions. In many cases, there are employers and communities across the country that would welcome an internship program, but lack the capacity required to establish one or to take a program to scale. New immigrants are not eligible for Employment Insurance programming, and as a result they cannot access the vast majority of work experience programs offered across the country.

A national internship program for skilled immigrants who do not have previous labour market attachment should leverage the participation of employers across the country through a variety of instruments, including paid internships, as well as wage subsidies and tax credits. These incentives may be needed to encourage the participation of small- and medium-sized businesses.

2. Implement national programs that provide mentoring opportunities for skilled immigrants.

Mentoring programs connect skilled immigrants with a colleague or mentor who is established in their occupation or profession. Almost 80 percent of surveyed participants in The Mentoring Partnership (a program of TRIEC) have found work in their field.

Mentoring programs offered by community agencies face challenges in accessing high quality mentors, lack marketing resources, experience inconsistent program standards, and lack coordination among the many agencies offering similar programs. In addition, they lack funding even though mentoring programs demonstrate significant cost efficiency. A national mentoring program would support communities through the development of tools and coaching for consistent standards in program delivery, allow for enhanced program coordination, increase employer participation, and provide reliable and sustained funding.

3. Dedicate funds to the development of occupation-specific training opportunities across Canada.

Bridging programs are training programs which fill any gaps in knowledge or skills, and integrate immigrant professionals more quickly into the labour market, avoiding duplication of their education and training. Most bridging programs have been funded by provincial ministries with responsibilities for training, education and/or immigration, and while the outcomes of bridging programs have been promising, their development and growth has varied significantly across the country. Some bridging programs do not qualify for the same financial resources for training or academic upgrading as other post-secondary degree or diploma programs. The federal government should create a sustainable investment stream for the development and coordination of bridge training programs across provinces and territories.

4. Create a national strategy for employers so that they are better able to recruit, retain, and promote skilled immigrants in their workplaces.

A national strategy to develop awareness among employers, create and disseminate tools that support employers in working with immigrants, and connect employers to programs and supports is required. This strategy should focus on:

- increasing employer awareness of the value of immigrant skills and immigration to the economy;
- convening sector councils, other sector-specific employer associations and regulatory bodies to participate in the development, recognition and promotion of sector-specific language and occupational competency assessment tools;
- identifying the incentives that would encourage employers, particularly small and medium-sized employers, to participate in work experience programs; and
- creating a single point of entry for employers to find resources, supports and incentives, in order to reduce the red tape and complexity, particularly for small and medium-sized employers.

REFUGEE FORUM

WWW.REFUGEEFORUM.CA

The Refugee Forum is located at the Human Rights Research and Education Centre, University of Ottawa and enjoys a broad mandate to research Canada's asylum system, inform Canadians about refugee issues and propose improvements to Canada's asylum system. The Forum is undertaking research on the Refugee Appeal Division, judicial review of refugee claims, appointments to the Immigration and Refugee Board, legal representation for refugee claimants and the asylum systems of other countries.

Refugees around the World

Canada has two separate refugee programs, the Overseas Sponsorship Program and the Inland Refugee Program.

The Overseas Sponsorship Program selects refugees overseas, principally from refugee camps, and brings them to Canada where they are granted permanent residence upon arrival. The Canadian program is unique in that it enables both government and private sponsors to identify individual refugees or refugee families for resettlement in Canada. In total, 10,800 refugees were brought to Canada in 2008 – and private sponsorship accounted for about one-third of this number.

The Canadian government charges refugees for the cost of medical examinations and transport expenses and, as a result, many refugees arriving from camps are burdened with loans of up to \$10,000 plus interest while struggling to earn a living and adapting to Canadian life.

For years, private sponsors have complained about unnecessary administrative delays in processing cases. Immigration officials in turn find it difficult to approve the refugees named by the sponsors. The Inland program assesses the refugee status of anyone who seeks refugee protection within Canada or at a Canadian port-of-entry. Most observers agree that the Inland asylum system is in trouble and needs reform. Canada's refugee claim system is too slow – for negative decisions it can take up to eight years to finalize a claim. Thousands of refused claimants remain in limbo for years, waiting for redress from their refused claim or for removal from Canada. The delays hurt legitimate refugees and can attract frivolous claims. In 2008, 7,000 refugees became permanent residents through this program – down from 10,000 in 2007.



Peter Showler

Peter Showler is the Director of the Refugee Forum and the former chairperson of the Immigration and Refugee Board of Canada. He teaches Immigration and Refugee Law at the University of Ottawa Law School. He is also the author of *Refugee Sandwich: Stories of Exile and Asylum*, a work of both fiction and non-fiction that offers direct and intimate insights into the refugee claim process in Canada. Peter is the former Gordon Henderson Chair in Human Rights and is currently a Senior Associate of the Human Rights Research and Education Centre.

There are approximately 14 million refugees in the world today. The majority flee countries with oppressive regimes or fractured by war or internal conflicts. Ninety percent of the world's refugees are located in the Global South – countries which are least able to afford to offer protection to massive numbers of refugees.

Policy Ideas to Reform the Refugee System

1. Increase the number of refugees recruited overseas from 10,000 to 15,000 focusing on protracted refugee situations.

More than 8.5 million people live in refugee camps around the world, principally in the Global South. The largest camps hold more than 150,000 refugees and are managed by the United Nations High Commission for Refugees (UNHCR). The conditions in camps vary widely although many camps suffer from inadequate food rations, shelter, medical services, education, security, and employment opportunities. Refugees say that the most crippling aspects of camp life are the lack of opportunity, the lack of freedom, the lack of hope. More than 60 percent of camp refugees remain for more than ten years.

This is an international problem requiring international solutions. But Canada can dramatically increase resources and its commitment to the overseas program, focusing its efforts on protracted refugee situations. Canada has already initiated a policy to bring more refugees through group sponsorships from protracted refugee situations such as the Bhutanese and Karen refugees from Nepal and Thailand, respectively.

In 2010 the federal government should increase the number of refugees it welcomes through its Overseas Sponsorship Program from 10,000 to 15,000 while making greater use of group resettlement programs.

2. Appoint Immigration and Refugee Board members purely on merit.

The Immigration and Refugee Board (IRB) is an independent tribunal that reports to parliament through the Minister of Citizenship, Immigration and Multiculturalism. In the Inland Refugee Program, a member of the IRB decides whether a claimant who arrives in Canada is a refugee after a hearing where the claimant has the right to be represented by legal counsel. If the individual is accepted as a refugee, he or she can apply for permanent residence. Approximately 45 percent of claimants are accepted as refugees.

The effectiveness and reliability of the refugee claim system in the Inland Refugee Program is dependent on the competence and expertise of IRB members, particularly since each refugee claim is decided by a single member. IRB members are appointed and re-appointed by the federal cabinet. Although there is some initial merit assessment of candidates, the process is ultimately a political and secretive one that does not yield the best candidates available and does not appoint them in a timely manner. A purely merit based appointment and re-appointment of IRB members would greatly improve the quality and speed of refugee claim decisions

and would assure a more timely and effective response to variable claim flows.

Further Reading:

Showler, Peter. (2009). *Fast Fair and Final*. Toronto: Maytree, September. www.maytree.com/policy.

3. Add an appeal to reduce the need for judicial review.

A single IRB member decides whether or not a claimant is a refugee. If the IRB member rejects the claim for refugee status, there is no appeal available to the claimant. An appeal was included in the Immigration and Refugee Protection Act, 2001, but the Refugee Appeal Division has never been implemented.

In lieu of an appeal, the refused claimant has the right to apply to the Federal Court for leave for judicial review. Only 13 percent of leave applications are approved for judicial review after a cursory review of the application. No reasons are given where leave is denied. If leave is granted, the court will review the IRB decision. However, judicial review is limited to errors of law or egregious errors of fact. The court has no authority to grant refugee status, it can only return the claim to the IRB for a second hearing.

An appeal to the Refugee Appeal Division, a separate division of the IRB, will ensure that inevitable errors of fact and law by single-member decision makers will be quickly identified and corrected on a prompt and economical basis. The work load of the Federal Court will be reduced to only address major issues of law.

Further Reading:

Showler, Peter. (2009). *Fast Fair and Final*. Toronto: Maytree, September. www.maytree.com/policy.

4. Abolish the processing fees for refugees.

After being determined refugees by the IRB through the Inland Refugee Program, refugees have 180 days to submit their application for permanent residence. There is a processing fee of \$550 for the principal applicant and \$150 for family members under the age of 22. This is a significant financial barrier for refugees who arrive with few resources.

Some protected persons simply cannot raise the funds before the deadline. In such cases, they are still protected persons and cannot be removed from Canada, but they continue to be treated as a person temporarily in Canada. As such, they are not able to bring their family to Canada. Protected persons can renew their work permits and their SIN cards, but most employers who see that a person has a SIN card valid for one year (beginning with the number 9) and a temporary work permit are dissuaded from investing in such an employee.

In recent years, Canadian courts have not been generous with the legal definition of refugee when the issue has been the capacity of the state to protect victims of crime and serious discrimination. However, Canadian courts have given a liberal interpretation with regards to victims of domestic violence and female genital mutilation, homophobia, and victims of civil wars.

The basis for the Canadian definition is the 1951 United Nations Convention relating to the Status of Refugees which defines a refugee as someone who has a well-founded fear of persecution due to his or her race, religion, nationality, political opinion or particular social group. Since 2001, Canadian law was amended to extend the definition to include persons in need of protection – that is persons who are at risk to their life, torture or cruel and unusual treatment or punishment.

If protected persons are eventually able to acquire the funds for the processing fee, they may apply for landing on “humanitarian and compassionate” grounds. However, the processing times for applying through this stream takes years – a further delay to their full integration into Canadian society.

Only about \$9 million was collected from “Immigration cost-recovery fees for refugees” in 2007-2008. This represents less than two percent of fees collected by Citizenship and Immigration and less than 0.7 percent of the department’s overall budget.

Eliminating the processing fee would entail a straightforward regulatory amendment to the Immigration and Refugee Protection Act.

Further Reading:

Maytree. (2007). *Processing Fees for Refugees*. www.maytree.com/policy.

MAYTREE INITIATIVES

Integration Programs

Maytree invests in piloting, capturing and disseminating successful local integration practices that facilitate the settlement of immigrants and refugees. Programs include:

- ALLIES (Assisting Local Leaders with Immigrant Employment Strategies), a program that provides funding, technical expertise and networks to Canadian cities so that they can adapt and implement local ideas to integrate skilled immigrants into the workforce;
- Cities of Migration, a program that promotes excellence and innovation in integration practices by identifying successful local examples from cities around the world; and
- Extending Municipal Voting Rights, a project to accelerate successful settlement by extending municipal voting rights to non-citizen residents.

Leadership Training and Networking Events

We convene a network of more than 1,800 Maytree leaders, develop their leadership skills and provide networking opportunities to connect them with new ideas and inspiration. Events include Five Good Ideas, policy training and the annual Leadership Conference.

Grants and Scholarships

We provide grants and scholarships to individuals and organizations that help us achieve our mission.

DiverseCity: The Greater Toronto Leadership Project

A partnership between Maytree and the Toronto City Summit Alliance, DiverseCity will be changing the face of our region's leadership. With its eight initiatives, it is expanding networks, strengthening private and public institutions, advancing knowledge on the role of diversity in leadership and tracking progress. For more information, visit www.diversecitytoronto.ca.



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For Leaders. For Change.